



ENSTAR GROUP LIMITED

**Consolidated Financial Statements and
Management's Discussion and Analysis of Financial Condition and Results of Operations
As of December 31, 2025 and for the Period from July 3 to December 31, 2025 (Successor)
For the Period from January 1 to July 2, 2025 and as of and for the Years Ended December 31, 2024 and
2023 (Predecessor)**

Enstar Group Limited

2025 Annual Report and Consolidated Financial Statements

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This annual report contains statements that constitute "forward-looking statements" with respect to our financial condition, results of operations, business strategies, operating efficiencies, competitive positions, growth opportunities, plans and objectives of our management, as well as the markets for our securities and the insurance and reinsurance sectors in general.

Statements that include words such as "estimate," "project," "plan," "intend," "expect," "anticipate," "believe," "would," "should," "could," "seek," "may" and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the federal securities laws or otherwise.

All forward-looking statements are necessarily estimates or expectations, and not statements of historical fact, reflecting the best judgment of our management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements.

These forward-looking statements should, therefore, be considered in light of various important factors, which could cause actual results to differ materially from those suggested by the forward-looking statements. These risk factors include:

- potential adverse reactions or changes to our business relationships following the July 2025 completion of our merger with Elk Bidco Limited, which was backed by investment vehicles managed or advised by affiliates of Sixth Street (the "Merger");
- our reduced liquidity due to the significant distributions that we made to our former ordinary shareholders in connection with the Merger and the additional distributions that we have made and expect to make to fund obligations under the debt and preferred equity financing incurred in connection with the completion of the Merger;
- risks relating to our acquisitions, including our pending acquisition of Accident Fund Holdings, Inc., such as our ability to evaluate opportunities, successfully price acquisitions, address operational challenges, support our planned growth and assimilate acquired portfolios and companies into our internal control system in order to maintain effective internal controls, provide reliable financial reports and prevent fraud;
- risks relating to our ability to obtain regulatory approvals, including the timing, terms and conditions of any such approvals, and to satisfy other closing conditions in connection with our acquisition agreements, which could affect our ability to complete acquisitions;
- the adequacy of our loss reserves and the need to adjust such reserves as claims develop over time, including due to the impact of emerging claim and coverage issues and disputes that could impact reserve adequacy;
- unpredictability and severity of catastrophic events, including but not limited to acts of terrorism, outbreaks of war or hostilities or global pandemics, as well as management's response to any of the aforementioned factors;
- changes in tax laws or regulations applicable to us or our subsidiaries, including the Bermuda Corporate Income Tax and the Organization for Economic Cooperation and Development Pillar Two, or the risk that we or one of our non-U.S. subsidiaries become subject to significant, or significantly increased, income taxes in the U.S. or elsewhere;
- risks relating to the variability of statutory capital requirements and the risk that we may require additional capital in the future, which may not be available or may be available only on unfavorable terms;
- the risk that our reinsurance subsidiaries may not be able to provide the required collateral to ceding companies pursuant to their reinsurance contracts, including through the use of letters of credit;
- risks relating to the availability and collectability of our ceded reinsurance, including the collectability of reinsurance associated with insurance fronting arrangements we have entered into and may enter into in the future;
- the ability of our subsidiaries to distribute funds to us and the resulting impact on our liquidity;
- losses due to foreign currency exchange rate fluctuations;
- the risk that the value of our investment portfolios and the investment income that we receive from these portfolios may decline materially as a result of market fluctuations and economic conditions, including those related to interest rates, credit spreads and equity prices (including the risk that we may realize losses related to

declines in the value of our investment portfolios if we elect to, or are required to, sell investments with unrealized losses);

- risks relating to our ability to structure our investments in a manner that recognizes our liquidity needs;
- risks relating to our strategic investments in alternative asset classes and joint ventures, which are illiquid and may be volatile;
- risks relating to our ability to accurately value our investments, which require methodologies, estimates and assumptions that can be highly subjective, and the inaccuracy of which could adversely affect our financial condition;
- risks relating to our liquidity demands and the structure of our investment portfolios, which may adversely affect the performance of our investment portfolio and financial results;
- risks relating to climate change and its potential impact on the returns from our run-off business and our investments;
- risks relating to the complex regulatory environment in which we operate, including that ongoing or future industry regulatory developments will disrupt our business, affect the ability of our subsidiaries to operate in the ordinary course or to make distributions to us, or mandate changes in industry practices in ways that increase our costs, decrease our revenues or require us to alter aspects of the way we do business;
- risks relating to laws and regulations regarding sanctions and foreign corrupt practices, the violation of which could adversely affect our financial condition and results of operations;
- loss of key personnel;
- the risk that some of our directors and other affiliates have interests that can create conflicts of interest through related party transactions;
- the risk that outsourced providers could breach their obligations to us, which could adversely affect our business and results of operations; and
- operational risks, including cybersecurity events, external hazards, human failures or other difficulties with our information technology systems that could disrupt our business or result in the loss of critical and confidential information, increasing costs.

The factors listed above should not be construed as exhaustive. We undertake no obligation to update or review any forward-looking statement, whether to reflect any change in our expectations with regard thereto, or as a result of new information, future developments or otherwise, except as required by law.

BUSINESS

Our Business

Enstar is a leading global (re)insurance group that offers innovative capital release solutions through our network of group companies operating in six countries. We seek to create value by managing (re)insurance companies and portfolios of (re)insurance and other liability business in run-off and striving to generate an attractive risk-adjusted return from our investment portfolio. In this report, the terms "Enstar," the "Company," "us," and "we" are used interchangeably to describe Enstar and our subsidiary companies.

We acquire run-off and other (re)insurance reserves using retroactive reinsurance and other bespoke contracts where we are paid consideration to reinsure, up to a specified limit, underlying policies issued by other insurers who have written these risks in prior accident years. We strive to set an appropriate price and manage the liabilities professionally and efficiently to achieve the best outcomes for our policyholders and shareholders.

On closing a retroactive reinsurance transaction, the consideration we receive is not recognized as income, nor are the liabilities we acquire recognized as net incurred losses. These items are recorded to the balance sheet with any subsequent changes to the value of ultimate losses and liabilities recorded in the consolidated statements of operations.

As a result, the traditional (re)insurance underwriting ratios (loss ratios and combined ratios) are not relevant to us. Net earned premiums are not a significant source of revenue and current period net incurred losses and LAE from those premiums are not significant.

In addition, any difference between consideration received and loss reserves recorded to the balance sheet upon initial recognition of a transaction, is recorded as a deferred charge asset ("DCA") or deferred gain liability ("DGL") which is subsequently amortized.¹

A run-off portfolio is a group of insurance policies grouped by accident year, line of business and jurisdiction that an insurer that initially underwrote the risks seeks to exit or put into run-off. The facts and circumstances underlying an insurer's or company's (seller's) decision to exit or put a portfolio into run-off or seek adverse development cover ("ADC") contracts varies. Usually, the portfolios of risks have become inconsistent with the seller's core competencies, provide unwanted exposure to a particular risk or segment of the market and/or absorb capital that the seller may wish to deploy elsewhere. These portfolios of risks are often associated with potentially large exposures and lengthy time periods before resolution of the last remaining insured claims, resulting in uncertainty to the (re)insurer covering those risks. In other circumstances, a cedant may be pursuing a solution in advance of a merger and acquisition ("M&A") transaction or an initial public offering, or may be seeking to exit less mature business, sometimes including the current accident year. We have also acquired legacy manufacturing companies with direct exposure to asbestos and environmental liabilities ("defendant A&E liabilities").

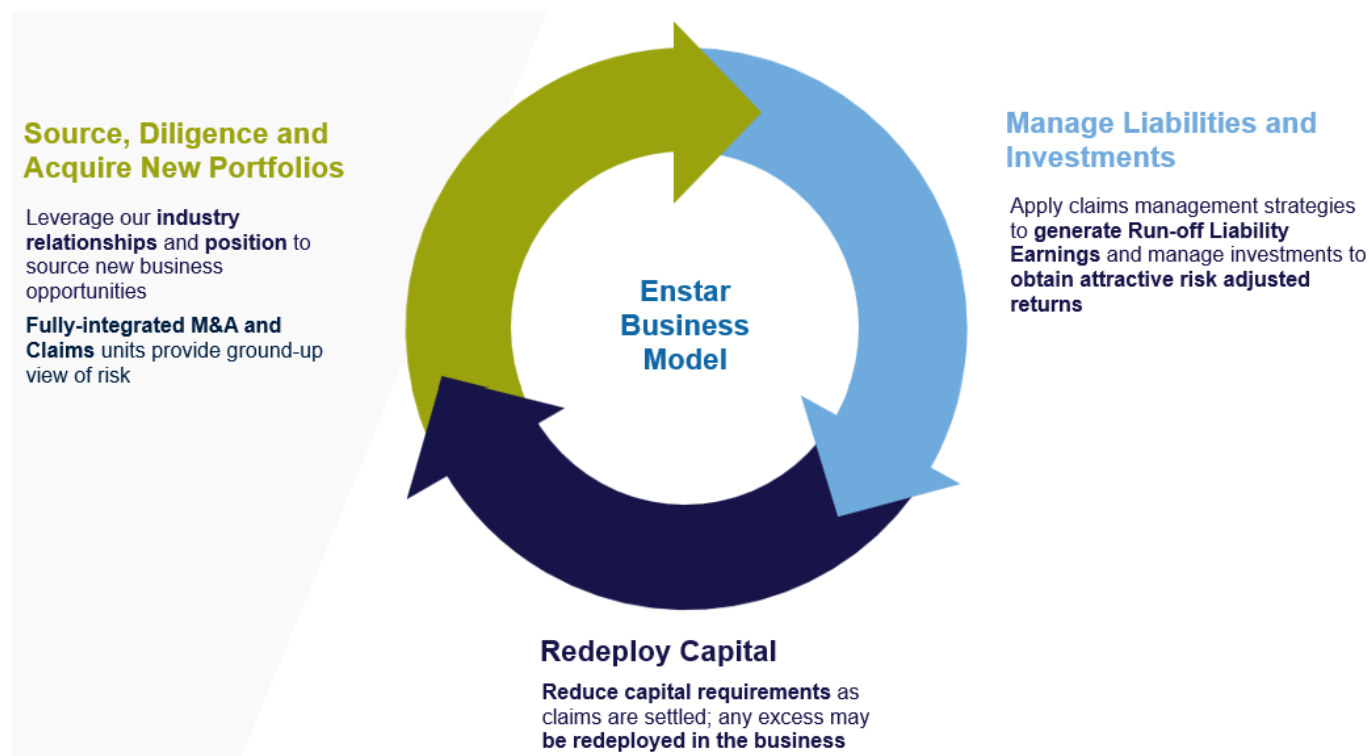
We establish our best estimate of the liabilities we assume based upon actuarial analyses of the claims data provided to us by the counterparties, our review of claims files and reinsurance assets, our analysis of claim trends and other data supplied as part of our due diligence. Accordingly, at the time we enter the arrangements, we do not reflect the potential impact of our claims management strategies as we have no assurance that our efforts will be successful nor how any development may emerge. Similarly, we do not recognize reductions for any potential settlements or commutations that we have not executed as we do not solely control any such outcome. The settlement of the liabilities may take many years to complete depending on the underlying risk profile of the business.

By investing the consideration received from our (re)insurance solutions, we generate investment returns that we use to settle the liabilities acquired, fund future transactions, meet our financing and operating obligations and return value to shareholders.

During 2024 and 2025, we expanded our run-off portfolio in two ways. The first way related to our reinsurance of certain property catastrophe risks written by third-party capital platforms which are funded by Insurance Linked

¹ This is further described in Note 9 to our consolidated financial statements.

Securities (“ILS”). Second, in situations where our clients are third-party capital providers and desire finality on a collateralized reinsurance contract written via a sidecar or other fully collateralized vehicle, we offer a Forward Exit Option (“FEO”) solution whereby investors in such vehicles have the option to transfer the reserve risk associated with their investment to us.



Competition

We compete in the global insurance market with domestic and international reinsurance companies to acquire and manage (re)insurance companies and portfolios of (re)insurance business in run-off. We compete with different companies depending upon the size of the loss portfolios being contemplated and the location of the insurer or insurance risks.

The legacy market has seen several new entrants in the last decade, largely driven by the investment of significant alternative capital. This has led to increased competition in the overall market and increased pressure on deal pricing. The acquisition and management of companies and portfolios in run-off continues to be competitive and is driven by several factors, including proposed acquisition prices, operational reputation and financial resources, including new capital and alternative forms of capital entering the markets. According to global run-off deal data published by PwC, 17 different acquirers announced run-off transactions in 2025 versus 13 in 2024.

We have a positive outlook on the future as we continue to see high levels of legacy market activity, with opportunities being brought to us either directly by counterparties or brokers. We have established long-term and continuing business relationships throughout the (re)insurance industry, which can be a significant competitive advantage for us. Additionally, we believe that we are price competitive and have a well-established reputation with respect to our distinctive ability to complete and manage transactions.

Our Organization

Major Operating Subsidiaries

Our (re)insurance business is regulated and requires licenses to operate in each relevant jurisdiction. Our major operating insurance subsidiaries and their regulatory domiciles are listed below:

Regulated Company	Jurisdiction	% of Net Liability for Losses and LAE as of December 31, 2025
Clarendon National Insurance Company Yosemite Insurance Company	United States	6%
Cavello Bay Reinsurance Limited SGL No.1 Limited	Bermuda	76%
Mercantile Indemnity Company Limited River Thames Insurance Company Limited	United Kingdom	12%
Gordian Runoff Limited StarStone Insurance SE	Other	6%
Total		100%

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Unless the context indicates otherwise, the terms "Enstar," "we," "us" or "our" mean Enstar Group Limited and its consolidated subsidiaries.

The following discussion and analysis of our financial condition as of December 31, 2025 and our results of operations for the period from July 3 to December 31, 2025 (Successor), for the period from January 1 to July 2, 2025 (Predecessor) and the year ended December 31, 2024 (Predecessor) should be read in conjunction with our consolidated financial statements and notes included elsewhere in this annual report and the audited annual consolidated financial statements and notes included in our 2024 Form 10-K.

Some of the information contained in this discussion and analysis or included elsewhere in this annual report, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and the timing of events could differ materially from those anticipated by these forward-looking statements as a result of many factors, including those discussed under "Cautionary Statement Regarding Forward-Looking Statements" and elsewhere in this annual report.

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Operational Highlights

Our consolidated results for the predecessor and successor periods in 2025 reflect our continued progress on providing capital release solutions to our clients by acquiring and managing their run-off portfolios.

Merger Agreement

On July 29, 2024, we entered into the agreement and plan of merger (“Merger Agreement”) with Elk Bidco Limited (the “Parent”), under which all of Enstar’s issued and outstanding ordinary shares, par value \$1.00 per share, were converted into the right to receive \$338 in cash per ordinary share upon closing. Pursuant to the Merger Agreement, there were a series of mergers consummated on July 2, 2025 (collectively, the “Merger”), which resulted in the Company surviving the Merger as a wholly-owned subsidiary of the Parent. As a result of the completion of the Merger, shareholders holding ordinary shares of the Company received a total of \$338 in cash per ordinary share. In connection with the Merger, certain shareholders of the Company elected to participate in an equity rollover to become shareholders of Elk Topco, LLC (“Elk Topco”), the holding company for the Parent, in exchange for their shares in the Company. Also, as contemplated in the Merger Agreement, the Company’s restricted stock awards, restricted stock unit awards, deferred stock awards, and performance shares that were outstanding immediately prior to completion of the Merger became vested, as described in Note 19. Total consideration for the Merger was \$5.1 billion, which included a \$496 million return of capital from Enstar to the Company’s shareholders that was included as part of the cash received by such shareholders at the close of the Merger based on final share count.

Refer to Note 1 and Note 2 of the consolidated financial statements included herein for further details.

Transactions During 2025

- In January 2025, we completed a novation agreement to assume the role of reinsurer in an existing reinsurance agreement covering a number of direct U.S. casualty insurance portfolios for underwriting years 2010 to 2020. We assumed net loss reserves of \$177 million in exchange for consideration of \$175 million.
- In March 2025, we completed a loss portfolio transfer (“LPT”) agreement with Atrium Syndicate 609, managed by Atrium Underwriters Limited, to reinsure a portfolio of marine, property, and general liability business underwritten in 2023 and prior. We assumed net loss reserves of \$182 million in exchange for consideration of \$180 million.
- In April 2025, we completed an LPT agreement with AXIS Capital Holdings Limited (“AXIS”) to cover 75% of AXIS’s assumed reinsurance portfolio relating to underwriting years 2021 and prior. We assumed net loss reserves of \$2.2 billion in exchange for consideration of \$2.1 billion. In August 2025, we entered into a quota share reinsurance agreement with a collateralized insurer vehicle, Scaur Hill, which is registered with the Bermuda Monetary Authority (“BMA”) as a segregated accounts company. Under the quota share reinsurance agreement, we ceded 13.3% of net reserves and consideration received on our LPT agreement with AXIS to Scaur Hill in exchange for ceding commission and ongoing management fees.
- In August 2025, we completed a series of reinsurance transactions related to predominately property catastrophe business. We assumed net loss reserves of \$924 million in exchange for consideration of \$906 million.

Capital and Other Activity

In March 2025, we issued \$350 million in aggregate principal amount of 7.50% Fixed-Rate Reset Junior Subordinated Notes due 2045. In conjunction with the issuance, we completed tender offer for and subsequent redemption of \$350 million of our 5.75% Fixed Rate Reset Junior Subordinated Notes due 2040.

In March 2025, Cavello Bay Reinsurance Limited (“Cavello”), a wholly-owned subsidiary of Enstar, was assigned an AM Best Financial Strength Rating of ‘A’ and Long-Term Issuer Credit Rating of “a+”, each with stable outlook. Cavello is Enstar’s primary non-life run-off consolidator, and a Bermuda Class 3B reinsurer.

In February 2026, S&P and Fitch affirmed our BBB+ long-term issuer ratings. Fitch maintained our stable outlook, however, S&P revised our outlook to negative (from stable) based on the expected impact on our financial leverage

and fixed-charge coverage ratios following the recent announcement of the acquisition of Accident Fund Holding, which is expected to close in Q4 of 2026.

Consolidated Results of Operations

The following table sets forth certain consolidated financial information:

	Successor	Predecessor	Predecessor
	Period from July 3, to December 31, 2025	Period from January 1, to July 2, 2025	Year Ended December 31, 2024
(expressed in millions of U.S. dollars)			
REVENUES			
REVENUES			
Net premiums earned	\$ 24	\$ 23	\$ 40
Net investment income ⁽¹⁾	597	343	651
Net realized losses	(1)	(7)	(9)
Fair value changes in equity and trading securities, funds held and other investments	98	127	456
Other income	11	14	67
Total revenues	729	500	1,205
EXPENSES			
Net incurred losses and loss adjustment expenses			
Current period	6	7	23
Prior period	(29)	(29)	(149)
Total net incurred losses and loss adjustment expenses	(23)	(22)	(126)
Defendant asbestos and environmental expenses	66	15	40
Amortization of net deferred charge assets	2	59	117
Acquisition costs	—	2	9
General and administrative expenses	151	263	391
Goodwill impairment	—	—	63
Interest expense	52	48	89
Amortization of fair value adjustments and intangible assets	76	—	—
Net foreign exchange (gain) loss	(26)	68	(39)
Total expenses	298	433	544
INCOME BEFORE INCOME TAXES	431	67	661
Income tax benefit (expense)	71	1	(62)
Income (loss) from equity method investments	10	1	(18)
NET INCOME	512	69	581
Net income attributable to noncontrolling interest	(1)	—	(5)
NET INCOME ATTRIBUTABLE TO ENSTAR GROUP LIMITED	511	69	576
Dividends on preferred shares	(18)	(18)	(36)
NET INCOME ATTRIBUTABLE TO ENSTAR GROUP LIMITED ORDINARY SHAREHOLDERS	\$ 493	\$ 51	\$ 540
COMPREHENSIVE INCOME ATTRIBUTABLE TO ENSTAR GROUP LIMITED	\$ 532	\$ 209	\$ 571

⁽¹⁾ As discussed in Note 3 to the consolidated financial statements, the successor period includes a change in classification policy to include fair value changes in our fund investments as a component of net investment income (as the funds are managed on a total return basis), which were included as a component of fair value changes in equity and trading securities, funds held and other investments in the predecessor period.

Overall Results

The period from July 3 to December 31, 2025 (Successor)

Net income attributable to Enstar ordinary shareholders for the period from July 3 to December 31, 2025 was \$493 million, which was comprised of:

- Total investment returns of \$704 million consisting of the aggregate of net investment income, net realized losses, fair value changes in equity and trading securities, funds held and other investments, and income from equity method investments. The total investment returns were driven by:
 - Net investment income of \$597 million, which was comprised of \$372 million from interest income on fixed income securities and \$225 million from returns on our private equity and hedge fund instruments;
 - Fair value changes of \$80 million on our privately held equities and our publicly traded equities; and
 - Fair value changes of \$18 million related to our Funds Held - Directly Managed portfolio.
- Tax benefit of \$71 million, which was primarily driven by the \$87 million reduction of deferred tax liabilities related to the Economic Transition Adjustment (“ETA”) following the enactment of Bermuda’s Corporate Income Tax Act Amendment (No. 2) in December 2025, which provided changes to the calculation guidance of the ETA (as described in Note 20 to our consolidated financial statements). This benefit was partially offset by \$16 million of tax expense, primarily driven by U.K. tax expense and minor increases in valuation allowances across U.K. and U.S. jurisdictions;
- Net favorable prior period development of net incurred losses and loss adjustment expenses (“LAE”) of \$29 million, due to a net decrease in the unallocated loss adjustment expenses (“ULAE”) provision of \$43 million due to favorable projections of cost reductions in managing claims liabilities, offset by adverse development in estimates of ultimate losses for our general casualty, professional indemnity/directors and officers, and asbestos lines of business; and
- Net foreign exchange gains of \$26 million, which was primarily comprised of remeasurement gains from foreign currency denominated assets and liabilities due to Euro (“EUR”), and Great British Pound (“GBP”) weakening against the United States Dollar (“USD”).

This was partially offset by:

- General and administrative expenses of \$151 million, comprised of salaries and benefits of \$70 million, professional fees of \$27 million, merger related costs of \$19 million and IT costs of \$11 million and other expenses of \$24 million primarily consisting of various banking, insurance, and government fees;
- Amortization of fair value adjustments and intangible assets of \$76 million;
- Defendant asbestos and environmental expenses of \$66 million driven by increased average settlements and higher claim filings; and
- Interest expense, primarily on debt outstanding of \$52 million.

The above factors contributed to net income attributable to Enstar for the period from July 3 to December 31, 2025 of \$511 million. Comprehensive income attributable to Enstar for the same period was \$532 million primarily due to net income as discussed above, and unrealized gains on fixed maturity available for sale investments.

The period from January 1 to July 2, 2025 (Predecessor)

Net income attributable to Enstar ordinary shareholders for the period from January 1 to July 2, 2025 was \$51 million, which was comprised of:

- Total investment returns of \$464 million consisting of the aggregate of net investment income, net realized losses, fair value changes in equity and trading securities, funds held and other investments, and income from equity method investments. The total investment returns were driven by:
 - Net investment income of \$343 million, primarily generated from interest income on fixed income securities;
 - Fair value changes of \$95 million on our other investments, including equities, primarily earned through net gains on our private equity and private debt instruments; and
 - Fair value changes in our trading securities and funds held resulting in a \$32 million gain primarily earned through net gains on our funds held - directly managed portfolio.

- Favorable development in prior period of net incurred losses and LAE of \$29 million primarily due to a reduction in our estimates of net ultimate losses and provisions for ULAE of \$56 million, partially offset by a \$20 million change in the fair value of our 2017 and 2018 (“LPT”) liabilities, where we previously elected the fair value option and \$7 million in amortization of fair value adjustments.

This was partially offset by:

- General and administrative expenses of \$263 million, comprised of salaries and benefits of \$120 million, Merger related costs of \$72 million, other expenses of \$30 million, professional fees of \$26 million, and IT costs of \$15 million;
- Net foreign exchange losses of \$68 million mostly comprised of \$66 million of remeasurement losses from foreign currency denominated assets and liabilities due to Australian Dollar (“AUD”), EUR, and GBP strengthening against the USD;
- Amortization of net deferred charge assets of \$59 million; and
- Interest expense, primarily on debt outstanding of \$48 million.

The above factors contributed to net income for the period of \$69 million. Comprehensive income attributable to Enstar was \$209 million primarily due to net income as discussed above, unrealized gains on fixed maturities, and AFS net of reclassification adjustments of \$140 million (which includes the effects of the aforementioned \$68 million loss from foreign exchange).

Year Ended December 31, 2024 (Predecessor)

Net income attributable to Enstar ordinary shareholders for the year ended December 31, 2024 was \$540 million, which was comprised of:

- Total investment returns of \$1.1 billion consisting of the aggregate of net investment income, net realized losses, fair value changes in equity and trading securities, funds held and other investments, and losses from equity method investments. The total investment returns were driven by:
 - Net investment income of \$651 million, primarily generated from interest income on fixed income securities; and
 - Fair value changes of \$501 million in our other investments, including equities primarily earned through net gains on our publicly traded equity securities, privately held equities, private equity fund and hedge fund investments; partially offset by
 - Fair value changes in our funds held resulting in a \$39 million loss primarily incurred through net losses on our Funds Held - Directly Managed portfolio and our fixed income securities; and
 - Losses from equity method investments of \$18 million primarily driven by a \$73 million loss from Monument Re, partially offset by Core Specialty income of \$56 million.
- Favorable development in prior period of net incurred losses and LAE of \$149 million, primarily due to a reduction in our estimates of net ultimate losses and provisions for ULAE of \$182 million, partially offset by a \$20 million change in the fair value of our 2017 and 2018 LPT liabilities, where we previously elected the fair value option and \$13 million in amortization of fair value adjustments; and
- Net foreign exchange gains of \$39 million, which were mostly comprised of \$24 million of remeasurement gains from foreign currency denominated assets and liabilities due to GBP and Canadian Dollar (“CAD”) weakening against the USD.

This was partially offset by:

- General and administrative expenses of \$391 million, comprised of salaries and benefits of \$249 million, other expenses of \$61 million, professional fees of \$53 million, and IT costs of \$28 million;
- Amortization of net deferred charge assets of \$117 million;
- Interest expense of \$89 million;
- Goodwill impairment of \$63 million related to the Merger Agreement. which indicated that the consideration for all ordinary shareholders’ interest was less than our book value. As a result, a full impairment charge related to goodwill was recognized;

- Tax expense of \$62 million primarily due to \$77 million of net deferred tax expenses resulting from the reduction of the previously recognized ETA following our qualification for the five-year limited international footprint exemption, which deferred applicability of the Bermuda Corporate Income Tax (“CIT”) to Enstar until 2030; and
- Defendant asbestos and environmental expenses of \$40 million.

The above factors contributed to net income for the period of \$581 million. Comprehensive income attributable to Enstar was \$571 million, primarily due to net income as discussed above. This amount was reduced by a \$10 million adjustment related to the change in net liability for losses and LAE at fair value instrument-specific credit risk, as well as \$5 million attributable to non-controlling interests. These reductions were partially offset by the unrealized gains on our fixed maturities, AFS net of reclassification adjustments of \$7 million.

Total Investments

Fixed maturities

Refer to the below table for the fair value, duration, and credit rating of our fixed maturities:

	Successor				Predecessor			
	December 31, 2025				December 31, 2024			
	Fair Value	%	Duration (years) ⁽¹⁾	Credit Rating ⁽¹⁾	Fair Value	%	Duration (years) ⁽¹⁾	Credit Rating ⁽¹⁾
(in millions of U.S. dollars, except percentages)								
Fixed maturities and short-term investments, trading and AFS								
U.S. government & agency	\$ 545	5.9 %	2.4	AAA	\$ 420	5.1 %	3.3	AA+
U.K. government	148	1.6 %	6.6	AA-	44	0.5 %	9.3	A+
Other government	464	5.0 %	5.2	AA+	359	4.3 %	5.7	AA
Corporate	3,803	41.2 %	5.3	A-	3,261	39.3 %	5.3	A-
Municipal	99	1.1 %	6.8	AA-	109	1.3 %	6.9	AA-
Residential mortgage-backed	529	5.7 %	5.3	AA-	421	5.1 %	4.9	AA
Commercial mortgage-backed	607	6.6 %	1.4	A+	784	9.5 %	1.3	A+
Asset-backed	1,153	12.5 %	1.3	A	772	9.3 %	1.2	A-
Total - Fixed maturities and short-term investments, trading and AFS	\$ 7,348	79.5 %	4.2	A+	\$ 6,170	74.4 %	4.2	A
Fixed maturities included in funds held - directly managed	1,893	20.5 %	4.0	A	2,120	25.6 %	4.2	A
	\$ 9,241	100.0 %	4.1	A+	\$ 8,290	100.0 %	4.2	A

⁽¹⁾ The average duration and average credit rating calculations include short-term investments, fixed maturities and the fixed maturities within our funds held-directly managed portfolios.

Prior Period Development (“PPD”)

The following table summarizes the net increases (reductions) in estimates of net ultimate losses related to prior years by acquisition year:

	Successor		Predecessor			
	Period from July 3 to December 31, 2025		Period from January 1 to July 2, 2025			
			Year Ended December 31, 2024			
(in millions of U.S. dollars)						
2015 and Prior	\$	15	\$	1	\$	10
2016		25		2		5
2017		66		1		26
2018		1		(5)		(10)
2019		17		11		55
2020		47		17		34
2021		(115)		(26)		(253)
2022		40		51		(29)
2023		214		35		79
2024		(248)		(106)		(22)
2025		(48)		—		—
Total	\$	14	\$	(19)	\$	(105)

Period from July 3 to December 31, 2025 (Successor):

The net increase in estimates of net ultimate losses of \$14 million was driven by adverse development across multiple acquisition years. We recognized \$214 million, \$66 million, \$47 million, and \$40 million of adverse claims experience on our 2023, 2017, 2020, and 2022 acquisition years, respectively, as a result of adverse development primarily on the general casualty, professional indemnity/directors’ and officers’ and asbestos lines of business. The results were partially offset by \$248 million and \$115 million of favorable development on our 2024 and 2021 acquisition years, respectively, as a result of favorable claims experience in the workers’ compensation / personal accident, general casualty and motor lines of business.

Period from January 1 to July 2, 2025 (Predecessor):

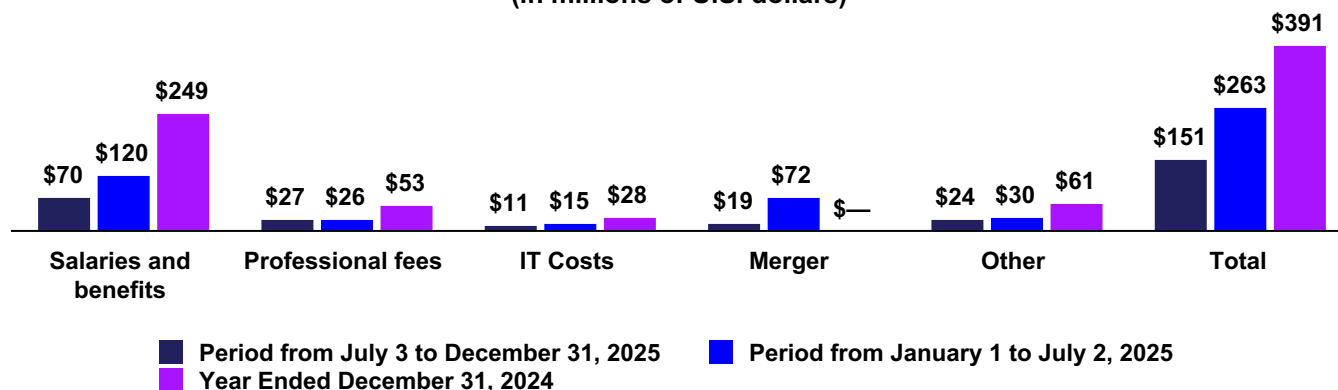
The net reduction in estimates of ultimate losses of \$19 million was driven by net favorable development across multiple acquisition years. We recognized \$106 million and \$26 million of favorable development on our 2024 and 2021 acquisition years, respectively, as a result of favorable claims experience in the property and workers’ compensation lines of business, and favorable claims experience. The results were partially offset by \$51 million, \$35 million, and \$17 million of adverse development on our 2022, 2023, and 2020 acquisition years, respectively, as a result of adverse claims experience on the general casualty and professional indemnity/directors’ and officers’ lines of business.

Year Ended December 31, 2024 (Predecessor):

The net reduction in estimates of ultimate losses of \$105 million was driven by net favorable development across multiple acquisition years. We recognized \$253 million, \$29 million, and \$22 million of favorable development on our 2021, 2022, and 2024 acquisition years, respectively, as a result of favorable claims experience in the general casualty, professional indemnity/directors’ and officers’ and workers’ compensation/personal accident lines of business, and favorable claims experience. The results were partially offset by \$79 million, \$55 million, \$34 million, and \$26 million of adverse development on our 2023, 2019, 2020, and 2017 acquisition years, respectively, as a result of adverse claims experience on our general casualty, asbestos and other lines of business.

General and Administrative Expenses

(in millions of U.S. dollars)



Period from July 3 to December 31, 2025 (Successor): General and administrative expenses were \$151 million, comprised of salaries and benefits of \$70 million, professional fees of \$27 million, merger related costs of \$19 million, IT costs of \$11 million, and other expenses of \$24 million primarily consisting of various banking, insurance, and government fees.

Period from January 1 to July 2, 2025 (Predecessor): General and administrative expenses were \$263 million, comprised of salaries and benefits of \$120 million, merger related costs of \$72 million, IT costs of \$15 million, other expenses of \$30 million, and professional fees of \$26 million.

Year Ended December 31, 2024 (Predecessor): General and administrative expenses were \$391 million, comprised of salaries and benefits of \$249 million, other expenses of \$61 million, professional fees of \$53 million, and IT costs of \$28 million.

Current Outlook

Business Outlook

[Transactions](#)

Refer to Note 4. Significant New Business of our consolidated financial statements included within this annual report for a summary of significant new business transactions that were signed and closed for the successor and predecessor periods in 2025.

We continue to evaluate transactions in our active pipeline including LPTs, ADCs, and other transaction types including acquisitions. We seek opportunities to execute creative and accretive transactions by offering innovative capital release solutions that enable our clients to meet their capital and risk management objectives.

Should we execute additional transactions, our mix of loss reserves by line of business, asset mix and both rate and timing of earnings may be impacted in the medium to long term.

[Live Underwriting](#)

On February 12, 2026, we entered into an agreement to purchase the property and casualty insurance company, Accident Fund Holdings, Inc. (“AF Group”) from a subsidiary of Blue Cross Blue Shield of Michigan Mutual Insurance Company. AF Group operates as a specialty insurance carrier specializing in workers’ compensation, commercial multiline, specialty lines, and risk & claims management services. This acquisition will add live property and casualty underwriting capabilities that complement our established retroactive business, creating a more differentiated model that allows us to serve clients across both prospective and retroactive solutions.

[Fronting and Fee-based income](#)

On July 2, 2025, we entered into a fronting agreement with an excess casualty managing general agent (“MGA”) registered with the Bermuda Monetary Authority as an insurance agent under the Insurance Act. On October 1, 2025, the MGA began underwriting risk on our behalf and in exchange, we began receiving a fronting fee of 5% based on gross written premium. The annual gross written premium is expected to be between \$150 million and \$200 million. We expect to cede 100% of the business written via quota share agreements with a panel of reinsurers that are rated A- or above. This transaction is part of our continued efforts to deliver solutions tailored to the needs of our client as we diversify our sources of revenue by entering fee income-based business.

[Ceded Reinsurance](#)

On August 19, 2025, we entered into a quota share reinsurance agreement with a collateralized insurer vehicle, Scaur Hill, which is registered with the BMA as a segregated accounts company. Under the quota share reinsurance agreement, we ceded 13.3% of net reserves and consideration received on our LPT agreement with AXIS to Scaur Hill on a funds withheld basis in exchange for ceding commission and ongoing management fees. This transaction is complementary to our fee income-based business and supports the execution of our risk management strategy.

[Frequency of Reserve Analysis](#)

We complete most of our annual loss reserve studies in the fourth quarter of each year and, as a result, tend to record the largest movements, both favorable and adverse, to net incurred losses and LAE in this period.

In the interim periods where a reserve study has not been completed, we perform quarterly reviews to ascertain whether changes to claims paid or case reserves have varied from our expectations developed during the last annual reserve review. In this event, we consider the timing and magnitude of the actual versus expected development, and we may record an interim adjustment to our recorded reserves if, and when, warranted.

Investment Outlook

We expect global financial markets to remain uncertain in 2026 given geopolitical tensions, interest rate volatility, uncertainty around the trend of inflation and impact of fiscal policies of the current administration in the United States.

Market expectations around the future path of interest rates are likely to represent a continued source of volatility, as global central banks balance supporting the labor market and economic growth while closely monitoring inflation. If interest rates rise and/or credit spreads widen, we may recognize unrealized losses and fair value changes on our

fixed maturities and incur a higher rate of borrowing and interest costs if we renew or borrow under credit facilities in the current environment.

Despite this, elevated interest rates can represent an opportunity for us in the medium to long term, notably;

- As of December 31, 2025, we held 15.2% of our portfolio, or \$3.0 billion, in fixed maturities with floating interest rates which, should interest rates remain elevated, would be accretive to future investment book yields. We have earned \$86 million and \$95 million of net investment income from our floating rate investments for the periods from July 3 to December 31, 2025 and January 1 to July 2, 2025, respectively. Net investment income from floating rate investments for the year ended December 31, 2024 was \$226 million. The floating interest rates were generally indexed to the Secured Overnight Financing Rate (the “SOFR”).
- Higher interest rates have provided us with the opportunity to reinvest at higher yields as our securities mature or as we invest a significant portion of consideration received from new business into fixed maturities

We may also undertake tactical repositioning of our portfolio as opportunities arise to achieve better alignment with our investment strategy, rather than waiting for certain fixed maturities to mature, which may result in the recognition of previously unrealized losses within our income statement with a corresponding reclassification adjustment in other comprehensive income. Such adjustments would be neutral to equity since the unrealized losses are recorded as a component of accumulated other comprehensive income. Any investment repositioning may also have a corresponding impact to our investment book yield.

We invest in public and private assets, which may vary in the magnitude of their exposure to any potential economic downturn and other macroeconomic factors.

Despite these challenges, we remain committed to our strategic asset allocation and expect our investments to provide attractive risk adjusted returns and diversification benefits over the medium to long term.

Inflation

We continue to monitor the inflationary impacts resulting from recent policy changes, imposition of tariffs by the U.S. government and reciprocal tariffs by other nations and labor force supply pressures on our loss cost trends.

Social inflation has been a persistent headwind for the industry for some time. We continue to monitor and seek to actively resolve claims in difficult judicial districts. We closely follow these trends and proactively set appropriate reserves.

There remains uncertainty around the future of inflation. We continue to monitor liquidity, capital and the potential earnings impact of these changes but remain focused on medium to long term asset allocation decisions.

We expect to continue to benefit from our allocation to investments with inflationary pass-through components, including investments in private equity, private credit, real estate, and infrastructure asset classes.

Inflation and higher service costs continue to put pressure on wages and prices, which could impact our general and administrative expenses as we remain focused on being a competitive employer in our market.

Geopolitical Conflicts

Heightened geopolitical conflicts, including the continued Russian invasion of Ukraine, the standoff between the U.S. and Venezuela, and the significant military action in the Middle East, are directly and indirectly (through comprehensive sanctions regimes) contributing to volatile commodity prices, disrupted supply chains, global financial market volatility and significant industry losses.

We continue to monitor our direct investment and underwriting risks and our acquisition pipeline because of these ongoing conflicts. To date, we are not aware of operational disruption to us or our third-party service providers because of these conflicts, and we have not identified any significant direct impacts from these events. We also continue to monitor for, and respond to, all relevant changes in the global sanctions regime, updating our procedures accordingly.

Minimum Corporate Income Tax

In December 2021, the OECD released the final model rules on Pillar II, an initiative proposing a global minimum tax rate of 15% designed to ensure large multinational enterprises pay a minimum level of tax on the income arising

in each jurisdiction where they operate. We have several subsidiaries in jurisdictions that have enacted Pillar II legislation, namely the U.K., Australia, and Belgium.

In response to Pillar II initiatives, the government of Bermuda enacted a 15% corporate income tax in December 2023 that became effective January 1, 2025. The Bermuda CIT regime provides a five-year deferral for companies meeting certain requirements (for which we qualified). Based on our substantial operations in Bermuda, we expect a meaningful portion of our income will be subject to the Bermuda CIT after the five-year deferral.

We established a net deferred tax asset of \$205 million related to the enactment of the Bermuda CIT in December 2023 pertaining to the ETA provision of the Act which provides a benefit using fair values of the Bermuda-based entities around the time of enactment.

Note, the application of the five-year deferral is tested on an annual basis, and failure to comply in any given year until 2030 will result in the loss of this deferral. The application of this deferral requires, amongst other items, that we operate in six or fewer jurisdictions (in corporate or branch form). We operate in six jurisdictions and regularly monitor our activities to ensure we are not operating in more than six jurisdictions.

As a result of our initial qualification for the Bermuda CIT deferral in 2024, we remeasured the previously recognized \$205 million net deferred tax asset. Accordingly, we recorded a \$77 million net reduction in December 2024 for the portion that is not expected to be utilized within the five-year period ending in 2030, during which we do not anticipate being subject to Bermuda CIT. There were additional changes to the calculation guidance enacted in 2025 pertaining to the remeasurement of the original ETA, which resulted in an \$87 million tax benefit pertaining to the exclusion of originally contemplated deferred tax liabilities. This benefit is reflected in our results for the period from July 2, 2025 to December 31, 2025.

Liquidity and Capital Resources

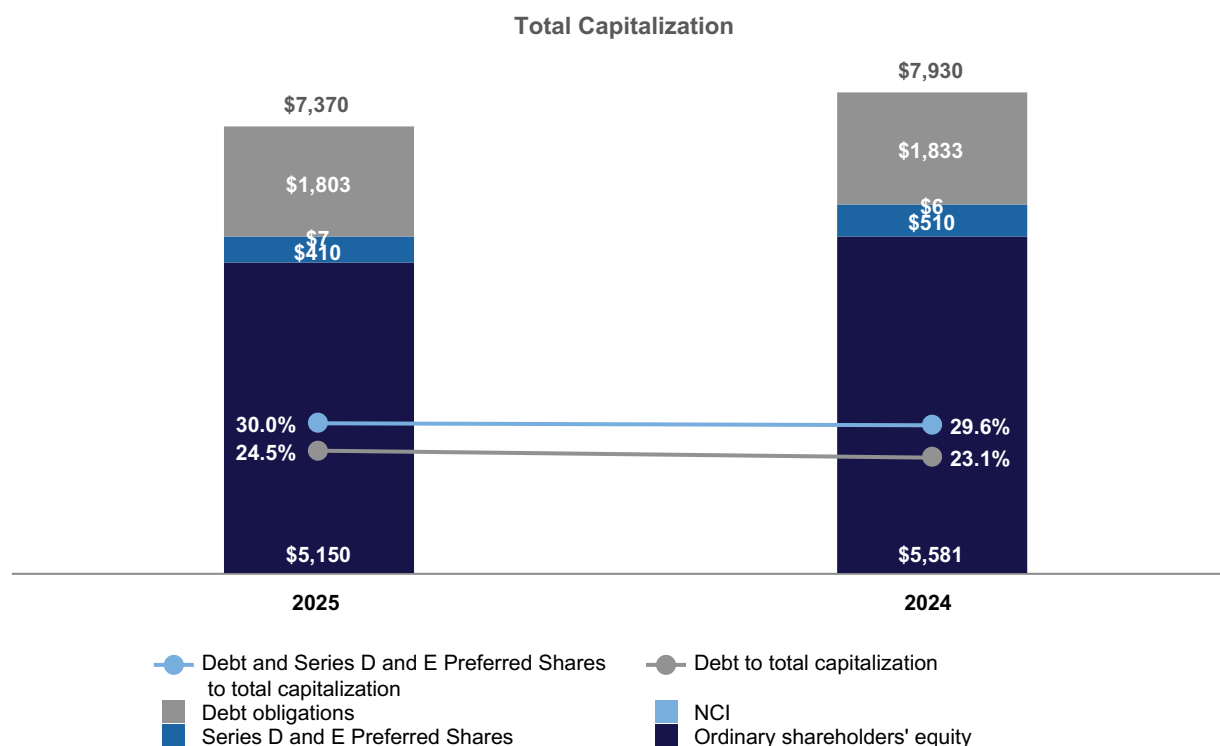
Overview

We aim to generate cash flows from our (re)insurance operations and investments, preserve sufficient capital for future acquisitions and new business, and develop relationships with lenders who provide borrowing capacity at competitive rates.

As of December 31, 2025, we had \$626 million of cash and cash equivalents, excluding restricted cash, that supports (re)insurance operations. On July 2, 2025, we returned capital of approximately \$496 million to fund a portion of the Merger consideration upon closing based on final share count, and on July 24, 2025, we made a subsequent distribution of \$450 million to fund the repayment of a portion of the \$950 million term loan facility that our Parent had entered at the closing of the Merger. Included in cash and cash equivalents as of December 31, 2025 was \$410 million held by our foreign subsidiaries outside of Bermuda.

We closed 2024 with a group solvency capital ratio of 222% (and expect a lower ratio when the 2025 group solvency amount is updated in the first quarter of 2026). Based upon our strong financial fundamentals and available funding sources, we continue to believe we have access to adequate liquidity and capital resources to meet business requirements under current market conditions and reasonably possible stress scenarios for the foreseeable future. We continuously monitor our liquidity and capital positions and adjust as required by market conditions.

The following represents our total capitalization as of December 31, 2025 and 2024.



Total capitalization attributable to Enstar was \$7.4 billion and \$7.9 billion as of December 31, 2025 and 2024, respectively. Debt and Series D and E Preferred Shares to total capitalization attributable to Enstar was 30.1% and 29.6% as of December 31, 2025 and 2024, respectively. Debt to total capitalization attributable to Enstar was 24.5% and 23.1% as of December 31, 2025 and 2024, respectively.

Under the eligible capital rules of the BMA, our Preferred Shares qualify as Tier 2 capital when considering the Bermuda Solvency Capital Requirements (“BSCR”).

For purposes of the financial covenants in our credit facilities, total debt excludes hybrid capital (defined as our Junior Subordinated Notes) not exceeding 15% of total capital attributable to Enstar. As of December 31, 2025, we were in compliance with the financial covenants in our credit facilities.

Liquidity and Capital Resources of Holding Company and Subsidiaries

Holding Company Liquidity

As referenced above, in July 2025, we returned capital of \$496 million to our shareholders as part of the Merger consideration based on final share count and made \$450 million in distributions to our Parent, primarily for the purposes of repaying a portion of its \$950 million term loan facility. The remaining balance of the term loan facility of \$450 million as of December 31, 2025 is required to be paid by July 2028 and is expected to be funded primarily by distributions to our Parent.

As of December 31, 2025, holding company cash and cash equivalents amounted to \$20 million consistent with our targeted levels. This compared to \$534 million of holding company cash and cash equivalents as of December 31, 2024, which was elevated as it included \$500 million required to be held pursuant to contractual requirements for the funding of a return of capital related to the Merger.

We conduct substantially all our operations through our subsidiaries. As such, the potential sources of liquidity to Enstar as a holding company consist of cashflows from our subsidiaries, including dividends, advances and loans, and interest income on loans to our subsidiaries. We have available borrowing capacity under our revolving credit facility, and we have obtained funding through the issuance of senior notes and preferred shares. The holding company also guarantees the Junior Subordinated Notes issued by one of our subsidiaries in prior years.

As of December 31, 2025, we had \$800 million of available unutilized capacity under our unsecured revolving credit facility, which expires in May 2028. We may request additional commitments under the facility up to an aggregate amount of \$200 million, which the existing lenders, in their discretion, or new lenders, may provide.

We use cash to fund new acquisitions of companies. We also utilize cash for our operating expenses and to pay dividends on our preferred shares and interest and principal on loans from subsidiaries and debt obligations, including loans under our credit facilities, our Senior Notes and our Junior Subordinated Notes.

We may, from time to time, raise capital from the issuance of equity, debt or other securities as we continuously evaluate our strategic opportunities.

As we are a holding company and have no substantial operations of our own, our assets consist primarily of investments in subsidiaries and our loans and advances to subsidiaries. Dividends from our (re)insurance subsidiaries are restricted by (re)insurance laws and regulations, as described below. The ability of all of our subsidiaries to make distributions and transfers to us may also be restricted by, among other things, other applicable laws and regulations and the terms of our credit facilities and our subsidiaries' bank loans and other issued debt instruments. During the predecessor periods from January 1 to July 2, 2025, we received \$670 million in dividends and return of capital from our subsidiaries, comprised of \$525 million of cash distributions and \$145 million in equity securities and settlement of loan receivables (there were no such dividends or return of capital in the successor period of July 3 to December 31, 2025). During the year ended December 31, 2024, we received \$704 million in dividends and return of capital from our subsidiaries, comprising \$500 million of cash distributions and \$204 million in equity securities and settlement of loan receivables. We did not make capital contributions to our subsidiaries during the successor or predecessor periods in 2025 or the year ended December 31, 2024.

Based on our group's current corporate structure with a Bermuda domiciled parent company and the jurisdictions in which we operate, if the cash and cash equivalents held by our foreign subsidiaries were to be distributed to us, as dividends or otherwise, such amount would not be subject to incremental income taxes; however, in certain circumstances withholding taxes may be imposed by some jurisdictions, including by the United States.

Based on existing tax laws, regulations and our current intentions, there were no accruals as of December 31, 2025 for any material withholding taxes on dividends or other distributions.

Junior Subordinated Debt

During March 2025, we completed the issuance and sale of \$350 million in aggregate principal amount of our 7.50% Fixed-Rate Reset Junior Subordinated Notes due 2045, resulting in \$345 million of proceeds, net of \$5 million of debt issuance costs. In conjunction with the issuance, we completed a tender offer for \$350 million of our 5.75% Fixed-Rate Reset Junior Subordinated Notes due 2040.

Sources and Uses of Cash

Cash and cash equivalents decreased by \$1.7 billion for the period from July 3 to December 31, 2025 (Successor), which was largely due to cash used in financing and investing activities of \$1.1 billion and \$643 million, respectively, slightly offset by cash provided by operating activities of \$70 million.

Cash and cash equivalents increased by \$915 million for the period from January 1 to July 2, 2025 (Predecessor), which was largely due to cash provided by operating and financing activities of \$2.2 billion and \$58 million, respectively, partially offset by cash used in investing activities of \$1.4 billion.

Cash and cash equivalents increased by \$724 million for the year ended December 31, 2024 (Predecessor), which was largely due to cash provided by operating and investing activities of \$483 million and \$286 million, respectively, partially offset by cash used in financing activities of \$42 million.

Analysis of Sources and Uses of Cash

Operating Cash Flow Activities

Period from July 3 to December 31, 2025 (Successor): Cash provided by operating activities of \$70 million was primarily due to income in the period, excluding non-cash fair value changes in investments, and cash consideration received from new reinsurance transactions, which were almost fully offset by cash payments for claims.

Period from January 1 to July 2, 2025 (Predecessor): Cash provided by operating activities of \$2.2 billion was primarily due to cash consideration of \$2.4 billion received on the completion of new reinsurance transactions, net sales and maturities of trading securities of \$282 million, and other sources provided by operating activities of \$770 million, which was largely generated by the use of funds held balances to cover net paid claims on certain portfolios, partially offset by net paid losses of \$1.2 billion.

Year ended December 31, 2024 (Predecessor): Cash provided by operating activities of \$483 million was primarily due to cash consideration of \$781 million received on the completion of new reinsurance transactions, net sales and maturities of trading securities of \$859 million, and other sources provided by operating activities of \$1.1 billion which was largely generated by the use of funds held balances to cover net paid claims on certain portfolios, partially offset by net paid losses of \$2.3 billion.

Investing Cash Flow Activities

Period from July 3 to December 31, 2025 (Successor): The \$643 million of cash used in investing activities was primarily due to net purchases of available for sale securities of \$496 million and \$170 million net purchases of other investments.

Period from January 1 to July 2, 2025 (Predecessor): Cash used in investing activities of \$1.4 billion was primarily due to net purchases of fixed maturities of \$1.1 billion and net purchases of other investments of \$263 million.

Year ended December 31, 2024 (Predecessor): Cash provided by investing activities of \$286 million was primarily due to net sales of AFS securities of \$328 million and other sources of \$101 million, partially offset by the net purchases of other investments of \$143 million.

Financing Cash Flow Activities

Period from July 3 to December 31, 2025 (Successor): Cash used in financing activities of \$1.1 billion primarily consisted of \$1.0 billion of distributions to our Parent as described in Note 2 to the consolidated annual financial statements, \$82 million relating to the redemption of the 5.75% Fixed-Rate Reset Junior Subordinated Notes, and preferred dividend payments of \$18 million.

Period from January 1 to July 2, 2025 (Predecessor): Cash provided by financing activities of \$58 million was primarily driven by the issuance of the 7.50% Junior Subordinated Notes, which generated net proceeds of \$345 million, offset by the cash offer tender for the 5.75% Junior Subordinated Notes resulting in the repayment of \$269 million and the payment of deferred share dividends of \$18 million.

Year ended December 31, 2024 (Predecessor): Cash used in financing activities of \$42 million was primarily driven by the payment of deferred share dividends of \$36 million and the acquisition of noncontrolling and redeemable noncontrolling shareholders' interest in subsidiaries of \$6 million.

U.S. Finance Company Liquidity

Enstar Finance is a wholly-owned finance subsidiary under which we have issued our Junior Subordinated Notes due in 2042. Like our holding company, Enstar Finance is dependent upon funds from other subsidiaries to pay any amounts due under such Junior Subordinated Notes in the form of distributions or loans, which may be restricted by, among other things, other applicable laws and regulations and the terms of our credit facilities and our subsidiaries' bank loans and other issued debt instruments.

Liquidity in Operating Companies

We expect that our operating companies will generate sufficient liquidity, together with our existing capital base and cash and investments acquired and from new business transactions, to meet cash requirements and to operate our business.

Sources of funds to our operating companies primarily consist of cash and investment portfolios acquired on the completion of acquisitions and new business, investment income earned, proceeds from sales and maturities of investments and collection of reinsurance recoverables. We also collect small amounts of premiums and fee and commission income.

Cash balances acquired upon the purchase of (re)insurance companies are classified as cash provided by investing activities, whereas cash from new business is classified as cash provided by operating activities.

The primary uses of funds by our operating companies are claims payments, investment purchases, operating expenses and collateral requirements.

The ability of our (re)insurance subsidiaries to pay dividends and make other distributions is limited by the applicable laws and regulations of the jurisdictions in which our (re)insurance subsidiaries operate, including Bermuda, the United Kingdom, the United States, Australia, Liechtenstein and Belgium, which subject these subsidiaries to significant regulatory restrictions.

These laws and regulations require, among other things, certain of our (re)insurance subsidiaries to maintain minimum capital requirements and limit the amount of dividends and other payments that these subsidiaries can pay to us, which in turn may limit our ability to pay dividends and make other payments.

As of December 31, 2025, our (re)insurance subsidiaries' capital requirement levels were more than the applicable minimum levels required for their respective regulatory jurisdictions.

Our subsidiaries' ability to pay dividends and make other forms of distributions may also be limited by our repayment obligations under certain of our outstanding credit facility agreements and other debt instruments. Variability in ultimate loss payments and collateral amounts required may also result in increased liquidity requirements for our subsidiaries.

Off-Balance Sheet Arrangements

As of December 31, 2025, we are subject to certain investment commitments and parental guarantees. Additionally, we have entered into various off-balance sheet commitments related to our investment and reinsurance portfolios, unsecured letters of credit, and a deposit facility, which are not recorded on the balance sheet but may have a material impact on future cash flows and financial position. See Note 23 to the consolidated financial statements for additional information. These commitments are considered in normal course of business and on-going stress testing, and we do not believe it is reasonably likely that these arrangements will have a material unplanned effect on our current or future financial position, revenue and expenses, results of operations, liquidity, capital expenditures or capital resources. As of December 31, 2025 the total amount of such commitment² outstanding was approximately \$3.5 billion.

² Included in unfunded investment commitments, is a commitment we entered into, to invest \$8.6 million in an insurance-linked securities ("ILS") arrangement through a Bermuda-based collateralized reinsurer, determined to be a related party, that will provide reinsurance capacity across a diversified portfolio of casualty programs.

Return of Capital and Dividends

We believe that the best investment is in our business, by funding future transactions and meeting our financing obligations. We have 16,000 Series D Preferred Shares with an aggregate liquidation value of \$400 million and 4,400 Series E Preferred Shares with an aggregate liquidation value of \$110 million. The dividends on both Series of Preferred Shares are non-cumulative and may be paid quarterly in arrears, only when, as and if declared. The carrying value in the predecessor periods aggregating to \$510 million of these Preferred Shares were subject to fair value adjustments at the closing date of the Merger and are reflected as \$410 million based on the fair market value as of July 2, 2025. These Preferred Shares are perpetual and will not have any future accretion, unless we elect to redeem such shares. If we were to redeem the shares in a future period, the difference between the redemption / liquidation value would be reflected as a deemed dividend and a reduction to retained earnings (or paid-in capital if retained earnings were insufficient).

Any payment of ordinary or preferred dividends must be approved by our Board. Our ability to pay ordinary and preferred dividends is subject to certain restrictions.

Contractual Obligations

The following table summarizes, as of December 31, 2025, our future payments under material contractual obligations and estimated payments for losses and LAE by expected payment date. The table includes only obligations that are expected to be settled in cash.

	Total	Short-term	Long Term			
		Less than 1 Year	1 - 3 years	3 - 5 years	6 - 10 years	More than 10 Years
(in millions of U.S. dollars)						
Operating Activities						
Estimated gross reserves for losses and LAE ⁽¹⁾						
Asbestos	\$ 1,406	\$ 142	\$ 251	\$ 208	\$ 312	\$ 493
Environmental	271	34	54	47	58	78
General Casualty	3,949	667	904	641	932	805
Workers' compensation/personal accident	1,644	204	298	221	314	607
Marine, aviation and transit	323	86	89	48	50	50
Construction defect	157	27	62	29	22	17
Professional indemnity/Directors and Officers	1,873	492	618	331	314	118
Motor	1,005	167	221	133	165	319
Property	1,305	520	528	152	81	24
Other	499	109	130	80	86	94
Total outstanding losses and IBNR	12,432	2,448	3,155	1,890	2,334	2,605
ULAE	333	61	81	49	61	81
Total estimated gross reserves for losses and LAE ⁽¹⁾	12,765	2,509	3,236	1,939	2,395	2,686
Financing Activities						
Loan repayments (including estimated interest payments)	3,000	96	191	651	784	1,278
Total	\$ 15,765	\$ 2,605	\$ 3,427	\$ 2,590	\$ 3,179	\$ 3,964

⁽¹⁾ The reserves for losses and LAE represent management's estimate of the ultimate cost of settling losses. The estimation of losses is based on various complex and subjective judgments. Actual losses paid may differ, perhaps significantly, from the reserve estimates reflected in our consolidated financial statements. Similarly, the timing of payment of our estimated losses is not fixed and there may be significant changes in actual payment activity. The assumptions used in estimating the likely payments due by period are based on our historical claims payment experience and industry payment patterns, but due to the inherent uncertainty in the process of estimating the timing of such payments, there is a risk that the amounts paid in any such period can be significantly different from the amounts disclosed above. The amounts in the above table represent our estimates of known liabilities as of December 31, 2025 and do not take into account corresponding reinsurance recoverable amounts that would be due to us.

Reserves for Losses and LAE

We generally attempt to match the duration of our investment portfolio to the duration of our liability profile. We generally seek to maintain investment portfolios that are shorter or of equivalent duration to the liabilities in order to provide liquidity for the settlement of losses and, where possible, to avoid having to liquidate longer-dated investments. The settlement of liabilities also has the potential to accelerate the natural payout of losses, which may require additional liquidity. As of December 31, 2025 and 2024, the estimated weighted average durations of our gross reserves for losses and LAE were 4.31 years and 4.57 years, respectively. The decrease in duration from 2024 to 2025 was driven by new acquisitions with shorter payout periods, partially offset by longer average payout projections for reserves from prior years.

Debt Obligations

We utilize debt financing and loan facilities primarily for funding acquisitions and significant new business, investment activities and, from time to time, for general corporate purposes.

Our debt obligations as of December 31, 2025 and 2024 were as follows:

	Due Date	Successor	Predecessor
		December 31, 2025	December 31, 2024
(in millions of U.S. dollars)			
4.95% Senior Notes due 2029	May 2029	\$ 503	\$ 497
3.10% Senior Notes due 2031	September 2031	449	496
Total Senior Notes		952	993
5.75% Junior Subordinated Notes due 2040	August 2040	—	346
5.50% Junior Subordinated Notes due 2042	January 2042	492	494
7.50% Junior Subordinated Notes due 2045	March 2025	359	—
Total Junior Subordinated Notes		851	840
Total debt obligations		\$ 1,803	\$ 1,833

Under the eligible capital rules of the BMA, the Senior Notes qualify as Tier 3 capital and the Junior Subordinated Notes qualify as Tier 2 capital when considering the BSCR.

We may from time to time seek to retire or purchase our outstanding debt through cash purchases, redemptions and/or exchanges for other securities, in open market purchases, privately negotiated transactions or otherwise. Any such repurchases, redemptions or exchanges will be dependent upon several factors, including our liquidity requirements, contractual restrictions, general market conditions and applicable regulatory, legal and accounting factors.

Credit Ratings

The following table presents our credit ratings as of February 13, 2026:

Credit ratings ⁽¹⁾	Standard and Poor's	Fitch Ratings
Long-term issuer	BBB+ (Outlook:Negative)	BBB+ (Outlook: Stable)
2029 Senior Notes	BBB+	BBB
2031 Senior Notes	BBB	BBB
2042 and 2045 Junior Subordinated Notes	BBB-	BBB-
Series D and E Preferred Shares	BBB-	BBB-

⁽¹⁾ Credit ratings are provided by third parties, Standard and Poor's and Fitch Ratings, and are subject to certain limitations and disclaimers. For information on these ratings, refer to the rating agencies' websites and other publications.

Agency ratings are not a recommendation to buy, sell or hold any of our securities and may be revised or withdrawn at any time by the issuing organization. Each agency's rating should be evaluated independently of any other agency's rating.

Critical Accounting Estimates

We believe the following accounting policies are most dependent on significant judgments and estimates used in the preparation of our financial statements.

Losses and LAE

Losses and LAE liabilities represent our best estimate of the ultimate remaining liability for unpaid losses and LAE for incurred claims as of the balance sheet date. This includes provisions for claims that have been reported but are unpaid at the balance sheet date (Outstanding Loss Reserves, or "OLR") and for obligations on claims that have been incurred but not reported ("IBNR") at the balance sheet date. IBNR may also include provisions to account for the possibility that reported claims may settle for amounts that differ from the established case reserves as well as the potential for closed claims to re-open.

Establishing loss reserves can be complex and is subject to considerable uncertainty. Because a significant amount of time can lapse between our assumption of the risk, the occurrence of a loss event, the reporting of the event to us and the ultimate payment of the claim on the loss event, the liability for unpaid losses and LAE is based largely upon estimates. Certain types of exposure, typically latent health exposures such as asbestos-related claims, have inherently long reporting delays, in some cases many years, from the date a loss occurred to the manifestation and reporting of a claim and ultimately until the final settlement of the claim, and that could impact the amount of reliance we place on our actual historical data.

We use considerable judgment in the process of developing these estimates of loss reserves, which involves uncertainty in several areas, including use of actual or industry data for model inputs, and various projection assumptions and judgments depending on product lines, coverage type, or policy year. We may record additional estimates based upon our judgment as to the applicability of the facts, circumstances and external environment to each portfolio.

As of December 31, 2025 and 2024, IBNR reserves (net of reinsurance balances recoverable) accounted for \$5.4 billion, or 47.2%, and \$5.0 billion, or 46.5%, respectively, of our total net losses and LAE reserves, excluding ULAE³.

Our estimate of loss reserves for each portfolio generally relies on the following key judgments:

- The degree of reliance upon historic actual claims trends or industry data for claims trends.
- Separation of each portfolio into homogenous data sets, generally by line of business, or reserving class.
- Methods used in analyzing and projecting potential reserve positions and the mix of methods selected to form an aggregate reserve position for each portfolio⁴.
- Our degree of reliance or adjustment because of external factors such as economic conditions (inflation and unemployment statistics), legal conditions (judicial rulings in each relevant jurisdiction) and social and environmental factors (medical cost trends, changes in regulations or public health).
- Consideration of additional information such as changes in claims handling activities, third party claims operating reviews, third party actuarial reviews or changes in our reinsurance programs.

Judgments are based on numerous factors and may be revised as additional data becomes available, as new or improved methods are developed, or as laws change. This means that ultimate loss payments may differ from the losses and LAE estimate made at the balance sheet date.

In addition, key assumptions are made within each method, although the sensitivity to each assumption may vary within each method and even within each reserving class and accident year of each method. Such assumptions would include:

- Loss development factors are used to extrapolate current losses on an accident year to our full expected losses based upon judgments of historical trends on earlier accident years.

³ For the components of gross and net losses and LAE reserves by line of business, and ULAE, as of December 31, 2025 and 2024, refer to Note 10 to our consolidated annual financial statements.

⁴ Refer to Note 10 to our consolidated financial statements for further description of the methodologies used for establishing reserves.

- Tail factors further extrapolate our longer tailed lines where payments expected in later years or decades can be more uncertain than settlements that preceded them both in the timing and amount of cash flows. As such, lines with more expected payments in the tail are more sensitive to tail assumptions.
- Expected loss ratios are used for years where we do not yet have credible experience.
- Loss cost trend factors are used to extrapolate future loss expectations based upon observed trends.

We perform, at least annually, a formal review process of each portfolio of reserves in accordance with Actuarial Standards of Practice. These reviews may be performed using internal or independent credentialed actuaries.

In addition, we project expected paid and incurred loss development for each class of business, which is monitored on a quarterly basis. Should actual paid and incurred development differ significantly from the expected paid and incurred development, we will investigate the cause and, in conjunction with our actuaries, consider whether any adjustment to total loss reserves is required.

Adjustments resulting from changes in our estimates are recorded in the period when such adjustments are determined. The ultimate liability for losses and LAE is likely to differ from the original estimate due to several factors, primarily consisting of the overall claims activity occurring during any period, including the completion of commutations of assumed liabilities and ceded reinsurance receivables, policy buy-backs and general incurred claims activity.

Loss Reserving (Latent Claims)

Sensitivity to Underlying Assumptions of our Actuarial Methods

While we believe our reserve for losses and LAE at December 31, 2025 is reasonable, the estimation of these reserves is a complex process that depends on a number of factors and assumptions. As noted previously, our best estimate of our loss reserves involves considerable judgment, considering the results from several reserving methodologies. Therefore, these estimates are susceptible to changes in assumptions. We consider each of the following sensitivities a reasonable deviation for the key assumptions for each of our significant lines of business.

Line of Business	Net Reserves	Sensitivity	Estimated range in variation
(in millions of U.S. Dollars)			
Asbestos	\$ 1,350	+/- 10% in expected number of claims +/- 10% in average indemnity	\$+/- 110 +/- 135
General Casualty	3,789	+/- 10% in tail costs (5+ years) +/- 1% in loss cost trend	+/- 165 +/- 235
Workers' Compensation	1,484	+/- 2.5% increase in medical inflation	+/- 270
Professional Indemnity/Directors and Officers	1,736	+/- 2.5% in loss cost trend	+/- 160
Property	1,218	+/- 2.5% in loss cost trend	+/- 65

Asbestos – Reserve estimates for this line are subject to greater variability than reserves for more traditional exposures. Claims are spread across multiple policy years based on the still evolving case law in various jurisdictions and inconsistent court decisions and judicial interpretations, making historical development patterns unreliable to forecast the future claim payments. A key consideration in setting our asbestos reserves is the volume of future claim filings, and the average indemnity of those claims.

General Casualty – This is a long tail class of business with long reporting and paid developing factors, and we generally use a combination of reserving methodologies on this line. Because of the long tail nature, the reserves are susceptible to variation in loss development factors and loss cost trends that may develop over an extended period over multiple accident years. A key assumption in setting our general casualty reserves is the provision for claim payments in the tail.

Workers' Compensation – We generally use a combination of loss development and expected loss ratio methods due to the long tail nature of this line. A portion of our workers' compensation reserves cover medical expense for future treatments of injured workers. Given the long development patterns associated with workers' compensation business, these claims are exposed to medical inflation.

Professional Indemnity/Directors and Officers – Due to the nature of this line, there is increased uncertainty in the number and severity of claims, which results in an expectation of high volatility and uncertainty in loss trends.

Motor - This business is generally shorter tail in nature, and the majority of the claims are resolved within a few years of occurrence. A key component in estimating motor reserves is the severity of claims.

Asbestos Claims

Several of our subsidiaries, and counterparties who underwrote the insurance policy portfolios we assumed, have exposure to bodily injury claims from alleged exposure to asbestos.

- The United States asbestos exposure arises mainly from general liability insurance policies underwritten prior to 1986, which our subsidiaries or counterparties either wrote directly, on a primary or excess basis, or as reinsurance.
- Our United Kingdom asbestos exposures emanate from Employers' Liability insurance policies written in 2005 and prior.

Asbestos bodily injury claims differ from other bodily injury claims due to the long latency period for asbestos, which often triggers a policyholder's coverage over multiple policy periods. The long latency period, combined with the lack of clear judicial precedent with respect to coverage interpretations and expanded theories of liability, increases the uncertainty of the asbestos claim reserve estimates.

As of December 31, 2025 and 2024, the net loss reserves for asbestos-related claims comprised 11.7% and 13.2%, respectively, of total net reserves for losses and LAE liabilities excluding ULAE. In addition, as of December 31, 2025 and 2024, we had \$711 million and \$706 million of gross defendant asbestos liabilities, respectively⁵.

Environmental Claims

Our subsidiaries and counterparties who underwrote the insurance policy portfolios we assumed have exposure to environmental claims from general liability insurance policies written prior to the mid-1980s, that were not specifically written to cover damage to the environment from gradual releases of pollutants. Like asbestos, there is additional uncertainty with respect to environmental reserves as compared to other general liability exposures. This added uncertainty is due to the multiple policy periods and allocation of claims to policy years, number of solvent potentially responsible parties at any site, ultimate cost of the remediation, the number of ultimate sites and changes to judicial precedence.

As of December 31, 2025 and 2024, the net loss reserves for environmental pollution-related claims comprised 2.3% and 2.8%, respectively, of total net reserves for losses and LAE excluding ULAE. In addition, as of December 31, 2025 and 2024 we had \$8 million and \$9 million of gross accrued direct environmental liabilities⁶, respectively.

Asbestos and Environmental Reserving

The ultimate losses from asbestos and environmental ("A&E") claims cannot be estimated using traditional actuarial reserving methods that extrapolate losses to an ultimate basis using loss development, and therefore we use alternative actuarial projection methods. Claims are spread across multiple policy years based on the still evolving case law in each jurisdiction, making historical development patterns unreliable to forecast the future claim payments. Our estimate of loss reserves for A&E claims relies on the following key factors and judgments:

- The degree of reliance or adjustment based on the legal and social environment, to which these liabilities are particularly sensitive. The current legal environment and the impact of specific settlements that may be used as precedents to settle future claims are key with these types of claims;
- The degree of reliance upon actual claims data and trends or industry data for claims trends; and
- Methods used in analyzing and projecting potential reserve positions and the mix of methods selected to form an aggregate reserve position for each portfolio⁷.

Judgments are based on numerous factors and may be revised as additional data becomes available, as new or improved methods are developed, or as laws change. This means that ultimate loss payments may differ from the losses and LAE estimate made at the balance sheet date.

⁵ As described in Note 12 in our consolidated financial statements.

⁶ As described in Note 12 in our consolidated financial statements.

⁷ Refer to Note 10 in our consolidated financial statements for further description of the methodologies used for establishing reserves.

Key assumptions are made within each method, although the sensitivity to each assumption may vary within each method and even within each reserving class and accident year of each method. When the asbestos exposure analysis (frequency and severity) method is applied, such assumptions would include:

- Trends with respect to average claim indemnity and estimated legal costs, which are used to extrapolate future claim costs; and
- Trends in claim filing patterns, which will be used to estimate the number of future claims that will ultimately be settled with payment.

We also use a combination of additional actuarial methods, including the paid survival ratio, paid market share, decay factor, and other methods to periodically reevaluate the continued reasonableness of recorded loss reserves.

Change in Reserve Assumptions

Changes in reserve estimates can be driven by updated experience and by changes in assumptions. These are linked as updated information leads to changes in assumptions. We have estimated what portion of changes in ultimate losses from acquisition years 2016 to 2025 are attributable to experience and what portion are attributable to assumptions.

Line of Business	Change in Ultimate Losses	Change due to Experience	Change due to Assumptions
Asbestos	2.8 %	1.3 %	1.5 %
General Casualty	1.7 %	0.6 %	1.1 %
Workers' Compensation	(5.9)%	(4.8)%	(1.1)%
Professional Indemnity/ Directors and Officers	3.6 %	1.3 %	2.3 %
Property	(6.4)%	(5.9)%	(0.5)%

Defendant asbestos and environmental liabilities

Defendant A&E liabilities on our consolidated balance sheets include amounts for indemnity and defense costs for pending and future claims, determined using standard actuarial techniques for asbestos-related exposures. Defendant A&E liabilities also include amounts for environmental liabilities associated with our properties. These are non-insurance liabilities since they are held by non-insurance subsidiaries and are presented separately on our consolidated balance sheets. These reserves will be sensitive to similar industry trends and assumptions as observed in our A&E reserves as described under the Loss and LAE section above, specifically claim trends and indemnity. However, we utilize different methodologies to estimate the defendant A&E liabilities as compared to our loss reserves⁸.

Key drivers for this estimate are the amount of future claims and average claim resolution amounts, in addition to an estimate for defense costs, which are key indicators of the amount of liabilities. The table below provides sensitivities of these drivers for defendant A&E.

Net Liability	Sensitivity	Estimated Range in Variation
(in millions of U.S. Dollars)		
\$562	+/- 10% in expected number of future claims +/- 10% in average claim resolution amounts	+/- \$45 +/- \$55

Change in Liability Assumptions

Like reserves, changes in defendant A&E liabilities can be driven by updated experience and by changes in assumptions. These are linked as updated information leads to changes in assumptions. We have estimated what portion of changes in the liabilities are attributable to experience and what portion are attributable to assumptions⁹.

Change in Total Liability	Change due to Experience	Change due to Assumptions
(in millions of U.S. Dollars)		
\$76	\$21	\$55

Level 3 Fair Value Measurements

Level 3 Investments

We measure fair value using a standard hierarchy based on the observability of inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Level 3 fair value measurements are based on unobservable inputs where there is little or no market activity. We utilize unadjusted third party pricing sources and internal valuation models to determine these fair values. Our assessment of the significance of these unobservable inputs to the fair value measurement requires judgment.

Our Level 3 investments consist primarily of privately held equity securities, and we value these securities using observable and unobservable inputs. While the observable inputs are based on readily available market data, the unobservable inputs involve increased uncertainty and judgment in their selection and application, and are considered a significant input into the valuation. The key driver of the valuation is the peer multiple. The peer multiple is calculated from a group of peer companies and that multiple is then applied to the invested company as a key input to calculate the value. We consider the following sensitivity a reasonable deviation for this key input:

Sensitivity	Investments	Estimated Range in Variation
(in millions of U.S. dollars)		
+/- 10% peer multiple	\$ 331	+/- \$28

⁸ As described in Note 12 in our consolidated financial statements.

⁹ For information on our defendant A&E liabilities, refer to Note 3 and Note 12 in our consolidated financial statements.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The following risk management discussion and the estimated amounts generated from the sensitivity analysis presented are forward-looking statements of market risk assuming certain market conditions occur. Future results may differ materially from these estimated results due to, among other things, actual developments in the global financial markets, changes in the composition of our investment portfolio or changes in our business strategies. The results of the analysis we use to assess and mitigate risk are not projections of future events or losses. Disclosures are only provided for the successor company basis as the predecessor basis is no longer relevant. See "Cautionary Statement Regarding Forward-Looking Statements" for additional information regarding our forward-looking statements.

We are principally exposed to four types of market risk: interest rate risk; credit risk; equity price risk and foreign currency risk. We have maintained consistent policies to address these risks, and based on our current knowledge and expectations, we do not currently anticipate significant changes in our market risk exposures or in how we will manage those exposures in future reporting periods. However, due to the ongoing uncertainty and volatility in financial markets because of continued inflationary pressure, ongoing disruptions and decoupling of supply chains, geopolitical conflicts and tensions and various governmental responses thereto, we expect interest rates, credit spreads and global equity markets to remain volatile in the near-term. Furthermore, inflation and tightening of financial conditions by global central banks have increased the risk of defaults across many industries. As a result, we continue to closely monitor market risk during this time.

Interest Rate and Credit Spread Risk

Interest rate risk is the price sensitivity of an investment to changes in interest rates. Credit spread risk is the price sensitivity of a security to changes in credit spreads. Our investment portfolio and funds held - directly managed includes fixed maturity and short-term investments, whose fair values will fluctuate with changes in interest rates and credit spreads. We attempt to maintain adequate liquidity in our fixed income securities portfolio with a strategy designed to emphasize the preservation of our invested assets and provide sufficient liquidity for the prompt payment of claims, contract liabilities and future policyholder benefits, as well as for settlement of commutation payments. We also monitor the duration and structure of our investment portfolio.

The following table, presented on a consolidated basis, summarizes the aggregate hypothetical change in fair value from an immediate parallel shift in the treasury yield curve, assuming credit spreads remain constant in our fixed maturity and short-term investments portfolio, our funds held - directly managed portfolio, our fixed income funds and our fixed income exchange-traded funds, and excludes investments classified as held-for-sale:

Successor	Consolidated				
	Interest Rate Shift in Basis Points				
As of December 31, 2025	-100	-50	—	+50	+100
	(in millions of U.S. dollars)				
Total Market Value ⁽¹⁾	\$ 10,311	\$ 10,093	\$ 9,878	\$ 9,672	\$ 9,479
Market Value Change from Base	4.4 %	2.2 %	—	(2.1)%	(4.0)%
Change in Unrealized Value	\$ 433	\$ 215	\$ —	\$ (206)	\$ (399)

⁽¹⁾ Excludes equity exchange-traded funds of \$39 million as of December 31, 2025, which is included in the Equity Price Risk section below.

Actual shifts in interest rates may not change by the same magnitude across the maturity spectrum or on an individual security and, as a result, the impact on the fair value of our fixed maturities, short-term investments, funds held - directly managed, fixed income funds and fixed income exchange-traded funds may be materially different from the resulting change in value indicated in the tables above.

The following table, presented on a consolidated basis, summarize the aggregate hypothetical change in fair value from an immediate parallel shift in credit spreads assuming interest rates remain fixed, in our fixed maturity and short-term investments portfolio, our funds held directly managed portfolio, our fixed income funds and our fixed income exchange-traded funds, and excludes investments classified as held-for-sale:

Item 7A | Quantitative and Qualitative Disclosures About Market Risk

Successor	Consolidated				
	Credit Spread Shift in Basis Points				
As of December 31, 2025	-100	-50	—	+50	+100
	(in millions of U.S. dollars)				
Total Market Value ⁽¹⁾	\$ 10,307	\$ 10,088	\$ 9,878	\$ 9,675	\$ 9,479
Market Value Change from Base	4.2 %	2.1 %	—	(2.1)%	(4.0)%
Change in Unrealized Value	\$ 429	\$ 210	\$ —	\$ (203)	\$ (399)

⁽¹⁾ Excludes equity exchange-traded funds of \$39 million as of December 31, 2025, which are included in the Equity Price Risk section below.

Credit Risk

Credit risk relates to the uncertainty of a counterparty's ability to make timely payments in accordance with contractual terms of the instrument or contract. We are exposed to direct credit risk primarily within our portfolios of fixed maturity and short-term investments, through customers, brokers and reinsurers in the form of premiums receivable and reinsurance balances recoverable on paid and unpaid losses, respectively, and through ceding companies who retain premium owed to us as collateral for the payment of claims, each as discussed below.

Fixed Maturities and Short-Term Investments

As a holder of \$9.2 billion of fixed maturity and short-term investments, including fixed maturities within our funds held, we also have exposure to credit risk because of investment ratings downgrades or issuer defaults. To mitigate this risk, our investment portfolio consists primarily of investment grade-rated, liquid, fixed maturities of short-to-medium duration. As of December 31, 2025, 38.6% of our fixed maturity and short-term investment portfolio, including fixed maturities within our funds held, was rated AA or higher by a major rating agency while 24.8% was rated BBB- or lower or non-rated. The portfolio as a whole, including fixed maturity and short term investments and funds held - directly managed, had an average credit quality rating of A+ as of December 31, 2025. In addition, we manage our portfolio pursuant to guidelines that follow what we believe are prudent standards of diversification. The guidelines limit the allowable holdings of a single issue and issuers and, as a result, we believe we do not have significant concentrations of credit risk.

A summary of our fixed maturity and short-term investments by credit rating is as follows:

Successor	2025
Credit rating	
AAA	17.2 %
AA	21.3 %
A	36.7 %
BBB	21.2 %
Non-investment grade	3.0 %
Not rated	0.6 %
Total	100.0 %
Average credit rating	A+

Reinsurance Balances Recoverable on Paid and Unpaid Losses

We have exposure to credit risk as it relates to our reinsurance balances recoverable on paid and unpaid losses. Our (re)insurance subsidiaries remain liable to the extent that retrocessionaires do not meet their contractual obligations and, therefore, we evaluate and monitor concentration of credit risk among our reinsurers¹⁰.

¹⁰ A discussion of our reinsurance balances recoverable on paid and unpaid losses is in Note 8 in our consolidated financial statements.

Item 7A | Quantitative and Qualitative Disclosures About Market Risk

Funds Held

Under funds held arrangements, the reinsured company has retained funds that would otherwise have been remitted to our reinsurance subsidiaries. The funds held balance is credited with investment income and losses payable are deducted. We are subject to credit risk if the reinsured company is unable to honor the value of the funds held balances, such as in the event of insolvency. Our funds held are presented as a single category within our consolidated balance sheets. Funds held upon which we receive the underlying portfolio investment returns and the contractual right to direct the asset allocation strategies are known as "Funds held - directly managed", and funds held where we receive a fixed crediting rate or other contractually agreed return are known as "Funds held by reinsured companies". Both types of funds held are subject to credit risk. We routinely monitor the creditworthiness of reinsured companies with whom we have funds held arrangements. As of December 31, 2025, we had funds held concentrations to reinsured companies exceeding 10% of shareholders' equity of \$3.5 billion in aggregate. However, we generally have the contractual ability to offset any shortfall in the payment of the funds held balances with amounts owed by us to the reinsured for losses payable and other amounts contractually due.

Equity Price Risk

Our portfolio of equity investments, excluding our fixed income exchange-traded funds but including the equity funds, has exposure to equity price risk, which is the risk of potential loss in fair value resulting from adverse changes in stock prices. Our fixed income exchange-traded funds are excluded from the following analysis and have been included within the interest rate and credit spread risk analysis above, as these exchange-traded funds are part of our fixed income investment strategy and are backed by fixed income instruments. The following table summarizes the aggregate hypothetical change in fair value from a 10% decline in the overall market prices of our equities at risk:

Successor	2025
	(in millions of U.S. dollars)
Private equity funds	\$ 2,041
Privately held equity investments in common and preferred stocks	587
Publicly traded equity investments in common and preferred stocks	153
Equity exchange-traded funds	39
Warrants and other	16
Equity funds	5
Fair value of equities at risk	<u>\$ 2,841</u>
Impact of 10% decline in fair value	<u>\$ (284)</u>

Hedge Funds

As of December 31, 2025, we had investments of \$402 million in hedge funds, included within our other investments, at fair value, that have exposure to interest rate, credit spread, and equity price risk given the underlying assets in those funds.

As of December 31, 2025, the impact of a 10% decline in the fair value of these investments would have been \$40 million.

Foreign Currency Risk

The table below summarizes our net exposures as of December 31, 2025 to foreign currencies:

Successor	AUD	CAD	EUR	GBP	Other	Total
As of December 31, 2025	(in millions of U.S. dollars)					
Total net foreign currency exposure	\$ 144	\$ (1)	\$ 53	\$ (75)	\$ (75)	\$ 46
Pre-tax impact of a 10% movement in USD ⁽¹⁾	\$ 14.4	\$ (0.1)	\$ 5.3	\$ (7.5)	\$ (7.5)	\$ 4.6

⁽¹⁾ Assumes 10% change in U.S. dollar relative to other currencies.

Through our subsidiaries located in various jurisdictions, we conduct our (re)insurance operations in a variety of non-U.S. currencies. We have the following exposures to foreign currency risk:

- **Transaction Risk:** The functional currency for most of our subsidiaries is the U.S. dollar. Within these entities, any fluctuations in foreign currency exchange rates relative to the U.S. dollar has a direct impact on the valuation of our assets and liabilities denominated in other currencies. All changes in foreign exchange rates, except for non-U.S. dollar fixed maturities, AFS, are recognized in our consolidated statements of operations. Changes in foreign exchange rates relating to non-U.S. dollar fixed maturities, AFS are recorded in AOCI in shareholders' equity. Our subsidiaries with non-U.S. dollar functional currencies are also exposed to fluctuations in foreign currency exchange rates relative to their own functional currency.
- **Translation Risk:** We have net investments in certain European, British, and Australian subsidiaries whose functional currencies are the Euro, British pound and Australian dollar, respectively. The foreign exchange gain or loss resulting from the translation of their financial statements from their respective functional currency into United States dollars is recorded in the cumulative translation adjustment account, which is a component of AOCI in shareholders' equity.

Our foreign currency policy is to broadly manage, where possible, our foreign currency risk by:

- Seeking to match our liabilities under (re)insurance policies that are payable in foreign currencies with assets that are denominated in such currencies, subject to regulatory constraints, and
- Selectively utilizing foreign currency forward contracts to mitigate foreign currency risk.

We use foreign currency forward exchange rate contracts to manage foreign currency risk. To the extent our foreign currency exposure is not matched or hedged, we may experience foreign exchange losses or gains, which would be reflected in our consolidated results of operations and financial condition.

FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Schedules other than those listed above are omitted as they are not applicable or the information has been included in the consolidated financial statements, notes thereto, or elsewhere herein.



Report of Independent Auditors

To the Management and Board of Directors of Enstar Group Limited

Opinion

We have audited the accompanying consolidated financial statements of Enstar Group Limited and its subsidiaries (Successor) (the "Company"), which comprise the consolidated balance sheets as of December 31, 2025, and the related consolidated statements of operations, of comprehensive income, of changes in shareholders' equity and of cash flows for the period from July 3, 2025 to December 31, 2025, including the related notes and financial statement schedules as of December 31, 2025 and for the period from July 3, 2025 to December 31, 2025 listed in the accompanying index (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the period from July 3, 2025 to December 31, 2025 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the short-duration insurance contracts information presented on pages 90 to 109, consisting of i) net cumulative incurred losses and allocated loss adjustment expenses for all years preceding the year ended December 31, 2025, ii) net cumulative paid losses and allocated loss adjustment expenses for all years preceding the year ended December 31, 2025 and iii) annual percentage payout of incurred losses since year of acquisition, net of reinsurance as of December 31, 2025 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with US GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

PricewaterhouseCoopers LLP

New York, New York

March 18, 2026



Report of Independent Auditors

To the Management and Board of Directors of Enstar Group Limited

Opinion

We have audited the accompanying consolidated financial statements of Enstar Group Limited and its subsidiaries (Predecessor) (the "Company"), which comprise the consolidated balance sheet as of December 31, 2024, and the related consolidated statements of operations, of comprehensive income, of changes in shareholders' equity and of cash flows for the period from January 1, 2025 to July 2, 2025 and for the years ended December 31, 2024 and 2023, including the related notes and financial statement schedules as of December 31, 2024 and for the period from January 1, 2025 to July 2, 2025 and for the years ended December 31, 2024 and 2023 listed in the accompanying index (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations and its cash flows for the period from January 1, 2025 to July 2, 2025 and for the years ended December 31, 2024 and 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PricewaterhouseCoopers LLP

New York, New York

March 18, 2026

ENSTAR GROUP LIMITED

CONSOLIDATED BALANCE SHEETS

	Successor	Predecessor
	December 31, 2025	December 31, 2024
	(in millions of U.S. dollars, except share data)	
ASSETS		
Fixed maturities, trading, at fair value ⁽¹⁾	\$ —	\$ 1,263
Fixed maturities, available-for-sale, at fair value (amortized cost: 2025 — \$6,677; 2024 — \$5,065; net of allowance: 2025 — \$3) ⁽¹⁾	6,698	4,691
Short-term investments, trading, at fair value	—	1
Short-term investments, available-for-sale, at fair value (amortized cost: 2025 — \$649; 2024 — \$215)	650	215
Funds held ⁽¹⁾	4,393	4,979
Equity securities, at fair value (cost: 2025 — \$721; 2024 — \$680) ⁽¹⁾	808	803
Other investments, at fair value (includes consolidated variable interest entity: 2025 — \$126; 2024 — \$112) ⁽¹⁾	4,974	4,188
Equity method investments ⁽¹⁾	324	313
Total investments (Note 6) and (Note 13)	17,847	16,453
Cash and cash equivalents (includes consolidated variable interest entity: 2024 — \$5) ⁽¹⁾	626	1,098
Restricted cash and cash equivalents	486	456
Accrued interest receivable	70	58
Reinsurance balances recoverable on paid and unpaid losses (net of allowance: 2025 — \$4; 2024 — \$116) (Note 8)	1,007	533
Reinsurance balances recoverable on paid and unpaid losses, at fair value (Note 8) and (Note 13)	—	179
Insurance balances recoverable on defendant asbestos and environmental liabilities (net of allowance: 2024 — \$4) (Note 12)	157	172
Fair value adjustment - Losses and loss adjustment expenses and defendant asbestos and environmental liabilities, net	720	—
Intangible assets (Note 16)	45	—
Net deferred charge assets (Note 9)	7	745
Other assets ⁽¹⁾	697	713
TOTAL ASSETS	\$ 21,662	\$ 20,407
LIABILITIES		
Losses and loss adjustment expenses (Note 10) ⁽¹⁾	\$ 12,700	\$ 10,407
Losses and loss adjustment expenses, at fair value (Note 10) and (Note 13)	—	997
Defendant asbestos and environmental liabilities (Note 12)	745	545
Debt obligations (Note 17)	1,803	1,833
Other liabilities (includes consolidated variable interest entity: 2025 — \$4; 2024 — \$2) ⁽¹⁾	847	528
TOTAL LIABILITIES	16,095	14,310
COMMITMENTS AND CONTINGENCIES (Note 23)		
SHAREHOLDERS' EQUITY (Note 18)		
Voting Ordinary Shares (issued and outstanding 2025: 100; 2024: 15,241,316)	—	15
Preferred Shares:		
Series D Preferred Shares (issued and outstanding 2025 and 2024: 16,000; liquidation preference \$400) ⁽²⁾	324	400
Series E Preferred Shares (issued and outstanding 2025 and 2024: 4,400; liquidation preference \$110) ⁽²⁾	86	110
Treasury shares, at cost:		
Series C Preferred Shares (all issued shares held in treasury in 2025 and 2024: 388,571)	(422)	(422)
Joint Share Ownership Plan (voting ordinary shares, held in trust in 2024 - 565,630)	—	(1)
Additional paid-in capital	5,058	600
Accumulated other comprehensive income (loss)	21	(341)

Retained earnings	493	5,730
Total Enstar shareholders' equity	5,560	6,091
Noncontrolling interests	7	6
TOTAL SHAREHOLDERS' EQUITY	5,567	6,097
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 21,662	\$ 20,407

⁽¹⁾ See Note 21 for additional information regarding related party transactions.

⁽²⁾ See Note 2 for additional information regarding the revaluation following application of pushdown accounting.

See accompanying notes to the consolidated financial statements.

ENSTAR GROUP LIMITED

CONSOLIDATED STATEMENTS OF OPERATIONS

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
	(in millions of U.S. dollars)			
REVENUES				
Net premiums earned ⁽¹⁾	\$ 24	\$ 23	\$ 40	\$ 43
Net investment income ⁽¹⁾	597	343	651	647
Net realized losses	(1)	(7)	(9)	(65)
Fair value changes in equity and trading securities, funds held and other investments ⁽¹⁾	98	127	456	528
Other income	11	14	67	288
Total revenues	729	500	1,205	1,441
EXPENSES				
Net incurred losses and loss adjustment expenses				
Current period	6	7	23	30
Prior period	(29)	(29)	(149)	(131)
Total net incurred losses and loss adjustment expenses ⁽¹⁾	(23)	(22)	(126)	(101)
Defendant asbestos and environmental expenses	66	15	40	12
Amortization of deferred charge assets	2	59	117	106
Acquisition costs	—	2	9	10
General and administrative expenses	151	263	391	369
Goodwill impairment	—	—	63	—
Interest expense	52	48	89	90
Amortization of fair value adjustments and intangible assets	76	—	—	—
Net foreign exchange (gains) losses	(26)	68	(39)	—
Total expenses	298	433	544	486
INCOME BEFORE INCOME TAXES	431	67	661	955
Income tax benefit (expense)	71	1	(62)	250
Income (losses) from equity method investments ⁽¹⁾	10	1	(18)	13
NET INCOME	512	69	581	1,218
Adjustment for net income attributable to noncontrolling interest	(1)	—	(5)	(100)
NET INCOME ATTRIBUTABLE TO ENSTAR GROUP LIMITED	511	69	576	1,118
Dividends on preferred shares	(18)	(18)	(36)	(36)
NET INCOME ATTRIBUTABLE TO ENSTAR GROUP LIMITED ORDINARY SHAREHOLDERS	\$ 493	\$ 51	\$ 540	\$ 1,082

⁽¹⁾ See Note 21 for additional information regarding related party transactions.

See accompanying notes to the consolidated financial statements.

ENSTAR GROUP LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
	(expressed in millions of U.S. dollars)			
NET INCOME	\$ 512	\$ 69	\$ 581	\$ 1,218
Other comprehensive income, net of income taxes:				
Unrealized gains (losses) on fixed maturity available-for-sale investments arising during the year	20	133	(2)	154
Reclassification adjustment for change in allowance for credit losses recognized in net income	4	1	(15)	(11)
Reclassification adjustment for net realized (gains) losses recognized in net income	(3)	6	24	75
Unrealized gains arising during the year, net of reclassification adjustments	21	140	7	218
Reclassification adjustment for remeasurement of future policyholder benefits included in net income	—	—	—	(363)
Change in currency translation adjustment	—	—	(2)	3
Change in net liability for losses and LAE at fair value - Instrument-specific credit risk	—	—	(10)	20
Total other comprehensive income (loss)	21	140	(5)	(122)
Comprehensive income	533	209	576	1,096
Less: Comprehensive income attributable to noncontrolling interest	(1)	—	(5)	(12)
COMPREHENSIVE INCOME ATTRIBUTABLE TO ENSTAR GROUP LIMITED	\$ 532	\$ 209	\$ 571	\$ 1,084

See accompanying notes to the consolidated financial statements.

ENSTAR GROUP LIMITED

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Successor											
	Share Capital					APIC	AOCI	Retained Earnings	Total Enstar Shareholders' Equity	NCI	Total Shareholders' Equity	
	Voting Ordinary Shares ⁽²⁾	Preferred Shares		Treasury Shares								
		Series D	Series E	Series C Preferred Shares								
	(in millions of U.S. dollars)											
For the period from July 3 to December 31, 2025												
Balance as of July 3, 2025 ⁽¹⁾	\$ —	\$ 324	\$ 86	\$ (422)	\$ 6,093	\$ —	\$ —	\$ 6,081	\$ 5	\$ 6,086		
Net income	—	—	—	—	—	—	511	511	1	512		
Dividends on preferred shares	—	—	—	—	—	—	(18)	(18)	—	(18)		
Distributions ⁽³⁾	—	—	—	—	(1,035)	—	—	(1,035)	—	(1,035)		
Other comprehensive income, net of tax	—	—	—	—	—	21	—	21	—	21		
Other	—	—	—	—	—	—	—	—	1	1		
Balance as of December 31, 2025	\$ —	\$ 324	\$ 86	\$ (422)	\$ 5,058	\$ 21	\$ 493	\$ 5,560	\$ 7	\$ 5,567		

	Predecessor											
	Share Capital					JSOP ⁽⁴⁾	APIC	AOCI	Retained Earnings	Total Enstar Shareholders' Equity	NCI	Total Shareholders' Equity
	Voting Ordinary Shares	Preferred Shares		Treasury Shares								
		Series D	Series E	Series C Preferred Shares								
	(in millions of U.S. dollars)											
For the period from January 1 to July 2, 2025												
Balance as of December 31, 2024	\$ 15	\$ 400	\$ 110	\$ (422)	\$ (1)	\$ 600	\$ (341)	\$ 5,730	\$ 6,091	\$ 6	\$ 6,097	
Net income	—	—	—	—	—	—	—	69	69	—	69	
Dividends on preferred shares	—	—	—	—	—	—	—	(18)	(18)	—	(18)	
Amortization of share-based compensation	—	—	—	—	—	9	—	—	9	—	9	
Other comprehensive income, net of tax	—	—	—	—	—	—	140	—	140	—	140	
Other	—	—	—	—	1	(6)	—	—	(5)	(1)	(6)	
Balance as of July 2, 2025	\$ 15	\$ 400	\$ 110	\$ (422)	\$ —	\$ 603	\$ (201)	\$ 5,781	\$ 6,286	\$ 5	\$ 6,291	

⁽¹⁾ Refer to Note 2 for changes in shareholders' equity as a result of applying pushdown accounting.

⁽²⁾ After the Merger, 100 voting shares with a par value of \$1 per share are outstanding and owned by the Parent. See Note 18 for additional information.

⁽³⁾ Distributions consisted of a return of capital of \$496 million paid at the close of the Merger to our former shareholders described in Note 2, \$450 million to the Parent to pay a portion of the outstanding Parent loan facility described in Note 2, \$55 million deemed distribution to the Parent for our payment on behalf of the Parent to acquire shares related to existing share-based compensation due at the close of the Merger and a \$34 million deemed distribution to the Parent.

⁽⁴⁾ Refer to Note 18 for additional information regarding the retirement of treasury stock

Predecessor												
	Share Capital			Treasury Shares			Retained Earnings	Total Enstar Shareholders' Equity	NCI	Total Shareholders' Equity		
	Voting Ordinary Shares	Preferred Shares		Series C Preferred Shares	JSOP	APIC					AOCI	
		Series D	Series E									
(in millions of U.S. dollars)												
Year Ended December 31, 2024												
Balance as of December 31, 2023	\$ 15	\$ 400	\$ 110	\$ (422)	\$ (1)	\$ 579	\$ (336)	\$ 5,190	\$ 5,535	\$ 113	\$ 5,648	
Net income	—	—	—	—	—	—	—	576	576	5	581	
Dividends on preferred shares	—	—	—	—	—	—	—	(36)	(36)	—	(36)	
Amortization of share-based compensation	—	—	—	—	—	34	—	—	34	—	34	
Acquisition of noncontrolling shareholders' interest in subsidiary	—	—	—	—	—	—	—	—	—	(6)	(6)	
Other comprehensive loss, net of tax	—	—	—	—	—	—	(5)	—	(5)	—	(5)	
Redemptions of NCI	—	—	—	—	—	—	—	—	—	(106)	(106)	
Other	—	—	—	—	—	(13)	—	—	(13)	—	(13)	
Balance as of December 31, 2024	\$ 15	\$ 400	\$ 110	\$ (422)	\$ (1)	\$ 600	\$ (341)	\$ 5,730	\$ 6,091	\$ 6	\$ 6,097	

Predecessor													
Share Capital													
Voting Ordinary Shares	Non-voting Convertible Ordinary Shares			Preferred Shares			Treasury Shares			Retained Earnings	Total Enstar Shareholders' Equity	NCI	Total Shareholders' Equity
	Series C	Series D	Series E	Series C Preferred Shares	JSOP	APIC	AOCI						

(in millions of U.S. dollars)

Year Ended December 31, 2023

Balance as of December 31, 2022	\$ 16	\$ 1	\$ 400	\$ 110	\$ (422)	\$ (1)	\$ 766	\$ (302)	\$ 4,406	\$ 4,974	\$ 186	\$ 5,160
Net income attributable to Enstar or noncontrolling interests (excludes redeemable noncontrolling interests)	—	—	—	—	—	—	—	—	1,118	1,118	85	1,203
Dividends on preferred shares	—	—	—	—	—	—	—	—	(36)	(36)	—	(36)
Repurchase of voting ordinary shares	—	—	—	—	—	—	(3)	—	—	(3)	—	(3)
Ordinary shares repurchased	(1)	(1)	—	—	—	—	(230)	—	—	(232)	—	(232)
Amortization of share-based compensation	—	—	—	—	—	—	28	—	—	28	—	28
Acquisition of noncontrolling shareholders' interest in subsidiary	—	—	—	—	—	—	18	—	—	18	(175)	(157)
Other comprehensive income, net of tax	—	—	—	—	—	—	—	(34)	—	(34)	(90)	(124)
Redemptions of noncontrolling interests	—	—	—	—	—	—	—	—	—	—	107	107
Other	—	—	—	—	—	—	—	—	(298)	(298)	—	(298)
Balance as of December 31, 2023	<u>\$ 15</u>	<u>\$ —</u>	<u>\$ 400</u>	<u>\$ 110</u>	<u>\$ (422)</u>	<u>\$ (1)</u>	<u>\$ 579</u>	<u>\$ (336)</u>	<u>\$ 5,190</u>	<u>\$ 5,535</u>	<u>\$ 113</u>	<u>\$ 5,648</u>

ENSTAR GROUP LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
(in millions of U.S. dollars)				
OPERATING ACTIVITIES:				
Net income	\$ 512	\$ 69	\$ 581	\$ 1,218
Adjustments to reconcile net income to cash flows provided by operating activities:				
Net realized losses	1	7	9	65
Fair value changes in equity and trading securities, funds held and other investments	(98)	(127)	(456)	(528)
Fair value changes included in net investment income	(225)	—	—	—
Goodwill impairment	—	—	63	—
Amortization of net deferred charge assets	2	59	117	106
Depreciation, accretion and other amortization	75	(6)	(11)	7
Net gain on Enhanced Renovation	—	—	—	(275)
(Income) losses from equity method investments	(10)	(1)	18	(13)
Other adjustments	(34)	(8)	2	5
Changes in:				
Reinsurance balances recoverable on paid and unpaid losses	40	16	248	142
Losses and loss adjustment expenses	(886)	1,466	(1,041)	(624)
Defendant asbestos and environmental liabilities	28	(22)	(22)	(40)
Other operating assets and liabilities	13	102	(138)	(376)
Funds held	652	401	254	(296)
Cash from (used in) operating activities:				
Cash consideration for the Enhanced Renovation	—	—	—	94
Sales and maturities of trading securities	—	293	1,198	1,530
Purchases of trading securities	—	(11)	(339)	(492)
Net cash flows provided by operating activities	70	\$ 2,238	483	523
INVESTING ACTIVITIES:				
Sales and maturities of available-for-sale securities	1,899	1,691	2,102	2,132
Purchase of available-for-sale securities	(2,395)	(2,811)	(1,774)	(1,959)
Sale of subsidiary	—	—	4	—
Sales of equity securities	29	—	—	—
Purchase of equity securities	(6)	—	—	—
Purchase of other investments	(511)	(711)	(991)	(911)
Proceeds from other investments	341	448	848	530
Proceeds from the sale of equity method investments	—	—	20	48
Acquisition, net of cash acquired ⁽¹⁾	—	—	76	—
Other	—	—	1	12
Net cash flows (used in) provided by investing activities	(643)	(1,383)	286	(148)
FINANCING ACTIVITIES:				
Dividends on preferred shares	(18)	(18)	(36)	(36)
Distributions ⁽²⁾	(1,001)	—	—	—
Acquisition of noncontrolling shareholders' interests in subsidiary	—	—	(6)	(294)
Purchase of noncontrolling interest in subsidiaries	—	—	—	—

Repurchase of shares	—	—	—	(531)
Receipt of loans ⁽³⁾	—	345	—	—
Repayment of debt ⁽³⁾	(82)	(269)	—	—
Net cash flows (used in) provided by financing activities	(1,101)	58	(42)	(861)
Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash	11	2	(3)	(14)
Net (decrease) increase in cash, cash equivalents and restricted cash	(1,663)	915	724	(500)
Cash, cash equivalents and restricted cash, beginning of period ⁽⁴⁾	2,775	1,554	830	1,330
Cash, cash equivalents and restricted cash, end of period ⁽⁴⁾	\$ 1,112	\$ 2,469	\$ 1,554	\$ 830

Supplemental Cash Flow Information:

Income taxes paid (received), net of refunds	\$ 5	\$ (4)	\$ (13)	\$ 16
Interest paid	50	45	88	88

Reconciliation to Consolidated Balance Sheets:

Cash and cash equivalents	\$ 626	\$ 1,672	\$ 1,098	\$ 564
Restricted cash and cash equivalents	486	797	456	266
Cash, cash equivalents and restricted cash	\$ 1,112	\$ 2,469	\$ 1,554	\$ 830

Non-cash investing activities:

Unsettled purchases - AFS and other	\$ (35)	\$ (40)	\$ (1)	\$ (5)
Unsettled sales - AFS and other	42	41	19	1
Receipt of warrants as consideration in exchange for assumption of reinsurance contract liabilities	—	—	16	—
Receipt of available-for-sale securities as consideration in exchange for assumption of reinsurance contract liabilities	—	—	—	113
AFS securities received as consideration for assumption of liabilities	—	—	22	—
Redemption of noncontrolling interest in investment fund	—	—	(106)	—

Non-cash financing activities:

Deemed distribution to Parent	34	—	—	—
Redemption of NCI	—	—	106	\$ —
Settlement of loan receivable as partial consideration for redeemable non-controlling interested (RNCI) redemption	—	—	—	15
Transfer of equity interest as partial consideration for RNCI redemption	—	—	—	48

⁽¹⁾ Gross cash within the business acquired was \$121 million and cash paid as consideration for the business was \$45 million resulting in net cash acquired of \$76 million.

⁽²⁾ Distributions consisted of a return of capital of approximately \$496 million paid at the close of the Merger to our former shareholders described in Note 2, \$450 million to the Parent to pay a portion of the outstanding Parent loan facility described in Note 2, and a \$55 million deemed distribution to the Parent for our payment on behalf of the Parent to acquire shares related to existing share-based compensation due at the close of the Merger. This amount differs from the \$1.035 billion referenced in the consolidated statement of changes in shareholders' equity as distributions (and a reduction of APIC) as the \$34 million deemed distribution was a non-cash financing activity.

⁽³⁾ See Note 17 for additional information regarding the issuance and repayment of debt.

⁽⁴⁾ As described in Note 2, the ending balance of cash as of July 2, 2025 differed from the opening balance as of July 3, 2025 due to the application of pushdown accounting which resulted in the reclassification of \$306 million of previously classified short-term investments to cash and cash equivalents based on their maturity dates being less than 90 days at the reassessment date

See accompanying notes to the consolidated financial statements.

ENSTAR GROUP LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025, 2024 and 2023

1. BUSINESS OVERVIEW AND BASIS OF PRESENTATION

Merger

In July 2024, Enstar Group Limited (the “Company,” “Enstar,” “we,” “us,” or “our”) entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Elk Bidco Limited (the “Parent”), an exempted company limited by shares existing under the laws of Bermuda. The Parent is owned by Elk Topco, LLC (“Elk Topco”), which is the ultimate holding company, and was backed by equity commitments from investment vehicles managed or advised by affiliates of Sixth Street Partners, LLC (“Sixth Street”). Pursuant to the Merger Agreement, there were a series of mergers consummated on July 2, 2025 (collectively, the “Merger”) that resulted in the Company surviving the Merger as a wholly-owned subsidiary of the Parent. Refer to Note 2 for additional details on the Merger.

Business

Enstar Group Limited is a leading global (re)insurance group that offers innovative capital release solutions through its network of group companies operating in Bermuda, the United States, the United Kingdom, Liechtenstein, Belgium and Australia. Our core focus is acquiring and managing (re)insurance companies and portfolios of (re)insurance business in run-off.

Pushdown Accounting

Business combinations are required to be recorded using the acquisition method of accounting. The parent acquirer, Elk Bidco Limited (the “Parent”) in the case of our Merger, must recognize the assets acquired and liabilities assumed at fair value in their financial statements. The acquired business (Enstar Group Limited) has the option to prepare its separate financial statements using the basis of the acquirer under the acquisition method of accounting. Such presentational basis is referred to as “pushdown accounting,” whereby the new basis for the assets and liabilities are reflected based on a “push down” of the acquirer’s stepped-up basis as of the date of the completion of the business combination or merger. As the accounting basis will be different from that period, the financial statements must be presented on a “predecessor” and “successor” basis.

We elected the pushdown option and therefore the accompanying financial statements are presented for the successor and predecessor periods, which relate to the accounting periods starting after, and ending on, July 2, 2025, respectively, the date of the closing of the Merger (“Merger date” or “closing date”). The Company established a new accounting basis, applying pushdown accounting to reflect the Company’s assets and liabilities at fair value as of the closing date. The purchase price allocation related to the Merger is provisional and could change in subsequent periods to reflect new information obtained about the facts and circumstances that existed as of the Merger date, which if known, would have affected the measurement of the amounts recognized as of the Merger date. We may recognize adjustments to the provisional amounts in future periods, but no later than one year from the Merger date (referred to as the “measurement period”). The measurement period adjustments, if any, will be recorded similarly to the initial pushdown bases and therefore will be reflected with offsetting equity adjustments, rather than income statement adjustments.

In addition, the Company changed certain of its accounting policies and elections following the acquisition to those that were established for its Parent, which resulted in a prospective change from the closing date. Aside from those that changed, all other accounting policies and elections remain unchanged from the predecessor accounting periods. Refer to Note 3 for our significant accounting policies and related elections that have been adopted upon application of pushdown accounting (referred to as successor accounting policies and elections) in contrast to those of the predecessor periods.

Basis of Presentation

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). The basis of presentation of these consolidated financial statements is consistent with annual financial information that would be included in an Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (SEC), as required by the indenture agreements between Enstar and the trustee pertaining to our junior subordinated and senior notes that were issued

Notes to Consolidated Financial Statements | Note 1 - Business Overview and Basis of Presentation

and outstanding prior to, and continue to remain outstanding subsequent to, the Merger. If we were an SEC filer, we would be required to file annual financial statements that include two years of balance sheets and three years of statements of operations, comprehensive income, changes in shareholders' equity and cash flows and the related notes. The indenture requirements also result in the need for inclusion of the supplemental financial statement schedules that an SEC filer would be required to present (as referenced in the accompanying index to these financial statements). However, as we are not a public entity or public business entity, as defined under US GAAP, we have not included financial information and disclosures that are required for such entities, including earnings per share and segment reporting disclosures.

All intercompany accounts and transactions have been eliminated.

The consolidated financial statements include the accounts of Enstar Group Limited, our controlled subsidiaries (generally through a greater than 50 percent ownership of voting rights and voting interests), and variable interest entities ("VIEs") of which we are the primary beneficiary. Equity investments in entities that we do not consolidate, including corporate entities in which we have significant influence and partnership and partnership-like entities in which we have more than minor influence over the operating and financial policies, are accounted for under the equity method unless we have elected the fair value option.

Use of Estimates, Risks and Uncertainties

The preparation of financial statements in accordance with U.S. GAAP requires us to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The estimation of unpaid claim liabilities at any given point in time is subject to a high degree of uncertainty for several reasons. A significant amount of time can lapse between the assumption of risk, the occurrence of a loss event, the reporting of the event to an (re)insurance company and the ultimate payment of the claim on the loss event. Certain estimates for unpaid claim liabilities involve considerable uncertainty due to significant coverage litigation and it can be unclear whether past claim experience will be representative of future claim experience. In addition, the pushdown accounting involved use of significant estimates related to the fair value of other assets acquired and liabilities assumed in acquisitions.

We are subject to economic factors such as interest rates, inflation, foreign exchange rates, adverse reserve developments, regulation, tax policy changes, political risks and other market risks that can impact our strategy, operations, and results.

2. MERGER

Merger agreement and execution: On July 2, 2025, the Merger was completed which resulted in the Company surviving the Merger as a wholly-owned subsidiary of the Parent. As a result of the completion of the Merger, shareholders holding ordinary shares of the Company received a total of \$338 in cash per ordinary share. In connection with the Merger, certain shareholders of the Company elected to participate in an equity rollover to become shareholders of Elk Topco in exchange for their shares in the Company. Also, as contemplated in the Merger Agreement, the Company's restricted stock awards, restricted stock unit awards, deferred stock awards, and performance shares that were outstanding immediately prior to completion of the Merger became vested, as described in Note 19. Total consideration for the Merger was \$5.1 billion, which included a \$496 million return of capital from Enstar to the Company's shareholders that was included as part of the cash received by such shareholders at the close of the Merger based on final share count. We did not receive any proceeds from the Parent for the total consideration for the Merger.

Item 8 | Notes to Consolidated Financial Statements | Note 2. Merger Agreement

The application of pushdown accounting (as described above) resulted in reflecting our assets, liabilities, and certain components of equity at fair value as of the closing date, inclusive of the activity from June 30, 2025. Our Parent recorded a bargain purchase gain of \$503 million relative to the acquisition based on the total consideration paid compared to net assets acquired, which was attributable to both the value of the considerations being below that of net assets acquired at the July 2024 merger agreement date, as well as the timing of the agreed fixed consideration in July 2024 compared to the July 2025 closing date that occurred approximately one year later during which the income and net assets of the Company continued to rise in value. No gains are recorded to our financial statements in accordance with the pushdown method. The following table shows the purchase price allocation:

	June 30, 2025	Activity for Period from July 1 to July 2, 2025	Pushdown Accounting Adjustments	July 2, 2025 Pushdown Basis
(in millions of U.S. dollars)				
ASSETS				
Fixed maturities, trading, at fair value	\$ 1,134	\$ (37)	\$ (1,097) ⁽¹⁾	\$ —
Fixed maturities, available for sale at fair value	5,477	(91)	1,046 ⁽¹⁾⁽²⁾	6,432
Short-term investments, trading, at fair value	4	—	(4) ⁽¹⁾	—
Short-term investments, available for sale at fair value	754	(4)	(251) ⁽¹⁾⁽²⁾	499
Funds held	4,599	4	29 ⁽³⁾	4,632
Equity securities, at fair value	706	1	22 ⁽¹⁾	729
Other investments, at fair value	4,446	113	—	4,559
Equity method investments	324	(8)	(2) ⁽⁴⁾	314
Total investments	17,444	(22)	(257)	17,165
Cash and cash equivalents	1,669	3	53 ⁽²⁾	1,725
Restricted cash and cash equivalents	631	166	253 ⁽²⁾	1,050
Accrued interest receivable	72	6	—	78
Reinsurance balances recoverable on paid and unpaid losses	504	—	256 ⁽¹⁾⁽⁵⁾	760
Reinsurance balances recoverable on paid and unpaid losses at fair value	199	—	(199) ⁽¹⁾⁽⁵⁾	—
Insurance balances recoverable	167	—	89 ⁽⁵⁾	256
Fair value adjustment related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities	—	—	795 ⁽⁶⁾	795
Intangible assets	—	—	46 ⁽⁷⁾	46
Net deferred charge assets	788	—	(788) ⁽⁸⁾	—
Other assets	801	(100)	(58) ⁽⁸⁾⁽⁹⁾	643
TOTAL ASSETS	\$ 22,275	\$ 53	\$ 190	\$ 22,518
LIABILITIES				
Losses and loss adjustment expenses	\$ 11,893	\$ —	\$ 1,318 ⁽¹⁾⁽⁵⁾	\$ 13,211
Losses and loss adjustment expenses, at fair value	1,031	—	(1,031) ⁽¹⁾⁽⁵⁾	—
Defendant asbestos and environmental liabilities	523	—	195 ⁽⁵⁾	718
Debt obligations	1,914	—	(32) ⁽¹⁰⁾	1,882
Other liabilities	521	155	(55) ⁽⁸⁾⁽⁹⁾	621
TOTAL LIABILITIES	\$ 15,882	\$ 155	\$ 395	\$ 16,432
SHAREHOLDERS' EQUITY				
Voting ordinary shares	\$ 15	\$ —	\$ (15) ⁽¹¹⁾	\$ —
Preferred Shares:				
Series D Preferred Shares	400	—	(76) ⁽¹²⁾	324

Item 8 | Notes to Consolidated Financial Statements | Note 2. Merger Agreement

Series E Preferred Shares	110	—	(24) ⁽¹²⁾	86
Treasury Shares:				
Series C Preferred Shares	(422)	—	—	(422)
Additional paid-in capital	607	(4)	5,490 ⁽¹¹⁾	6,093
Accumulated other comprehensive loss	(183)	(18)	201 ⁽¹¹⁾	—
Retained earnings	5,861	(80)	(5,781) ⁽¹¹⁾	—
Total Enstar shareholder's equity	6,388	(102)	(205)	6,081
Noncontrolling interests	5	—	—	5
TOTAL SHAREHOLDER'S EQUITY	6,393	(102)	(205)	6,086
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 22,275	\$ 53	\$ 190	\$ 22,518

⁽¹⁾ Includes an adjustment related to the adoption of successor basis accounting policies as described in Note 1, which includes the change in all fixed maturities and short-term investments previously classified as trading, the election of fair value option accounting for the equity method investment in Monument, as well as the elimination of fair value option accounting for certain reinsurance contracts including LPT and Reinsurance to close ("RITC") transactions acquired in 2017 and 2018.

⁽²⁾ As the purchase dates of the investments were reset to the acquisition date as part of applying pushdown accounting, the difference between the purchase dates and the maturity dates of the investments were reset which impacted the classification of certain investments from short-term investments (maturity greater than three months but less than one year) and fixed maturities (maturity of one year or greater) to cash equivalents (maturity of less than three months).

⁽³⁾ The funds held by reinsured companies component of the funds held that were previously carried at cost, were adjusted to fair value at the closing date.

⁽⁴⁾ Equity method investments were adjusted to fair value at the closing date.

⁽⁵⁾ Fair value adjustments from previous acquisitions were eliminated at the closing date and replaced by new fair value adjustments described in (6), as well as a \$65 million measurement period adjustment to reduce losses and loss adjustment expenses related to updates to estimates made based on facts and circumstances that existed as of the acquisition date.

⁽⁶⁾ This balance represents the difference between the nominal carrying values of the acquired insurance and reinsurance liabilities and assets as of the acquisition date and their fair value.

⁽⁷⁾ Trade name, licenses, and value of business acquired were identified as intangible assets in the application of pushdown accounting.

⁽⁸⁾ Deferred charge assets and deferred gains were eliminated at the closing date as they do not represent future cash flows.

⁽⁹⁾ The adjustment relates to changes in deferred taxes based on changes to temporary book- and tax- basis differences including a \$10 million deferred tax impact related to the measurement period adjustment described in (5).

⁽¹⁰⁾ The adjustment relates to the fair value of debt at the closing date.

⁽¹¹⁾ The net impact of applying pushdown accounting reflected the elimination of equity components of the predecessor and adjustments for changes to the acquired assets and liabilities at the closing date.

⁽¹²⁾ The Series D Preferred Shares and Series E Preferred Shares were adjusted to their fair value at the closing date.

Securities and Exchange ("SEC") delisting and suspension of financial reporting obligations: In connection with the completion of the Merger, the Company suspended trading of its ordinary shares on the NASDAQ Stock Market LLC ("NASDAQ") and voluntarily withdrew its depository shares from listing on NASDAQ. Forms 25 were filed with the SEC to effect the delisting of the ordinary shares and depository shares and the deregistration of such shares on July 2, 2025 and July 14, 2025, respectively.

On July 24, 2025, the Company filed a Form 15 for the termination of registration of Enstar ordinary and depository shares and the suspension of SEC Exchange Act reporting obligations. The Company's reporting obligations were immediately suspended upon the filing of Form 15. The Company became a privately-held company as of such date and is no longer considered a public business entity.

Merger related expenses: Total fees and expenses considered directly related to Merger acquisition costs were \$77 million of which \$72 million were contingent on the closing of the Merger for consulting and advisory and legal services and were paid using our financial resources, not from any of the Merger consideration. Such expenses are included in general and administrative expenses in the January 1 to July 2, 2025 period.

Parent loan facility: In connection with the Merger, our Parent entered into its contemplated \$950 million term loan facility to finance a portion of the purchase consideration. While the Company is not a guarantor or otherwise obligated for any amounts due under such term loan facility, the facility is expected to be repaid from contemplated distributions made by the Company over the term of the facility. On July 24, 2025, the Company made a distribution of \$450 million to the Parent, which was primarily used to repay a portion of the term loan facility. The remaining facility balance of \$450 million as of December 31, 2025 is required to be repaid by July 2028.

Notes to Consolidated Financial Statements | Note 3 - Significant Accounting Policies

3. SIGNIFICANT ACCOUNTING POLICIES

The following table identifies our significant accounting policies and related elections that have been adopted upon application of pushdown accounting¹¹ (referred to as successor accounting policies and elections) in contrast to those of the predecessor periods:

Significant Accounting Policies	Successor Accounting Policy/Election	Predecessor Accounting Policy/Election
Fair value adjustments and intangible assets	<p>In purchase accounting, the difference between the nominal carrying values of the acquired insurance and reinsurance liabilities and assets related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities as of the closing date and their fair value is recorded as a fair value adjustment intangible asset within the consolidated balance sheet.</p> <p>These fair value adjustments ("FVA") and intangible assets are amortized over their economic useful lives, which consist of the expected payout period of the underlying loss reserves. To the extent the actual or expected payout experience changes as a result of, (i) our active claims management strategies, which include commutations and policy buybacks, (ii) an adjustment to the estimated ultimate loss reserves, or (iii) changes in estimates, then the remaining amortization period will be adjusted to reflect such changes.</p>	<p>In purchase accounting, the difference between the nominal carrying values of acquired reinsurance liabilities and assets and their fair value is recorded as a fair value adjustment to the losses and loss adjustment expenses, defendant asbestos and environmental liabilities and reinsurance balances recoverable on paid and unpaid losses.</p> <p>The amortization method was the same as described in the successor period.</p>
Short-term investments, fixed maturities, and equity securities	<p>Our short-term and fixed maturities that were classified as trading in the predecessor period were classified to offset fair value changes in liabilities where we elected the fair value option, and also may have had the intent to frequently trade. Following the Merger, we no longer have any liabilities that are classified using the fair value option, nor do we have an intent to frequently trade such investments and accordingly, all short-term investments and fixed maturities are classified as AFS.</p> <p>All short-term and fixed maturities classified as AFS are carried at fair value, with unrealized gains and losses excluded from net income and reported as a separate component of accumulated other comprehensive income (loss) ("AOCI"). Realized gains and losses on sales of investments classified as AFS are recognized in the consolidated statement of operations.</p> <p>Equity securities are no longer held in trading accounts but changes in fair value will continue to be reported as fair value changes in equity and trading securities, funds held and other investments. Purchases and sales of short-term investments, fixed maturities, and equity securities are classified as investing activities.</p>	<p>Certain of our short-term and fixed maturities were classified as trading and were carried at fair value, with realized gains and losses and fair value changes included in net income and reported as fair value changes in equity and trading securities, funds held and other investments. Equity securities were held in trading accounts and accounted for at fair value.</p> <p>Short-term and fixed maturities classified as AFS were accounted for in the same manner as described in the successor period.</p> <p>Purchases and sales of short-term investments, fixed maturities, and equity securities classified as trading were classified as operating activities.</p>
Equity method investments	<p>We have elected the fair value option for our equity method investment in Monument Re. The primary reasons for electing the fair value option is because Monument Re's business, which is primarily in life insurance, and basis of accounting differ from that of the Company.</p>	<p>Equity method investment in Monument Re is accounted for using the equity method basis of accounting.</p>

¹¹ Refer to Note 1 for details on pushdown accounting.

Notes to Consolidated Financial Statements | Note 3 - Significant Accounting Policies

Losses and loss adjustment expenses ("LAE")	All reinsurance contracts are reflected on the historical basis of accounting, as adjusted for fair value adjustments at the closing date.	We elected to apply the fair value option for certain reinsurance contracts including loss portfolio transfers ("LPTs") and reinsurance to close ("RITC") transactions acquired in 2017 and 2018.
Paid unallocated loss adjustment expenses ("ULAE")	Paid ULAE is adjusted against the ULAE reserves, which are included in losses and loss adjustment expense on the balance sheet and results in no impact to net income.	Paid ULAE was included as a charge to general and administrative expenses with a corresponding release from ULAE reserves, which resulted in no impact to net income.
Statement of cash flows	Non-cash changes in assets and liabilities from acquired LPT and ADC contracts will be excluded when applying the indirect method of cash flows in determining cash flows from operations. Similarly, acquired investments will not be considered as cash flows from investing activities.	All impacts of changes in assets and liabilities were included in the determination of cash flows from operations and investing activities and was consistently applied.
Net investment income	Net investment income includes interest and dividend income on fixed maturities, short-term investments, cash and cash equivalents, funds held, equity investments, and other investments; amortization of premiums and accretion of discounts for short-term and fixed maturities, recognized using the effective yield method; fair value changes in our fund investments (as the funds are managed on a total return basis) and investment expenses.	Net investment income includes: interest and dividend income on fixed maturities, short-term investments, cash and cash equivalents, funds held, equity investments, and other investments; amortization of premiums and accretion of discounts for short-term and fixed maturities, recognized using the effective yield method; and investment expenses. Fair value changes in our fund investments (classified as other investments) were presented within fair value changes in equity and trading securities, funds held and other investment.

The following table identifies our successor significant accounting policies and elections presented in other notes to our consolidated financial statements:

Significant Accounting Policies	Note Reference(s)
• Acquisitions	Note 5 - Business Acquisitions
• Short-term investments and fixed maturities	Note 6 - Investments
• Allowance for credit losses	
• Equity securities	
• Other investments, at fair value	
• Equity method investments	
• Funds held	
• Derivative instruments	Note 7 - Derivatives and Hedging Instruments
• Reinsurance Balances Recoverable on Paid and Unpaid Losses	Note 8 - Reinsurance Balances Recoverable on Paid and Unpaid Losses
• Deferred Charge Assets and Deferred Gain Liabilities	Note 9 - Deferred Charge Assets and Deferred Gain Liabilities
• Losses and LAE	Note 10 - Losses and Loss Adjustment Expenses
• Paid ULAE	
• Defendant Asbestos and Environmental Liabilities	Note 12 - Defendant Asbestos and Environmental Liabilities
• Insurance Balances Recoverable	
• Variable Interest Entities	Note 14 - Variable Interest Entities
• Fair value adjustments and intangible assets	Note 16 - Goodwill
• Share-Based Compensation	Note 19 - Share-Based Compensation
• Income Taxes	Note 20 - Income Taxation

Other Significant Accounting Policies

Retroactive Reinsurance Contracts

For each of our reinsurance agreements, we determine whether the agreement provides indemnification against loss or liability relating to insurance risk in accordance with applicable accounting standards. We review all

Notes to Consolidated Financial Statements | Note 3 - Significant Accounting Policies

contractual features, including those that may limit the amount of insurance risk to which the reinsurer is subject or features that delay the timely reimbursement of claims.

Cessions under reinsurance agreements do not discharge our obligations under the assumed reinsurance contracts.

If we determine that a reinsurance agreement does not expose us or the reinsurer to a reasonable possibility of a significant loss from insurance risk, we record the agreement using the deposit method of accounting. Deposits received are included in other liabilities and deposits made are included within other assets. As amounts are paid or received, consistent with the underlying contracts, the deposit assets or liabilities are adjusted. Interest on such deposits is recorded as other revenues or other expenses, as appropriate. Periodically, we evaluate the adequacy of the expected payments or recoveries and adjust the deposit asset or liability through other revenues or other expenses, as appropriate.

Retroactive reinsurance contracts provide indemnification for losses and loss adjustment expenses ("LAE") with respect to past loss events. We do not record any income or expense on recognition of the contracts assets and liabilities. Any subsequent remeasurement of the value of liabilities is recorded to net incurred losses and LAE within the consolidated statements of operations.

Non-cash changes in assets and liabilities from acquired LPT and ADC contracts will be excluded when applying the indirect method of cash flows in determining cash flows from operations. Similarly, acquired investments will not be considered as cash flows from investing activities.

Prospective reinsurance and insurance contracts

For prospective reinsurance of short-duration contracts that meet the criteria for reinsurance accounting, amounts received (paid) are recorded as assumed (ceded) premiums and assumed (ceded) unearned premiums. Assumed (ceded) unearned premiums are reflected as premiums within the consolidated statement of operations and, losses and loss adjustment expenses (reinsurance balances recoverable on paid and unpaid losses) within the consolidated balance sheet. Such amounts are amortized through net earned premiums over the remaining contract period in proportion to the amount of insurance protection provided.

Premiums on property and casualty insurance contracts are recognized as revenue on a pro rata basis over the applicable contract term.

Unearned Premium Reserves and Premiums Receivable

Unearned premium reserves, included within other liabilities on the consolidated balance sheets, represent the unexpired portion of policy premiums. For retrospectively rated contracts as well as those contracts whose written premium amounts are recorded based on premium estimates at inception, changes to accrued premiums arising from changes to these estimates are reflected as changes in premium balances receivable where appropriate.

Premiums receivable are reported net of an allowance for expected credit losses as appropriate. The allowance is based upon our ongoing review of amounts outstanding, historical loss data, including delinquencies and write-offs, current and forecasted economic conditions and other relevant factors. The credit risk on our premiums receivable balances is substantially reduced where we can cancel the underlying policy if the policyholder does not pay the related premium.

Acquisition Costs

Acquisition costs, consisting principally of incremental costs including, commissions and brokerage expenses and certain premium taxes and fees incurred at the time a contract or policy is issued and which are directly related to the successful efforts of acquiring new insurance contracts or renewing existing insurance contracts, are deferred and amortized over the period in which the related premiums are earned.

Deferred acquisition costs ("DAC"), recorded within other assets on the consolidated balance sheets, are limited to their estimated realizable value by line of business based on the related unearned premiums, anticipated claims and claim expenses and anticipated investment income.

Cash and cash equivalents

Cash equivalents include money market funds, fixed interest deposits and all highly liquid debt instruments purchased with an original maturity of three months or less. Securities included within cash equivalents are stated at

Notes to Consolidated Financial Statements | Note 3 - Significant Accounting Policies

estimated fair value, while other investments included within cash equivalents are stated at amortized cost which approximates estimated fair value.

Foreign Exchange

Assets, liabilities and operations of foreign affiliates and subsidiaries, as well as investments accounted for under the equity method, are recorded based on the functional currency of each entity. The determination of the functional currency is made based on the appropriate economic and management indicators. For most of our foreign operations, the local currency is the functional currency.

Assets and liabilities of foreign affiliates and subsidiaries are translated from the functional currency to our reporting currency U.S. dollars, at the exchange rates in effect at each year-end and revenues and expenses are translated at the average exchange rates during the year. The resulting translation adjustments are charged or credited directly to other comprehensive income ("OCI"), net of applicable taxes. Gains and losses from foreign currency transactions, including the effect of re-measurement of monetary assets and liabilities to the appropriate functional currency, are reported separately in the consolidated statements of operations in the period in which they occur.

Notes to Consolidated Financial Statements | Note 3 - Significant Accounting Policies

Recently Issued Accounting Pronouncements Not Yet Adopted

ASU 2023-09 - Improvements to Income Tax Disclosures

In December 2023, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) 2023-09, which includes the following amendments to Topic 740 Income Taxes:

- Disclose, on an annual basis, specific categories in the rate reconciliation;
- Disclose, on an annual basis, additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5% of the amount computed by multiplying pretax income (or loss) by the applicable statutory income tax rate);
- Disclose, on an annual basis, the amount of income taxes paid (net of refunds received) disaggregated by federal (national), state, and foreign taxes;
- Disclose, on an annual basis, the amount of income taxes paid (net of refunds received) disaggregated by individual jurisdictions in which income taxes paid (net of refunds received) is equal to or greater than 5% of total income taxes paid (net of refunds received);
- Disclose income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign;
- Disclose income tax expense (or benefit) from continuing operations disaggregated by federal (national), state, and foreign;
- Eliminates the requirement to disclose the nature and estimate of the range of the reasonably possible change in the unrecognized tax benefits balance in the next 12 months or make a statement that an estimate of the range cannot be made; and
- Eliminates the requirement to disclose the cumulative amount of each type of temporary difference when a deferred tax liability is not recognized because of the exceptions to comprehensive recognition of deferred taxes related to subsidiaries and corporate joint ventures.

These amendments are effective for private companies for annual reporting periods beginning after December 15, 2025, and should be applied prospectively, however retrospective application is permitted. Early adoption is permitted.

Adopting ASU 2023-09 will require us to expand our income tax disclosures. We will prospectively adopt this ASU within our 2026 annual financial statements.

4. SIGNIFICANT NEW BUSINESS

We define new business as material transactions, which generally take the form of reinsurance or direct business transfers.

Signed and closed reinsurance agreements

During the period from January 1 to July 2, 2025, we closed reinsurance deals with Atrium Syndicate 609 and AXIS Capital Holdings Limited (“AXIS”), along with a novation of reinsurance.

During the period from July 3 to December 31, 2025, we completed a reinsurance agreement for a series of reinsurance transactions predominately related to property catastrophe business.

Notes to Consolidated Financial Statements | Note 4 - Significant New Business

The table below sets forth a summary of new reinsurance business that we closed:

Line of Business	Consideration Received	Net Loss Reserves Assumed	DCA ⁽¹⁾	Type of Transaction	Remaining Limit upon Acquisition	Jurisdiction
(in millions of U.S. dollars)						
Predecessor						
Marine, property and general liability	\$ 180	\$ 182	\$ 2	LPT	\$ 128	U.S., U.K., and Europe
Casualty	175	177	2	Novation	N/A ⁽²⁾	U.S.
Diversified mix including liability, professional risk, and motor ⁽³⁾	2,074	2,172	98	LPT	1,148	Global
Total	\$ 2,429	\$ 2,531	\$ 102		\$ 1,276	

Successor						
Property catastrophe	\$ 906	\$ 924	\$ 18	LPTs and Novation	\$ 374	Global

⁽¹⁾ DCAs are recorded when the estimated ultimate losses payable exceed the consideration received at the inception of the agreement. Refer to Note 9 for additional information. All pre-closing date DCAs were eliminated as a result of applying pushdown accounting. The successor period only includes unamortized DCAs resulting from new retroactive reinsurance contracts entered after July 2, 2025. Refer to Note 1 and Note 2 for details on pushdown accounting and the Merger.

⁽²⁾ There are no limits under the terms of the agreement.

⁽³⁾ In August 2025, we entered into a quota share reinsurance agreement with a collateralized insurer vehicle, Scaur Hill Re Ltd. ("Scaur Hill"), which is registered with the Bermuda Monetary Authority ("BMA") as a segregated accounts company. Under the quota share reinsurance agreement, we ceded 13.3% of net reserves and consideration received on our LPT agreement with AXIS to Scaur Hill in exchange for ceding commission and ongoing management fee.

5. BUSINESS ACQUISITIONS

We record business acquisition assets and liabilities at their estimated fair value. The fair values of each of the acquired (re)insurance assets and liabilities are derived from probability-weighted ranges of the associated projected cash flows, based on actuarially prepared information and our run-off strategy.

Our run-off strategy is expected to be different from the seller's, who generally do not specialize in running off (re)insurance liabilities.

The key assumptions used by us in the valuation of acquired companies are (i) the projected payout, timing and amount of claims liabilities; (ii) the related projected timing and amount of reinsurance collections; (iii) an appropriate discount rate, which is applied to determine the present value of the future cash flows; (iv) the estimated unallocated LAE to be incurred over the life of the run-off; (v) the impact of any accelerated run-off strategy; and (vi) an appropriate risk margin.

In purchase accounting, the difference between the nominal carrying values of the acquired insurance and reinsurance liabilities and assets related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities as of the closing date and their fair value is recorded as a fair value adjustment intangible asset within the consolidated balance sheet.

These fair value adjustment and intangible assets are amortized over their economic useful lives, which consist of the expected payout period of the underlying loss reserves. To the extent the actual or expected payout experience changes as a result of, (i) our active claims management strategies, which include commutations and policy buybacks, (ii) an adjustment to the estimated ultimate loss reserves, or (iii) changes in estimates, then the remaining amortization period will be adjusted to reflect such changes.

To the extent the actual payout experience after the acquisition is materially faster or slower than anticipated at the time of the acquisition as a result of, (i) our active claims management strategies, which include commutations and policy buybacks, (ii) an adjustment to the estimated ultimate loss reserves, (iii) changes in bad debt provisions, or (iv) changes in estimates of future run-off costs following accelerated payouts, then the amortization of the FVA is adjusted to reflect such changes.

The difference between the fair value of net assets acquired and the purchase price is recorded as goodwill and included as an asset on the consolidated balance sheet or as a gain from bargain purchase in the consolidated statements of operations.

Business acquisitions completed in 2024

On November 5, 2024, we closed an agreement to purchase all of the voting and non-voting shares in a Class 3B Bermuda-based reinsurer and segregated accounts company within the property catastrophe ILS market for a purchase price of \$45 million. As part of the acquisition, we acquired \$129 million of assets and \$69 million of liabilities.

6. INVESTMENTS

We hold:

- i. AFS portfolios of short-term and fixed maturities, carried at fair value;
- ii. equity investments, carried at fair value;
- iii. other investments carried at fair value;
- iv. equity method investments; and
- v. funds held

Short-term and Fixed Maturities

Short-term investments comprise investments with a maturity greater than three months up to one year from the date of purchase. Fixed maturities comprise investments with a maturity of greater than one year from the date of purchase.

As we do not have an intent to frequently trade our short-term and fixed maturities, all short-term and fixed maturities are classified as AFS and are carried at fair value, with unrealized gains and losses excluded from net income and reported as a separate component of accumulated other comprehensive income (loss) ("AOCI"). Realized gains and losses on sales of investments classified as AFS are recognized in the consolidated statements of operations.

The costs of short-term and fixed maturities are adjusted for amortization of premiums and accretion of discounts, recognized using the effective yield method and included in net investment income. For mortgage-backed and asset-backed investments, and any other holdings for which there is a prepayment risk, prepayment assumptions are evaluated and reviewed on a regular basis.

Asset Types

The fair values of the underlying asset categories are set out below:

	Successor		
	As of December 31, 2025		
	Fixed maturities, AFS	Short-term investments, AFS	Total
	(in millions of U.S. dollars)		
U.S. government and agency	\$ 185	\$ 360	\$ 545
U.K. government	123	25	148
Other government	346	118	464
Corporate	3,662	141	3,803
Municipal	95	4	99
Residential mortgage-backed	529	—	529
Commercial mortgage-backed	605	2	607
Asset-backed	1,153	—	1,153
Total fixed maturity and short-term investments	<u>\$ 6,698</u>	<u>\$ 650</u>	<u>\$ 7,348</u>

Notes to Consolidated Financial Statements | Note 6 - Investments

	Predecessor				
	As of December 31, 2024				
	Fixed maturities, trading	Fixed maturities, AFS	Short-term investments, trading	Short-term investments, AFS	Total
	(in millions of U.S. dollars)				
U.S. government and agency	\$ 13	\$ 213	\$ —	\$ 194	\$ 420
U.K. government	15	29	—	—	44
Other government	91	266	—	2	359
Corporate	917	2,324	1	19	3,261
Municipal	30	79	—	—	109
Residential mortgage-backed	48	373	—	—	421
Commercial mortgage-backed	102	682	—	—	784
Asset-backed	47	725	—	—	772
Total fixed maturity and short-term investments	<u>\$ 1,263</u>	<u>\$ 4,691</u>	<u>\$ 1</u>	<u>\$ 215</u>	<u>\$ 6,170</u>

Included within residential mortgage-backed securities as of December 31, 2025 were securities issued by U.S. governmental agencies with a fair value of \$230 million (December 31, 2024: \$234 million).

Included within commercial mortgage-backed securities as of December 31, 2025 were securities issued by U.S. governmental agencies with a fair value of \$42 million (December 31, 2024: \$57 million).

Contractual Maturities

The contractual maturities of our short-term and fixed maturity investments are shown below. Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties.

As of December 31, 2025	Successor		
	Amortized Cost	Fair Value	% of Total Fair Value
	(in millions of U.S. dollars)		
One year or less	\$ 813	\$ 813	11.1 %
More than one year through five years	1,893	1,897	25.8 %
More than five years through ten years	1,276	1,287	17.5 %
More than ten years	1,057	1,062	14.5 %
Residential mortgage-backed	522	529	7.2 %
Commercial mortgage-backed	609	607	8.3 %
Asset-backed	1,156	1,153	15.7 %
	<u>\$ 7,326</u>	<u>\$ 7,348</u>	<u>100.0 %</u>

Notes to Consolidated Financial Statements | Note 6 - Investments
Unrealized Gains and Losses on AFS Short-Term and Fixed Maturities

The amortized cost, unrealized gains and losses, allowance for credit losses and fair values of our short-term and fixed maturities classified as AFS as of December 31, 2025 and 2024 were as follows:

As of December 31, 2025	Successor					Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses			
			Non-Credit Related Losses	Allowance for Credit Losses		
(in millions of U.S. dollars)						
U.S. government and agency	\$ 543	\$ 2	\$ —	\$ —	\$	\$ 545
U.K. government	148	1	(1)	—		148
Other government	467	2	(5)	—		464
Corporate	3,784	32	(13)	—		3,803
Municipal	97	2	—	—		99
Residential mortgage-backed	522	8	(1)	—		529
Commercial mortgage-backed	609	5	(4)	(3)		607
Asset-backed	1,156	4	(7)	—		1,153
Total short-term and fixed maturity investments	\$ 7,326	\$ 56	\$ (31)	\$ (3)	\$	\$ 7,348

As of December 31, 2024	Predecessor				Fair Value
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses		
			Non-Credit Related Losses		
(in millions of U.S. dollars)					
U.S. government and agency	\$ 426	\$ 1	\$ (20)	\$	\$ 407
U.K. government	32	—	(3)		29
Other government	292	—	(24)		268
Corporate	2,602	7	(266)		2,343
Municipal	94	—	(15)		79
Residential mortgage-backed	409	2	(38)		373
Commercial mortgage-backed	711	4	(33)		682
Asset-backed	714	13	(2)		725
Total short-term and fixed maturity investments	\$ 5,280	\$ 27	\$ (401)	\$	\$ 4,906

Notes to Consolidated Financial Statements | Note 6 - Investments

Gross Unrealized Losses on AFS Short-term and Fixed Maturities

The following tables summarize our short-term and fixed maturities classified as AFS that were in a gross unrealized loss position, for which an allowance for credit losses has not been recorded, as of December 31, 2025 and 2024:

As of December 31, 2025	Successor	
	Less Than 12 Months	
	Fair Value	Gross Unrealized Losses
	(in millions of U.S. dollars)	
U.K. government	64	(1)
Other government	323	(5)
Corporate	1,111	(13)
Residential mortgage-backed	107	(1)
Commercial mortgage-backed	192	(4)
Asset-backed	562	(7)
Total short-term and fixed maturity investments	\$ 2,359	\$ (31)

As of December 31, 2024	Predecessor					
	12 Months or Greater		Less Than 12 Months		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(in millions of U.S. dollars)					
U.S. government and agency	\$ 77	\$ (16)	\$ 116	\$ (4)	\$ 193	\$ (20)
U.K. government	8	(2)	15	(1)	23	(3)
Other government	45	(8)	203	(16)	248	(24)
Corporate	1,327	(235)	620	(31)	1,947	(266)
Municipal	69	(14)	6	(1)	75	(15)
Residential mortgage-backed	198	(37)	66	(1)	264	(38)
Commercial mortgage-backed	351	(29)	117	(4)	468	(33)
Asset-backed	21	(1)	124	(1)	145	(2)
Total short-term and fixed maturity investments	\$ 2,096	\$ (342)	\$ 1,267	\$ (59)	\$ 3,363	\$ (401)

As of December 31, 2025 and 2024, the number of securities classified as AFS in an unrealized loss position for which an allowance for credit loss is not recorded was 1,779 and 3,688, respectively. Of these securities, none were in an unrealized loss position for twelve months or longer as of December 31, 2025 (given the adjustment to a new fair value basis as of July 3, 2025) and there were 2,267 securities in an unrealized loss position as of December 31, 2024.

The gross unrealized losses as of December 31, 2025 and 2024 were related to non-credit factors and therefore, we did not recognize credit-related losses. Additionally, we currently do not intend to and are not required to sell these investments prior to an anticipated recovery in value.

Allowance for Credit Losses on AFS Fixed Maturities

For AFS debt securities in an unrealized loss position for which we do not intend to sell or for which it is more likely than not that we would not be required to sell before an anticipated recovery in value, we evaluate whether the decline in fair value has resulted from credit losses or other factors. For debt securities classified as AFS for which a decline in the fair value between the amortized cost is due to credit-related factors, an allowance is established for the difference between the estimated recoverable value and amortized cost with a corresponding impact to the consolidated statements of income (loss). The allowance is limited to the difference between amortized cost and fair value. A credit loss impairment assessment is performed on securities using both quantitative and qualitative factors. Quantitative factors include significant declines in fair value below amortized cost. Examples of qualitative

Notes to Consolidated Financial Statements | Note 6 - Investments

indicators include issuer credit downgrades as well as discussion with our asset managers of overall economic and issuer specific events and conditions.

Other Investments, at fair value

Other investments include investments in limited partnerships and limited liability companies (collectively "private equity funds") and hedge funds, fixed income funds, equity funds, private credit funds, real estate funds, collateralized loan obligation ("CLO") equities and CLO equity funds that carry their investments at fair value.

We have elected the fair value option for certain of our other investments that would otherwise be accounted for as an equity method investment. The primary reason for electing the fair value option is because we believe this measurement basis is consistent with the applicable accounting guidance used by the investment funds themselves.

Our other investments are stated at fair value, which represents the most recently reported net asset value ("NAV") as advised by the fund manager or administrator. The NAV is based on the fund manager's or administrator's valuation of the underlying holdings in accordance with the fund's governing documents. Our fund investments primarily transact at NAV which is reported to the company on a monthly or quarterly basis.

The following table summarizes our other investments carried at fair value:

	Successor	Predecessor
	December 31, 2025	December 31, 2024
	(in millions of U.S. dollars)	
Private equity funds	\$ 2,041	\$ 1,926
Private credit funds	1,285	864
Hedge funds	402	410
Real estate funds	523	401
Fixed income funds	625	369
CLO equity funds	48	162
CLO equities	18	52
Equity funds	5	4
Others	27	—
Total	\$ 4,974	\$ 4,188

The following is a description of the nature of each of these investment categories:

- Private equity funds include primary, secondaries diversified by asset classes, regional vintage and sectors and direct co-investment opportunities.
- Private credit funds invest in direct senior or collateralized loans.
- Hedge funds invest in fixed income, equity and other investments.
- Real estate funds comprise of real estate funds that invest primarily in commercial real estate equity.
- Fixed income funds comprise several positions in diversified fixed income funds that are managed by third-party managers. Underlying investments vary from high-grade corporate bonds to non-investment grade senior secured loans and bonds, in both liquid and illiquid markets. The liquid fixed income funds have regularly published prices.
- CLO equity funds invest primarily in the equity tranches of term-financed securitizations of diversified pools of corporate bank loans.
- CLO equities comprise investments in the equity tranches of term-financed securitizations of diversified pools of corporate bank loans.
- Equity funds invest primarily in public equities.

Notes to Consolidated Financial Statements | Note 6 - Investments

Other investments, including equities measured at fair value using NAV as a practical expedient

We use NAV as a practical expedient to fair value certain of our other investments, including equities. Due to a lag in the valuations of certain funds reported by the managers, we may record changes in valuation with up to a three-month lag¹². We regularly review and discuss fund performance with the fund managers to corroborate the reasonableness of the reported net asset values and to assess whether any events have occurred within the lag period that would affect the valuation of the investments.

Certain of our other investments are subject to restrictions on redemptions and sales that are determined by the governing documents, which limits our ability to liquidate those investments. These restrictions may include lock-ups, redemption gates, restricted share classes or side pockets, restrictions on the frequency of redemption and notice periods.

Certain of our other investments may not have any restrictions governing their sale, but there is no active market and no guarantee that we will be able to execute a sale in a timely manner. In addition, even if these investments are not eligible for redemption or sales are restricted, we may still receive income distributions from those other investments.

The table below details the estimated period by which proceeds would be received if we had provided notice of our intent to redeem or initiated a sales process as of December 31, 2025 for our investments measured at fair value using NAV as a practical expedient:

	Successor					Total	Redemption Frequency ⁽¹⁾
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Not Eligible/ Restricted		
	(in millions of U.S. dollars)						
Equities							
Privately held equity investments	\$ —	\$ —	\$ —	\$ —	\$ 75	\$ 75	Not eligible / restricted
Other investments							
Hedge funds	377	—	—	—	25	402	Monthly to bi-annually
Fixed income funds	575	—	—	—	45	620	Monthly to quarterly
Private equity funds	64	—	—	—	1,977	2,041	Quarterly for unrestricted amount
Private credit funds	206	—	—	—	715	921	Quarterly for unrestricted amount
CLO equity funds	47	—	—	—	1	48	Quarterly to bi-annually
Real estate funds	—	—	—	—	523	523	Not eligible / restricted
Total	\$ 1,269	\$ —	\$ —	\$ —	\$ 3,361	\$ 4,630	

⁽¹⁾ Redemption frequency relates to unrestricted amounts.

¹² The valuation of our other investments is described in Note 13.

Notes to Consolidated Financial Statements | Note 6 - Investments

Equity Investments

We hold investments in publicly traded equities, exchange-traded funds, privately held equities and warrants. Our equity investments are carried at fair value with realized and unrealized gains and losses included in our consolidated statement of operations and recorded as fair value changes in equity securities, funds held and other investments.

For privately held equity without a readily determinable fair value that do not qualify for the NAV practical expedient, we may measure those investments at cost, less impairment, if any.

The following table summarizes our equity investments:

	Successor	Predecessor
	December 31, 2025	December 31, 2024
	(in millions of U.S. dollars)	
Privately held equity investments in common and preferred stocks	\$ 587	\$ 460
Publicly traded equity investments in common and preferred stocks	153	176
Exchange-traded funds	52	151
Warrants and other	16	16
Total	\$ 808	\$ 803

Our publicly traded equity investments in common and preferred stocks predominantly trade on major exchanges and are managed by our external advisors. Our investments in exchange-traded funds also trade on major exchanges.

Our privately held equity investments in common and preferred stocks are direct investments in companies that we believe offer attractive risk adjusted returns and/or offer other strategic advantages. Each investment may have its own unique terms and conditions and there may be restrictions on disposals. There is no active market for these investments¹³.

Equity Method Investments

Investments that we do not consolidate but in which we have significant influence over the operating and financial policies of the investee are classified as equity method investments and are accounted for using the equity method of accounting unless we have elected the fair value option.

In applying the equity method of accounting, investments are initially recorded at cost and are subsequently adjusted based on our proportionate share of net income or loss of the investee, net of any distributions received from the investee.

We typically record our proportionate share of an investee's net income or loss on a quarter lag in line with the timing of when they report their financial information to us. Any adjustments made to the carrying value of our equity method investees are based on the most recently available financial information from the investees.

Changes in the carrying value of such investments are recorded in our consolidated statements of operations as income (losses) from equity method investments. Any decline in the value of our equity method investments considered by management to be other-than-temporary is reflected in our consolidated statements of operations in the period in which it is determined.

We have elected the fair value option for our equity method investment in Monument Re Limited ("Monument Re"). The primary reasons for electing the fair value option is because Monument Re's business, which is primarily in life insurance, and its basis of accounting differs from that of the Company.

¹³ Refer to Note 21 for further information on certain privately held equity investments.

Notes to Consolidated Financial Statements | Note 6 - Investments

The table below shows our equity method investments as of:

	Successor		Predecessor	
	December 31, 2025		December 31, 2024	
	Ownership %	Carrying Value	Ownership %	Carrying Value
(in millions of U.S. dollars)				
Monument Re ⁽¹⁾	24.6 %	N/A	24.6 %	\$ 19
Core Specialty	19.6 %	\$ 319	19.9 %	281
Positive Physicians Holdings, Inc.	27.0 %	5	27.0%	13
		<u>\$ 324</u>		<u>\$ 313</u>

⁽¹⁾ As a result of applying pushdown accounting, which included changes to certain accounting policies and elections, we have elected the fair value option for the equity method investment in Monument, valued at \$22 million, that is now included in equity investments.

Notes to Consolidated Financial Statements | Note 6 - Investments
Summarized Financial Information

The following is the aggregated summarized financial information of all our equity method investees, including those for which the fair value option was elected and would otherwise be accounted for as an equity method investment. As pushdown accounting is not applied to our equity method investees, the summarized financial information is not presented on a predecessor and successor basis.

	As of December 31,	
	2025	2024
	(in millions of U.S. dollars)	
Balance Sheet		
Total assets	\$ 63,283	\$ 69,237
Total liabilities	45,764	49,137

	For the year ended December 31,		
	2025	2024	2023
	(in millions of U.S. dollars)		
Operating Results			
Total income	\$ 12,437	\$ 12,854	\$ 14,610
Total expenses	11,326	12,101	12,989
Net income	\$ 1,111	\$ 753	\$ 1,621

The following table presents the carrying value by ownership percentage of our equity method investees, including those for which the fair value option was elected:

	Successor		Predecessor	
	December 31, 2025		December 31, 2024	
	Equity Method Investments	Fair Value Option	Equity Method Investments	Fair Value Option
	(in millions of U.S. dollars)			
Ownership percentage				
20% to 99%	\$ 5	\$ 1,737	\$ 32	\$ 1,439
3% to 19%	319	1,016	281	780
Total	\$ 324	\$ 2,753	\$ 313	\$ 2,219

Funds Held

Under funds held arrangements, the reinsured company has retained funds that would otherwise have been remitted to us. The funds held balance is credited with investment income and losses paid are deducted.

We present funds held as a single category within the consolidated balance sheets. The following table summarizes the components of funds held as of:

	Successor	Predecessor
	December 31, 2025	December 31, 2024
	(in millions of U.S. dollars)	
Funds held - directly managed	\$ 2,139	\$ 2,446
Funds held by reinsured companies	2,254	2,533
Total funds held	\$ 4,393	\$ 4,979

Notes to Consolidated Financial Statements | Note 6 - Investments

Funds held arrangements where we receive the underlying portfolio economics and the contractual right to direct the asset allocation strategies are known as "Funds held - directly managed." Funds held arrangements where we receive a fixed crediting rate or other contractually agreed return are known as "Funds held by reinsured companies." Where we receive a contractually agreed return, we evaluate whether we are required to recognize an embedded derivative.

Funds held by reinsured companies are carried at cost and any embedded derivative is carried at fair value.

Funds held - directly managed are carried at fair value because it represents the aggregate of funds held at cost and the value of an embedded derivative. The embedded derivative relates to our contractual right to receive the return on the underlying investment portfolio and the performance risk of the individual assets supporting the reinsurance contract.

We include the estimated fair value of these embedded derivatives in the consolidated balance sheets with the host contract to reflect the expected settlement of these features with the host contract.

The investment returns on both categories of funds held are recognized in net investment income and fair value changes in equity and trading securities, funds held and other investments. The change in the fair value of the embedded derivative is included in fair value changes in equity and trading securities, funds held and other investments.

Funds Held - Directly Managed

The following table summarizes the components of the investments collateralizing the funds held - directly managed:

	Successor	Predecessor
	December 31, 2025	December 31, 2024
(in millions of U.S. dollars)		
Funds held - directly managed, at cost	\$ 2,126	\$ 2,587
Fair value changes in:		
Accumulated change in fair value - embedded derivative	13	(141)
Funds held - directly managed, at fair value	<u>\$ 2,139</u>	<u>\$ 2,446</u>

Most of our funds held - directly managed is comprised of short-term and fixed maturities.

Funds Held by Reinsured Companies

The following table summarizes the components of our funds held by reinsured companies:

	Successor	Predecessor
	December 31, 2025	December 31, 2024
(in millions of U.S. dollars)		
Fund held by reinsured companies, at amortized cost	\$ 2,254	\$ 2,528
Fair value of embedded derivative	—	5
Funds held by reinsured companies	<u>\$ 2,254</u>	<u>\$ 2,533</u>

The changes in in funds held are generally driven by net paid losses.

Notes to Consolidated Financial Statements | Note 6 - Investments

Net Investment Income

Major categories of net investment income are summarized as follows:

	Successor		Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
(in millions of U.S. dollars)				
Fixed maturities	\$ 172	\$ 147	\$ 319	\$ 326
Short-term investments and cash and cash equivalents	41	45	43	38
Funds held	109	110	224	211
Investment income from fixed maturities, cash and cash equivalents, and funds held	322	302	586	575
Equity investments	10	18	39	41
Other investments	267	42	67	51
Investment income from equities and other investments	277	60	106	92
Gross investment income	599	362	692	667
Investment expenses	(2)	(19)	(41)	(20)
Net investment income	\$ 597	\$ 343	\$ 651	\$ 647

Net Realized Gains (Losses) and Fair Value Changes

Investment purchases and sales are recorded on a trade-date basis. Realized gains and losses on the sale of investments are based upon specific identification of the cost of investments. Components of net realized and fair value changes for the periods referenced below were as follows:

	Successor		Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
(in millions of U.S. dollars)				
Net realized (losses) gains on sale:				
Gross realized gains on fixed maturities, AFS	\$ 6	\$ 12	\$ 11	\$ 5
Gross realized losses on fixed maturities, AFS	(4)	(19)	(35)	(81)
Decrease (increase) in allowance for expected credit losses on fixed maturities, AFS	(3)	—	15	11
Total net realized losses on sale	\$ (1)	\$ (7)	\$ (9)	\$ (65)
Fair value changes in equity and trading securities, funds held and other investments:				
Fixed maturities, trading	\$ —	\$ 8	\$ (25)	\$ 84
Funds held - directly managed	18	24	(14)	47
Equity securities	80	1	176	167
Other investments	—	70	325	225
Investment derivatives	—	24	(6)	5
Total fair value changes in equity and trading securities, funds held and other investments	\$ 98	\$ 127	\$ 456	\$ 528
Net realized losses and fair value changes in equity and trading securities, funds held and other investments	\$ 97	\$ 120	\$ 447	\$ 463

The gross realized gains and losses on sales of AFS investments for the periods from July 3 to December 31, 2025, and January 1 to July 2, 2025 included in the table above resulted from sales of \$1.5 billion and \$1.2 billion, respectively. The gross realized gains and losses on sales of AFS investments for the years ended December 31, 2024 and 2023 were \$1.4 billion and \$1.8 billion, respectively.

Notes to Consolidated Financial Statements | Note 6 - Investments

For the periods from July 3 to December 31, 2025 and January 1 to July 2, 2025, fair value changes in equity and trading securities, funds held and other investments recorded within the statement of operations relating to equity securities still held on the balance sheet date were \$80 million and \$(1) million, respectively.

For the years ended December 31, 2024 and 2023, fair value changes in equity and trading securities, funds held and other investments recorded within the statement of operations relating to equity securities still held on the balance sheet date were \$105 million and \$109 million, respectively.

Restricted Assets

We utilize trust accounts to collateralize business with our (re)insurance counterparties. We are also required to maintain investments and cash and cash equivalents on deposit with regulatory authorities and Corporation of Lloyd's ("Lloyd's") to support our (re)insurance operations. The investments and cash and cash equivalents on deposit are available to settle (re)insurance liabilities. Collateral generally takes the form of assets held in trust, letters of credit or funds held. The assets used as collateral are primarily highly rated fixed maturities. The carrying value of our restricted assets, including restricted cash of \$486 million and \$456 million as of December 31, 2025 and 2024, respectively, was as follows:

	Successor	Predecessor	
	December 31, 2025	December 31, 2024	Financial Statement Line Items where presented
(in millions of U.S. dollars)			
Collateral in trust for third party agreements	\$ 6,371	\$ 4,832	Fixed maturities Equity investments Other investments Restricted cash
Assets on deposit with regulatory authorities	60	63	Fixed maturities Other investments Restricted cash
Collateral for secured letter of credit facilities	48	45	Fixed maturities Restricted cash
Funds at Lloyd's ("FAL") ⁽¹⁾	181	229	Equity investments Other investments Restricted cash
	\$ 6,660	\$ 5,169	

⁽¹⁾ We managed and provided capacity for one Lloyd's syndicate as of December 31, 2025 and 2024. Lloyd's determines the required capital principally through the use of an internal model that calculates a solvency capital requirement for each syndicate. This capital is referred to as FAL and will be drawn upon if a syndicate has a loss that cannot be funded from other sources. We also utilize unsecured letters of credit for a significant portion of our FAL, as described in Note 17.

7. DERIVATIVES AND HEDGING INSTRUMENTS

Accounting for Derivatives

Freestanding Derivatives

Freestanding derivatives are recorded on trade-dates and carried on the consolidated balance sheet either as assets within other assets or as liabilities within other liabilities at estimated fair value. We do not offset the estimated fair value amounts recognized for derivatives executed with the same counterparty under the same master netting agreement.

If a derivative is not designated as an accounting hedge or its use in managing risk does not qualify for hedge accounting, changes in the estimated fair value of the derivative are reported in fair value changes in equity and trading securities, funds held and other investments included in our consolidated statements of operations.

Hedge Accounting

To qualify for hedge accounting, at the inception of the hedging relationship, we formally document the risk management objective and strategy for undertaking the hedging transaction, as well as the designation of the hedge.

We have qualifying net investment in foreign operation (“NIFO”) hedges. We recognize changes in the estimated fair value of the hedging derivatives within OCI, consistent with the translation adjustment for the hedged net investment in the foreign operation.

Our documentation sets forth how the hedging instrument is expected to hedge the designated risks related to the hedged item and also sets forth the method that will be used to retrospectively and prospectively assess the hedging instrument's effectiveness. A derivative designated as a hedging instrument must be assessed as being highly effective in offsetting the designated risk of the hedged item. Hedge effectiveness is formally assessed at inception and at least quarterly throughout the life of the designated hedging relationship. Assessments of hedge effectiveness are also subject to interpretation and estimation and different interpretations or estimates may have a material effect on the amount reported in net income.

When hedge accounting is discontinued pursuant to a NIFO hedge (due to a revaluation, payment of a dividend or the disposal of our investment in a foreign operation), the derivative continues to be carried on the balance sheet at its estimated fair value. Deferred gains and losses recorded in OCI pursuant to a discontinued NIFO hedge are recognized immediately in net foreign exchange losses (gains) in our consolidated statements of operations.

Embedded Derivatives

We are party to certain reinsurance agreements that have embedded derivatives. We assess each identified embedded derivative to determine whether it is required to be bifurcated. The embedded derivative is bifurcated from the host contract and accounted for as a freestanding derivative if:

- the combined instrument is not accounted for in its entirety at estimated fair value with changes in estimated fair value recorded in net income;
- the terms of the embedded derivative are not clearly and closely related to the economic characteristics of the host contract; and
- a separate instrument with the same terms as the embedded derivative would qualify as a derivative instrument.

Such embedded derivatives are carried on the consolidated balance sheet at estimated fair value with the host contract and changes in their estimated fair value are generally reported within fair value changes in equity and trading securities, funds held and other investments.

Derivative Strategies

We are exposed to various risks relating to our ongoing business operations, including interest rate, foreign currency exchange rate, credit and equity price risks. We use a variety of strategies to manage these risks, including the use of derivatives.

Derivatives are financial instruments with values derived from interest rates, foreign currency exchange rates, credit spreads and/or other financial indices. The types of derivatives we use include swaps and forwards.

Notes to Consolidated Financial Statements | Note 7 - Derivatives and Hedging Instruments

Foreign Currency Derivatives

We use foreign currency exchange rate derivatives, including foreign currency forwards, to reduce the risk from fluctuations in foreign currency exchange rates associated with our assets and liabilities denominated in foreign currencies. We also use foreign currency derivatives to hedge the foreign currency exchange rate risk associated with certain of our net investments in foreign operations.

In a foreign currency forward transaction, we agree with another party to deliver a specified amount of an identified currency at a specified future date. The price is agreed upon at the time of the contract and payment for such a contract is made at the specified future date. We utilize foreign currency forwards in fair value, NIFO hedges and non-qualifying hedging relationships.

Interest Rate Derivatives

We use interest rate derivatives, specifically interest rate swaps, to reduce our exposure to changes in interest rates.

Interest rate swaps are used by us primarily to reduce market risks from changes in interest rates and to alter interest rate exposure arising from mismatches between assets and liabilities (duration mismatches). In an interest rate swap, we agree with another party to exchange, at specified intervals, the difference between fixed rate and floating rate interest amounts as calculated by reference to an agreed notional amount. We utilize interest rate swaps in non-qualifying hedging relationships.

In June 2024, we entered into four one-month forward interest rate swaps each with a different underlying swap term of 2 to 5 years, receiving a fixed rate and paying a floating rate with a notional value of \$125 million to (i) partially mitigate the risk that interest rates could decrease prior to our receipt of the premium consideration and (ii) reduce asset and liability mismatch risk driven by investment restrictions for the LPT transaction related to property catastrophe and COVID-19 exposures that was signed and closed in June 2024. Fair value changes of the derivatives for the successor and predecessor periods in 2025 and the year ended December 31, 2024 are presented within the table below as part of interest rate swaps.

Additionally, in June 2024, we entered into two two-month forward interest rate swaps, receiving a fixed rate and paying a floating rate with a notional value of AUD \$195 million (USD \$130 million) to partially mitigate the risk that interest rates could decrease prior to our receipt of the consideration for the ADC transaction related to product and public liability, compulsory third-party motor, professional risks, and workers' compensation business signed in June 2024. Fair value changes of the derivatives for the year ended December 31, 2024 are presented within the table below as part of interest rate swaps.

In August 2024, we entered into a one-month forward interest rate swap, receiving a fixed rate and paying a floating rate with a notional value of \$308 million to partially mitigate the risk that interest rates could decrease prior to our receipt of the consideration for the LPT transaction related to general aviation and workers' compensation signed in August 2024, which closed in the fourth quarter of 2024. The swap was terminated in December 2024. For the year ended December 31, 2024, we recognized a loss from fair value changes of the derivatives of \$5 million.

In December 2024, we entered into three three-month forward interest rate swaps, receiving a fixed rate and paying a floating rate with a notional value of \$823 million, £252 million, and €383 million to partially mitigate the risk that interest rates could decrease prior to our receipt of the consideration for the LPT transaction related to a diversified mix of business including liability, professional risk, and motor signed in December 2024. As the transaction had not yet closed prior to the expiration of the forward starting period, the three forward interest rate swaps were terminated in March 2025 and three new three-month forward interest rate swaps were entered into, receiving a fixed rate and paying a floating rate with the same notional values and for the same purpose as the terminated forward interest rate swaps. The new swaps were terminated in June 2025. For the periods from January 1 to July 2, 2025 and July 3 to December 31, 2025, we recognized net gains from fair value changes of the interest rate

Notes to Consolidated Financial Statements | Note 7 - Derivatives and Hedging Instruments

swaps, which are presented within the table below as part of interest rate swaps.

The following table presents the gross notional amounts and estimated fair values of our derivatives recorded within other assets and other liabilities on the consolidated balance sheets as of December 31, 2025 and 2024:

	Successor			Predecessor		
	As of December 31, 2025			As of December 31, 2024		
	Gross Notional Amount	Fair Value ⁽¹⁾		Gross Notional Amount	Fair Value ⁽¹⁾	
Assets		Liabilities	Assets		Liabilities	
(in millions of U.S. dollars)						
Derivatives designated as hedging instruments						
Foreign currency forward contracts	\$ 294	\$ —	\$ 8	\$ 227	\$ 2	\$ —
Derivatives not designated as hedging instruments						
Foreign currency forward contracts	753	21	2	282	3	1
Interest rate swaps	125	1	—	1,660	—	6
Total	\$ 1,172	\$ 22	\$ 10	\$ 2,169	\$ 5	\$ 7

⁽¹⁾ Refer to Note 13 for additional information regarding the fair value of our derivatives.

The following table presents the net gains and losses relating to our derivative instruments.

Financial statement line item where gain (loss) is recognized on derivatives	Successor	Predecessor			
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023	
Amount of Net Gains (Losses)					
(in millions of U.S. dollars)					
Derivatives designated as hedging instruments					
Foreign currency forward contracts	Accumulated other comprehensive income (loss)	\$ (22)	\$ (24)	\$ 13	\$ (15)
Derivatives not designated as hedging instruments					
Foreign currency forward contracts	Net foreign exchange gains	6	1	10	9
Interest rate swap	Fair value changes in equity and trading securities, funds held and other investments	—	24	(7)	7
Others	Fair value changes in trading securities, funds held and other investments	—	—	—	(2)

8. REINSURANCE BALANCES RECOVERABLE ON PAID AND UNPAID LOSSES

Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying liability for losses and LAE. We report our reinsurance balances recoverable on paid and unpaid losses net of an allowance for estimated uncollectible amounts.

Our allowance for estimated uncollectible reinsurance is derived based on various data sources, multiple key inputs and forecast scenarios. These include the duration of the collection period, credit quality, changes in reinsurer credit standing, default rates specific to the individual reinsurer, the geographical location of the reinsurer, contractual disputes with reinsurers over individual contentious claims, contract language or coverage issues, industry analyst reports and consensus economic forecasts.

To determine the allowance for estimated uncollectible reinsurance, we use the probability of default (“PD”) and loss given default (“LGD”) methodology whereby each reinsurer is allocated an appropriate PD percentage based on the expected payout duration by portfolio. This PD percentage is then multiplied by an appropriate LGD percentage to arrive at an overall credit allowance percentage which is then applied to the reinsurance balance recoverable for each reinsurer, net of any specific bad debt provisions, collateral or other contract related offsets, to arrive at the overall allowance for estimated uncollectible reinsurance by reinsurer.

Amounts deemed to be uncollectible, including amounts due from known insolvent reinsurers, are written off against the allowance.

Changes in the allowance, as well as any subsequent collections of amounts previously written off, are reported as part of the net incurred losses and LAE in our consolidated statements of operations.

On an ongoing basis, we also evaluate and monitor the credit risk of our reinsurers, including those under voluntary schemes of arrangement, to minimize our exposure to significant losses from potential insolvencies.

The following table provides the total reinsurance balances recoverable on paid and unpaid losses.

	Successor As of December 31, 2025	Predecessor As of December 31, 2024
(in millions of U.S. dollars)		
Recoverable from reinsurers on unpaid:		
Outstanding losses and IBNR	\$ 922	\$ 683
ULAE	4	4
Fair value adjustments - acquired companies	—	(5)
Fair value adjustments - fair value option	—	(54)
Total reinsurance reserves recoverable	926	628
Paid losses recoverable	81	84
Total	\$ 1,007	\$ 712
Reconciliation to Consolidated Balance Sheet:		
Reinsurance balances recoverable on paid and unpaid losses	\$ 1,007	\$ 533
Reinsurance balances recoverable on paid and unpaid losses - fair value option	—	179
Total	\$ 1,007	\$ 712

Certain of our subsidiaries and assumed portfolios, prior to acquisition, used retrocessional agreements to reduce their exposure to the risk of (re)insurance assumed.

The fair value adjustments, determined on acquisition of (re)insurance subsidiaries, are based on the estimated timing of loss and LAE recoveries and an assumed interest rate equivalent to a risk free rate for securities with similar duration to the acquired reinsurance balances recoverable on paid and unpaid losses plus a spread for credit

risk, and are amortized over the estimated recovery period, as adjusted for accelerations in timing of payments as a result of commutation settlements¹⁴.

Top Ten Reinsurers

Successor			Predecessor		
December 31, 2025			December 31, 2024		
Number	Total (\$)	%	Number	Total (\$)	%

(in millions of U.S. dollars, except for number of top 10 reinsurers)

Information regarding top ten reinsurers:

Top 10 reinsurers rated A- or better	8	\$ 306		8	\$ 328	
Top 10 non-rated reinsurers:						
Due from a U.S. state backed reinsurer that is supported by assessments on active auto writers operating within the state		130			136	
Due from a U.S. Workers' Compensation Reinsurance Pool that is secured through an allocation to insurers actively writing workers' compensation in the covered state		38			42	
Due from a Bermuda registered collateralized reinsurer		260			—	
Total top 10 non-rated reinsurers	2	428		2	178	
Total top 10 reinsurers		734	72.9 %		506	71.1 %
Other reinsurers > \$1 million		259	25.7 %		186	26.1 %
Other reinsurers < \$1 million		14	1.4 %		20	2.8 %
Total		\$ 1,007	100.0 %		\$ 712	100.0 %
Single reinsurers that represent 10% or more of total reinsurance balance recoverable as of December 31, 2025 and 2024:						
Lloyd's Syndicates ⁽¹⁾		\$ 108			\$ 96	
Michigan Catastrophic Claims Association ⁽²⁾		\$ 130			\$ 136	
Scaur-Hill ⁽³⁾		\$ 260			\$ —	

⁽¹⁾ Lloyd's Syndicates are rated AA- by Standard & Poor's and A+ by A.M. Best.

⁽²⁾ U.S. state backed reinsurer that is supported by assessments on active auto writers operating within the state.

⁽³⁾ U.S. Due from a Bermuda registered collateralized reinsurer

¹⁴The determination of the fair value adjustments on the retroactive reinsurance contracts for which we have elected the fair value option is described in Note 13.

Notes to Consolidated Financial Statements | Note 8 - Reinsurance Balances Recoverable on Paid and Unpaid Losses

The table below provides a reconciliation of the beginning and ending allowance for estimated uncollectible reinsurance balances for the periods referenced below:

	Successor	Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024
	(in millions of U.S. dollars)		
Allowance for estimated uncollectible reinsurance, beginning of period ⁽¹⁾	\$ —	\$ 116	\$ 131
Effect of exchange rate movement	—	2	(1)
Current period change in the allowance	4	(3)	(5)
Write-offs charged against the allowance	—	(1)	(2)
Recoveries collected	—	—	(7)
Allowance for estimated uncollectible reinsurance, end of year	\$ 4	\$ 114	\$ 116

⁽¹⁾ The allowance for reinsurance recoverables was eliminated in purchase accounting as the reinsurance recoverables were remeasured at fair value within the basis of such reinsurance recoverables.

9. DEFERRED CHARGE ASSETS AND DEFERRED GAIN LIABILITIES

If, at the inception of an assumed retroactive reinsurance contract, the estimated liabilities for losses and LAE exceed the premiums received, a DCA is recorded for this difference. In contrast, if the premiums received are more than the estimated undiscounted ultimate losses payable, a DGL is recorded.

The consideration that we charge the ceding companies under retroactive reinsurance contracts may be lower than our estimate of losses and LAE liabilities as these liabilities may not be settled for many years. Our contractual counterparties (cedants) settle the consideration upon inception of the contract and we invest the consideration received over an extended period of time, thereby generating investment income. As a result, we expect to generate profits from these retroactive reinsurance contracts when taking into account the consideration received and expected investment income, less contractual obligations and expenses.

We amortize the DCA and DGL balances over the estimated claim payment period of the related contracts with the amortization subject to prospective adjustment at each reporting period to reflect new estimates of the pattern and timing of remaining losses and LAE payments. We present the amortization of our net DCAs and DGLs as a separate line item in our consolidated statements of operations.

In addition, for retrocessions of losses and LAE reserves that we may cede through retroactive reinsurance contracts where the retroceded liabilities exceed the retrocession consideration paid, we would record a DGL. We amortize the DGL balances over the estimated claim payment period of the related contracts. The DGL balances are adjusted for any favorable or adverse loss developments and such loss developments are not recognized on the consolidated statement of operations until the related DGL balance has been eliminated. Amortization of the adjusted DGL balances are subject to prospective adjustment at each reporting period to reflect new estimates of the pattern and timing of remaining losses and LAE payments.

DCAs are assessed at each reporting period for impairment based on the expected yields from the investment income of the underlying assets supporting the specific acquired insurance contract liabilities. There were no impairments identified in any of the periods reported.

Deferred Charge Assets and Deferred Gain Liabilities

The following table presents a reconciliation of the beginning and ending DCA and DGL balances:

	Successor			Predecessor		
	Period from July 3 to December 31, 2025			Period from January 1 to July 2, 2025	Year ended December 31, 2024	Year Ended December 31, 2023
	DCA	DGL	Net	DCA	DCA	DCA
	(in millions of U.S. dollars)					
Beginning carrying value ⁽¹⁾	\$ —	\$ —	\$ —	\$ 745	\$ 731	\$ 658
Additions during the period	18	(9)	9	102	131	179
Amortization	(3)	1	(2)	(59)	(117)	(106)
Ending carrying value	\$ 15	\$ (8)	\$ 7	\$ 788	\$ 745	\$ 731

⁽¹⁾ All pre-closing date DCAs were eliminated as a result of applying pushdown accounting. The successor period only includes unamortized DCAs resulting from new retroactive reinsurance contracts entered after July 2, 2025.

10. LOSSES AND LOSS ADJUSTMENT EXPENSES

The liability for losses and LAE, also referred to as loss reserves, represents both gross estimates before reinsurance for unpaid reported losses (“OLR”) and losses that have been IBNR, estimated using actuarial methods. We recognize an asset for the portion of the liability that we expect to recover from reinsurers. LAE reserves include allocated LAE (“ALAE”) and ULAE. ALAE are linked to the settlement of an individual claim or loss, whereas ULAE are based on our estimates of future costs to administer the claims. IBNR includes amounts for unreported claims, development on known claims and reopened claims.

Our loss reserves cover multiple lines of business, including asbestos, environmental, general casualty, workers’ compensation, marine, aviation and transit, construction defect, professional indemnity/directors and officers, motor, property and other lines of business.

We establish reserves for unpaid reported losses and LAE based on reports from brokers, ceding companies and insureds and these represent the estimated ultimate cost of events or conditions that have been reported to or specifically identified by us.

The reserves for IBNR losses are established by us based on actuarially determined estimates of ultimate losses and LAE. Inherent in the estimate of ultimate losses and LAE are expected trends in claim severity and frequency, historical loss experience, industry statistics and other factors which may vary significantly as claims are settled.

These estimates are reviewed regularly and are subject to the impact of future changes in the factors noted above as well as economic conditions including the impact of inflation, legal and judicial developments, and medical cost trends.

Any subsequent remeasurement of our reserves will be recorded in net income in the period in which they become known and reflected as part of the net increase or reduction in the estimates of ultimate losses included within net incurred losses and LAE in the consolidated statements of operations.

PPD arises from changes to loss estimates recognized in the current calendar year that relate to loss reserves established in previous calendar years.

Our estimates, at inception and on an ongoing basis, do not include an estimate for potential future commutations and policy buybacks. Commutations and policy buybacks are often unique and circumstance-based, and each commutation or policy buyback is separately negotiated. Therefore, the successful execution of one commutation or policy buyback does not necessarily impact the likelihood of other commutations or policy buybacks occurring in the future.

Commutations and policy buybacks provide an opportunity for us to exit exposures to certain policies and insureds generally at a discount to our estimate of the ultimate liability and provide us with the ability to eliminate exposure to further losses which can be beneficial to us as they legally extinguish liabilities in full, reducing the potential for future adverse loss development and future claims handling costs.

Commutations of acquired companies’ exposures have the effect of accelerating the payout of claims compared to the probability-weighted ranges of actuarially projected cash flows that we applied when estimating the fair values of assets and liabilities at the time of acquisition.

Commutations are only executed directly with (re)insureds and any changes in ultimate losses are recognized upon the execution of a commutation or policy buyback with the (re)insured.

Any material acceleration of payout together with the impact of any material loss reserve savings in any period will also accelerate the amortization of any associated fair value adjustments in that period.

Our (re)insurance subsidiaries also establish provisions for ULAE for LAE relating to run-off costs for the estimated duration of the run-off, such as internal claim management or associated operational support costs, which are included in the liability for losses and LAE. These provisions are assessed at each reporting date, and provisions relating to future periods are adjusted to reflect any changes in estimates of the periodic run-off costs or the duration of the run-off, including the impact of any acceleration of the run-off period that may be caused by commutations. Provisions relating to the current period together with any adjustment to future run-off provisions are included in net incurred losses and LAE in the consolidated statements of operations. Paid ULAE is adjusted against the ULAE

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

reserves, which are included in losses and loss adjustment expense on the balance sheet and results in no impact to net income.

The tables below provide a consolidated reconciliation of the beginning and ending liability for losses and LAE for the respective periods:

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
	(in millions of U.S. dollars)			
Balance as of beginning of period ⁽¹⁾	\$ 13,212	\$ 11,404	\$ 12,359	\$ 13,007
Reinsurance reserves recoverable on unpaid losses	(674)	(628)	(774)	(996)
Net balance as of beginning of period	12,538	10,776	11,585	12,011
Net incurred losses and LAE:				
Current period:				
Increase in estimates of net ultimate losses	6	9	22	28
Net (decrease) increase in provisions for ULAE	—	(2)	1	2
Total current period	6	7	23	30
Prior periods:				
Net increase (decrease) in estimates of ultimate losses	14	(19)	(105)	(157)
Net decrease in provisions for ULAE	(43)	(37)	(77)	(69)
Amortization of fair value adjustments ⁽¹⁾	—	7	13	17
Changes in fair value - fair value option ⁽²⁾	—	20	20	78
Total prior periods	(29)	(29)	(149)	(131)
Total net incurred losses and LAE	(23)	(22)	(126)	(101)
Net paid losses:				
Current period	—	(1)	(2)	—
Prior periods	(1,301)	(1,225)	(2,265)	(2,467)
Total net paid losses	(1,301)	(1,226)	(2,267)	(2,467)
Other changes:				
Changes in deferred gain on ceded business	(1)	—	—	—
Effect of exchange rate movement	(57)	248	(149)	87
Commutation	(18)	—	10	(21)
Acquired business	—	—	66	—
Ceded business ⁽³⁾	(288)	—	—	(139)
Assumed business ⁽⁴⁾	924	2,531	1,657	2,215
Total other changes	560	2,779	1,584	2,142
Net balance as of end of period	11,774	12,307	10,776	11,585
Reinsurance reserves recoverable on unpaid losses	926	617	628	774
Net balance as of end of period	\$ 12,700	\$ 12,924	\$ 11,404	\$ 12,359

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

	As of	
	Successor December 31, 2025	Predecessor December 31, 2024
	(in millions of U.S. dollars)	
Reconciliation to Consolidated Balance Sheets:		
Losses and loss adjustment expenses	\$ 12,700	\$ 10,407
Losses and loss adjustment expenses, at fair value	—	997
Total losses and loss adjustment expenses	\$ 12,700	\$ 11,404
Reinsurance balances recoverable on paid and unpaid losses	\$ 1,007	\$ 533
Reinsurance balances recoverable on paid and unpaid losses - fair value option	—	179
Total reinsurance balances recoverable on paid and unpaid losses	1,007	712
Less: Paid losses recoverable	(81)	(84)
Reinsurance reserves recoverable on unpaid losses	\$ 926	\$ 628

⁽¹⁾ As a result of applying pushdown accounting, fair value adjustments and adjustments relating to electing fair value option from the predecessor period have been eliminated and replaced by the new fair value adjustment as of July 2, 2025. The elimination of the fair value adjustments from the predecessor period were embedded in the reserve balances (which caused the ending balance of July 2, 2025 and the opening balances as of July 3, 2025 to differ). In contrast, the fair value adjustment in the successor period is recognized in fair value adjustment related to losses and LAE and defendant asbestos and environmental liabilities on the consolidated balance sheet. Refer to Note 1, Note 16, and the disclosures above for additional details on pushdown accounting and the Merger.

⁽²⁾ Comprises discount rate and risk margin components.

⁽³⁾ Amounts for 2025 correspond to the net loss reserves ceded from the agreement with Scaur Hill Re Ltd. as described in Note 4.

⁽⁴⁾ Amounts from 2025 correspond to the net loss reserves assumed from signed and closed reinsurance agreements described in Note 4.

Prior Period Development (“PPD”)**Net Reduction in Estimates of Net Ultimate Losses**

The following table summarizes the increases (reductions) in estimates of net ultimate losses related to prior years by line of business:

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
	(in millions of U.S. dollars)			
Asbestos	\$ 69	\$ 2	\$ 33	\$ 23
Environmental	(7)	(5)	35	(1)
General casualty	120	38	21	127
Workers' compensation	(123)	(20)	(91)	(200)
Marine, aviation and transit	7	(2)	(19)	(2)
Construction defect	7	3	(15)	17
Professional Indemnity/Directors and Officers	113	30	(55)	(11)
Motor	(102)	(16)	(29)	(28)
Property	(62)	(48)	7	(68)
All Other	(8)	(1)	8	(14)
Total	\$ 14	\$ (19)	\$ (105)	\$ (157)

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Period from July 3 to December 31, 2025 (Successor):

The net increase in estimates of ultimate losses of \$14 million was driven by adverse development on our general casualty, professional indemnity/directors and officers, and asbestos lines of business of \$120 million, \$113 million, and \$69 million, respectively. This is a result of adverse claims experience, most notably in the 2023 and 2025 acquisition years.

The results were offset by favorable development on our workers' compensation and motor lines of business of \$123 million and \$102 million, respectively. This is a result of favorable claims experience, most notably in the 2024 and 2025 acquisition years.

Period from January 1 to July 2, 2025 (Predecessor):

The net reduction in estimates of ultimate losses of \$19 million was driven by favorable developments on our property, workers' compensation, and motor lines of business of \$48 million, \$20 million, and \$16 million, respectively. This is a result of favorable claims experience, most notably in the 2024 acquisition year.

The results were offset by adverse development on our general casualty and professional indemnity/directors and officers lines of business of \$38 million and \$30 million, respectively, as a result of adverse claims experience.

Year ended December 31, 2024 (Predecessor):

The reduction in estimates of net ultimate losses of \$105 million was driven by favorable developments on our workers' compensation, professional indemnity/directors and officers, motor, and marine, aviation and transit lines of business of \$91 million, \$55 million, \$29 million, and \$19 million, respectively. This is a result of favorable claims experience in those lines of business, most notably in the 2019, 2021, 2022 and 2023 acquisition years.

This result were partially offset by adverse development on our environmental, asbestos and general casualty lines of business of \$35 million, \$33 million, and \$21 million, respectively, as a result of adverse claims experience in those lines of business, most notably in our 2019, 2021, and 2023 acquisition years.

Year ended December 31, 2023 (Predecessor):

The net reduction in estimates of net ultimate losses of \$157 million was driven by favorable developments on our workers' compensation, and property lines of business of \$200 million, and \$68 million, respectively. This is a result of favorable claims experience in those lines of business, most notably in the 2018, 2019, 2021, and 2022 acquisition years.

The results were partially offset by adverse development on our general casualty line of business of \$127 million as a result of adverse claims experience in that line of business, most notably in our 2019, and 2020 acquisition years.

Reduction in Provisions for ULAE

Period from July 3 to December 31, 2025 (Successor):

The decrease in provisions for ULAE of \$43 million was driven by favorable changes in ULAE reserve estimates due to updates to cost projections to service claim liabilities.

Period from January 1 to July 2, 2025 and for the Years Ended December 31, 2024 and 2023 (Predecessor):

The reduction in provisions for ULAE for all periods was driven by corresponding reductions in loss reserves and the associated estimated cost of managing such liabilities, which also offset paid ULAE which was previously included as components of general and administrative expenses in accordance with the predecessor accounting presentation.

[Reconciliation of the Net Liability for Losses and LAE to the Gross Liability for Losses and LAE included in the Consolidated Balance Sheet](#)

The table below presents the reconciliation of the loss development tables disclosed further below to the liability for losses and LAE in the consolidated balance sheet as of December 31, 2025 (successor period). Loss development tables that we present below are those that are most significant to our financial statements. The amounts of incurred losses and paid losses prior to the July 3, 2025 start of the successor period are those from the predecessor. Such information was not modified as a result of the application of pushdown accounting. All adjustments to fair value of the loss reserves resulting from the application of pushdown accounting only impacted the fair value of the initial

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

reserves, which was recorded within fair value adjustment – losses and loss adjustment expenses and defendant asbestos and environmental liabilities. Refer to Note 2 for additional information.

	Successor		
	As of December 31, 2025		
	Net Liability for Losses and LAE	Reinsurance Recoverable on Liabilities for Losses and LAE	Gross Liabilities for Losses and LAE
	(in millions of U.S. dollars)		
Presented in the loss development tables:			
Asbestos	\$ 1,350	\$ 56	\$ 1,406
General casualty	3,789	160	3,949
Workers' compensation	1,484	160	1,644
Professional Indemnity/Directors and Officers	1,736	137	1,873
Property	1,218	87	1,305
Excluded from the loss development tables:			
Environmental	262	9	271
Marine, aviation and transit	290	33	323
Construction defect	156	1	157
Motor	767	238	1,005
Other	393	41	434
Total OLR and IBNR	11,445	922	12,367
ULAE	329	4	333
Total	\$ 11,774	\$ 926	\$ 12,700

Loss Development Information

Methodology for Establishing Reserves (Excluding Asbestos and Environmental Claims)

We perform our analysis of loss reserves and IBNR by each portfolio that we have acquired. Exposures for each portfolio are separated into homogenous reserving classes, generally lines of business, within each portfolio. Each reserving class contains either direct insurance or assumed reinsurance reserves and groups of relatively similar types of risks and exposures and lines of business written.

Based upon the exposure characteristics and the nature of available data for each individual reserving class, we select loss development extrapolation methods to calculate an estimate of ultimate losses.

We establish our recorded reserves as an estimate of unpaid losses for each class primarily by utilizing actuarial expertise and projection methods. The actuarial methodologies are selected after consideration of exposure characteristics, data limitations, and strengths and weaknesses of each method applied.

We use generally accepted actuarial methodologies to estimate ultimate losses and LAE, including:

- **Cumulative Reported and Paid Loss Development Methods:** The Cumulative Reported (Case Incurred) Loss Development method estimates ultimate losses by multiplying cumulative reported losses (paid losses plus case reserves) by a cumulative development factor.

Historical "age-to-age" loss development factors ("LDFs") are calculated to measure the relative development of an accident year from one maturity point to the next. Age-to-age LDFs are then selected based on these historical factors. The selected age-to-age LDFs are used to project the ultimate losses.

The Cumulative Paid Loss Development Method is mechanically identical to the Cumulative Reported Loss Development Method described above, but the paid method does not rely on case reserves or claim reporting patterns in making projections.

- **Incremental Reported and Paid Loss Development Methods:** Incremental incurred and paid analyses are performed in cases where cumulative data is not available. The concept of the incremental loss development methods is like the cumulative loss development methods described above, in that the pattern of historical paid or incurred losses is used to project the remaining future development.

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

- **IBNR-to-Case Outstanding Method:** This method requires the estimation of consistent cumulative paid and reported (case) incurred loss development patterns and age-to-ultimate LDFs, either from data that is specific to the segment being analyzed or from applicable benchmark or industry data. These patterns imply a specific expected relationship between IBNR, including both development on known claims (bulk reserve) and losses on true late reported claims, and reported case incurred losses.
- **Bornhuetter-Ferguson Expected Loss Projection Reported and Paid Methods:** The Bornhuetter-Ferguson Expected Loss Projection method produces expected unreported losses by multiplying the expected losses, which are based on initial selected ultimate loss ratios by year, by the unreported percentage. The unreported percentage is calculated as one minus the reciprocal of the selected cumulative incurred LDFs. Finally, the expected unreported losses are added to the current reported losses to produce ultimate losses.

The calculations underlying the Bornhuetter-Ferguson Expected Loss Projection method based on paid loss data are similar to the Bornhuetter-Ferguson calculations based on reported losses, with the exception that paid losses and unpaid percentages replace reported losses and unreported percentages.

- **Reserve Run-off Method:** This method first projects the future values of case reserves for all underwriting years to future ages of development by selecting a run-off pattern of case reserves based on the observed run-off ratios at each age of development. Once the ratios have been selected, they are used to project the future values of case reserves.

A paid on reserve factor is selected in a similar way. The ratios of the observed amounts paid during each development period to the respective case reserves at the beginning of the periods are used to estimate how much will be paid on the case reserves during each development period. These paid on reserve factors are then applied to the case reserve amounts that were projected during the first phase of this method. A summation of the resulting paid amounts yields an estimate of the liability.

We also consider additional information, such as, but not limited to, changes in the legal, regulatory and judicial environment; medical cost trends and general inflation; and adjust the estimate of ultimate losses as deemed necessary.

Paid-to-date losses are then deducted from the estimate of ultimate losses and LAE to arrive at an estimated total loss reserve, and reported outstanding case reserves are then deducted from estimated total loss reserves to calculate the estimated IBNR reserve.

These estimates are reviewed regularly and, as experience develops and new information becomes known, the reserves are adjusted as necessary. We generally perform a full review of each portfolio annually and additionally we perform interim reviews quarterly to ascertain whether changes to claims paid or case reserve amounts have varied from our expectations developed during the last annual reserve review. In this event, we consider the timing and magnitude of the actual versus expected development and may record an interim adjustment to our recorded reserves.

Asbestos and Environmental Reserving Methodologies

The ultimate losses from A&E claims cannot be estimated using traditional actuarial reserving methods that extrapolate losses to an ultimate basis using loss development, and therefore use alternative actuarial projection methods. Claims are spread across multiple policy years, generally from 1985 and prior, based on the still evolving case law in each jurisdiction, making historical development patterns unreliable to forecast the future claim payments.

As such, we estimate IBNR reserves for each of our portfolios with A&E exposures separately using the following methodologies:

- **Paid Survival Ratio Method:** In this method, our historical calendar year payments are examined to determine an expected future annual average payment amount. This amount is multiplied by an expected number of future payment years to estimate a reserve.

Trends in calendar year payment activity are considered when selecting an expected future annual average payment amount (which is derived from an expected paid survival ratio) and accepted industry benchmarks are used in determining an expected number of future payment years.

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- **Paid Market Share Method:** In this method, our estimated market share is applied to the industry estimated unpaid losses or estimate of industry ultimate losses. The ratio of our historical calendar year payments to industry historical calendar year payments is examined to estimate our market share. This ratio is then applied to the estimate of industry unpaid losses or estimate of industry ultimate losses.
- **Reserve-to-Paid Method:** In this method, the ratio of estimated industry reserves to industry paid-to-date losses is multiplied by our paid-to-date losses to estimate our reserves.
- **IBNR - Case Ratio Method:** In this method, the ratio of estimated industry IBNR reserves to industry case reserves is multiplied by our case reserves to estimate our IBNR reserves.
- **Ultimate-to-Incurred Method:** In this method, the ratio of estimated industry ultimate losses to industry incurred-to-date losses is applied to our incurred-to-date losses to estimate our IBNR reserves.
- **Decay Factor Method:** In this method, a decay factor is directly applied to our payment data to estimate future payments. The decay factors were selected based on a review of our own decays and industry decays.
- **Asbestos Ground-up Exposure Analysis Using Frequency-Severity Method:** This method is used when we have policy and claim data at the defendant or claimant level. In a frequency-severity method there are two components that need to be estimated, namely, (1) the number of claims that will ultimately be settled with payment and (2) the average claim indemnity and related estimated legal costs. Legal costs are derived based on assumptions relating to legal cost to indemnity cost ratios.

The estimate of the number of claims that will ultimately be settled with payment is based on assumptions relating to expected future claim filings (derived from epidemiological forecasts of asbestos disease incident) and claim dismissal rates.

The net liability for unpaid losses and LAE as of December 31, 2025 and 2024 included \$1.6 billion and \$1.7 billion, respectively, which represented an estimate of the net ultimate liability for A&E claims. The gross liability for such claims as of December 31, 2025 and 2024 was \$1.7 billion and \$1.8 billion, respectively.

The decreases on a net and gross basis, respectively, in 2025 were primarily due to net paid losses during the year.

Disclosures of Incurred and Paid Loss Development, IBNR, Claims Counts and Payout Percentages

The loss development tables set forth our historic incurred and paid loss development through December 31, 2025, net of reinsurance, as well as the cumulative number of reported claims, IBNR balances, and other supplementary information for our lines of business with material net losses and LAE balances as of December 31, 2025 (as described above, all such information is relevant to the successor period and remained unchanged from the information originating in the predecessor periods).

The following factors are relevant to the loss development information presented in the tables below:

- **Level of Disaggregation:** In addition to accident year, we have disaggregated the information in the loss development tables, by line of business and acquisition year. We have presented only the last 10 years of portfolio acquisitions as we believe that the current activity on the preceding acquisition years is not meaningful. We have not presented empty rows where we did not acquire any business for that combination of line of business, acquisition and accident year.

We present acquisition year information so that the impact of take-on positions from acquired and assumed business (as described below) is additionally separated and provides a consistent trend of the development of our ultimate loss reserves.

- **Acquired and Assumed Business:** Acquired and assumed net reserves arising from business acquisitions and retroactive reinsurance agreements are included in the loss development tables on a prospective basis as the loss reserves are effectively re-underwritten at the date that they are acquired or assumed.

We believe that the historical loss development prior to our acquisition is not relevant with respect to our own experience managing these acquired loss reserves. Furthermore, the information required to prepare the loss development disclosures on a retrospective basis is not always available to us or reliable.

- **Commutations and Policy Buybacks:** The loss development tables include the net incurred effect of agreeing a commutation or policy buyback in the year in which the commutation or policy buyback is contractually agreed and the related settlement in the year in which it is paid or received.

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We do not recast prior years to remove commuted or bought back claims, since this practice would eliminate any historical favorable or adverse development we may have experienced on the commuted loss and LAE reserves.

- **Net Liabilities for Losses and LAE and Net Paid Losses and LAE:** The loss development tables include reported case reserves and IBNR liabilities as well as cumulative paid losses, both of which include ALAE and are net of reinsurance recoveries.

The loss development tables exclude ULAE and fair value adjustments related to both business acquisitions and retroactive reinsurance agreements.

- **Foreign Exchange:** The loss development tables exclude the impact of foreign exchange rates. Historical amounts are disclosed on a constant-currency basis, which is achieved by using constant foreign exchange rates between years in the loss development tables, and translating prior year amounts denominated in currencies other than the U.S. dollar, which is our reporting currency, using the closing exchange rates as of December 31, 2025.

- **Reported Claim Counts:** Reported claim counts are included in the loss development tables on a cumulative basis. We measure claim frequency information on an individual claim count basis as follows:

- The claim frequency information includes direct and assumed open and closed claims at the claimant level. Reported claims that are closed without a payment are included within our cumulative number of reported claims because we typically incur claim adjustment expenses on them prior to their closure.
- The claim count numbers exclude counts related to claims within policy deductibles where the insured is responsible for the payment of losses within the deductible layer.
- Individual claim counts related to certain assumed reinsurance contracts such as excess-of-loss and quota share treaties are not available to us, and the losses arising from these treaties have been treated as single claims for the purposes of determining claim counts. Therefore, each treaty year within the reinsurance contract is deemed a single claim because the detailed underlying individual claim information is generally not reported to us by our cedants.
- For certain insurance facilities and business produced or managed by managing general agents, cover holders and third party administrators where the underlying claims data is reported to us in an aggregated format, the information necessary to provide cumulative claims frequency is not available. In such cases, we typically record a “block” claim in our system.

Our reported claim frequency information is subject to the following inherent limitations when analyzing our loss experience and severity:

- Claim counts are presented only on a reported and not on an ultimate basis. Reported claim counts include open claims which have outstanding reserves but excludes claim counts that may relate to IBNR. As such the reported claims are consistent with reported losses, which can be calculated by subtracting IBNR losses from incurred losses. However, the reported claim counts are inconsistent with the losses in the incurred loss development tables, which include IBNR losses, and to losses in the paid loss development tables, which exclude outstanding reserves.
- Reported claim counts have not been adjusted for ceded reinsurance, which may distort any measures of frequency or severity.
- For lines of business that have a mix of primary and excess layer exposures, such as our general casualty and workers’ compensation lines of business, the reported claim counts may fluctuate from period to period between exposure layers, thereby distorting any measure of frequency and severity.
- The use of our reported claim frequency information to project ultimate loss payouts by disaggregated disclosure category or line of business may not be as meaningful as claim count information related to individual contracts at a more granular level.
- **Annual Percentage Payout:** Annual percentage payout disclosures are based on the payout of claims by age, net of reinsurance. Claim age reflects the number of years that have lapsed since the original acquisition to the date the claim is paid.

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

There may be occasions where, due to our claims management strategies (including commutations and policy buybacks) or due to the timing of claims payments relative to the associated recovery, the cash received from reinsurance recoveries is greater than the cash paid out to our claimants, (i.e. a net recovery rather than a net payout for a particular calendar year), thereby resulting in a negative annual percentage payout for that calendar year.

- **Supplemental Information:** The information related to net incurred and paid loss development for all years preceding the year end December 31, 2025, as well as 2015 and prior accident year and all acquisition year information (including net acquired reserves), and the related historical average claims payout percentage disclosure is unaudited and is presented as supplementary information.

Asbestos															
Acquisition Year	Accident Year	Net Acquired Reserves	Net cumulative incurred losses and allocated loss adjustment expenses											As of December 31, 2025	
			For the years ended December 31,											IBNR	Cumulative number of claims
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025			
(in millions of U.S. dollars, except cumulative number of claims)															
Unaudited															
2016	2015 and Prior	\$ 507	\$ 506	\$ 565	\$ 563	\$ 582	\$ 632	\$ 635	\$ 635	\$ 636	\$ 626	\$ 659	\$ 95	2,118	
2017	2015 and Prior	932		7	35	841	851	833	818	840	853	890	412	7,285	
2018	2015 and Prior	4			(1)	(1)	(1)	—	(1)	(2)	(3)	(1)	—	31	
2019	2015 and Prior	366				367	354	356	355	356	401	408	68	1,241	
2021	2015 and Prior	386						386	385	385	371	371	54	2,059	
2024	2015 and Prior	61									82	69	50	8,970	
	Grand Total	\$ 2,256											\$ 2,396	\$ 679	21,704
Net cumulative paid losses and ALAE (from table below)											(1,202)				
Net cumulative paid losses and LAE (from below)											1,202				
2016 to 2025 acquisition years - net liabilities for losses and ALAE											1,194				
2015 and prior acquisition years - net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years											156				
Total net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years											\$ 1,350				

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Asbestos												
Net cumulative paid losses and allocated loss adjustment expenses												
For the years ended December 31,												
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
(in millions of U.S. dollars)												
Unaudited												
2016	2015 and Prior	\$ 20	\$ 71	\$ 124	\$ 183	\$ 228	\$ 268	\$ 299	\$ 332	\$ 378	\$ 413	
2017	2015 and Prior		—	2	89	130	173	213	263	318	371	
2018	2015 and Prior			(1)	(3)	(2)	(2)	(2)	(2)	(2)	(2)	
2019	2015 and Prior				4	51	105	139	175	215	249	
2021	2015 and Prior						(1)	52	85	132	167	
2024	2015 and Prior									1	4	
Grand Total											\$ 1,202	

Asbestos											
Annual Percentage Payout of Incurred Losses since Year of Acquisition, Net of Reinsurance											
Acquisition Year	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Unaudited											
2016	3.0 %	7.7 %	8.0 %	9.0 %	6.8 %	6.1 %	4.7 %	5.0 %	7.0 %	5.3 %	
2017	— %	0.2 %	9.8 %	4.6 %	4.9 %	4.5 %	5.6 %	6.2 %	6.0 %		
2018	100.0 %	200.0 %	(100.0)%	— %	— %	— %	— %	— %			
2019	1.0 %	11.5 %	13.2 %	8.3 %	8.8 %	9.8 %	8.3 %				
2021	(0.3)%	14.3 %	8.9 %	12.7 %	9.4 %						
2024	1.3 %	4.3 %									

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

General Casualty

Acquisition Year	Accident Year	Net Reserves Acquired	Net cumulative incurred losses and allocated loss adjustment expenses										As of December 31, 2025	
			For the years ended December 31,										IBNR	Cumulative number of claims
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
(in millions of U.S. dollars, except cumulative number of claims)														
Unaudited														
2016	2015 and Prior	\$ (3)	\$ (3)	\$ 9	\$ 8	\$ 8	\$ 6	\$ 5	\$ 4	\$ 4	\$ 4	\$ 4	\$ —	1,789
	Total	(3)	(3)	9	8	8	6	5	4	4	4	4	—	1,789
2017	2015 and Prior	203		131	120	147	143	141	139	139	139	139	4	356
	Total	203		131	120	147	143	141	139	139	139	139	4	356
2018	2015 and Prior	320			292	284	271	275	285	291	316	320	14	57,431
2018	2016	65			65	83	85	84	92	97	87	84	2	3,382
2018	2017	38			41	43	50	52	51	49	50	52	2	1,041
2018	2018	40			40	41	39	36	33	41	45	43	2	651
2018	2019	—				7	6	7	7	7	7	7	—	11
2018	2020	—					—	—	—	—	—	—	—	2
2018	2021	—					—	—	—	—	—	—	—	1
	Total	463			438	458	451	454	468	485	505	506	20	62,519
2019	2015 and Prior	131				112	108	134	109	135	124	123	16	5,372
2019	2016	33				35	31	38	40	53	45	48	14	2,759
2019	2017	39				48	48	60	74	88	89	102	15	1,989
2019	2018	50				49	50	54	52	67	86	93	20	416
2019	2019	—				1	2	2	2	2	2	2	—	252
2019	2020	—					—	—	—	—	—	—	—	149
2019	2021	—						—	—	—	—	1	—	84
2019	2022	—						—	—	—	—	—	—	56
2019	2023	—							—	—	—	1	—	12
2019	2024	—								—	—	(3)	—	3
2019	2025	—									—	—	—	3
	Total	253				245	239	288	277	345	346	367	65	11,095
2020	2015 and Prior	96					143	126	167	178	195	199	3	927
2020	2016	47					70	69	93	110	111	118	3	453
2020	2017	33					46	55	71	83	94	100	4	583
2020	2018	57					56	47	62	71	79	83	4	474
2020	2019	109					108	99	88	104	112	131	34	569
2020	2020	84					83	94	83	57	54	76	29	567
	Total	426					506	490	564	603	645	707	77	3,573
2021	2015 and Prior	400						415	392	479	431	421	336	35,427
2021	2016	189						204	199	198	190	169	106	9,258
2021	2017	294						307	326	337	321	310	165	7,915
2021	2018	371						372	414	354	321	303	190	5,968
2021	2019	420						428	480	452	444	413	248	4,442
2021	2020	59						75	42	46	46	46	5	1,415
2021	2021	—						1	—	1	1	—	—	182
2021	2022	—						—	—	—	—	—	—	133
2021	2023	—						—	—	—	—	—	—	23
2021	2024	—						—	—	—	(1)	—	1	1
2021	2025	—						—	—	—	—	—	—	1
	Total	1,733						1,802	1,853	1,867	1,753	1,662	1,051	64,765

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

General Casualty

Acquisition Year	Accident Year	Net Reserves Acquired	Net cumulative incurred losses and allocated loss adjustment expenses										As of December 31, 2025	
			For the years ended December 31,										IBNR	Cumulative number of claims
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
(in millions of U.S. dollars, except cumulative number of claims)														
Unaudited														
2022	2015 and Prior	1,041				272	223	763	652	735	840		71	271,303
2022	2016	296				75	102	71	219	187	173		28	27,866
2022	2017	318				91	98	218	234	227	229		28	33,153
2022	2018	343				84	97	403	286	248	248		45	33,856
2022	2019	366				94	136	463	499	465	437		47	33,146
2022	2020	—							—	(2)	(2)	5	—	20
2022	2021	—							—	—	—	—	—	18
2022	2022	—							—	—	—	(5)	—	24
2022	2023	—								1	1	—	—	23
2022	2024	—										(1)	—	10
2022	2025	—										(3)	—	2
	Total	2,364				616	656	1,918	1,889	1,861	1,923		219	399,421
2023	2015 and Prior	112							117	150	154		3	187,394
2023	2016	21							23	28	48		13	36,346
2023	2017	41							39	48	52		9	34,482
2023	2018	55							56	64	69		7	31,525
2023	2019	94							111	114	129		47	14,566
2023	2020	122							125	126	135		52	3,742
2023	2021	71							66	80	89		56	4
2023	2022	16							12	14	20		14	—
	Total	532							549	624	696		201	308,059
2024	2015 and Prior	44								44	49		16	22,930
2024	2016	6								6	3		1	1,205
2024	2017	9								9	3		1	1,031
2024	2018	17								17	5		3	805
2024	2019	16								16	7		6	480
2024	2020	12								12	11		9	316
2024	2021	78								78	62		29	301
2024	2022	104								104	90		51	193
2024	2023	87								87	68		51	97
	Total	373								373	298		167	27,358
2025	2015 and Prior	\$ 87									96		\$ 43	2,930
2025	2016	75									75		36	623
2025	2017	84									84		52	786
2025	2018	141									140		82	954
2025	2019	162									173		94	1,192
2025	2020	179									195		96	1,275
2025	2021	241									267		127	1,721
2025	2022	—									—		—	532
2025	2023	—									—		—	84
2025	2024	—									—		—	6
	Total	969									1,030		530	10,103
	Grand Total	\$ 7,313									\$ 7,332		\$ 2,334	889,038

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

		General Casualty									
		Net cumulative paid losses and allocated loss adjustment expenses									
		For the years ended December 31,									
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		(in millions of U.S. dollars)									
		Unaudited									
2021	2019					3	27	42	97		126
2021	2020					9	17	21	25		28
	Total					72	197	301	475		554
2022	2015 and Prior							35	142	371	533
2022	2016							9	47	74	89
2022	2017							11	51	91	123
2022	2018							10	48	90	116
2022	2019							12	241	289	329
2022	2020							—	6	12	17
2022	2021							—	—	—	1
2022	2022							—	—	1	(1)
2022	2023								2	2	1
2022	2024									—	(1)
2022	2025										(2)
	Total							77	537	930	1,205
2023	2015 and Prior								12	41	71
2023	2016								7	17	29
2023	2017								4	13	24
2023	2018								17	30	46
2023	2019								23	46	58
2023	2020								13	36	63
2023	2021								1	11	23
2023	2022								—	2	6
	Total								77	196	320
2024	2015 and Prior									4	15
2024	2016									1	1
2024	2017									1	2
2024	2018									—	1
2024	2019									—	1
2024	2020									—	1
2024	2021									—	16
2024	2022									—	14
2024	2023									—	9
	Total									6	60
2025	2015 and Prior										(2)
2025	2017										11
2025	2018										42
2025	2019										34
2025	2020										24
2025	2021										26
	Total										135
	Grand Total										\$ 3,637

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

General Casualty										
Annual Percentage Payout of Incurred Losses since Year of Acquisition, Net of Reinsurance										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Year of Acquisition	Unaudited									
2016	23.2 %	30.4 %	— %	26.8 %	26.8 %	(28.4)%	(5.1)%	(0.1)%	26.9 %	(13.8)%
2017	19.5 %	20.2 %	23.7 %	9.2 %	4.6 %	4.7 %	2.7 %	1.6 %	1.5 %	
2018	9.8 %	19.1 %	15.6 %	12.6 %	8.8 %	12.1 %	7.0 %	3.6 %		
2019	5.6 %	4.5 %	3.3 %	4.5 %	3.0 %	3.1 %	21.9 %			
2020	5.2 %	15.9 %	18.5 %	17.0 %	13.1 %	18.3 %				
2021	4.2 %	7.6 %	6.2 %	10.4 %	4.8 %					
2022	4.0 %	23.9 %	20.5 %	14.2 %						
2023	11.1 %	17.1 %	17.8 %							
2024	2.5 %	17.7 %								
2025	13.1 %									

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Workers' Compensation

Acquisition Year	Accident Year	Net Reserves Acquired	Net cumulative incurred losses and allocated loss adjustment expenses										As of December 31, 2025	
			For the years ended December 31,										IBNR	Cumulative number of claims
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
(in millions of U.S. dollars, except cumulative number of claims)														
Unaudited														
2016	2015 and Prior	\$ 466	\$ 466	\$ 434	\$ 421	\$ 410	\$ 395	\$ 391	\$ 387	\$ 386	\$ 385	\$ 387	\$ 6	10,546
	Total	466	466	434	421	410	395	391	387	386	385	387	6	10,546
2017	2015 and Prior	145		104	112	117	110	104	84	79	80	76	4	21
	Total	145		104	112	117	110	104	84	79	80	76	4	21
2018	2015 and Prior	343			333	316	305	306	290	274	272	269	40	9,969
2018	2016	45			46	40	39	40	37	35	37	35	6	1,361
2018	2017	53			55	49	47	47	46	43	43	43	6	1,227
2018	2018	65			65	60	60	55	56	48	48	47	4	984
2018	2019	—				21	21	21	21	20	20	19	—	123
2018	2020	—					—	—	—	—	—	—	—	1
2018	2021	—						—	—	—	—	—	—	1
	Total	506			499	486	472	469	450	420	420	413	56	13,666
2019	2015 and Prior	121				118	118	117	113	105	98	90	41	21,427
2019	2016	83				82	83	61	57	53	54	49	17	5,068
2019	2017	87				88	90	66	63	58	54	47	19	2,440
2019	2018	119				119	119	82	71	63	58	52	26	374
2019	2019	—				—	—	—	—	—	—	—	—	14
2019	2020	—				—	—	—	—	—	—	—	—	3
2019	2021	—				—	—	—	—	—	—	—	—	1
	Total	410				407	410	326	304	279	264	238	103	29,327
2020	2015 and Prior	211					123	107	92	91	90	94	20	80
2020	2016	3					3	3	3	2	2	2	—	132
2020	2017	2					2	2	1	1	1	1	—	133
2020	2018	10					10	8	8	7	8	8	1	336
2020	2019	32					32	26	26	26	24	23	1	671
2020	2020	32					33	27	28	29	29	30	1	1,226
	Total	290					203	173	158	156	154	158	23	2,578
2021	2015 and Prior	369						1017	828	724	658	643	118	30,882
2021	2016	56						56	51	47	46	41	12	6,490
2021	2017	43						42	42	36	39	40	9	8,101
2021	2018	63						63	53	51	56	54	17	8,168
2021	2019	36						40	38	36	31	30	5	9,759
2021	2020	14						42	43	41	39	41	(1)	9,990
2021	2021	8						8	14	16	14	16	1	4,145
2021	2022	—							18	19	24	22	—	26
2021	2023	—								—	—	—	—	4
2021	2024	—									2	2	—	4
2021	2025	—										—	—	2
	Total	589						1,268	1,087	970	909	889	161	77,571
2022	2015 and Prior	4								12	5	7	4	805
2022	2016	1								1	3	2	3	398
2022	2017	3								5	3	6	3	742
2022	2018	9								9	9	8	7	3,270

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Workers' Compensation

Acquisition Year	Accident Year	Net Reserves Acquired	Net cumulative incurred losses and allocated loss adjustment expenses										As of December 31, 2025			
			For the years ended December 31,										IBNR	Cumulative number of claims		
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025				
(in millions of U.S. dollars, except cumulative number of claims)																
Unaudited																
2022	2019	17								11	6	4	4	2	22,218	
	Total	34								38	26	27	21	4	27,433	
2024	2015 and Prior	26										26	28	14	37,111	
2024	2016	3										3	4	1	957	
2024	2017	3										3	3	1	965	
2024	2018	2										3	4	1	830	
2024	2019	16										16	10	3	1,008	
2024	2020	25										24	15	5	1,308	
2024	2021	81										82	57	16	2,746	
2024	2022	102										102	87	31	4,422	
2024	2023	114										114	83	32	5,218	
2024	2024	49										51	34	13	1,851	
	Total	421										424	325	117	56,416	
	Grand Total	\$ 2,861												\$ 2,507	\$ 474	\$ 217,558
Net cumulative paid losses and ALAE (from table below)														(1,280)		
2016 to 2025 acquisition years - net liabilities for losses and ALAE														1,227		
2015 and prior acquisition years - net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years														257		
Total net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years														\$ 1,484		

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Workers' Compensation

Net cumulative paid losses and allocated loss adjustment expenses

For the years ended December 31,

Acquisition Year	Accident Year										
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
(in millions of U.S. dollars)											
Unaudited											
2016	2015 and Prior	\$ 41	\$ 76	\$ 104	\$ 143	\$ 175	\$ 198	\$ 215	\$ 236	\$ 256	\$ 276
	Total		76	104	143	175	198	215	236	256	276
2017	2015 and Prior		26	33	46	57	61	53	58	63	66
	Total		26	33	46	57	61	53	58	63	66
2018	2015 and Prior			10	47	81	100	120	148	164	180
2018	2016			1	5	8	13	15	20	22	24
2018	2017			—	7	10	13	16	24	27	31
2018	2018			—	29	34	36	37	39	40	42
2018	2019				13	16	16	16	19	19	19
	Total			11	101	149	178	204	250	272	296
2019	2015 and Prior				6	8	10	10	11	11	17
2019	2016				5	9	10	11	11	15	18
2019	2017				2	4	5	7	8	8	13
2019	2018				1	1	1	1	1	—	7
	Total				14	22	26	29	31	34	55
2020	2015 and Prior					2	10	15	23	28	35
2020	2016					—	1	1	2	2	2
2020	2017					—	—	1	1	1	1
2020	2018					—	1	3	4	5	5
2020	2019					1	10	15	19	20	21
2020	2020					1	10	18	23	26	28
	Total					4	32	53	72	82	92
2021	2015 and Prior						23	66	124	166	209
2021	2016						7	16	20	22	25
2021	2017						6	12	16	23	26
2021	2018						5	12	15	22	28
2021	2019						4	13	19	23	23
2021	2020						16	28	33	35	36
2021	2021						—	6	9	12	12
2021	2022							9	11	11	14
2021	2023								—	—	1
2021	2024									(1)	1
	Total						61	162	247	313	375
2022	2015 and Prior							—	2	4	4
2022	2016							—	1	3	3
2022	2017							—	2	3	2
2022	2018							—	3	4	4
2022	2019							—	—	1	1
	Total							—	8	15	14
2024	2015 and Prior									1	4
2024	2018									—	3
2024	2019									—	1

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

		Workers' Compensation									
		Net cumulative paid losses and allocated loss adjustment expenses									
		For the years ended December 31,									
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		(in millions of U.S. dollars)									
		Unaudited									
2024	2020									1	5
2024	2021									2	21
2024	2022									3	31
2024	2023									1	28
2024	2024									—	13
	Total									<u>8</u>	<u>106</u>
	Grand Total									<u>\$ 8</u>	<u>\$ 1,280</u>

		Workers' Compensation									
		Annual Percentage Payout of Incurred Losses since Year of Acquisition, Net of Reinsurance									
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Year of Acquisition	Unaudited										
2016		10.6 %	9.0 %	7.2 %	10.1 %	8.3 %	5.9 %	4.4 %	5.4 %	5.2 %	5.2 %
2017		34.2 %	9.2 %	17.1 %	14.5 %	5.3 %	(10.5)%	6.6 %	6.6 %	3.9 %	
2018		2.7 %	21.8 %	11.7 %	7.1 %	6.3 %	11.0 %	5.4 %	5.8 %		
2019		6.1 %	3.2 %	1.6 %	1.5 %	0.9 %	0.7 %	8.9 %			
2020		2.4 %	18.1 %	13.1 %	11.6 %	7.3 %	5.9 %				
2021		6.9 %	11.4 %	9.6 %	7.4 %	6.9 %					
2022		— %	38.1 %	33.3 %	(4.7)%						
2024		2.6 %	30.3 %								

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Professional Indemnity/Directors and Officers

Acquisition Year	Accident Year	Net Reserves Acquired	Net cumulative incurred losses and allocated loss adjustment expenses										As of December 31, 2025	
			For the years ended December 31,										IBNR	Cumulative number of claims
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
(in millions of U.S. dollars, except cumulative number of claims)														
Unaudited														
2016	2015 and Prior	\$ 125	\$ 121	\$ 125	\$ 124	\$ 111	\$ 109	\$ 104	\$ 100	\$ 90	\$ 92	\$ 80	\$ (1)	3,018
	Total	125	121	125	124	111	109	104	100	90	92	80	(1)	3,018
2018	2015 and Prior	481		495	457	450	425	426	397	406	404	(1)	73,675	
2018	2016	19		36	43	57	77	76	88	87	83	—	2,207	
2018	2017	1		2	7	9	12	13	30	29	29	—	207	
2018	2018	—		—	1	1	1	1	1	1	1	—	16	
2018	2019	—		—	—	—	—	—	—	—	—	—	8	
2018	2020	—		—	—	—	—	1	—	—	—	—	23	
2018	2021	—		—	—	—	—	—	—	—	—	—	3	
2018	2022	—		—	—	—	—	—	—	—	—	—	1	
	Total	501		533	508	517	515	517	516	523	517	(1)	76,140	
2019	2015 and Prior	189		152	114	110	103	112	115	117	5	23,001		
2019	2016	15		34	44	53	47	40	47	46	3	5,461		
2019	2017	5		19	35	39	43	43	47	46	—	3,193		
2019	2018	1		3	3	3	4	(2)	—	2	—	392		
2019	2019	—		1	1	2	2	2	2	1	—	64		
2019	2020	—		—	—	—	—	—	—	—	—	41		
2019	2021	—		—	—	—	—	—	—	—	—	7		
2019	2022	—		—	—	—	—	—	—	—	—	12		
2019	2023	—		—	—	—	—	—	—	1	—	9		
	Total	210		209	197	207	199	195	211	213	8	32,180		
2020	2015 and Prior	2		2	2	1	1	2	2	—	55			
2020	2016	—		—	—	—	—	—	—	—	7			
2020	2017	1		1	1	(1)	(1)	(1)	(1)	—	47			
2020	2018	13		13	14	12	12	10	11	1	116			
2020	2019	32		32	21	31	32	34	36	3	159			
2020	2020	35		35	36	32	32	30	30	—	154			
	Total	83		83	74	75	76	75	78	4	538			
2021	2015 and Prior	149		162	126	77	77	72	18	17,690				
2021	2016	47		45	38	33	24	24	5	3,205				
2021	2017	74		67	68	66	67	61	4	4,482				
2021	2018	143		134	121	113	89	75	8	4,782				
2021	2019	174		164	187	177	137	123	11	4,983				
2021	2020	42		41	28	19	22	12	1	1,438				
2021	2021	—		10	9	15	10	7	—	261				
2021	2022	—		2	11	1	2	—	—	67				
2021	2023	—		—	—	—	—	—	—	2				
2021	2024	—		—	—	—	—	—	—	2				
	Total	629		623	579	511	427	376	47	36,912				
2022	2015 and Prior	114		41	55	152	126	132	145	17	27,218			
2022	2016	40		16	26	22	47	41	46	6	5,337			
2022	2017	74		16	25	55	56	81	85	20	7,328			
2022	2018	47		13	24	110	112	106	93	(14)	9,213			

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Professional Indemnity/Directors and Officers

Acquisition Year	Accident Year	Net Reserves Acquired	Net cumulative incurred losses and allocated loss adjustment expenses										As of December 31, 2025	
			For the years ended December 31,										IBNR	Cumulative number of claims
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
(in millions of U.S. dollars, except cumulative number of claims)														
Unaudited														
2022	2019	133				68	35	110	133	144	154	24	10,231	
2022	2020	—				—	—	—	—	1	1	—	49	
2022	2021	—					—	—	—	1	—	—	16	
2022	2022	—						—	—	1	1	—	19	
2022	2023	—							—	1	—	—	23	
2022	2024	—								—	—	—	6	
2022	2025	—									—	—	11	
	Total	408				154	165	449	474	508	525	53	59,451	
2023	2015 and Prior	220							301	279	331	19	709	
2023	2016	132							133	139	157	30	2,220	
2023	2017	267							295	265	317	54	3,077	
2023	2018	223							166	227	233	38	3,063	
2023	2019	171							174	189	213	31	2,562	
2023	2020	229							217	236	251	48	1,907	
2023	2021	27							25	23	51	43	159	
2023	2022	4							3	2	1	—	—	
	Total	1,273							1,314	1,360	1,554	263	13,697	
2024	2015 and Prior	5								5	5	1	9,892	
2024	2016	1								1	1	—	668	
2024	2017	2								2	—	—	708	
2024	2018	1								1	3	—	162	
2024	2019	1								1	2	1	40	
2024	2020	2								2	1	—	42	
2024	2021	49								49	39	14	136	
2024	2022	57								57	54	22	220	
2024	2023	28								28	29	14	326	
2024	2024	13								13	—	—	230	
2024	2025	—									—	—	139	
	Total	159								159	134	52	12,563	
2025	2015 and Prior	60									62	23	994	
2025	2016	37									38	14	242	
2025	2017	50									52	19	346	
2025	2018	50									51	19	456	
2025	2019	55									57	22	480	
2025	2020	73									75	27	426	
2025	2021	127									132	49	484	
2025	2022	—									—	—	170	
2025	2023	—									—	—	20	
	Total	452									467	173	3,618	
	Grand Total	\$ 3,840									\$ 3,944	\$ 598	238,117	

Net cumulative paid losses and ALAE (from table below)

(2,219)

2016 to 2025 acquisition years - net liabilities for losses and ALAE

1,725

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Professional Indemnity/Directors and Officers

Acquisition Year	Accident Year	Net Reserves Acquired	Net cumulative incurred losses and allocated loss adjustment expenses										As of December 31, 2025	
			For the years ended December 31,										IBNR	Cumulative number of claims
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
(in millions of U.S. dollars, except cumulative number of claims)														
Unaudited														
2015 and prior acquisition years - net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years												11		
Total net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years												<u>\$ 1,736</u>		

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Professional Indemnity/Directors and Officers

		Net cumulative paid losses and allocated loss adjustment expenses									
		For the years ended December 31,									
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		(in millions of U.S. dollars)									
		Unaudited									
2016	2015 and Prior	\$ 10	\$ 21	\$ 33	\$ 31	\$ 35	\$ 44	\$ 48	\$ 56	\$ 66	\$ 65
	Total	10	21	33	31	35	44	48	56	66	65
2018	2015 and Prior			90	148	157	182	226	246	287	302
2018	2016			9	25	40	48	61	72	71	77
2018	2017			1	2	5	9	10	26	29	29
2018	2018			—	1	1	1	1	1	1	1
	Total			100	176	203	240	298	345	388	409
2019	2015 and Prior				21	23	40	46	67	73	74
2019	2016				9	22	25	35	31	35	38
2019	2017				3	15	17	26	36	42	44
2019	2018				1	2	3	4	(2)	(2)	3
2019	2019				—	—	1	2	2	2	2
	Total				34	62	86	113	134	150	161
2020	2015 and Prior					1	1	1	1	2	2
2020	2017					—	(1)	(1)	(1)	(1)	(1)
2020	2018					—	4	9	10	9	9
2020	2019					—	9	21	27	31	32
2020	2020					1	8	17	29	26	30
	Total					2	21	47	66	67	72
2021	2015 and Prior						6	10	34	43	45
2021	2016						2	7	14	16	21
2021	2017						3	16	28	37	42
2021	2018						7	38	51	64	71
2021	2019						3	44	54	75	87
2021	2020						2	3	4	6	7
2021	2021						1	2	4	4	4
	Total						24	120	189	245	277
2022	2015 and Prior							46	50	69	108
2022	2016							1	13	21	32
2022	2017							2	16	37	49
2022	2018							2	42	47	69
2022	2019							3	57	99	119
	Total							54	178	273	377
2023	2015 and Prior								55	81	168
2023	2016								16	60	67
2023	2017								58	124	177
2023	2018								49	102	115
2023	2019								13	63	118
2023	2020								40	77	131
2023	2021								(4)	(5)	3
2023	2022								—	1	1
	Total								227	503	780
2024	2015 and Prior									—	1

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

Professional Indemnity/Directors and Officers											
Net cumulative paid losses and allocated loss adjustment expenses											
For the years ended December 31,											
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
(in millions of U.S. dollars)											
Unaudited											
2024	2019									1	1
2024	2020									1	1
2024	2021									—	12
2024	2022									—	11
2024	2023									—	2
	Total									2	28
2025	2015 and Prior										7
2025	2012										4
2025	2013										6
2025	2014										5
2025	2015										6
2025	2016										8
2025	2017										14
	Total										50
Grand Total										\$	2,219

Professional Indemnity/Directors & Officers											
Annual Percentage Payout of Incurred Losses since Year of Acquisition, Net of Reinsurance											
Year of Acquisition	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Unaudited											
2016	12.5 %	13.8 %	15.0 %	(2.5)%	5.0 %	11.3 %	5.0 %	10.0 %	12.5 %	(1.3)%	
2018	19.2 %	14.6 %	5.2 %	7.4 %	11.1 %	9.1 %	8.6 %	4.1 %			
2019	16.2 %	12.9 %	11.2 %	12.6 %	10.1 %	7.4 %	5.2 %				
2020	3.9 %	23.2 %	33.2 %	24.3 %	2.6 %	5.8 %					
2021	6.5 %	25.6 %	18.2 %	14.8 %	8.6 %						
2022	10.3 %	23.6 %	18.3 %	19.6 %							
2023	14.6 %	17.8 %	17.8 %								
2024	2.1 %	19.5 %									
2025	10.6 %										

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

		Property												
		Net cumulative incurred losses and allocated loss adjustment expenses											As of December 31, 2025	
		For the years ended December 31,												
Acquisition Year	Accident Year	Net Reserves Acquired	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	IBNR	Cumulative number of claims
(in millions of U.S. dollars, except cumulative number of claims)														
Unaudited														
2017	2015 and Prior	4		—	—	—	—	—	—	—	—	1	—	20
	Total	4		—	—	—	—	—	—	—	—	1	—	20
2018	2015 and Prior	42			62	50	46	47	45	45	44	43	(1)	96,251
2018	2016	27			34	35	34	34	33	33	36	36	—	5,966
2018	2017	6			28	26	25	24	25	25	24	24	—	1,637
2018	2018	—			29	26	23	24	24	23	23	22	—	567
2018	2019	—			1	2	1	1	1	1	1	1	—	14
	Total	75			153	138	130	130	128	127	128	126	(1)	104,435
2019	2015 and Prior	41			44	42	38	32	34	33	33	33	4	63,406
2019	2016	22			32	41	42	45	48	47	49	49	4	8,703
2019	2017	27			43	53	57	62	60	61	61	61	—	4,967
2019	2018	4			8	6	6	5	5	5	5	5	—	793
2019	2019	—			6	8	8	8	8	8	8	9	—	202
2019	2020	—			1	2	1	1	1	1	1	1	—	87
2019	2021	—			6	7	7	7	7	7	7	7	—	60
2019	2022	—			3	4	4	4	4	4	4	4	—	48
2019	2023	—			3	3	3	3	3	3	3	3	—	36
2019	2024	—			(1)	1	—	—	—	—	—	—	—	34
2019	2025	—			(3)	—	—	—	—	—	—	—	—	31
	Total	94			133	151	159	163	170	168	170	170	8	78,367
2020	2015 and Prior	—			—	—	—	—	—	—	—	—	—	42
2020	2016	—			—	—	—	—	—	—	—	—	—	74
2020	2017	—			—	—	—	1	1	1	1	1	—	109
2020	2018	2			2	2	(1)	—	(1)	—	—	—	—	184
2020	2019	2			2	—	—	—	—	—	—	—	—	167
2020	2020	7			7	7	7	6	6	6	6	6	1	54
	Total	11			11	9	6	7	6	7	7	7	1	630
2021	2015 and Prior	31			—	—	—	27	23	16	23	30	3	62,884
2021	2016	20			—	—	—	16	21	20	12	11	1	31,823
2021	2017	6			—	—	—	21	25	21	24	23	—	30,315
2021	2018	30			—	—	—	24	29	29	26	25	7	22,672
2021	2019	33			—	—	—	36	40	38	34	39	4	12,026
2021	2020	32			—	—	—	42	36	35	48	44	5	3,324
2021	2021	—			—	—	—	23	17	13	12	13	2	1,291
2021	2022	—			—	—	—	11	14	14	16	14	1	620
2021	2023	—			—	—	—	6	3	7	7	7	1	175
2021	2024	—			—	—	—	—	6	7	7	7	1	128
2021	2025	—			—	—	—	—	—	2	2	2	1	28
	Total	152			—	—	—	189	202	192	204	215	26	165,286
2022	2015 and Prior	29			—	—	—	84	50	63	64	64	(2)	70,648
2022	2016	7			—	—	—	7	6	7	18	18	8	10,314
2022	2017	43			—	—	—	5	9	22	21	21	1	14,073
2022	2018	51			—	—	—	13	62	53	50	50	(2)	12,609
2022	2019	72			—	—	—	113	51	40	38	38	(18)	10,562

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

		Property											As of December 31, 2025		
		Net cumulative incurred losses and allocated loss adjustment expenses													
Acquisition Year	Accident Year	Net Reserves Acquired	For the years ended December 31,										IBNR	Cumulative number of claims	
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025			
(in millions of U.S. dollars, except cumulative number of claims)															
Unaudited															
2022	2020	—								—	—	—	—	—	77
2022	2023	—									—	—	1	—	2
	Total	<u>202</u>								<u>222</u>	<u>178</u>	<u>185</u>	<u>192</u>	<u>(13)</u>	<u>118,285</u>
2024	2015 and Prior	6										6	7	1	3,340
2024	2016	—										—	—	—	1,001
2024	2017	—										—	—	—	1,065
2024	2018	—										—	—	—	948
2024	2019	57										41	24	5	905
2024	2020	245										238	178	35	1,550
2024	2021	13										13	8	2	92
2024	2022	18										18	8	2	82
2024	2023	20										20	27	9	41
	Total	<u>359</u>										<u>336</u>	<u>252</u>	<u>54</u>	<u>9,024</u>
2025	2015 and Prior	\$ 5											\$ 5	\$ 1	18,352
2025	2016	8											10	5	4,630
2025	2017	126											130	72	10,870
2025	2018	54											61	31	9,173
2025	2019	61											59	25	14,108
2025	2020	401											298	128	22,329
2025	2021	196											205	105	19,187
2025	2022	157											168	103	12,422
2025	2023	68											72	47	4,688
2025	2024	14											10	8	2,539
2025	2025	1											1	1	1,588
	Total	<u>1,091</u>											<u>1,019</u>	<u>526</u>	<u>119,886</u>
	Grand Total	<u>\$ 1,988</u>											<u>\$ 1,982</u>	<u>\$ 601</u>	<u>595,933</u>
Net cumulative paid losses and ALAE (from table below)											(773)				
2016 to 2025 acquisition years - net liabilities for losses and ALAE											1,209				
2015 and prior acquisition years - net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years											9				
Total net liabilities for losses and ALAE / net increase (reduction) in estimates of net ultimate losses related to prior years											<u>\$ 1,218</u>				

		Property										
		Net cumulative paid losses and allocated loss adjustment expenses										
		For the years ended December 31,										
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
		(in millions of U.S. dollars)										
Unaudited												
2017	2015 and Prior		—	—	—	—	—	—	—	—	1	
	Total		<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1</u>	
2018	2015 and Prior			7	17	23	26	28	33	34	35	
2018	2016			11	20	26	28	30	30	32	33	
2018	2017			7	16	21	23	23	23	23	23	

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

		Property									
		Net cumulative paid losses and allocated loss adjustment expenses									
		For the years ended December 31,									
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		(in millions of U.S. dollars)									
		Unaudited									
2018	2018			—	15	21	21	22	22	22	22
2018	2019				2	1	1	1	1	1	1
	Total			25	70	92	99	104	109	112	114
2019	2015 and Prior				13	19	22	18	19	21	22
2019	2016				12	33	38	40	45	45	46
2019	2017				25	49	55	63	61	63	64
2019	2018				5	5	5	5	5	5	5
2019	2019				3	7	8	7	8	8	7
2019	2020					2	2	2	2	2	2
2019	2021						4	4	4	4	4
2019	2022							2	3	3	3
2019	2023								3	5	5
2019	2024									(1)	—
	Total				58	115	134	141	150	155	158
2020	2017								1	1	1
2020	2018						(5)	(2)	(1)	(1)	—
2020	2019						(1)				—
2020	2020						—	1	6	6	6
	Total						—	(5)	4	6	7
2021	2015 and Prior						3	8	11	19	19
2021	2016						3	7	6	6	3
2021	2017						6	8	10	19	21
2021	2018						2	5	10	12	16
2021	2019						3	13	20	29	32
2021	2020						8	14	17	23	31
2021	2021							—	3	5	7
2021	2022								—	3	7
2021	2023									—	1
2021	2024										—
	Total						25	58	82	123	142
2022	2015 and Prior							(1)	35	47	55
2022	2016								—	2	(3)
2022	2017								—	(4)	2
2022	2018								—	32	35
2022	2019								—	26	39
	Total							(1)	91	120	154
2024	2015 and Prior										—
2024	2019										3
2024	2020										15
2024	2021										1
2024	2022										—
2024	2023										—
	Total										19
2025	2017										2
2025	2018										2
2025	2019										2

Notes to Consolidated Financial Statements | Note 10 - Losses and Loss Adjustment Expenses

		Property									
		Net cumulative paid losses and allocated loss adjustment expenses									
		For the years ended December 31,									
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		(in millions of U.S. dollars)									
		Unaudited									
2025	2020										91
2025	2021										6
2025	2022										9
2025	2023										9
2025	2024										1
	Total										<u>122</u>
Grand Total											\$ 773

		Property									
		Annual Percentage Payout of Incurred Losses since Year of Acquisition, Net of Reinsurance									
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Year of Acquisition	Unaudited										
2017		— %	— %	— %	— %	— %	— %	— %	— %	100.0 %	
2018		19.8 %	35.9 %	16.4 %	5.9 %	3.7 %	4.2 %	2.6 %	1.9 %		
2019		33.7 %	33.5 %	11.3 %	4.7 %	4.8 %	2.8 %	1.5 %			
2020		7.2 %	(75.2)%	137.1 %	13.9 %	(1.0)%	5.7 %				
2021		11.9 %	15.3 %	10.6 %	18.7 %	9.5 %					
2022		(0.4)%	48.3 %	14.8 %	17.8 %						
2024		7.1 %	23.0 %								
2025		11.8 %									

11. FUTURE POLICYHOLDER BENEFITS

The following disclosure pertains to our future policyholder benefits related to our former business within Enhanced Re, prior to our exit of that business through a series of commutation, novation and termination actions in 2022 that were recognized in our financial statements in 2023 due to a one-quarter lag in reporting. The former provision for future policyholder benefits included provisions for life contingent liabilities assumed as well as other policy benefits for insureds. The future policyholder benefits were equal to the present value of the future benefits payments and related expenses less the present value of future net premiums.

The assumed liabilities for future policyholder benefits were comprised primarily of in-payment annuity contract liabilities, which were classified as limited-payment contracts. The balances of and changes in liability for future policyholder benefits were as follows:

	December 31, 2023	
	(in millions of U.S. dollars)	
Beginning Balance as of January 1, 2023	\$	821
Benefits paid		(6)
Effect of exchange rate movement		13
Derecognition ⁽¹⁾		(828)
Balance as of December 31, 2023	\$	—

⁽¹⁾ In November 2022, we completed a novation of the reinsurance of a closed block of life annuity policies, which was recorded in our first quarter 2023 results due to a one-quarter reporting lag. See below for additional information.

There were no gross premiums recognized for the year ended December 31, 2023.

Discount rate assumptions associated with liability remeasurement were previously updated at each reporting period to reflect the current upper-medium grade fixed-income instrument yield, with changes in the interest rate from inception to current period reported through accumulated other comprehensive loss.

We previously applied a discount rate methodology to incorporate the currency and duration characteristics of the liabilities. For interest accretion, interest rates were fixed at inception. Significant assumptions to the calculation of future policyholder benefits also included mortality, mortality improvement, and timing of cash flow payments. The assumptions were reviewed at least annually.

Enhanced Re Master Agreement and Novation of Future Policyholder Benefits

In August 2022, Enhanced Re entered into a Master Agreement with Cavello, a wholly-owned subsidiary of Enstar, and Allianz. Pursuant to the Master Agreement, Enhanced Re, Cavello and Allianz agreed to a series of transactions that allowed us to unwind Enhanced Re's operations in an orderly manner. The transactions included (i) commuting or novating all of the reinsurance contracts written by Enhanced Re, (ii) repaying the \$70 million of subordinated notes issued by Enhanced Re to an affiliate of Allianz, and (iii) distributing Enhanced Re's excess capital to Cavello and Allianz in accordance with their respective equity ownership.

In November 2022, Enhanced Re completed a novation of the reinsurance of a closed block of life annuity policies to Monument Re Limited, a subsidiary of Monument Insurance Group Limited ("Monument Re"). We settled the life liabilities and the related assets at carrying value in return for cash consideration of \$94 million as of the closing date and recorded other income of \$275 million. This amount consisted of a reclassification adjustment of the component of AOCI related to the unlocking of the discount rate assumption into net income. Our net income attributable to Enstar was reduced by the amount attributable to Allianz's 24.9% noncontrolling interest in Enhanced Re at the time of the transaction and our other income recorded was subject to deferral as profits emerge from the underlying novated business, which is generally over the expected settlement period of the life annuity policies, to account for our preexisting 20% ownership interest in Monument Re at the time of the transaction.

Notes to Consolidated Financial Statements | Note 11 - Future Policyholder Benefits

The following table illustrates the calculation of the gain as of the closing date of the novation:

	<u>(in millions of U.S. dollars)</u>	
Calculation of carrying value as of transaction closing:		
Funds held - directly managed and other assumed reinsurance recoverables	\$	973
Future policyholder benefits (corresponds to derecognition referenced above)		(828)
Other assumed reinsurance liabilities		(12)
Carrying value of net assets	\$	<u>133</u>
Calculation of gain on novation (recorded in first quarter 2023):		
Cash consideration received	\$	94
Less: carrying value of net assets		(133)
Add: reclassification of remeasurement of future policyholder benefits from AOCI and NCI ⁽¹⁾		363
Amount deferred relating to 20% ownership interest in Monument Re ⁽²⁾		(49)
Gain on novation ⁽³⁾		<u>275</u>
Net income attributable to noncontrolling interest		(81)
Gain on novation attributable to Enstar ⁽⁴⁾	\$	<u><u>194</u></u>

⁽¹⁾ Comprised of \$273 million from AOCI and \$90 million from NCI.

⁽²⁾ Calculated as 20% of the net Enstar transaction gain of \$243 million (representing \$324 million, consisting of the \$39 million loss when comparing cash consideration to carrying value plus the \$363 million reclassification benefit, less Allianz's 24.9% share equal to \$81 million).

⁽³⁾ Recognized in other income in our consolidated statements of operations.

⁽⁴⁾ Recognized in net income in our consolidated statements of operations.

During the period from January 1 to July 2, 2025 and years ended December 31, 2024 and 2023, we amortized \$1 million, \$2 million, and \$2 million, respectively, of the deferred gain into other income. The deferred gain was eliminated at the closing date of the Merger as part of the application of pushdown accounting as they do not represent future cash flows.

12. DEFENDANT ASBESTOS AND ENVIRONMENTAL LIABILITIES

Defendant asbestos and environmental liabilities ("defendant A&E liabilities") on our consolidated balance sheets include amounts for indemnity and defense costs for pending and future asbestos-related claims, determined using standard actuarial techniques for asbestos-related exposures.

We acquired DCo LLC ("DCo") and Morse TEC LLC ("Morse TEC") in 2016 and 2019, respectively. These companies hold liabilities associated with personal injury asbestos claims and environmental claims arising from their legacy manufacturing operations. DCo and Morse TEC continue to process asbestos personal injury claims.

Defendant A&E liabilities also include amounts for environmental liabilities, associated with the acquired companies' properties, relating to estimated clean-up costs associated with DCo's and Morse TEC's former operations based on engineering reports.

Changes to our estimate of these liabilities are recorded to changes in defendant asbestos and environmental expenses within the consolidated statements of operations in the period that our estimate is adjusted.

Amounts billed to and due from insurers providing coverage for our defendant A&E liabilities are calculated in accordance with the terms of the individual insurance contracts.

Insurance balances recoverable on our consolidated balance sheets include estimated insurance recoveries relating to our defendant asbestos liabilities. The recorded asset represents our assessment of the capacity of the insurance agreements to indemnify our subsidiaries for the anticipated defense and loss payments for pending claims and projected future claims.

The recognition of these recoveries is based on an assessment of the right to recover under the respective contracts and on the financial strength of the insurers. The recorded asset does not represent the limits of our insurance coverage, but rather the amount we would expect to recover if the accrued and projected loss and defense costs were paid in full.

On an ongoing basis, we evaluate and monitor the credit risk related to our insurers and an allowance for estimated uncollectible insurance balances recoverable on our defendant A&E liabilities ("allowance for estimated uncollectible insurance") is established for amounts considered potentially uncollectible. To determine the allowance for estimated uncollectible reinsurance, we use the PD and LGD methodology whereby each reinsurer is allocated an appropriate PD percentage based on the expected payout duration by portfolio. This PD percentage is then multiplied by an appropriate LGD percentage to arrive at an overall credit allowance percentage which is then applied to the reinsurance balance recoverable for each reinsurer, net of any specific bad debt provisions, collateral or other contract related offsets, to arrive at the overall allowance for estimated uncollectible reinsurance by reinsurer.

Amounts deemed to be uncollectible, including amounts due from known insolvent insurers, are written off against the allowance.

Changes in the allowance, as well as any subsequent collections of amounts previously written off, are reported as part of defendant asbestos and environmental expenses in our consolidated statements of operations.

Notes to Consolidated Financial Statements | Note 12 - Defendant Asbestos and Environmental Liabilities

The carrying value of the defendant A&E liabilities, insurance recoveries, future estimated expenses and the fair value adjustments related to DCo and Morse TEC as of December 31, 2025 and 2024 was as follows:

	Successor December 31, 2025	Predecessor December 31, 2024
(in millions of U.S. dollars)		
Defendant A&E liabilities:		
Defendant asbestos liabilities	\$ 711	\$ 706
Defendant environmental liabilities	8	9
Estimated future expenses	26	32
Fair value adjustments ⁽¹⁾	—	(202)
Defendant A&E liabilities	745	545
Insurance balances recoverable:		
Insurance recoveries related to defendant asbestos liabilities (net of allowance: 2024 - \$4) ⁽²⁾	157	216
Fair value adjustments ⁽¹⁾	—	(44)
Insurance balances recoverable	157	172
Net liabilities relating to defendant A&E exposures	\$ 588	\$ 373

⁽¹⁾ As a result of applying pushdown accounting, fair value adjustments and adjustments relating to the predecessor period have been eliminated and new fair value adjustments were established. The elimination of the fair value adjustments from the predecessor period were embedded in the reserve balances (which caused the ending balance of July 2, 2025 and the opening balances as of July 3, 2025 to differ). In contrast, the fair value adjustment in the successor period are recognized in fair value adjustment related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities on the consolidated balance sheet. Refer to Note 1 and Note 2 for additional details on pushdown accounting and the Merger and Note 16 for fair value adjustments.

⁽²⁾ A significant portion of the insurance recoverable of \$55 million adjusted for fair value as a result of applying pushdown accounting (from the predecessor basis of \$98 million) has been subject to a prolonged contractual coverage dispute. In 2025, we received a favorable judgment on coverage, which resulted in a payment of \$106 million from the insurance company. While the matter is unsettled and is subject to further legal proceedings and appeal by the insurance company, it could result in a favorable outcome to us in future periods relative to the recorded recoverable amount.

Methodologies for determining liabilities

Defendant Asbestos Liabilities

We review, on an ongoing basis, our own experience in handling asbestos-related claims and trends affecting asbestos-related claims in the U.S. tort system generally, for the purposes of assessing the value of pending asbestos-related claims and the number and value of those that may be asserted in the future, as well as potential recoveries from our insurance carriers with respect to such claims and defense costs.

The actuarial analysis for these asbestos-related exposures utilizes data resulting from claim experience, including input from national coordinating counsel and local counsel, and includes the development of an estimate of the potential value of asbestos-related claims asserted but not yet resolved as well as the number and potential value of asbestos-related claims not yet asserted.

In developing the estimate of liability for potential future claims, the actuarial methods project the potential number of future claims based on our historical claim filings and health studies. The actuarial methods also utilize assumptions based on our historical proportion of claims resolved without payment, historical claim resolution costs for those claims that result in a payment, and historical defense costs. The liabilities are estimated by using pending and projected future claim filings, projected payments rates, average claim resolution amounts and an estimate for defense costs, which is derived based on assumptions relating to defense cost to indemnity cost ratios. We utilize judgment when determining the assumptions related to the expected number of future claims (which includes projected future claims filings and projected payment rates), average claim resolution amounts, and estimated defense costs.

We determine, based on the factors described above, including the actuarial analysis, that their best estimate of the aggregate liability both for asbestos-related claims asserted but not yet resolved and potential asbestos-related claims not yet asserted, including estimated defense costs, was \$711 million and \$706 million as of December 31, 2025 and 2024, respectively.

Notes to Consolidated Financial Statements | Note 12 - Defendant Asbestos and Environmental Liabilities

The table below provides a consolidated reconciliation of the beginning and ending liability for defendant A&E liabilities:

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
(in millions of U.S. dollars)				
Balance as of beginning of period ⁽¹⁾	\$ 718	\$ 545	\$ 567	\$ 607
Insurance balances recoverable ⁽¹⁾	(256)	(172)	(172)	(177)
Net balance as of beginning of period ⁽¹⁾	462	373	395	430
Amounts recorded in defendant asbestos and environmental expenses:				
Increase (reduction) in estimate of net ultimate liabilities	66	10	33	1
Reduction in estimated future expenses	—	(1)	(1)	(2)
Amortization of fair value adjustments	—	6	8	13
Total defendant asbestos and environmental expenses	66	15	40	12
Total net (paid claims) recoveries	60	(32)	(62)	(47)
Net balance as end of period	588	356	373	395
Insurance balances recoverable	157	167	172	172
Balance as of end of period	\$ 745	\$ 523	\$ 545	\$ 567

⁽¹⁾ As a result of applying pushdown accounting, fair value adjustments and adjustments relating to the predecessor period have been eliminated and new fair value adjustments were established. The elimination of the fair value adjustments from the predecessor period were embedded in the reserve balances (which caused the ending balance of July 2, 2025 and the opening balances as of July 3, 2025 to differ). In contrast, the fair value adjustment in the successor period are recognized in fair value adjustment related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities on the consolidated balance sheet. Refer to Note 1 and Note 2 for additional details on pushdown accounting and the Merger and Note 16 for fair value adjustments.

Total other expense from our defendant A&E liabilities was \$66 million and \$15 million for the periods from July 3 to December 31, 2025 and January 1 to July 2, 2025, respectively, primarily due to an increase in the estimate of net ultimate liabilities driven by higher than expected claim costs and filings.

Total other expense was \$40 million and \$12 million for the years ended December 31, 2024 and 2023, respectively, primarily due to an increase in the estimate of net ultimate liabilities driven by higher than expected claim costs and filings.

Defendant Environmental Liabilities

As a result of our acquisition of DCo and Morse TEC, we have been identified by the United States Environmental Protection Agency and certain U.S. state environmental agencies and private parties as potentially responsible parties ("PRP") at various hazardous waste disposal sites under the Comprehensive Environmental Response, Compensation and Liability Act ("Superfund") and equivalent U.S. state laws.

The PRPs may currently be liable for the cost of clean-up and other remedial activities at 26 such sites. Responsibility for clean-up and other remedial activities at a Superfund site is typically shared among PRPs based on an allocation formula.

We have a liability for defendant environmental liabilities of \$8 million and \$9 million as of December 31, 2025 and 2024, respectively. The estimate for defendant environmental liabilities is based on information available to us, including an estimate of the allocation of liability among PRPs, the probability that other PRPs will pay the cost apportioned to them, currently available information from PRPs and/or federal or state environmental agencies concerning the scope of contamination and estimated remediation and consulting costs, and remediation alternatives.

Allowance for Estimated Uncollectible Insurance Balances Recoverable on Defendant Asbestos Liabilities

We did not have an allowance for estimated uncollectible insurance balances related to our defendant asbestos liabilities as of December 31, 2025, as such insurance balances were recorded at fair value in purchase accounting which included the allowance as a component of the basis adjustment. We maintained an allowance for estimated uncollectible insurance balances related to our defendant asbestos liabilities of \$4 million as of December 31, 2024.

We did not have any new provisions, write-offs charged against the allowance for estimated uncollectible insurance or any recoveries of amounts previously written off for all periods.

We did not have significant non-disputed past due balances receivable from our insurers related to our defendant asbestos liabilities, that were older than one year for any of the periods presented. Any balances that are part of ongoing legal activity are estimated to be recovered at the level of our recorded asset which is consistent with our legal advice and past collection experience.

13. FAIR VALUE MEASUREMENTS

Fair Value Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants. We use a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. The hierarchy is broken down into three levels as follows:

- Level 1 - Valuations based on unadjusted quoted prices in active markets that we can access for identical assets or liabilities. Valuation adjustments and block discounts are not applied to Level 1 instruments.
- Level 2 - Valuations based on quoted prices in active markets for similar assets or liabilities, quoted prices for identical assets or liabilities in inactive markets, or significant inputs that are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.
- Level 3 - Valuations based on unobservable inputs where there is little or no market activity. Unadjusted third party pricing sources or management's assumptions and internal valuation models may be used to determine the fair values.

In addition, certain of our other investments are measured at fair value using net asset value ("NAV") per share (or its equivalent) as a practical expedient and have not been classified within the fair value hierarchy above.

We have categorized our assets and liabilities that are recorded at fair value on a recurring and non-recurring basis among levels based on the observability of inputs, or at fair value using NAV per share (or its equivalent) as follows:

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

	Successor				Total Fair Value
	December 31, 2025				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Based on NAV as Practical Expedient	
	(in millions of U.S. dollars)				
Investments:					
Short-term and Fixed maturities:					
U.S. government and agency	\$ —	\$ 545	\$ —	\$ —	\$ 545
U.K. government	—	148	—	—	148
Other government	—	464	—	—	464
Corporate	—	3,792	11	—	3,803
Municipal	—	99	—	—	99
Residential mortgage-backed	—	529	—	—	529
Commercial mortgage-backed	—	607	—	—	607
Asset-backed	—	1,134	19	—	1,153
	—	7,318	30	—	7,348
Funds held ⁽¹⁾	64	1,997	—	78	2,139
Equities:					
Privately held equity investments	—	83	429	75	587
Publicly traded equity investments	143	9	1	—	153
Exchange-traded funds	52	—	—	—	52
Warrant and others	—	—	16	—	16
	195	92	446	75	808
Other investments:					
Private equity funds	—	—	—	2,041	2,041
Private credit funds	—	364	—	921	1,285
Hedge funds	—	—	—	402	402
Fixed income funds	—	5	—	620	625
Real estate fund	—	—	—	523	523
CLO equity funds	—	—	—	48	48
CLO equities	—	18	—	—	18
Equity funds	—	5	—	—	5
Other	—	27	—	—	27
	—	419	—	4,555	4,974
Total Investments excluding funds held by reinsured companies and equity method investments	\$ 259	\$ 9,826	\$ 476	\$ 4,708	\$ 15,269
Other Assets:					
Derivatives not qualifying as hedging	—	22	—	—	22
Derivative instruments	\$ —	\$ 22	\$ —	\$ —	\$ 22
Losses and LAE:	\$ —	\$ —	\$ —	\$ —	\$ —
Other Liabilities:					
Derivatives qualifying as hedging	\$ —	\$ 8	\$ —	\$ —	\$ 8
Derivatives not qualifying as hedging	—	2	—	—	2
Derivative instruments	\$ —	\$ 10	\$ —	\$ —	\$ 10
Funds held liability	\$ —	\$ 194	\$ —	\$ 62	\$ 256

⁽¹⁾ The difference in the amount of funds held shown at fair value and the funds held shown in our consolidated balance sheet relates to the \$2.3 billion of funds held by reinsured companies carried at amortized cost.

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

	Predecessor				Total Fair Value
	December 31, 2024				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Based on NAV as Practical Expedient	
	(in millions of U.S. dollars)				
Investments:					
Short-term and Fixed maturities:					
U.S. government and agency	\$ —	\$ 420	\$ —	\$ —	\$ 420
U.K government	—	44	—	—	44
Other government	—	359	—	—	359
Corporate	—	3,244	17	—	3,261
Municipal	—	109	—	—	109
Residential mortgage-backed	—	421	—	—	421
Commercial mortgage-backed	—	784	—	—	784
Asset-backed	—	742	30	—	772
	—	6,123	47	—	6,170
Funds held ⁽¹⁾	70	2,305	5	71	2,451
Equities:					
Privately held equity investments	—	—	389	71	460
Publicly traded equity investments	166	9	1	—	176
Exchange-traded funds	151	—	—	—	151
Warrants and others	—	—	16	—	16
	317	9	406	71	803
Other investments:					
Private equity funds	—	—	—	1,926	1,926
Private credit funds	—	363	—	501	864
Fixed income funds	—	5	—	364	369
Hedge funds	—	—	—	410	410
Real estate fund	—	—	—	401	401
CLO equity funds	—	—	—	162	162
CLO equities	—	52	—	—	52
Equity funds	—	4	—	—	4
	—	424	—	3,764	4,188
Total Investments excluding funds held by reinsured companies and equity method investments	\$ 387	\$ 8,861	\$ 458	\$ 3,906	\$ 13,612
Reinsurance balances recoverable on paid and unpaid losses:	\$ —	\$ —	\$ 179	\$ —	\$ 179
Other Assets:					
Derivatives qualifying as hedging	\$ —	\$ 2	\$ —	\$ —	\$ 2
Derivatives not qualifying as hedging	—	3	—	—	3
Derivative instruments	\$ —	\$ 5	\$ —	\$ —	\$ 5
Losses and LAE:	\$ —	\$ —	\$ 997	\$ —	\$ 997
Other Liabilities:					
Derivatives not qualifying as hedging	—	7	—	—	7

⁽¹⁾ The difference in the amount of funds held shown at fair value and the funds held shown in our consolidated balance sheet relates to the \$2.5 billion of funds held by reinsured companies carried at amortized cost.

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

Valuation Methodologies of Financial Instruments Measured at Fair Value**Short-term and Fixed Maturities**

The fair values for all securities in the short-term and fixed maturities and funds held - directly managed portfolios are obtained or validated from independent pricing services either directly or through our accounting service provider or investment managers.

We record the unadjusted price and validate this price through a process that includes, but is not limited to:

- i. comparison of prices against alternative pricing sources;
- ii. quantitative analysis (e.g. comparing the quarterly return for each managed portfolio to its target benchmark);
- iii. evaluation of methodologies used by external parties to estimate fair value, including a review of the inputs used for pricing; and
- iv. comparing the price to our knowledge of the current investment market.

Our internal price validation procedures and review of fair value methodology documentation provided by independent pricing services have not historically resulted in adjustment in the prices obtained from the pricing service.

The independent pricing services used by our service providers obtain actual transaction prices for securities that have quoted prices in active markets. Where we utilize single unadjusted broker-dealer quotes, they are generally provided by market makers or broker-dealers who are recognized as market participants in the markets for which they are providing the quotes.

For determining the fair value of securities that are not actively traded, in general, pricing services use "matrix pricing" in which the independent pricing service uses observable market inputs including, but not limited to, reported trades, benchmark yields, broker-dealer quotes, interest rates, prepayment speeds, default rates and other such inputs as are available from market sources to determine a reasonable fair value.

The following describes the techniques generally used to determine the fair value of our short-term and fixed maturities by asset class, including the investments underlying the funds held - directly managed.

- **U.S. and non-U.S. government and agency securities** consist of securities issued by the U.S. Treasury and mortgage pass-through agencies such as the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and other agencies, or consist of bonds issued by non-U.S. governments and agencies along with supranational organizations. The significant inputs used to determine the fair value of these securities include the spread above the risk-free yield curve, reported trades and broker-dealer quotes. These are observable market inputs and, therefore, the fair values of these securities are classified as Level 2.
- **Corporate securities** consist primarily of investment-grade debt of a wide variety of corporate issuers and industries. The fair values of these securities are determined using the spread above the risk-free yield curve, reported trades, broker-dealer quotes, benchmark yields, and industry and market indicators. These are considered observable market inputs and, therefore, the fair values of these securities are classified as Level 2. Certain private placement investments classified within Corporate are valued using prices obtained from external managers using independent valuation agents and the valuation inputs used are considered unobservable with no active market at the measurement date. As a result, these private placement investments are classified as Level 3.
- **Municipal securities** consist primarily of bonds issued by U.S.-domiciled state and municipal entities. The fair values of these securities are determined using the spread above the risk-free yield curve, reported trades, broker-dealer quotes and benchmark yields. These are considered observable market inputs and therefore the fair values of these securities are classified as Level 2.
- **Asset-backed and commercial and residential mortgage-backed securities** consist primarily of investment-grade bonds backed by pools of loans with a variety of underlying collateral. Residential and commercial mortgage-backed securities include both agency and non-agency originated securities. The significant inputs used to determine the fair value of these securities include the spread above the risk-free yield curve, reported trades, benchmark yields, prepayment speeds and default rates. These are considered observable market inputs and therefore the fair value of these securities are classified as Level 2. Certain private placement

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

investments classified within Asset-backed are valued using prices obtained from external managers using independent valuation agents and the valuation inputs used are considered unobservable with no active market at the measurement date. As a result, these private placement investments are classified as Level 3.

Equities

Our investments in equities consist of a combination of publicly traded investments, privately held investments, and warrants. Our publicly traded equity investments in common and preferred stocks predominantly trade on major exchanges and are managed by our external advisors. Our exchange-traded funds also trade on major exchanges.

Our publicly traded equities are widely diversified and there is no significant concentration in any specific industry. We use an internationally recognized pricing service to estimate the fair value of our publicly traded equities and exchange-traded funds. We have categorized most of our publicly traded equity investments, other than preferred stock, and our exchange-traded funds as Level 1 investments because the fair values of these investments are based on unadjusted quoted prices in active markets for identical assets. One equity security trades in an inactive market and, as a result has been classified as Level 2. The fair value estimates of our investments in publicly traded preferred stock are based on observable market data and, as a result, have been categorized as Level 2. Certain private placement investments classified within Equities are valued using prices obtained from external managers using independent valuation agents and the valuation inputs used are considered unobservable with no active market at the measurement date. As a result, these private placement investments are classified as Level 3.

Our privately held equity investments in common and preferred stocks are direct investments in companies that we believe offer attractive risk adjusted returns and/or offer other strategic advantages. We also hold a warrant to purchase common stock in a company that is exercisable upon the occurrence of certain events. Each investment may have its own unique terms and conditions and there may be restrictions on disposals. The market for these investments is illiquid and there is no active market. For the majority of these we use a combination of cost, internal models and reported values from co-investors/managers to calculate the fair value of the privately held equity investments. The fair value estimates of these are based on unobservable market data so have been categorized as Level 3. We also have one direct investment in the equity of a privately held business development company which values its underlying investments using NAV as a practical expedient; therefore, the investment has not been categorized within the fair value hierarchy.

Other investments, at fair value

We have ongoing due diligence processes with respect to the other investments carried at fair value in which we invest, including active discussions with managers of the investments. These processes are designed to assist us in assessing the quality of information provided by, or on behalf of, each fund and in determining whether such information continues to be reliable or whether further review is warranted.

Certain funds do not provide full transparency of their underlying holdings; however, we obtain the audited financial statements for funds annually and review the audited results relative to the net asset values provided by the managers, and regularly review and discuss the fund performance with the fund managers to corroborate the reasonableness of the reported NAV.

The use of NAV as an estimate of the fair value for investments in certain entities that calculate NAV is a permitted practical expedient. Due to the time lag in the NAV reported by certain fund managers we adjust the valuation for capital calls and distributions. Other investments measured at fair value using NAV as a practical expedient have not been classified in the fair value hierarchy. Other investments for which we do not use NAV as a practical expedient have been valued using prices from independent pricing services and investment managers.

The following describes the techniques generally used to determine the fair value of our other investments.

- For our investments in hedge funds, private equity funds, CLO equity funds, private credit funds and the real estate fund, we primarily measure fair value by obtaining the most recently available NAV as advised by the external fund manager or third-party administrator. The fair values of these investments are measured using the NAV as a practical expedient and therefore have not been categorized within the fair value hierarchy.
- Our investments in fixed income funds and equity funds are valued based on a combination of prices from independent pricing services, external fund managers or third-party administrators. For the publicly available prices we have classified the investments as Level 2. For the non-publicly available prices we are using NAV as a practical expedient and therefore these have not been categorized within the fair value hierarchy.

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

- We measure the fair value of our direct investment in CLO equities based on valuations provided by independent pricing services. The fair values measured using prices provided by independent pricing services have been classified as Level 2.

Insurance Contracts - Fair Value Option

As part of the pushdown accounting from the Merger, the fair value option is no longer applicable in the successor period. The fair value option is only applicable to the predecessor period.

For the predecessor period, the Company used an internal model to calculate the fair value of the liability for losses and LAE and reinsurance balances recoverable on paid and unpaid losses for certain retroactive reinsurance contracts where we had elected the fair value option.

The fair value was calculated as the aggregate of discounted cash flows plus a risk margin. The discounted cash flow approach used:

- estimated nominal cash flows based upon an appropriate payment pattern developed in accordance with actuarial methods; and
- a discount rate based upon a high quality rated corporate bond yield plus a credit spread for non-performance risk.

The model used corporate bond rates across the yield curve depending on the estimated timing of the future cash flows and specific to the currency of the risk.

The risk margin was calculated using the present value of the cost of capital. The cost of capital approach used:

- projected capital requirements;
- multiplied by the risk cost of capital representing the return required for non-hedgeable risk based upon the weighted average cost of capital less investment income; and
- discounted using the weighted average cost of capital.

Derivative Instruments

The fair values of our derivative instruments are classified as Level 2. The fair values are based upon prices in active markets for identical contracts.

Funds Held by Reinsured Companies

The fair value of the embedded derivative representing the contractually agreed variable return on the funds held by reinsured companies associated with the Aspen LPT transaction is classified as Level 3 and is calculated using an internal model. The funds withheld and embedded derivative were settled with Aspen in the fourth quarter of 2025.

The fair value is calculated as the difference between:

- the present value of all future expected interest payments based on the full crediting rate, calculated using a Monte Carlo simulation model; and
- the present value of all future expected interest payments based on the base crediting rate, calculated using a discounted cash flow model.

The Monte Carlo simulation model uses:

- a continuous forward risk-free rate commensurate with the crediting interest rate period (observable); and
- an estimated historical volatility rate based upon the annualized standard deviation of daily log returns observed on a portfolio replicating the Aspen investment portfolio over a period commensurate with the crediting rate period (unobservable).

The discounted cash flow model uses:

- estimated expected loss payments based upon an appropriate payment pattern developed in accordance with standard actuarial techniques (unobservable);
- a risk-free rate based on U.S. treasury rates as of the valuation date (observable); and

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

- iii. a credit spread based upon the historical option adjusted spread of the Aspen publicly traded corporate debt instrument (observable).

Level 3 Measurements and Changes in Leveling

Transfers into or out of levels are recorded at their fair values as of the end of the reporting period, consistent with the date of determination of fair value.

Investments

The following tables present a reconciliation of the beginning and ending balances for all investments measured at fair value on a recurring basis using Level 3 inputs:

	Successor						
	Period from July 3 to December 31, 2025						
	Fixed maturity investments		Equities				Total
	Corporate	Asset-backed	Privately-held Equities	Publicly traded equity investments	Warrants and Other		
	(in millions of U.S. dollars)						
Beginning fair value	\$ 12	\$ 30	\$ 427	\$ 1	\$ 15	\$ 485	
Purchases	—	—	—	—	—	—	
Sales and paydowns	(1)	(11)	(6)	—	—	(18)	
Total fair value changes in equity and trading securities, funds held and other investments ⁽¹⁾	—	—	91	—	1	92	
Transfer out of Level 3 into Level 2 ⁽²⁾	—	—	(83)	—	—	(83)	
Ending fair value	\$ 11	\$ 19	\$ 429	\$ 1	\$ 16	\$ 476	

⁽¹⁾ Fair value changes in equity and funds held and other investments included in our consolidated statement of operations is equal to the change in fair value changes in equity, funds held and other investments relating to assets held at the end of the reporting period.

⁽²⁾ Transfers are primarily attributable to changes in the availability of observable market information and the re-evaluation of the observability of valuation inputs.

	Predecessor						
	Period from January 1 to July 2, 2025						
	Fixed maturity investments		Equities				Total
	Corporate	Asset-backed	Privately-held Equities	Publicly traded equity investments	Warrants and Other		
	(in millions of U.S. dollars)						
Beginning fair value	\$ 17	\$ 30	\$ 389	\$ 1	\$ 16	\$ 453	
Purchases	—	—	1	—	—	1	
Sales and paydowns	(5)	(1)	—	—	—	(6)	
Total fair value changes in equity and trading securities, funds held and other investments ⁽¹⁾	—	1	20	—	(1)	20	
Ending fair value	\$ 12	\$ 30	\$ 410	\$ 1	\$ 15	\$ 468	

⁽¹⁾ Fair value changes in equity and trading securities, funds held and other investments included in our consolidated statement of operations is equal to the change in fair value changes in equity and trading securities, funds held and other investments relating to assets held at the end of the reporting period.

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

	Predecessor					
	Year Ended December 31, 2024					
	Fixed maturity investments		Equities			
	Corporate	Asset-backed	Privately-held Equities	Publicly traded equity investments	Warrants and Other	Total
	(in millions of U.S dollars)					
Beginning fair value	\$ 12	\$ 11	\$ 299	\$ 1	\$ —	\$ 323
Purchases	—	—	27	—	16	43
Sales and paydowns	—	(1)	—	—	—	(1)
Total fair value changes in equity and trading securities, funds held and other investments ⁽¹⁾	—	—	63	—	—	63
Transfer into Level 3 from Level 2 ⁽²⁾	5	20	—	—	—	25
Reclassification from non-recurring to recurring	—	—	—	—	—	—
Ending fair value	\$ 17	\$ 30	\$ 389	\$ 1	\$ 16	\$ 453

⁽¹⁾ Fair value changes in equity and trading securities, funds held and other investments included in our consolidated annual statement of operations is equal to the change in fair value changes in equity and trading securities, funds held and other investments relating to assets held at the end of the reporting period.

⁽²⁾ Transfers into Level 3 are primarily attributable to the lack of observable market transactions and price information and the use of unobservable inputs within valuation methodologies.

Fair value changes in equity and trading securities, funds held and other investments related to Level 3 assets in the tables above are included in fair value changes in equity and trading securities, funds held and other investments in our consolidated statements of operations.

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

Valuation Techniques and Inputs

The table below presents the quantitative information related to the fair value measurements for our fixed maturity and equity investments measured at fair value on a recurring and non-recurring basis using Level 3 inputs:

Successor		
Quantitative Information about Level 3 Fair Value Measurements		
Valuation Techniques	Fair Value as of December 31, 2025	Unobservable Input ⁽¹⁾
(in millions of U.S. dollars)		
Recurring basis:		
Fixed maturities		
<i>Corporate</i>		
Discounted cash flow	\$ 11	YTM; implied total yield
<i>Asset-backed</i>		
Discounted cash flow	19	YTM
Total fixed maturities	\$ 30	
Equity investments		
<i>Privately held equity investments</i>		
Earnings	\$ 6	Multiple on earnings
Guideline company methodology; Option pricing model	\$ 290	P/BV multiple P/BV (excluding AOCI) multiple Expected term
Guideline companies method; Earnings	41	LTM Enterprise Value/ EBITDA multiples Multiple on earnings
Discount model	22	LTM Enterprise Value/ EBITDA multiples Multiple on earnings
Dividend discount model	69	Discount rate
	428	
<i>Publicly traded equity investments</i>		
Discounted cash flow	1	Implied total yield
<i>Warrants and Other</i>		
Black-Scholes model	16	Expected term in years
Total recurring equity Investments	\$ 445	
Non-recurring basis:		
<i>Privately held equity investments</i>		
Cost as approximation of fair value	\$ 1	Cost as approximation of fair value
Total Recurring and Non-recurring equity investments	\$ 446	

⁽¹⁾ The average represents the arithmetic average of the inputs and is not weighted by the relative fair value.

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements

Funds Held by Reinsured Companies - Embedded Derivative

As described in Note 6, we had an embedded derivative in relation to the Aspen LPT transaction to account for the fair value of the full crediting rate we expected to earn on the funds withheld received as consideration.

The following table presents a reconciliation of the beginning and ending balances for the embedded derivative measured at fair value on a recurring basis using Level 3 inputs:

	Successor		Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	
	(in millions of U.S. dollars)			
Beginning fair value	\$ 5	\$ 5	\$	40
Total fair value changes	1	—		(10)
Settlement	(6)	—		(25)
Ending fair value	\$ —	\$ 5	\$	5

Fair value changes in equity and trading securities, funds held and other investments in the table above are included in fair value changes in equity and trading securities, funds held and other investments in our consolidated statements of operations.

Valuations Techniques and Inputs

Below is a summary of the quantitative information regarding the significant observable and unobservable inputs used in the internal model to determine fair value on a recurring basis as of:

Valuation Technique	Unobservable (U) and Observable (O) Inputs	Predecessor
		2024
Internal model	Corporate bond yield (O)	Weighted Average A rated
Internal model	Credit spread for Instrument-specific credit risk (U)	0.4%
Internal model	Risk cost of capital (U)	6.15%
Internal model	Weighted average cost of capital (U)	9.25%
Internal model	Average payout - liability (U)	8.10 years
Internal model	Average payout - reinsurance balances recoverable on paid and unpaid losses (U)	8.39 years

The fair value of the liability for losses and LAE and reinsurance balances recoverable on paid and unpaid losses may increase or decrease due to changes in the corporate bond rate, the credit spread for non-performance risk, the risk cost of capital, the weighted average cost of capital and the estimated payment pattern.

In addition, the estimate of the capital required to support the liabilities is based upon current industry standards for capital adequacy.

Notes to Consolidated Financial Statements | Note 13 - Fair Value Measurements
Insurance Contracts - Fair Value Option (Predecessor)

The following table presents a reconciliation of the beginning and ending balances for all insurance contracts measured at fair value on a recurring basis using Level 3 inputs:

	Predecessor			Predecessor		
	January 1 to July 2, 2025			Year Ended December 31, 2024		
	Liability for losses and LAE	Reinsurance balances recoverable on paid and unpaid losses	Net	Liability for losses and LAE	Reinsurance balances recoverable on paid and unpaid losses	Net
	(in millions of U.S. dollars)					
Beginning fair value	\$ 997	\$ 183	\$ 814	\$ 1,163	\$ 217	\$ 946
Incurring losses and LAE:						
(Reduction) increase in estimates of ultimate losses	(5)	1	(6)	(26)	(21)	(5)
Reduction in provisions for ULAE	(2)	—	(2)	(9)	—	(9)
Change in fair value	24	4	20	25	5	20
Total incurred losses and LAE	17	5	12	(10)	(16)	6
Paid losses	(51)	4	(55)	(144)	(18)	(126)
Change in net liability for losses and LAE at fair value - Instrument-specific credit risk	—	—	—	12	2	10
Effect of exchange rate movements	68	7	61	(24)	(6)	(18)
Ending fair value	\$ 1,031	\$ 199	\$ 832	\$ 997	\$ 179	\$ 818

The following table presents the components of the net change in fair value.

	Predecessor		
	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
	(in millions of U.S. dollars)		
Changes in fair value due to changes in:			
Average payout	\$ 14	\$ 33	\$ 32
Corporate bond yield	6	(19)	18
Credit spread for non-performance risk	—	—	21
Weighted average cost of capital	—	6	7
Change in fair value	\$ 20	\$ 20	\$ 78

Changes in the fair value due to changes in average payout and corporate bond yields are included in net incurred losses and loss adjustment expenses in our consolidated statements of operations. Changes in the fair value due to changes in credit spread for instrument-specific credit risk are classified to other comprehensive income.

14. VARIABLE INTEREST ENTITIES

We have investments in certain limited partnership funds which are deemed to be variable interest entities (“VIEs”) and which are included in other investments at the reported NAV. The activities of these VIEs are generally limited to holding investments and our involvement in these entities is passive in nature. We consolidate all VIEs in which we are the primary beneficiary.

Determining whether to consolidate a VIE may require judgment in assessing (i) whether an entity is a VIE, and (ii) if we are the entity’s primary beneficiary and thus required to consolidate the entity. To determine if we are the primary beneficiary of a VIE, we evaluate whether we have (i) the power to direct the activities that most significantly impact the VIE’s economic performance, and (ii) the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE.

Our evaluation includes identification of the activities that most significantly impact the VIE’s economic performance and an assessment of our ability to direct those activities based on governance provisions, contractual arrangements to provide or receive certain services, funding commitments and other applicable agreements and circumstances. Our assessment of whether we are the primary beneficiary of our VIEs requires significant assumptions and judgment.

GCM Fund

In July 2022, we entered into an agreement to become a limited partner of GCM Blue Sails Infrastructure Offshore Opportunities Fund, L.P. (“GCM Fund”), with an initial commitment of \$150 million. At that time, we performed an assessment and concluded that because of being a limited partner and having no substantive kick-out or participating rights, the GCM Fund is a VIE. We also concluded that we are the primary beneficiary, as our 99.5% economic interest in the GCM Fund is disproportionately greater than our lack of stated power to direct the activities of the GCM Fund that will most significantly impact the GCM Fund’s economic performance. As a result, we have consolidated the results of the GCM Fund. There was no gain or loss recognized on consolidation.

We have elected to recognize the results of the GCM Fund on a one quarter lag due to anticipated delays in obtaining timely financial information. As of December 31, 2025, \$114 million of the initial commitment has been called. The carrying amounts of the assets and liabilities of the GCM Fund are presented within existing captions on our consolidated balance sheets as of December 31, 2025 and 2024. Net investment income, changes in the fair value of assets and liabilities of the GCM Fund and management fees will be presented within existing captions in the consolidated statements of operations.

We recognized fair value changes in equity and trading securities, funds held and other investments of \$9 million and \$7 million for the periods from July 3 to December 31, 2025 and January 1 to July 2, 2025, respectively.

For the years ended December 31, 2024 and 2023, we recognized fair value changes in equity securities and trading securities, funds held and other investments of \$9 million and \$6 million, respectively.

Our exposure to risk of loss is limited to the amount of our investment, in accordance with the limited partnership agreement. We have not committed to provide any financial support to the general partner of the GCM Fund. In addition, we have not committed to provide any additional financial support to the GCM Fund more than previously funded capital commitments and all undistributed profits and income.

The assets of Enstar are not available to the creditors of the GCM Fund.

Item 8 | Notes to Consolidated Financial Statements | Note 14 - Variable Interest Entities

Nonconsolidated VIEs

The tables below present the fair value of our investments in nonconsolidated VIEs as well as our maximum exposure to loss associated with these VIEs:

As of December 31, 2025	Successor		
	Fair Value	Unfunded Commitments	Maximum Exposure to Loss
(in millions of U.S. dollars)			
Equities			
Publicly traded equity investment in common stock	\$ 43	\$ —	\$ 43
Privately held equity	70	9	79
Total	113	9	122
Other investments			
Hedge funds	\$ 402	\$ —	\$ 402
Fixed income funds	619	4	623
Private debt	689	535	1,224
Private equity funds	1,596	469	2,065
CLO equity funds	48	—	48
Real estate funds	186	115	301
Total	\$ 3,540	\$ 1,123	\$ 4,663
Total investments in nonconsolidated VIEs	\$ 3,653	\$ 1,132	\$ 4,785
As of December 31, 2024	Predecessor		
	Fair Value	Unfunded Commitments	Maximum Exposure to Loss
(in millions of U.S. dollars)			
Equities			
Publicly traded equity investment in common stock	\$ 59	\$ —	\$ 59
Privately held equity	61	—	61
Total	\$ 120	\$ —	\$ 120
Other investments			
Hedge funds	\$ 410	\$ —	\$ 410
Fixed income funds	365	34	399
Private equity funds	1,442	501	1,943
CLO equity funds	162	—	162
Private credit funds	638	231	869
Real estate funds	162	137	299
Total	\$ 3,179	\$ 903	\$ 4,082
Total investments in nonconsolidated VIEs	\$ 3,299	\$ 903	\$ 4,202

15. PREMIUMS WRITTEN AND EARNED

Premiums written related to prospective risk policies are earned on a pro-rata basis over the period of the related coverage. Reinsurance premiums on prospective risks are recorded at the inception of the policy, are based upon contractual terms and, for certain business, are estimated based on underlying contracts or from information provided by insureds and/or brokers.

Changes in reinsurance premium estimates for prospective risks are recorded as premiums written in the period in which they are determined.

Certain contracts are retrospectively rated and provide for a final adjustment to the premium based on the final settlement of all losses. Premiums on such contracts are adjusted based upon contractual terms, and management judgment is involved with respect to the estimate of the amount of losses that we expect to incur. These adjustments to the premium are recognized at the time loss thresholds specified in the contract are exceeded and are earned over the coverage period, or are earned immediately if the period of risk coverage has passed.

The following table provides a summary of net premiums written and earned.

Successor		Predecessor						
		Period from July 3 to December 31, 2025		Period from January 1 to July 2, 2025		Year Ended December 31, 2024		Year Ended December 31, 2023
Premiums Written	Premiums Earned	Premiums Written	Premiums Earned	Premiums Written	Premiums Earned	Premiums Written	Premiums Earned	
(in millions of U.S. dollars)								
Total gross	\$ 25	\$ 29	\$ 16	\$ 21	\$ 11	\$ 50	\$ 101	\$ 49
Total ceded	(19)	(5)	1	2	(6)	(10)	(5)	(6)
Total net	\$ 6	\$ 24	\$ 17	\$ 23	\$ 5	\$ 40	\$ 96	\$ 43

Gross premiums written for the period from July 3 to December 31, 2025 was \$25 million, primarily as a result of the fronting agreement with an excess casualty managing general agent. Gross premiums written for the period from January 1 to July 2, 2025 was \$16 million, driven by a new prospective insurance deal.

Gross premiums written for the year ended December 31, 2024 was \$11 million, primarily driven by QBE and other smaller portfolios through our Syndicate and other subsidiaries.

Gross premiums written for the year ended December 31, 2023 was \$101 million, primarily driven by an indemnity insurance contract with one party for \$80 million of expected premium.

Item 8 | Notes to Consolidated Financial Statements | Note 16. Goodwill and Intangible Assets

16. GOODWILL AND INTANGIBLE ASSETS

Goodwill represents the future economic benefits arising from net assets acquired in a business combination that are not individually identified and recognized.

Goodwill is calculated as the excess of the cost of the acquired entity over the estimated fair value of such assets acquired and liabilities assumed. Goodwill is tested for impairment at least annually or more frequently if events or circumstances, such as adverse changes in the business climate, indicate that there may be justification for conducting an interim test. We perform our annual goodwill impairment testing during the fourth quarter based upon data as of December 31.

If the goodwill asset is determined to be impaired, it is written down in the period in which the determination is made.

The Merger Agreement indicated that the consideration for all ordinary shareholders interests as described in Note 2, which was indicative of fair value, was less than our book value at that time. Hence, a full impairment charge related to goodwill of \$63 million was recognized in the consolidated statements of operations.

We also performed impairment tests for all other tangible and intangible assets during 2024 using applicable impairment models, noting no further impairment as of the date we entered into the Merger Agreement in July 2024 through December 31, 2024 (Predecessor).

There were no indicators of impairment of our intangible assets and therefore, we determined these intangible assets were not impaired as of December 31, 2025 (Successor). We also determined there were no changes in the useful life of the intangible assets.

Fair value adjustments related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities and intangible assets established in purchase accounting, as well as amortization for the period from July 3, 2025 through December 31, 2025, consisted of the following:

	Gross Balance	Accumulated Amortization	Net Balance	Economic Useful Life
(in millions of U.S. dollars)				
Fair value adjustment related to losses and loss adjustment expenses	\$ 786	\$ (75)	\$ 711	7 years ⁽¹⁾
Fair value adjustment related to defendant asbestos and environmental liabilities	9	—	9	10 years ⁽¹⁾
Total fair value adjustment related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities	\$ 795	\$ (75)	\$ 720	
Value of business acquired	\$ 6	\$ (1)	\$ 5	3 years ⁽¹⁾
Trade name	23	—	23	15 years
Licenses	17	N/A	17	Indefinite
Total intangible assets	\$ 46	\$ (1)	\$ 45	

⁽¹⁾ The economic useful lives represent the weighted average amortization periods. These balances will be amortized over the estimated claim payment period of the related contracts.

Item 8 | Notes to Consolidated Financial Statements | Note 16. Goodwill and Intangible Assets

The estimated aggregate amortization expense for the Company's intangible assets with finite lives and fair value adjustments related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities for the next five years and thereafter is as follows:

	Total amortization	
	(in millions of U.S. dollars)	
2026	\$	127
2027		94
2028		72
2029		61
2030		58
Thereafter		336
Total	\$	748

Notes to Consolidated Financial Statements | Note 17 - Debt Obligations and Credit Facilities

17. DEBT OBLIGATIONS AND CREDIT FACILITIES

We utilize debt financing and credit facilities primarily for funding acquisitions and significant new business, investment activities and, from time to time, for general corporate purposes.

Our debt obligations were as follows:

Facility	Origination	Term	Principal	Successor		Predecessor	
				(Unamortized Cost) / Fair Value Adjustments ⁽³⁾	Carrying Value	(Unamortized Cost) / Fair Value Adjustments	Carrying Value
				December 31, 2025		December 31, 2024	
(in millions of U.S. dollars)							
4.95% Senior Notes due 2029	May 2019	10 years	\$ 500	\$ 3	\$ 503	\$ (3)	\$ 497
3.10% Senior Notes due 2031	August 2021	10 years	500	(51)	449	(4)	496
Total Senior Notes					952		993
5.75% Junior Subordinated Notes due 2040 ⁽¹⁾	August 2020	20 years	350	—	—	(4)	346
5.50% Junior Subordinated Notes due 2042	January 2022	20 years	500	(8)	492	(6)	494
7.50% Junior Subordinated Notes due 2045	March 2025	20 years	350	9	359	—	—
Total Junior Subordinated Notes					851		840
EGL Revolving Credit Facility ⁽²⁾	May 2023	5 years			—		—
Total debt obligations					\$ 1,803		\$ 1,833

⁽¹⁾ As of December 31, 2024 the principal amount of these notes was \$350 million.

⁽²⁾ Origination date on EGL Revolving Credit Facility represents the date of the most recent amendment and restatement.

⁽³⁾ Fair value adjustments were established as part of the application of pushdown accounting based on the difference between fair value and carrying value at the closing date. Refer to Note 2 for additional details on the Merger and pushdown accounting, including the fair value adjustments. These amounts are in addition to unamortized debt issuance costs that resulted in the difference between the principal amount and the predecessor carrying value.

The table below provides a summary of the total interest expense for the periods referenced below:

	Successor		Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	December 31, 2024	December 31, 2023
(in millions of U.S. dollars)				
Interest expense on debt obligations	\$ 48	\$ 47	\$ 87	\$ 88
Amortization of debt issuance costs	4	1	2	2
Total interest expense	\$ 52	\$ 48	\$ 89	\$ 90

Senior Notes

The Senior Notes are effectively subordinated to all our secured indebtedness to the extent of the value of the assets securing such indebtedness, and structurally subordinated to all liabilities of our subsidiaries, including claims of policyholders. The Senior Notes are also contractually subordinated to claims of policyholders.

We may repurchase the 2029 Senior Notes and 2031 Senior Notes at any time prior to the date which is three months and six months, respectively, prior to maturity, subject to the payment of a make-whole premium. After such respective date, we may repurchase these Notes at a purchase price equal to 100% of the outstanding principal amount, plus accrued and unpaid interest. In each case, any such repurchases are also subject to satisfying certain regulatory requirements.

Notes to Consolidated Financial Statements | Note 17 - Debt Obligations and Credit Facilities

Junior Subordinated Notes

Junior Subordinated Notes due in 2042

The Junior Subordinated Notes due in 2042 are unsecured junior subordinated obligations of Enstar Finance LLC (“Enstar Finance”) that are fully and unconditionally guaranteed by us on an unsecured and junior subordinated basis. These debt securities of Enstar Finance are effectively subordinated to the obligations of our other subsidiaries. The Junior Subordinated Notes due in 2042 are exclusively the obligations of Enstar Finance and us, to the extent of the guarantee, and are not guaranteed by any of our other subsidiaries, which are separate and distinct legal entities and, except for Enstar Finance, have no obligation, contingent or otherwise, to pay holders any amounts due on the Junior Subordinated Notes due in 2042 or to make any funds available for payment on the Junior Subordinated Notes due in 2042, whether by dividends, loans or other payments.

The Junior Subordinated Notes due in 2042 bear interest (i) during the initial five-year period ending January 14, 2027, at a fixed rate per annum of 5.50% and (ii) during each five-year reset period thereafter beginning January 15, 2027, at a fixed rate per annum equal to the five-year U.S. treasury rate calculated as of two business days prior to the beginning of such five-year period plus 4.006%.

Junior Subordinated Notes due in 2045

In March 2025, we completed the issuance and sale of \$350 million in aggregate principal amount of our 7.50% Fixed-Rate Reset Junior Subordinated Notes due 2045, resulting in \$345 million of proceeds, net of \$5 million of debt issuance costs. In conjunction with the issuance, we completed a tender offer for and subsequent redemption of \$350 million of our 5.75% Fixed-Rate Reset Junior Subordinated Notes due 2040.

The 7.50% Fixed-Rate Reset Junior Subordinated Notes bear interest (a) from the date of original issue to, but excluding, April 1, 2035, at the fixed rate of 7.50% per annum and (b) from, and including, April 1, 2035, during each five-year period thereafter, at a rate per annum equal to the five-year Treasury Rate as of two business days prior to the beginning of such five-year period plus 3.186%, as reset at the beginning of each such five-year period. Interest will be paid in arrears on April 1 and October 1 of each year, which commenced on October 1, 2025. If, as of any interest payment date, a Mandatory Deferral Event (as defined below) has occurred and is continuing, we will be required to defer payment of all (and not less than all) of the interest accrued on the 7.50% Fixed-Rate Reset Junior Subordinated Notes as of such interest payment date. A “Mandatory Deferral Event” will be deemed to have occurred if we or all of our subsidiaries that are regulated insurance or reinsurance companies (or part of such regulatory group) are in breach of the enhanced capital requirements under applicable insurance supervisory laws (the “Enhanced Capital Requirements”), or would breach such Enhanced Capital Requirements if payment of accrued and unpaid interest on the 7.50% Fixed-Rate Reset Junior Subordinated Notes, together with any accrued and unpaid interest on any junior subordinated notes outstanding that rank equally in right of payment with the 7.50% Fixed-Rate Reset Junior Subordinated Notes, were made.

Generally, if an event of default occurs, the trustee or the holders of at least 25% in aggregate principal amount of the then outstanding Junior Subordinated Notes may declare the principal and accrued and unpaid interest on all the then outstanding Junior Subordinated Notes to be due and payable immediately.

Subject to certain threshold regulatory requirements and during certain time periods, we or Enstar Finance, as applicable, may repurchase the Junior Subordinated Notes, in whole or in part, at a repurchase price equal to at least 100% of the principal amount, plus accrued and unpaid interest.

Maturities

As of December 31, 2025, there were no outstanding debt obligations that will become due over the next three years. One of our series of Senior Notes with an outstanding principal balance of \$500 million becomes due upon maturity in May 2029, and our remaining notes become due upon maturity in periods beyond five years from December 31, 2025.

Notes to Consolidated Financial Statements | Note 17 - Debt Obligations and Credit Facilities

Revolving Credit Facility

In May 2023, we and certain of our subsidiaries, as borrowers and guarantors, amended and restated our existing revolving credit agreement. The amendment increased the total commitments under the revolving credit facility from \$600 million to \$800 million and extended the expiry date to May 30, 2028. We may request additional commitments under the facility by up to an aggregate amount of \$200 million, which the existing lenders, in their discretion, or new lenders, may provide. Under the amended facility, we may borrow revolving loans or request the issuance of syndicated or fronted letters of credit, in each case on a senior, unsecured basis.

Pricing under the facility will continue to be based on a per annum rate comprising a reference rate determined based on the type and currency of loan we borrow plus a margin that varies based on changes to our long term senior unsecured debt ratings assigned by S&P or Fitch (the "Debt Ratings"). The applicable reference rate is an adjusted forward-looking term rate based on the Secured Overnight Financing Rate ("Adjusted Term SOFR") for loans denominated in U.S. dollars, a rate based on the Sterling Overnight Index Average for loans denominated in British pounds sterling, an adjusted rate based on the Euro Interbank Offered Rate for loans denominated in euros and a rate equal to the highest of the Prime Rate, an adjusted rate based on the Federal Funds Effective Rate and Adjusted Term SOFR (for a one-month period) for swingline loans. We pay letter of credit fees based on the average daily aggregate stated amount of outstanding letters of credit and the Debt Ratings. In addition, we pay commitment fees based on the average daily unused amount of the commitments and the Debt Ratings. If an event of default occurs, the interest rate will increase and the agent may, and at the request of the required lenders shall, terminate lender commitments and demand early repayment of any outstanding amounts borrowed (or cash collateralization of a percentage excess of the amount of outstanding letters of credit issued) under the facility.

Financial and business covenants imposed on us in relation to the amended facility include certain limitations on indebtedness and guarantees, liens, mergers, consolidations and other fundamental changes, and dispositions. Generally, the financial covenants require us to maintain a gearing ratio of consolidated financial indebtedness to total capitalization of not greater than 0.35 to 1.0 and to maintain a minimum consolidated net worth. In anticipation of the Merger and the resulting application of pushdown accounting which had the effect of reducing our equity, we entered into an amendment with the existing lenders to adjust the minimum measure of consolidated net worth to be not less than the aggregate of (i) \$3.9 billion, plus (ii) 50% of net income available for distribution to ordinary shareholders at any time after September 30, 2025 (excluding net unrealized gains or losses on investments), plus (iii) 50% of the proceeds of any issuance of ordinary shares made after September 30, 2025. In addition, we must maintain eligible capital in excess of the enhanced capital requirement imposed by the Bermuda Monetary Authority pursuant to the Insurance (Group Supervision) Rules 2011 of Bermuda. As of December 31, 2025, we were in compliance with the covenants of the EGL Revolving Credit Facility.

As of December 31, 2025, we had no borrowings outstanding and therefore had \$800 million of available unutilized capacity under our unsecured revolving credit agreement.

Notes to Consolidated Financial Statements | Note 17 - Debt Obligations and Credit Facilities

Credit and Deposit Facilities

We utilize unsecured and secured letters of credit ("LOCs") and a deposit facility to support certain of our (re)insurance performance obligations. We also utilize unsecured LOCs to support the regulatory capital requirements of certain of our subsidiaries.

Our credit and deposit facilities were as follows:

	Commitment	Additional Commitments Available ⁽¹⁾	Aggregate Amount Issued / Requested as Deposits / Face Amount	
			Successor December 31, 2025	Predecessor December 31, 2024
(in millions of U.S. dollars)				
\$150 million FAL LOC Facility ⁽²⁾	\$ 150	\$ 75	\$ 150	\$ 106
\$90 million FAL Deposit Facility ⁽²⁾	90	60	90	90
\$318 million LOC Facility	318	—	318	346
\$221 million LOC Facility	221	—	221	235
\$120 million LOC Facility	120	60	87	116
\$23 million LOC Facility ⁽³⁾	23	—	23	23
\$800 million Syndicated LOC Facility	800	—	550	675
\$1 million LOC Facility	1	—	1	1
\$100 million Bermuda LOC Facility ⁽⁴⁾	100	—	100	100
\$100 million Bermuda LOC Facility ⁽⁴⁾	100	—	100	100
\$100 million Bermuda LOC Facility ⁽⁴⁾	100	—	100	100
\$A100 million LOC Facility ⁽⁵⁾	—	—	—	A\$ 62
£32 million United Kingdom LOC Facility ⁽³⁾⁽⁵⁾	—	—	—	£ 40

⁽¹⁾ We may request additional commitments under the facility in an aggregate amount not to exceed this amount, which the existing lenders, in their discretion, or new lenders may provide.

⁽²⁾ The FAL LOC Facility will expire on September 30, 2027, subject to our right to request up to three one-year extensions of the commitment period to September 30, 2028, September 30, 2029, and September 30, 2030, respectively. The FAL Deposit Facility will expire on July 21, 2026, subject to our right to request one one-year extension of the commitment period to July 21, 2027. Under the FAL Deposit facility, a third-party lender deposits a requested market valuation amount of eligible securities into Lloyd's on behalf of our Lloyd's corporate member. As of December 31, 2025 and December 31, 2024, our combined FAL comprised cash and investments of \$276 million (including \$95 million provided under the FAL Deposit Facility) and \$314 million (including \$85 million provided under the FAL Deposit Facility), respectively, and unsecured LOCs of \$150 million and \$106 million, respectively.

⁽³⁾ The LOC issued under this facility qualifies as Ancillary Own Funds capital for one of our U.K. regulated subsidiaries.

⁽⁴⁾ The LOC issued under this facility qualifies as Eligible Capital for one of our Bermuda regulated subsidiaries.

⁽⁵⁾ The GBP and AUD LOC facilities were terminated in 2025 and are no longer active.

We also utilize secured operating LOCs. As of December 31, 2025 and 2024, the total balance of such secured operating LOCs issued and outstanding was \$34 million and \$54 million, respectively.

18. SHAREHOLDERS' EQUITY

Ordinary Shares

The following table shows the rollforward of our shares to reflect the impact of the cancellation of our predecessor shares due to the Merger and issuance of new shares in the successor period:

	Total Voting Ordinary Shares
Beginning balance as of January 1, 2025	15,241,316
Shares issued ⁽¹⁾	35,693
Retired treasury stock ⁽²⁾	(356,140)
Shares as of July 2, 2025 (Pre-Merger)	14,920,869
Cancellation of shares	(14,920,869)
Issuance of shares	100
Shares as of July 3, 2025 (Post-Merger)	100

⁽¹⁾ Ordinary Shares issued in relation to share-based compensation plan awards and the Employee Share Purchase Plan.

⁽²⁾ Represents shares held in the Enstar Group Limited Benefit Trust that were cancelled on January 21, 2025.

The newly issued shares are held by the Parent and have a par value of \$1 per share. Each voting ordinary share entitles the holder thereof to one vote. There was no share activity between July 3 and December 31, 2025.

Dividends on Preferred Shares

Holders of Series D and Series E Preferred Shares are entitled to receive, only when, as and if declared, non-cumulative cash dividends, paid quarterly in arrears on the 1st day of March, June, September and December of each year, of 7.00% per annum.

Commencing on September 1, 2028, the Series D Preferred Shares will convert to a floating rate basis and dividends will be payable on a non-cumulative basis, when, as and if declared, at an alternative reference rate (with spread adjustment) to three-month LIBOR, as determined by the calculation agent consistent with accepted market practice, plus 4.015% per annum. Dividends that are not declared will not accumulate and will not be payable.

Period from July 3 to December 31, 2025

During the period from July 3 to December 31, 2025, we declared and paid dividends on Series D Preferred Shares of \$14 million and on Series E Preferred Shares of \$4 million.

Period from January 1 to July 2, 2025

During the period from January 1 to July 2, 2025, we declared and paid dividends on Series D Preferred Shares of \$14 million and on Series E Preferred Shares of \$4 million.

Year ended December 31, 2024

For the year ended December 31, 2024, we declared and paid dividends on Series D Preferred Shares of \$28 million and on Series E Preferred Shares of \$8 million.

Year ended December 31, 2023

For the year ended December 31, 2023, we declared and paid dividends on Series D Preferred Shares of \$28 million and on Series E Preferred Shares of \$8 million.

Any payment of dividends must be approved by our Board. Our ability to pay dividends is subject to certain restrictions¹⁵.

¹⁵ As described in Note 22.

Item 8 | Notes to Consolidated Financial Statements | Note 18 - Shareholders' Equity

Accumulated Other Comprehensive Income (Loss)

The following tables present a roll forward of accumulated other comprehensive income (loss):

	Successor	
	Period from July 3 to December 31, 2025	
	Unrealized (losses) gains on available-for-sale investments	
	(in millions of U.S. dollars)	
Balance July 3, 2025 net of tax	\$	—
Unrealized gains on fixed maturities, AFS arising during the period		20
Reclassification adjustment for change in allowance for credit losses recognized in net income		4
Reclassification adjustment for net realized losses included in net income		(3)
Other comprehensive income		21
Balance December 31, 2025, net of tax	\$	21

	Predecessor			
	Period from January 1 to July 2, 2025			
	Unrealized (losses) gains on available-for-sale investments	Cumulative currency translation adjustment	FVO - Own credit Adjustment	Total
	(in millions of U.S. dollars)			
Balance December 31, 2024, net of tax	\$ (361)	\$ 10	\$ 10	\$ (341)
Unrealized gains on fixed maturities, AFS arising during the period	133	—	—	133
Reclassification adjustment for change in allowance for credit losses recognized in net income	1	—	—	1
Reclassification adjustment for net realized losses included in net income	6	—	—	6
Other comprehensive income	140	—	—	140
Balance July 2, 2025, net of tax	\$ (221)	\$ 10	\$ 10	\$ (201)

Item 8 | Notes to Consolidated Financial Statements | Note 18 - Shareholders' Equity

	Predecessor			
	Year Ended December 31, 2024			
	Unrealized (losses) gains on available-for-sale investments	Cumulative currency translation adjustment	FVO - Own credit Adjustment	Total
	(in millions of U.S. dollars)			
Balance December 31, 2023, net of tax	\$ (368)	\$ 12	\$ 20	\$ (336)
Unrealized losses on fixed maturities, AFS arising during the period	(2)	—	—	(2)
Reclassification adjustment for change in allowance for credit losses recognized in net income	(15)	—	—	(15)
Reclassification adjustment for net realized losses included in net income	24	—	—	24
Change in currency translation adjustment	—	(2)	—	(2)
Change in net liability for gains and LAE at fair value - Enstar-specific credit risk	—	—	(10)	(10)
Other comprehensive loss	7	(2)	(10)	(5)
Balance December 31, 2024, net of tax	<u>\$ (361)</u>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ (341)</u>

	Predecessor				
	Year Ended December 31, 2023				
	Unrealized (losses) gains on available-for-sale investments	Cumulative currency translation adjustment	Remeasurement of future policyholder benefits - change in discount rate	FVO - Own credit Adjustment	Total
	(in millions of U.S. dollars)				
Balance December 31, 2022, net of tax	\$ (584)	\$ 9	\$ 273	\$ —	\$ (302)
Unrealized losses on fixed maturities, AFS arising during the period	154	—	—	—	154
Reclassification adjustment for change in allowance for credit losses recognized in net income	(11)	—	—	—	(11)
Reclassification adjustment for net realized losses included in net income	75	—	—	—	75
Change in currency translation adjustment	—	3	—	—	3
Reclassification adjustment for remeasurement of future policyholder benefits included in net income	—	—	(363)	—	(363)
Change in net liability for gains and LAE at fair value - Enstar-specific credit risk	—	—	—	20	20
Other comprehensive loss (income)	218	3	(363)	20	(122)
Less: Other comprehensive income attributable to NCI and RNCI	(2)	—	90	—	88
Balance December 31, 2023, net of tax	<u>\$ (368)</u>	<u>\$ 12</u>	<u>\$ —</u>	<u>\$ 20</u>	<u>\$ (336)</u>

Item 8 | Notes to Consolidated Financial Statements | Note 18 - Shareholders' Equity

The following tables present details about the tax effects allocated to each component of other comprehensive income (loss):

	Successor			Predecessor					
	Period from July 3 to December 31, 2025			Period from January 1 to July 2, 2025			Year Ended December 31, 2024		
	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount
	(in millions of U.S. dollars)								
Unrealized (losses) gains on fixed income securities, AFS arising during the year	\$ 23	\$ (3)	\$ 20	\$ 140	\$ (7)	\$ 133	\$ (18)	\$ 16	\$ (2)
Reclassification adjustment for change in allowance for credit losses recognized in net income	4	—	4	1	—	1	(15)	—	(15)
Reclassification adjustment for net realized (gains) losses included in net income	(3)	—	(3)	6	—	6	24	—	24
Change in currency translation adjustment	—	—	—	—	—	—	(2)	—	(2)
Change in net liability for losses and LAE at fair value - Instrument-specific credit risk	—	—	—	—	—	—	(10)	—	(10)
Other comprehensive income (loss)	\$ 24	\$ (3)	\$ 21	\$ 147	\$ (7)	\$ 140	\$ (21)	\$ 16	\$ (5)

	Predecessor		
	Year Ended December 31, 2023		
	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount
	(in millions of U.S. dollars)		
Unrealized (losses) gains on fixed income securities, AFS arising during the year	\$ 150	\$ 4	\$ 154
Reclassification adjustment for change in allowance for credit losses recognized in net income	(11)	—	(11)
Reclassification adjustment for net realized (gains) losses included in net income	76	(1)	75
Change in currency translation adjustment	3	—	3
Reclassification adjustment for remeasurement of future policyholder benefits included in net income	(363)	—	(363)
Change in net liability for losses and LAE at fair value - Instrument-specific credit risk	20	—	20
Other comprehensive income (loss)	\$ (125)	\$ 3	\$ (122)

Item 8 | Notes to Consolidated Financial Statements | Note 18 - Shareholders' Equity

The following table presents details of amounts reclassified from AOCI:

Details about AOCI components	Successor	Predecessor			Affected Line Item in Statement where Net Income are presented
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023	
(in millions of U.S. dollars)					
Unrealized (losses) gains on fixed maturities, AFS	\$ (1)	\$ 7	\$ (9)	\$ (65)	Net realized and unrealized (losses) gains
	\$ (1)	\$ 7	\$ (9)	\$ (65)	Total before tax
Income tax benefit	—	—	—	1	Income tax benefit
	(1)	7	(9)	(64)	Net of tax
Other	—	—	—	—	General and administrative expenses
Remeasurement of future policyholder benefits	—	—	—	363	Other income
Total reclassifications for the period, net of tax	\$ (1)	\$ 7	\$ (9)	\$ 299	Net of tax

Changes in Ownership of Consolidated Subsidiaries

The following table summarizes changes in the ownership interest in consolidated subsidiaries:

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year ended December 31, 2023
(in millions of U.S. dollars)				
Net income attributable to Enstar ordinary shareholders	\$ 493	\$ 51	\$ 540	\$ 1,082
Transfers from noncontrolling and redeemable noncontrolling interests:				
Increase in Enstar's additional paid-in capital for purchase of noncontrolling interest and redeemable noncontrolling interests ⁽¹⁾	—	—	—	18
Change from net income attributable to Enstar ordinary shareholders and net transfers from noncontrolling and redeemable noncontrolling interests	\$ 493	\$ 51	\$ 540	\$ 1,100

⁽¹⁾ The transfer from the noncontrolling interests and redeemable noncontrolling interests for the year ended December 31, 2023 relates to the repurchase of the entire 24.9% ownership interest Allianz held in Enhanced Re recorded in the first quarter of 2023 and the repurchase of the remaining 41.0% ownership interest the RNCI Holders held in SSSL recorded in the fourth quarter of 2023, respectively.

19. SHARE-BASED COMPENSATION

Successor Period

Following the completion of the Merger in July 2025 and the subsequent deregistration with the SEC, the Company does not have any share-based compensation plans for its employees. All awards to employees are now cash-based incentive awards.

Completion of Merger

In connection with the completion of the Merger, the Company's existing equity awards were settled as follows:

- all nonvested restricted share units ("RSUs"), excluding those granted in 2025, became fully vested due to the acceleration of the vesting period, and employees holding the RSUs received \$338 per RSU vested in exchange for the cancellation of the awards; and
- all nonvested performance share units ("PSUs") became vested on a prorated basis determined by the number of days lapsed in the performance period and using a multiplier as determined based on actual performance. Employees holding the PSUs received \$338 per PSU vested in exchange for the cancellation of the award.

The completion of the Merger resulted in the vesting of 29,895 RSUs and 68,912 PSUs, which were valued at an aggregate \$33 million based on the \$338 per award received by the holders of such awards. Of the total value, \$18 million related to the portion of the vesting period that had lapsed as of the Merger closing date, which was included as part of the Merger consideration. The remaining \$15 million related to awards that had not vested as of the Merger closing date, and the increase in the fair value of the awards from the grant date value to \$338 per award, was recognized as expense as of the Merger completion during the period from July 3 to December 31, 2025.

Predecessor Period

Under the Enstar 2016 Equity Incentive Plan, the Company previously granted awards to employees in the form of PSUs, RSUs, and Joint Share Ownership Plans ("JSOP"), collectively referred to as our share-based compensation awards. Our share-based compensation awards qualified for equity classification. New shares were issued once the awards vested. We also maintained an employee share purchase plan.

For equity-classified awards, the fair value of the compensation cost was measured at the grant date and expensed over the service period of the award within general and administrative expenses in the consolidated statements of operations. Expenses for the PSU awards were adjusted for changes in the performance multiplier on the award. Forfeitures were recognized as they occurred. The table below provides a summary of the compensation costs for all of our former share-based compensation plans for the predecessor period from January 1, 2025 to July 2, 2025 and the years ended December 31, 2024 and 2023:

	January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
	(in millions of U.S. dollars)		
Share-based compensation:			
Restricted shares and restricted share units	\$ 5	\$ 14	\$ 12
Performance share units	3	10	8
Joint share ownership plan expense	—	6	6
Other share-based compensation	—	15	4
Total share-based compensation	\$ 8	\$ 45	\$ 30

For the year ended December 31, 2024, \$14 million of expense included within other share-based compensation relates to cash settlement of RSUs and PSUs of a departing executive.

The associated tax benefit recorded to income tax benefit (expense) in the consolidated statements of operations was \$5 million for the year ended December 31, 2024.

The following summarizes the Company's equity-based compensation plans that were in effect during the Predecessor period prior to the Merger date.

Notes to Consolidated Financial Statements | Note 19 - Share-Based Compensation

Joint Share Ownership Plan (JSOP)

In January 2020, a JSOP award comprising 565,630 underlying voting ordinary shares was made to our Chief Executive Officer ("CEO") which cliff-vested upon the vesting date. The value of the award at vesting was determined based on the price of our voting ordinary shares appreciating above a certain threshold between the date of grant and the vesting date. If the higher of the closing price per share on the vesting date and the 10-day volume weighted average price per share for the ten consecutive trading days ending on the vesting date (each, the "Market Price") was equal to or greater than the hurdle price, the award would have had a value equal to the Market Price, less \$205.89, multiplied by 565,630. If the Market Price was less than the hurdle price on such date, the award would have had no value. In addition, 20.0% of the award was subject to a performance condition based on growth in Fully Diluted Book Value Per Share ("FDBVPS") over a five year period starting January 1, 2020.

The accounting for stock-settled JSOP awards is similar to options, whereby the grant date fair value of \$14 million was expensed over the life of the award. On July 1, 2022, the terms of the JSOP award made to our CEO were amended to extend the vesting date of the award from January 20, 2023 to January 20, 2025. The amendment maintained the compound annual growth used to determine the hurdle price that must be achieved for the JSOP award to vest, which resulted in an increase to the hurdle price from \$266.00 to \$315.53. A corresponding extension was made to the term of the performance condition based on growth in FDBVPS from December 31, 2022 to December 31, 2024. All other terms of the award remained the same. The incremental fair value of the amended award on July 1, 2022 was \$15 million, or \$27.25 per share, which was expensed over the remaining life of the award commencing from July 1, 2022.

In January 2025, the JSOP award vested at a market price of \$327.00 per share as the Market Price exceeded the hurdle price and the performance condition based on growth in FDBVPS was met. The option was exercised on January 21, 2025 and accordingly 209,490 shares were issued to our CEO (calculated as the market price of \$327.00 less \$205.89, multiplied by the 565,630 shares comprising the JSOP award, divided by the market price of \$327.00). The remaining 356,140 shares held in the Enstar Group Limited Benefit Trust were cancelled on January 21, 2025.

Restricted Shares and Restricted Share Units (RSUs)

The Company previously granted service-based restricted share and restricted share unit awards that typically vested over a three-year period within general administrative expense within the consolidated statement of operations with a corresponding amount recorded in additional paid-in capital on the consolidated balance sheets. The unrecognized compensation cost related to unvested awards was \$10 million as of December 31, 2024. All awards became fully vested and were settled in connection with the Merger in 2025.

Performance Share Units (PSUs)

PSUs vested following a three-year performance period, with the number of shares ultimately vesting determined by a performance adjustment factor. The performance metrics were based on either (i) the change in FDBVPS over the three-year period, or (ii) average annual non-GAAP operating income return on equity. Unrecognized compensation cost related to unvested PSU awards was \$19 million as of December 31, 2024, which would have been recognized over approximately 1.6 years from that date absent the Merger.

Deferred Compensation and Ordinary Share Plan for Non-Employee Directors

Non-employee directors participated in a deferred compensation plan under which they received Restricted Shares and RSUs, of which 51,740 shares were outstanding as of December 31, 2024. All awards became fully vested and were settled in connection with the Merger in 2025.

Employee Share Purchase Plan ("ESPP")

Eligible employees were permitted to purchase shares at a 15.0% discount to market price (such discount was expensed as compensation cost). The ESPP was suspended in July 2024 in accordance with terms of the Merger Agreement (with 3,955 shares issued during that year).

20. INCOME TAXATION

Enstar is incorporated under the laws of Bermuda and, prior to the enactment of Bermuda corporate income tax legislation, was not required to pay taxes in Bermuda based upon income or capital gains under the Exempted Undertakings Tax Protection Act of 1966. In December 2023, the Government of Bermuda enacted the Corporate Income Tax Act 2023 (the "CIT Act"), which introduced a 15% corporate income tax applicable to Bermuda businesses that are part of an in-scope multinational enterprise group ("MNE Group"), effective for tax years beginning on or after January 1, 2025. Based on annual revenue reflected in our consolidated financial statements, Enstar is an in-scope MNE Group beginning in 2025. The CIT Act also provides for a five-year limited international footprint exemption for qualifying MNE Groups. Based on Enstar's operating countries and organizational footprint as of December 31, 2024 and 2025, the Company qualifies for the limited international footprint exemption, resulting in a deferral of the application of Bermuda corporate income tax until tax years beginning on or after January 1, 2030.

In December 2025, the Government of Bermuda gave assent to the Tax Credits Act 2025 (the "Credits Act") and the Corporate Income Tax Amendment (No. 2) Act 2025 (the "Amendment Act"). These Acts provide additional clarification, transitional relief, and incentive mechanisms in connection with the implementation of Bermuda's corporate income tax regime, with the Credits Act establishing statutory tax credit frameworks and the Amendment Act introducing technical amendments designed to align the corporate income tax regime with the OECD Pillar Two Global Anti-Base Erosion ("GloBE") rules and related administrative provisions. Pursuant to the Credits Act, the Company recorded a tax benefit of \$4 million, with a portion of this amount expected to be refunded in 2026. The Amendment Act includes provisions related to the Economic Transition Adjustment ("ETA"), including a modification to the original determination of the ETA which included elimination of deferred tax liabilities as a component of the calculation which had previously reduced the benefit recorded. As a result, the Company recognized a tax benefit of \$87 million in December 2025 related to this modification.

The Company evaluated both the Amendment Act and the Credits Act and determined that, aside from the items described above, there were no other changes that would have a material impact on Enstar's financial position as of December 31, 2025.

We have foreign operating subsidiaries and branch operations located in six countries, consisting of Bermuda, U.S., U.K., Liechtenstein, Belgium and Australia, that are subject to federal, foreign, state and local taxes in those jurisdictions. The undistributed earnings from our foreign (non-Bermuda) subsidiaries will be indefinitely reinvested in those jurisdictions where the undistributed earnings were earned.

Deferred tax liabilities have not been accrued with respect to the undistributed earnings of our foreign subsidiaries. Generally, when earnings are distributed as dividends, withholding taxes may be imposed by the jurisdiction of the paying subsidiary. For our U.S. subsidiaries, we have not currently accrued any withholding taxes with respect to remitted earnings because, solely for U.S. Federal income tax purposes, there are no accumulated positive earnings and profits that could be subject to U.S. dividend withholding tax. For our U.K. subsidiaries, there are no withholding taxes imposed as a matter of U.K. domestic tax law. For our other foreign subsidiaries, an insignificant amount of earnings is indefinitely reinvested; however, it would not be practicable to compute the related amounts of withholding taxes due to a variety of factors, including the amount, timing and manner of any repatriation. Because we operate in many jurisdictions, our net income is subject to risk due to changing tax laws and tax rates around the world. The current, rapidly changing economic environment may increase the likelihood of substantial changes to tax laws in the jurisdictions in which we operate.

Notes to Consolidated Financial Statements | Note 20 - Income Taxation

Income Tax Expense

The following table presents income (loss) before income taxes by jurisdiction, including income (losses) from equity method investments, for the successor and predecessor periods referenced below:

	Successor		Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	December 31, 2024	December 31, 2023
	(in millions of U.S. dollars)			
Domestic (Bermuda)	\$ 523	\$ 100	\$ 635	\$ 1,046
Foreign	(82)	(32)	8	(78)
Income (loss) before income taxes, including income (losses) from equity method investments	\$ 441	\$ 68	\$ 643	\$ 968

The following table presents our current and deferred income tax (benefit) expense attributable to continuing operations by jurisdiction for the successor and predecessor periods referenced below:

	Successor		Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	December 31, 2024	December 31, 2023
	(in millions of U.S. dollars)			
Current:				
Domestic (Bermuda)	\$ —	\$ —	\$ 1	\$ —
Foreign	1	2	6	6
	1	2	7	6
Deferred:				
Domestic (Bermuda)	(82)	(1)	77	(205)
Foreign	10	(2)	(22)	(51)
	(72)	(3)	55	(256)
Total income tax (benefit) expense attributable to continuing operations	\$ (71)	\$ (1)	\$ 62	\$ (250)

The actual effective income tax rate differs from the statutory rate of 15 percent (0 percent for the periods ended December 31, 2024 and 2023 (predecessor)) under Bermuda law applied to income (loss) before income taxes,

Notes to Consolidated Financial Statements | Note 20 - Income Taxation

including income (losses) from equity method investments for the successor and predecessor periods as shown in the following reconciliation:

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	December 31, 2024	December 31, 2023
	(in millions of U.S. dollars)			
Income before income taxes	\$ 441	\$ 68	\$ 643	\$ 968
Bermuda income taxes at statutory rate	15.0 %	15.0 %	0.0 %	0.0 %
Foreign income tax rate differential	(1.5)%	(5.9)%	0.7 %	(2.0)%
Bermuda ETA ⁽¹⁾⁽²⁾	(19.8)%	— %	13.2 %	(22.8)%
Change in valuation allowance	3.5 %	15.4 %	(5.5)%	(1.6)%
Effect of change in income tax rate	— %	— %	(1.1)%	1.4 %
Bermuda exemption ⁽³⁾	(17.8)%	(22.1)%	— %	— %
Other	4.5 %	(3.9)%	2.3 %	(0.8)%
Effective income tax rate	(16.1)%	(1.5)%	9.6 %	(25.8)%

⁽¹⁾ For the year ended December 31 2024, we recorded a deferred tax expense of \$85 million related to the reduction of the previously established ETA, which is not anticipated to be utilized during the five-year deferral for Bermuda CIT.

⁽²⁾ For the period July 3 to December 31 2025, we increased our ETA deferred tax benefit by \$87 million due to the Bermuda Corporate Income Tax amendments enacted in December 2025. There was no deferred tax recorded in the period January 1 to July 2 2025 related to the Bermuda Corporate Income Tax amendments enacted.

⁽³⁾ As referenced above, Enstar Group qualified for a five-year exemption from Bermuda corporate income tax beginning January 1, 2025 when the corporate income tax went into effect.

Our effective tax rate is generally driven by the geographical distribution of our income (loss) before income taxes between our taxable and non-taxable jurisdictions.

Notes to Consolidated Financial Statements | Note 20 - Income Taxation

Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities (included in other assets and other liabilities, respectively, in the consolidated balance sheets) reflect the tax effect of the differences between the financial statement carrying amount and the income tax bases of assets and liabilities.

Significant components of the deferred tax assets and deferred tax liabilities as of December 31, 2025 (Successor) and 2024 (Predecessor) were as follows:

	Successor	Predecessor
	December 31, 2025	December 31, 2024
(in millions of U.S. dollars)		
Deferred tax assets:		
Net operating loss carryforwards	\$ 242	\$ 242
Capital loss carryforwards	6	6
Insurance reserves	193	130
Unearned premiums	5	6
Provisions for bad debt	2	2
Defendant asbestos and environmental liabilities	121	80
Fair value of investments	26	27
Fair value of financial instruments	17	18
Other deferred tax assets	27	32
Deferred tax assets	639	543
Valuation allowance	(156)	(124)
Deferred tax assets, net of valuation allowance	483	419
Deferred tax liabilities:		
Lloyd's underwriting result in future periods	(12)	(9)
Fair value and other basis differences	(91)	(50)
Other deferred tax liabilities	(12)	(8)
Deferred tax liabilities	(115)	(67)
Net deferred tax asset	\$ 368	\$ 352

Net Deferred Tax Asset (Liability) Balance by Major Jurisdiction

	Successor	Predecessor
	December 31, 2025	December 31, 2024
(in millions of U.S. dollars)		
Australia	\$ 3	\$ 3
Bermuda	159	144
United States	206	208
United Kingdom	—	(3)
Total	\$ 368	\$ 352

Notes to Consolidated Financial Statements | Note 20 - Income Taxation

Net Operating and Capital Loss Carryforwards

As of December 31, 2025 (Successor), we had net operating loss carryforwards that could be available to offset future taxable income, as follows:

Tax Jurisdiction	Loss Carryforwards	Tax effect	Expiration
(in millions of U.S. dollars)			
Net Operating Loss Carryforwards:			
United States - Net operating loss	\$ 483	\$ 101	2028-2044
United States - Net operating loss	138	29	Indefinitely
United Kingdom	350	87	Indefinitely
Other	104	25	Various
Capital Loss Carryforwards:			
United States - Capital Loss	30	6	2028

The U.S. and U.K. net operating loss carryforwards are also subject to certain utilization limitations and have been considered in management's assessment of valuation allowance.

Foreign Tax Credit Carryforwards:

As of December 31, 2025 (Successor), we had foreign tax credit carryforwards available for tax purposes, as follows:

Tax Jurisdiction	Tax effect	Expiration
(in millions of U.S. dollars)		
United Kingdom	\$ 8	Indefinitely

Assessment of Valuation Allowance on Deferred Tax Assets

As of December 31, 2025 (successor) and 2024 (predecessor), we had deferred tax asset valuation allowances of \$156 million and \$124 million, respectively, related to foreign subsidiaries. We recorded a net decrease of \$11 million in our deferred tax valuation allowance for the period from January 1 to July 2, 2025 (predecessor) and a net increase of \$43 million in our deferred tax valuation allowance for the period from July 3, 2025 to December 31, 2025 (successor).

For the period from January 1 to July 2, 2025 (predecessor), in the U.S. jurisdiction, the valuation allowance decreased by \$5 million due to \$3 million of utilization of deferred tax assets as a result of earnings reported for the period and \$2 million related to a reduction in deferred tax assets associated with decreases in unrealized losses on investment securities reported in AOCI. In the U.K. and E.U. jurisdictions, the valuation allowance decreased by \$6 million due to \$9 million related to a reduction in deferred tax assets associated with decreases in unrealized losses on investment securities reported in AOCI and partially offset by \$3 million related to increase in other deferred tax assets for which a full valuation allowance was recorded.

For the period from July 3, 2025 to December 31, 2025 (successor), the valuation allowance increased by \$22 million primarily due to changes in deferred taxes arising from pushdown accounting primarily attributable to the fair value of asbestos reserves. In addition, there was a \$21 million increase in the valuation allowance due to certain jurisdictions that have been producing recurring losses.

The realization of deferred tax assets is dependent on generating sufficient taxable income in future periods in which the tax benefits are deductible or creditable. The amount of the deferred tax asset considered realizable, however, could be adjusted in the future if estimates of future taxable income change.

Income taxes are determined and assessed jurisdictionally by legal entity or by filing group. Certain jurisdictions require or allow combined or consolidated tax filings. We have estimated the future taxable income of our foreign subsidiaries and provided a valuation allowance in respect of those assets where we do not expect to realize a benefit. We have considered all available evidence using a "more likely than not" standard in determining the amount of the valuation allowance. We considered the following evidence:

Notes to Consolidated Financial Statements | Note 20 - Income Taxation

- i. net income or losses in recent years;
- ii. the future sustainability and likelihood of positive net income of our subsidiaries;
- iii. the carryforward periods of tax losses including the effect of reversing temporary differences; and
- iv. tax planning strategies.

In making our determination, the assumptions used in determining future taxable income require significant judgment and any changes in these assumptions could have an impact on net income.

Unrecognized Tax Benefits

During the successor or predecessor periods in 2025 and the years ended December 31, 2024 and 2023 there were no unrecognized tax benefits. There were no accruals for the payment of interest and penalties related to income taxes as of December 31, 2025 (Successor) and 2024 (Predecessor).

Open Tax Years

Our operating subsidiaries may be subject to examination by various tax authorities and may have different statutes of limitations expiration dates. Taxing authorities may propose adjustments to our income taxes.

Listed below are the tax years that remain subject to examination by a major tax jurisdiction as of December 31, 2025 (Successor):

Major Tax Jurisdiction	Open Tax Years
United States	2022-2025
United Kingdom	2023-2025

Notes to Consolidated Financial Statements | Note 21 - Related Party Transactions

21. RELATED PARTY TRANSACTIONS

The following tables summarize our related party balances and transactions. Additional details about the nature of our relationships and transactions are included further below.

As of December 31, 2025	Successor					
	Monument	AmTrust	JC Flowers ⁽¹⁾	Sixth Street	Core Specialty	Other ⁽²⁾
	(in millions of U.S. dollars)					
Assets						
Fixed maturities, AFS, at fair value	\$ —	\$ —	\$ —	\$ 344	\$ —	\$ —
Equities, at fair value	22	290	—	—	—	42
Funds held	—	—	—	—	13	—
Other investments, at fair value	—	—	27	8	—	2,523
Equity method investments	—	—	—	—	319	5
Total investments	22	290	27	352	332	2,570
Cash and cash equivalents	—	—	—	26	—	—
Liabilities						
Losses and LAE	—	—	—	—	134	—
Insurance and reinsurance balances payable	—	—	—	—	3	—
Net assets	\$ 22	\$ 290	\$ 27	\$ 378	\$ 195	\$ 2,570

⁽¹⁾ Upon completion of the Merger on July 2, 2025, investment vehicles managed or advised by affiliates of J.C. Flowers & Co. LLC ("JC Flowers") hold a minority of the participating units that represent a non-voting economic interest in Elk Topco.

⁽²⁾ Other related party investments include investments in Positive Physicians Holdings, Inc, an equity method investment, and limited partnerships and partnership-like limited liabilities companies, for which had we not elected the fair value option, would otherwise be accounted for as equity method investments. We have disclosed our investments in these entities on an aggregated basis as they are individually immaterial.

As of December 31, 2024	Predecessor				
	Stone Point	Monument	AmTrust	Core Specialty	Other
	(in millions of U.S. dollars)				
Assets					
Fixed maturities, trading, at fair value	\$ 23	\$ —	\$ —	\$ —	\$ —
Fixed maturities, AFS, at fair value	283	—	—	—	—
Equities, at fair value	156	—	222	—	—
Funds held	—	—	—	18	—
Other investments, at fair value	424	—	—	—	1,754
Equity method investments	—	19	—	281	13
Total investments	886	19	222	299	1,767
Cash and cash equivalents	38	—	—	—	—
Other assets	6	—	—	10	—
Liabilities					
Losses and LAE	—	—	—	152	—
Other liabilities	1	—	—	—	—
Net assets	\$ 929	\$ 19	\$ 222	\$ 157	\$ 1,767

Notes to Consolidated Financial Statements | Note 21 - Related Party Transactions

	Successor					
	Period from July 3 to December 31, 2025					
	Monument	AmTrust	JC Flowers	Sixth Street	Core Specialty	Other
REVENUES	(in millions of U.S. dollars)					
Net premiums earned	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —
Net investment income	4	2		4	1	7
Fair value changes in equity and trading securities, funds held and other investments	—	61	4	—	—	103
Other income	—	—	—	—	(5)	—
Total revenues	4	63	4	4	(3)	110
Net incurred losses and LAE	—	—	—	—	36	—
Investment interest expense	—	—	—	4	—	—
Total expenses	—	—	—	4	36	—
(Losses) income from equity method investments	—	—	—	—	14	—
Total net income (loss)	\$ 4	\$ 63	\$ 4	\$ —	\$ (25)	\$ 110
	Predecessor					
	Period from January 1 to July 2, 2025					
	Stone Point	Monument	AmTrust	Core Specialty	Other	
REVENUES	(in millions of U.S. dollars)					
Net investment income	\$ 7	\$ —	\$ 3	\$ —	\$ 6	
Fair value changes in equity and trading securities, funds held and other investments	(10)	—	10	—	28	
Other income	—	—	—	5	—	
Total revenues	(3)	—	13	5	34	
EXPENSES						
Net incurred losses and LAE	—	—	—	10	—	
Total expenses	—	—	—	10	—	
(Losses) income from equity method investments	—	(3)	—	4	—	
Total net income (loss)	\$ (3)	\$ (3)	\$ 13	\$ (1)	\$ 34	
	Predecessor					
	Year Ended December 31, 2024					
	Stone Point	Monument	AmTrust	Core Specialty	Other	
REVENUES	(in millions of U.S. dollars)					
Net premiums earned	\$ —	\$ —	\$ —	\$ 1	\$ —	
Net investment income	13	—	7	1	10	
Fair value changes in equity and trading securities, funds held and other investments	73	—	42	—	109	
Total revenues	86	—	49	2	119	
Net incurred losses and LAE	—	—	—	56	—	
Total expenses	—	—	—	56	—	
(Losses) income from equity method investments	—	(73)	—	56	(1)	
Total net income (loss)	\$ 86	\$ (73)	\$ 49	\$ 2	\$ 118	

Notes to Consolidated Financial Statements | Note 21 - Related Party Transactions

	Predecessor						
	Year Ended December 31, 2023						
	Stone Point	Northshore ⁽¹⁾	Monument	AmTrust	Citco	Core Specialty	Other
	(in millions of U.S. dollars)						
REVENUES							
Net premiums earned	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (5)	\$ —
Net investment income	13	—	—	6	—	1	6
Fair value changes in equity and trading securities, funds held and other investments	46	(11)	—	(9)	—	—	113
Total revenues	59	(11)	—	(3)	—	(4)	119
Net incurred losses and LAE	—	(2)	—	—	—	(21)	—
Total expenses	—	(2)	—	—	—	(21)	—
(Losses) income from equity method investments	—	—	(10)	—	9	14	—
Total net income (loss)	<u>\$ 59</u>	<u>\$ (9)</u>	<u>\$ (10)</u>	<u>\$ (3)</u>	<u>\$ 9</u>	<u>\$ 31</u>	<u>\$ 119</u>

⁽¹⁾ Northshore ceased to be a related party in December 2023, following the completion of a RNCI redemption.

JC Flowers

Upon completion of the Merger on July 2, 2025, investment vehicles managed or advised by affiliates of JC Flowers hold a minority of the participating units that represent a non-voting economic interest in Elk Topco. Pursuant to the Amended and Restated Limited Liability Company Operating Agreement of Elk Topco (the "Operating Agreement"), JC Flowers is entitled to a director representative on Elk Topco's Board of Directors.

Sixth Street

Upon completion of the Merger on July 2, 2025, the Company became a wholly-owned subsidiary of the Parent. The Parent is owned by Elk Topco, which is the ultimate holding company and is backed by equity commitments from investment vehicles managed or advised by affiliates of Sixth Street Partners, LLC ("Sixth Street"). Refer to Note 2 for additional details on the Merger.

An entity controlled by principals of Sixth Street holds all of the voting units of Elk Topco. Investment vehicles managed or advised by affiliates of Sixth Street hold a majority of the participating units representing a non-voting economic interest in Elk Topco. Pursuant to the Operating Agreement, Sixth Street is entitled to various shareholder rights, including the right to appoint three director representatives to the Elk Topco Board of Directors. In addition, two Managing Directors of Sixth Street are members of Enstar's Board of Directors.

Monument Re

As of each of December 31, 2025 and 2024, we owned 24.6% of the common shares of Monument Re. As of December 31, 2024, a fund managed by Stone Point owned 15.7% of Monument Re's preferred shares.

We have accounted for our investment in the shares of Monument Re as an investment in a privately held equity security at fair value.

Previously, we accounted for our investment in the common shares (and the preferred shares prior to their conversion to common shares on January 2, 2024) of Monument Re as an equity method investment.

AmTrust

As of each of December 31, 2025 and 2024, we owned 8.7% of the equity interest in Evergreen Parent L.P. ("Evergreen"). As of December 31, 2024 Trident Pine Acquisition LP ("Trident Pine") owned 22.6%. Evergreen owns all the equity interest in AmTrust Financial Services, Inc. ("AmTrust"). Trident Pine is an entity owned by private equity funds managed by Stone Point. As stated below, Stone Point is no longer a related party as a result of the Merger.

We have accounted for our investment in the shares of AmTrust as an investment in a privately held equity security at fair value.

Notes to Consolidated Financial Statements | Note 21 - Related Party Transactions

Citco

During 2023, we divested our equity ownership in the common shares of HH CTCO Holdings Limited and recorded a \$5 million gain.

Core Specialty

As of December 31, 2025 and 2024, we owned 19.6% and 19.9% of the common shares of Core Specialty Insurance Holdings, Inc. ("Core Specialty"), respectively.

We account for our investment in the common shares of Core Specialty as an equity method investment on a one quarter lag.

We also have an LPT and ADC reinsurance agreement and an ASA between certain of our subsidiaries and StarStone U.S. and Core Specialty.

Furthermore, there are existing reinsurance agreements whereby (i) certain of our subsidiaries provide reinsurance protection to StarStone U.S. and (ii) StarStone U.S. provides reinsurance protection to certain of our subsidiaries. These arrangements remain in place.

Stone Point

As of July 2, 2025, Stone Point Capital LLC ("Stone Point") is no longer a related party as a result of the Merger.

As of December 31, 2024, investment funds managed by Stone Point owned 1,451,196 of our voting ordinary shares, which constituted 9.5% of our outstanding voting ordinary shares. James D. Carey, Co-Chief Executive Officer of Stone Point, was a member of Enstar's Board of Directors.

We have made various investments in funds and separate accounts managed by Stone Point or affiliates of Stone Point, and we have also made direct investments in entities affiliated with Stone Point. Where we have made an investment in a fund, the manager of such fund generally charges certain fees to the fund, which are deducted from the net asset value.

We also have certain co-investments alongside Stone Point and its affiliates, including our investment in AmTrust, described below, Mitchell Topco Holdings, the parent company of Mitchell International ("Mitchell"), and Genex Services in which we have invested \$33 million and account for as a privately held equity investment. Mitchell provides third-party outsourcing managed care services to one of our subsidiaries in the ordinary course of its business. During the year ended December 31, 2024 we committed to invest \$10 million in an insurance-linked securities ("ILS") arrangement through a Bermuda-based collateralized reinsurer that will provide reinsurance capacity across a diversified portfolio of casualty programs; Stone Point also invested in this ILS arrangement and is the investment manager.

Other

We also have certain other investments, including investments in limited partnerships and partnership-like limited liability companies, that had we not elected the fair value option would otherwise be accounted for as equity method investments. We have disclosed our investments in these entities on an aggregated basis as they are individually immaterial. Refer to Note 6 for further information regarding our other investments, including those for which the fair value option was elected.

22. DIVIDEND RESTRICTIONS AND STATUTORY FINANCIAL INFORMATION

Company Dividend Restrictions

There were no significant restrictions on the Company's ability to pay dividends from retained earnings as of December 31, 2025. Bermuda law permits the payment of dividends if:

- i) we are not, or would not be after payment, unable to pay our liabilities as they become due; and
- ii) the realizable value of our assets is more than our liabilities after taking such payment into account.

We have not historically declared a dividend on our ordinary shares. The issuance of our Series D and E Preferred Shares have resulted in the declaration of dividends. Holders of Series D and Series E Preferred Shares are entitled to receive, only when, as and if declared, non-cumulative cash dividends, paid quarterly in arrears on the first day of March, June, September and December of each year of 7.0% per annum¹⁶.

The Bermuda Monetary Authority ("BMA") acts as group supervisor to Enstar. On an annual basis, we are required to file group statutory financial statements, a group statutory financial return, a group capital and solvency return, audited group financial statements and a Group Solvency Self-Assessment ("GSSA") with the BMA. The GSSA is designed to document our perspective on the capital resources necessary to achieve our business strategies and remain solvent, and to provide the BMA with insights on our risk management, governance procedures and documentation related to this process. We are required to maintain available group statutory capital and surplus in an amount that is at least equal to the group enhanced capital requirement ("ECR"). The BMA has established a group target capital level equal to or exceeding 130% of the Group ECR. The Group was in compliance with this requirement throughout the reporting period.

Our ability to pay dividends to our shareholders is dependent upon the ability of our (re)insurance subsidiaries to distribute capital and pay dividends to us. Our (re)insurance subsidiaries are subject to certain regulatory restrictions on the distribution of capital and payment of dividends in the jurisdictions in which they operate, as described below. The restrictions are generally based on net income or levels of capital and surplus as determined in accordance with the relevant statutory accounting practices. Failure of these subsidiaries to meet their applicable regulatory requirements could result in restrictions on any distributions of capital or retained earnings or stricter regulatory oversight of the subsidiaries.

Our ability to pay dividends and make other forms of distributions may also be limited by repayment obligations and financial covenants in our outstanding loan facility agreements.

Subsidiary Statutory Financial Information and Dividend Restrictions

Our (re)insurance subsidiaries prepare their statutory financial statements in accordance with statutory accounting practices prescribed or permitted by local regulators. Statutory and local accounting differs from U.S. GAAP, including in the treatment of investments, acquisition costs and deferred income taxes, amongst other items.

The statutory capital and surplus amounts as of December 31, 2025 and 2024 and statutory net income (loss) amounts for the years ended December 31, 2025, 2024, and 2023 for our (re)insurance subsidiaries based in Bermuda, the United Kingdom, the United States, Australia, and Europe (Liechtenstein and Belgium) are summarized in the table below which includes information relating to acquisitions from the year of acquisition:

	Statutory Capital and Surplus						
	Required		Actual		Statutory Income (Loss)		
	2025	2024	2025 ⁽¹⁾	2024 ⁽²⁾	2025 ⁽¹⁾	2024 ⁽²⁾	2023
	(in millions of U.S. dollars)						
Bermuda	\$ 3,680	\$ 3,177	\$ 7,183	\$ 7,074	\$ 878	\$ 865	\$ 1,395
U.K.	492	442	631	729	—	57	42
U.S.	84	88	388	389	67	(65)	19
Australia	9	7	25	24	(20)	(2)	3
Europe	41	49	162	186	(37)	(10)	(6)

¹⁶ Refer to Note 18 for details regarding dividends on preferred shares.

(1) Statutory amounts as of and for the year ended December 31, 2025 represent our best estimate prior to completion of the applicable statutory audits.

(2) Amounts have been updated to conform to finalized audited statutory financial statements, where applicable.

As of December 31, 2025, the total amount of net assets of our consolidated subsidiaries that were restricted was \$4.3 billion.

Certain material aspects of these laws and regulations as they relate to solvency, dividends and capital and surplus are summarized below.

Bermuda

Our Bermuda-based (re)insurance subsidiaries are registered under the Insurance Act 1978 of Bermuda and related regulations, as amended (the "Insurance Act"). The Insurance Act imposes certain solvency and liquidity standards, auditing and reporting requirements and grants the BMA powers to supervise, investigate, require information and the production of documents and intervene in the affairs of insurance companies.

The Insurance Act requires that our Bermuda-based (re)insurance subsidiaries maintain certain solvency and liquidity standards. The minimum liquidity ratio requires that the value of relevant assets not be less than 75% of the amount of relevant liabilities. The minimum solvency margin, which varies depending on the class of the insurer, is determined as a percentage of either net reserves for losses and LAE or premiums. Our Bermuda subsidiaries with commercial insurance licenses are required to maintain a minimum statutory capital and surplus ECR at least equal to the greater of a minimum solvency margin or the Bermuda Solvency Capital Requirement ("BSCR"). The BSCR is calculated based on a standardized risk-based capital model as provided by the BMA.

Each of our regulated Bermuda subsidiaries would be prohibited from declaring or paying any dividends if it were in breach of its minimum solvency margin or liquidity ratio or if the declaration or payment of such dividends would cause it to fail to meet such margin or ratio. In addition, each of our regulated Bermuda subsidiaries is prohibited, without the prior approval of the BMA, from reducing its total statutory capital by 15% or more, or from reducing its total statutory capital and surplus by 25% or more as set out in its previous year's statutory financial statements. Our Bermuda (re)insurance companies that are in run-off are required to seek BMA approval for any dividends or distributions.

As of December 31, 2025 and 2024, our Bermuda-based (re)insurance subsidiaries exceeded applicable minimum solvency and liquidity requirements. The Bermuda (re)insurance subsidiaries in aggregate exceeded minimum solvency requirements by \$3.5 billion as of December 31, 2025 (2024: \$3.9 billion) and were in compliance with their liquidity requirements.

United Kingdom

U.K. Insurance Companies (non-Lloyd's)

Our U.K. based insurance subsidiaries are regulated by the U.K. Prudential Regulatory Authority (the "PRA") and the Financial Conduct Authority (the "FCA", together with the PRA, the "U.K. Regulator").

Our U.K.-based insurance subsidiaries are required to maintain adequate financial resources in accordance with the requirements of the U.K. Regulator. Insurers must comply with a Solvency Capital Requirement ("SCR"), which is calculated using either the Solvency II standard formula or a bespoke internal model. Our non-Lloyd's U.K. companies use the standard formula for determining compliance with the SCR.

The calculation of the minimum capital resources requirements in any particular case depends on, among other things, the type and amount of insurance business written and claims paid by the insurance company. As of December 31, 2025 and 2024, all of our U.K. insurance subsidiaries maintained capital in excess of the minimum capital resources requirements and complied with the relevant U.K. Regulator requirements. Our U.K.-based insurance subsidiaries, including our Lloyd's Syndicates described below, in aggregate, maintained capital in excess of the minimum capital resources requirements by \$139 million and \$287 million as of December 31, 2025 and 2024, respectively.

The U.K. Regulator's rules require our U.K. insurance subsidiaries to obtain regulatory approval for any proposed or actual payment of a dividend. The U.K. Regulator uses the SCR, among other tests, when assessing requests to make distributions.

Lloyd's

As of December 31, 2025, we participated in the Lloyd's market through our interests in Syndicate 2008, a syndicate that has permission to underwrite RITC business and other run-off or discontinued business type transactions with other Lloyd's syndicates.

We participated on the syndicate through a single, wholly-owned Lloyd's managing agent, Enstar Managing Agency Limited.

The underwriting capacity of a corporate member of Lloyd's must be supported by providing FAL in the form of cash, securities, letters of credit or other approved capital instrument in satisfaction of its capital requirement¹⁷. The amount of the FAL is assessed quarterly and is determined by Lloyd's in accordance with applicable capital adequacy rules. To release their capital, Lloyd's members are usually required to have transferred their liabilities through an approved RITC, such as those offered by Syndicate 2008.

Business plans, including maximum underwriting capacity, for Lloyd's syndicates require annual approval by the Lloyd's Franchise Board, which may require changes to any business plan or additional capital to support underwriting plans.

The Lloyd's market has applied the Solvency II internal model under Lloyd's supervision, and our Lloyd's operations are required to meet Solvency II standards. The Society of Lloyd's has received approval from the PRA to use its bespoke internal model under the Solvency II regime.

Lloyd's approval is required before any person can acquire control of a Lloyd's managing agent or Lloyd's corporate member.

United States

Our U.S. Run-off (re)insurance subsidiaries are subject to the insurance laws and regulations of the states in which they are domiciled, licensed and/or eligible to conduct business. These laws restrict the amount of dividends the subsidiaries can pay to us. The restrictions are generally based on statutory net income and/or certain levels of statutory surplus as determined in accordance with the relevant statutory accounting requirements of the individual domiciliary states or states in which any of the (re)insurance subsidiaries are commercially domiciled. Generally, prior regulatory approval must be obtained before an insurer may make a distribution above a specified level.

The U.S. (re)insurance subsidiaries are also required to maintain minimum levels of solvency and liquidity as determined by law, and to comply with Risk-Based Capital ("RBC") requirements and licensing rules as specified by the National Association of Insurance Commissioners ("NAIC"). RBC is used to evaluate the adequacy of capital and surplus maintained by our U.S. (re)insurance subsidiaries in relation to three major risk areas associated with: (i) asset risk; (ii) insurance risk and (iii) other risks. For all our U.S. (re)insurance subsidiaries, with the exception of one subsidiary which has a permitted accounting practice to treat an adverse development cover reinsurance agreement as prospective reinsurance, there are no prescribed or permitted statutory accounting practices that differ significantly from the statutory accounting principles established by NAIC.

As of December 31, 2025, all our U.S. (re)insurance subsidiaries exceeded their required levels of RBC. On an aggregate basis, our U.S. (re)insurance subsidiaries exceeded their minimum levels of RBC as of December 31, 2025 by \$304 million (2024: \$302 million).

Australia

The Company's Australian insurance subsidiary is regulated and subject to prudential supervision by the Australian Prudential Regulation Authority ("APRA"). APRA is the primary regulatory body responsible for regulating compliance with the Insurance Act 1973. APRA's prudential standards require that all insurers maintain and meet prescribed capital adequacy requirements designed to ensure that insurers meet their insurance obligations under a wide range of scenarios.

A run-off insurer must obtain APRA's written consent prior to making any capital releases, including any payment of dividends, not from current year profits. The Company's insurance subsidiary must provide APRA a valuation prepared by its Appointed Actuary that demonstrates that the tangible assets of the insurer, after the proposed capital reduction, are sufficient to cover its insurance liabilities to a 99.5% probability of sufficiency.

¹⁷ As described in Note 6.

Europe

Our Liechtenstein insurance subsidiary (StarStone Insurance SE) is regulated by the Liechtenstein Financial Market Authority ("FMA") pursuant to the Liechtenstein Insurance Supervisory Act. This subsidiary is obligated to maintain a minimum solvency margin based on the Solvency II regulations. As of December 31, 2025, this subsidiary exceeded the Solvency II requirements by \$93 million (2024: \$109 million). The amount of dividends that this subsidiary is permitted to distribute is restricted to freely distributable reserves, which consist of retained earnings, the current year profit and legal reserves. Any dividend exceeding the current year profit requires the FMA's approval. Solvency and capital requirements for this subsidiary are based on the Solvency II framework and must continue to be met following any distribution.

Our Belgian insurance subsidiary files financial statements and returns with the National Bank of Belgium. This subsidiary was in compliance with its solvency and capital requirements under Solvency II.

23. COMMITMENTS AND CONTINGENCIES

Concentration of Credit Risk

We believe that we are subject to credit risk associated with our cash and cash equivalents, fixed maturities, or other investments. Our cash and investments are managed pursuant to guidelines that follow prudent standards of diversification and liquidity, and limit the allowable holdings of a single issue and issuers. We are also subject to custodial credit risk on our investments, which we manage by diversifying our holdings amongst large financial institutions that are highly regulated.

We have exposure to credit risk on certain of our assets pledged to ceding companies under insurance contracts. In addition, we are potentially exposed should any insurance intermediaries be unable to fulfill their contractual obligations with respect to payments of balances owed to and by us.

Credit risk exists in relation to (re)insurance balances recoverable on paid and unpaid losses. We remain liable to the extent that counterparties do not meet their contractual obligations and, therefore, we evaluate and monitor concentration of credit risk among our (re)insurers.

We are also subject to credit risk in relation to funds held by reinsured companies. Under funds held arrangements, the reinsured company has retained funds that would otherwise have been remitted to our reinsurance subsidiaries. The funds are not typically placed into trust or subject to other security arrangements. However, we generally have the contractual ability to offset any shortfall in the payment of the funds held balances with amounts owed by us.

As of December 31, 2025, concentrations of funds held balances with reinsurance counterparties that individually exceeded 10% of shareholders' equity totaled \$3.5 billion (December 31, 2024: \$3.8 billion) in aggregate.

We limit the amount of credit exposure to any one counterparty and none of our counterparty credit exposures, excluding U.S. government and agency instruments, two counterparties in which we invest in their private equity and credit funds (presented in other investments), and the reinsurance counterparties noted above, exceeded 10% of shareholders' equity as of December 31, 2025. As of December 31, 2025 our credit exposure to the U.S. government and agency instruments and the two private equity and credit counterparties were \$1.1 billion and \$1.2 billion, respectively. Only the U.S. government and agency instruments exceeded 10% of shareholders' equity as of December 31, 2024 for which the credit exposure was \$917 million.

Legal Proceedings

We are, from time to time, involved in various legal proceedings in the ordinary course of business, including litigation and arbitration regarding claims. Estimated losses relating to claims arising in the ordinary course of business, including the anticipated outcome of any pending arbitration or litigation, are included in the liability for losses and LAE in our consolidated balance sheets. In addition to claims litigation, we may be subject to other lawsuits and regulatory actions in the normal course of business, which may involve, among other things, allegations of underwriting errors or omissions, employment claims or regulatory activity. We do not believe that the resolution of any currently pending legal proceedings, either individually or taken as a whole, will have a material effect on our business, results of operations or financial condition. We anticipate that, similar to the rest of the (re)insurance industry, we will continue to be subject to litigation and arbitration proceedings in the ordinary course of business, including litigation generally related to the scope of coverage with respect to asbestos and environmental ("A&E") and other claims.

Unfunded Investment Commitments

As of December 31, 2025, we had unfunded commitments of \$1.7 billion to other investments and \$42 million to privately held equity. Included in the privately held equity amount, is a commitment we entered into in 2024 for \$8.6 million in an insurance-linked securities ("ILS") arrangement through a Bermuda-based collateralized reinsurer, determined to be a related party, that will provide reinsurance capacity across a diversified portfolio of casualty programs.

Guarantees

As of December 31, 2025 and 2024, parental guarantees supporting reinsurance obligations, defendant A&E liabilities, subsidiary capital support arrangements and credit facilities were \$2.2 billion and \$2.5 billion respectively.

Notes to Consolidated Financial Statements | Note 23 - Commitments and Contingencies

We also guarantee the 2042 Junior Subordinated Notes, which have an aggregate principal amount of \$500 million¹⁸ as of December 31, 2025 and \$850 million as of December 31, 2024.

¹⁸ As described in Note 17.

24. SUBSEQUENT EVENTS

We evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that these financial statements were available to be issued, which was March 18, 2026. Based upon this review, other than the matter disclosed below, we did not identify any subsequent events that would have required adjustment or disclosure in the consolidated financial statements.

Accident Fund Holdings, Inc.

On February 12, 2026, we entered into a stock purchase agreement (the “SPA”) to purchase the property and casualty insurance company, Accident Fund Holdings, Inc. (“AF Group”) from a subsidiary of Blue Cross Blue Shield of Michigan Mutual Insurance Company for an estimated purchase price of \$1.6 billion in cash (the “acquisition”). AF Group operates as a specialty insurance carrier specializing in worker’s compensation, commercial multi-line, specialty lines, and risk & claims management services. Pursuant to the SPA, we will acquire all of the issued and outstanding shares of AF Group. The transaction is subject to certain customary closing conditions, including regulatory approval, and is expected to close in the second half of 2026.

The acquisition and related costs will be funded by the Company through a combination of cash on hand, equity contributions from the Company’s existing equity sponsors, and debt financing pursuant to committed financing arrangements. In addition, a portion of the purchase price will be funded by a pre-closing dividend of up to \$150 million by AF Group. The SPA contains termination rights for the Company and AF Group upon the occurrence of certain events. Under certain circumstances specified in the SPA, the Company may be required to pay the seller a termination fee.

SCHEDULE I**ENSTAR GROUP LIMITED****SUMMARY OF INVESTMENTS OTHER THAN INVESTMENTS IN RELATED PARTIES¹⁹****As of December 31, 2025 (Successor)****(in millions of U.S. Dollars)**

Type of investment	Cost ⁽¹⁾	Fair Value	Amount at which shown in the balance sheet
Short-term and fixed maturities — AFS:			
U.S. government and agency	\$ 543	545	545
U.K. government	148	148	148
Other government	467	464	464
Corporate	3,784	3,803	3,803
Municipal	97	99	99
Residential mortgage-backed	522	529	529
Commercial mortgage-backed	609	607	607
Asset-backed	811	809	809
Total	6,981	7,004	7,004
Funds held	4,290	4,302	4,302
Equities	441	454	454
Other investments, at fair value	2,443	2,494	2,494
Total	\$ 14,155	\$ 14,254	\$ 14,254

⁽¹⁾ Original cost of fixed maturities is reduced by repayments and adjusted for amortization of premiums or accretion of discounts.

Reconciliation to balance sheet	Short-term and fixed maturities - AFS	Funds held	Equities	Other Investments	Total
	(in millions of U.S. dollars)				
Fair value of investments, other than investments in related parties	\$ 7,004	\$ 4,302	\$ 454	\$ 2,494	\$ 14,254
Investments in related parties:					
Monument			22		22
AmTrust			290		290
JC Flowers				27	27
Sixth Street	344			8	352
Core Specialty		13			13
Other ⁽¹⁾		78	42	2,445	2,565
Total per balance sheet	\$ 7,348	\$ 4,393	\$ 808	\$ 4,974	\$ 17,523

⁽¹⁾ Comprised of investments in limited partnerships and partnership-like limited liability companies, that had we not elected the fair value option would otherwise be accounted for as equity method investments.

¹⁹ Refer to Note 21 in our consolidated financial statements.

SCHEDULE II**ENSTAR GROUP LIMITED****CONDENSED FINANCIAL INFORMATION****Balance Sheets - Holding Company Only****As of December 31, 2025 (Successor) and 2024 (Predecessor)**

	Successor	Predecessor
	December 31, 2025	December 31, 2024
(in millions of U.S. dollars, except share data)		
ASSETS		
Cash and cash equivalents	\$ 20	\$ 534
Balances due from subsidiaries	8	22
Investments in subsidiaries	7,509	7,477
Deferred tax	15	18
Other assets	48	9
TOTAL ASSETS	\$ 7,600	\$ 8,060
LIABILITIES		
Debt obligations	\$ 1,311	\$ 993
Balances due to subsidiaries	700	948
Other liabilities	29	28
TOTAL LIABILITIES	2,040	1,969
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY		
Ordinary shares (par value \$1 each, issued and outstanding 2025: 100; 2024: 15,241,316):		
Voting Ordinary Shares (issued and outstanding 2025: 100; 2024: 15,241,316)	—	15
Preferred Shares:		
Series D Preferred Shares (issued and outstanding 2025 and 2024: 16,000; liquidation preference \$400)	324	400
Series E Preferred Shares (issued and outstanding 2025 and 2024: 4,400; liquidation preference \$110)	86	110
Treasury shares, at cost:		
Series C Preferred Shares (all issued shares held in treasury in 2025 and 2024: 388,571)	(422)	(422)
Joint Share Ownership Plan (voting ordinary shares, held in trust 2024: 565,630)	—	(1)
Additional paid-in capital	5,058	600
Accumulated other comprehensive loss	21	(341)
Retained earnings	493	5,730
Total Enstar Group Limited Shareholders' Equity	5,560	6,091
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 7,600	\$ 8,060

See accompanying notes to the Condensed Financial Information

SCHEDULE II**ENSTAR GROUP LIMITED****CONDENSED FINANCIAL INFORMATION - CONTINUED****Statements of Operations - Holding Company Only**

For the periods from July 3 to December 31, 2025 (Successor), January 1 to July 2, 2025 (Predecessor) and Years Ended December 31, 2024 and 2023 (Predecessor)

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
	(in millions of U.S. dollars)			
REVENUES				
Net investment income	\$ 4	\$ 12	\$ 1	\$ 12
Fair value changes in equity and trading securities, funds held and other investments	—	1	—	16
Total revenues	4	13	1	28
EXPENSES				
General and administrative expenses	33	89	81	34
Amortization of FVA and Intangibles	1	—	—	—
Interest expense	51	45	96	80
Net foreign exchange losses	5	(10)	—	5
Total expenses	90	124	177	119
NET LOSS BEFORE EQUITY IN UNDISTRIBUTED INCOME OF SUBSIDIARIES	(86)	(111)	(176)	(91)
Income tax (expense) benefit	—	—	(14)	31
Equity in undistributed income (losses) of subsidiaries	597	180	766	1,178
NET INCOME	511	69	576	1,118
Dividends on preferred shares	(18)	(18)	(36)	(36)
NET INCOME ATTRIBUTABLE TO ENSTAR GROUP LIMITED ORDINARY SHAREHOLDERS	\$ 493	\$ 51	\$ 540	\$ 1,082

See accompanying notes to the Condensed Financial Information

Statements of Comprehensive Income - Holding Company Only

For the periods from July 3 to December 31, 2025 (Successor), January 1 to July 2, 2025 and Years Ended December 31, 2024 and 2023 (Predecessor)

	Successor	Predecessor		
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
(in millions of U.S. dollars)				
NET INCOME	\$ 511	\$ 69	\$ 576	\$ 1,118
Other comprehensive (loss) income relating to subsidiaries, net of tax	21	140	(5)	(34)
COMPREHENSIVE INCOME	\$ 532	\$ 209	\$ 571	\$ 1,084

See accompanying notes to the Condensed Financial Information

SCHEDULE II**ENSTAR GROUP LIMITED****CONDENSED FINANCIAL INFORMATION - CONTINUED****Statements of Cash Flows - Holding Company Only**

For the periods from July 3 to December 31, 2025 (Successor), January 1 to July 2, 2025 (Predecessor) and Years Ended December 31, 2024 and 2023 (Predecessor)

	Successor		Predecessor	
	Period from July 3 to December 31, 2025	Period from January 1 to July 2, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
(in millions of U.S. dollars)				
OPERATING ACTIVITIES:				
Net cash flows provided by operating activities	\$ (123)	\$ (235)	\$ 64	\$ 496
INVESTING ACTIVITIES:				
Dividends and return of capital from subsidiaries	—	525	500	—
Sale of securities	11	—	—	—
Net cash flows provided (used in) by investing activities	11	525	500	—
FINANCING ACTIVITIES:				
Dividends on preferred shares	(18)	(18)	(36)	(36)
Repurchase of shares	—	—	—	(531)
Distribution to Parent	(1,001)	—	—	—
Receipt of loans	—	345	—	62
Net cash flows used in financing activities	(1,019)	327	(36)	(505)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,131)	617	528	(9)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,151	534	6	15
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 20	\$ 1,151	\$ 534	\$ 6

See accompanying notes to the Condensed Financial Information

Notes to the Condensed Financial Information

The Condensed Financial Information should be read in conjunction with our consolidated annual financial statements and the accompanying notes. Our wholly-owned and majority owned subsidiaries are recorded based upon our proportionate share of our subsidiaries' net assets (similar to presenting them on the equity method).

Net investment income relates to interest on loans to subsidiaries. Interest expense includes interest owed on external Senior Notes and owed on loans from subsidiaries. For the period from July 3 to December 31, 2025, period from January 1 to July 2, 2025, and the year ended December 31, 2024 and 2023, interest paid was \$33 million, \$28 million, \$40 million, and \$40 million, respectively.

Investing activities in the Condensed Statements of Cash Flows primarily represents the flow of funds to and from subsidiaries to provide cash on hand to fund business acquisitions, significant new business and the distribution of dividends.

For the period from July 3 to December 31, 2025 (Successor) investing activities consisted of the receipt of cash from sales of AFS securities of \$11 million. Financing activities consisted of a return of capital of \$1.0 billion which comprised of \$496 million paid at the close of the Merger to our former shareholders described in Note 2, \$450 million to the Parent to pay a portion of the outstanding Parent loan facility described in Note 2, and a \$55 million

Schedules

distribution to the Parent for our payment on behalf of the Parent to acquire shares related to existing share-based compensation due at the close of the Merger. Non-cash financing activities during the period from July 3 to December 31, 2025 (Successor) consisted of a \$34 million deemed distribution to Parent.

For the period from January 1 to July 2, 2025 (Predecessor) investing activities consisted of the receipt of \$525 million in cash dividends from subsidiaries. Financing activities consisted of \$345 million in net proceeds for the Junior Subordinated Notes.

For the year ended December 31, 2024 (Predecessor), investing activities consisted of the receipt of \$500 million in cash dividends from subsidiaries and Non-cash investing activities consisted of \$204 million in settlements of loan receivables.

As of December 31, 2023 (Predecessor), there was no cash or Non-Cash investing activity.

As of December 31, 2025 (Successor), parental guarantees supporting reinsurance obligations, defendant A&E liabilities, subsidiary capital support arrangements and credit facilities were \$2.2 billion. In addition, as of December 31, 2025 (Successor), we also had guarantees of the Junior Subordinated Notes issued in 2022 for a principal amount of \$500 million.

As of December 31, 2024 (Predecessor), parental guarantees supporting reinsurance obligations, defendant A&E liabilities, subsidiary capital support arrangements and credit facilities were \$2.5 billion. In addition, as of December 31, 2024 (Predecessor), we also had guarantees of the Junior Subordinated Notes issued in 2022 for a principal amount of \$850 million

SCHEDULE III
ENSTAR GROUP LIMITED
SUPPLEMENTARY INSURANCE INFORMATION
(in millions of U.S. Dollars)

	Successor				Predecessor			
	As of December 31, 2025				As of December 31, 2024			
	Deferred Acquisition Costs	Reserves for Losses and Loss Adjustment Expenses	Unearned Premiums	Policy Benefits for Life and Annuity Contracts	Deferred Acquisition Costs	Reserves for Losses and Loss Adjustment Expenses	Unearned Premiums	Policy Benefits for Life and Annuity Contracts
	(in millions of U.S. dollars)							
Total	\$ —	\$ 12,700	\$ 127	\$ —	\$ 2	\$ 11,404	\$ 133	\$ —

	Successor						Predecessor					
	For the period from July 3 to December 31, 2025						For the period from January 1 to July 2, 2025					
	Net Premiums Earned	Net Investment Income	Losses and Loss Expenses and Policy Benefits	Acquisition Costs	Other Operating Expenses	Net Premiums Written	Net Premiums Earned	Net Investment Income	Losses and Loss Expenses and Policy Benefits	Acquisition Costs	Other Operating Expenses	Net Premiums Written
	(in millions of U.S. dollars)											
Total	\$ 24	\$ 597	\$ (23)	\$ —	\$ 151	\$ 6	\$ 23	\$ 343	\$ (22)	\$ 2	\$ 263	\$ 17

	Predecessor											
	Year Ended December 31, 2024						Year Ended December 31, 2023					
	Net Premiums Earned	Net Investment Income	Losses and Loss Expenses and Policy Benefits	Acquisition Costs	Other Operating Expenses	Net Premiums Written	Net Premiums Earned	Net Investment Income	Losses and Loss Expenses and Policy Benefits	Acquisition Costs	Other Operating Expenses	Net Premiums Written
	(in millions of U.S. dollars)											
Total	\$ 40	\$ 651	\$ (126)	\$ 9	\$ 391	\$ 5	\$ 43	\$ 647	\$ (101)	\$ 10	\$ 369	\$ 96

SCHEDULE IV
ENSTAR GROUP LIMITED
REINSURANCE
(in millions of U.S. Dollars)

	Gross	Ceded to Other Companies	Assumed from Other Companies	Net Amount	Percentage of Amount Assumed to Net
Successor					
Period from July 3 to December 31, 2025					
Premiums earned:					
Property and casualty	\$ 22	\$ (3)	\$ 5	\$ 24	20.8 %
Total premiums earned	<u>\$ 22</u>	<u>\$ (3)</u>	<u>\$ 5</u>	<u>\$ 24</u>	
Predecessor					
Period from January 1 to July 2, 2025					
Premiums earned:					
Property and casualty	\$ 13	\$ 1	\$ 9	\$ 23	39.1 %
Total premiums earned	<u>\$ 13</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 23</u>	
Predecessor					
Year Ended December 31, 2024					
Premiums earned:					
Property and casualty	\$ 46	\$ (10)	\$ 4	\$ 40	10.0 %
Total premiums earned	<u>\$ 46</u>	<u>\$ (10)</u>	<u>\$ 4</u>	<u>\$ 40</u>	
Predecessor					
Year Ended December 31, 2023					
Premiums earned:					
Property and casualty	\$ 47	\$ (6)	\$ 2	\$ 43	4.7 %
Total premiums earned	<u>\$ 47</u>	<u>\$ (6)</u>	<u>\$ 2</u>	<u>\$ 43</u>	

SCHEDULE V
ENSTAR GROUP LIMITED
VALUATION AND QUALIFYING ACCOUNTS
(in millions of U.S. Dollars)

	Balance at Beginning of the Period	Charged to costs and expenses	Charged to other accounts	Deductions ⁽¹⁾	Balance at End of the Period
Successor					
Period from July 3 to December 31, 2025					
Reinsurance balances recoverable on paid and unpaid losses:					
Allowance for estimated uncollectible reinsurance ⁽²⁾	\$ —	\$ —	\$ 4	\$ —	\$ 4
Insurance balances recoverable:					
Allowance for estimated uncollectible insurance ⁽²⁾	—	—	—	—	—
Valuation allowance for deferred tax assets	\$ 113	\$ 44	\$ —	\$ (1)	\$ 156
Predecessor					
Period from January 1 to July 2, 2025					
Reinsurance balances recoverable on paid and unpaid losses:					
Allowance for estimated uncollectible reinsurance	\$ 116	\$ —	\$ (1)	\$ (1)	\$ 114
Insurance balances recoverable:					
Allowance for estimated uncollectible insurance	4	—	—	—	4
Valuation allowance for deferred tax assets	\$ 124	\$ 4	\$ —	\$ (15)	\$ 113
Predecessor					
Year Ended December 31, 2024					
Reinsurance balances recoverable on paid and unpaid losses:					
Allowance for estimated uncollectible reinsurance	\$ 131	\$ —	\$ (6)	\$ (9)	\$ 116
Insurance balances recoverable:					
Allowance for estimated uncollectible insurance	5	—	(1)	—	4
Valuation allowance for deferred tax assets	\$ 156	\$ 6	\$ —	\$ (38)	\$ 124
Predecessor					
Year Ended December 31, 2023					
Reinsurance balances recoverable on paid and unpaid losses:					
Allowance for estimated uncollectible reinsurance	\$ 131	\$ —	\$ 3	\$ (3)	\$ 131
Insurance balances recoverable:					
Allowance for estimated uncollectible insurance	\$ 5	\$ —	\$ —	\$ —	\$ 5
Valuation allowance for deferred tax assets	\$ 181	\$ 16	\$ —	\$ (41)	\$ 156

⁽¹⁾ Credited to the related asset account.

⁽²⁾ The allowances were eliminated in purchase accounting as the basis of the underlying assets were re-established at fair value and therefore the opening balances for the successor period differ from the closing balance of the predecessor period.

SCHEDULE VI

ENSTAR GROUP LIMITED

SUPPLEMENTARY INFORMATION CONCERNING PROPERTY/CASUALTY INSURANCE OPERATIONS

(in millions of U.S. Dollars)

		Successor									
		As of December 31				For the period from July 3 to December 31					
		Deferred Acquisition Costs	Reserves for Unpaid Losses and Loss Adjustment Expenses	Unearned Premiums	Net Premiums Earned	Net Investment Income	Net Losses and Loss Expenses Incurred		Net Paid Losses and Loss Expenses	Amortization of Deferred Acquisition Costs	Net Premiums Written
Affiliation with Parent							Current Period	Prior Periods			
<i>Consolidated Subsidiaries</i>											
2025	\$	—	\$ 12,700	\$ 127	\$ 24	\$ 597	\$ 6	\$ (29)	\$ (1,301)	\$ —	\$ 6
		Predecessor									
		Period from January 1 to July 2, 2025									
		Net Premiums Earned	Net Investment Income	Net Losses and Loss Expenses Incurred		Net Paid Losses and Loss Expenses	Amortization of Deferred Acquisition Costs	Net Premiums Written			
Affiliation with Parent				Current Period	Prior Periods						
<i>Consolidated Subsidiaries</i>											
2025	\$	23	\$ 343	\$ 7	\$ (29)	\$ (1,226)	\$ 2	\$ 17			
		Predecessor									
		As of December 31,				Year ended December 31,					
		Deferred Acquisition Costs	Reserves for Unpaid Losses and Loss Adjustment Expenses	Unearned Premiums	Net Premiums Earned	Net Investment Income	Net Losses and Loss Expenses Incurred		Net Paid Losses and Loss Expenses	Amortization of Deferred Acquisition Costs	Net Premiums Written
Affiliation with Parent							Current Period	Prior Periods			
<i>Consolidated Subsidiaries</i>											
2024	\$	2	\$ 11,404	\$ 133	\$ 40	\$ 651	\$ 23	\$ (149)	\$ (2,267)	\$ 9	\$ 5
2023	\$	4	\$ 12,359	\$ 171	\$ 43	\$ 647	\$ 30	\$ (131)	\$ (2,467)	\$ 10	\$ 96

DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Board of Directors

Below is biographical information about our directors, describing each director's qualifications and relevant experience. This information is current as of the date of this annual report and has been confirmed by each of the directors for inclusion in this annual report.

Robert Campbell – Chairman, Independent

Robert J. Campbell was appointed as the independent Chairman of the Board in July 2025 following the completion of the Merger. Mr. Campbell is a member of our Investment Committee, of which he serves as Chair, and our Audit Committee. Mr. Campbell has been a Partner with the investment advisory firm of Beck, Mack & Oliver, LLC since 1990.

From 2014 to 2023, Mr. Campbell served as a director and chairman of the audit committee of AgroFresh Solutions, Inc. (formerly Boulevard Acquisition Corp.), a global agricultural technologies company, which was publicly held until taken private in March 2023. From 2015 through 2017, he served as a director of Boulevard Acquisition Corp. II, a blank check company that completed its initial public offering in September 2015. Mr. Campbell also served as a director of Camden National Corporation, a publicly traded company, from 1999 to 2014.

Mr. Campbell brings to the Board his extensive understanding of finance and accounting, which he obtained through over 40 years of analyzing financial services companies. Prior to the Merger, Mr. Campbell served as a member of Enstar's Board since 2007. Mr. Campbell continues to spend considerable time and energy in his role, which is significant to the leadership and function of our Board.

Age: 77

Andrew Brooks – Independent

Andrew Brooks was appointed as a member of the Board in July 2025 following the completion of the Merger. Mr. Brooks serves as a member of our Risk Committee and Investment Committee. Mr. Brooks has been a Consultant to the Ascot Board Group since September 2023. He was a member of the Board of Ascot Underwriting Ltd from 2004 through 2023 and served as Chief Executive Officer from 2008 to 2023. He joined Ascot at its inception in 2001 and was promoted to Chief Underwriting Officer in 2005.

Mr. Brooks has worked in the Lloyd's Market since 1983 and is currently a member of the London Market Group Board and Chairman of the Lloyd's Market Association. He is ACII qualified. He also served on the Lloyd's Claims Implementation Board. He previously served as a Non-Executive Director of Azur Underwriting Ltd.

Age: 60

David Foley – Independent

David Foley was appointed as a member of the Board in July 2025 following the completion of the Merger. Mr. Foley serves as a member of our Audit Committee and Risk Committee. Mr. Foley is a senior financial services executive and former global leader at Deloitte with over 30 years' experience serving the world's largest and most complex companies in the insurance industry. Mr. Foley is a recognized expert and advisor to boards and senior management on actuarial matters related to loss reserving, capital management, corporate risk management, M&A, and regulatory issues. He brings a strong background in corporate governance and extensive experience working with audit, risk, and underwriting committees of insurance companies.

Mr. Foley was appointed to the Deloitte partnership in 1998 and led Deloitte's Global Actuarial, Rewards and Analytics practice from 2012 to 2016. Other leadership positions within Deloitte included leading the U.S. Property & Casualty Actuarial M&A practice and the US East Region Actuarial, Rewards and Analytics practice. In addition to his Deloitte experience Mr. Foley served as the Global Chief Actuary for Enstar Group Ltd. from 2016 to 2022.

Mr. Foley holds a B.A. in Mathematics from Bates College and is a Fellow of the Casualty Actuarial Society.

Age: 67

Elizabeth A. Ward – Independent

Elizabeth A. Ward was appointed as a member of the Board in July 2025 following the completion of the Merger. Ms. Ward is a member of our Risk Committee, of which she serves as Chair, and our Audit Committee. Ms. Ward served as chief financial officer of Massachusetts Mutual Life Insurance Company ("MassMutual"), a mutual life insurance company from 2016 through 2024. She previously served as executive vice president and chief actuary of MassMutual from 2015 to 2019, and as chief enterprise risk officer from 2007 to 2016.

Prior to joining MassMutual affiliate, Babson Capital Management in 2001, Ms. Ward worked in investment portfolio management and actuarial roles at American Skandia Life Assurance Company, Charter Oak Capital Management and Aeltus Investment Management, a subsidiary of Aetna Life & Casualty Company.

Ms. Ward holds a bachelor's degree in Economics from the University of Rochester where she currently serves as a member of the Board of Trustees.

Age: 61

Andrew Birrell – Independent

Andrew Birrell was appointed as a member of the Board in July 2025 following the completion of the Merger. Mr. Birrell is a member of our Audit Committee, of which he serves as Chair, and our Risk Committee. Mr. Birrell has spent his career in financial services, general, life and health insurance, investment management, and banking, primarily in roles with fast growing, entrepreneurial insurance businesses. He has global experience as an executive or board member of companies based in the U.K., South Africa, Canada, Ireland, Scandinavia, and the Netherlands. Mr. Birrell is an independent non-executive director of Clara Pensions, esure Group, Sanlam Group, and Sanlam Life.

Previously Mr. Birrell was an Executive Director and founder of Universal Partners Limited and held executive roles with Guardian Financial Services Ltd, Old Mutual Plc, Investec Securities Ltd, South Africa, and Capital Alliance Holdings, South Africa. He also held roles as Chairman of Assupol Holdings and Assupol Life Limited and as a non-executive director of Investec Life.

Mr. Birrell is a Chartered Enterprise Risk Actuary and a Fellow of the Institute and Faculty of Actuaries in the UK and the Actuarial Society of South Africa. He holds a Bachelor of Business Science Honours degree from the University of Cape Town.

Age: 56

Stephen Valentino – Independent

Stephen Valentino was appointed as a member of the Board in July 2025 following the completion of the Merger. Mr. Valentino serves as a member of our Investment Committee and Risk Committee. Mr. Valentino is a Managing Director and President of Rockefeller Global Investment Banking. In his role, Mr. Valentino helps lead the Rockefeller Global Investment Banking group and provides strategic advice to Rockefeller Global Family Office clients and outside Boards/Corporate C-Suites. He is Chair of the Executive leadership Committee for Rockefeller Global Investment Banking, a group responsible for the leadership of day-to-day operations and developing longer term direction for the business.

Prior to joining Rockefeller, Mr. Valentino was the Global Co-Head of Financial Institutions at Deutsche Bank, based in New York where he was on numerous leadership committees. Before that, he was with Lehman Brothers where he led a Principal / Advisory Group that supported client transactions in the Global FIG markets. He has over 25 years of experience in investment banking and capital markets.

Mr. Valentino holds a Bachelor's degree from Rockhurst University, where he is currently the Chairman of the Audit Committee and past member of the Board of Trustees.

Age: 59

Brian Rosenblum – Non-Employee Director

Brian Rosenblum was appointed as a member of the Board in July 2025 following the completion of the Merger. Mr. Rosenblum serves as a member of our Audit Committee and our Investment Committee. Mr. Rosenblum is a Managing Director at Sixth Street based in New York. He is focused on Sixth Street's insurance investing, asset management and advisory business. Prior to joining Sixth Street in 2022, Mr. Rosenblum was a managing director at Swiss Re, where he worked since 2007, serving in a number of roles across Group Asset Management and Group Finance.

Mr. Rosenblum holds a Bachelor of Science in Economics from Binghamton University. He is a Fellow of the Society of Actuaries and a CFA charterholder.

Age: 49

Rohan Singhal – Non-Employee Director

Rohan Singhal was appointed as a member of the Board in July 2025 following the completion of the Merger. Mr. Singhal serves as a member of our Investment Committee and our Risk Committee. Mr. Singhal is a Partner of Sixth Street based in London. He is focused on Sixth Street's insurance investing business. Prior to joining Sixth Street in 2011, Mr. Singhal worked at Goldman Sachs as an analyst in the Real Estate Principal Investment Area.

Mr. Singhal graduated from University of Cambridge with a M.A. in Economics.

Age: 38

Jason Kary – Non-Employee Director

Jason Kary was appointed as a member of the Board in July 2025 following the completion of the Merger. Mr. Kary serves as a member of our Audit Committee and our Risk Committee. Mr. Kary is a Managing Director at Sixth Street based in New York and serves as the COO and Head of Insurance Operations. Prior to joining Sixth Street in 2022, Mr. Kary served as Senior Vice President, Head of Service & Operations at New York Life Insurance Company. Previously, he served in a variety of roles at Capital One, Johnson & Johnson, and General Electric.

Mr. Kary holds a Bachelor of Science in Mechanical Engineering from Penn State University, a Master of Science in Engineering Systems from MIT, and an MBA from MIT Sloan School of Management. He is a FINRA Series 7 Registered Representative and a Series 24 Registered Principal.

Age: 47

Executive Officers

Dominic Silvester – Chief Executive Officer

Dominic Silvester has served as a director and the Chief Executive Officer of the Company since its formation in 2001. In 1993, Mr. Silvester began a business venture in Bermuda to provide run-off services to the insurance and reinsurance industry. In 1995, the business was assumed by Enstar Limited, which is now a subsidiary of the Company, and for which Mr. Silvester has since served as Chief Executive Officer. Prior to co-founding the Company, Mr. Silvester served as the Chief Financial Officer of Anchor Underwriting Managers Limited from 1988 until 1993. Mr. Silvester holds a B.S. in Economics with honours from the University of Hull, England.

Age: 65

David Ni – Chief Strategy Officer

David Ni was appointed Chief Strategy Officer of the Company in May 2022. Mr. Ni, who joined the Company in 2019, served as Executive Vice President, Mergers & Acquisitions from 2019 to 2022. Prior to joining the Company, Mr. Ni spent his career as an investment banker working in the U.S. and in Asia, and was a Managing Director at Deutsche Bank with responsibility for leading M&A in financial services. Prior to that, he was with Goldman Sachs for more than 10 years covering the financial services sector. Mr. Ni graduated with a Bachelor's degree from Harvard University.

Age: 42

Nazar Alobaidat – Chief Investment Officer

Nazar Alobaidat joined the Company as Chief Investment Officer in 2016. He formerly served as Managing Director and CIO of AIG Property Casualty's U.S., Canada and Bermuda regions and was with AIG from 2009 to 2016. Prior to that, he served as Vice President within the investment banking division of Lehman Brothers and Barclays Capital, specializing in derivatives and financing transactions for corporate clients of the investment bank. He previously served in the capital markets group of Deloitte from 2001 to 2006. Mr. Alobaidat is a Certified Public Accountant with a master's degree from the University of Florida.

Age: 48

Audrey Taranto – General Counsel

Audrey Taranto has served as General Counsel of the Company since February 2019. From June 2017 to February 2019, she served as the Company's Group Head of Legal and from April 2012 to June 2017 as SVP, Securities Counsel of the Company. She continues to serve as the Company's Corporate Secretary, a position she has held

since 2012. Prior to 2012, she was Senior Counsel and Assistant Corporate Secretary at Cigna Corporation and an Associate in the corporate department of Drinker Biddle & Reath LLP.

Age: 46

Anguel Zaprianov – EVP, Mergers and Acquisitions

Anguel Zaprianov joined Enstar in March 2023 as Executive Vice President, M&A. He is responsible for the Company's global M&A efforts and oversees the M&A Corporate Finance and Transaction Actuarial and the Group Capital Strategy teams. Prior to joining Enstar, Mr. Zaprianov spent over 20 years in investment banking, focusing on debt financing, capital markets, M&A, corporate derivatives marketing, and structured credit products. In his last position in investment banking, Mr. Zaprianov ran Deutsche Bank's financial institutions debt capital markets desk in New York. Mr. Zaprianov holds a Bachelor of Arts degree in Economics from Union College.

Age: 51

Brent Hoffman – Chief Claims Officer

Brent Hoffman joined Enstar in January 2024 as Group Chief Claims Officer, bringing over 25 years' experience in claims management and legal matters. Mr. Hoffman previously served as Reinsurance Head of Claims and Chief Operating Officer at Everest from July 2022, where he was also interim General Counsel. His career began in private practice as an attorney from 1996 to 2002, followed by various senior legal and complex claims roles at The Hartford and AXA XL. Mr. Hoffman holds a Bachelor of Arts degree from Gettysburg College.

Age: 54

Peter Kalaev – Chief Financial Officer

Peter Kalaev was appointed Chief Financial Officer of the Company in January 2026. He joined Enstar in July 2021 as Deputy Treasurer, bringing more than 15 years of experience in finance, treasury and leadership across global organizations. Prior to this, Mr. Kalaev held a variety of Finance leadership roles at MetLife from 2011 to 2021. Earlier in his career, Mr. Kalaev worked in Treasury positions at multinational corporations in the US and internationally, with a strong focus on financing strategies and managing key financial risks. He is a CFA Charter holder and holds a Bachelor of Science degree in Economics from St. Francis College in Brooklyn.

Age: 41

Isla Baillie – Chief Human Resources Officer

Isla Baillie joined Enstar as Chief Human Resources Officer in July 2025, bringing over 20 years of global HR leadership experience. Prior to Enstar, Ms. Baillie served as Global Head of Talent & Inclusion at Sompo International and held progressive international leadership HR roles at global companies, including Endurance, Axis Capital and Expertise Ltd. Isla's experience spans the full spectrum of HR disciplines including Business Partnering, Talent Management, Organisational Design, Operational Effectiveness, Reward and Transformation. She holds a Bachelor of Science (Hons) in Psychology from the University of St Andrews and a Postgraduate Diploma in HR from Edinburgh Napier University.

Age: 47

Chloe Paillot – Chief Risk Officer

Chloe Paillot joined Enstar in December 2021 and currently serves as Chief Risk Officer, having previously held the role of Chief Transaction Actuary. Ms. Paillot is a qualified actuary with over 20 years of experience as a leader and strategic advisor for global companies, including Deloitte and Ernst & Young, covering M&A, reserving, capital, pricing, risk, regulatory matters, and business transformation.

Age: 45

Nicholas Getter – Chief Actuary

Nicholas Getter is Group Chief Actuary at Enstar. He joined the Company in July 2021, bringing more than 15 years of actuarial and leadership experience. Prior to Enstar, he spent over a decade at The Hartford, where he most recently served as Vice President and Actuary. Throughout his career, Mr. Getter has led reserving and pricing strategies across key business lines, including Workers' Compensation, General Casualty, and Property. He holds Bachelor of Science degrees in Forensic Science and Chemistry from the University of New Haven and a Ph.D. in Chemistry from Stony Brook.

Age: 44