

CONVEX EUROPE S.A.

Annual Accounts

For the year ended 31 December 2025

(Expressed in thousands of U.S. dollars)

*Registered address: 37 Boulevard Joseph II, L-1840 Luxembourg
R.C.S. Luxembourg: B253295*

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Directors, officers and professional advisers

CONVEX EUROPE S.A.

For the year ended 31 December 2025

DIRECTORS

EXECUTIVE DIRECTORS

Warren Brayn

Julie Dubuisson (Dirigeante Agréé)

NON-EXECUTIVE DIRECTORS

Claus-Michael Dill

Anne Middleton

Marc Stevens

Ralf Peter Tillenburg

COMPANY SECRETARY

Geraldine Bourke

REGISTERED OFFICE

37 Boulevard Joseph II,
L-1840 Luxembourg

INDEPENDENT AUDITOR

PricewaterhouseCoopers Assurance, Société coopérative
2 Rue Gerhard Mercator,
L-2182 Luxembourg

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

Business Model

Convex Europe S.A. (“CES” or “the Company”) is a non-life insurance company incorporated on 26 March 2021 as a public limited liability company (“Société Anonyme”) subject to the general company law of Luxembourg. The Company is registered with the Registre de Commerce et des Sociétés (“RCS”) in Luxembourg with the RCS number B253295. The Company is authorised under the law on the insurance sector of 7 December 2015 as amended and supervised by the Commissariat Aux Assurances (“CAA”).

The Company is a wholly owned subsidiary of Convex Insurance (UK) Limited (“CIL”), a UK Insurance Company, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. CIL and its subsidiaries, including CES are part of the Convex Group (“the Group”), whose ultimate parent company is Convex Group Limited (“CGL”). CES business is underwritten through its UK branch on a freedom of services basis in EU member states.

CES is a strategically important part of the Convex Group. The Convex Group aims to continue to establish itself as a scale player in the global specialty Property and Casualty (“P&C”) market, leveraging its great depth of senior management experience and opportunity as a green-field site to establish a forward-looking insurer. This involves building on the solid foundations put in place since 2021, and using purpose-built technology, outsourcing, and data analysis as a differentiator to provide exceptional service, innovative solutions and bespoke product offerings.

The business is focused on targeting specific clients within its own areas of expertise to underwrite large, complex risks as the basis of its strategy. The current market environment for such risks is considered to be potentially beneficial to insurers willing and able to grow within markets in which they have a significant depth of understanding, which allows CES to consolidate its gains thus far and establish a consistently profitable business.

Business Review

Key performance indicators

The Directors review certain financial key performance indicators (“KPIs”) in order to assess the performance of the Company and make decisions on allocating resources.

Key performance indicators	Description	2025	2024
GPW	Gross premiums written	369,806	335,274
NPW	Premiums written, net of reinsurance	75,283	67,773
GEP	Gross earned premium	329,440	283,105
NEP	Earned premium net of reinsurance	67,559	59,360
Underwriting result	Balance on technical account (before investment income)	(7,498)	(8,204)
Gross loss ratio	Ratio of total technical claims to gross earned premium	73.7%	63.4%
Net loss ratio	Ratio of total technical net claims to net earned premiums	41.0%	50.0%
Investment return	Total investment return after investment expenses and charges	6,794	5,886
Cash and investments		175,060	138,708
Capital and reserves	Total capital including accumulated deficit	116,016	84,880
Own funds	Total capital and reserves as calculated using the Solvency II	115,815	88,163
SCR	Solvency Capital Requirement	82,674	60,035
Solvency ratio	Ratio of Own Funds to SCR	140.1%	146.9%

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

Business Review (continued)

Results and performance

In 2025, CES focused on continued business growth, which has resulted in an increase in GPW to \$369,806 (2024: \$335,274).

The prudent approach to risk retention resulted in significant use of reinsurance protection meaning a NPW of \$75,283 (2024: \$67,773). This prudent approach proved beneficial in protecting the earnings and balance sheet of CES. CES's gross loss ratio of 73.7% (2024: 63.4%) is above the prior year following the impact of adverse loss experience in the year in the Aerospace, Energy and Marine lines of business. Despite increased loss experience in 2025, the effective reinsurance programme in place resulted in a net loss ratio of 41.0% (2024: 50.0%).

The administrative expenses of the Company were \$22,118 (2024: \$19,843) for the year. The increased expenses in 2025 result from the growth of the business and the associated increases in staff costs and the IT application landscape. Administrative expenses in relation to the acquisition of underwriting, claims and investment management are required to be represented to these lines of the technical account under Luxembourg accounting principles. Other lines of the technical result include expenses of \$9,060 (2024: \$7,261) for acquisition costs, \$9,559 (2024: \$5,993) for claims paid and \$164 (2024: \$133) for expenses for the management of investments. As the Company continues to grow in 2026 and earnings flow through on business written in 2025 the expense base of the business will be proportionate to the earned premium and the Company is expected to move closer to sustainable profitability. The Company maintains a prudent approach to its management of investments with a high credit quality and short duration in its portfolio. This has resulted in a market yield of 3.8% on its bond portfolio (2024: 4.2%), an average duration of 3.2 years (2024: 1.7 year) and an average credit rating of AA- (2024: A). The investment portfolio including cash has benefited from positive cash flows including additional cash and investments from the \$33,000 capital injection increasing to \$175,060 (2024: \$138,708) in size at the end of the year.

As the business grows, the Company closely monitors its capital requirements against its projected future business. Future business plans are factored into the capital requirements calculated in accordance with the Solvency II Directive.

At 31 December 2025, under the Solvency II Directive, the estimated total capital available to meet the Solvency Capital Requirement (being the Own Funds) is \$115,815 (2024: \$88,163) with the estimated Solvency Capital Requirement at \$82,674 (2024: \$60,035) with the Minimum Capital Requirement at \$23,360 (2024: \$18,185). The Company has complied with all externally imposed capital requirements throughout the period.

Non-financial KPIs are monitored by the Directors at the Group level and include compliance, risk and employees. The Company directly employs certain key management personnel who have responsibility for the day to day management of the business, but also operates a strategic, centralised staff sourcing arrangement with a fellow subsidiary Convex UK Services Limited ("CSL"). Employees of CSL are also employed by the Company under a dual contract arrangement.

Non-financial key performance indicators

Key Performance Indicator	Description	2025	2024
People and Culture	Employee engagement across and response rate to annual survey (launched in 2021): <i>The Company is focused on creating a culture where employees feel empowered and have a sense of belonging.</i>	94%	93%
IT	IT tickets closed within two business days: Efficient handling of IT issues improves operational efficiency	96%	96%
Operations	Percentage of reinsurers rated A- or above: <i>Engaging with well rated reinsurers contributes to delivering high-quality results for the business</i>	100%	100%

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Strategy and Objectives

Financial and non-financial KPIs measure CES's strategy and objectives align with that of the Group strategy, which is underpinned by our three strategic pillars:

1. Attracting the finest talent and creating a values-driven culture to become our clients' favourite insurer.

Building a team of talented people where employees feel their talent is recognised.

2. Deliver operational excellence, through strong execution and high-quality outcomes with a market-leading low expense ratio.

Deliver excellent business and client outcomes at a lower cost than our competitors

3. Use of data and technology for enhanced decision-making. Make informed underwriting decisions using data and analytics, which will give us a competitive advantage over peers and competitors.

Environment, Social, and Governance Strategy ("ESG")

The Group's Sustainability Strategy enables us to address the challenges and opportunities presented as the world decarbonises, tackles the impacts of a changing climate and manages evolving societal expectations and responsibilities. This strategy, shaped with significant input from senior leadership, informs and contributes to our overall group strategy, and is comprised of three Guiding Principles: Building Resilience, Leading from our Culture and Advancing Transition.

Our Sustainability strategy and progress in meeting our goals can be found in the Convex Group Limited Sustainability Statement and ClimateWise report at <https://convexin.com/about-us/sustainability/>.

Convex believes strongly in the importance of behaving in a responsible manner to promote environmental and social sustainability both within, and beyond, our organisation. In this ever-changing world, our approach to sustainability is continuing to develop as we reflect and assess current and emerging ESG issues.

Future Outlook

The Company will look to continue to grow its portfolio and remains focused on creating underwriting solutions for an ever-increasingly complex world, with a best in class claims service that delights as we continue on our journey to become our clients' favourite insurer.

Principal Risks and Uncertainties

Overall organisational risks

The Risk Management function oversees the management of all organisational risks and continues to enhance the mechanisms used to identify, quantify and manage accumulated exposures within the limits of the Company's risk appetite. The steering of the overall risk strategy is directed by the Board of Directors.

Underwriting risk

Underwriting risk includes risks arising from uncertainty around current and future underwriting exposure, and the risk that current reserves are insufficient to cover claims liabilities as they fall due. These specifically include:

- inadequate pricing in the underwriting process;
- fluctuations in the timing, frequency and severity of claims and claim settlements relative to expectations;
- unexpected claims arising from a single source;
- inadequate claims reserves; and
- inadequate reinsurance protection.

The Company seeks to manage underwriting risk through:

- regular monitoring of premium and claims by line of business against the business plan;
- enforcing strict adherence to the Company's underwriting guidelines, which are in line with the Board's risk appetite;
- review of the adequacy of Company's general insurance reserve by the Reserving Committee, and approval from the Board of Directors. The Reserving Committee uses externally sourced market benchmark data to monitor and

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manage the increased uncertainty of the Company's reserves in order to supplement the relatively limited proprietary experience data; and

- an effective and high-quality reinsurance programme.

Financial risk

Financial risk arises through the Company's financial assets, financial liabilities, insurance/reinsurance assets and policyholder/cedant liabilities. The key financial risk is that proceeds from financial assets are insufficient to fund obligations as they fall due. The most important drivers of financial risk are interest rate risk, currency risk, credit risk, and liquidity risk. Compliance against risk limits is monitored on a continuous basis, with escalation to the Risk Committee and mitigation processes in place where breaches are identified.

CES manages its investment portfolio in line with the Prudent Person Principle as set out in Article 132 (Directive 2009/138/EC) by applying the requirements and principles described in the Financial Market Risk Framework and the Investment Guidelines. These requirements and guidelines ensure that risks in the current portfolio and in new investment proposals can be identified, measured, monitored, managed, and controlled.

Operational risk

Operational risk is defined as the risk of greater than expected losses due to the failure of internal processes, people or systems, or from external events. In addition, as the market transitions to low-carbon economies, this could potentially lead to a decline in asset values, higher cost of doing business, or disrupt the ways of working.

Whilst operational risk is managed by function in a variety of ways across the Company, the main mechanism in place is the Company's risk and control framework. These controls continue to evolve and are reviewed periodically. They are assessed for operating effectiveness within each function to ensure that risks identified are being mitigated as expected.

Strategic risk

As the aim of the Company is to remain a scale player in the P&C market, there is a degree of inherent risk in the operating plans set to achieve this goal. Strategic risk is mitigated in part by the expertise of a wide array of industry veterans within the Company, and on the Board, who continually review the strategy being enacted, whilst being aware of current market developments. In this phase of business growth, it is essential to remain agile and be able to react positively to latest developments. The Company also has a robust business planning process, which considers the evolution of the business over a multi-year period.

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Principal Risks and Uncertainties (continued)

Climate risk

The Company defines climate risks into the following categories:

- Physical risk – An increase in the frequency and severity of specific weather events which occur as a result of climate change, e.g. floods, heatwaves and wildfires; or longer term shifts in the climate such as a rising sea levels or mean temperatures.
- Transition risk – Risks arising from the process of adjustment towards a low carbon economy e.g. the impact on business models from the emergence of disruptive technology, changing risk profiles of our insureds, asset price volatility and changes in government policy and consumer preferences.
- Liability risk – The risk of parties who suffer loss from climate change seeking to recover those losses from those who they believe may have been responsible, and risks associated with decarbonisation / environmental statements and commitments.

The Company is no longer in scope of the Corporate Sustainability Reporting Directive (“CSRD”) due to the European Commission’s Sustainability Omnibus Package published on 26th February 2025.

Operational risk, Outsourcing

Operational risk refers to the risk of financial or other loss, or potential damage to the Company's reputation resulting from inadequate or failed internal processes, people and systems, or from external events. Convex has a long-established outsourcing programme that delivers cost efficiency and provides access to specialised knowledge and technology that complements the Company’s strategic objectives.

There is a formal Governance structure in place, with defined contingency plans, to manage these arrangements and these are subject to close oversight by the Board of Directors.

Inflation risk

Convex has continued to consider the impacts of inflation on the business including claims, reserving and pricing.

The Company observed increases in claims inflation, most significantly social inflation in US casualty business, but also in other lines. The Incurred but not Reported (“IBNR”) reserving methodology included a class of business assessment of the propensity for inflationary pressures, and applied an appropriate change to initial expected loss ratios for the relevant classes. The business plan loss ratios and pricing models have also been adjusted to reflect our expected view of inflation. The achieved rate change is also monitored closely against the Company view of inflation to make sure that prices are keeping pace with inflation.

Going Concern

The Company has significant financial resources and, having reviewed the key performance indicators of the Company as described in the Directors’ Report, the Directors have an expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company has assessed its current and forecast capital and liquidity positions, to ascertain the appropriateness of adopting the going concern basis. In performing this assessment, there is no indication of material uncertainty in relation to going concern.

The assessments performed include evaluating CES’s current financial condition, including sources of liquidity, in conjunction with the Board-approved business plan. The Company has a strong liquidity position given our cash and investment position at the end of 2025. The Company assesses its capital under the Solvency II requirements using the standard formula. The Directors have reviewed the Company’s forecast solvency position under this regime and are content that this supports the continued use of the going concern basis in preparing the Annual Accounts.

Subsequent events

Subsequent events after the balance sheet date are detailed at Note 23 to the annual accounts.

Directors' Report
CONVEX EUROPE S.A.
For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

Other Items

During the year the Company issued 33,000,000 shares for a total consideration of \$33,000 to CIL. The Company did not acquire any of its own shares during the year ended 31 December 2025.

The Company did not carry out any activities in the field of research and development during the period under review.

Appropriation of Profit

At the Annual General Meeting, the Board of Directors will propose to bring forward the Company's 2025 loss of \$1,864 (2024: profit of \$2,490).

Directors and Their Interests

The following individuals served as directors during the financial period, and up to the approval date of this report:

Names

Warren Brayn (appointed 1 July 2025)

Theodore Butt (resigned 1 July 2025)

Claus-Michael Dill

Julie Dubuisson

Anne Middleton (appointed 1 July 2025)

Marc Stevens

Ralf Peter Tillenburg

Auditors

PwC Luxembourg (PricewaterhouseCoopers Assurance, Société coopérative) acted as auditor of the Company for the year from 1 January 2025 to 31 December 2025.

Luxembourg,

On behalf of the Board of Directors



Warren Brayn (31 March 2026)
Director

Audit report

To the Shareholder of
Convex Europe S.A.

Report on the audit of the annual accounts

Our opinion

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of Convex Europe S.A. (the “Company”) as at 31 December 2025, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Our opinion is consistent with our additional report to the Audit Committee or equivalent.

What we have audited

The Company’s annual accounts comprise:

- the balance sheet as at 31 December 2025;
- the profit and loss account for the year then ended; and
- the notes to the annual accounts, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the annual accounts” section of our report.

PricewaterhouseCoopers Assurance, Société coopérative,
2 rue Gerhard Mercator, L-2182 Luxembourg
T : +352 494848 1, F : +352 494848 2900, www.pwc.lu

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

The non-audit services that we have provided to the Company and its controlled undertakings, if applicable, for the year then ended, are disclosed in Note 17 to the annual accounts.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Valuation of incurred but not reported (IBNR) reserves</p> <p>As at 31 December 2025, IBNR reserves included within “claims outstanding”, represent significant accounting estimates in the annual accounts as set out in Notes 3.h and 6.</p> <p>The methodologies and assumptions used by the Management to estimate IBNR reserves involve a significant degree of judgment.</p> <p>The main area of focus was the underlying volatility and uncertainty attached to estimates where small changes in the assumptions adopted in the estimation process and methodology, can lead to significant impact on the IBNR reserves.</p>	<p>We have gained an understanding, evaluated and tested the design and operational effectiveness of the relevant controls in place with respect to the valuation of IBNR reserves.</p> <p>In performing our audit work over these areas, we involved our actuarial specialists, to assist us in the following procedures:</p> <ul style="list-style-type: none"> • Reviewing and testing, on a sample basis, the reconciliation of data from the underlying systems to the data used in the actuarial calculations; • Independently developing a point estimate (with the use of our market view reserving assumptions, tailored to the company’s reserving classes using Lloyd’s risk code data, as well as integrating the company’s own portfolio experience) in respect of the valuation of the IBNR reserve across a selection of classes of business. We used this point estimate to challenge management’s IBNR reserves on these classes; • Evaluating the appropriateness of the booked IBNR reserve margin, taking into account estimation uncertainty inherent in the underlying insurance business.

Estimated Premium Income (EPI)

As at 31 December 2025, EPI included within "Premiums written - Gross amount", represent significant accounting estimates in the annual accounts as set out in Note 3.e.

The Company writes a portion of its insurance business through "Binders", and "Bulking lineslips", where there is typically a potential lag between business being written and subsequently reported to the Company.

Therefore, in order to account for this business, an estimate is made to determine and book these gross written premiums.

Our main area of focus was assessing the reasonableness of the estimate, including the classification between the relevant categories.

In performing our audit work over these areas we performed the following procedures:

- Understanding and testing the operating effectiveness of the key controls over EPI;
- Understanding and challenging the methodology and assumptions used by the Company to determine the premiums' estimate and assess whether the booked premiums reflect reasonable estimates based on underlying facts and circumstances (including latest bordereaux and cash receipts received);
- Performing a retrospective review of premium estimates booked as at 31 December 2024 to see how they developed during 2025. This testing was designed to test management's previous forecast accuracy.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the directors' report but does not include the annual accounts and our audit report thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and those charged with governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the “Réviseur d'entreprises agréé” for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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;
- 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;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation;
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities and business units within the Company as a basis for forming an opinion on the annual accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

The directors' report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We have been appointed as “Réviseur d’Entreprises Agréé” by the General Meeting of the Shareholders on 2 April 2025 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 5 years.

Luxembourg, 31 March 2026

PricewaterhouseCoopers Assurance, Société coopérative

Represented by

Signed by:

65BC89FAD4AA438...
Anthony Dault

Balance Sheet: Assets

CONVEX EUROPE S.A.

As at 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

ASSETS	Note(s)	2025	2024
INVESTMENTS			
Other financial Investments			
Debt securities and other fixed income transferable securities	3(l),5	119,463	110,397
Shares and other variable yield transferable securities & units in unit trusts	3(l),5	49,592	21,086
		169,055	131,483
REINSURERS' SHARE OF TECHNICAL PROVISIONS			
Provision for unearned premiums	3(e),6	223,871	181,680
Claims outstanding	3(f),6	372,684	219,419
		596,555	401,099
SUBROGATION AND SALVAGES			
	3(i),6	3,385	2,706
DEBTORS			
Debtors arising out of direct insurance operations:			
Intermediaries	7	285,114	209,217
Debtors arising out of reinsurance operations	7	81,065	54,005
Other debtors	7	2,973	1,903
		369,152	265,125
OTHER ASSETS			
Tangible assets	8	—	15
Cash at bank and in hand	3(k)	6,005	7,225
Other assets		1,170	433
		7,175	7,673
PREPAYMENTS AND ACCRUED INCOME			
Accrued interest		1,123	1,288
Deferred acquisition costs	3(g),6	46,993	39,013
Other prepayments and accrued income		2	5
		48,118	40,306
TOTAL ASSETS		1,193,440	848,392

The accompanying notes form an integral part of these Annual Accounts.

Balance Sheet: Liabilities

CONVEX EUROPE S.A.

As at 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

LIABILITIES	Note(s)	2025	2024
CAPITAL AND RESERVES			
Subscribed capital	9	126,585	93,585
Loss brought forward	9	(8,705)	(11,195)
(Loss)/Profit for the financial year	9	(1,864)	2,490
		<u>116,016</u>	<u>84,880</u>
TECHNICAL PROVISIONS			
Provision for unearned premiums	3(e),6	280,306	227,303
Claims outstanding	3(h),6	429,138	257,883
		<u>709,444</u>	<u>485,186</u>
SUBROGATION AND SALVAGES, REINSURERS' SHARE	6	2,877	2,311
CREDITORS			
Creditors arising out of direct insurance operations	10	62,012	37,602
Creditors arising out of reinsurance operations	10	251,004	192,790
Other creditors, including tax and social security	10	9,914	11,089
		<u>322,930</u>	<u>241,481</u>
ACCRUALS AND DEFERRED INCOME			
Other accruals and deferred income	6,11	42,173	34,534
TOTAL LIABILITIES		1,193,440	848,392

The accompanying notes form an integral part of these Annual Accounts.

Profit and Loss Account

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

TECHNICAL ACCOUNT NON-LIFE INSURANCE BUSINESS	Note(s)	2025	2024
EARNED PREMIUMS, NET OF REINSURANCE			
Premiums written, net of reinsurance			
Gross amount	3(e),14,15	369,806	335,274
Reinsurers' share	3(f)	(294,523)	(267,501)
		<u>75,283</u>	<u>67,773</u>
Change in the provision for unearned premiums, net of reinsurance			
Gross amount	3(e),6,15	(40,366)	(52,169)
Reinsurers' share	3(f),6	32,642	43,756
		<u>(7,724)</u>	<u>(8,413)</u>
Earned premiums, net of reinsurance		<u>67,559</u>	<u>59,360</u>
Allocated investment return transferred from the non-technical account	3(m)	6,794	5,886
CLAIMS INCURRED, NET OF REINSURANCE			
Claims paid			
Gross amount	15	(92,262)	(84,781)
Reinsurers' share		79,243	71,604
		<u>(13,019)</u>	<u>(13,177)</u>
Change in the provision for claims			
Gross amount	6,15	(151,267)	(95,691)
Reinsurers' share	6	136,488	79,067
		<u>(14,779)</u>	<u>(16,624)</u>
Change in subrogation and salvages			
Gross amount	6,15	665	957
Reinsurers' share	6	(537)	(838)
		<u>128</u>	<u>119</u>
Claims incurred, net of reinsurance		<u>(27,670)</u>	<u>(29,682)</u>
Net operating expenses			
Acquisition costs	16		
Change in deferred acquisition costs	3(g)	(76,314)	(64,799)
Administrative expenses	3(g),6	5,958	8,138
Reinsurance commissions and profit participation	17,20,21	(22,118)	(19,843)
	16	45,087	38,622
		<u>(47,387)</u>	<u>(37,882)</u>
BALANCE ON THE TECHNICAL ACCOUNT FOR NON-LIFE INSURANCE BUSINESS		<u>(704)</u>	<u>(2,318)</u>

Profit and Loss Account

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

	Note(s)	2025	2024
NON-TECHNICAL ACCOUNT			
BALANCE ON THE TECHNICAL ACCOUNT – NON-LIFE INSURANCE BUSINESS		(704)	(2,318)
INVESTMENT INCOME	3(m),5		
Income from other investments		6,319	6,195
Gains on realisation of investments		769	144
Value adjustments on investments		33	—
		<u>7,121</u>	<u>6,339</u>
INVESTMENT CHARGES	3(m),5		
Investment management charges, including interest		(254)	(163)
Losses on the realisation of investments		(73)	(290)
		<u>(327)</u>	<u>(453)</u>
		<u>6,794</u>	<u>5,886</u>
Allocated investment return transferred to the non-life technical account	3(m),5	(6,794)	(5,886)
Other income	18	7,198	4,024
Other charges, including value adjustments	18	(8,051)	(964)
Tax credit on profit on ordinary activities	19	106	2,736
PROFIT ON ORDINARY ACTIVITIES AFTER TAX		(1,451)	3,478
Other taxes not shown under the preceding items	19	(413)	(988)
(LOSS) / PROFIT FOR THE FINANCIAL YEAR		(1,864)	2,490

The accompanying notes form an integral part of these Annual Accounts.

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

1. General Information

Convex Europe S.A. ('the Company') is organised under the "Commercial Companies" laws of the Grand Duchy of Luxembourg as a public limited liability company (Société Anonyme). The Company is registered with the Register of Commerce and Companies of Luxembourg under section B253295. The Company holds an insurance licence granted by the Commissariat aux Assurances on 15 September 2021.

The main purpose of the Company is to carry out, for its own account and/or on behalf of third parties, either in the Grand Duchy of Luxembourg or abroad, any kind of insurance, co-insurance and/or reinsurance operations, in any class of insurance or reinsurance other than life insurance or life reinsurance operations, as well as any commercial, industrial, financial, real estate or intellectual property activities or other activities that are directly linked to such purpose and which facilitate or promote its accomplishment in accordance with the applicable laws and regulations.

The registered office of the Company is 37 Boulevard Joseph II, L-1840 Luxembourg, Grand-Duché de Luxembourg.

The financial year of the Company begins on 1 January and ends on 31 December of each year.

2. Presentation of the Annual Accounts

The annual accounts of the Company have been prepared in accordance with the Law of 8 December 1994 on the annual accounts of insurance and reinsurance undertakings, as amended from time to time, and with the generally accepted accounting policies for the insurance and reinsurance industry in the Grand Duchy of Luxembourg. The accounting policies and the valuation rules, apart from those defined by Luxembourg law or by the Commissariat aux Assurances are determined and applied by the Board of Directors.

All amounts in these annual accounts are presented in thousands of US Dollar except where stated.

3. Summary of Significant Accounting Policies

The significant accounting policies applied by the Company are as follows:

(a) Basis of preparation

These Annual Accounts are prepared on a going concern basis, under the historical cost convention, are prepared on a standalone basis and cover the year ended 31 December 2025.

(b) Going concern

Having assessed the principal risks, the directors considered it appropriate to adopt the going concern basis of accounting in preparing these Annual Accounts.

(c) Foreign currency translations and settlements

The Company's reporting and functional currency is USD.

The Company operates in multiple transactional currencies. All non-USD transactions are translated at the rate of exchange prevailing at the start of the month in which the transaction occurs. At each month end:

- Foreign currency monetary items are translated at the rate of exchange prevailing at the end of the month. Individual line items in the Profit and Loss Account are translated each month at the rate of exchange prevailing at the start of the month;
- Foreign currency non-monetary items measured at historical cost are translated using the exchange rate prevailing at the start of the month in which the transaction occurs.
- All realised/unrealised foreign exchange gains and losses are recognised in the Profit and Loss Account. These arise from:
 - Settlements of non-USD foreign currency transactions; and
 - Retranslations of monetary items at period end exchange rates.

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

3. Summary of Significant Accounting Policies (continued)

(d) Basis of accounting for underwriting activities

The results are determined on an accrual basis whereby the incurred cost of claims, commissions and related expenses are charged against the earned proportion of premiums, net of reinsurance, as described below.

(e) Written, earned and unearned premiums

Insurance and Assumed Reinsurance Premiums

Direct insurance premiums are recorded as written at the inception of each policy and are earned over the exposure period.

Direct insurance premiums on temporary insurance policies (“binders”) are estimated at inception, and are recognised by applying a writing pattern to the total estimated premium on the binder.

Direct insurance premiums on temporary insurance policies (“bulking lineslips”) are estimated at inception and the total estimated premium is written at the inception of the policy.

Premiums on assumed reinsurance contracts are estimated based on information provided by ceding companies, and are recorded at the inception of the policy.

For contracts with estimated premiums, the amount of premiums ultimately received may differ from the amounts initially estimated in the Annual Accounts. These estimates are reviewed regularly and as new information becomes known, the recorded premiums are adjusted as necessary. These adjustments can lead to an increase or decrease in premiums recognised. Adjustments to premium estimates, if any, are recorded in the period in which they become known.

Written premiums are earned over the contract period commensurate with the underlying risk. For assumed reinsurance contracts written on a risk-attaching basis, the earning period is based on the terms of the underlying policies attached to that contract. This period extends past the expiry of the reinsurance contract and as a result premiums on assumed reinsurance policies are earned over the contract period plus 12 months.

Unearned premiums in respect of the above premiums represent the portion of premiums written which is applicable to the unexpired risk portion of the policies in force.

(f) Reinsurance

The Company enters into reinsurance and retrocession agreements in order to mitigate its accumulation of loss, reduce its liability on individual risks, enable it to underwrite policies with higher limits and increase its aggregate capacity. Ceded reinsurance premiums are accounted for on a basis consistent with those used in accounting for the underlying premiums assumed.

Unearned reinsurance premiums represent the portion of premiums ceded applicable to the unexpired term of policies in force.

Reinsurers’ share of provision for claims and claims paid represent amounts that will be collectible from reinsurers once the losses are paid and includes an explicit allowance for Reinsurance Bad Debt provisions as appropriate.

(g) Acquisition costs

Acquisition costs are expenses that are directly related to the successful production of new and renewal business. Acquisition costs (with the exception of internal costs allocated to acquisition costs such as underwriting salaries) are capitalised as deferred acquisition costs (“DAC”) and amortised over the same terms as the related premiums.

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

3. Summary of Significant Accounting Policies (continued)

(h) Reserve for losses and loss adjustment expenses

The reserve for losses and loss adjustment expenses includes reserves for unpaid reported losses (“case reserves”), losses incurred but not reported (“IBNR”), and for unallocated loss adjustment expenses (“ULAE”).

Case reserves are established by management based on reports from brokers, ceding companies and insureds and represent the unpaid portion of the estimated ultimate cost of events or conditions that have been reported to, or specifically identified by, the Company, including Allocated Loss Adjustment Expenses (“ALAE”).

IBNR reserves are established by management based on a range of market benchmarks to project loss estimates to ultimate losses. Inherent in the estimate of ultimate losses and loss expenses are expected trends in claim severity and frequency and other factors which may vary significantly as claims are settled. The earned portion of these estimates of ultimate losses and loss expenses are then used to derive the best estimate loss and loss expenses, to which a management margin is added. The Company continues to assess the propensity for inflationary pressures to impact each class of business, and applies what it believes are appropriate initial expected loss ratio assumptions considering the latest inflationary outlook.

The period of time from the occurrence of a loss to the reporting of a loss to the Company and to the settlement of the Company’s liability may be several months or years. During this period, additional facts and trends may be revealed. Accordingly, losses and loss adjustment expenses ultimately paid may differ materially from the amounts recorded in the Annual Accounts. These estimates are reviewed regularly and, as experience develops and new information becomes known, the reserves are adjusted as necessary. These adjustments sometimes lead to an increase or decrease in ultimate losses. Adjustments to earned ultimate loss estimates, if any, are recorded in earnings in the period in which they become known.

A premium deficiency exists if the sum of expected losses and loss adjustment expense and deferred acquisition costs exceeds related unearned premiums (and, if appropriate, expected future premium) and anticipated investment income. In this event, deferred acquisition costs are immediately expensed to the extent necessary to eliminate the premium deficiency. No premium reserve deficiency was recorded for the year ended 31 December 2025.

(i) Subrogation and salvages

Recoveries arising out of subrogation or salvage are estimated on a prudent basis.

(j) Current tax

Current tax is recognised in the Profit and Loss Account. It is composed of:

- Estimated tax charges/credits associated with the current financial period's taxable profits/losses; and
- Changes in previously estimated tax charges/credits associated with previous financial periods' taxable profits/losses.

(k) Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks.

(l) Other Financial Investments

Debt securities and other fixed income transferable securities

Debt securities and other fixed income transferable securities are valued at amortised cost with premiums and discounts amortised over the period to maturity.

Financial assets are derecognised when: (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

3. Summary of Significant Accounting Policies (continued)

(l) Other Financial Investments (continued)

Shares and other variable yield transferable securities and units in unit trusts

Shares and other variable yield securities, collective investment schemes and private equity investments are measured at fair value. Gains or losses arising from the mark to market movement are recognised directly and immediately through the profit and loss account.

Impairment of financial assets

The Company assesses whether objective evidence of impairment exists for financial assets based on an assessment of the fair value compared to the amortised cost. Financial assets with similar credit risk characteristics are grouped together for the impairment assessment. Assets for which an impairment loss is, or continues to be, recognised are not included in the collective assessment of impairment. Impairments are recognised through the Profit and Loss Account.

(m) Investment return

Investment return is recognised within the Profit and Loss Account and comprises:

- Investment income earned during the financial period;
- Investment expenses, charges or interest incurred during the financial period;
- Realised investment gains/(losses) arising from the sales and maturities of investments during the financial period; and

Investment income

Investment income comprises:

- Interest on bank balances, which are accounted for on an accruals basis;
- Coupons on bonds, which are accounted for on an accruals basis;
- Value changes associated with movements in foreign exchange rates; and
- Returns on money market funds, which are accounted for on an accruals basis.

Investment charges

Investment charges comprises:

- Investment expenses on managed funds, accounted for on an accruals basis;
- Losses on investments sold during the year; and
- Amortisation of valuation adjustments on debt securities, accounted for on an accruals basis.

(n) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised. The costs of tangible assets are capitalised on the Balance Sheet and depreciated on a straight-line basis over the estimated useful life of two years.

(o) Share capital

Ordinary shares are classified as equity.

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

4. Judgements and Key Sources of Estimation Uncertainty

The preparation of the Annual Accounts requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumption changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company's principal estimates notably include:

- the reserve for losses and loss adjustment expenses, and the loss reserves recoverable and;
- the premium written on a line slip.

The most significant estimate made by management is the estimate for losses incurred but not reported. The total gross estimate at 31 December 2025 is \$295,950 (2024: \$178,666), \$33,841 (2024: \$25,135) net of reinsurance and is included within the 'Claims outstanding' caption for an amount of \$429,138 (2024: \$257,883), and the 'Reinsurers' share of claims outstanding' for an amount of \$372,684 (2024: \$219,419).

CES writes a number of contracts in which the initial premium is based on an estimate. The amount of premium received on such contracts is subject to uncertainty and may differ materially from the amounts initially estimated in the Annual Accounts. In order to manage this risk, estimates are reviewed regularly and, as new information becomes known, the recorded premiums are adjusted as necessary. These adjustments sometimes lead to an increase or decrease in expected premiums. Adjustments to premium estimates, if any, are recorded in the period in which they become known. Where significant, notes to the accounts provides the indicative amount recognised in these annual accounts.

5. Other Financial Investments

The book value and actual value of the Company's other financial investments as at December 31, 2025 and December 31, 2024 are as follows:

	2025			Book Value	Actual Value
	Original cost	Accumulated Amortization and accretion	Change in foreign exchange rate		
Debt securities and other fixed income transferable securities	118,647	236	580	119,463	119,836
Shares and other variable yield transferable securities & units in unit trusts	49,592	—	—	49,592	49,592
Total	168,239	236	580	169,055	169,428
	2024			Book Value	Actual Value
	Original cost	Accumulated Amortization and accretion	Change in foreign exchange rate		
Debt securities and other fixed income transferable securities	109,759	638	—	110,397	110,114
Shares and other variable yield transferable securities & units in unit trusts	21,086	—	—	21,086	21,086
Total	130,845	638	—	131,483	131,200

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

5. Other Financial Investments (continued)

The actual value has been determined by the following methods:

- Transferable securities which are admitted to official listing on a stock exchange or dealt in on another regulated market are valued on the basis of the last available price. If these securities are listed on several stock exchange markets, the last known price on the principal market will be applied.
- Transferable securities not admitted to official listing on a stock exchange or not dealt in on another regulated market and transferable securities admitted to official listing on a stock exchange or dealt in on another regulated market for which the last available price is not representative are valued on the basis of their reasonably foreseeable sales price determined with prudence and good faith by the Board of Directors of the Company.

The unamortised difference between the acquisition cost of the bonds, and other such transferable securities issued and the face value as at December 31, 2025 and December 31, 2024 are as follows:

	2025	2024
Issued at a discount	(905)	(1,773)
Issued at a premium	792	54
Total unamortised difference	(113)	(1,719)

Net investment return was derived from the following sources for the years ended December 31, 2025 and December 31, 2024.

	2025	2024
Income from deposits and cash at bank and in hand	986	1,340
Income from debt securities	4,928	3,870
Accretion of discounts	405	985
Income from other investments	6,319	6,195
Gains on the realisation of investments	769	144
Value adjustments on investments	33	—
Total Investment income	7,121	6,339
Investment management charges	(164)	(133)
Amortisation of premium	(90)	(30)
Investment management charges, including interest	(254)	(163)
Losses on the realisation of investments	(73)	(290)
Total investment Charge	(327)	(453)
Allocated investment return	6,794	5,886

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

6. Technical Provisions

	Provisions for unearned premiums	Claims outstanding (1)	Deferred acquisition costs (2)	Subrogations and salvages	Net technical liabilities
Gross of reinsurance					
At 1 January 2025	227,303	257,883	(39,013)	2,706	448,879
Movement in provision	40,366	151,267	(5,958)	665	186,340
Exchange adjustments	12,637	19,988	(2,022)	14	30,617
At 31 December 2025	280,306	429,138	(46,993)	3,385	665,836
Reinsurance					
At 1 January 2025	181,680	219,419	(32,433)	2,311	370,977
Movement in provision	32,642	136,488	(5,740)	537	163,927
Exchange adjustments	9,549	16,777	(1,747)	29	24,608
At 31 December 2025	223,871	372,684	(39,920)	2,877	559,512
Net					
At 31 December 2024	45,623	38,464	(6,580)	395	77,902
At 31 December 2025	56,435	56,454	(7,073)	508	106,324

1. Claims outstanding includes claims incurred but not reported (IBNR) reserves of \$295,950 (2024: \$178,666) gross of reinsurance and \$33,841 (2024: \$25,135) net of reinsurer's share of IBNR reserves.

2. Reinsurers' share of deferred acquisition costs is included in Accruals and Deferred income.

7. Debtors

	2025	2024
Debtors arising out of direct insurance operations	285,114	209,217
Debtors arising out of reinsurance operations	81,065	54,005
Other debtors	2,973	1,903
Total	369,152	265,125

Within debtors arising out of reinsurance operations \$18,569 (2024: \$9,644) is due from affiliated companies. Of the total debtors arising out of direct insurance and reinsurance operations \$92,329 is due after one year (2024: \$64,850).

Other debtors comprises rent deposits, investment debtors, VAT recoverable from HM Revenue & Customs.

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

8. Tangible Assets

	2025	2024
	Fixtures, fittings and office equipment	Fixtures, fittings and office equipment
Gross book value		
At 1 January	334	334
Additions	—	—
At 31 December	334	334
Accumulated depreciation		
At 1 January	(319)	(155)
Charge for the year	(15)	(164)
At 31 December	(334)	(319)
Net book value		
At 31 December	—	15

Fixtures, fittings and office equipment have been depreciated over their useful life.

9. Capital and Reserves

The movements during the financial year in respect of capital and reserves may be broken down as follows:

	Subscribed capital	Legal reserve	Loss brought forward	Profit/(Loss) for the financial year	Total
At 1 January 2025	93,585	—	(11,195)	2,490	84,880
Additions	33,000	—	—	—	33,000
Allocation of previous year result	—	—	2,490	(2,490)	—
Loss for the year	—	—	—	(1,864)	(1,864)
At 31 December 2025	126,585	—	(8,705)	(1,864)	116,016

On 19 August 2025, 15,000,000 new shares and 17 December 2025, 18,000,000 new shares of \$1.00 each were issued to CIL and settled in combination of cash and investment securities. As of 31 December 2025 subscribed capital comprises of 126,585,000 shares fully paid up with a nominal value of \$1.00 each.

CES must allocate 5% of its net profit for each financial year once it is in a position of cumulative profit after tax in order to comply with Luxembourg Company law requirements. This allocation ceases to be compulsory once the legal reserve balance reaches 10% of the issued share capital. The legal reserve is not available for distribution to shareholders, except upon the dissolution of the Company.

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

10. Creditors

All creditors are due within one year.

	2025	2025	2025
	Affiliated	Other	Total
	companies	companies	
Creditors arising out of direct insurance operations	—	62,012	62,012
Creditors arising out of reinsurance operations	125,053	125,951	251,004
Other creditors, including tax and social security	6,278	3,636	9,914
Total	131,331	191,599	322,930

	2024	2024	2024
	Affiliated	Other	Total
	companies	companies	
Creditors arising out of direct insurance operations	—	37,602	37,602
Creditors arising out of reinsurance operations	94,417	98,373	192,790
Other creditors, including tax and social security	8,008	3,081	11,089
Total	102,425	139,056	241,481

11. Accruals and Deferred Income

	2025	2024
Unearned reinsurance commission	39,920	32,433
Accrued expenses	2,253	2,101
Total	42,173	34,534

Of the total balance at 31 December 2025, \$13,657 (2024: \$11,105) was due to affiliated companies, all of which related to unearned reinsurance commission.

12. Off Balance Sheet Guarantees and Financial Commitments

(a) Guarantees

The Company has no guarantees.

(b) Annual Commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following years:

	2025	2024
2025	—	138
2026	156	138
2027	117	103
2028	—	—
2029 and thereafter	—	—
Total future annual minimum rental payments	273	379

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

13. Foreign Exchange Risk

Although the Company's presentation and reporting currency is USD, it operates internationally and its exposures to foreign exchange risk arise from several currencies when their exchange rates fluctuate against USD. This impacts the non-USD denominated transactions, assets and liabilities. The Company seeks to mitigate foreign exchange risk by closely matching the estimated foreign currency denominated monetary liabilities with monetary assets in the same currency. With 117% (2024: 106%) of net assets currently held in USD, the impact on equity of a significant weakening or strengthening of the USD against other currencies is considered minimal but is regularly monitored.

	2025				Total
	USD	EUR	GBP	Other	
Total assets	637,732	517,445	26,594	11,669	1,193,440
Total liabilities	(502,193)	(534,036)	(26,827)	(14,368)	(1,077,424)
Total capital and reserves	135,539	(16,591)	(233)	(2,699)	116,016
Non monetary	(2)	—	—	—	(2)
Net monetary assets	135,537	(16,591)	(233)	(2,699)	116,014

	2024				Total
	USD	EUR	GBP	Other	
Total assets	495,629	328,471	10,885	13,407	848,392
Total liabilities	(405,332)	(332,790)	(11,334)	(14,056)	(763,512)
Total capital and reserves	90,297	(4,319)	(449)	(649)	84,880
Non monetary	(17)	(1)	—	—	(18)
Net monetary assets/(liabilities)	90,280	(4,320)	(449)	(649)	84,862

14. Geographic Breakdown of Premiums Written

Details of gross premiums written by geographical area of risk insured are set out below.

	2025	2024
Luxembourg	15,671	6,590
EU Member States	329,638	298,230
EEA	24,497	30,454
Total gross written premium	369,806	335,274

The analysis of gross premiums written by geographical area is presented based on location of risk.

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

15. Breakdown of Technical Transactions

	2025						
	Gross premiums written	Gross earned premiums	Gross claims charges	Gross operating expenses	Gross technical account	Reinsurance	Balance on technical account before allocation of investment income
Direct Insurance							
Accident and health	1,718	2,253	(4,369)	(611)	(2,727)	2,189	(538)
Marine, Aviation and Transport	170,577	167,609	(106,612)	(47,114)	13,883	(18,677)	(4,794)
Fire and other damage to property	35,724	27,765	(23,284)	(7,351)	(2,870)	4,107	1,237
General liability	80,559	68,566	(45,916)	(22,633)	17	(801)	(784)
Credit and suretyship	17,061	6,023	(342)	(1,771)	3,910	(3,321)	589
Other	3,495	2,404	(85)	(1,010)	1,309	(1,206)	103
Total Direct Insurance	309,134	274,620	(180,608)	(80,490)	13,522	(17,709)	(4,187)
Reinsurance Acceptances	60,672	54,820	(62,256)	(11,984)	(19,420)	16,109	(3,311)
Total	369,806	329,440	(242,864)	(92,474)	(5,898)	(1,600)	(7,498)
	2024						
	Gross premiums written	Gross earned premiums	Gross claims charges	Gross operating expenses	Gross technical account	Reinsurance	Balance on technical account before allocation of investment income
Direct Insurance							
Accident and health	2,043	1,764	(904)	(486)	374	(358)	16
Marine, Aviation and Transport	172,962	141,336	(113,635)	(41,997)	(14,296)	5,096	(9,200)
Fire and other damage to property	35,518	31,881	(8,145)	(4,889)	18,847	(19,082)	(235)
General liability	64,054	60,662	(33,180)	(16,623)	10,859	(11,053)	(194)
Credit and suretyship	7,368	4,959	(930)	(1,261)	2,768	(1,864)	904
Other	2,351	876	(881)	(604)	(609)	426	(183)
Total Direct Insurance	284,296	241,478	(157,675)	(65,860)	17,943	(26,835)	(8,892)
Reinsurance Acceptances	50,978	41,627	(21,840)	(10,644)	9,143	(8,455)	688
Total	335,274	283,105	(179,515)	(76,504)	27,086	(35,290)	(8,204)

Included in Gross claims charges \$82,703 (2024: \$78,788) is claims paid and \$9,559 (2024: \$5,993) of claims expenses. Claims expenses includes \$808 (2024: \$665) allocated administrative expenses.

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

16. Net Operating Expenses

Net operating expenses comprise:	2025	2024
Acquisition costs	(76,314)	(64,799)
Change in deferred acquisition costs	5,958	8,138
Administrative expenses	(22,118)	(19,843)
Gross Operating Expenses	(92,474)	(76,504)
Reinsurance commissions	50,827	47,356
Change in deferred reinsurance commissions	(5,740)	(8,734)
	45,087	38,622
Total net operating expenses	(47,387)	(37,882)

Administrative expenses directly attributable to the acquisition of business of \$9,060 (2024: \$7,261) were recognised in Acquisition costs, expenses relating to the processing of claims of \$808 (2024: \$665) were recognised in Gross claims paid and expenses for the management of investments of \$164 (2024: \$133) were recognised in Investment management charges in the profit and loss account.

\$45,082 of acquisition costs paid during the year (2024: \$31,655) were paid to intermediaries.

17. Auditors' Remuneration

During the year, the Company obtained the following services from its auditors:

	2025	2024
Audit fees (*)	293	288
Audit-related fees (*)	40	34
Tax fees	—	—
Other fees	—	—
Total fees payable to the Company's auditors	333	322

(*) Audit fees represent fees for the audit of the annual accounts (including any group reporting, where applicable). Audit-related fees includes work performed for other legal or regulatory purpose (attestation to foreign regulators, regulatory reports, contribution in kind etc.) The fees to the auditor are included in the administrative expenses in the profit and loss account.

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

18. Other Income and Other Charges, Including Value Adjustments

For the year ended 31 December 2025, other income and other charges, including value adjustments of \$(853) (2024: \$3,060) comprises of;

	2025	2024
Services rendered to Group companies	1,541	—
Net realised (loss)/gain on foreign exchange	(457)	1,091
Net unrealised (loss)/gain on foreign exchange	(1,937)	1,969
Other income and other charges	(853)	3,060

The net foreign exchange loss of \$2,394 (2024: a gain of \$3,060) is generated from a gain of \$3,402 on cash and investments (2024: a gain of \$153) and a loss of \$5,796 on technical balances (2024: a gain of \$2,906).

19. Taxation

	2025	2024
Corporate Income Tax (Domestic)	—	—
Municipal Income Tax	—	—
Net Wealth Tax	(6)	(24)
Foreign Taxes - Credit	106	2,736
Prior year adjustment	(407)	(964)
Total (Charge)/Credit	(307)	1,748

The Company is subject to the general tax regulations applicable to all companies in Luxembourg. The Pillar Two rules entered into force in Luxembourg on 1 January 2024 following the adoption on 20 December 2023 of Law n°8292 transposing Council Directive (EU) 2022/2523 of 14 December 2022, and were updated by Law n°8396 of 22 December 2024 (incorporating OECD Administrative Guidance), further amended by Bill n°8591 voted into law on 17 December 2025 (transposing Directive (EU) 2025/872/DAC9 for automatic exchange of GloBE Information Returns and aligning with January 2025 OECD guidance). The Multinational Enterprise (“MNE”) Group is within the scope of the rules based on a consolidated turnover in excess of €750m. However, as the MNE Group is within its initial phase of international activity, the exemption from the under taxed payment rule is expected to apply until 1 January 2030.

Based on the “Company’s” assessment it does not expect any additional tax liabilities to arise from the implementation of the income inclusion rule, the undertaxed payments rule or the qualifying domestic minimum top-up tax. This is on the basis that the transitional safe harbour is expected to apply in Luxembourg and / or that no Pillar Two top up tax would arise in a full calculation in any case. Therefore the Company has not recognised any tax exposures or liabilities arising from this legislation in the year ended 31 December 2025 (2024: \$nil).

Article 53 (2) of the Luxembourg Pillar Two law provides that a group in scope of Pillar Two shall take into account all the deferred tax assets and deferred tax liabilities reflected or disclosed in the annual accounts of all the constituent entities in a jurisdiction for the transition year.

As at 31 December 2025, the Company has an estimated amount of Luxembourg tax losses carried forward of \$2,320 (2024: \$2,543), that are available for offsetting against any future taxable profits of the company, which corresponds to a deferred tax asset of \$554 (2024: \$634) at a tax rate of 23.87% (2024: 24.94%). This amount is the sum of tax losses carried forward as per the last filed corporate income tax return for the year 2024 and the estimated amount of tax losses carried forward for the 2025 year. In addition there are other deferred tax assets unrecognised of \$389 (2024: \$93).

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

20. Personnel Employed during the Year

Employees

Alongside those individuals employed by CES, the Company receives services from individuals who are employed on joint contracts with a fellow subsidiary within the wider Convex Group, Convex UK Services Limited (“CSL”). These employees perform underwriting, claims and other operational services for CES through a shared service agreement between the Company and CSL.

The average number of employees employed by the company during the year was as follows:

	2025	2024
Underwriting	15	10
Claims	2	1
Administration	10	10
Management	7	7
	<u>34</u>	<u>28</u>

The following amounts were incurred by the Company for CES staff, and those staff jointly employed by CSL:

	2025	2024
Wages and salaries	11,794	8,912
Social security costs	1,554	982
Other pension costs	716	541
	<u>14,064</u>	<u>10,435</u>

21. Remuneration and Loans Granted to Members of Supervisory Bodies and Commitments Entered into in Respect of Retirement Pensions for former Member of those Bodies

Remuneration granted to members of supervisory bodies by reason of their responsibilities and any commitments in respect of retirement pension for former members of those bodies charged during the financial year may be broken down as follows:

	2025	2024
Managerial Body	<u>1,902</u>	<u>1,540</u>

No loans and advances were granted to members of the administrative, managerial, and supervisory bodies.

22. Immediate and Ultimate Parent Undertakings

The immediate and ultimate parent undertakings are Convex Insurance (UK) Limited and Convex Group Limited, respectively.

The smallest and largest groups into which CES’s results are included are the consolidated accounts of Convex Re Limited and Convex Group Limited, respectively.

Copies of both Convex Re Limited’s and Convex Group Limited’s consolidated financial statements can be obtained from Point House, 6th floor, 6 Front Street, Hamilton HM11, Bermuda.

Notes to the Annual Accounts

CONVEX EUROPE S.A.

For the year ended 31 December 2025

(EXPRESSED IN THOUSANDS OF U.S. DOLLARS)

23. Events after the Reporting Period

The Company has completed its review of events after the Balance Sheet date of 31 December 2025 through 31 March 2026, the date the Annual Accounts were authorised for issue and none were identified. There were no subsequent events which required an adjustment in the Annual Accounts.



Convex Re Limited

Point House, 6th Floor, 6 Front Street,
Hamilton HM 11, Bermuda

Convex Insurance UK Limited

52 Lime Street, London, EC3M 7AF

Convex Europe S.A.

37 Boulevard Joseph II,
L-1840 Luxembourg, Grand-Duchy of Luxembourg

Convex Europe S.A. UK Branch

52 Lime Street, London, EC3M 7AF

Convex Guernsey Limited

Bucktrout House, Glatigny Esplanade, St Peter port,
Guernsey, GY1 1WR

Convex North America Insurance Services LLC

47 Hulfish Street, Suite 310, Princeton, NJ 08542, USA

convexin.com