

Exhibit G-5

Audited Financial Statement for the year-ending December 31, 2025 for Elk Topco

Elk Topco, LLC

Consolidated Financial Statements

As of and for the year ended December 31, 2025

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Report of Independent Auditors

To the Management and Board of Directors of Elk Topco, LLC

Opinion

We have audited the accompanying consolidated financial statements of Elk Topco, LLC and its subsidiaries (the "Company"), which comprise the consolidated balance sheet as of December 31, 2025, and the related consolidated statement of operations, of comprehensive income, of changes in equity and of cash flows for the year then ended, including the related notes (collectively referred to as the "consolidated financial statements").

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

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the short-duration insurance contracts information presented on pages 39 to 58, consisting of i) net cumulative incurred losses and allocated loss adjustment expenses for all periods preceding the year ended December 31, 2025, ii) net cumulative paid losses and allocated loss adjustment expenses for all periods preceding the year ended December 31, 2025 and iii) annual percentage payout of incurred losses since year of acquisition, net of reinsurance as of December 31, 2025 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with US GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Voluntary Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplemental consolidating balance sheet and statement of operations data presented on pages 90 to 93 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

PricewaterhouseCoopers LLP

New York, New York
March 18, 2026

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Elk Topco, LLC

CONSOLIDATED BALANCE SHEET

	<u>As of December 31, 2025</u>	
	<u>(in millions of U.S. dollars, except share data)</u>	
ASSETS		
Fixed maturities, available-for-sale, at fair value (amortized cost: \$6,677; net of allowance — \$3)	\$	6,698
Short-term investments, available-for-sale, at fair value (amortized cost: \$649)		650
Funds held ⁽¹⁾		4,393
Equity securities, at fair value (cost: \$721) ⁽¹⁾		808
Other investments, at fair value (includes consolidated variable interest entity: \$126) ⁽¹⁾		4,974
Equity method investments ⁽¹⁾		324
Total investments (Note 4 and Note 10)		<u>17,847</u>
Cash and cash equivalents (includes consolidated variable interest entity: \$0) ⁽¹⁾		670
Restricted cash and cash equivalents		486
Accrued interest receivable		70
Reinsurance balances recoverable on paid and unpaid losses (net of allowance: \$4)		1,007
Insurance balances recoverable on defendant asbestos and environmental liabilities (Note 9)		157
Fair value adjustment - Losses and loss adjustment expenses and defendant asbestos and environmental liabilities		720
Intangible assets, net		45
Net deferred charge assets (Note 7)		7
Other assets ⁽¹⁾		697
TOTAL ASSETS	\$	<u>21,706</u>
LIABILITIES		
Losses and loss adjustment expenses (Note 8) ⁽¹⁾	\$	12,700
Defendant asbestos and environmental liabilities (Note 9)		745
Debt obligations (Note 13)		2,243
Other liabilities (includes consolidated variable interest entity: \$4) ⁽¹⁾		815
TOTAL LIABILITIES		<u>16,503</u>
COMMITMENTS AND CONTINGENCIES (Note 19)		
EQUITY (Note 15)		
Members' Capital		
Participating units (issued and outstanding: 36,541,837)		3,654
Management incentive plan units (issued and outstanding: 3,177,551)		—
Voting units (issued and outstanding: 35,000,000)		—
Accumulated other comprehensive income		21
Retained earnings		938
Total Elk Topco, LLC members' equity		<u>4,613</u>
Noncontrolling interests (Note 14)		590
TOTAL EQUITY		<u>5,203</u>
TOTAL LIABILITIES AND EQUITY	\$	<u>21,706</u>

⁽¹⁾ See Note 17 for additional information regarding related party transactions.

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF OPERATIONS

	Year Ended December 31, 2025
	(in millions of U.S. dollars)
REVENUES	
Net premiums earned	\$ 24
Net investment income ⁽¹⁾	598
Net realized losses	(1)
Fair value changes in equity securities and funds held ⁽¹⁾	98
Other income	11
Bargain purchase gain on Merger	558
Total revenues	1,288
EXPENSES	
Net incurred losses and loss adjustment expenses	
Current period	6
Prior periods	(29)
Total net incurred losses and loss adjustment expenses ⁽¹⁾	(23)
Defendant asbestos and environmental expenses	66
Amortization of net deferred charge assets	2
General and administrative expenses	224
Interest expense	71
Loss on extinguishment of debt	12
Amortization of fair value adjustments and intangible assets	76
Net foreign exchange gains	(26)
Total expenses	402
INCOME BEFORE INCOME TAXES	886
Income tax benefit	71
Income from equity method investments ⁽¹⁾	10
NET INCOME	967
Less: Net income attributable to noncontrolling interests	(29)
NET INCOME ATTRIBUTABLE TO ELK TOPCO, LLC	\$ 938

⁽¹⁾ See Note 17 for additional information regarding related party transactions.

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year Ended December 31, 2025
	(in millions of U.S. dollars)
NET INCOME	\$ 967
Other comprehensive income, net of income taxes:	
Unrealized gains on fixed maturity available-for-sale investments arising during the period	20
Reclassification adjustment for change in allowance for credit losses recognized in net income	4
Reclassification adjustment for net realized gains recognized in net income	(3)
Unrealized gains arising during the period, net of reclassification adjustments	21
Total other comprehensive income	21
Comprehensive income	988
Less: Comprehensive income attributable to noncontrolling interests	(29)
COMPREHENSIVE INCOME ATTRIBUTABLE TO ELK TOPCO, LLC	\$ 959

See accompanying notes to the consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	MEMBERS CAPITAL ⁽¹⁾		Retained Earnings	Total Topco Members' Equity	NCI	Total Equity
	Participating Units	AOCI				
(in millions of U.S. dollars)						
Year Ended December 31, 2025						
Balance as of January 1, 2025	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Issuance of member units (Note 15)	3,654	—	—	3,654	—	3,654
Issuance of noncontrolling interests by consolidated subsidiary (Note 14)	—	—	—	—	173	173
Acquisition of Enstar Group Limited noncontrolling interests (Note 14)	—	—	—	—	416	416
Net income	—	—	938	938	29	967
Dividends to NCI	—	—	—	—	(28)	(28)
Other comprehensive income, net of tax	—	21	—	21	—	21
Other	—	—	—	—	—	—
Balance as of December 31, 2025	\$ 3,654	\$ 21	\$ 938	\$ 4,613	\$ 590	\$ 5,203

⁽¹⁾ Management incentive plan units and voting units are not presented herein as the activity and amounts are less than \$1 million.

See accompanying notes to the consolidated financial statements.

Elk Topco, LLC
CONSOLIDATED STATEMENT OF CASH FLOWS

	Year Ended December 31, 2025	
	(in millions of U.S. dollars)	
OPERATING ACTIVITIES:		
Net income	\$	967
Adjustments to reconcile net income to cash flows used in operating activities:		
Bargain purchase gain on Merger		(558)
Fair value changes in equity securities and funds held		(98)
Fair value changes included in net investment income		(225)
Net realized losses		1
Loss on extinguishment of debt		12
Amortization of net deferred charge assets		2
Depreciation, accretion, and amortization		75
Income from equity method investments		(10)
Changes in:		
Reinsurance balances recoverable on paid and unpaid losses		40
Losses and loss adjustment expenses		(886)
Defendant asbestos and environmental liabilities		28
Other operating assets and liabilities		(52)
Funds held		652
Net cash flows used in operating activities		(52)
INVESTING ACTIVITIES:		
Acquisitions, net of cash acquired		(2,069)
Sales and maturities of available-for-sale securities		1,899
Purchase of available-for-sale securities		(2,395)
Sales of equity securities		29
Purchases of equity securities		(6)
Purchase of other investments		(511)
Proceeds from other investments		341
Net cash flows used in investing activities		(2,712)
FINANCING ACTIVITIES:		
Issuance of noncontrolling interest, net of issuance costs		173
Proceeds from debt issuance (Note 13)		927
Repayment of debt (Note 13)		(582)
Issuance of member units (Note 15)		3,419
Dividends to noncontrolling interests		(28)
Net cash flows provided by financing activities		3,909
Effect of exchange rate changes on foreign currency cash, cash equivalents and restricted cash		11
Net increase in cash, cash equivalents and restricted cash		1,156
Cash, cash equivalents and restricted cash, beginning of period		—
Cash, cash equivalents and restricted cash, end of period	\$	1,156
Supplemental Cash Flow Information:		
Income taxes received, net of refunds	\$	5
Interest paid		68
Reconciliation to Consolidated Balance Sheet:		
Cash and cash equivalents		670

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Restricted cash and cash equivalents		486
Cash, cash equivalents and restricted cash	\$	1,156
Non-cash investing activities:		
Unsettled purchases - Available-for-sale and other investments	\$	(35)
Unsettled sales - Available-for-sale and other investments		42
Non-cash financing activities:		
Issuance of member units as partial consideration for the Merger (Note 15)		235

See accompanying notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS OVERVIEW AND BASIS OF PRESENTATION

Business

Elk Topco, LLC ("Elk Topco"), along with its wholly-owned subsidiary, Elk Bidco Limited ("Elk Bidco"), (collectively, the "Company," "we," "us," or "our") were incorporated under the laws of Bermuda in July 2024 for purposes of merging with Enstar Group Limited ("EGL"), a leading global (re)insurance group that offers innovative capital release solutions through its network of group companies in Bermuda, the United States, the United Kingdom, Liechtenstein, Belgium and Australia with a core focus in acquiring and managing (re)insurance companies and portfolios of (re)insurance business in run-off. The Company is backed by equity commitments from investment vehicles managed or advised by affiliates of Sixth Street Partners, LLC ("Sixth Street"). The Company financed the Merger (defined below) with EGL by issuing debt, preferred shares at Elk Bidco and participating units at Elk Topco as detailed in Note 13, Note 14 and Note 15.

Basis of Presentation

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). All intercompany accounts and transactions have been eliminated. While the Company was formed in July 2024, the activities from the date of incorporation to the Merger with EGL were immaterial and therefore only the 2025 annual period is included in these financial statements.

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

Use of Estimates, Risks and Uncertainties

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

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

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

Merger

Merger Agreement and execution: On July 29, 2024, Elk Bidco entered into an Agreement and Plan of Merger (the "Merger Agreement") with EGL. Pursuant to the Merger Agreement, there was a series of mergers consummated on July 2, 2025 (collectively, the "Merger") that resulted in EGL surviving the Merger as a wholly-owned subsidiary of Elk Bidco. As a result of the transaction, the Company owns 100% of the ordinary shares in EGL. This transaction was entered into as a strategic investment in the run-off reinsurance market.

As a result of the completion of the Merger, shareholders holding ordinary shares of EGL received a total of \$338 in cash per ordinary share. In connection with the Merger, certain shareholders of EGL elected to participate in an equity rollover to become members of the Company in exchange for their shares in EGL. Also, as contemplated in the Merger Agreement, EGL's restricted stock awards, restricted stock unit awards, deferred stock awards, and performance shares that were outstanding immediately prior to completion of the Merger became vested. Total

consideration for the Merger was \$5.1 billion, which included a \$496 million return of capital from EGL to its shareholders that was included as part of the cash received by such shareholders at the close of the Merger based on final share count.

The following table represents the fair value of net assets acquired on July 2, 2025, the date the Merger was completed (or “acquisition date”):

	Fair Value of Net Assets Acquired	
	(in millions of U.S. dollars)	
ASSETS		
Fixed maturities, at fair value	\$	6,432
Short-term investments, at fair value		499
Funds held		4,632
Equity securities, at fair value		729
Other investments, at fair value		4,559
Equity method investments		314
Total investments		17,165
Cash and cash equivalents		1,725
Restricted cash and cash equivalents		1,050
Accrued interest receivable		78
Reinsurance balances recoverable on paid and unpaid losses		760
Insurance balances recoverable		256
Fair value adjustment related to losses and loss adjustment expenses and defendant asbestos and environmental liabilities		795
Intangible assets		46
Other assets		643
TOTAL ASSETS	\$	22,518
LIABILITIES		
Losses and loss adjustment expenses	\$	13,211
Defendant asbestos and environmental liabilities		718
Debt obligations		1,882
Other liabilities		621
TOTAL LIABILITIES	\$	16,432
NET ASSETS ACQUIRED AT FAIR VALUE	\$	6,086
Less:		
Cash consideration paid to EGL ordinary shareholders	\$	4,878
Fair value of rollover shares in the Company		235
Fair value of noncontrolling interests ⁽¹⁾		415
Total purchase consideration	\$	5,528
Bargain purchase gain (Total purchase consideration compared to net assets acquired at fair value)	\$	558

⁽¹⁾ The noncontrolling interest (“NCI”) primarily relates to the Series D Preferred Shares and Series E Preferred Shares of EGL that continue to be held by third party investors, which were publicly traded at the acquisition date. Therefore, the fair value of the noncontrolling interest was measured based on the closing share price on the acquisition date.

As noted above, we recognized a bargain purchase gain of \$558 million, which was recorded in our consolidated statement of operations, as the fair value of the net assets acquired exceeded the total purchase consideration. The bargain purchase gain was attributable to both the value of the consideration being below that of net assets acquired at the Merger Agreement date, as well as the timing of the agreed fixed consideration in July 2024 compared to the July 2025 closing date that occurred approximately one year later during which the income and net assets of EGL continued to rise in value.

The purchase price allocation related to the Merger is provisional and could change in subsequent periods to reflect new information obtained about the facts and circumstances that existed as of the acquisition date, which if known, would have affected the measurement of the amounts recognized as of such date. We may recognize adjustments to the provisional amounts in future periods, but no later than one year from the acquisition date (referred to as the "measurement period"). The measurement period adjustments will be reflected with offsetting adjustments to the bargain purchase gain. During the three-month period ended December 31, 2025, we recognized a decrease of \$65 million to losses and loss adjustment expenses ("LAE") and \$10 million to other assets for the deferred tax impact as measurement period adjustments.

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

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

Fair value adjustment related to losses and LAE and defendant asbestos and environmental liabilities and intangible assets established in purchase accounting, as well as amortization through December 31, 2025 consisted of the following:

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

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

The estimated aggregate amortization expense for the next five years and thereafter corresponding to these fair value adjustments and amortizable intangible assets is as follows:

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

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

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

Merger related expenses: Total fees and expenses for the Merger were \$70 million and reflected in general and administrative expenses, which related to consulting and advisory and legal services as well as compensation costs for EGL’s share-based compensation awards for the accelerated vesting and increase in the fair value of the awards from the grant date value to \$338 per award as these awards were settled as part of the Merger. Additional acquisition costs were incurred by EGL prior to the Merger and are not included in the results of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Significant Accounting Policies	Note Reference(s)
<ul style="list-style-type: none"> • Fair value adjustments and intangible assets 	Note 1 - Business Overview and Basis of Presentation
<ul style="list-style-type: none"> • Short-term investments and fixed maturities • Allowance for credit losses • Equity securities • Other investments, at fair value • Equity method investments • Funds held 	Note 4 - Investments
<ul style="list-style-type: none"> • Derivative instruments 	Note 5 - Derivatives and Hedging Instruments
<ul style="list-style-type: none"> • Reinsurance Balances Recoverable on Paid and Unpaid Losses 	Note 6 - Reinsurance Balances Recoverable on Paid and Unpaid Losses
<ul style="list-style-type: none"> • Deferred Charge Assets and Deferred Gain Liabilities 	Note 7 - Deferred Charge Assets and Deferred Gain Liabilities
<ul style="list-style-type: none"> • Losses and LAE • Paid ULAE 	Note 8 - Losses and Loss Adjustment Expenses
<ul style="list-style-type: none"> • Defendant Asbestos and Environmental Liabilities • Insurance Balances Recoverable 	Note 9 - Defendant Asbestos and Environmental Liabilities
<ul style="list-style-type: none"> • Variable Interest Entities 	Note 11 - Variable Interest Entities
<ul style="list-style-type: none"> • Income Taxes 	Note 16 - Income Taxation

Other Significant Accounting Policies

Retroactive Reinsurance Contracts

For each of our reinsurance agreements, we determine whether the agreement provides indemnification against loss or liability relating to insurance risk in accordance with applicable accounting standards. We review all contractual features, including those that may limit the amount of insurance risk to which the reinsurer is subject or features that delay the timely reimbursement of claims.

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

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

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

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

Prospective reinsurance and insurance contracts

For prospective reinsurance of short-duration contracts that meet the criteria for reinsurance accounting, amounts received (paid) are recorded as assumed (ceded) premiums and assumed (ceded) unearned premiums. Assumed (ceded) unearned premiums are reflected as premiums within the consolidated statement of operations and, losses and LAE (reinsurance balances recoverable on paid and unpaid losses) within the consolidated balance sheet.

Such amounts are amortized through net earned premiums over the remaining contract period in proportion to the amount of insurance protection provided.

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

Unearned Premium Reserves and Premiums Receivable

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

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

Acquisition Costs

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

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

Cash and cash equivalents

Cash equivalents include money market funds, fixed interest deposits and all highly liquid debt instruments purchased with an original maturity of three months or less. Securities included within cash equivalents are stated at estimated fair value, while other investments included within cash equivalents are stated at amortized cost which approximates estimated fair value.

Foreign Exchange

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

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

Recently Issued Accounting Pronouncements Not Yet Adopted

Accounting Standards Update (“ASU”) 2023-09 - Improvements to Income Tax Disclosures

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

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

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

Adopting ASU 2023-09 will require us to expand our income tax disclosures. We will prospectively adopt this ASU within our annual financial statements for the year ended December 31, 2026.

3. SIGNIFICANT NEW BUSINESS

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

[Signed and closed reinsurance agreements](#)

During the year ended December 31, 2025, we completed a reinsurance agreement for a series of reinsurance transactions predominately related to property catastrophe business.

The table below sets forth a summary of new reinsurance business that we closed between January 1, 2025 and December 31, 2025:

Line of Business	Consideration Received	Net Loss Reserves Assumed	DCA ⁽¹⁾	Type of Transaction	Remaining Limit upon Acquisition	Jurisdiction
(in millions of U.S. dollars)						
Property catastrophe	\$ 906	\$ 924	\$ 18	LPTs and Novation	\$ 374	Global

⁽¹⁾ Deferred charge assets (“DCA”) are recorded when the estimated ultimate losses payable exceed the consideration received at the inception of the agreement. Refer to Note 7 for additional information.

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

4. INVESTMENTS

We hold:

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

Short-term and Fixed Maturities

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

All short-term and fixed maturities are classified as available-for-sale ("AFS") and are carried at fair value, with unrealized gains and losses excluded from net income and reported as a separate component of accumulated other comprehensive income (loss) ("AOCI"). Realized gains and losses on sales of investments classified as AFS are recognized in the consolidated statement of operations.

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

Asset Types

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

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

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

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

Contractual Maturities

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

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

Unrealized Gains and Losses on AFS Short-term and Fixed Maturity Investments

The amortized cost, unrealized gains and losses, and fair values of our short-term and fixed maturity investments classified as AFS were as follows:

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

Gross Unrealized Losses on AFS Short-term and Fixed Maturity Investments

The following table summarizes our short-term and fixed maturity investments classified as AFS that were in a gross unrealized loss position, for which an allowance for credit losses has not been recorded, as explained below:

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

As of December 31, 2025, the number of securities classified as AFS in an unrealized loss position for which an allowance for credit loss is not recorded was 1,779. Of these securities, none have been in an unrealized loss position for twelve months or longer.

The contractual terms of a majority of these investments do not permit the issuers to settle the securities at a price less than the amortized cost basis of the security. While there has been market volatility during the period, we currently do not expect the issuers of these fixed maturities will settle them at a price less than their amortized cost basis and therefore it is expected that we will recover the entire amortized cost basis of each security. Furthermore, we do not intend to sell the securities that are currently in an unrealized loss position, and it is also not more likely

than not we will be required to sell the securities, before the recovery of their amortized cost bases.

Allowance for Credit Losses on AFS Fixed Maturity Investments

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

Other Investments

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

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

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

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

	December 31, 2025	
	(in millions of U.S. dollars)	
Other Investments		
Private equity funds	\$	2,041
Private credit funds		1,285
Fixed income funds		625
Real estate funds		523
Hedge funds		402
CLO equity funds		48
CLO equities		18
Equity funds		5
Others		27
Total	\$	<u>4,974</u>

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

- Private equity funds include primary, secondaries diversified by asset classes, regional vintage and sectors and direct co-investment opportunities;
- Private credit funds invest in direct senior or collateralized loans;
- Hedge funds invest in fixed income, equity and other investments;
- Real estate funds comprise of real estate funds that invest primarily in commercial real estate equity;

- Fixed income funds comprise several positions in diversified fixed income funds that are managed by third-party managers. Underlying investments vary from high-grade corporate bonds to non-investment grade senior secured loans and bonds, in both liquid and illiquid markets. The liquid fixed income funds have regularly published prices;
- CLO equity funds invest primarily in the equity tranches of term-financed securitizations of diversified pools of corporate bank loans;
- CLO equities comprise investments in the equity tranches of term-financed securitizations of diversified pools of corporate bank loans; and
- Equity funds invest primarily in public equities.

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

We use NAV as a practical expedient to fair value certain of our other investments, including equities. Due to a lag in the valuations of certain funds reported by the managers, we may record changes in valuation with up to a three-month lag¹. We regularly review and discuss fund performance with the fund managers to corroborate the reasonableness of the reported net asset values and to assess whether any events have occurred within the lag period that would affect the valuation of the investments.

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

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

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

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

⁽¹⁾ Redemption frequency relates to unrestricted amounts.

Equity Investments

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

We may elect to measure a privately held equity without a readily determinable fair value that does not qualify for the practical expedient to estimate fair value at its cost less impairment, if any.

¹ The valuation of our other investments is described in Note 10.

We have elected the fair value option for our investment in Monument Insurance Group Limited “Monument Re” that would otherwise be accounted for as an equity method investment as we have a 24.6% ownership. The primary reasons for electing the fair value option is because Monument Re’s business, which is primarily in life insurance, and basis of accounting differ from that of the Company.

The following table summarizes our equity investments:

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

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

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

Equity Method Investments

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

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

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

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

The table below shows our equity method investments:

	December 31, 2025	
	Ownership %	Carrying Value
	(in millions of U.S. dollars)	
Core Specialty Insurance Holdings, Inc (“Core Specialty”)	19.6 %	\$ 319
Positive Physicians Holdings, Inc	27.0 %	5
Total		\$ 324

In addition, we have an equity method investment in Monument Re, valued at \$22 million, which we account for using the fair value option and classify within equity investments.

Summarized Financial Information

The following is the aggregated summarized financial information of our equity method investees, including those

for which the fair value option was elected and would otherwise be accounted for as an equity method investment.

	December 31, 2025	
	(in millions of U.S. dollars)	
Balance Sheet		
Total assets	\$	63,283
Total liabilities		45,764
Operating Results		
Total income		12,437
Total expenses		11,326
Net income	\$	<u>1,111</u>

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

Ownership percentage	December 31, 2025	
	Equity Method Investments	Fair Value Option
	(in millions of U.S. dollars)	
100%	\$ —	\$ —
20% to 99%	5	1,737
3% to 19%	319	1,016
Total	<u>\$ 324</u>	<u>\$ 2,753</u>

Funds Held

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

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

	December 31, 2025	
	(in millions of U.S. dollars)	
Funds held - directly managed	\$	2,139
Funds held by reinsured companies		2,254
Total funds held	\$	<u>4,393</u>

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

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

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

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

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

Funds Held - Directly Managed

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

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

The majority of our funds held - directly managed is comprised of short-term and fixed maturities. The movement for the period was primarily due to the impact of net paid losses; partially offset by fair value changes on fixed maturities and other investments, including equities.

Funds Held by Reinsured Companies

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

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

Net Investment Income

Major categories of net investment income are summarized as follows:

	Year Ended December 31,
	2025
	(in millions of U.S. dollars)
Fixed maturity investments	\$ 172
Short-term investments and cash and cash equivalents	42
Funds held	109
Investment income from fixed maturities, cash and cash equivalents, and funds held	323
Equity investments	10
Other investments	267
Investment income from equities and other investments	277
Gross investment income	600
Investment expenses	(2)
Net investment income	<u>\$ 598</u>

Net Realized Gains (Losses) and Fair Value Changes

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

	Year Ended December 31, 2025
	(in millions of U.S. dollars)
Net realized gains (losses) on sales:	
Gross realized gains on fixed maturity securities, AFS	\$ 6
Gross realized losses on fixed maturity securities, AFS	(4)
Decrease (increase) in allowance for expected credit losses on fixed maturities, AFS	(3)
Total net realized losses on sales	\$ (1)
Fair value changes in equity securities and funds held:	
Funds held - directly managed	\$ 18
Equity securities	80
Fair value changes in equity securities and funds held	\$ 98
Net realized losses and fair value changes in equity securities and funds held	\$ 97

The gross realized gains and losses on sales of AFS investments for the year ended December 31, 2025 included in the table above resulted from sales of \$1.5 billion.

For the year ended December 31, 2025, fair value changes in equity securities and funds held recorded within the statement of operations relating to equity securities still held on the balance sheet date were \$80 million.

Restricted Assets

We utilize trust accounts to collateralize business with our (re)insurance counterparties. We are also required to maintain investments and cash and cash equivalents on deposit with regulatory authorities and Lloyd's of London ("Lloyd's") to support our (re)insurance operations. The investments and cash and cash equivalents on deposit are available to settle (re)insurance liabilities. Collateral generally takes the form of assets held in trust, letters of credit ("LOC") or funds held. The assets used as collateral are primarily highly rated fixed maturities.

The carrying value of our restricted assets, including restricted cash of \$486 million as of December 31, 2025, was as follows:

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

⁽¹⁾ We managed and provided capacity for one Lloyd's syndicate as of December 31, 2025. Lloyd's determines the required capital principally through the use of an internal model that calculates a solvency capital requirement for each syndicate. This capital is referred to as Funds at Lloyd's ("FAL") and will be drawn upon in the event that a syndicate has a loss that cannot be funded from other sources.

5. DERIVATIVES AND HEDGING INSTRUMENTS

Accounting for Derivatives

Freestanding Derivatives

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

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

Hedge Accounting

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

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

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

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

Embedded Derivatives

We are party to certain reinsurance agreements that have embedded derivatives. We also have embedded derivatives on our convertible bond portfolio, recorded within fixed maturities, trading on the consolidated balance sheet. We assess each identified embedded derivative to determine whether it is required to be bifurcated. The embedded derivative is bifurcated from the host contract and accounted for as a freestanding derivative if:

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

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

Derivative Strategies

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

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

Foreign Currency Derivatives

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

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

Interest Rate Derivatives

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

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

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

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

	December 31, 2025		
	Gross Notional Amount	Fair Value ⁽¹⁾	
		Assets	Liabilities
	(in millions of U.S. dollars)		
Derivatives designated as hedging instruments			
Foreign currency forward contracts	\$ 294	\$ —	\$ 8
Derivatives not designated as hedging instruments			
Foreign currency forward contracts	753	21	2
Interest rate swaps	125	1	—
Total	\$ 1,172	\$ 22	\$ 10

⁽¹⁾ Refer to Note 10 for additional information regarding the fair value of our derivatives.

The following table presents the net gains and losses relating to our derivative instruments for the year ended December 31, 2025:

		Amount of Net Gains (Losses)
		Year Ended December 31, 2025
Financial statement line item where gain (loss) is recognized on derivatives		(in millions of U.S. dollars)
Derivatives designated as hedging instruments		
Foreign currency forward contracts	Accumulated other comprehensive income	\$ (22)
Derivatives not designated as hedging instruments		
Foreign currency forward contracts	Net foreign exchange loss	6
Interest rate swaps	Fair value changes in equity and funds held	—

6. REINSURANCE BALANCE RECOVERABLE ON PAID AND UNPAID LOSSES

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

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

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

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

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

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

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

	December 31, 2025	
	(in millions of U.S. dollars)	
Recoverable from reinsurers on unpaid:		
Outstanding losses and IBNR	\$	922
ULAE		4
Fair value adjustments - acquired companies		—
Fair value adjustments - fair value option		—
Total reinsurance reserves recoverable		926
Paid losses recoverable		81
Total	\$	1,007

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

The fair value adjustments, determined on acquisition of (re)insurance subsidiaries, are based on the estimated timing of loss and LAE recoveries and an assumed interest rate equivalent to a risk free rate for securities with similar duration to the acquired reinsurance balances recoverable on paid and unpaid losses plus a spread for credit risk, and are amortized over the estimated recovery period, as adjusted for accelerations in timing of payments as a result of commutation settlements.

Top Ten Reinsurers

December 31, 2025		
Number	Total (\$)	%
(in millions of U.S. dollars, except for number of top 10 reinsurers)		

Information regarding top ten reinsurers:

Top 10 reinsurers rated A- or better	8	\$ 306	
Top 10 non-rated reinsurers:			
Due from a U.S. state backed reinsurer that is supported by assessments on active auto writers operating within the state		130	
Due from a U.S. Workers' Compensation Reinsurance Pool that is secured through an allocation to insurers actively writing workers' compensation in the covered state		38	
Due from a Bermuda registered collateralized reinsurer		260	
Total top 10 non-rated reinsurers	2	428	
Total top 10 reinsurers		734	72.9 %
Other reinsurers > \$1 million		259	25.7 %
Other reinsurers < \$1 million		14	1.4 %
Total		\$ 1,007	100.0 %

Single reinsurers that represent 10% or more of total reinsurance balance recoverables as of December 31, 2025:

Lloyd's Syndicates ⁽¹⁾	\$	108	
Michigan Catastrophic Claims Association ⁽²⁾	\$	130	
Scaur-Hill ⁽³⁾	\$	260	

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

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

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

The table below provides a reconciliation of the beginning and ending allowance for estimated uncollectible reinsurance balances for the year ended December 31, 2025:

		Year Ended December 31, 2025
		(in millions of U.S. dollars)
Balance as of beginning of period		—
Current period change in the allowance		4
Allowance for estimated uncollectible reinsurance, end of year		\$ 4

7. DEFERRED CHARGE ASSETS AND DEFERRED GAIN LIABILITIES

If, at the inception of a retroactive reinsurance contract, the estimated liabilities for losses and LAE exceed the consideration received, a deferred charge asset (“DCA”) is recorded for this difference. In contrast, if the consideration received is in excess of the estimated undiscounted ultimate losses payable, a deferred gain liability (“DGL”) is recorded. In addition, for retrocessions of losses and LAE reserves that we may cede through retroactive reinsurance contracts where the retroceded liabilities exceed the retrocession consideration paid, we would record a DGL.

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

We amortize the DCA and DGL balances over the estimated claim payment period of the related contracts with the amortization subject to prospective adjustment at each reporting period to reflect new estimates of the pattern and timing of remaining losses and LAE payments.

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

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

The following table presents a summary of the DCA and DGL balances and related activity for the year ended December 31, 2025:

	Year Ended December 31, 2025		
	DCA	DGL	Net
	(in millions of U.S. dollars)		
Beginning carrying value	\$ —	\$ —	\$ —
Additions during the period	18	(9)	9
Amortization	(3)	1	(2)
Ending carrying value	\$ 15	\$ (8)	\$ 7

8. LOSSES AND LOSS ADJUSTMENT EXPENSES

The liability for losses and LAE, also referred to as loss reserves, represents both gross estimates before reinsurance for unpaid reported losses (Outstanding Loss Reserves, or “OLR”) and losses that have been incurred but not reported (“IBNR”), estimated using actuarial methods. We recognize an asset for the portion of the liability that we expect to recover from reinsurers. LAE reserves include allocated LAE (“ALAE”) and unallocated LAE (“ULAE”). ALAE are linked to the settlement of an individual claim or loss, whereas ULAE are based on our estimates of future costs to administer the claims. IBNR includes amounts for unreported claims, development on known claims and reopened claims.

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

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

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

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

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

Prior period development ("PPD") arises from changes to loss estimates recognized in the current calendar year that relate to loss reserves established in previous calendar years.

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

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

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

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

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

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

The table below provides a consolidated reconciliation of the beginning and ending liability for losses and LAE:

	Year Ended December 31, 2025	
	(in millions of U.S. dollars)	
Balance as of beginning of period		—
Acquisition of Enstar Group Limited	\$	13,212
Reinsurance reserves recoverable on unpaid losses		(674)
Net balance as of beginning of period		12,538
Net incurred losses and LAE:		
Current period:		
Increase in estimates of net ultimate losses		6
Total current period		6
Prior periods:		
Net increase in estimates of ultimate losses		14
Net decrease in provisions for ULAE		(43)
Total prior periods		(29)
Total net incurred losses and LAE		(23)
Net paid losses:		
Prior periods		(1,301)
Total net paid losses		(1,301)
Other changes:		
Changes in deferred gain on ceded business		(1)
Effect of exchange rate movement		(57)
Commutation		(18)
Ceded business		(288)
Assumed business ⁽¹⁾		924
Total other changes		560
Net balance as of end of period		11,774
Reinsurance reserves recoverable on unpaid losses		926
Balance as of end of period	\$	12,700

	Year Ended December 31, 2025	
	(in millions of U.S. dollars)	
Reconciliation to Consolidated Balance Sheet:		
Losses and loss adjustment expenses	\$	12,700
Reinsurance balances recoverable on paid and unpaid losses	\$	1,007
Less: Paid losses recoverable		(81)
Reinsurance reserves recoverable on unpaid losses	\$	926

⁽¹⁾ Corresponds to the net loss reserves assumed from the signed and closed reinsurance agreement described in Note 3.

Prior Period Development (“PPD”)

Net Reduction in Estimates of Net Ultimate Losses

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

	Year Ended December 31, 2025	
	(in millions of U.S. dollars)	
Asbestos	\$	69
Environmental		(7)
General casualty		120
Workers' compensation		(123)
Marine, aviation and transit		7
Construction defect		7
Professional indemnity/Directors and Officers		113
Motor		(102)
Property		(62)
All Other		(8)
Total	\$	14

Year Ended December 31, 2025:

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

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

Reduction in Provisions for ULAE

Year Ended December 31, 2025:

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

Reconciliation of the Net Liability for Losses and LAE to the Gross Liability for Losses and LAE included in the Consolidated Balance Sheet

The table below presents the reconciliation of the loss development tables disclosed further below to the liability for losses and LAE in the consolidated balance sheet. Loss development tables that we presented are those that are most significant to our financial statements. The information regarding losses incurred and paid losses prior to our acquisition of EGL on July 2, 2025 was not modified and therefore supports relevant disclosure for periods subsequent to the acquisition. All adjustments to fair value of the loss reserves resulting from the application of purchase accounting only impacted the fair value of the initial reserves, which was recorded within fair value adjustment – losses and loss adjustment expenses and defendant asbestos and environmental liabilities within our balance sheet as of December 31, 2025.

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

Loss Development Information

Methodology for Establishing Reserves (Excluding Asbestos and Environmental Claims)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Asbestos and Environmental Reserving Methodologies

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

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

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

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

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

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

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

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

The loss development tables set forth our historic incurred and paid loss development through December 31, 2025, net of reinsurance, as well as the cumulative number of reported claims, IBNR balances, and other supplementary information for our lines of business with material net losses and LAE balances as of December 31, 2025 (and include the historical information of our acquired company, EGL, underlying the net losses and LAE balances, which as described above was unchanged from the information originating in the periods prior to the July 2, 2025 acquisition).

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

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

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

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

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

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

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

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

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

- **Foreign Exchange:** The loss development tables exclude the impact of foreign exchange rates. Historical amounts are disclosed on a constant-currency basis, which is achieved by using constant foreign exchange rates between years in the loss development tables, and translating prior year amounts denominated in currencies other than the U.S. dollar, which is our reporting currency, using the closing exchange rates as of December 31, 2025.
- **Reported Claim Counts:** Reported claim counts are included in the loss development tables on a cumulative basis. We measure claim frequency information on an individual claim count basis as follows:
 - The claim frequency information includes direct and assumed open and closed claims at the claimant level. Reported claims that are closed without a payment are included within our cumulative number of reported claims because we typically incur claim adjustment expenses on them prior to their closure.
 - The claim count numbers exclude counts related to claims within policy deductibles where the insured is responsible for the payment of losses within the deductible layer.
 - Individual claim counts related to certain assumed reinsurance contracts such as excess-of-loss and quota share treaties are not available to us, and the losses arising from these treaties have been treated as single claims for the purposes of determining claim counts. Therefore, each treaty year within the reinsurance contract is deemed a single claim because the detailed underlying individual claim information is generally not reported to us by our cedants.
 - For certain insurance facilities and business produced or managed by managing general agents, coverholders and third party administrators where the underlying claims data is reported to us in an aggregated format, the information necessary to provide cumulative claims frequency is not available. In such cases, we typically record a “block” claim in our system.

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

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

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

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

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

Asbestos

		Net cumulative paid losses and allocated loss adjustment expenses										
		For the years ended December 31,										
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
		(in millions of U.S. dollars)										
		Unaudited										
2016	2015 and Prior	\$ 20	\$ 71	\$ 124	\$ 183	\$ 228	\$ 268	\$ 299	\$ 332	\$ 378	\$ 413	
2017	2015 and Prior		—	2	89	130	173	213	263	318	371	
2018	2015 and Prior			(1)	(3)	(2)	(2)	(2)	(2)	(2)	(2)	
2019	2015 and Prior				4	51	105	139	175	215	249	
2021	2015 and Prior						(1)	52	85	132	167	
2024	2014 and Prior									1	4	
Grand Total												\$ 1,202

Asbestos

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

General Casualty

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

General Casualty

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

General Casualty

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

General Casualty

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

Workers' Compensation

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

Workers' Compensation

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

Workers' Compensation

Net cumulative paid losses and allocated loss adjustment expenses

For the years ended December 31,

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

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

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

Professional Indemnity/Directors and Officers

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

Professional Indemnity/Directors and Officers

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

Net cumulative paid losses and ALAE (from table below)

(2,219)

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

1,725

Professional Indemnity/Directors and Officers

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

Professional Indemnity/Directors and Officers

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

Professional Indemnity/Directors and Officers

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

Professional Indemnity/Directors & Officers

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

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

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

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

		Property									
		Net cumulative paid losses and allocated loss adjustment expenses									
		For the years ended December 31,									
Acquisition Year	Accident Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
		(in millions of U.S. dollars)									
		Unaudited									
2018	2018			—	15	21	21	22	22	22	22
2018	2019				2	1	1	1	1	1	1
	Total			25	70	92	99	104	109	112	114
2019	2015 and Prior				13	19	22	18	19	21	22
2019	2016				12	33	38	40	45	45	46
2019	2017				25	49	55	63	61	63	64
2019	2018				5	5	5	5	5	5	5
2019	2019				3	7	8	7	8	8	7
2019	2020					2	2	2	2	2	2
2019	2021						4	4	4	4	4
2019	2022							2	3	3	3
2019	2023								3	5	5
2019	2024									(1)	—
	Total				58	115	134	141	150	155	158
2020	2017								1	1	1
2020	2018						(5)	(2)	(1)	(1)	—
2020	2019						(1)				—
2020	2020						1	6	6	6	6
	Total						(5)	4	6	6	7
2021	2015 and Prior						3	8	11	19	19
2021	2016						3	7	6	6	3
2021	2017						6	8	10	19	21
2021	2018						2	5	10	12	16
2021	2019						3	13	20	29	32
2021	2020						8	14	17	23	31
2021	2021							3	5	7	10
2021	2022								3	7	8
2021	2023									1	1
2021	2024										1
	Total						25	58	82	123	142
2022	2015 and Prior							(1)	35	47	55
2022	2016								2	(3)	7
2022	2017								(4)	2	6
2022	2018								32	35	38
2022	2019								26	39	48
	Total							(1)	91	120	154
2024	2015 and Prior										1
2024	2019									3	7
2024	2020									15	50
2024	2021									1	3
2024	2022										3
2024	2023										11
	Total									19	75
2025	2017										2
2025	2018										2
2025	2019										2

Notes to the Consolidated Financial Statements | Note 8. Losses and Loss Adjustment Expenses

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

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

9. DEFENDANT ASBESTOS AND ENVIRONMENTAL LIABILITIES

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

Dco LLC ("Dco") and Morse TEC LLC ("Morse TEC") hold liabilities associated with personal injury asbestos claims and environmental claims arising from their legacy manufacturing operations. Dco and Morse TEC continue to process asbestos personal injury claims.

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

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

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

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

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

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

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

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

The carrying value of the defendant asbestos and environmental liabilities (“defendant A&E liabilities”), insurance recoveries, future estimated expenses and the fair value adjustments related to DCo and Morse TEC was as follows:

	December 31, 2025	
	(in millions of U.S. dollars)	
Defendant A&E liabilities:		
Defendant asbestos liabilities	\$	711
Defendant environmental liabilities		8
Estimated future expenses		26
Defendant A&E liabilities		<u>745</u>
Insurance balances recoverable:		
Insurance recoverables related to defendant asbestos liabilities (net of allowance: \$4) ⁽¹⁾		157
Net liabilities relating to defendant A&E exposures	\$	<u>588</u>

⁽¹⁾A significant portion of the insurance recoverable of \$55 million has been subject to a prolonged contractual coverage dispute. In 2025, we received a favorable judgment on coverage, which resulted in a payment of \$106 million from the insurance company. While the matter is unsettled and is subject to further legal proceedings and appeal by the insurance company, it could result in a favorable outcome to us in future periods relative to the recorded recoverable amount.

Methodologies for determining liabilities

Defendant Asbestos Liabilities

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

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

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

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

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

	Year Ended December 31, 2025
	(in millions of U.S. dollars)
Balance as of beginning of period	\$ —
Acquisition of Enstar Group Limited	718
Insurance balances recoverable	(256)
Net balance as of beginning of period	462
Amounts recorded in defendant asbestos and environmental expenses:	
Increase in estimates of ultimate net liabilities	66
Total defendant asbestos and environmental expenses	66
Total net recoveries	60
Net balance as of December 31	588
Insurance balances recoverable	157
Balance as of December 31	\$ 745

Total other expense from our defendant A&E liabilities was \$66 million for the year ended December 31, 2025, primarily due to increase in estimate of net ultimate liabilities driven by higher than expect claim costs and filings.

Defendant Environmental Liabilities

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

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

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

Allowance for Estimated Uncollectible Insurance Balances Recoverable on Defendant Asbestos Liabilities

We maintained an allowance for estimated uncollectible insurance balances related to our defendant asbestos liabilities of \$4 million for the year ended December 31, 2025.

During the year ended December 31, 2025, we did not have any new provisions, write-offs charged against the allowance for estimated uncollectible insurance or any recoveries of amounts previously written off.

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

10. FAIR VALUE MEASUREMENTS

Fair Value Hierarchy

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

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

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

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

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

⁽¹⁾ The difference in the amount of funds held shown at fair value and the funds held shown in our consolidated balance sheet relates to the \$2.3 billion of funds held by reinsured companies carried at amortized cost as of December 31, 2025.

Valuation Methodologies of Financial Instruments Measured at Fair Value

Short-term and Fixed Maturities

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

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

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

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

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

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

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

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

independent valuation agents and the valuation inputs used are considered unobservable with no active market at the measurement date. As a result, these private placement investments are classified as Level 3.

Equities

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

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

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

Other investments, at fair value

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

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

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

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

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

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

Derivative Instruments

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

Level 3 Measurements and Changes in Leveling

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

Investments

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

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

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

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

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

Valuation Techniques and Inputs

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

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

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

Funds Held by Reinsured Companies - Embedded Derivative

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

	Year Ended December 31, 2025	
	(in millions of U.S. dollars)	
Beginning fair value	\$	—
Acquisition of EGL		5
Total fair value changes		1
Settlement		(6)
Ending fair value	\$	—

Fair value changes in equity securities and funds held in the table above are included in fair value changes in equity securities and funds held in our consolidated statement of operations.

11. VARIABLE INTEREST ENTITIES

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

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

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

GCM Fund

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

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

We recognized fair value changes in equity securities and funds held of \$9 million for the year ended December 31, 2025.

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

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

Nonconsolidated VIEs

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

	As of December 31, 2025		
	Fair Value	Unfunded Commitments	Maximum Exposure to Loss
	(in millions of U.S. dollars)		
Equities			
Publicly traded equity investment in common stock	\$ 43	\$ —	\$ 43
Privately held equity	70	9	79
Total	\$ 113	\$ 9	\$ 122
Other investments			
Hedge funds	\$ 402	\$ —	\$ 402
Fixed income funds	619	4	623
Private debt	689	535	1,224
Private equity funds	1,596	469	2,065
CLO equity funds	48	—	48
Real estate funds	186	115	301
Total	\$ 3,540	\$ 1,123	\$ 4,663
Total investments in nonconsolidated VIEs	\$ 3,653	\$ 1,132	\$ 4,785

12. PREMIUMS WRITTEN AND EARNED

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

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

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

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

	Year Ended December 31, 2025	
	Premiums Written	Premiums Earned
	(in millions of U.S. dollars)	
Total gross	\$ 25	\$ 29
Total ceded	(19)	(5)
Total net	<u>\$ 6</u>	<u>\$ 24</u>

Gross premiums written for the year ended December 31, 2025 was \$25 million, primarily as a result of the fronting agreement with an excess casualty managing general agent.

13. DEBT OBLIGATIONS AND CREDIT FACILITIES

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

Our debt obligations were as follows:

Facility	Origination	Term	Principal	December 31, 2025	
				(Unamortized Cost) / Fair Value Adjustments	Carrying Value
(in millions of U.S. dollars)					
4.95% Senior Notes due 2029	May 2019	10 years	\$ 500	\$ 3	\$ 503
3.10% Senior Notes due 2031	August 2021	10 years	500	(51)	449
Total Senior Notes					952
5.50% Junior Subordinated Notes due 2042	January 2022	20 years	500	(8)	492
7.50% Junior Subordinated Notes due 2045	March 2025	20 years	350	9	359
Total Junior Subordinated Notes					851
EGL Revolving Credit Facility ⁽¹⁾	May 2023	5 years			—
Term Loan Facility	July 2025	3 Years	450	(10)	440
Total debt obligations					\$ 2,243

⁽¹⁾ Origination date on EGL Revolving Credit Facility represents the date of the most recent amendment and restatement.

The table below provides a summary of the total interest expense for the year ended December 31, 2025:

	Year ended December 31, 2025
(in millions of U.S. dollars)	
Interest expense on debt obligations	\$ 65
Amortization of debt issuance costs	6
Total interest expense	\$ 71

Term Loan Facility

On July 2, 2025, to finance a portion of the Merger, we entered into a term loan facility agreement to borrow \$950 million in aggregate principal comprised of a \$250 million principal Tranche A loan that matures 364 days after the date of the term loan facility agreement and a \$700 million principal Tranche B loan that matures in three years. Proceeds from the borrowing were \$927 million net of \$23 million of debt issuance costs.

Interest under the term loan facility will be determined based on the type of borrowing request. For our initial borrowing request, which had an interest period through January 2, 2026, the interest rate of 6.75% was based on a per annum rate comprising a reference rate using the forward-looking term rate based on the Secured Overnight Financing Rate ("Term SOFR") for a tenor comparable to the interest period plus a base rate and per annum adjustment.

On July 7, 2025, we prepaid \$75 million on a portion of the Tranche A loan principal. Following receipt of the \$450 million distribution from EGL on July 25, 2025, we prepaid the remaining \$175 million Tranche A loan principal and \$250 million on a portion of the Tranche B loan principal. We recorded a loss on the partial extinguishment of \$12 million during the third quarter of 2025, which was included in loss on extinguishment of debt in our condensed consolidated statement of operations. The remaining \$450 million Tranche B loan principal is required to be repaid by July 2028.

As of December 31, 2025, we were in compliance with the financial covenants in our term loan facility.

Senior Notes

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

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

Junior Subordinated Notes

The 5.50% Junior Subordinated Notes due 2042 (the “2042 Junior Subordinated Notes”) are unsecured junior subordinated obligations of Enstar Finance LLC (“Enstar Finance”). The 2042 Junior Subordinated Notes are fully and unconditionally guaranteed by EGL on an unsecured and junior subordinated basis. These debt securities of Enstar Finance are effectively subordinated to the obligations of our other subsidiaries.

The 2042 Junior Subordinated Notes bear interest (i) during the initial five-year period ending January 14, 2027, at a fixed rate per annum of 5.50% and (ii) during each five-year reset period thereafter beginning January 15, 2027, at a fixed rate per annum equal to the five-year U.S. treasury rate calculated as of two business days prior to the beginning of such five-year period plus 4.006%. Similar to the 2040 Junior Subordinated Notes (defined below), we may conduct a tender offer for these notes and then refinance with a new issuance.

In September 2025, we repurchased the remaining \$82 million of outstanding principal on our 5.75% Fixed-Rate Junior Subordinated Notes due 2040 (the “2040 Junior Subordinated Notes”).

The 2045 7.50% Fixed-Rate Reset Junior Subordinated Notes (the “2045 Junior Subordinated Notes” and, together with the 2042 Junior Subordinated Notes, the “Junior Subordinated Notes”) bear interest (a) from the date of original issue to, but excluding, April 1, 2035, at the fixed rate of 7.50% per annum and (b) from, and including, April 1, 2035, during each five-year period thereafter, at a rate per annum equal to the five-year Treasury Rate as of two business days prior to the beginning of such five-year period plus 3.186%, as reset at the beginning of each such five-year period. Interest will be paid in arrears on April 1 and October 1 of each year, which commenced on October 1, 2025.

Generally, if an event of default occurs, the trustee or the holders of at least 25% in aggregate principal amount of the then outstanding Junior Subordinated Notes may declare the principal and accrued and unpaid interest on all the then outstanding Junior Subordinated Notes to be due and payable immediately.

Subject to certain threshold regulatory requirements and during certain time periods, we or Enstar Finance, as applicable, may repurchase the Junior Subordinated Notes, in whole or in part, at any time, at a repurchase price equal to at least 100% of the principal amount, plus accrued and unpaid interest.

Maturities

As of December 31, 2025, the remaining \$450 million Tranche B loan principal of the term loan facility is required to be repaid by July 2028 as described above. We have no other outstanding debt obligations due over the next three years, through December 31, 2028. One of our series of Senior Notes with an outstanding principal balance of \$500 million becomes due in May 2029, and our remaining notes become due upon maturity in periods beyond five years from December 31, 2025.

Revolving Credit Facility

The total commitments under the revolving credit facility is \$800 million expiring in May 30, 2028 (the “EGL Revolving Credit Facility”). We may request additional commitments under the facility by up to an aggregate amount of \$200 million, which the existing lenders, in their discretion, or new lenders, may provide. Under the facility, we may borrow revolving loans or request the issuance of syndicated or fronted letters of credit, in each case on a senior, unsecured basis.

Pricing under the facility is to be based on a per annum rate comprising a reference rate determined based on the type and currency of loan we borrow plus a margin that varies based on changes to our long term senior unsecured debt ratings assigned by S&P or Fitch (the “Debt Ratings”). The applicable reference rate is an adjusted forward-looking term rate based on the Secured Overnight Financing Rate (“Adjusted Term SOFR”) for loans denominated in U.S. dollars, a rate based on the Sterling Overnight Index Average for loans denominated in British pounds sterling, an adjusted rate based on the Euro Interbank Offered Rate for loans denominated in euros and a rate equal to the highest of the Prime Rate, an adjusted rate based on the Federal Funds Effective Rate and Adjusted Term SOFR (for a one-month period) for swingline loans. We pay letter of credit fees based on the average daily aggregate stated amount of outstanding letters of credit and the Debt Ratings. In addition, we pay commitment fees based on the average daily unused amount of the commitments and the Debt Ratings. If an event of default occurs,

the interest rate will increase and the agent may, and at the request of the required lenders shall, terminate lender commitments and demand early repayment of any outstanding amounts borrowed (or cash collateralization of a percentage excess of the amount of outstanding letters of credit issued) under the facility.

Financial and business covenants imposed on us in relation to the amended facility include certain limitations on indebtedness and guarantees, liens, mergers, consolidations and other fundamental changes, and dispositions. Generally, the financial covenants require us to maintain a gearing ratio of consolidated financial indebtedness to total capitalization of not greater than 0.35 to 1.0 and to maintain a consolidated net worth. In anticipation of the Merger and the resulting application of pushdown accounting which had the effect of reducing our equity, we entered into an amendment with the existing lenders to adjust the minimum measure of consolidated net worth to be not less than the aggregate of (i) \$3.9 billion, plus (ii) 50% of net income available for distribution to ordinary shareholders at any time after September 30, 2025 (excluding net unrealized gains or losses on investments), plus (iii) 50% of the proceeds of any issuance of ordinary shares made after September 30, 2025. In addition, we must maintain eligible capital in excess of the enhanced capital requirement imposed by the Bermuda Monetary Authority pursuant to the Insurance (Group Supervision) Rules 2011 of Bermuda. As of December 31, 2025, we were in compliance with the covenants of the EGL Revolving Credit Facility.

As of December 31, 2025, we had no borrowings outstanding and therefore had \$800 million of available unutilized capacity under our unsecured revolving credit agreement.

Credit and Deposit Facilities

We utilize unsecured and secured LOCs and a deposit facility to support certain of our (re)insurance performance obligations. We also utilize unsecured LOCs to support the regulatory capital requirements of certain of our subsidiaries.

Our credit and deposit facilities were as follows as December 31, 2025:

	Commitment	Additional Commitments Available (¹)	Aggregate Amount Issued / Requested as Deposits / Face Amount December 31, 2025
	(in millions of U.S. dollars)		
\$150 million FAL LOC Facility ⁽²⁾	\$ 150	\$ 75	\$ 150
\$90 million FAL Deposit Facility ⁽²⁾	90	60	90
\$318 million LOC Facility	318	—	318
\$221 million LOC Facility	221	—	221
\$120 million LOC Facility	120	60	87
\$23 million LOC Facility ⁽³⁾	23	—	23
\$800 million Syndicated LOC Facility	800	—	550
\$1 million LOC Facility	1	—	1
\$100 million Bermuda LOC Facility ⁽⁴⁾	100	—	100
\$100 million Bermuda LOC Facility ⁽⁴⁾	100	—	100
\$100 million Bermuda LOC Facility ⁽⁴⁾	100	—	100

⁽¹⁾ We may request additional commitments under the facility in an aggregate amount not to exceed this amount, which the existing lenders, in their discretion, or new lenders may provide.

⁽²⁾ The FAL LOC Facility will expire on September 30, 2027, subject to our right to request up to three one-year extensions of the commitment period to September 30, 2028, September 30, 2029, and September 30, 2030, respectively. The FAL Deposit Facility will expire on July 21, 2026, subject to our right to request one one-year extension of the commitment period to July 21, 2027. Under the FAL Deposit facility, a third-party lender deposits a requested market valuation amount of eligible securities into Lloyd's on behalf of our Lloyd's corporate member. As of December 31, 2025, our combined FAL comprised cash and investments of \$276 million (including \$95 million provided under the FAL Deposit Facility), and unsecured LOCs of \$150 million.

⁽³⁾ The LOC issued under this facility qualifies as Ancillary Own Funds capital for one of our U.K. regulated subsidiaries.

⁽⁴⁾ The LOC issued under this facility qualifies as Eligible Capital for one of our Bermuda regulated subsidiaries.

We also utilize secured operating LOCs. As of December 31, 2025, the total balance of such secured operating LOCs issued and outstanding was \$34 million.

14. NONCONTROLLING INTERESTS

[Noncontrolling Interests](#)

As of December 31, 2025, we had \$590 million of non-controlling interests (“NCI”) primarily related to external interests through preferred shares in two of our subsidiaries, Elk Bidco and EGL.

On July 2, 2025, Elk Bidco issued 175,000 shares of its cumulative preferred shares (“Series A Preferred Shares”), which accrue cash dividends at a 12.00% rate or paid-in-kind dividends at a 13.00% rate, with a par value of \$0.0001 per share and a liquidation preference per share of \$1,000. Gross proceeds from the issuance of the Series A Preferred Shares to third-party investors were \$173 million.

EGL, which we acquired on July 2, 2025, has 16,000 shares of its 7.00% non-cumulative fixed-to-floating rate Series D perpetual preferred shares (“Series D Preferred Shares”) and 4,400 shares of its 7.00% fixed rate non-cumulative Series E perpetual preferred shares (“Series E Preferred Shares”) outstanding that continue to be held by third-party investors. The fair value of the Series D Preferred Shares and Series E Preferred Shares as of the acquisition date was determined to be \$410 million. EGL also had \$5 million of NCI as of the acquisition date primarily related to consolidated VIEs and voting interest entities. Refer to Note 1 for details of the Merger.

A reconciliation of the beginning and ending carrying amount of the equity attributable to NCI is included in the consolidated statement of changes in members’ equity.

15. MEMBERS' EQUITY

[Voting Units](#)

On July 2, 2025, Elk Topco issued 35,000,000 voting units to Elk Insurance Holdings, LLC, which is an upstream entity of Elk Topco. The voting units hold all of the voting rights in Elk Topco but are not entitled to participate in any of the distributions payable by Elk Topco.

[Participating Units](#)

On July 2, 2025, Elk Topco issued 36,541,837 participating units to various investors (the “participating members”), including investment vehicles managed or advised by affiliates of Sixth Street. The participating units have no voting rights but fully participate in any of the distributions payable by Elk Topco. Capital contributions from the participating members were approximately \$3.7 billion, consisting of \$3.4 billion of cash and 696,465 rollover shares of EGL ordinary shares valued at \$338 per share and totaling \$235 million. Refer to Note 1 for details regarding the rollover shares.

[Management Incentive Plan Units](#)

On July 2, 2025, Elk Topco issued 3,177,551 management incentive plan (“MIP”) units to Elk MIP, L.P, which may be issued by Elk MIP, L.P. to various executive members and directors of the Company. The MIP units have no voting rights but are entitled to participate in distributions once the participating units have received distributions equal to their capital contributions.

Accumulated Other Comprehensive Income (Loss)

The following table presents a roll forward of accumulated other comprehensive income (loss):

	Year Ended December 31, 2025	
	Unrealized (losses) gains on available-for-sale investments	
	(in millions of U.S. dollars)	
Balance January 1, 2025, net of tax	\$	—
Unrealized gains on fixed maturities, AFS arising during the period		20
Reclassification adjustment for change in allowance for credit losses recognized in net income		4
Reclassification adjustment for net realized losses included in net income		(3)
Other comprehensive income		<u>21</u>
Balance as of December 31, 2025, net of tax	<u>\$</u>	<u>21</u>

The following tables present details about the tax effects allocated to each component of other comprehensive income (loss):

	Year Ended December 31, 2025		
	Before Tax Amount	Tax (Expense) Benefit	Net of Tax Amount
	(in millions of U.S. dollars)		
Unrealized gains (losses) on fixed maturities, AFS arising during the period	\$ 23	\$ (3)	\$ 20
Reclassification adjustment for change in allowance for credit losses recognized in net income	4	—	4
Reclassification adjustment for net realized losses included in net income	(3)	—	(3)
Other comprehensive income (loss)	<u>\$ 24</u>	<u>\$ (3)</u>	<u>\$ 21</u>

Details about AOCI components	Year Ended December 31, 2025 (in millions of U.S. dollars)	Affected Line Item in Statement where Net Income are presented
Unrealized (losses) gains on fixed maturities, AFS	\$ (1)	Net realized and unrealized (losses) gains

16. INCOME TAXATION

As stated in Note 1 to the consolidated financial statements, Elk Topco, a company incorporated under the laws of Bermuda entered into a Merger Agreement with EGL and completed the Merger on July 2, 2025, pursuant to which Elk Topco became the ultimate parent of EGL and its subsidiaries. In December 2023, the Government of Bermuda enacted the Corporate Income Tax Act 2023 (the "CIT Act"), which introduced a 15% corporate income tax applicable to Bermuda businesses that are part of an in-scope multinational enterprise group ("MNE Group"), effective for tax years beginning on or after January 1, 2025. Based on annual revenue reflected in our consolidated financial statements, EGL is an in-scope MNE Group beginning in 2025. The CIT Act also provides for a five-year limited international footprint exemption for qualifying MNE Groups. Based on EGL's operating countries and organizational footprint as of December 31, 2025, the Company qualifies for the limited international footprint exemption, resulting in a deferral of the application of Bermuda corporate income tax until tax years beginning on or after January 1, 2030.

In December 2025, the Government of Bermuda gave assent to the Tax Credits Act 2025 (the "Credits Act") and the Corporate Income Tax Amendment (No. 2) Act 2025 (the "Amendment Act"). These Acts provide additional clarification, transitional relief, and incentive mechanisms in connection with the implementation of Bermuda's corporate income tax regime, with the Credits Act establishing statutory tax credit frameworks and the Amendment Act introducing technical amendments designed to align the corporate income tax regime with the OECD Pillar Two Global Anti-Base Erosion ("GloBE") rules and related administrative provisions. Pursuant to the Credits Act, the Company recorded a tax benefit of \$4 million, with a portion of this amount expected to be refunded in 2026. The Amendment Act includes provisions related to the Economic Transition Adjustment ("ETA"), including a modification to the original determination of the ETA which included elimination of deferred tax liabilities as a component of the calculation which had previously reduced the benefit recorded. As a result, the Company recognized a tax benefit of \$87 million in December 2025 related to this modification.

The Company evaluated both the Amendment Act and the Credits Act and determined that, aside from the items described above, there were no other changes that would have a material impact on EGL's financial position as of December 31, 2025.

We have foreign operating subsidiaries and branch operations located in six countries, consisting of Bermuda, U.S., U.K., Liechtenstein, Belgium and Australia, that are subject to federal, foreign, state and local taxes in those jurisdictions. The undistributed earnings from our foreign (non-Bermuda) subsidiaries will be indefinitely reinvested in those jurisdictions where the undistributed earnings were earned.

Deferred tax liabilities have not been accrued with respect to the undistributed earnings of our foreign subsidiaries. Generally, when earnings are distributed as dividends, withholding taxes may be imposed by the jurisdiction of the paying subsidiary. For our U.S. subsidiaries, we have not currently accrued any withholding taxes with respect to remitted earnings because, solely for U.S. Federal income tax purposes, there are no accumulated positive earnings and profits that could be subject to U.S. dividend withholding tax. For our U.K. subsidiaries, there are no withholding taxes imposed as a matter of U.K. domestic tax law. For our other foreign subsidiaries, an insignificant amount of earnings is indefinitely reinvested; however, it would not be practicable to compute the related amounts of withholding taxes due to a variety of factors, including the amount, timing and manner of any repatriation. Because we operate in many jurisdictions, our net income is subject to risk due to changing tax laws and tax rates around the world. The current, rapidly changing economic environment may increase the likelihood of substantial changes to tax laws in the jurisdictions in which we operate.

Income Tax Expense

The following table presents income (loss) before income taxes by jurisdiction, including income (losses) from equity method investments, for the year ended December 31, 2025:

	December 31, 2025	
	(in millions of U.S. dollars)	
Domestic (Bermuda)	\$	978
Foreign		(82)
Income before income taxes, including income from equity method investments	\$	<u>896</u>

The following table presents our current and deferred income tax (benefit) expense attributable to continuing operations by jurisdiction for the year ended December 31, 2025:

	December 31, 2025	
	(in millions of U.S. dollars)	
Current:		
Domestic (Bermuda)	\$	—
Foreign		1
		<u>1</u>
Deferred:		
Domestic (Bermuda)		(82)
Foreign		10
		<u>(72)</u>
Total income tax benefit attributable to continuing operations	\$	<u>(71)</u>

The actual effective income tax rate differs from the statutory rate of 15 percent under Bermuda law applied to income (loss) before income taxes, including income (losses) from equity method investments for the year ended December 31, 2025 as shown in the following reconciliation:

	December 31, 2025	
	(in millions of U.S. dollars)	
Income before income taxes, including equity method income	\$	896
Bermuda income taxes at statutory rate		15.0 %
Foreign income tax rate differential		(0.7)%
Bermuda ETA ⁽¹⁾		(9.7)%
Change in valuation allowance		1.7 %
Bermuda exemption ⁽²⁾		(16.4)%
Other		2.2 %
Effective income tax rate		<u>(7.9)%</u>

⁽¹⁾ For the year ended December 31 2025, we increased our ETA deferred tax benefit by \$87 million due to the Bermuda Corporate Income tax amendments enacted in December 2025.

⁽²⁾ As referenced above, EGL qualified for a five-year exemption from Bermuda corporate income tax beginning January 1, 2025 when the corporate income tax went into effect.

Our effective tax rate is generally driven by the geographical distribution of our income (loss) before income taxes between our taxable and non-taxable jurisdictions.

Deferred Tax Assets and Liabilities

Deferred tax assets and liabilities (included in other assets and other liabilities, respectively, in the consolidated balance sheet) reflect the tax effect of the differences between the financial statement carrying amount and the income tax bases of assets and liabilities.

Significant components of the deferred tax assets and deferred tax liabilities as of December 31, 2025 were as follows:

	December 31, 2025	
	(in millions of U.S. dollars)	
Deferred tax assets:		
Net operating loss carryforwards	\$	242
Capital loss carryforwards		6
Insurance reserves		193
Unearned premiums		5
Provisions for bad debt		2
Defendant asbestos and environmental liabilities		121
Fair value of investments		26
Fair value of financial instruments		17
Other deferred tax assets		27
Deferred tax assets		639
Valuation allowance		(156)
Deferred tax assets, net of valuation allowance		483
Deferred tax liabilities:		
Lloyd's underwriting result in future periods		(12)
Fair value and other basis differences		(91)
Other deferred tax liabilities		(12)
Deferred tax liabilities		(115)
Net deferred tax asset	\$	368

Net Deferred Tax Asset (Liability) Balance by Major Jurisdiction

	December 31, 2025	
	(in millions of U.S. dollars)	
Australia	\$	3
Bermuda		159
United States		206
Total	\$	368

Net Operating and Capital Loss Carryforwards

As of December 31, 2025, we had net operating loss carryforwards that could be available to offset future taxable income, as follows:

Tax Jurisdiction	Loss Carryforwards	Tax effect	Expiration
(in millions of U.S. dollars)			
Net Operating Loss Carryforwards:			
United States - Net operating loss	\$ 483	\$ 101	2028-2044
United States - Net operating loss	138	29	Indefinitely
United Kingdom	350	87	Indefinitely
Other	104	25	Various
Capital Loss Carryforwards:			
United States - Capital Loss	30	6	2028

The U.S. and U.K. net operating loss carryforwards are also subject to certain utilization limitations and have been considered in management's assessment of valuation allowance.

Foreign Tax Credit Carryforwards:

As of December 31, 2025, we had foreign tax credit carryforwards available for tax purposes, as follows:

Tax Jurisdiction	Tax effect	Expiration
(in millions of U.S. dollars)		
United Kingdom	\$ 8	Indefinitely

Assessment of Valuation Allowance on Deferred Tax Assets

As of December 31, 2025, we had valuation allowances of \$156 million against deferred tax assets related to foreign subsidiaries. The valuation allowance reflects management's conclusion that certain deferred tax assets are not expected to be realized within the applicable carryforward periods or through future taxable income. The ultimate realization of deferred tax assets depends on the generation of future taxable income of the appropriate character within the respective jurisdictions. In assessing realizability, the Company considers all available positive and negative evidence and applies assumptions it believes are reasonable.

Income taxes are determined and assessed jurisdictionally by legal entity or by filing group. Certain jurisdictions require or allow combined or consolidated tax filings. We have estimated the future taxable income of our foreign subsidiaries and provided a valuation allowance in respect of those assets where we do not expect to realize a benefit. We have considered all available evidence using a "more likely than not" standard in determining the amount of the valuation allowance. We considered the following evidence:

- i. net income or losses in recent years;
- ii. the future sustainability and likelihood of positive net income of our subsidiaries;
- iii. the carryforward periods of tax losses including the effect of reversing temporary differences; and
- iv. tax planning strategies.

In making our determination, the assumptions used in determining future taxable income require significant judgment and any changes in these assumptions could have an impact on net income.

Unrecognized Tax Benefits

During the year ended December 31, 2025, there were no unrecognized tax benefits. There were no accruals for the payment of interest and penalties related to income taxes as of December 31, 2025.

Open Tax Years

Our operating subsidiaries may be subject to examination by various tax authorities and may have different statutes of limitations expiration dates. Taxing authorities may propose adjustments to our income taxes.

Listed below are the tax years that remain subject to examination by a major tax jurisdiction as of December 31, 2025:

Major Tax Jurisdiction	Open Tax Years
United States	2022-2025
United Kingdom	2023-2025

17. RELATED PARTY TRANSACTIONS

The following tables summarize our related party balances and transactions.

Year Ended December 31, 2025	Monument	AmTrust	JC Flowers ⁽¹⁾	Sixth Street	Core Specialty	Other ⁽²⁾
(in millions of U.S. dollars)						
Assets						
Fixed maturities, AFS, at fair value	\$ —	\$ —	\$ —	\$ 344	\$ —	\$ —
Equities, at fair value	22	290	—	—	—	42
Funds held	—	—	—	—	13	—
Other investments, at fair value	—	—	27	8	—	2,523
Equity method investments	—	—	—	—	319	5
Total investments	22	290	27	352	332	2,570
Cash and cash equivalents	—	—	—	26	—	—
Liabilities						
Losses and LAE	—	—	—	—	134	—
Insurance and reinsurance balances payable	—	—	—	—	3	—
Net assets	\$ 22	\$ 290	\$ 27	\$ 378	\$ 195	\$ 2,570

⁽¹⁾ Upon completion of the Merger on July 2, 2025, investment vehicles managed or advised by affiliates of J.C. Flowers & Co. LLC ("JC Flowers") hold a minority of the participating units that represent a non-voting economic interest in Elk Topco.

⁽²⁾ Other related party investments include investments in Positive Physicians Holdings, Inc, an equity method investment, and limited partnerships and partnership-like limited liabilities companies, for which had we not elected the fair value option, would otherwise be accounted for as equity method investments. We have disclosed our investments in these entities on an aggregated basis as they are individually immaterial.

Year Ended December 31, 2025						
	Monument	AmTrust	JC Flowers	Sixth Street	Core Specialty	Other
(in millions of U.S. dollars)						
REVENUES						
Net premiums earned	\$ —	\$ —	\$ —	\$ —	\$ 1	\$ —
Net investment income	4	2	—	4	1	7
Fair value changes in equity securities and funds held	—	61	4	—	—	103
Other income	—	—	—	—	(5)	—
Total revenues	4	63	4	4	(3)	110
Net incurred losses and LAE	—	—	—	—	36	—
Total expenses	—	—	—	4	36	—
Income from equity method investments	—	—	—	—	14	—
Total net loss (income)	\$ 4	\$ 63	\$ 4	\$ —	\$ (25)	\$ 110

Monument Re

As of December 31, 2025, we owned 24.6% of the common shares of Monument Insurance Group Limited ("Monument Re").

We have accounted for our investment in the shares of Monument Re as an investment in a privately held equity security at fair value. Had we not elected the fair value option, the investment would have been accounted for as an equity method investment.

AmTrust

As of December 31, 2025, we owned 8.7% of the equity interest in Evergreen Parent L.P. ("Evergreen"). Evergreen owns all the equity interest in AmTrust Financial Services, Inc. ("AmTrust").

We have accounted for our investment in the shares of AmTrust as an investment in a privately held equity security at fair value.

Sixth Street

Upon completion of the Merger on July 2, 2025, EGL became a wholly-owned subsidiary of the Company. The Company is backed by equity commitments from investment vehicles managed or advised by affiliates of Sixth Street. Refer to Note 1 for additional details on the Merger.

An entity controlled by principals of Sixth Street holds all of the voting units of Elk Topco. Investment vehicles managed or advised by affiliates of Sixth Street hold a majority of the participating units representing a non-voting economic interest in Elk Topco. Pursuant to the Amended and Restated Limited Liability Company Operating Agreement of Elk Topco (the "Operating Agreement"), Sixth Street is entitled to various shareholder rights, including the right to appoint three director representatives to the Elk Topco Board of Directors. In addition, two Managing Directors of Sixth Street are members of Enstar's Board of Directors.

JC Flowers

Upon completion of the Merger on July 2, 2025, investment vehicles managed or advised by affiliates of JC Flowers hold a minority of the participating units that represent a non-voting economic interest in Elk Topco. Pursuant to the Operating Agreement, JC Flowers is entitled to a director representative on Elk Topco's Board of Directors.

Core Specialty

As of December 31, 2025, we owned 19.6% of the common shares of Core Specialty Insurance Holdings, Inc. ("Core Specialty").

We account for our investment in the common shares of Core Specialty as an equity method investment on a one quarter lag.

We also have an LPT and ADC reinsurance agreement and an ASA between certain of our subsidiaries and StarStone U.S. and Core Specialty.

Furthermore, there are existing reinsurance agreements whereby (i) certain of our subsidiaries provide reinsurance protection to StarStone U.S. and (ii) StarStone U.S. provides reinsurance protection to certain of our subsidiaries. These arrangements remain in place.

Other

We also have certain other investments, including investments in limited partnerships and partnership-like limited liability companies, that had we not elected the fair value option would otherwise be accounted for as equity method investments. We have disclosed our investments in these entities on an aggregated basis as they are individually immaterial. Refer to Note 4 for further information regarding our other investments, including those for which the fair value option was elected.

18. DIVIDEND RESTRICTIONS AND STATUTORY REQUIREMENTS

Elk Topco Dividend Restrictions

There were no significant restrictions on Elk Topco's ability to pay dividends from retained earnings as of December 31, 2025. Bermuda law permits the payment of dividends if:

- i) we are not, or would not be after payment, unable to pay our liabilities as they become due; and
- ii) the realizable value of our assets is more than our liabilities after taking such payment into account.

The BMA acts as group supervisor to Elk Topco. On an annual basis, we are required to file group statutory financial statements, a group statutory financial return, a group capital and solvency return, audited group financial statements and a Group Solvency Self-Assessment ("GSSA") with the BMA. The GSSA is designed to document our perspective on the capital resources necessary to achieve our business strategies and remain solvent, and to provide the BMA with insights on our risk management, governance procedures and documentation related to this process. We are required to maintain available group statutory capital and surplus in an amount that is at least equal to the group enhanced capital requirement ("ECR"). The BMA has also established a group target capital level equal to 130% of the group ECR. We are in compliance with these requirements.

Our ability to pay dividends is dependent upon the ability of our (re)insurance subsidiaries to distribute capital and pay dividends to us. Our (re)insurance subsidiaries are subject to certain regulatory restrictions on the distribution of capital and payment of dividends in the jurisdictions in which they operate, as described below. The restrictions are generally based on net income or levels of capital and surplus as determined in accordance with the relevant statutory accounting practices. Failure of these subsidiaries to meet their applicable regulatory requirements could result in restrictions on any distributions of capital or retained earnings or stricter regulatory oversight of the subsidiaries.

Our ability to pay dividends and make other forms of distributions may also be limited by repayment obligations and financial covenants in our outstanding loan facility agreements.

Subsidiary Statutory Financial Information and Dividend Restrictions

Our (re)insurance subsidiaries prepare their statutory financial statements in accordance with statutory accounting practices prescribed or permitted by local regulators. Statutory and local accounting differs from U.S. GAAP, including in the treatment of investments, acquisition costs and deferred income taxes, amongst other items.

The statutory capital and surplus amounts as of December 31, 2025 and statutory net income (loss) amounts for the year ended December 31, 2025 for our (re)insurance subsidiaries based in Bermuda, the United Kingdom, the United States, Australia, and Europe (Liechtenstein and Belgium) are summarized in the table below which includes information relating to acquisitions from the year of acquisition:

	Statutory Capital and Surplus		
	Required	Actual	Statutory Income (Loss)
	December 31, 2025⁽¹⁾	December 31, 2025⁽¹⁾	December 31, 2025⁽¹⁾
		(in millions of U.S. dollars)	
Bermuda	\$ 3,680	\$ 7,183	\$ 878
U.K.	492	631	—
U.S.	84	388	67
Australia	9	25	(20)
Europe	41	162	(37)

(1) Statutory amounts as of and for the year ended December 31, 2025 represent our best estimate prior to completion of the applicable statutory audits.

As of December 31, 2025, the total amount of net assets of our consolidated subsidiaries that were restricted was \$4.3 billion.

Certain material aspects of these laws and regulations as they relate to solvency, dividends and capital and surplus are summarized below.

Bermuda

Our Bermuda-based (re)insurance subsidiaries are registered under the Insurance Act 1978 of Bermuda and related regulations, as amended (the "Insurance Act"). The Insurance Act imposes certain solvency and liquidity standards, auditing and reporting requirements and grants the BMA powers to supervise, investigate, require information and the production of documents and intervene in the affairs of insurance companies.

The Insurance Act requires that our Bermuda-based (re)insurance subsidiaries maintain certain solvency and liquidity standards. The minimum liquidity ratio requires that the value of relevant assets not be less than 75% of the amount of relevant liabilities. The minimum solvency margin, which varies depending on the class of the insurer, is determined as a percentage of either net reserves for losses and LAE or premiums. Our Bermuda subsidiaries with commercial insurance licenses are required to maintain a minimum statutory capital and surplus ECR at least equal to the greater of a minimum solvency margin or the Bermuda Solvency Capital Requirement ("BSCR"). The BSCR is calculated based on a standardized risk-based capital model as provided by the BMA.

Each of our regulated Bermuda subsidiaries would be prohibited from declaring or paying any dividends if it were in breach of its minimum solvency margin or liquidity ratio or if the declaration or payment of such dividends would cause it to fail to meet such margin or ratio. In addition, each of our regulated Bermuda subsidiaries is prohibited, without the prior approval of the BMA, from reducing its total statutory capital by 15% or more, or from reducing its total statutory capital and surplus by 25% or more as set out in its previous year's statutory financial statements. Our Bermuda (re)insurance companies that are in run-off are required to seek BMA approval for any dividends or distributions.

As of December 31, 2025, our Bermuda-based (re)insurance subsidiaries exceeded applicable minimum solvency and liquidity requirements. The Bermuda (re)insurance subsidiaries in aggregate exceeded minimum solvency requirements by \$3.5 billion as of December 31, 2025 and were in compliance with their liquidity requirements.

United Kingdom

U.K. Insurance Companies (non-Lloyd's)

Our U.K. based insurance subsidiaries are regulated by the U.K. Prudential Regulatory Authority (the "PRA") and the Financial Conduct Authority (the "FCA", together with the PRA, the "U.K. Regulator").

Our U.K.-based insurance subsidiaries are required to maintain adequate financial resources in accordance with the requirements of the U.K. Regulator. Insurers must comply with a Solvency Capital Requirement ("SCR"), which is calculated using either the Solvency II standard formula or a bespoke internal model. Our non-Lloyd's U.K. companies use the standard formula for determining compliance with the SCR.

The calculation of the minimum capital resources requirements in any particular case depends on, among other things, the type and amount of insurance business written and claims paid by the insurance company. As of December 31, 2025, all of our U.K. insurance subsidiaries maintained capital in excess of the minimum capital resources requirements and complied with the relevant U.K. Regulator requirements. Our U.K.-based insurance subsidiaries, including our Lloyd's Syndicates described below, in aggregate, maintained capital in excess of the minimum capital resources requirements by \$139 million as of December 31, 2025.

The U.K. Regulator's rules require our U.K. insurance subsidiaries to obtain regulatory approval for any proposed or actual payment of a dividend. The U.K. Regulator uses the SCR, among other tests, when assessing requests to make distributions.

Lloyd's

As of December 31, 2025, we participated in the Lloyd's market through our interests in Syndicate 2008, a syndicate that has permission to underwrite RITC business and other run-off or discontinued business type transactions with other Lloyd's syndicates.

We participated on the syndicate through a single, wholly-owned Lloyd's managing agent, Enstar Managing Agency Limited.

The underwriting capacity of a corporate member of Lloyd's must be supported by providing FAL in the form of cash, securities, letters of credit or other approved capital instrument in satisfaction of its capital requirement². The

² As described in Note 13.

Notes to the Consolidated Financial Statements | Note 18. Dividend Restrictions and Statutory Requirements

amount of the FAL is assessed quarterly and is determined by Lloyd's in accordance with applicable capital adequacy rules. To release their capital, Lloyd's members are usually required to have transferred their liabilities through an approved RITC, such as those offered by Syndicate 2008.

Business plans, including maximum underwriting capacity, for Lloyd's syndicates require annual approval by the Lloyd's Franchise Board, which may require changes to any business plan or additional capital to support underwriting plans.

The Lloyd's market has applied the Solvency II internal model under Lloyd's supervision, and our Lloyd's operations are required to meet Solvency II standards. The Society of Lloyd's has received approval from the PRA to use its bespoke internal model under the Solvency II regime.

Lloyd's approval is required before any person can acquire control of a Lloyd's managing agent or Lloyd's corporate member.

United States

Our U.S. Run-off (re)insurance subsidiaries are subject to the insurance laws and regulations of the states in which they are domiciled, licensed and/or eligible to conduct business. These laws restrict the amount of dividends the subsidiaries can pay to us. The restrictions are generally based on statutory net income and/or certain levels of statutory surplus as determined in accordance with the relevant statutory accounting requirements of the individual domiciliary states or states in which any of the (re)insurance subsidiaries are commercially domiciled. Generally, prior regulatory approval must be obtained before an insurer may make a distribution above a specified level.

The U.S. (re)insurance subsidiaries are also required to maintain minimum levels of solvency and liquidity as determined by law, and to comply with Risk-Based Capital ("RBC") requirements and licensing rules as specified by the National Association of Insurance Commissioners ("NAIC"). RBC is used to evaluate the adequacy of capital and surplus maintained by our U.S. (re)insurance subsidiaries in relation to three major risk areas associated with: (i) asset risk; (ii) insurance risk and (iii) other risks. For all our U.S. (re)insurance subsidiaries, with the exception of one subsidiary which has a permitted accounting practice to treat an adverse development cover reinsurance agreement as prospective reinsurance, there are no prescribed or permitted statutory accounting practices that differ significantly from the statutory accounting principles established by NAIC.

As of December 31, 2025, all our U.S. (re)insurance subsidiaries exceeded their required levels of RBC. On an aggregate basis, our U.S. (re)insurance subsidiaries exceeded their minimum levels of RBC as of December 31, 2025 by \$304 million.

Australia

The Company's Australian insurance subsidiary is regulated and subject to prudential supervision by the Australian Prudential Regulation Authority ("APRA"). APRA is the primary regulatory body responsible for regulating compliance with the Insurance Act 1973. APRA's prudential standards require that all insurers maintain and meet prescribed capital adequacy requirements designed to ensure that insurers meet their insurance obligations under a wide range of scenarios.

A run-off insurer must obtain APRA's written consent prior to making any capital releases, including any payment of dividends, not from current year profits. The Company's insurance subsidiary must provide APRA a valuation prepared by its Appointed Actuary that demonstrates that the tangible assets of the insurer, after the proposed capital reduction, are sufficient to cover its insurance liabilities to a 99.5% probability of sufficiency.

Europe

Our Liechtenstein insurance subsidiary (StarStone Insurance SE) is regulated by the Liechtenstein Financial Market Authority ("FMA") pursuant to the Liechtenstein Insurance Supervisory Act. This subsidiary is obligated to maintain a minimum solvency margin based on the Solvency II regulations. As of December 31, 2025, this subsidiary exceeded the Solvency II requirements by \$93 million. The amount of dividends that this subsidiary is permitted to distribute is restricted to freely distributable reserves, which consist of retained earnings, the current year profit and legal reserves. Any dividend exceeding the current year profit requires the FMA's approval. Solvency and capital requirements for this subsidiary are based on the Solvency II framework and must continue to be met following any distribution.

Notes to the Consolidated Financial Statements | Note 18. Dividend Restrictions and Statutory Requirements

Our Belgian insurance subsidiary files financial statements and returns with the National Bank of Belgium. This subsidiary was in compliance with its solvency and capital requirements under Solvency II.

19. COMMITMENTS AND CONTINGENCIES

Concentration of Credit Risk

We believe that we are subject to credit risk associated with our cash and cash equivalents, fixed maturities, or other investments. Our cash and investments are managed pursuant to guidelines that follow prudent standards of diversification and liquidity, and limit the allowable holdings of a single issue and issuers. We are also subject to custodial credit risk on our investments, which we manage by diversifying our holdings amongst large financial institutions that are highly regulated.

We have exposure to credit risk on certain of our assets pledged to ceding companies under insurance contracts. In addition, we are potentially exposed should any insurance intermediaries be unable to fulfill their contractual obligations with respect to payments of balances owed to and by us.

Credit risk exists in relation to (re)insurance balances recoverable on paid and unpaid losses. We remain liable to the extent that counterparties do not meet their contractual obligations and, therefore, we evaluate and monitor concentration of credit risk among our (re)insurers.

We are also subject to credit risk in relation to funds held by reinsured companies. Under funds held arrangements, the reinsured company has retained funds that would otherwise have been remitted to our reinsurance subsidiaries. The funds are not typically placed into trust or subject to other security arrangements. However, we generally have the contractual ability to offset any shortfall in the payment of the funds held balances with amounts owed by us.

As of December 31, 2025, concentrations of funds held balances with reinsurance counterparties that individually exceeded 10% of members' equity totaled \$3.5 billion in aggregate.

We limit the amount of credit exposure to any one counterparty and none of our counterparty credit exposures, excluding U.S. government and agency instruments, two counterparties in which we invest in their private equity and credit funds (presented in other investments), and the reinsurance counterparties noted above, exceeded 10% of members' equity as of December 31, 2025. As of December 31, 2025 our credit exposure to the U.S. government and agency instruments and the two private equity and credit counterparties were \$1.1 billion and \$1.2 billion, respectively.

Legal Proceedings

We are, from time to time, involved in various legal proceedings in the ordinary course of business, including litigation and arbitration regarding claims. Estimated losses relating to claims arising in the ordinary course of business, including the anticipated outcome of any pending arbitration or litigation, are included in the liability for losses and LAE in our consolidated balance sheet. In addition to claims litigation, we may be subject to other lawsuits and regulatory actions in the normal course of business, which may involve, among other things, allegations of underwriting errors or omissions, employment claims or regulatory activity. We do not believe that the resolution of any currently pending legal proceedings, either individually or taken as a whole, will have a material effect on our business, results of operations or financial condition. We anticipate that, similar to the rest of the (re)insurance industry, we will continue to be subject to litigation and arbitration proceedings in the ordinary course of business, including litigation generally related to the scope of coverage with respect to asbestos and environmental ("A&E") and other claims.

Unfunded Investment Commitments

As of December 31, 2025, we had unfunded commitments of \$1.7 billion to other investments and \$42 million to privately held equity. Included in the privately held equity amount, is a commitment for \$8.6 million in an insurance-linked securities ("ILS") arrangement through a Bermuda-based collateralized reinsurer, determined to be a related party, that will provide reinsurance capacity across a diversified portfolio of casualty programs.

Guarantees

As of December 31, 2025, EGL parental guarantees supporting reinsurance obligations, defendant A&E liabilities, subsidiary capital support arrangements and credit facilities were \$2.2 billion. EGL also guarantees the 2042 Junior Subordinated Notes, which has an aggregate principal amount of \$500 million as of December 31, 2025.

20. SUBSEQUENT EVENTS

We evaluated subsequent events and transactions that occurred after the balance sheet date up to the date that these financial statements were available to be issued, which was March 18, 2026. Based upon this review, other than the matter disclosed below, we did not identify any subsequent events that would have required adjustment or disclosure in the consolidated financial statements.

Accident Fund Holdings, Inc.

On February 12, 2026, Enstar entered into a stock purchase agreement (the “SPA”) to purchase the property and casualty insurance company, Accident Fund Holdings, Inc. (“AF Group”) from a subsidiary of Blue Cross Blue Shield of Michigan Mutual Insurance Company for an estimated purchase price of \$1.6 billion in cash (the “acquisition”). AF Group operates as a specialty insurance carrier specializing in worker’s compensation, commercial multi-line, specialty lines, and risk & claims management services. Pursuant to the SPA, Enstar will acquire all of the issued and outstanding shares of AF Group. The transaction is subject to certain customary closing conditions, including regulatory approval, and is expected to close in the second half of 2026.

The acquisition and related costs will be funded by Enstar through a combination of cash on hand, equity contributions from Enstar’s existing equity sponsors, and debt financing pursuant to committed financing arrangements. In addition, a portion of the purchase price will be funded by a pre-closing dividend of up to \$150 million by AF Group. The SPA contains termination rights for Enstar and AF Group upon the occurrence of certain events. Under certain circumstances specified in the SPA, Enstar may be required to pay the seller a termination fee.

UNAUDITED SUPPLEMENTAL CONSOLIDATING FINANCIAL INFORMATION

The following provides supplemental consolidating financial information for the balance sheet and statement of operations of EGL, Elk Bidco and Elk Topco, inclusive of all consolidating adjustments to reflect the consolidated financial information of EGL, Elk Bidco and Elk Topco on a separate basis as of and for the year ended December 31, 2025:

Consolidating Balance Sheet as of December 31, 2025

December 31, 2025	EGL	Standalone Elk Bidco	Consolidating Adjustments	Consolidated Elk Bidco	Standalone Elk Topco	Consolidating Adjustments	Consolidated Elk Topco
(in millions of U.S. dollars, except share data)							
ASSETS							
Fixed maturities, available-for-sale, at fair value	\$ 6,698	\$ —	\$ —	\$ 6,698	\$ —	\$ —	\$ 6,698
Short-term investments, available-for-sale, at fair value	650	—	—	650	—	—	650
Funds held	4,393	—	—	4,393	—	—	4,393
Equity securities, at fair value	808	—	—	808	—	—	808
Other investments, at fair value	4,974	—	—	4,974	—	—	4,974
Equity method investments	324	—	—	324	—	—	324
Total investments	17,847	—	—	17,847	—	—	17,847
Cash and cash equivalents	626	43 ⁽¹⁾	—	669	1 ⁽¹⁾	—	670
Restricted cash and cash equivalents	486	—	—	486	—	—	486
Accrued interest receivable	70	—	—	70	—	—	70
Reinsurance balances recoverable on paid and unpaid losses	1,007	—	—	1,007	—	—	1,007
Insurance balances recoverable	157	—	—	157	—	—	157
Fair value adjustment - Losses and loss adjustment expense and defendant asbestos & environmental liabilities	720	—	—	720	—	—	720
Intangible assets	45	—	—	45	—	—	45
Net deferred charge assets	7	—	—	7	—	—	7
Other assets	697	34 ⁽²⁾	(34) ⁽²⁾	697	—	—	697
Investment in subsidiaries	—	5,411 ⁽³⁾	(5,411) ⁽³⁾	—	4,641 ⁽³⁾	(4,641) ⁽³⁾	—
TOTAL ASSETS	\$ 21,662	\$ 5,488	\$ (5,445)	\$ 21,705	\$ 4,642	\$ (4,641)	\$ 21,706
LIABILITIES							
Losses and loss adjustment expenses	\$ 12,700	\$ —	\$ —	\$ 12,700	\$ —	\$ —	\$ 12,700
Defendant asbestos and environmental liabilities	745	—	—	745	—	—	745
Debt obligations	1,803	440 ⁽⁴⁾	—	2,243	—	—	2,243
Other liabilities	847	2 ⁽⁵⁾	(34) ⁽²⁾	815	—	—	815

TOTAL LIABILITIES	\$ 16,095	\$ 442	\$ (34)	\$ 16,503	\$ —	\$ —	\$ 16,503
COMMITMENTS AND CONTINGENCIES							
EQUITY							
Members' Capital							
Participating units					3,654 ⁽¹³⁾	—	3,654
Management incentive plan units					—	—	—
Voting units					—	—	—
Preferred shares:							
Series A Preferred Shares	—	173 ⁽⁶⁾	—	173	—	(173) ⁽⁶⁾	—
Series D Perpetual Noncumulative Preference Shares	324	—	(324) ⁽¹⁰⁾	—	—	—	—
Series E Perpetual Noncumulative Preference Shares	86	—	(86) ⁽¹⁰⁾	—	—	—	—
Treasury shares at cost	(422)	—	422 ⁽¹¹⁾	—	—	—	—
Additional paid-in capital	5,058	3,892 ⁽⁷⁾	(5,300) ⁽⁷⁾	3,650	—	(3,650) ⁽¹⁴⁾	—
Accumulated other comprehensive income	21	21 ⁽⁸⁾	(21) ⁽⁸⁾	21	21 ⁽⁸⁾	(21) ⁽⁸⁾	21
Retained earnings	493	960 ⁽⁹⁾	(512) ⁽¹²⁾	941	967 ⁽⁹⁾	(970) ⁽¹²⁾	938
Total equity	5,560	5,046	(5,821)	4,785	4,642	(4,814)	4,613
Noncontrolling interests	7	—	410 ⁽⁹⁾	417	—	173 ⁽⁶⁾	590
TOTAL EQUITY	5,567	5,046	(5,411)	5,202	4,642	(4,641)	5,203
TOTAL LIABILITIES AND EQUITY	\$ 21,662	\$ 5,488	\$ (5,445)	\$ 21,705	\$ 4,642	\$ (4,641)	\$ 21,706

⁽¹⁾ Represents cash held at the Elk Bidco and Elk Topco entities.

⁽²⁾ Represents an intercompany transaction between EGL and Elk Bidco (liability for EGL and asset for Elk Bidco), which is eliminated upon consolidation.

⁽³⁾ Represents the investment in consolidated EGL for Elk Bidco and the consolidated Elk Bidco (inclusive of EGL) for Elk Topco. The investment in subsidiaries are eliminated upon consolidation.

⁽⁴⁾ Represents the carrying value of the Elk Bidco term loan facility (net of unamortized costs). Refer to Note 13 for details on the term loan facility.

⁽⁵⁾ Represents accrued interest on the Elk Bidco term loan facility.

⁽⁶⁾ Represents the Elk Bidco preferred shares. As the Elk Bidco preferred shareholders differ from the Elk Topco members, it represents noncontrolling interest for Topco. Refer to Note 14 for details on the preferred shares.

⁽⁷⁾ Additional paid-in capital at Elk Bidco primarily relates to capital contributions from Elk Topco to fund the purchase of EGL. EGL equity is eliminated as part of the consolidation to Elk Bidco.

⁽⁸⁾ Represents other comprehensive income of the subsidiary (i.e., EGL for Elk Bidco and Elk Bidco (inclusive of EGL) for Elk Topco) that are recognized in the standalone results of each entity but eliminated upon consolidation.

⁽⁹⁾ Represents net income attributable to the entity. Net income in subsidiaries are eliminated upon consolidation. Refer to the supplemental consolidating financial information for the statement of operations.

⁽¹⁰⁾ Represents a consolidating adjustment to effectively reclassify the EGL preferred shares held by third-parties to noncontrolling interests for Elk Bidco and Elk Topco. Refer to Note 14 for details on the preferred shares.

⁽¹¹⁾ Represents an adjustment to eliminate EGL treasury shares, as these are shares of the subsidiary of Elk Bidco rather than shares of Elk Bidco.

⁽¹²⁾ Changes in the investment in subsidiaries are eliminated upon consolidation.

⁽¹³⁾ Represents Elk Topco's participating units. Refer to Note 15 for details.

⁽¹⁴⁾ Elimination of Elk Bidco's equity.

Consolidating Statement of Operations For the Year Ended December 31, 2025

December 31, 2025	EGL	Standalone Elk Bidco	Consolidating Adjustments	Consolidated Elk Bidco	Standalone Elk Topco	Consolidating Adjustments	Consolidated Elk Topco
	(in millions of U.S. dollars, except share data)						
REVENUES							
Net premiums earned	\$ 24	\$ —	\$ —	\$ 24	\$ —	\$ —	\$ 24
Net investment income	597	513 ⁽¹⁾	(512) ⁽²⁾	598	970 ⁽¹⁾	(970) ⁽²⁾	598
Net realized losses	(1)	—	—	(1)	—	—	(1)
Fair value changes in equity securities and funds held	98	—	—	98	—	—	98
Other income	11	—	—	11	—	—	11
Gain on purchase of subsidiaries	—	558 ⁽³⁾	—	558	—	—	558
Total revenues	729	1,071	(512)	1,288	970	(970)	1,288
EXPENSES							
Net incurred losses and loss adjustment expenses							
Current period	6	—	—	6	—	—	6
Prior periods	(29)	—	—	(29)	—	—	(29)
Total net incurred losses and loss adjustment expenses	(23)	—	—	(23)	—	—	(23)
Defendant asbestos and environmental expenses	66	—	—	66	—	—	66
Amortization of net deferred charge assets	2	—	—	2	—	—	2
General and administrative expenses	151	70 ⁽⁴⁾	—	221	3 ⁽⁹⁾	—	224
Interest expense	52	19 ⁽⁵⁾	—	71	—	—	71
Loss on extinguishment of debt	—	12 ⁽⁶⁾	—	12	—	—	12
Amortization of fair value adjustments and intangible assets	76	—	—	76	—	—	76
Net foreign exchange gains	(26)	—	—	(26)	—	—	(26)
Total expenses	298	101	—	399	3	—	402
INCOME (LOSS) BEFORE INCOME TAXES	431	970	(512)	889	967	(970)	886
Income tax expense	71	—	—	71	—	—	71
Income from equity method investments	10	—	—	10	—	—	10
NET INCOME (LOSS)	512	970	(512)	970	967	(970)	967
Less: Net income attributable to noncontrolling interest	(1)	—	(18) ⁽⁸⁾	(19)	—	(10) ⁽¹⁰⁾	(29)
NET INCOME (LOSS) ATTRIBUTABLE TO ENTITY	511	970	(530)	951	967	(980)	938

Dividends on preferred shares	(18)	(10) ⁽⁷⁾	18 ⁽⁸⁾	(10)	—	10 ⁽¹⁰⁾	—
NET INCOME (LOSS) ATTRIBUTABLE TO ENTITY	<u>\$ 493</u>	<u>\$ 960</u>	<u>\$ (512)</u>	<u>\$ 941</u>	<u>\$ 967</u>	<u>\$ (970)</u>	<u>\$ 938</u>

⁽¹⁾ Primarily represents net income in subsidiaries (i.e., EGL for Elk Bidco and Elk Bidco (inclusive of EGL) for Elk Topco), and to a lesser extent, interest income on cash at Elk Bidco.

⁽²⁾ Net income in subsidiaries are eliminated upon consolidation.

⁽³⁾ Represents the bargain purchase gain on the Merger. Refer to Note 1 for details regarding the Merger.

⁽⁴⁾ Represents Elk Bidco's merger related costs described in Note 1 to the consolidated financial statements.

⁽⁵⁾ Relates to interest on the Elk Bidco term loan facility.

⁽⁶⁾ Relates to the loss on partial extinguishment for the Elk Bidco term loan facility from the prepayments. Refer to Note 13 for details.

⁽⁷⁾ Relates to dividends on the Elk Bidco preferred shares. Refer to Note 14 for details on the preferred shares.

⁽⁸⁾ As the EGL preferred shares are considered noncontrolling interests for Elk Bidco, the dividends on the preferred shares are required to be reflected as net income attributable to noncontrolling interest rather than as dividends on preferred shares as they are not the preferred shares of Elk Bidco or held by the Elk Bidco shareholders. Refer to Note 14 for details on the EGL preferred shares.

⁽⁹⁾ Relates to professional fees for Elk Topco.

⁽¹⁰⁾ Represents consolidation adjustment to adjust the dividends on Elk Bidco preferred shares to net income attributable to noncontrolling interests as they are not the preferred shares of Elk Topco. Refer to Note 14 for details on the Elk Bidco preferred shares.