



Millennium Insurance Company Ltd.

**SOLVENCY & FINANCIAL
CONDITION REPORT
SFCR**

For year ending 31st December 2025



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Executive Summary

Millennium Insurance Company Ltd (“the Company”) is a Gibraltar authorised non life insurer operating primarily in the United Kingdom. This Solvency and Financial Condition Report (“SFCR”) has been prepared in accordance with the public disclosure requirements of the Financial Services (Insurance Companies) Act and the UK Solvency II framework as implemented in Gibraltar. The Company is also subject to the UK Consumer Duty in relation to its UK business; these requirements have been incorporated into Gibraltar’s regulatory framework through the Financial Services (Core Principles and Consumer Duty) Regulations 2024.

During 2025, the Company has decided to focus its future business to Liability and Surety classes, placing its retail business into run off. The Company was also placed under intensive supervision by the Gibraltar Financial Services Commission (“GFSC”) following the identification of certain compliance risks primarily related to the retail business.. A remediation plan was agreed with the GFSC and implemented during the year, with a focus on substantially strengthening the Company’s governance arrangements, oversight of managing general agents (“MGAs”) and delegated authority, consumer focus and protection (including Consumer Duty outcomes), and the overall risk management framework.

As at 31 December 2025, the Company maintained own funds well in excess of its regulatory capital requirements and continued to engage constructively with the GFSC.

During the year, the Company continued to embed the Consumer Duty requirements applicable to its UK business through Board oversight, compliance monitoring and review of conduct-related management information, including product governance and distribution arrangements and complaints trends, to support the delivery of fair customer outcomes. This included ongoing oversight of customer outcomes for the retail business in run off.

At 31 December 2025, the Company reported equity of €25,421,620.

Manuel García Pereira
CEO



Business & Performance

A1. Business

Millennium Insurance Company Ltd is authorised to carry out non-life insurance in the classes below in all the United Kingdom including Gibraltar:

- Accident & health
- Property
- Liability
- Credit & Suretyship
- Legal expenses
- Miscellaneous

In 2021, the Company has developed business in the United Kingdom and made a portfolio transfer of its European business to MIC Insurance Company S.A, a French company authorized in the European Market.

Business is written through carefully selected intermediaries, including brokers and managing general agents (“MGAs”), subject to defined underwriting authorities and oversight arrangements. The Company operates within clearly defined risk appetite limits approved by the Board.

Millennium Insurance Company Ltd is regulated by:

Gibraltar Financial Services Commission
PO Box 940
Suite 3, Atlantic Suites
Gibraltar Tel: +350 200 40283
www.fsc.gi

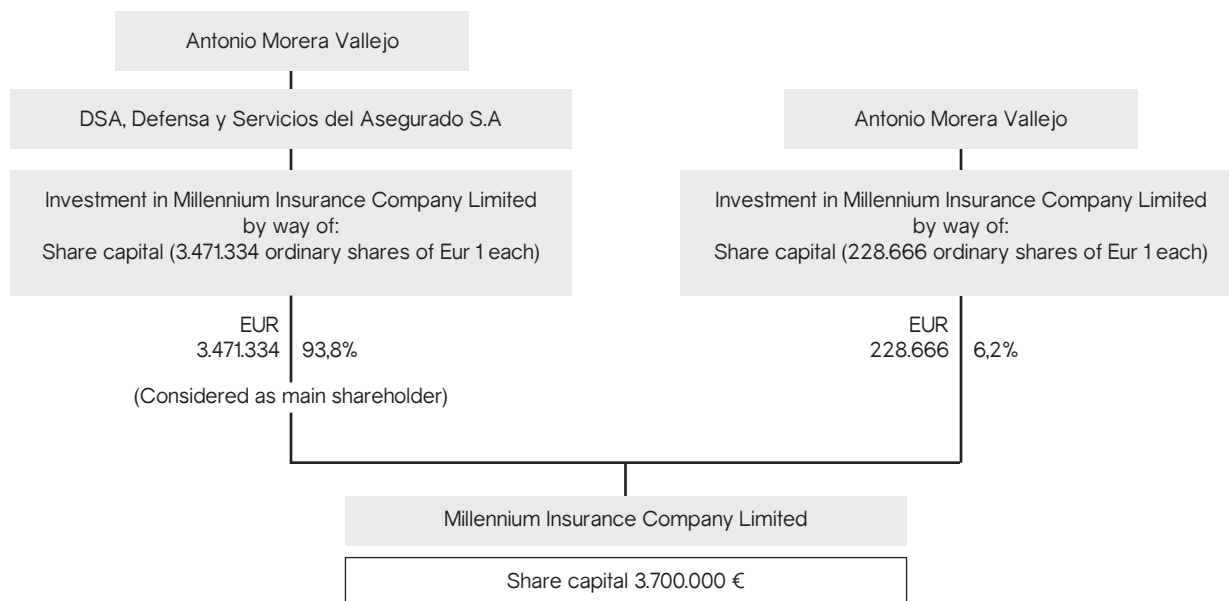
MIC accounts external auditors are:

RSM Audit (Gibraltar) Limited
21 Engineer Lane
Gibraltar

Shareholders:

| | |
|--------------------------------------------|-------|
| DSA, Defensa y Servicios del Asegurado S.A | 93,8% |
| Antonio Morera Vallejo | 6,2% |
| | 100% |

Corporate Structure:



A2. Underwriting Performance

Millennium operates in the non-life insurance market in the United Kingdom.

As disclosed in the Executive Summary, the Company operated during 2025 under supervisory restrictions and intensive supervision by the Gibraltar Financial Services Commission (“GFSC”). These matters had a direct impact on business volumes and contributed to a material reduction in gross written premium compared to prior periods, as underwriting activity was deliberately constrained in line with the agreed supervisory position. Any future expansion remains subject to further regulatory engagement and approval.

Consequently, the Board prioritised portfolio stability, capital protection and underwriting discipline, focusing on lines of business where the Company has established expertise and operational control.

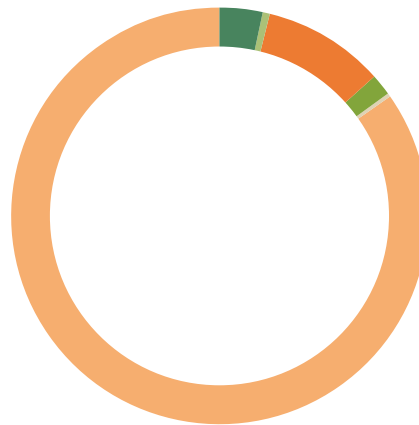
Gross written premium for the year amounted to €35.4 million. Net earned premium was €20.1 million and the net claims ratio was 10.4%, reflecting disciplined underwriting, conservative reserving practices and effective claims oversight.

The Company remains committed to maintaining an open and constructive relationship with the GFSC and will continue to engage proactively through regular dialogue and cooperation to review the current restriction periodically. Where the Company can demonstrate a substantiated business need, supported by robust operational capacity, sound governance, and effective risk management, it will seek the GFSC’s approval to modify or remove the restriction. The Company recognises that any such development must be based on measurable progress and mutual confidence in its ability to manage increased levels of business in a prudent and sustainable manner.

The premium issued by class and territory for the year 2025 has been the following:

Classes:

| | |
|------------------------------|--------------|
| Accidents | 1.252.064 € |
| Property | 185.372 € |
| Third Party Liability | 3.297.310 € |
| Suretyship | 575.061 € |
| Legal expenses | 134.581 € |
| Miscellaneous Financial Loss | 29.950.601 € |



- Miscellaneous Financial Loss
- Legal Expenses
- Accidents & Health
- Third Party Liability
- Suretyship
- Property

Total 35.394.989 €

The Claims incurred for the year ended 2025 is as follows:

| | 2025 | 2024 |
|------------------------------------------|--------------|--------------|
| Net earned premium (Net of reinsurance) | 20.121.097 € | 18.685.387 € |
| Net claims incurred (Net of reinsurance) | 2.102.435 € | 2.297.372 € |
| % Claims / Premiums | 10,4 % | 12,3 % |

Millennium has closed **2025** with a claims ratio of **10.4%** during the year. MIC would continue working to improve together with its agencies to underwrite in the different markets with the lowest loss ratio and always based on experience and knowledge of the different markets in which it operates.

A3. Investment Performance

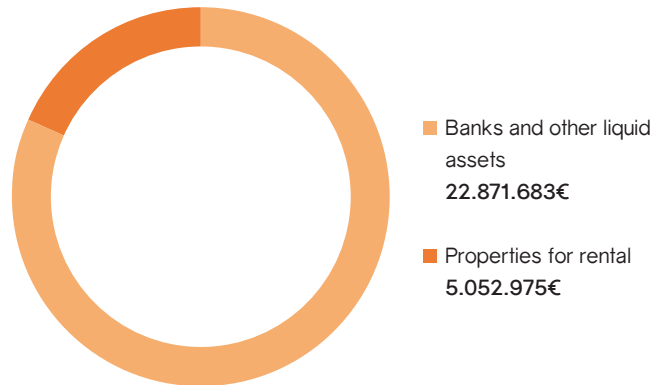
MIC's investment policy is limited to relatively standard and easily-understood investments. Derivatives are not utilised and the company does not undertake any non-routine investment activity or invest in unusual or complex.

In recent years, and due to the improvement of the economy in Spain and therefore in the real estate sector, MIC has been investing in rental properties to obtain interesting rents in addition to the surplus value of the revaluation of assets.

The Investment assets held by the Company are as follows:

MIC has investment assets in a diversified portfolio, most of which are in banks and investments in funds with an "A" rating or higher.

Due to Solvency II, the Company manages very low risk investments always trying to have a balance between profitability and liquidity risk comfort.



Gains and losses of Investments:

| Properties for rental | |
|-----------------------|-------------|
| Investment | 5.052.975 € |
| Income received | 53.647 € |
| Profitability % | 1,1 % |

| Banks and other liquid assets | |
|-------------------------------|--------------|
| Total | 22.871.683 € |
| Banks with Rating "A" | 22.871.683 € |
| % in Banks with rating "A" | 100% |
| Income received | 631.235 € |
| Profitability | 2,8 % |

A4. Performance of Other Activities

There have been no other significant activities undertaken by the Company other than its insurance and related activities.

A5. Performance of Other Activities

Other than the retail business being placed into run off (i.e., closed to new business), and the supervisory restrictions and associated regulatory engagement described in this SFCR, there are no additional material matters in respect of the business or performance of the Company during the reporting period.

B

System of
Governance

B1. General Information on System of Governance

The Company retains responsibility for all key functions, which are delivered either internally or through controlled outsourcing arrangements. Oversight is exercised by the Board and relevant committees, supported by defined reporting and escalation procedures.

The Company is committed to ensuring that its business is managed in a risk-focused manner.

The governance framework also supports compliance with the Consumer Duty requirements applicable to the Company's UK business and incorporated into Gibraltar's regulatory framework. The Board, supported by the Risk, Audit and Compliance Committee and the Compliance Function, oversees the delivery of fair customer outcomes, including product governance and distribution oversight, monitoring of complaints and claims trends, and escalation of any conduct risks or material issues for remediation.

The Board is closely involved in strategic oversight and key decision making, meeting regularly in Gibraltar and receiving management information that supports informed challenge and effective supervision.

During 2025, the governance framework was tested by operating under supervisory restrictions. The Board and its committees met regularly and demonstrated effective oversight of underwriting controls, risk appetite adherence and capital management. The Board considers the governance framework to have operated effectively and to be proportionate to the nature, scale and complexity of the business.

In response to the intensive supervision and the agreed remediation plan with the GFSC, the Company enhanced its governance and reporting arrangements during the year, including more detailed management information, strengthened oversight of delegated authority arrangements, and Board and committee monitoring of remediation actions to completion.

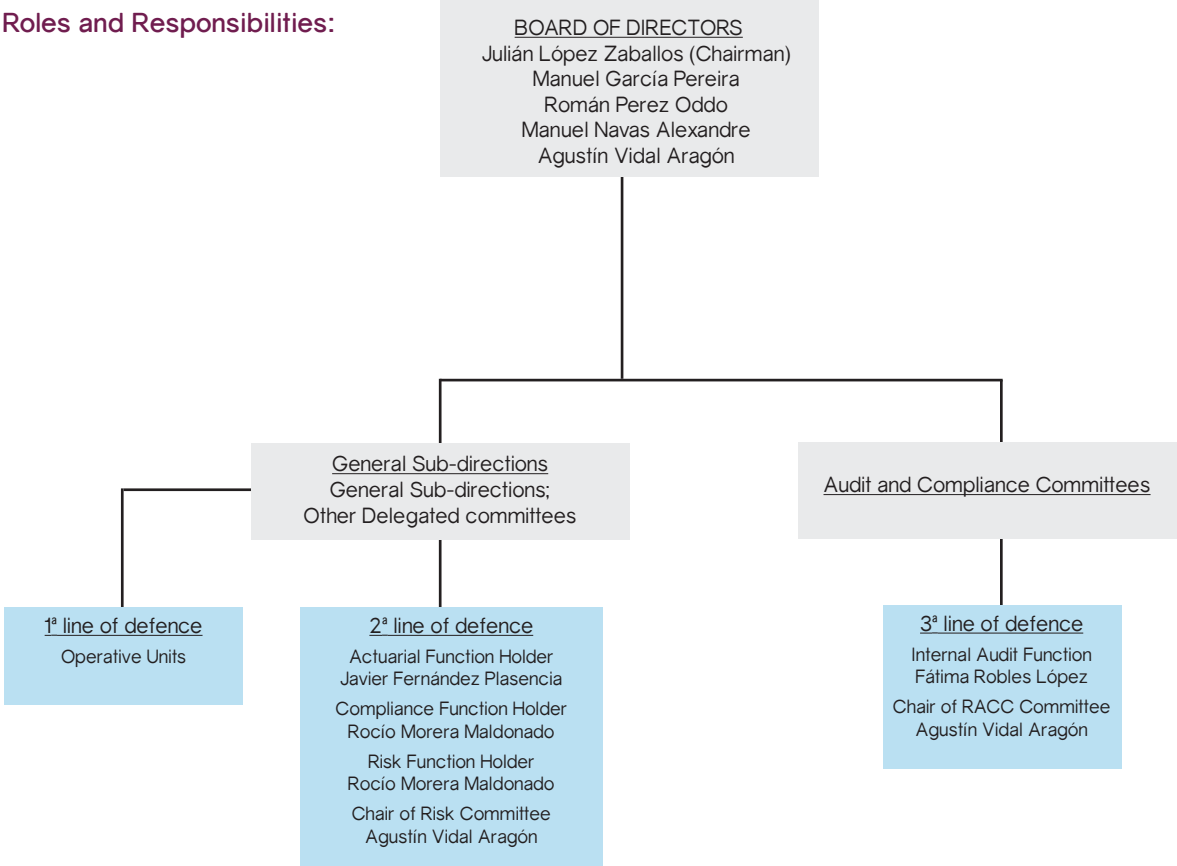
As part of its risk management framework, the Company uses the Standard Formula to calculate its regulatory solvency requirement. This is considered appropriate given the nature and complexity of the risks underwritten. The Standard Formula output, together with appropriate consideration of additional risk factors, mitigations, and stress testing, informs the Company's Own Risk and Solvency Assessment (ORSA).

This document has been approved and adopted by the Board of Directors and is applicable to all functions of the Company.

As in previous years, no dividends were distributed to shareholders and profits were retained to increase the Company's own funds.

| MIC Board of directors: | |
|----------------------------|-------------------------------------|
| Julián López Zaballos | (INED and Chairman) |
| Manuel García Pereira | (Director and CEO) |
| Agustín Vidal Aragón | (INED) |
| Román Pérez Oddo | (Director) |
| Manuel Navas Alexandre | (Director) |
| Other key Functions | |
| Rocío Morera Maldonado | (Compliance & Risk Function Holder) |
| Javier Fernández Plasencia | (Actuarial Function Holder) |
| Fátima Robles López | (Internal Audit Function Holder) |

Roles and Responsibilities:



The Company's Board of Directors terms of reference, governance framework and code of ethics define the Company's governing structure, responsibilities and criteria for members' suitability.

The Board oversees the remuneration policy due to the Company's size.

Service provider payments are unrelated to performance or volume. Performance is monitored via audits and regular dialogue, ensuring payment methods do not introduce undue risk or affect the Company's capital base.

B2. Fit and Proper Requirements

In accordance with the Gibraltar Financial Services Act, the Company requires all Directors, Regulated Individuals (RIs) and Ultimate Beneficial Owners (UBOs) to demonstrate appropriate fitness and propriety.

In addition to relevant role-specific experience and qualifications, individuals performing key functions must have a working knowledge of Gibraltar's financial system and insurance regulatory framework.

This includes an understanding of the Financial Services (Insurance Companies) Act, the Solvency II framework as implemented in Gibraltar, and the Consumer Duty obligations set out under the Financial Services (Core Principles and Consumer Duty) Regulations 2024. It also requires familiarity with regulatory expectations relating to corporate governance, the delivery of fair customer outcomes, and the oversight and management of insurance products.

These requirements help ensure that key function holders can operate effectively within the jurisdiction and maintain compliance with local regulatory obligations.

Fitness and propriety is assessed prior to appointment and reviewed annually by the Board. The Board will also consider fitness and propriety on an ad hoc basis if it becomes aware of a potential issue.

The Company maintains documented fitness and propriety criteria and procedures that are proportionate to the nature, scale and complexity of the business and are designed to meet Gibraltar regulatory expectations. All Directors and key function holders are subject to fitness and propriety assessments prior to appointment and on an annual basis thereafter. Assessments consider competence, experience, integrity, time commitment and knowledge of the regulatory framework applicable to Gibraltar insurance companies. The Board undertakes additional reviews on an ad hoc basis where relevant.

Members of the Board and its sub-committees, and those carrying out other significant functions, have experience across a range of relevant areas. This supports effective management and oversight of the business and helps ensure an appropriate spread of skills.

Individuals are required to keep their skills and knowledge up to date. On an annual basis, each individual involved in the Company must complete a self-certification form to evidence ongoing professional development. The Compliance function monitors this process and reports to the Board at least annually.

B3. Risk Management System including ORSA

Policies

MIC aims to ensure that the business is managed in a risk-focused manner at all times. The main objective of this policy is to express the levels and types of risk that the Company is willing to assume (risk appetite) in order to carry out its strategic plan without significant deviations even in situations of stress. It is about assuming a prudent level of risks that allows the Company to generate returns while maintaining acceptable levels of capital and generating profits on a recurring basis. The ultimate goal is to ensure policyholder protection, both now and in the future and for the Company to achieve its overall strategic objectives.

MIC Risk Management Policy is aimed to achieving a moderate risk profile through prudent management; diversified by geographical areas, MGA / broker and business classes; with high international presence and seeking sustainable growth over time, to achieve an external credit rating.

The Company will have adequate risk culture aimed to achieve the implementation of policies and achieve the defined objectives in all cases complying with the regulations applicable in each jurisdiction in which their businesses are developed and the internal regulations the Company.

A number of key metrics related primarily to the solvency, liquidity and recurrence of results, depending on the circumstances that occur in each case, determine the MIC risk management and allow for achievement of the desired objective established.

- **Solvency:** In terms of solvency, the management of the Company is designed to always keep a capital adequacy for the proper conduct of business even in situations of economic and severe financial shock.
- **Profitability and Recurrence:** MIC aims to generate recurring income even under deteriorating economic situation to ensure a reasonable return for shareholders.
- **Liquidity and funding:** As liquidity and funding MIC as a whole is to maintain a solid position supported in a stable base and diversified funding, even in times of stress.

The Company operates through carefully selected intermediaries and ensures that there is sufficient expertise both within MIC and the intermediaries in the relevant business segments. The Company only moves into new areas once it is comfortable as to the historic track record and has satisfied itself that the necessary knowledge and expertise exist.

Responsibility

A. STRUCTURE

The Company's approach to risk management is communicated to all directors, executives, managers and employees, as well as to any other parties who support the management of the Company. All such individuals are expected to observe and comply with the Company's risk management framework.

All Directors, managers and employees are responsible for identifying and escalating matters that may give rise to a risk event and could impact the Company's risk strategy or risk profile. This is supported through regular discussion and challenge of relevant matters at Board and committee meetings.

The Company has documented its risk profile, including its risk appetite and tolerance levels, and has established a risk register to identify and assess key risks. The risk profile and risk register are reviewed at Board meetings, alongside consideration of key decisions taken and any actions required as a result.

B. CATEGORIES OF RISK

MIC categorises its risks as follows:

- Strategic risk
- Insurance risk
- Market risk
- Liquidity risk
- Credit risk
- Concentration risk
- Operational risk
- Reputational risk
- Reserve Risk

Based on this risk classification using a risk register it is made. This “Risk register” aims at measuring the risks to which the Company is exposed, so you can display different measurement parameters and the results and consequences thereof.

In the process of development of this “Risk Register” we will consider the following aspects:

Risk management

a. Identification and mitigation risk

The main parameters identified are the risk indicators and the controls established which are selected and agreed for each risk category. This allows periodically inform the Board and assist in overseeing the risks of the Company.

The different risks that exist in each type of risk category through indicators are identified. Consequently, mitigation measures in this regard are set. This means that before a risk indicator, the risk is identified and in turn measures for preventing the occurrence of possible consequences for the Company.

b. Frequency

Risks are identified and recorded in the risk register, which is formally reviewed at least annually. The outcomes of this review are documented in a risk report and presented to the Board.

In addition, at each meeting of the Board of Directors, consideration is given to whether the Company’s risk profile or risk exposures have changed as a result of decisions taken.

Risk reports are produced for Board consideration:

- Quarterly for all risk reports;
- Monthly for specific risk reporting where requested by the Board of Directors;
- When significant changes are planned in the business model;
- On the occurrence of an event of significant risk.

Notwithstanding the above, each identified risk has a defined monitoring and reporting frequency.

c. Stress tests

The stress tests are to implement the above points to check the effectiveness of the risk register as well as mitigation measures filed. This is a regular exercise which aims to assess vulnerabilities to which the Company may be exposed. This test is designed to measure resistance to market developments to serious adverse events. It will also examine the potential increased risks in stressful situations.

These risk reports will be based on stress tests taking into account the following criteria:

- Risks identified in the risk register, both short and long term, their likelihood and potential impact;

- New trends and market developments;
- Discussion and challenge about potential events and their potential impact;
- Possible changes in the broader economic conditions;
- At worst, but still acceptable scenarios;
- Accumulation and potential interaction risk;
- Combinations of tensions that could result in failure to meet the capital requirement (reverse stress tests).

d. Risk Mitigation

The risk register sets out the key mitigations, controls and actions in place to manage each identified risk and reduce its potential impact on the Company. Where relevant, it also records whether a mitigation requires additional resources and/or has capital implications

e. Risk assessment

In order to evaluate the risk, we must differentiate:

- **Inherent risk.** It is the inherent risk of each activity, regardless the controls it made in the corresponding periods. This risk arises from exposure which is directed to the particular activity and the probability that a negative shock affecting the profitability and the capital of the Company.
- **Residual risk.** It is the risk that remains, after implementing controls. It should seek a balance between the level of resources and precise to devote to minimize or mitigate these risks and a certain level of trust that can be considered sufficient mechanisms. The residual risk can be seen as that which separates the Company of absolute security.

The residual risk is the risk that remains after management develop its risk responses. The residual risk reflects the risk once they have effectively implemented the actions planned by management to mitigate the inherent risk.

In both risks, the measures mitigations are the same but not the frequency because of the inherent levels will always be higher because of the permanence of its.

However the residual risk is present and therefore it will vary and will be aimed downward (provided that the risks are controlled correctly).

For each of the risks, it has been identified areas of responsibility in charge of evaluating them.

This assessment is carried out as to its likely impact and the probability of its occurrence according to the following matrices:

IMPACT (A)

The impact of risk is set through a numerical ratio, which is measured through a table detailing the result of that ratio:

| Impact Rating | Impact | Financial Impact | Operational Impact | Reputational Impact |
|---------------|------------------|-----------------------------------|------------------------------------------------------------------------------|------------------------------------------------------------|
| 1 | Negligible | Less than €25,000 | No impact | No negative publicity |
| 2 | Low | Between €25,000 and €100,000 | Disruption less than 1 day | Negligible negative publicity |
| 3 | Moderate | Between €100,000 and €500,000 | Disruption less than 1 week | Negative publicity for a short period of time |
| 4 | Significant | Between €500,000 and €1,000,000 | Disruption more than 1 week | Negative publicity for up to 1 week |
| 5 | Very significant | Between €1,000,000 and €2,500,000 | Disruption up to 1 month and needing significant resources to rectify | Negative publicity for more than 1 week, but not permanent |
| 6 | Severe | Greater than €2,500,000 | Disruption greater than 1 month and needing significant resources to rectify | Negative publicity that creates permanent damage |

PROBABILITY (B)

The probability of occurrence of the risk is also set by a numerical ratio, which is measured through a table detailing the description of that ratio:

| Probability Rating | Description of Probability |
|--------------------|-------------------------------------------|
| 1 | Negligible - almost certain not to occur |
| 2 | Remote - very unlikely to occur |
| 3 | Low - will occur very occasionally |
| 4 | Possible - equally likely to occur or not |
| 5 | Probable - likely to occur |
| 6 | Highly likely - almost certain to occur |

GENERAL RISK (A * B)

The risks show a meaning based on the effect of combining these ratings. The impact ratio is multiplied by the probability of occurrence ratio, giving rise to the following matrix:

| Impact | Probability | | | | | |
|--------|-------------|----|----|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | 1 | 2 | 3 | 4 | 5 | 6 |
| 2 | 2 | 4 | 6 | 8 | 10 | 12 |
| 3 | 3 | 6 | 9 | 12 | 15 | 18 |
| 4 | 4 | 8 | 12 | 16 | 20 | 24 |
| 5 | 5 | 10 | 15 | 20 | 25 | 30 |
| 6 | 6 | 12 | 18 | 24 | 30 | 36 |

- Low risk
- Medium risk
- High risk

Company management structure

MIC operates via a Board of Directors and various management committees, including:

| | BOARD COMMITTEE | CLAIMS AND UNDERWRITING COMMITTEE | RISK, AUDIT AND COMPLIANCE COMMITTEE | REINSURANCE COMMITTEE |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| FREQUENCY | Quarterly | Quarterly | Quarterly | Annual |
| FUNCTIONS | Overall management and strategic direction of the company; as well as the setting of investment objectives, their parameters and the review of the return on investments | Review of performance, setting of rates, Underwriting control in accordance with agreed underwriting rules and approved pricing, as well as compliance with business plans Control and monitoring of claims on a day-to-day basis, review of large claims, procedure of management and setting of reserves, as well as making payments | The Audit and Compliance Committee reviews internal and external audit findings, monitors the implementation of audit recommendations, and ensures that the Company adheres to applicable legal, regulatory, and administrative provisions. In line with GFSC expectations, the Committee also oversees the effectiveness of the compliance function, including its role in monitoring adherence to the Consumer Duty and other regulatory obligations relevant to Gibraltar insurance firms. The Risk Committee reviews the alignment of the risk control environment with the Board's approved risk appetite and monitors the performance of the executive risk function. | Review and control of reinsurance conditions |

The Risk, Audit and Compliance Committee meets quarterly and provides a standing report to the Board following each meeting, with escalation outside the cycle where required. The Board considers quarterly meetings and reporting to be proportionate and sufficient given the nature, scale and complexity of the Company's current business and risk profile, including the supervisory restrictions in place during the year and the level of management information provided to the Board between meetings.

Independently of the formal committees, all areas hold frequent working meetings (informal in nature) to carry out their day-to-day activities and ensure operational continuity. The most relevant meetings include:

Administration Department: Led by the Company's internal team. Responsible for providing accounting information and other reports, and for uploading and processing monthly information (bordereaux).

Underwriting and Technical Department: Led by the Company's internal team. Responsible for conducting risk studies and analyses prior to signing policies with collaborators, including analysis of applicable rates and the underwriting procedures used.

Claims Department: Led by the Company's internal team. Responsible for the management, review, and control of claims, including data entry, file maintenance, and the establishment of reserves. Reports information to the reinsurance and accounting departments. Reserves are independently reviewed by external actuaries. In some cases, claims handling authority is delegated to the MGA up to a contractual limit. The department is supported by specialist technicians, lawyers, experts, etc.

Legal Department: Led by the Company's internal team. Provides ongoing legal advice to all areas of the Company, legal representation, and support in matters relating to claims and premium recovery. The department is supported by external law firms when specialist advice is required due to legislative changes in specific jurisdictions.

IT Department: Responsible for data processing within IT systems and for providing continuous IT support in connection with incidents arising in any area of the Company.

Accounting, Finance and Solvency II Department: Led by the Company's internal team. Verifies the accuracy of information received from the administration, claims, and reinsurance departments. Responsible for the management and control of receipts and payments, day-to-day accounting, reporting, monthly closings, and coordination with external auditors.

Solvency II Area: Covers quantitative requirements and regulatory reporting, including the preparation of solvency reports required by law. Part of the QRTs is coordinated internally; for the remaining QRTs and for SCR and MCR calculations, the Company uses outsourced actuarial services, which:

- Assist the Board with the establishment, maintenance, and updating of the governance framework.
- Assist in establishing procedures and processes to monitor the evolution of the risk profile and report it to the Board.
- Support the presentation and discussion of SCR with the Board.
- Perform SCR calculations for QRTs on a quarterly basis.
- Calculate the SCR for the Group quarterly QRT.
- Assist in the ORSA process.
- Assist in preparing ORSA records and reports (internal and regulatory).

Human Resources Department: Establishes recruitment and contracting procedures and controls, maintains employee files, manages payroll, and oversees occupational risk prevention. The department may be supported by external providers.

Reinsurance Department: Responsible for identifying and contracting reinsurers for the different lines of business in accordance with the Company's policy, and for settlement and reporting to reinsurers.

International / Production Department: Responsible for identifying new business opportunities and reviewing business plans submitted to the Company. Plans that comply with the Company's risk appetite and regulatory requirements are reported to the Board by the Head of Department. The department also processes and stores information, including policy onboarding and processing, and the review of the portfolio.

Customer Service Department: Primarily responsible for handling and resolving complaints and claims submitted to the Company. It also provides assistance (by telephone, email, and web form) to address questions or incidents raised by third parties (clients, producers, etc.).

Actuarial Department: The Company outsources the actuarial function, which calculates technical provisions and assesses the sufficiency and quality of the data used, reporting to the Board on its reliability and adequacy. An external actuarial team may also provide independent support, including:

- Scrutiny and validation of technical provisions calculations.
- Independent reserve review.

Risk Management Information

Key Risks

The risk register highlights notable risks, with directors playing an active role in daily operations and positioning risk management as a central component of the business.

The Company's key current risks originate from multiple sources. According to the most recent evaluation of the Risk Register, the highest-rated risks include:

- Excessive concentration of investments: A significant allocation to a limited number of assets, counterparties, or asset types may elevate exposure to material losses resulting from impairment, illiquidity, or specific adverse events.

Risk Categories

| Risk Category | Risk Strategy | Profile and risk limits |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Strategic Risk | MIC aims to operate an appropriate framework for limiting the possibility of strategic risk which could arise from inappropriate business decisions or manner in which such decisions are implemented or a lack of consideration of the wider markets in which the Company operates. | The MIC Board of Directors establishes a high level business strategy that translates into a high level business plan of 3 years and a detailed budget of one year. The budget is reviewed during the regular meetings of the Board of Directors and recalculated if necessary. |
| Insurance Risk | <p>MIC's business is diversified across a number of business lines – accident & health, property, liability, credit & suretyship, legal expenses and miscellaneous.</p> <p>The Company operates through carefully selected intermediaries and ensures that there is sufficient expertise both within MIC and the intermediaries in the relevant business segments.</p> <p>Claims are handled by External experts, MIC receives the information and forward it to them, they have lawyers that analyse the information and tell us how to proceed. Claims performance is discussed and monitored at the regular Underwriting and Claims Committee meetings.</p> <p>The company ensures it maintains optimum reinsurance protection by acquiring both proportional and non-proportional cover from reinsurers with financial strength rating of A or better measured by a rating firm.</p> <p>Our reservations are reviewed by an independent actuary. MIC's policy regarding reserves is to carry out the best actuarial estimate. In this way, MIC carries out a review with independent actuaries to avoid deviations.</p> | <p>MIC has gone through the process of establishing risk appetites / formal limits.</p> <p>The Company's reserves are calculated using the best actuarial estimate with an additional addition when deemed necessary by the Board of Directors.</p> <p>The quota share reinsurance and excess loss is achieved at a level in line with the risk appetite of the Board of Directors.</p> |
| Liquidity Risk | MIC aims to build and maintain liquid assets at a level sufficient for on-going requirements. The requirement for liquidity is balanced with the goal of achieving adequate investment returns while ensuring that additional funds are available should they be required. The majority of investments held are therefore highly liquid and held with banks. | MIC's appetite for risk requires having sufficient liquid funds at all times to meet its obligations when due. In this context, liquid funds do not only include money in banks, but also easily realisable investments. |

| | | |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Credit Risk</p> | <p>Premium risk arises from the brokers producing the business and this is closely monitored in-house. The management of credit risk is important in ensuring that the Company minimises the possibility of losses from non-payment of amounts due to it. This area is therefore important in building a profitable and sustainable business.</p> <p>Risk with regard to reinsurers is managed through the careful selection of reinsurance counterparties.</p> | <p>The MIC risk appetite requires that the Company does not suffer a significant financial loss as a result of the lack of collection of the amounts owed to it, regardless of the source.</p> |
| <p>Concentration Risk</p> | <p>MIC aims to minimise concentration risk where possible. The Company operates across a number of business lines, and intermediaries and have a range of reinsurance counter-parties. However, a higher level of concentration risk is accepted as a result of reliance on a small number of key individual and other companies within the wider group.</p> | <p>The risk appetite for MIC concentration requires a well-diversified portfolio of businesses and counterparts.</p> <p>Reinsurance must be placed with a group of counterpart entities.</p> |
| <p>Operational Risk</p> | <p>Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. MIC recognises that operational risk is inherent in all aspects of its business and has implemented a structured framework to identify, assess, monitor, and mitigate these risks..</p> | <p>MIC accepts that there is a significant element of operational risk due to the operations of the Company and its markets. However, the Company tries to minimise exposure to risk whenever possible and the Board of Directors has established operational limits and tolerances as triggers for review and administration. In particular, “four-eye” controls and supervision of key functions are required.</p> |
| <p>Reputational Risk</p> | <p>MIC’s reputation is of key significance in the overall strategy. This covers consumers / policyholders, the markets in which the company operates distributors & intermediaries, and regulatory authorities.</p> <p>The Company aims to manage adverse perceptions via active and on-going dialogue with all relevant counterparties.</p> | <p>MIC does not accept the adverse perception of the market or the regulation of the Company and will always try to manage it positively. However, a certain level of risk is unavoidable due to the markets and jurisdictions in where the Company operates.</p> |
| <p>Market Risk</p> | <p>Brexit represented the greatest risk for the Company as it made impossible to continue with the business in Europe.</p> | <p>MIC has worked on different solutions obtaining authorization to open a new Company in France. The authorisation was obtained on December 16, 2020 and the European portfolio was transferred on April 30. Now Millennium focuses its efforts on increasing its presence in the UK and Gibraltar.</p> |
| <p>Reserve Risk</p> | <p>If the reserves are too low, the Company could be in financial difficulties.</p> | <p>MIC has an internal actuarial team. MIC also subcontracts the review of reserves at the end of the year to other external actuaries firms.</p> |

Risk Mitigations

MIC has in place a number of controls and other risk mitigations to assist in the management of risks. These are set out in detail in the risk register, together with identifying the risks which are mitigated by the controls.

Strategic risk

The key controls are:

- MIC strategic objectives;
- Resources available to achieve objectives;
- Detailed business strategies and budget.

Insurance Risk

Key controls in place are:

- Diverse classes of business;
- Different policy with reinsurances depending of the class of business;
- Detailed review of monthly MI to monitor underwriting and claims performance;
- Close oversight/management of the claims handler;
- Periodic audits of the claims handler;
- In-house oversight and control of large claims.

In addition, a further risk transfer mechanism is used in the form of Excess of Loss Reinsurance and Quota Share reinsurance arrangements. These are set at a level consistent with a company of MIC's risk profile.

Market Risk

The key controls in place are:

- Monthly review of investment performance;
- Use of multiple banking counterparties: Diversity of cash in important banks;
- Diversification in the portfolio: Diversify our shares in important companies of the financial market.

Liquidity Risk

The key controls in place are:

- No loans for our own financing;
- No external creditors;
- Monthly review of investment performance;
- Use of multiple banking counterparties;
- Diversification in the portfolio.

Credit Risk

The key controls in place are:

- Continuous control to our agencies;
- Monthly feedback;
- Periodic visits;
- Quarterly control and settlement (Reinsurers);
- Distribution through multiple intermediaries;
- Appropriate rating for reinsurance counterparties;
- Use of an experienced reinsurance brokers.

Concentration Risk

The key controls in place are:

- Involvement of multiple individuals in key decision-making, with final approval by the Board.
- Diversification across product lines and geographic markets.
- Diversification of distribution through multiple intermediaries and channels.
- Reinsurance placed with a panel of counterparties.

Operational Risk

The key controls in place are:

- IT and Cybersecurity Risk
 - Daily data backups and off-site storage
 - Firewalls, antivirus software, and intrusion detection systems
 - Regular penetration testing and vulnerability assessments
 - Business Continuity and Disaster Recovery Plans tested annually
- Process and Control Failures
 - “Four-eyes” principle applied to all critical processes (e.g., payments, underwriting approvals)
 - Monthly reconciliation of bordereaux and financial data
 - Documented procedures and internal control checklists
 - Segregation of duties across finance, claims, and underwriting
- Outsourcing Risk
 - Formal outsourcing agreements with defined SLAs and KPIs
 - Annual due diligence and performance reviews of all outsourced providers
 - On-site audits and compliance checks for critical service providers
- People Risk
 - Role-based access controls and user activity monitoring
 - Mandatory training on compliance, data protection, and conduct
 - Annual performance and competency reviews
- Legal and Compliance Risk
 - Ongoing monitoring of regulatory changes by the Compliance Function
 - Regular internal audits and compliance reviews
- Fraud and Financial Crime
 - Anti-fraud controls embedded in claims and underwriting processes
 - AML/CTF procedures including KYC checks and transaction monitoring
 - Suspicious activity reporting protocols in place

Monitoring and Reporting

Operational risk events are logged and reviewed by the Risk Committee. Key Risk Indicators (KRIs) are monitored monthly and reported to the Board quarterly. Any material incidents trigger immediate investigation and remedial action.

Reputational Risk

The key controls on which reliance is placed are:

- Monitoring and reporting by the Compliance function;
- Ongoing individual dialogue with relevant counterparties: they always confirm that the service offered by MIC to its customers and its geographical location is good;
- Monitoring and control of service providers: MIC is very strict with the agencies in that matter.

Reserve risk

The key controls in which MIC deposited the trust are:

- Monthly monitoring of business development;
- Internal actuarial projections;
- Outsource the calculation of end-of-year reserves to actuarial experts in the market.

ORSA:

The objective of the ORSA policy is to ensure that the Board has a thorough understanding of the risks faced by MIC and that the Company maintains appropriate levels of capital to manage and mitigate these risks.

MIC's Own Risk and Solvency Assessment should be carried out in an effective, consistent and reliable manner and should provide the management of the Company with the information needed to make appropriate decisions.

The ORSA will be carried out by various members of the management team with appropriate skills and knowledge of the relevant areas. However, the Board of MIC maintains oversight and control at all times, steering how the assessment is performed and challenging the results to ensure they properly take account of the Company's material risks.

Timing and frequency

MIC has been trading for a number of years, with the principals having been involved in the portfolio of risks written for a considerable time.

As a result, the Board believes that it is sufficient for a formal Own Risk and Solvency Assessment to be carried out on an annual basis. In accordance with GFSC requirements, this will take place in October 2026, ensuring that the timing is aligned with the business planning process

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

ORSA processes and procedures

The ORSA will be conducted as follows:

- Production of annual business plan or revision/re-forecast of existing business plan;
- Forecast or re-forecast of business for the three subsequent years;
- Calculation from historical data for relevant patterns/assumptions;
- Calculation of the SCR based on the business plan and assumptions;
- Discussion by the Board of the business plan, assumptions and other details underlying the SCR calculation;
- Revision of the business plan, assumptions and/or SCR calculation where required following such discussion;
- Consideration of specific risks, MIC's specific risk profile, limits and tolerances as to their impact on the business plan, assumptions and/or SCR calculation;
- Stress and scenario testing of the business plan, assumptions and SCR calculations;
- Final discussion and sign-off by the Board.

B4. Internal control System:

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

Responsibility for establishing an appropriate internal control environment rests with the Board as a whole and its Directors individually. Responsibility for adherence to internal controls rests with all individuals involved in the management of the business.

The internal control policy is targeted at ensuring that:

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

Compliance Function:

This function supports the development of responsible practices in the Company, guaranteeing a more productive, sustainable and inclusive growth. To this end, it is responsible for the supervision and control of compliance by the Company with the legislative and regulatory requirements of the activity it performs, the internal rules of organization and operation, as well as the handling of internal and external complaints and claims. In general, the Compliance Function has the following responsibilities:

- Carrying out "Know Your Customers" (KYC) procedures on new counterparties where required;
- Review of the wording of the Company's policies;
- Advice to the Administration, Management or Supervision body regarding compliance with legal, regulatory and administrative provisions;
- Monitoring of complaints and claims;
- Monitoring of MID reports;
- Follow up of reporting to the GFSC;
- Guarantee the response in a timely manner to any official body;
- Maintenance of compliance monitoring program;
- Examine the efforts of the Company to achieve greater transparency in its performance and disclosure of the practice of its business and documentation;
- Ensure transparency, avoid fraud and respect the rights of all workers and customers;
- Identification, study and implementation of any legislative or regulatory change that affects the Company's activity and the determination and evaluation of compliance risk;
- Conduct annual suitability and ownership controls on all members of the Board of Directors and those responsible for the main functions;
- Ensure compliance by employees of all levels of the Company with the Code of Ethics and Conduct to which they must have permanent access;
- Reception, Management and resolution of complaints or suspected violations of the Code of Ethics and Conduct made by workers through the Complaints Mailbox of the Company established for that purpose;
- Follow up of the external audit program that covers outsourced service providers and the audit report results to the Board;
- The review of the internal organization systems and procedures of the Company for compliance with applicable legal and regulatory requirements. In the same way, it can propose improvements considering the needs and objectives of the entity, its organizational structure and the philosophy of work;
- Periodically review the preventive analysis or the risk assessment plan for the Company's compliance.

B5. Internal Audit Function:

Internal Audit is an objective and independent activity, whose role is to help management achieve the Company's objectives by constantly improving the effectiveness of the Company's operations.

It is responsible for evaluating management's approach to risk management and governance, with particular emphasis on systems of internal control. It investigates the manner in which the Company's processes and control operate in order to assess their effectiveness in ensuring compliance with strategy and policies.

Internal Audit aims to assist management by identifying areas of significant risk and proposing improvements where required.

The internal audit plan will cover:

- Consider the risks faced by the Company and plan its work to cover all significant areas of business, with sufficient emphasis on areas of higher risk or importance;
- Provide the Board of Directors with a detailed audit plan, setting out timing, information and access to individuals required;
- Review findings of previous audits and remedial actions taken;
- Review compliance with any decisions taken as a result of previous recommendations;
- Fully document the audit procedures undertaken;
- Produce reports of its findings for the Board at least annually;
- Issue recommendations for improvements;
- Maintain a record of audit performed and reports issued.

B6. Actuarial Function:

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

MIC has actuarial function outsourced with a team of 3 actuaries that adapts to all the company's needs in each moment. This also gives an independent point of view to the actuarial department.

The internal Actuarial function will be responsible for the following areas:

- Calculation of technical provisions;
- Explanation of any material changes in data, methodologies or assumptions;
- Assessment of the sufficiency and quality of the data and consistency with data quality standards;
- Recommendations to improve data quality where required;
- Back-testing of best estimates against actual experience, reporting of material deviations and proposals to improve calculation;
- Opinion on overall underwriting policy:
 - Consistency of product pricing with underwriting policy for risk acceptance
 - Opinion on risk factors affecting profitability during the coming year, including external factors such as inflation and legal or market changes
 - Variability in estimate of expected profitability
 - Consistency of this variability with risk appetite

MIC external actuaries will be responsible for the following functions:

- Scrutiny and validation of calculation of technical provisions
- Assessment of the appropriateness of methodologies and assumptions used and consistency with Articles 76 to 85 of the Directive 2009/138/EC dated 25 November 2009
- High-level review of other tasks carried out by in-house Actuarial function

The proposed structure and allocation of tasks is considered to be proportionate to the nature, scale and complexity of the business.

B7. Outsourcing:

Outsourcing Policy

MIC has an independent Outsourcing policy. This sets out the processes and procedures that will be followed when deciding to outsource a particular activity. This includes details on risk management and the contractual arrangements. The individual's allocated oversight of the relevant outsourced functions has the appropriate level of knowledge, skills and experience to oversee the provision of the services.

The purpose of outsourcing is to transfer activities and / or services, as well as their management, to a specialised external entity in order to carry out certain processes or works, allowing focusing the resources available in the main business.

To guarantee the protection of intellectual property and avoid the loss of control of Outsourced activity, the Company sets the parameters to foster a collaborative and trusting culture among internal and external teams, and ensure that the objectives are clear.

In addition, it is Company policy that all important outsourced functions must be subject to suitability and adequacy requirements; this will be demonstrated by following previously established procedures through an individualised evaluation according to the established outsourcing procedure.

Outsourced services during the year:

| Service Provider | Service Provided | Jurisdiction Located |
|-------------------------------------------|------------------------------------------------------|----------------------|
| DSA, Defensa y Servicios al Asegurado S.A | Administrative Services | Spain |
| Fiscal Reps Limited | Tax representatives and tax reporting | UK |
| SRS Management Limited | Solvency II Consulting, Compliance and Risk Advisors | Gibraltar |
| Charles Taylor Adjusters | Comprehensive loss management | UK |
| RSM (Auditors) Limited | External auditors of the financial statements | Gibraltar |
| Line Management Limited | Legal and secretary services | Gibraltar |
| IDEAS | Consulting & Actuarial services | Spain |
| Preston Turnbull LLP | Legal advisors | UK |
| Ellul & Cruz Limited | Legal advisors | Gibraltar |
| Grupo M&V | Back office Services | Spain |

B8. Adequacy of the system of Governance

The Board considers the Company's system of governance to be appropriate and proportionate to the nature, scale and complexity of the business. The governance framework is kept under regular review and is enhanced where necessary to reflect changes in the Company's operating environment, risk profile and regulatory expectations. Where relevant, the Company also considers industry guidance, including through participation in the Gibraltar Insurance Association (GIA), and adopts good practice where appropriate.

Internal and external audit activity provides independent assurance over aspects of the Company's system of governance, including the effectiveness of key controls. Findings and recommendations are reported to the Board (and relevant committees) and are tracked to completion, with actions implemented in a manner proportionate to the risks identified.



Risk Profile

C1. Key Risks – 2025 Focus (new synthesis subsection)

During 2025, regulatory risk remained a key area of focus, reflecting the enhanced supervisory engagement with the Gibraltar Financial Services Commission, which increased the importance of sustained compliance with regulatory requirements, timely remediation delivery and the mitigation of potential enforcement or financial impacts arising from supervisory findings.

Liquidity risk remained low due to the high proportion of liquid assets and conservative investment strategy. Credit and counterparty risks were managed through the use of highly rated banks and reinsurers. Operational and reputational risks were monitored closely in light of regulatory engagement, with no material risk events crystallising during the year.

Conduct risk, including the Company's obligations under the Consumer Duty for its UK business (as incorporated into Gibraltar's regulatory framework), was monitored through governance and management information during the year. Key controls included oversight of delegated distribution arrangements, monitoring of complaints and claims trends, and compliance reporting to the Board to support the delivery of fair customer outcomes.

The following sections describe the principal categories of risk to which the Company is exposed and the manner in which these risks are mitigated. The Company does not consider that any additional material risks arose during the year beyond those described below.

C2. Insurance Risk

Insurance risk is the risk of loss arising from the underwriting of insurance contracts. It may crystallise if the Company underwrites risks outside its underwriting policy or risk appetite, if pricing and terms are inadequate, if claims frequency or severity is higher than expected, or if reinsurance arrangements do not operate as intended.

Insurance risk comprises underwriting risk and reserving risk and is the primary risk in the business. Appropriate underwriting, risk selection and pricing are directly linked in a continuous feedback cycle and are fundamental to managing business performance.

The Company manages insurance risk through its underwriting policy, delegated authority framework, reinsurance programme, claims oversight and reserving governance, with performance monitored through management information and committee review.

The Company underwrites a number of non life business lines, including accident and health (financial protection), property, liability, credit and suretyship, and legal expenses, primarily in the United Kingdom.

The Company's insurance portfolio is segmented by policyholder type and nature of risk, comprising retail, SME and large risk commercial business. Retail business consists of UK mass market insurance products written under delegated authority arrangements and is in run off (i.e., closed to new business). SME business remains active and includes specialist non life insurance products distributed through appointed intermediaries. In addition, the Company underwrites large risk commercial insurance, including surety and liability risks, reflecting its historical focus on construction related business.

Within these segments, further analysis is performed using individual risk factors to support underwriting decisions, monitoring and reporting.

The Company operates through carefully selected intermediaries and ensures that there is sufficient expertise both within the Company and the intermediaries in the relevant business segments.

For the management of claims, the Company receives advice from experts through outsourcing, supporting the Company in determining the best way to proceed.

The development of claims is discussed and monitored in the regular meetings of the Claims Committee. The Company's reserving practices are set based on experience, market conditions and the results of

independent external actuarial review. Underwriting and claims performance are monitored through the relevant underwriting and claims committees and reported to the Board.

Underwriting aims to manage profitability and volumes through risk selection, pricing and distribution, with the objective of achieving targeted loss ratios and managing exposure within the segments written.

The reserving function aims to ensure that claims are properly and adequately reserved, taking account of relevant factors such as claims development, inflation, market conditions and other external drivers. Reserving information is fed back into underwriting to support decision making on future risk selection and pricing. Quota Share and Excess of Loss reinsurance protection are purchased at a level in line with the Board's risk appetite.

The Company sets and monitors underwriting concentration limits by class of business and distribution partner, with thresholds and escalation triggers defined in the risk appetite framework and reviewed by the Board.

At a high level, the Company's risk appetite measure, in line with the standard SCR calculation, is that existing net reserves should not deteriorate by more than 30% of the value at the previous financial year end. This is slightly more conservative than the standard premium and reserve volatility parameters for the business written and equates approximately to a 1 in 200 year event.

The Company reserves at least to actuarial best estimate. In addition, the Board considers from time to time whether the internal view of ultimate loss ratios differs significantly from that of the external actuary and, where appropriate, assesses the need for an additional management load. The Board also considers whether an additional management load is required to allow for potential volatility or uncertainty. The Company does not operate a pre defined level of management load to be held.

Within these high level risk appetite measures, the Board of Directors has set further detailed operational limits and tolerances with regard to specific elements of insurance risk.

These limits are triggers for review and action by management.

Performance Measures

- Loss ratio
- Frequency
- Average cost per claim
- Turnover
- Business mix
- Deterioration in the historic claims
- Differences between payment of claims and constituted reserves
- Differences between loss ratios calculated internally and independent actuarial review

Operational Claims measures

- Legislative changes
- Market changes
- Changes in the claims procedure

C3. Market Risk

Market risk is caused by the possibility of losses in the value of positions held as a result of changes in the market prices of financial instruments.

An appropriate and well-managed strategy for the investment of funds generated by the business is a contributing factor in enabling Millennium to build its capital base and achieve sustainable profits. Control of investments is also important in ensuring an ability to meet claims liabilities as they fall due and thereby safeguarding the Company's future and its reputation.

Historically, MIC has maintained significant balances with its banking counterparties and invested into a small range of equities together with providing loans to related undertakings. These latter investments were made on the basis of that a high return was achieved.

It is the Company's intention going forward to use investment managers in the future. Such managers will be chosen taking into account their experience and expertise, with particular emphasis on the needs of insurance companies both from a risk management and a reporting perspective. Investment managers are given clear investment guidelines and parameters within which to operate.

MIC's investment decisions are currently carried out by the Board of Directors and it is intended that the performance of its investment managers will similarly be overseen by the Board of Directors.

Currency

MIC is exposed to two currencies, the Euro ("EUR") and British Sterling ("GBP"). All investments are held in Euro and therefore present no currency risk to the Company. The Company holds a GBP cash account for GBP premium funds and claims payments, to minimise the number of currency exchanges necessary, however it is exposed to currency risk as its accounting currency is Euro and the exchange rate will affect the value of transactions and balances. MIC has most cash held in banks with a rating higher than "A".

Property

MIC has a property investment portfolio, the majority of which consists of commercial properties which are then leased to provide a return on capital. Given the tenant covenants in place, these commercial properties are not subject to the same market fluctuations as residential properties, and therefore are considered to be lower risk. Properties, while all based in the Spain, are still geographically spread to mitigate catastrophe risk, and all have insurance to cover damage.

The property portfolio presents a liquidity risk in that it may take time to sell and realise cash.

The Investment Policy is reviewed at least annually to ensure that the mitigating guidelines in place are still appropriate for the Company and the risk environment in which it operates.

Concentration

The Board of Directors reviews the investment portfolio and assesses the concentration risk that the Company is exposed to, to ensure that it is within MIC's risk appetite and in accordance with the Investment Policy. The concentration exposure arises in respect of positions taken in the Company secured loans and property exposure and counterparties (cash holdings and reinsurance recoveries).

C4. Credit Risk

The Company's credit risk is medium, and it is exposed from only three sources: premium receipts from intermediaries and policyholders, loans provided, and reinsurance recoveries. While these areas are tightly controlled, past leeway given to various parties could potentially result in a loss.

Effective management of credit risk helps to minimise losses arising from non payment of amounts due to the Company and therefore supports the Company's profitability and capital position.

The Company aims to minimise credit risk arising from its operations. Premium risk arises from the intermediaries producing the business and this is closely monitored in-house. Risk with regard to reinsurers is managed through the careful selection of reinsurance counterparties. In addition, the Company has cancelled all existing loans and has as a policy not continued to provide loans because they give rise to an element of credit risk, despite the fact that they provide a good return.

Key business control thresholds include:

- Monitoring of premium receivables to minimise overdue balances.
- Periodic oversight and audit of underwriting intermediaries, where appropriate.
- Monitoring reinsurance recoveries and settlements to be received promptly and in accordance with contract terms.
- Monitoring interest and capital amounts due on any loans in accordance with contract terms.
- Use of appropriately rated reinsurance counterparties (minimum A rating), in line with the Company's risk appetite.
- Ongoing review of reinsurance counterparties and exposures, including counterparty ratings.
- Use of an experienced reinsurance broker to support placement and ongoing administration.

If any debts due to the Company fall overdue, this will trigger a review by the Board.

C5. Liquidity Risk

Liquidity risk is the risk that the Company does not have sufficient liquid resources to meet its obligations as they fall due.

Managing liquidity is necessary to ensure that the Company can meet claims and other liabilities as they fall due, while balancing liquidity with returns on invested assets.

Liquidity management supports the Company's strategic objectives and helps protect policyholder interests.

The Company aims to build and maintain liquid assets at a level sufficient for ongoing requirements. Cash flow assessments are prepared monthly and are presented to the Board at least quarterly for consideration during investment discussions.

The Company's liquidity requirements are supported by a high proportion of liquid assets. Most investments are therefore highly liquid and held with banks, with additional funds available if required.

Liquidity risk is managed through cash flow monitoring, maintenance of liquid assets and oversight by the Board as part of the investment and risk management framework.

C6. Operational Risk

Operational risk has the potential to affect all areas of the business and may result in losses, including through impacts on profitability and/or capital. Appropriate controls are therefore necessary to support the Company's strategic objectives.

The Company aims to minimise operational risk wherever possible. However, due to the Company's size, certain controls and processes are concentrated among a small number of senior members of the management team. The Company records actual and potential risks in a risk register, which sets out key risks and associated controls. In addition, an incident log is maintained to record operational risk events, their causes, impacts, and remedial actions taken. Key operational controls include documented procedures and control checklists for core processes, segregation of duties and "four eyes" review for critical activities (including payments and underwriting approvals), monthly reconciliations of bordereaux and financial data, and role based access controls over systems and data.

The Company has various controls in place, as set out in the risk register, to mitigate operational risk. Operational risk controls are supported by: (i) IT and cybersecurity measures, including daily backups with off site storage, network security tooling (firewalls and malware protection) and periodic vulnerability testing; (ii) governance over outsourcing, including written agreements with defined service levels, due diligence and periodic performance reviews, and audit rights for material providers; and (iii) people and conduct controls, including mandatory training on compliance, data protection and conduct, together with competency reviews for staff in key roles. Operational risk events and key risk indicators are reviewed through the Risk Committee, with material incidents escalated promptly to the Board.

C7. Reputational Risk

Reputational risk is the risk that negative publicity, adverse stakeholder perception or regulatory concern could impair the Company's ability to conduct business, execute its strategy or maintain confidence in its operations.

Reputational harm may lead to adverse selection against the Company, reduced ability to access business opportunities, and/or regulatory intervention that could require additional capital. Any of these outcomes could adversely affect the Company's ability to achieve its strategic objectives

C8. Risk reserve

Reserve risk is the risk that technical provisions are insufficient to meet future claims payments and associated expenses. It may arise due to limitations in data, model uncertainty, changes in claims development patterns, inflation, legal or market changes, or other factors affecting ultimate claims costs.

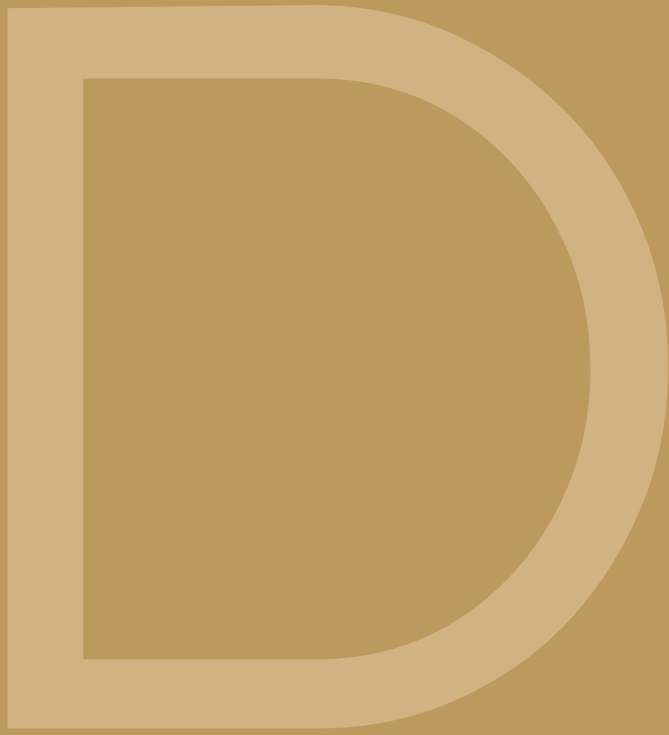
The Company manages reserve risk through regular monitoring of claims development, internal actuarial analysis and independent external actuarial review. Reserving performance and any material movements are reviewed through committee governance and reported to the Board.

If technical provisions were set too low, the Company could experience financial strain. Reserve uncertainty may arise, for example, from:

- Errors or limitations in data and model specification.
- Uncertainty in claims development patterns and operational processes that support reserving.
- Parameter uncertainty and estimation error

C9. Other material risk

The Company does not consider that any other material risks arose during the year beyond those described above.



Valuation
for Solvency
Purposes

D1. Assets

Cash and cash equivalents

At the date of presentation of the financial statements, the company held 22.871.683 € as cash and cash equivalents in bank accounts in Spain and the United Kingdom. The balances held in Spanish bank accounts are in Euros ("EUR"). No estimation methods, adjustments for future value or valuation judgments are required for these balances. UK bank accounts are kept in pounds sterling ("GBP"); translated into Euros at the end of the period for reporting purposes.

Cash and cash equivalents are valued at fair value by the relevant financial institution and the Company's accounting statement confirms the balances held daily. There are no significant estimates or judgements used in valuing cash holdings due to the nature of the asset. For Solvency II, total cash and cash equivalents includes the balances held in accounts. The value of these balances is the same for the Company's Solvency II balance sheet.

Properties

Properties are measured based on the most recent external valuation report or acquisition cost if they were acquired less than three years ago. Properties are valued at least every three years.

MIC has a portfolio of property investments aimed at obtaining profitability for its rent and others for its own use.

Properties for rental are commercial properties that are then leased to provide a return on capital. The properties, although established in Spain, are geographically distanced to mitigate the risk of catastrophe, and all have insurance to cover the damages. These properties are valued in the Solvency II balance sheet of the company at € 5.365.083.

MIC headquarters are in Gibraltar; this is located in Queensway Quay, one of the best areas of the city. Said headquarters was appraised in February 2019 at € 500,000 when it was previously registered at € 400,568, this means a revaluation of the property of 25%. The value of this property in 2025 after its amortization has been of € 312.107

Listed Equities

The Company decided to sell all listed equities of its portfolio during 2023 to simplify its investment portfolio.

D2. Technical Provisions

Technical provisions are calculated in accordance with the Gibraltar Solvency II framework and reflect a best estimate of future cash flows, discounted using the EIOPA risk free interest rate term structure, with the addition of a Risk Margin to ensure the value corresponds to the amount that an insurance undertaking would require to assume the obligations.

The valuation of technical provisions is performed by the Actuarial Function, supported by independent external actuarial review. The Board retains ultimate responsibility for the adequacy of technical provisions.

The technical provisions by line of business are as follows:

| | Accidents & Health | Property | Third Party Liability | Credit & Suretyship | Legal expenses | Miscellaneous financial loss | Total non-life obligation |
|----------------------------------|--------------------|----------|-----------------------|---------------------|----------------|------------------------------|---------------------------|
| Gross Best Estimate | 2.320.758 | 545.866 | 970.167 | 762.624 | 2.927.118 | 37.474.654 | 45.001.188 |
| Risk Margin | 3.673 | 20.485 | 32.099 | 12.109 | 16.634 | 364.838 | 449.839 |
| Total Gross Technical Provisions | 2.324.431 | 566.351 | 1.002.266 | 774.733 | 2.943.753 | 37.839.492 | 45.451.027 |
| Reinsurance Technical Provisions | 1.916.034 | -3.343 | 109.604 | 437.982 | 2.481.151 | 27.693.373 | 32.634.802 |
| Net Technical Provisions | 408.397 | 569.694 | 892.661 | 336.751 | 462.602 | 10.146.119 | 12.816.224 |

Methodology

Technical provisions are calculated as:

$$\text{Technical Provisions} = \text{Best Estimate} + \text{Risk Margin}$$

■ Best Estimate (BE):

Represents the probability weighted average of future cash flows arising from insurance obligations, taking into account:

- expected claims payments;
- claims handling expenses;
- premium-related cash flows;
- allowance for inflation and large losses where appropriate.

■ Risk Margin (RM):

Calculated using the Cost of Capital method, to reflect the cost of providing eligible own funds to support non-hedgeable risks over the lifetime of the obligations.

Segmentation and Data Quality

Technical provisions are calculated by Solvency II line of business and currency where material.

Data used in the calculations is sourced from internal underwriting, claims, and accounting systems and is subject to validation checks by the Actuarial Function. Any data limitations identified are assessed for materiality and remedied where necessary.

The valuation of technical provisions is subject to inherent uncertainty due to the nature of insurance liabilities, particularly concerning claims incurred but not reported (IBNR), future claims development, and the impact of external factors such as inflation and legal changes. MIC recognises that the estimation of future cash flows involves assumptions regarding frequency, severity, and timing of claims. To mitigate this uncertainty, the Company applies conservative actuarial methodologies, conducts annual independent reserve reviews, and performs back-testing against actual experience. The risk margin is calculated to reflect the cost of capital required to support the liabilities under stressed conditions. MIC considers the level of uncertainty to be moderate, with controls in place to ensure that technical provisions remain adequate and prudent.

Differences between the valuation for solvency purposes and the valuation in the financial statements, broken down by material lines of business:

| Business | Solvency II Valuation | Financial Statement Valuation | Key Differences |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Accidents & Health | Includes best estimate liabilities (BEL) and a risk margin. IBNR is calculated using actuarial methods and reviewed by external actuaries. | Provisions based on earned premiums and include IBNR, but without a separate risk margin | Solvency II includes risk margin and discounting; financial statements use undiscounted conservative estimates. |
| Property | Technical provisions calculated using best estimate assumptions and include a risk margin. | Based on historical cost or latest valuation, with no explicit risk margin. | Solvency II uses market-consistent valuation and future cash flow projections; financial statements use book value or depreciated cost |
| Liability | Reflects expected future claims and includes IBNR and risk margin | Based on incurred claims and IBNR, without discounting or risk margin | Solvency II uses actuarial models and discounted cash flows; financial statements are prudent and undiscounted. |
| Credit & Suretyship | Includes best estimate of expected losses and a risk margin | Based on incurred claims and expected losses, without a risk margin. | Solvency II reflects economic value and capital cost; financial statements focus on historical loss experience. |
| Legal Expenses | Includes future expected claims, IBNR, and a risk margin. | Based on incurred claims and IBNR, without discounting. | Solvency II includes forward-looking assumptions and discounting; financial statements are more conservative and static. |
| Miscellaneous Financial Loss | Uses best estimate liabilities and includes a risk margin. | Based on historical claims and IBNR. | Solvency II includes economic assumptions and capital cost; financial statements are simpler and non-discounted. |

Reinsurance Recoverables

MIC recognises reinsurance recoverable as a key component of its technical provisions. These represent the amounts expected to be recovered from reinsurers in respect of claims liabilities, including both reported and incurred but not reported (IBNR) claims. Recoverables are calculated on a best estimate basis, consistent with the gross technical provisions, and are adjusted for the probability of default of the reinsurer. The Company only enters into reinsurance agreements with counterparties rated “A” or higher by recognised credit rating agencies. Recoverables are monitored quarterly and reconciled against claims data and bordereaux. As at 31 December 2025, total reinsurance recoverables amounted to €32.6 million, with the majority relating to the miscellaneous financial loss and legal expenses lines of business.

D3. Other Liabilities

Valuation Basis

Other liabilities are valued in accordance with Solvency II principles and, where applicable, are broadly aligned to IFRS valuation methods, except where Solvency II requires a different treatment. They are recognised at fair value or amortised cost, depending on the nature of the liability.

Composition of Other Liabilities

| | |
|-------------------------------------|-------------|
| Deposits from reinsurers | |
| Deferred tax liabilities | 54.852 € |
| Insurance & Intermediaries payables | 904.138 € |
| Reinsurance payables | 5.274.058 € |
| Payables (trade, not insurance) | 157.934 € |

Deposits from reinsurers: not held during the reporting period.

Deferred tax liabilities

This item reflects the corporate tax applied to the future profit accounted for at the valuation date. Deferred tax balances are calculated based on the difference between Solvency II valuations and local statutory valuations, applying the applicable tax rate.

Insurance and intermediaries payables

Amounts due in the normal course of insurance operations to policyholders, brokers, agents, or other insurance intermediaries.

Reinsurance payables

Premiums due from MIC to reinsurers.

Any other liabilities, not elsewhere shown

These are sundry creditors.

D4. Alternative Methods for Valuation

No alternative valuation methods have been applied.

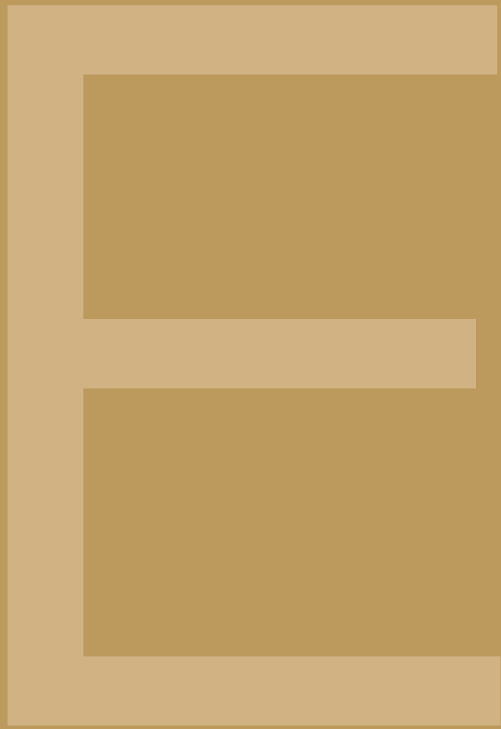
All material assets, technical provisions, and liabilities have been valued using:

- observable market inputs where available; or
- standard valuation techniques in line with Solvency II requirements.

The Company does not use internal models or approximation techniques outside those prescribed by regulation.

D5. Any Other Information

There is no other material information to disclose in relation to the valuation of assets or liabilities for Solvency II purposes.



Capital Management

E1. Own Funds

Management of Own Funds

Objectives, Policies and Processes in Managing Own Funds

Millennium's Capital Management Policy ensures sufficient capital to meet both SCR and internal ORSA requirements, aiming to cover needs immediately and in the medium term. While ORSA is formally conducted annually, capital levels are reviewed at least quarterly alongside regulatory reporting. The Board regularly assesses capital as part of risk management and monitors performance through monthly reports. No changes to capital management policies or processes occurred during the period.

Time Horizon for Business Planning and Material Changes

Millennium plans capital management over a three-year period, focusing mainly on the current and following year. The planning time horizon remains unchanged this year.

Structure of Own Funds

Own Funds consist exclusively of Tier 1 unrestricted basic own funds, comprising:

- paid up ordinary share capital;
- retained earnings and reconciliation reserve.

No ancillary own funds, Tier 2, or Tier 3 instruments are used.

The table below set out Millennium's own funds at 31 December 2025, together with movements during the period:

| Reconciliation reserve | 31/12/2024 | 31/12/2025 | Movement |
|--------------------------------------------------------------------------------------------------------------------|---------------|---------------|------------|
| Excess of assets over liabilities | 24,766 | 25,732 | 966 |
| Own shares (held directly and indirectly) | | | |
| Foreseeable dividends, distributions and charges | | | |
| Other basic own fund items | 3,700 | 3,700 | 0 |
| <i>Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds</i> | | | |
| Reconciliation reserve | 21,066 | 22,032 | 966 |

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

Terms and Conditions of Own Funds

In December 2025, Millennium’s own funds consisted entirely of unrestricted Tier 1 capital, with no terms, conditions, or limitations on availability and transferability. The funds were non-redeemable and provided no guaranteed dividends or returns.

Difference in Own Funds between Financial Statements and Solvency II Valuation

The variance between the own funds values presented in the Financial Statements and those under Solvency II stems from differing valuations of the underlying assets and liabilities, as detailed in the following table:

| Excess of assets over liabilities-attribution of valuation differences | Total €'000 |
|---------------------------------------------------------------------------------------------------------------|-------------|
| Difference in the valuation of assets | -45.107 |
| Difference in the valuation of technical provisions | -41.980 |
| Difference in the valuation of other liabilities | -3.437 |
| Total of reserves and retained earnings from financial statements | |
| Other | 21.722 |
| Reserves from financial statements adjusted for Solvency II valuation differences | 22.032 |
| Excess of assets over liabilities attributable to basic own fund items (excluding the reconciliation reserve) | 3.700 |
| Excess of assets over liabilities | 25.732 |

E2. Solvency Capital Requirement and Minimum Capital Requirement

Methodology

The Company calculates its capital requirements using the Standard Formula, which is considered appropriate given the nature, scale, and complexity of the business.

The SCR is calculated on a regular basis and reviewed by:

- senior management;
- the Risk Committee; and
- the Board of Directors.

SCR and MCR

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

| Available and eligible own funds | Total €'000 | Tier 1 | Tier 2 |
|-------------------------------------------|-------------|--------|--------|
| Total available own funds to meet the SCR | 25.732 | 25.732 | 0 |
| Total available own funds to meet the MCR | 25.732 | 25.732 | 0 |
| Total eligible own funds to meet the SCR | 25.732 | 25.732 | 0 |
| Total eligible own funds to meet the MCR | 25.732 | 25.732 | 0 |
| SCR | 10.604 | | |
| MCR | 4.772 | | |
| Ratio of Eligible own funds to SCR | 243% | | |
| Ratio of Eligible own funds to MCR | 539% | | |

The table above shows that the Company met the Solvency Capital Requirement (SCR) throughout the year. At December 2025, the Company reported a capital surplus of €15.1m above the SCR.

For the Minimum Capital Requirement (MCR), the Company reported coverage of 539%, corresponding to a surplus above the MCR of approximately €20.9m.

As at December 2025, Millennium's capital was fully comprised by Tier 1, i.e. 100% eligible to cover the MCR.

SCR by Risk Module

| | Solvency Capital Requirement €'000 |
|-------------------------------------------------------------------|---------------------------------------|
| Market risk | 5.017 |
| Counterparty default risk | 4.233 |
| Total health underwriting risk | 71 |
| Non-life underwriting risk | 3.184 |
| Operational and other risks | 1.350 |
| Total before all diversification | 17.556 |
| Total before diversification between risk modules | 13.855 |
| Diversification between risk modules | -3.251 |
| Total after diversification | 10.604 |
| Loss-absorbing capacity of deferred taxes | 0 |
| Other adjustments | 0 |
| Solvency capital requirement including undisclosed capital add-on | 10.604 |
| Disclosed capital add-on - excluding residual model limitation | |
| Disclosed capital add-on - residual model limitation | |
| Solvency capital requirement including capital add-on | 10.604 |
| Undisclosed capital add-on - residual model limitation | |
| Capital add-on | 0 |

Simplifications

No material simplifications have been used in the calculation of the SCR and MCR

Inputs used to Calculate the MCR

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

| 2025 Minimum Capital Requirement | Total €'000 | |
|--------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------|
| | Net (of reinsurance/ SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
| Medical expense insurance and proportional reinsurance | 405 | 668 |
| Fire and other damage to property insurance and proportional reinsurance | 549 | 154 |
| General liability insurance and proportional reinsurance | 861 | 2.067 |
| Credit and suretyship insurance and proportional reinsurance | 325 | 520 |
| Legal expenses insurance and proportional reinsurance | 446 | 63 |
| Miscellaneous financial loss insurance and proportional reinsurance | 9.781 | 20.793 |

Overall MCR calculation

| | |
|------------------------------------|--------------|
| Linear MCR | 5.000 |
| SCR | 10.604 |
| MCR cap | 4.772 |
| MCR floor | 2.651 |
| Combined MCR | 4.772 |
| Absolute floor of the MCR | 3.977 |
| Minimum Capital Requirement | 4.772 |

Changes over the Period

Solvency Capital Requirement:

| | Solvency Capital Requirement (€'000s) | | |
|-------------------------------------------------------------------|---------------------------------------|---------------|-------------|
| | 2025 | 2024 | Movement |
| Market risk | 5.017 | 5.866 | -849 |
| Counterparty default risk | 4.233 | 4.173 | 60 |
| Total health underwriting risk | 71 | 70 | 1 |
| Non-life underwriting risk | 3.184 | 2.379 | 805 |
| Operational and other risks | 1.350 | 2.014 | -664 |
| Total before all diversification | 17.556 | 18.493 | -937 |
| Total before diversification between risk modules | 13.855 | 14.503 | -648 |
| Diversification between risk modules | -3.251 | -3.162 | -89 |
| Total after diversification | 10.604 | 11.341 | -737 |
| Loss-absorbing capacity of deferred taxes | 0 | 0 | 0 |
| Other adjustments | 0 | 0 | 0 |
| Solvency capital requirement including undisclosed capital add-on | 10.604 | 11.341 | -737 |
| Disclosed capital add-on - excluding residual model limitation | | | |
| Disclosed capital add-on - residual model limitation | | | |
| Solvency capital requirement including capital add-on | 10.604 | 11.341 | -737 |
| Undisclosed capital add-on - residual model limitation | | | |
| Capital add-on | 0 | 0 | 0 |

The table above sets out the SCR comparison between 2025 and 2024.

The overall decrease in the SCR is €0.7m when compared to the 2024 figure; this is explained mainly by the decrease in the market risk which experienced a reduction in the concentration risk due to loan amortisations.

Minimum Capital Requirement:

The two tables below lay out the MCR calculated in 2025 and 2024, respectively:

| 2025 Minimum Capital Requirement | Total €'000 | |
|--------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------|
| | Net (of reinsurance/ SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
| Medical expense insurance and proportional reinsurance | 405 | 668 |
| Fire and other damage to property insurance and proportional reinsurance | 549 | 154 |
| General liability insurance and proportional reinsurance | 861 | 2.067 |
| Credit and suretyship insurance and proportional reinsurance | 325 | 520 |
| Legal expenses insurance and proportional reinsurance | 446 | 63 |
| Miscellaneous financial loss insurance and proportional reinsurance | 9.781 | 20.793 |

Overall MCR calculation

| | |
|------------------------------------|--------------|
| Linear MCR | 5.000 |
| SCR | 10.604 |
| MCR cap | 4.772 |
| MCR floor | 2.651 |
| Combined MCR | 4.772 |
| Absolute floor of the MCR | 3.977 |
| Minimum Capital Requirement | 4.772 |

| 2024 Minimum Capital Requirement | Total €'000 | |
|--------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------|
| | Net (of reinsurance/ SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
| Medical expense insurance and proportional reinsurance | 867 | 310 |
| Fire and other damage to property insurance and proportional reinsurance | 282 | 175 |
| General liability insurance and proportional reinsurance | 344 | 1.214 |
| Credit and suretyship insurance and proportional reinsurance | 272 | 501 |
| Legal expenses insurance and proportional reinsurance | 2.703 | 1.452 |
| Miscellaneous financial loss insurance and proportional reinsurance | 6.587 | 6.643 |

Overall MCR calculation

| | |
|------------------------------------|--------------|
| Linear MCR | 2.831 |
| SCR | 11.341 |
| MCR cap | 5.104 |
| MCR floor | 2.835 |
| Combined MCR | 2.835 |
| Absolute floor of the MCR | 4.219 |
| Minimum Capital Requirement | 4.219 |

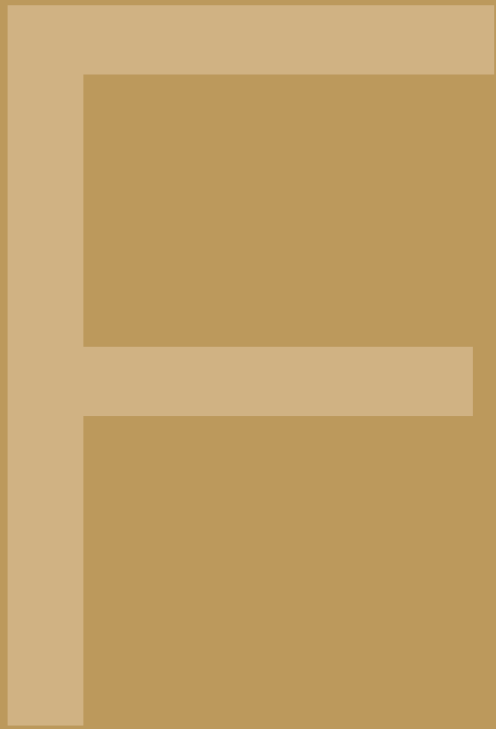
The MCR has increased to €4.7m in 2025, capped at 45% of the SCR reported figure.

E3. Non-Compliance with Minimum Capital Requirement or Solvency Capital Requirement

The Company did not experience any breach of the SCR or MCR during the reporting period and remains fully compliant with capital requirements.

E.4 Any other information

There are no other material matters to disclose in relation to capital management.



Quantitative
Reporting
Templates (QRT's)

IR.02.01.02 Balance Sheet

| | | Solvency II value |
|----------------------------------------------------------------------------------------|--------------|-------------------|
| | | C0010 |
| Assets | | |
| Goodwill | R0010 | |
| Deferred acquisition costs | R0020 | |
| Intangible assets | R0030 | |
| Deferred tax assets | R0040 | |
| Pension benefit surplus | R0050 | |
| Property, plant & equipment held for own use | R0060 | 312 |
| Investments (other than assets held for index-linked and unit-linked contracts) | R0070 | 5,054 |
| Property (other than for own use) | R0080 | 5,053 |
| Holdings in related undertakings, including participations | R0090 | |
| Equities | R0100 | 1 |
| Equities - listed | R0110 | |
| Equities - unlisted | R0120 | 1 |
| Bonds | R0130 | |
| Government Bonds | R0140 | |
| Corporate Bonds | R0150 | |
| Structured notes | R0160 | |
| Collateralised securities | R0170 | |
| Collective Investments Undertakings | R0180 | |
| Derivatives | R0190 | |
| Deposits other than cash equivalents | R0200 | |
| Other investments | R0210 | |
| Assets held for index-linked and unit-linked contracts | R0220 | |
| Loans and mortgages | R0230 | 6,380 |
| Loans on policies | R0240 | |
| Loans and mortgages to individuals | R0250 | |
| Other loans and mortgages | R0260 | 6,380 |
| Reinsurance recoverables from: | R0270 | 32,635 |
| Non-life and health similar to non-life | R0280 | 32,635 |
| Life and health similar to life, excluding index-linked and unit-linked | R0315 | |
| Life index-linked and unit-linked | R0340 | |
| Deposits to cedants | R0350 | |
| Insurance and intermediaries receivables | R0360 | 2,231 |
| Reinsurance receivables | R0370 | 3,602 |
| Receivables (trade, not insurance) | R0380 | 948 |
| Own shares (held directly) | R0390 | |
| Amounts due in respect of own fund items or initial fund called up but not yet paid in | R0400 | |
| Cash and cash equivalents | R0410 | 26,413 |
| Any other assets, not elsewhere shown | R0420 | |
| Total assets | R0500 | 77,574 |
| Liabilities | | |
| Technical provisions - total | R0505 | 45,451 |
| Technical provisions - non-life | R0510 | 45,451 |
| Technical provisions - life | R0515 | 0 |
| Best estimate - total | R0542 | 45,001 |
| Best estimate - non-life | R0544 | 45,001 |
| Best estimate - life | R0546 | |
| Risk margin - total | R0552 | 450 |
| Risk margin - non-life | R0554 | 450 |
| Risk margin - life | R0556 | |
| Transitional (TMTP) - life | R0565 | |
| Other technical provisions | R0730 | |
| Contingent liabilities | R0740 | |
| Provisions other than technical provisions | R0750 | |
| Pension benefit obligations | R0760 | |
| Deposits from reinsurers | R0770 | |
| Deferred tax liabilities | R0780 | 55 |
| Derivatives | R0790 | |
| Debts owed to credit institutions | R0800 | |
| Financial liabilities other than debts owed to credit institutions | R0810 | |
| Insurance & intermediaries payables | R0820 | 904 |
| Reinsurance payables | R0830 | 5,274 |
| Payables (trade, not insurance) | R0840 | 158 |
| Subordinated liabilities | R0850 | |
| Subordinated liabilities not in Basic Own Funds | R0860 | |
| Subordinated liabilities in Basic Own Funds | R0870 | |
| Any other liabilities, not elsewhere shown | R0880 | |
| Total liabilities | R0900 | 51,842 |
| Excess of assets over liabilities | R1000 | 25,732 |

IR.05.01.02 Premiums, claims and expenses by country

| | | | Home Country | Top 5 countries (by amount of gross premiums written) - non-life obligations | | | | | Total Top 5 and home country |
|------------------|-----------------------------------------------|-------|--------------|------------------------------------------------------------------------------|-------|-------|-------|-------|------------------------------|
| | | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 |
| | | | R0010 | GB | | | | | |
| | | | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 |
| Premiums written | Gross - Direct Business | R0110 | 311 | 35,084 | | | | | 35,395 |
| | Gross - Proportional reinsurance accepted | R0120 | | | | | | | 0 |
| | Gross - Non-proportional reinsurance accepted | R0130 | | | | | | | 0 |
| | Reinsurers' share | R0140 | 0 | 11,039 | | | | | 11,039 |
| | Net | R0200 | 311 | 24,045 | | | | | 24,356 |
| Premiums earned | Gross - Direct Business | R0210 | 440 | 31,882 | | | | | 32,321 |
| | Gross - Proportional reinsurance accepted | R0220 | | | | | | | 0 |
| | Gross - Non-proportional reinsurance accepted | R0230 | | | | | | | 0 |
| | Reinsurers' share | R0240 | 123 | 12,077 | | | | | 12,200 |
| | Net | R0300 | 317 | 19,804 | | | | | 20,121 |
| Claims incurred | Gross - Direct Business | R0310 | 610 | 9,411 | | | | | 10,021 |
| | Gross - Proportional reinsurance accepted | R0320 | | | | | | | 0 |
| | Gross - Non-proportional reinsurance accepted | R0330 | | | | | | | 0 |
| | Reinsurers' share | R0340 | 0 | 7,919 | | | | | 7,919 |
| | Net | R0400 | 610 | 1,492 | | | | | 2,102 |
| | Net expenses incurred | R0550 | 154 | 17,294 | | | | | 17,448 |

| | | | Home Country | Top 5 countries (by amount of gross premiums written) - life obligations | | | | | Total Top 5 and home country |
|------------------|-----------------------|-------|--------------|--------------------------------------------------------------------------|-------|-------|-------|-------|------------------------------|
| | | | C0150 | C0160 | C0170 | C0180 | C0190 | C0200 | C0210 |
| | | | R1400 | | | | | | |
| | | | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 |
| Premiums written | Gross | R1410 | | | | | | | |
| | Reinsurers' share | R1420 | | | | | | | |
| | Net | R1500 | | | | | | | |
| Premiums earned | Gross | R1510 | | | | | | | |
| | Reinsurers' share | R1520 | | | | | | | |
| | Net | R1600 | | | | | | | |
| Claims incurred | Gross | R1610 | | | | | | | |
| | Reinsurers' share | R1620 | | | | | | | |
| | Net | R1700 | | | | | | | |
| | Net expenses incurred | R1900 | | | | | | | |

IR.17.01.02 Non-life Technical Provisions

| | | Direct business and accepted proportional reinsurance | | | | | | Total Non-Life obligation |
|--------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------------------------|---------------------------------------------|-----------------------------|---------------------------------|--------------------------|------------------------------|---------------------------|
| | | Medical expense insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Miscellaneous financial loss | |
| | | C0020 | C0080 | C0090 | C0100 | C0110 | C0130 | C0180 |
| Best estimate | | | | | | | | |
| <i>Premium provisions</i> | | | | | | | | |
| Gross | R0060 | 113 | 20 | 353 | 15 | -1 | 24,538 | 25,039 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0140 | 38 | -3 | 6 | 4 | -9 | 20,046 | 20,081 |
| Net Best Estimate of Premium Provisions | R0150 | 76 | 24 | 347 | 11 | 9 | 4,492 | 4,958 |
| <i>Claims provisions</i> | | | | | | | | |
| Gross | R0160 | 2,207 | 526 | 617 | 748 | 2,928 | 12,937 | 19,962 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0240 | 1,878 | 0 | 104 | 434 | 2,490 | 7,647 | 12,554 |
| Net Best Estimate of Claims Provisions | R0250 | 329 | 526 | 514 | 314 | 437 | 5,289 | 7,409 |
| Total Best estimate - gross | R0260 | 2,321 | 546 | 970 | 763 | 2,927 | 37,475 | 45,001 |
| Total Best estimate - net | R0270 | 405 | 549 | 861 | 325 | 446 | 9,781 | 12,366 |
| Risk margin | R0280 | 4 | 20 | 32 | 12 | 17 | 365 | 450 |
| Technical provisions - total (best estimate plus risk margin) | | | | | | | | |
| Technical provisions - total | R0320 | 2,324 | 566 | 1,002 | 775 | 2,944 | 37,839 | 45,451 |
| Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total | R0330 | 1,916 | -3 | 110 | 438 | 2,481 | 27,693 | 32,635 |
| Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total | R0340 | 408 | 570 | 893 | 337 | 463 | 10,146 | 12,816 |

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

Total Non-Life Business

Accident year / Underwriting year: Z0020 Accident year [AY]

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

| Year | Development year | | | | | | | | | | | In Current year | Sum of years (cumulative) | Gross earned premium at reporting reference date | Estimate of future gross earned premium | |
|--------------|------------------|-------|-------|-----|-------|------|-----|-----|-----|---|--------|-----------------|---------------------------|--------------------------------------------------|-----------------------------------------|-------|
| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | | | | | |
| Prior | R0100 | | | | | | | | | | | | C0170 | C0180 | C0570 | C0580 |
| N-9 | R0160 | 3,579 | 4,558 | 425 | 598 | 231 | 212 | 24 | 5 | 3 | 0 | 0 | 0 | 0 | 6,098 | 0 |
| N-8 | R0170 | 5,561 | 2,695 | 557 | 150 | -23 | 77 | 113 | 198 | 0 | | | 0 | 9,328 | 3,808 | 0 |
| N-7 | R0180 | 679 | 386 | 144 | 1,072 | -284 | 8 | -67 | 0 | | | | 0 | 1,939 | 841 | 0 |
| N-6 | R0190 | 242 | 228 | 34 | 71 | 28 | 0 | 38 | | | | | 38 | 640 | 264 | 0 |
| N-5 | R0200 | 58 | 53 | 18 | 0 | 0 | 0 | | | | | | 0 | 128 | 1 | 0 |
| N-4 | R0210 | 0 | 0 | 0 | 0 | 0 | | | | | | | 0 | 0 | 761 | 0 |
| N-3 | R0220 | 0 | 3 | 3 | 0 | | | | | | | | 0 | 6 | 7,462 | 0 |
| N-2 | R0230 | 54 | 36 | 0 | | | | | | | | | 0 | 91 | 2,377 | 0 |
| N-1 | R0240 | 2,632 | 5,939 | | | | | | | | | | 5,939 | 8,571 | 34,545 | 0 |
| N | R0250 | 4,735 | | | | | | | | | | | 4,735 | 4,735 | 31,475 | 0 |
| Total | | | | | | | | | | | | 10,713 | 35,075 | | | |

Gross undiscounted Best Estimate Claims Provisions (absolute amount)

| Year | Development year | | | | | | | | | | | Year end (discounted data) | |
|--------------|------------------|--------|--------|--------|-------|-------|-----|----|----|---|--------|----------------------------|--------|
| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 & + | | |
| Prior | R0100 | | | | | | | | | | | | C0360 |
| N-9 | R0160 | 12,626 | 12,533 | 7,266 | 0 | 8,722 | 19 | 12 | 6 | 4 | 7 | 0 | 0 |
| N-8 | R0170 | 13,828 | 9,471 | 0 | 7,965 | 335 | 131 | 9 | 0 | 0 | | | 7 |
| N-7 | R0180 | 22,995 | 0 | 12,319 | 222 | 6 | 5 | 18 | 25 | | | | 23 |
| N-6 | R0190 | 84,420 | 14,385 | 132 | 129 | 93 | 97 | 0 | | | | | 0 |
| N-5 | R0200 | 28,333 | 71 | 33 | 0 | 0 | 0 | | | | | | 0 |
| N-4 | R0210 | 2,430 | 0 | 0 | 0 | 0 | | | | | | | 0 |
| N-3 | R0220 | 3,389 | 0 | 0 | 0 | | | | | | | | 0 |
| N-2 | R0230 | 2,211 | 1 | 0 | | | | | | | | | 0 |
| N-1 | R0240 | 19,924 | 3,342 | | | | | | | | | | 3,196 |
| N | R0250 | 17,685 | | | | | | | | | | | 16,737 |
| Total | | | | | | | | | | | | 19,962 | |

IR.23.01.01 Own funds

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|-----------------------|---------------------|--------------|--------------|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| Basic own funds | | | | | | |
| Ordinary share capital (gross of own shares) | R0010 | 3,700 | 3,700 | | | |
| Share premium account related to ordinary share capital | R0030 | 0 | | | | |
| Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings | R0040 | 0 | | | | |
| Subordinated mutual member accounts | R0050 | 0 | | | | |
| Surplus funds | R0070 | 0 | | | | |
| Preference shares | R0090 | 0 | | | | |
| Share premium account related to preference shares | R0110 | 0 | | | | |
| Reconciliation reserve | R0130 | 22,032 | 22,032 | | | |
| Subordinated liabilities | R0140 | 0 | | | | |
| An amount equal to the value of net deferred tax assets | R0160 | 0 | | | | |
| Other own fund items approved by the supervisory authority as basic own funds not specified above | R0180 | 0 | | | | |
| Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds | | | | | | |
| Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds | R0220 | | | | | |
| Total basic own funds | R0290 | 25,732 | 25,732 | 0 | 0 | 0 |
| Ancillary own funds | | | | | | |
| Unpaid and uncalled ordinary share capital callable on demand | R0300 | 0 | | | | |
| Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | R0310 | 0 | | | | |
| Unpaid and uncalled preference shares callable on demand | R0320 | 0 | | | | |
| A legally binding commitment to subscribe and pay for subordinated liabilities on demand | R0330 | 0 | | | | |
| Letters of credit and guarantees | R0340 | 0 | | | | |
| Letters of credit and guarantees other | R0350 | 0 | | | | |
| Supplementary members calls | R0360 | 0 | | | | |
| Supplementary members calls - other | R0370 | 0 | | | | |
| Other ancillary own funds | R0390 | 0 | | | | |
| Total ancillary own funds | R0400 | 0 | | | | |
| Available and eligible own funds | | | | | | |
| Total available own funds to meet the SCR | R0500 | 25,732 | 25,732 | 0 | 0 | |
| Total available own funds to meet the MCR | R0510 | 25,732 | 25,732 | 0 | 0 | |
| Total eligible own funds to meet the SCR | R0540 | 25,732 | 25,732 | 0 | 0 | |
| Total eligible own funds to meet the MCR | R0550 | 25,732 | 25,732 | 0 | 0 | |
| SCR | R0580 | 10,604 | | | | |
| MCR | R0600 | 4,772 | | | | |
| Ratio of Eligible own funds to SCR | R0620 | 242.67% | | | | |
| Ratio of Eligible own funds to MCR | R0640 | 539.27% | | | | |

SHEET (Z)

| | | c |
|-------------------------------------------------------------------------------------------------------------|--------------|--------------|
| | | C0060 |
| Reconciliation reserve | | |
| Excess of assets over liabilities | R0700 | 25,732 |
| Own shares (held directly and indirectly) | R0710 | 0 |
| Foreseeable dividends, distributions and charges | R0720 | 0 |
| Deductions for participations in financial and credit institutions | R0725 | 0 |
| Other basic own fund items | R0730 | 3,700 |
| Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | R0740 | 0 |
| Reconciliation reserve | R0760 | 22,032 |

IR.25.04.21 Solvency Capital Requirement

| Rows | | c |
|-------------------------------------------------------------------|--------------|--------------|
| | | C0010 |
| Net of loss-absorbing capacity of technical provisions | | |
| Market risk | R0140 | 5,017 |
| Interest rate risk | R0070 | 257 |
| Equity risk | R0080 | 0 |
| Property risk | R0090 | 1,341 |
| Spread risk | R0100 | 401 |
| Concentration risk | R0110 | 4,117 |
| Currency risk | R0120 | 1,836 |
| Other market risk | R0125 | 0 |
| Diversification within market risk | R0130 | -2,935 |
| Counterparty default risk | R0180 | 4,233 |
| Type 1 exposures | R0150 | 2,375 |
| Type 2 exposures | R0160 | 2,150 |
| Other counterparty risk | R0165 | |
| Diversification within counterparty default risk | R0170 | -291 |
| Life underwriting risk | R0270 | |
| Mortality risk | R0190 | |
| Longevity risk | R0200 | |
| Disability-Morbidity risk | R0210 | |
| Life-expense risk | R0220 | |
| Revision risk | R0230 | |
| Lapse risk | R0240 | |
| Life catastrophe risk | R0250 | |
| Other life underwriting risk | R0255 | |
| Diversification within life underwriting risk | R0260 | |
| Total health underwriting risk | R0320 | 71 |
| Health SLT risk | R0280 | |
| Health non SLT risk | R0290 | 71 |
| Health catastrophe risk | R0300 | |
| Other health underwriting risk | R0305 | |
| Diversification within health underwriting risk | R0310 | |
| Non-life underwriting risk | R0370 | 3,184 |
| Non-life premium and reserve risk (ex catastrophe risk) | R0330 | 2,916 |
| Non-life catastrophe risk | R0340 | 743 |
| Lapse risk | R0350 | |
| Other non-life underwriting risk | R0355 | |
| Diversification within non-life underwriting risk | R0360 | -475 |
| Intangible asset risk | R0400 | |
| Operational and other risks | R0430 | 1,350 |
| Operational risk | R0422 | 1,350 |
| Other risks | R0424 | |
| Total before all diversification | R0432 | 17,556 |
| Total before diversification between risk modules | R0434 | 13,855 |
| Diversification between risk modules | R0436 | -3,251 |
| Total after diversification | R0438 | 10,604 |
| Loss-absorbing capacity of technical provisions | R0440 | |
| Loss-absorbing capacity of deferred taxes | R0450 | |
| Other adjustments | R0455 | |
| Solvency capital requirement including undisclosed capital add-on | R0460 | |
| Disclosed capital add-on - excluding residual model limitation | R0472 | |
| Disclosed capital add-on - residual model limitation | R0474 | |
| Solvency capital requirement including capital add-on | R0480 | 10,604 |
| Biting interest rate scenario | R0490 | Decrease |
| Biting life lapse scenario | R0495 | |

IR.28.01.01 Minimum Capital Requirement – Only life or only non-life insurance or reinsurance activity

| | | MCR components | |
|--------------------------------------------------------------------------|--------------|---------------------------------------------------------------------|-------------------------------------------------------------|
| | | C0010 | |
| MCRNL Result | R0010 | 5,000 | |
| | | Background information | |
| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
| | | C0020 | C0030 |
| Medical expense insurance and proportional reinsurance | R0020 | 405 | 668 |
| Income protection insurance and proportional reinsurance | R0030 | | |
| Workers' compensation insurance and proportional reinsurance | R0040 | | |
| Motor vehicle liability insurance and proportional reinsurance | R0050 | | |
| Other motor insurance and proportional reinsurance | R0060 | | |
| Marine, aviation and transport insurance and proportional reinsurance | R0070 | | |
| Fire and other damage to property insurance and proportional reinsurance | R0080 | 549 | 154 |
| General liability insurance and proportional reinsurance | R0090 | 861 | 2,067 |
| Credit and suretyship insurance and proportional reinsurance | R0100 | 325 | 520 |
| Legal expenses insurance and proportional reinsurance | R0110 | 446 | 63 |
| Assistance and proportional reinsurance | R0120 | | |
| Miscellaneous financial loss insurance and proportional reinsurance | R0130 | 9,781 | 20,793 |
| Non-proportional health reinsurance | R0140 | | |
| Non-proportional casualty reinsurance | R0150 | | |
| Non-proportional marine, aviation and transport reinsurance | R0160 | | |
| Non-proportional property reinsurance | R0170 | | |
| | | c | |
| | | C0040 | |
| MCRL Result | R0200 | | |
| | | Net (of reinsurance/SPV) best estimate and TP calculated as a whole | Net (of reinsurance/SPV) total capital at risk |
| | | C0050 | C0060 |
| Obligations with profit participation - guaranteed benefits | R0210 | | |
| Obligations with profit participation - future discretionary benefits | R0220 | | |
| Index-linked and unit-linked insurance obligations | R0230 | | |
| Other life (re)insurance and health (re)insurance obligations | R0240 | | |
| Total capital at risk for all life (re)insurance obligations | R0250 | | |
| | | c | |
| | | C0070 | |
| Linear MCR | R0300 | 5,000 | |
| SCR | R0310 | 10,604 | |
| MCR cap | R0320 | 4,772 | |
| MCR floor | R0330 | 2,651 | |
| Combined MCR | R0340 | 4,772 | |
| Absolute floor of the MCR | R0350 | 3,977 | |
| Minimum Capital Requirement | R0400 | 4,772 | |