

First Central Group Limited

Solvency and Financial Condition Report

For year ended 31st December 2025

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INTRODUCTION

This document is the Solvency and Financial Condition Report ('**SFCR**') of First Central Group Limited ('**FCG**') as at 31st December 2025 and was prepared with the purpose of satisfying the Solvency II public disclosure requirements under the Financial Services (Insurance Companies) Regulations 2020.

FCG is the holding company of the First Central Group, (**the 'Group'**), an insurance and technology group registered in Guernsey. The Group is subject to group supervision by the Gibraltar Financial Services Commission ('**GFSC**') as it owns an insurance company that is registered and operates in Gibraltar.

This report is structured in accordance with regulations 56A to 56E of the Financial Services (Insurance Companies) Regulations 2020, as amended by the Financial Services (Insurance Companies) (Amendment No.2) Regulations 2025, and contains a range of regulatory disclosures that support information presented in the FCG Annual Quantitative Reporting Templates ('**AQRTs**').

This SFCR is compliant with regulation 52 of the Financial Services (Insurance Companies) Regulations 2020.

The report is not intended to provide a comprehensive review of FCG's business and the market in which it operates, how the business is managed, or performance of the business during the year. This information is detailed in the 2025 audited Financial Statements.

In preparing this SFCR, the Company has applied the principle of materiality in accordance with Regulation 53A of the Financial Services (Insurance Supervisory Reporting) (Technical Standards) Regulations 2025. Disclosures have been determined based on whether the information could reasonably be expected to influence users' understanding of FCG's solvency and financial condition, taking into account both quantitative and qualitative factors. As a result, the report focuses on matters considered relevant and material, with aggregation or omission applied where appropriate.

EXECUTIVE SUMMARY

The elements of the disclosure in this document relate to FCG's business performance, governance, risk profile, solvency and capital management.

The sections of the SFCR are briefly summarised below:

Section A – Business and Performance

This section contains an overview of FCG's business, underwriting and investment performance.

FCG is the holding company of a leading UK personal lines group that sells motor and home insurance and related products in the UK, predominantly through price comparison websites. First Central Underwriting Limited ('1CU') is authorised and regulated in Gibraltar, and acts as the Groups' underwriter for motor and home products, whilst First Central Insurance Management Limited ('FCIM'), is authorised and regulated in the UK, and acts as the intermediary on behalf of 1CU, and as policy administrator on behalf of customers.

In 2025, the motor market softened ~10% across the year, driving a reduction in market quotes to 187m (vs. 217m 2024) and intensifying competition for new business and renewals. 1CU and FCIM maintained their agile trading approach throughout the year, making appropriate rate changes to balance maintaining volume with protecting underwriting profitability.

The Group pro forma Combined Operating Ratio (adjusting for the reinsurance arrangements, closely correlated insurance income and insurance related expenses) was 103.2% for 2025 (95.3% for 2024). FCG's profit before tax for 2025 was £63.7m (2024: £73.3m).

FCG's investment income in 2025 was £17.7m (2024: £14.5m). The year-on-year increase in investment and interest income was driven by a combination of higher average cash balances and investment returns over 2025, compared with 2024.

Section B – System of Governance

This section describes the roles, functions and responsibilities of the Board and its committees, and the internal control and policy framework. The Own Risk and Solvency Assessment ('ORSA') process is explained in detail, as well as how the Internal Control System, Internal Audit function, Actuarial function and outsourcing are implemented.

Section C – Risk Profile

The FCG Board (the ‘**Board**’) is responsible for determining risk strategy and risk appetite across the Group, and for the Group’s system of risk management and internal control. The FCG Board has delegated the development, implementation, and maintenance of the Group’s risk management framework to the Group Risk Committee (‘**Group RisCo**’) for the purposes of reviewing and reporting on the overall effectiveness of this system.

FCG’s risk profile shows that the principal risks to the Group includes:

- Underwriting risk, inadequate premium and inappropriate reserving.
- An increase in excess of loss reinsurance premium and reinsurance default risk.
- Market risk in relation to investments.
- Credit and liquidity risk.
- Operational risk including conduct, outsourcing and information security.

These risks are captured and appropriately controlled, monitored and reported on within the business under a ‘Three Lines of Defence’ approach.

The Board is satisfied that the business is adequately prepared for, and robust enough to weather, any plausible stress scenarios without material detriment to stakeholders.

Section D – Valuation for Solvency Purposes

This section provides information on the valuation of FCG’s Assets, Liabilities and Equity on their Solvency II balance sheets including detail of the valuation methodologies applied and any adjustments made to convert from a GAAP to Solvency II basis.

Section E – Capital Management

FCG have continuously complied with the Solvency Capital Requirement (‘**SCR**’) and Minimum Capital Requirement (‘**MCR**’) throughout the year.

As at the 31st December 2025, FCG held own funds of £249.8m compared to the SCR of £140.2m, resulting in an SCR coverage of 178.2% pre dividend (2024: own funds £233.8m, SCR £144.9m and SCR coverage 161.2%). FCG paid a dividend of £16.1m on 29/04/2026, with the foreseeable dividend allowed for at the 31st of December 2025, reducing FCG’s own funds to £233.8m, resulting in an SCR coverage of 166.8%.

The FCG AQRT extracts are provided in Appendices to this SFCR.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The FCG Board of Directors is responsible for ensuring that the SFCR is properly prepared in all material aspects in accordance with the Regulation 37(6) and Regulation 56 of the Financial Services (Insurance Companies) Regulations 2020, and the expectations set out by the GFSC Guidance Note on External audit of, and responsibilities of the administrative, management or supervisory body in relation to, the public disclosure requirement.

The FCG Board of Directors confirm that, to the best of their knowledge:

- Throughout the financial year ended 31 December 2025, FCG has complied in all material respects with all relevant legal requirements; and it is reasonable to believe that, at the date of the publication of the SFCR, FCG has continued so to comply, and will continue so to comply in future.

On behalf of the Board of Directors of First Central Group Limited,



Michael Lee

Group Chief Executive Officer
First Central Group Limited

Date: 21/05/2026

A - BUSINESS AND PERFORMANCE

A.1 Business

Name and legal form

First Central Group Limited
Suite 3A, 2nd Floor, Albert House
South Esplanade
St Peter Port
Guernsey
GY1 1AJ
Registered in Guernsey (number: 48743)

Contact details of the external auditors

Deloitte LLP
Regency Court
Gategny Esplanade St Peter Port
Guernsey, GY1 3HW
Tel +44 (0)1481 724 011

Contact details of the supervisory authority

Gibraltar Financial Services Commission
PO Box 940
Suite 3, Atlantic Suites
Gibraltar
GX11 1AA
Tel: +350 200 40283
www.fsc.gi

FCG shareholders with qualifying holdings (>10%)

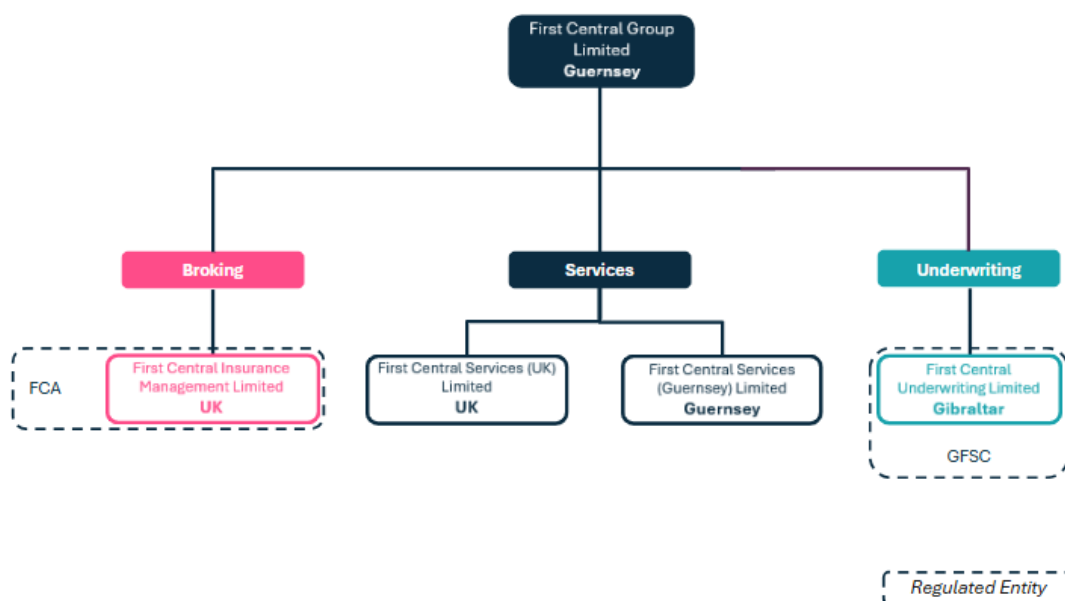
New Street Trust Limited
(as Trustee of The Acott Family Settlement): 32.10%
Patrick Tilley: 19.00%
Peter Creed: 13.03%

FCG is an unlisted, private limited company based in Guernsey, whose subsidiaries sell and underwrite motor and home insurance and related products in the UK market. FCG is classified as an insurance holding company under Solvency II, and the Group is subject to supervision by the GFSC as it owns an insurance company that authorised and regulated and in Gibraltar.

1CU is the Group's Gibraltar-based insurer authorised by the GFSC to underwrite the following insurance classes in the United Kingdom:

Class	Type of insurance business
3	Land vehicles
7	Goods in transit
8	Fire and natural forces
9	Damage to property
10	Motor vehicle liability
13	General liability
16	Miscellaneous financial loss
17	Legal expenses
18	Assistance

The chart below shows the Group’s structure as at 31st December 2025. FCG owns 100% of the entities within the Group.



Company	Jurisdiction	Function
First Central Group Limited ('FCG')	Guernsey	Group holding company and ultimate parent of all Group subsidiaries. Provides strategic advisory services. It also owns and licenses the core Group intellectual property.
First Central Underwriting Limited ('1CU')	Gibraltar	General insurer of the Group’s UK general insurance book.
First Central Insurance Management Limited ('FCIM')	UK	FCA-authorized general insurance intermediary and provider of premium finance and debt recovery. Provides management of policies of insurance, claims and complaints handling, counter fraud and brand management services.
First Central Services (UK) Limited ('FCS (UK)')	UK	Provides back-office support services including HR, legal, risk, compliance, solvency and capital management, financial reporting, financial planning, MI and data, business change and IT services and operations. Management of repair network and vehicle salvage arrangements.
First Central Services (Guernsey) Limited ('FCS (Gsy)')	Guernsey	Provides (non-regulated) insurance intermediary services via the insurance platform which collates, uses and analyses data across quotes, broking, claims and provides other development and on-going support in relation to the platform. Also provides instalment collection services.

All subsidiaries of FCG operate collaboratively, with each entity providing specialised services to others within the Group. These arrangements are governed by arms length intra-group agreements, ensuring that support functions, advisory services, and operational activities are efficiently delivered across jurisdictions.

Significant events during the reporting period

No significant events to report.

A.2 Underwriting Performance

FCG maintained an agile trading approach throughout 2025. Having continued to invest heavily in colleagues, data and technology to deliver an effortless customer experience, operational improvements and enhanced capabilities that ensure the rigorous running of the business, the Board is confident in FCG's ability to continue to deliver sustainable growth and profitability.

The motor market softened ~10% across the year, driving a reduction in market quotes to 187m (vs. 217m 2024) and intensifying competition for new business and renewals. Given these trading conditions, the Group continued to deploy internal initiatives to retain competitiveness and acted prudently in putting through FCIM retail rate and appropriate 1CU technical rate changes, ensuring inflation was adequately priced for and the right balance of competitiveness and margin was retained.

FCG's 2025 Full Year Adjusted Earnings Before Interest Taxes Depreciation and Amortisation ('Adjusted EBITDA') was £98m vs £111m in 2024, driven by underwriting performance. FCG's accident year loss ratio for 2025 was 76.3% which has increased from 68.0% since 2024. The Group pro forma Combined Operating Ratio (adjusting for the reinsurance arrangements and insurance related income and expenses) was 103.2% for 2025 (95.3% for 2024). Insurance related income includes Premium Finance, Fee Income and Claims Income. Insurance related expenses include items such as Acquisition, Claims Handling and Regulatory Fees.

On prior year reserves, we have seen some inflationary impacts feeding into attritional bodily injury claim costs. Reserving action was taken during the first half of 2025, including additional detailed analysis to understand the key drivers of the development, and the risk has since reduced. Additionally, we saw some adverse development on large claims over 2025, although such claim experience is inherently volatile.

Statement of Comprehensive Income	Year ended 31 st Dec 2025	Year ended 31 st Dec 2024
Net earned premiums	69.7	59.8
Commissions, fees, and expense contributions	401.1	426.7
Investment income and related expenses	17.7	14.5
Total revenue	418.8	441.2
Total technical income	488.5	501.0
Claims incurred, net of reinsurance	(174.2)	(161.4)
Operating expenses	(216.1)	(228.4)
Adjusted EBITDA	98.2	111.2
Amortisation, depreciation and non-operating expenses	(28.8)	(31.8)
Finance costs	(5.7)	(6.1)
Profit before tax	63.7	73.3
Tax	(18.0)	(13.1)
Profit after tax	45.7	60.2

A.3 Investment Performance

FCG's investment income (net of management fees) in 2025 was £17.7m (2024: £14.5m). The year-on-year increase in investment and interest income was driven by a combination of higher average cash balances and investment returns over 2025, compared with 2024. Average cash balances were £62m higher over the year, with investment returns 0.5% higher.

The table below shows the consolidated breakdown of FCG Investment Income and Related Expenses.

Investment Performance (£m)	Year ended 31 st Dec	Year ended 31 st Dec
	2025 (£m)	2024 (£m)
Loan interest income	1.4	1.4
Interest income	12.7	11.5
Realised gain on investments	-	0.5
Unrealised gain on investments	3.7	1.4
Profit/(loss) on derivative financial instruments	-	-
Investment management fees	(0.1)	(0.3)
Investment income and related expenses	17.7	14.5

A.4 Performance of Other Activities

Nothing to report.

A.5 Any Other Information

Nothing to report.

B - SYSTEM OF GOVERNANCE

B.1. General Information on the System of Governance

The Board is responsible for ensuring the long-term, sustainable success of the Group and is the principal decision-making body. To achieve this, the Board oversees governance arrangements across the Group as set out through FCG’s Corporate Policies. The 1CU and FCIM Boards have responsibility for the governance of 1CU and FCIM respectively.

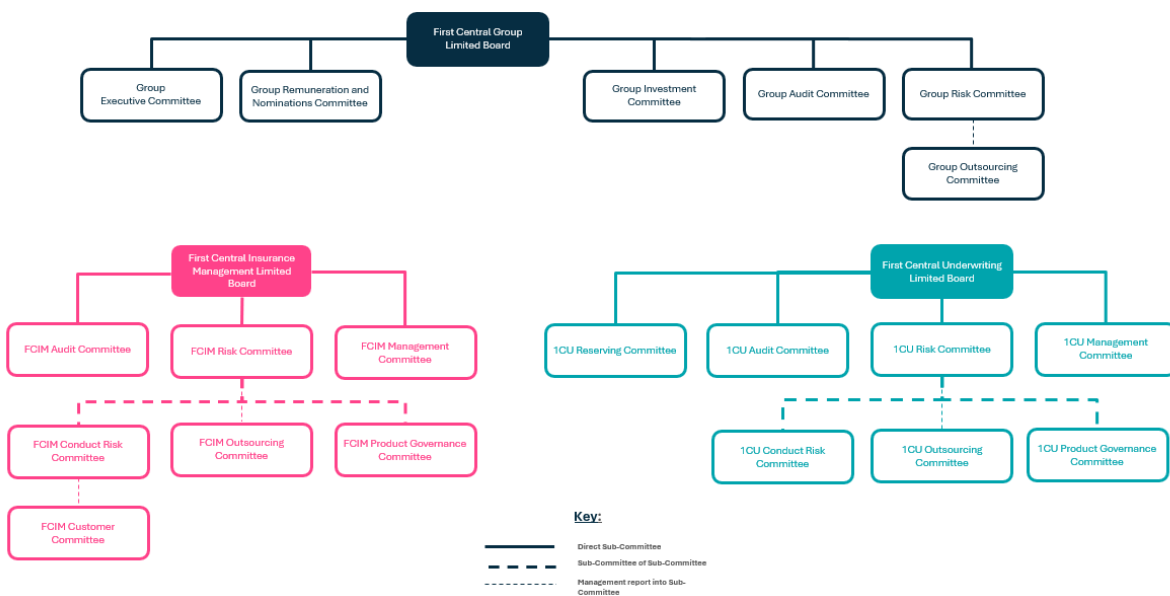
The Board is led by the Chair and is composed of nine NEDs who provide challenge and two Executives responsible for day-to-day management.

The Board established several Committees with authority to oversee the governance of key risk areas of the Group, in accordance with approved Terms of Reference.

FCG’s principal committees are: the Group Remuneration and Nominations Committee (**‘RemNomCo’**), Group Investment Committee (**‘GIC’**), Group Audit Committee (**‘GAC’**), Group RisCo and Group Executive Committee (**‘ExCo’**).

The subsidiary boards of 1CU and FCIM have also established several Committees with authority to oversee the governance of key risk areas, in accordance with approved Terms of Reference.

FCG Governance Structure



The main responsibilities of the Boards, Committees, meetings and forums are as follows:

Committee	Responsibilities
FCG Board	<p>The purpose of the FCG Board is to provide leadership and oversight to the Group, within a framework of prudent and effective controls which enables risks and commercial opportunities to be assessed and managed. The Board is collectively responsible for the long-term success of the Group and the delivery of sustainable value to shareholders.</p> <p>The main areas of responsibility of the FCG Board are:</p> <ul style="list-style-type: none"> • Setting the strategic business plan and overseeing performance, including Budget and Operating Plan. • Corporate governance, capital and risk. • Board composition and delegated authority. <p>Engagement with founder shareholders on reserved matters</p>
Group Audit Committee ('GAC')	<p>GAC was established to:</p> <ul style="list-style-type: none"> • Examine and report on the level of assurance provided by the Group's internal audit activities. • Review the adequacy and effectiveness of the Group's internal financial controls and systems that identify, assess, manage and monitor financial risks. • Review and endorse the Group's annual financial statements, Solvency and Financial Condition Report and financial reporting process. • Assess any internal and external audit reports. • Engage with external auditors and advisors where appropriate.
Group Risk Committee (Group Ris Co')	<p>Group RisCo was established to:</p> <ul style="list-style-type: none"> • Oversee the Group's overall risk appetite, tolerances and strategy, and the material and emerging risks the Company is willing to take in order to achieve its long-term strategic objectives. • Review and endorse the ORSA. • Oversee the Group's compliance with applicable laws and regulations.
Group Investment Committee ('GIC')	<p>GIC oversees and monitors the overall performance of investments made on the Group's behalf, in line with the investment guidelines. GIC also monitors the:</p> <ul style="list-style-type: none"> • Investment policies of individual subsidiaries to ensure they comply with the Group Investment Policy.

	<ul style="list-style-type: none"> • Performance and adherence of investments against agreed investment risk appetite. • Performance of the investment portfolio manager. • Amount, purpose and terms of intra-group loans. • Performance of the strategic asset allocation.
Group Remuneration and Nominations Committee ('RemNomCo')	<p>RemNomCo has delegated authority from the FCG, 1CU and FCIM Boards to review and consider the composition of Boards and Board Committees and the nomination of members thereto. The Committee also has delegated authority to review and consider the Group's remuneration framework and advise on specific remuneration structures of Executive Directors, nominated senior members (grade 9 and above) of the management team (collectively the 'Senior Management') as well as all employees of the Group collectively.</p>
Group Executive Committee ('ExCo')	<p>The Group Chief Executive Officer ("Group CEO"), acting under authority delegated by the Board of First Central Group Limited ("FCG" or "the Company") and each of its subsidiaries (together "the Group") has established an Executive Committee ("ExCo") to support the Group CEO in the day-to-day management of the Group and to provide a forum for collective executive leadership, challenge and decision-making.</p> <p>ExCo operates under authority sub-delegated by the Group CEO, within the limits set out in the Group Delegations of Authority Framework and relevant Operational Delegations of Authority.</p>

1CU Board and Sub-Committees:

1CU Board
1CU Audit Committee ("AC")
1CU Management Committee ("ManCo")
1CU Product Governance Committee ("PGC")
1CU Risk Committee ("RisCo")
1CU Conduct Risk Committee ("CRC")
1CU Reserves Committee (RC)

FCIM Board and Sub-Committees:

FCIM Board
FCIM Audit Committee ("ARC")
FCIM Management Committee ("ManCo")
FCIM Product Governance Committee ("PGC")
FCIM Risk Committee ("RisCo")
FCIM Conduct Risk Committee ("CRC")

Service Company Boards

FCS UK Board
FCS Gsy Board

The ‘Three Lines of Defence Model’

The Three Lines of Defence Model has been adopted throughout the Group as part of the Risk Management Framework and implementation of the Internal Control Policy. The responsibilities of the Three Lines are as follows:

First Line of Defence: Management (‘First Line’)

The First Line is accountable for the day-to-day management of risk and is responsible for identifying and managing controls as part of its accountability for achieving objectives. This is achieved through implementing the risk management and internal control management system.

Second Line of Defence: Risk Management and Compliance (‘Second Line’)

The Second Line is formed of the Risk Management and Compliance functions, who specialise in the management of risk and provide the policies, frameworks, tools, techniques, and support to facilitate the effective management of risk by the First Line. It is also responsible for providing internal assurance that the risk management and internal control system are operating effectively and provide an advisory service to the First Line on risk and compliance matters.

Third Line of Defence: Internal Audit (‘Third Line’)

The Third Line provides independent assurance to the Boards regarding the effectiveness and adequacy of governance, risk management and internal control in the Group, across both First and Second lines.

Material changes in the system of governance

During 2025, the Board resolved to replace the Group Audit Committee with separate Audit and Risk committees, both of which are chaired by an iNED.

Remuneration Policy

The RemNomCo has responsibility for reviewing and approving remuneration of all Executive Directors, iNEDs, nominated senior members of the management team, as well as all employees across the Group so as to:

- a) ensure that all colleagues are fairly rewarded for their individual performance and contribution to the Group’s overall performance (based upon its objectives); and
- b) demonstrate that the pay of Executive members is objectively reviewed by a committee chaired by an iNED.

Remuneration includes salary, incentives (including share incentive plans), bonus, pension, benefits, terms and conditions and contract of employment, discretionary payments, compensatory or settlement terms on loss of office or payments to be made on retirement or resignation.

Colleague Scheme

The discretionary annual bonus is payable to colleagues in April every year based on the Group's performance and colleagues' appraisal score. Individual awards are based on a percentage of annual salary and the average bonus by grade (based on if the Group achieves budgeted profit). The average percentage ranges from 0% to 50%.

Senior Leadership Scheme

The Senior Leaders bonus scheme is applicable to all grade 9 and eligible grade 10 colleagues and is linked to the profit achieved in the calendar year compared to the profit target. The bonus percentage a Senior Leader receives is based on their appraisal score. The bonus model varies between 0 and 100%.

If profit results are above target (par), then any bonus earned above par will be divided into three equal amounts with one third paid in the current year, one third the following year, and one third the year after. If a Senior Leader's remuneration (including company pension contributions) during a calendar year exceeds £500k then 40% of their bonus payment is deferred over a 3 year-period.

Remuneration supports our organisation's long-term business strategy, encourages sustainable performance rather than short-term gain and reflects organisational values and culture, especially in relation to conduct and customer outcomes. All colleagues receive a balance of fixed pay, which is based on market data as well as performance in role (objectives and KPI's linked to the overall strategic priorities and metrics) is reviewed annually, variable pay primarily in the form of an annual bonus provides the organisation with the ability to reward colleagues consistently in line with individual and organisational performance outcomes. This approach demonstrates a fair balance between fixed and variable pay, with the fixed element ensuring fairness and stability and the variable pay ensuring a balance of performance and risk management over the short and long term.

The Senior Leaders Bonus Scheme, is the only variable pay element which has an element of deferral and clawback to ensure strong safeguards, in line with regulatory requirements, to encourage colleague retention, promote a longer-term view of performance and to encourage longer term thinking.

Pension and Early Retirement Schemes

The Group did not provide any enhanced pension arrangements or early retirement schemes to members of the AMSB or to key function holders during the reporting period.

Material Related Party Transactions

Amounts of £9,249k (2024: £9,108k) are due from a number of FCG Shareholders as a committed capital contribution towards cost incurred towards a potential sale transaction of the Group.

On 30 June 2025, Patrick Tilley (Founder Shareholder holding 28.17% of the issued share capital in FCG) completed a partial transfer of his shares to a family trust (The Tilley Family Trust 2025). Following this transfer, The Tilley Family Trust 2025 holds 9.43% of the total share capital of FCG.

In November 2014, the Group loaned £2,500k to Cell Charles Street (Cell) in SPCC, to enable it to invest in a property at 39 Charles Street, London W1. Cell Charles Street within SPCC was converted to a standalone company, CSIL, on 23 December 2020. On 3 December 2021, ownership of CSIL was transferred from FCG to the other CSIL shareholders, resulting in CSIL falling outside the Group consolidation at the Statement of Financial Position date, although CSIL remains a related party to the Group through having some common shareholders. There were no changes to the terms of the loan from the Company to CSIL upon the change in ownership of CSIL. The loan is secured against the property and during 2023 an impairment of £440k was required. In October 2024 the property was sold and the carrying value after the impairment of £2,060k was received. CSIL applied to be dissolved in late 2025 and this was finalised with the company being fully dissolved with effect from 12 February 2026.

B.2 Fit and Proper Requirements

FCG has adopted similar principles to those of the FCA's Senior Managers and Certification Regime ('**SM&CR**') applicable to FCIM, and the GFSC's Regulated Individuals Regime ('**RIR**') applicable to 1CU and has clearly documented accountabilities and requirements concerning skills, knowledge and expertise in line with good practice.

The following criteria are used when undertaking Fit and Proper assessments:

- Honesty, integrity and reputation (e.g. prudent approach to business, good reputation, no convictions for fraud or dishonesty, no regulatory sanctions, regulatory approval);
- Competence, ability to conduct business and organisation (e.g. experience, knowledge, no conflicts of interest that cannot be reasonably mitigated); and
- Financial position (e.g. no history of personal bankruptcy, no history of association with corporate bankruptcy).

The Board ensures that all Senior Managers, Regulated Individuals and Certified Functions are assessed to ensure that they fulfil fit and proper requirements upon appointment and annually thereafter.

The recruitment process for Senior Managers, Regulated Individuals and Certified Functions includes reviewing the curriculum vitae of the candidate, an in-depth interview, obtaining references (both personal and professional), and due diligence checks which include verification of identification and address, and searches on due diligence databases. The candidate is also asked to declare any interests so that any conflict with FCG's interests can be assessed. All conflicts of interest identified are recorded on the Conflicts Register and reviewed by the Board on an annual basis. The disclosure of any new conflicts is requested at each Board meeting.

B.3 Risk Management System Including the Own Risk and Solvency Assessment

FCG has implemented a 'Three Lines of Defence' approach to Risk Management and recognises the importance of managing risks faced in the pursuit of its business objectives. The definition of risk adopted by the Group is "*the effect of uncertainty on objectives*", which is a derivation of the ISO 31000 Risk Management standard definition of risk. FCG applies the Group's Risk Management Framework ('**RM Framework**'), along with supporting policies and procedures. The Group Risk and Compliance Director and Chief Governance Officer are responsible for ensuring that the RM Framework is implemented and embedded appropriately, and to provide support and training.

The purpose of the RM Framework is to provide a systematic approach to risk identification and management. It is reviewed from time to time to take account of the changing environment. The RM Framework revolves around the Risk Registers, which contain details of all risks and controls identified for FCG, and the RM Framework includes a process for monitoring the implementation and efficacy of controls.

Risk Management Process

The risk management process is consistent with ISO 31000 and is comprised of five elements:

- 1) **Identification;**
- 2) **Assessment;**
- 3) **Response;**
- 4) **Monitoring; and**
- 5) **Reporting.**

Risks are assessed on a pre-control (inherent) and post-control (residual) basis using a matrix of impact ('I') and likelihood ('L') scores to arrive at a Critical, High, Moderate or Low rating. The amount of risk the Boards will tolerate in the business, which is defined in the Group Risk Appetite Statement, is also considered in the target rating which is arrived at using the same matrix.

Internal Control System

The GFSC undertakes supervision at the ultimate holding-company level and thus both FCG and 1CU are responsible for completing the combined ORSA, which is an internal process covering the view of the consolidated Group as well as 1CU, as the insurance company subject to Solvency II.

The ORSA's main purpose is to ensure that FCG and 1CU assess all the risks inherent to their businesses and determine the corresponding capital needs or identify other means needed to mitigate these risks.

In particular, the ORSA considers situations in which FCG and 1CU may be stressed. This is to examine whether the capital needs and mitigation measures necessary in these scenarios are sufficient to ensure that the business is prepared for, and robust enough to withstand, adverse conditions without material detriment to stakeholders. The capital need identified to run FCG and 1CU is assessed by management using

both the Solvency II Standard Formula for regulatory capital and models developed by the business to inform on managements view of the capital position which are termed the Economic Capital Requirement ('**ECR**').

The ORSA takes a top-down approach, linking business objectives, business risks, risk appetites and tolerances, business planning and capital planning together. The results of the ORSA also feed back into the risk management process, ensuring that all risks identified are incorporated into the assessment, management, monitoring and reporting cycle.

An ORSA is carried out at least annually on the assumption that the solvency needs and capital position are not volatile, and the business' risk profile is stable. However, in line with the ORSA Policy the Boards will consider undertaking a revised ORSA in specific circumstances.

The ORSA is embedded into the business and capital planning processes. The Business Plan, or latest available reforecast, is used to calculate the regulatory capital requirement (from the SCR calculation), both of which are considered by the relevant Board alongside the Business Plan. The ORSA report containing the results and conclusions of the ORSA process is approved by the Risk Committees and Boards.

B.4 Internal Control System

The Internal Control Policy documents the procedures utilised by the Group, to ensure there is an effective internal control framework in place. The internal control system is managed through the effective operation of the systems of governance, as well as the 'Three Lines of Defence' model.

The internal control framework is broadly defined as the processes effected by the Board which are designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations in view of FCG's risks and objectives;
- Availability and reliability of financial and non-financial information; and
- Compliance with applicable laws, regulations, and administrative provisions.

Internal control consists of five interrelated components:

- **Control environment:** sets the tone of an organisation through the Business Plan, risk appetite and risk profile;
- **Risk assessment:** understanding the assessment of the risks which exist which would impact on FCG's and/ or 1CU's ability to achieve their objectives;
- **Control activities:** policies and procedures that help FCG and 1CU ensure necessary actions are taken to address risks to achieve their objectives;
- **Information and Communication:** pertinent information must be identified, captured and communicated in a form and timeframe that allows relevant individuals to carry out their responsibilities; and

- **Monitoring:** internal control systems need to be monitored to assess their effectiveness over time. This is accomplished through ongoing monitoring activities, with deficiencies in the internal control framework reported to senior management and the Boards.

These components are the foundation for sound internal control through directed leadership, shared values and a culture that emphasises accountability for control.

The Group's control environment is determined by the Board, supported by the System of Governance framework described in B.1 above and the Committees which have set the tone of the organisation through the culture, principles, business planning and risk appetite.

The Group Compliance function is responsible for the design, implementation, monitoring, and review of the Group's Compliance processes as well as the identification and communication of any new requirements arising from changes in regulation.

The Group Risk and Compliance Director provides regular reports to Group RisCo, advising on Compliance matters and providing oversight and assurance over the effectiveness of the first line areas in delivering its regulatory responsibilities and adherence to the rules and guidelines set by the GFSC, FCA and other regulatory bodies as applicable.

The Compliance function provides advice and resolution to risk incidents as they arise.

B.5 Internal Audit Function

The primary role of Internal Audit is to independently and objectively assess the level of assurance that can be obtained from risk management, governance, and management's controls by evaluating whether the frameworks are operating effectively and agree recommended actions to be taken where issues are identified. Its secondary role is to provide advice to management in developing such frameworks. FCG has implemented its Group Internal Audit Charter ('GIAC') which outlines requirements and how the function will be performed.

The core principles of the GIAC are:

- **Independence**

Internal Audit acts independently of management and has a direct reporting line to Audit Committees, which are primarily composed of iNEDs, to raise any issues identified.

- **Annual Plan**

The Internal Audit Director prepares an annual plan, which is presented to, and approved by, the Audit Committees. This outlines the audits to be performed in the forthcoming year. The scope and frequency of audits included within the annual plan takes previous year audit results into consideration, along with a risk assessment of business activities, materiality and the adequacy of

systems of internal control. The annual plan follows a three-year cycle to cover all business areas, prioritising those with higher risk.

The Boards track action closure using Company Objective KPIs, monitoring progress year-round. These KPIs support strategic goals, business plan delivery, and success tracking for the Group, with monthly updates to the respective ManCos and quarterly reports to the Board.

- **Audit Recommendations Log**

Internal Audit maintains a log of all internal audit recommendations raised during audits completed. This log records the priority of the recommendations, the assigned owners and agreed completion dates. The log is maintained to ensure all actions are addressed in a timely manner and provide quarterly progress reports to the Audit Committees.

B.6 Actuarial Function

The 1CU Actuarial Function Holder ('**AFH**'), holds the responsibility for ensuring actuarial services are efficiently carried out, and provides regular reports to the 1CU RC, and an AFH report directly to the 1CU board on an annual basis.

The Actuarial Function is responsible for:

- Calculation of technical provisions;
- Ensuring appropriate methodologies and underlying models are used, as well as verifying the assumptions made in the calculation of technical provisions are appropriate and proportionate;
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions;
- Comparing best estimates against experience;
- Informing the Board of the reliability and adequacy of the calculation of technical provisions;
- Expressing an opinion on the overall underwriting policy;
- Expressing an opinion on the adequacy of reinsurance arrangements; and
- Contributing to the effective implementation of the risk management system.

A third-party actuarial service provider is engaged to provide an independent estimate of 1CU's reserves quarterly, as well as to provide ad-hoc support on matters to inform the opinion taken by the Actuarial Function and 1CU RC.

Since 2022 1CU has been using the external independent Actuarial Best Estimate ('**ABE**') in the calculation of its capital position and management margin. A quarterly external actuarial review is carried out with the 1CU RC reviewing both the internal and external ABE, in order to recommend the level of reserves to be held. This best estimate and margin proposals are approved by the 1CU Board following endorsement of the 1CU RC. Group directors attend the 1CU RC (although are not members of that committee), for awareness, given

the reserves are proposed for inclusion on the Group financial statements, which are subsequently approved by the GAC and Board.

B.7 Outsourcing

All outsourcing arrangements are monitored by the appropriate business area, with support from the Group Procurement and Supplier Management function. FCG considers outsourcing as being the use of a third party (including an affiliated entity within the same Group) to perform activities that support functions substantively owned by the receiving entity, where those activities are not performed internally by that entity.

Outsourcing is considered where particular advantages are identified, for example access to specialist resource, provision of services in the same jurisdiction as the customer, or cost benefits. However, fundamental responsibilities such as the setting of strategies and policies, the oversight of the operation of the Group's processes, and the final responsibility for customers, are never outsourced.

FCG's outsourcing committee provides enhanced oversight of all outsourced arrangements, including intercompany arrangements. The table below summarises the material services outsourced during the reporting period:

Material Services Outsourced Services or Activities	Jurisdiction
Claims Handling	UK
Debt Collection	UK
Investment Management	UK
Payroll	Gibraltar
Policy Sales and Administration	UK and South Africa
Telecommunications	South Africa
Vehicle salvage services	UK

B.8 Any Other Information

Assessment of the Adequacy of the System of Governance

The Board has considered the operation of the system of governance throughout the reporting period and is satisfied that it remained fit for purpose, taking into account the business model, risk exposure and organisational complexity of the Group.

Consideration of governance adequacy is embedded within the Company's ongoing oversight framework and informed by management oversight activities, compliance monitoring results and independent assurance. This includes analysis of themes arising from complaints, incidents and breaches, together with an assessment of whether actions taken have effectively addressed the underlying causes identified.

As part of its annual evaluation of governance arrangements, the Board and principal committees review how responsibilities are allocated, how decisions are taken and whether information provided supports effective challenge and oversight. This process includes an annual review of Committee Terms of Reference, with updates made where necessary to reflect regulatory expectations, changes in the firm's risk profile or refinements to governance responsibilities.

Independent insight is provided through internal and external audit activity, which assess key elements of the governance framework and provide recommendations where enhancements are identified. Progress against agreed actions is monitored to ensure that improvements are delivered in a timely and proportionate manner.

The Board also undertakes an annual effectiveness assessment, supported by a Governance Framework Survey, which considers the operation of the Board and committees, the quality of discussion and challenge, and the effectiveness of escalation and oversight arrangements. Based on the outcomes of these assessments, the Board concluded that the system of governance operated effectively during the year and that targeted enhancements introduced have further strengthened governance arrangements.

C - RISK PROFILE

The Board is responsible for determining risk strategy and risk appetite across the Group, and for the Group's system of risk management and internal control. The Board has aligned itself to this framework and has delegated the oversight of the risk environment to the Group RisCo.

Each risk area ('**Level 1 risk**') has a tolerance agreed by the Board and by responsible executives to support management in their understanding of risk appetite and to allow for the identification of incidents, or events, which will require mitigation to avoid a breach of risk appetite. For example, the tolerance for Information Security Risk (for which the Board have a generally cautious appetite or averse when it comes to sensitive data) is aligned to the Group Risk Appetite Statement ('**GRAS**'), which has been agreed with Group RisCo. The information security risk methodology and assessments, backed by the implementation of best practice controls, are used to manage information security risks. KPIs and assurance reviews are designed in order to measure alignment with ISO 27001 and track automated controls, manual controls and incidents in order to allow expert review and assessment of exposure.

The efficacy of controls is assessed by the control owner and reviewed by the relevant risk owner as part of a well-established review process, in conjunction with Group Risk (where required), with the output of these reviews supporting the assessment of the Group's exposure. Risk owners review their entire control environment periodically as part of the Risk Review process. In addition, controls are subject to independent testing regularly, with the results used to drive a granular analysis of the risk environment and identification of any mitigating actions required to bring risks within the appetite set by the Board.

All risks covered within the SFCR consider the wider macro environment and their impact upon FCG, including the impact of the ongoing conflict in Ukraine (nearing its fourth year) and the US trade tariffs. The UK economy is expected to grow modestly in 2026, with GDP forecasts ranging from 1% to 1.2%. While inflation is projected to ease to around 2.5%, growth will remain subdued due to persistent cost pressures. As such, these risks are not considered to be standalone risks but a key part of the wider external risk environment in which FCG operate.

The following risks are monitored and managed within the Group RM Framework:

C.1 Underwriting Risk

Ongoing underwriting risk is managed and monitored by the 1CU Management Governance Framework. Efficacy of underwriting controls is maintained by conducting regular reviews and deploying any mitigating actions required in case the risk is not in line with the risk appetite approved by the FCG and 1CU Boards.

As the only insurer in the Group, 1CU presents an underwriting risk in circumstances where the ultimate cost of claims for the risks underwritten is significantly in excess of the premiums collected for those risks, and

the regulatory solvency capital retained by it. Any shortfall in required regulatory solvency capital can be mitigated through the ability to utilise the Board approved Recovery Plan, which includes levers that raise additional solvency capital amongst others (i.e. issuing subordinated debt, extending Quota Share ('QS') reinsurance cessions, de-risking the investment portfolio, raising additional debt or equity capital).

In addition to all the recovery levers included in the Recovery Plan, each year (usually as part of the annual business planning process), the Board formally re-affirms its commitment to ensuring that all of its subsidiaries, including 1CU, have sufficient levels of liquidity and solvency necessary to manage their respective businesses, which is recorded in the Board minutes.

The key risk to manage, therefore, on an ongoing basis, is the adequacy of premiums charged in relation to insurance business underwritten, reserves and capital.

In addition to premiums written as an insurer, 1CU also receives a share of the income earned by FCIM from the associated sales of ancillary product commission and instalment income, which is transferred to 1CU in line with the Group's approach to transfer pricing, which is set out in the Group's Tax Risk Management Policy.

Reinsurance

1CU relies on a QS and Excess of Loss ('**XoL**') reinsurance programme to mitigate its underwriting risk and provide greater flexibility over the volume underwritten. It mitigates its counterparty risk by applying a policy of using A- or above rated (by AM Best or S&P) reinsurers. The cession on the QS programme for 2025 was 73%, compared to 75% in 2024.

Reserving

FCG's reserving risk is borne and managed by 1CU as the only insurer in the Group during the reporting period. Inappropriate reserving could result in the claim reserves being materially inaccurate. This could result in the reserves being insufficient to cover customer claims or other liability obligations owed by it. Alternatively, over-reserving could result in understating profit recognition, capital strain and inappropriate pricing, impacting 1CU's competitive position.

The 1CU RC reviews and considers both 1CU's internal ULR projections, as well as the projections completed by the appointed independent external actuaries, so as to recommend to the 1CU Board an appropriate ULR, on both a gross and net basis for each accident year, and its allocation to a year of account, both at the financial year end and at least quarterly intervals during the year.

In line with the standard formula approach, underwriting risk capital requirements are calculated net of reinsurance. However, for both motor and home policies, proportional QS reinsurance contracts allow for FCG to participate in the profitability of those portions of the book through profit commission arrangements.

The Capital and Reinsurance function monitors the effectiveness of the reinsurance arrangements on an ongoing basis, reporting the findings to the 1CU and FCG Boards at least annually. The process includes a range of areas such as reinsurance development, reinsurance performance and credit monitoring and forms an integral part of business planning activity. The additional risks that FCG is exposed to through these contracts are captured in FCG’s CAO, refer to section C6.

C.2 Market Risk

FCG is exposed to market risk in relation to its investments. This investment risk is mitigated by a cautious risk appetite under which FCG invests in UK gilts, sovereigns, supranational, agency bonds, MMF and cash with a credit rating of A- or greater. Exposure to these investments is both direct and by way of managed funds. A number of loans backed by property investments have also been held although as at 31 December 2025 only one of these remained, which is due for repayment by 30 September 2026. GIC regularly reviews its investment risk appetite and maintains a conservative strategy. GIC and management closely monitor all investments and receive quarterly updates from the Group Chief Financial Officer, who is responsible for overseeing the investment and property loan portfolio. The Group has utilised the services of the same external investment management company since 2022.

Prudent Person Principle

Solvency II introduced the Prudent Person Principle for managing investments. The Prudent Person Principle seeks to ensure that the industry understands and can manage its investment risks. Specifically, insurers must be able to demonstrate that they can properly identify, measure, monitor, manage, control and report on their investment risks and not place reliance upon information provided by third parties.

FCG’s risk management and strategic decision-making process in respect of asset investment is centred on GIC. GIC is an FCG Board sub-committee to which 1CU has delegated oversight of investments, with 1CU representation on GIC to ensure its interests are adequately reflected in investment governance. The governance process for material asset investment decisions can be summarised as follows:

Review	<ul style="list-style-type: none"> • Management review of asset classes, asset managers and proposed assets. • Factors considered include: yield, capital, asset and liability duration, diversification, credit quality, liquidity, currency, cost, tax, accounting and environment, social and governance factors.
Proposal	<ul style="list-style-type: none"> • Proposals discussed at GIC. • Senior management review including Group Chief Financial Officer and 1CU Head of Finance.
Approval	<ul style="list-style-type: none"> • Investment Policy approved by FCG and 1CU Boards.
Implementation	<ul style="list-style-type: none"> • Management implement Policy. • Included in the ongoing valuation, income and capital process.

FCG forecast their cash requirements over a three to five-year horizon based on the Business Plan, considering forecast claims payment patterns, contractual payments (e.g. XOL and QS reinsurance payments) and liquidity of the assets. In particular, the bond portfolio is invested in UK gilts, supranational and agency bonds which, along with the cash and cash equivalents held, are designed to approximate the nature and duration of the insurance liabilities. 77.9% of FCG Investments are held in cash and cash equivalents (including Money Market Funds), compared to 75.4% in 2024.

C.3 Credit Risk

Credit risk is the risk that a counterparty will be unwilling or unable to pay amounts in full when due.

Key areas of exposure to credit risk for FCG are:

- Reinsurers' share of insurance liabilities;
- Amounts due from reinsurers in respect of claims already paid;
- Amounts held with banks and other financial institutions; and
- Amounts due from insurance intermediaries.

All reinsurance and banking counterparties used have a credit rating of at least 'A-' and exposures are monitored against risk appetite by GIC and 1CU ManCo.

C.4 Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when they are due.

Liquidity risk is assessed and monitored through our internal control system, ensuring that there are sufficient funds available to meet both immediate and foreseeable cash flow requirements. This is done by reviewing balances in bank accounts and investments against expected cashflow requirements, bearing in mind maturities of investments, notice periods for withdrawals, and known substantial expenses (e.g. reinsurance premium payments). This must address Group and subsidiaries' management requirements, while complying with the relevant regulations. The Liquidity Risk Management Policy is reviewed annually and updated. Stressed and unstressed liquidity scenarios are monitored annually.

C.5 Operational Risk

Operational risk is the risk of loss arising from inadequate or failed internal processes, personnel, systems or from external events.

FCG's key operational risks are:

- Ineffective information security and cyber security standards resulting in the inability to preserve the confidentiality, availability or integrity of information;
- Ineffective integration of key or strategic projects designed to improve business operations;

- Material outsourced service providers fail to provide levels of service as expected and required by the Group, affecting the Group's ability to sell policies, adequately service customers and claims;
- Financial crime risk, with particular focus on failure to prevent or detect money laundering, application fraud and claims fraud;
- Inefficient or inadequate processes, or the failure to follow defined processes results in negative impacts to key underwriting, pricing, reserving and finance outputs and deliverables;
- Poor quality data management, relating to policy, claims and financial data, could result in inaccurate results and inappropriate decision making; and
- Conduct risk associated with customer outcomes, product value and market stability.

Operational risk within FCG is identified, assessed and monitored through the RM Framework. The operational risk capital requirement is rigorously monitored and managed to ensure that the necessary solvency margins, both internal and statutory, are maintained. The capital requirement is calculated using the standard formula.

Risk Sensitivity and Stress Testing

At least once a year as part of the ORSA, the Group performs sensitivity analysis and stress testing to assess the resilience of its solvency position under adverse but plausible conditions. Testing covers the Group and 1CU and is performed using the Solvency II Standard Formula, supplemented by internally defined scenarios aligned to the Risk Register and business plan.

Sensitivity tests apply single-factor shocks to key risk drivers, including underwriting performance, reserve adequacy and business volumes.

Scenario tests combine multiple adverse developments and likely management responses to these developments to provide a more comprehensive view of the business's resilience to stress events, the factors stressed include underwriting deterioration, market softening, reinsurance disruption, operational events and catastrophe losses.

Key assumptions include increases in accident year loss ratios and claims reserves, reductions in premium volumes, adverse reinsurance market conditions (including reduced quota share capacity, higher retentions and reinsurer default, business continuity events and multiple catastrophe scenarios affecting the Home portfolio.

Results are assessed using the Solvency II Standard Formula and presented as impacts to the Capital Coverage Ratio. Across all tested scenarios, the Group remains above its regulatory capital requirements and solvency risk appetite. The most material impacts arise from underwriting and reinsurance stresses; however, these are mitigated through pricing actions, reinsurance protections and recovery mechanisms. For 1CU, contractual transfer pricing controls further support solvency resilience.

In addition to this FCG may opt to perform additional stress and scenario testing, as part of business planning / reforecasting activity or to support strategic decision making.

Overall, the sensitivity and stress testing demonstrates that the Group and 1CU are robustly capitalised and able to withstand severe but plausible adverse scenarios while remaining compliant with regulatory capital requirements.

C.6 Other Material Risks

Gibraltar Authorisation Regime ('GAR')

The UK and Gibraltar governments have agreed to reciprocal market access for UK and Gibraltar financial services firms. The permanent market access arrangements for Gibraltar firms are included in Chapter 22 of the UK's Financial Services Act 2021 and are subject to sectoral assessments to ascertain that the required conditions are met. The transitional arrangements introduced prior to the UK's exit from the European Union to maintain mutual market access are expected to continue to be renewed as necessary until the GAR comes into effect.

While GAR is expected to provide long-term certainty over market access, delays in implementation or changes to the final scope could increase regulatory complexity or operational burden for Gibraltar-based firms. The Board continues to closely monitor developments relating to GAR and engages, where appropriate, with relevant stakeholders to ensure readiness for implementation and to mitigate potential impacts on FCG's operations and market access.

Brexit

In June 2025, a political agreement was reached between the UK, Spain, Gibraltar, and the European Commission, marking the final major post-Brexit settlement concerning Gibraltar. The new treaty will remove all land border controls between Spain and Gibraltar, allowing for the free movement of people and goods and establishing a customs union between Gibraltar and the EU. This agreement is expected to come into effect in early 2026.

While the agreement is expected to reduce friction and provide greater long-term stability, there remains a degree of uncertainty during the transition to the new arrangements, including the potential for temporary border or operational disruption. The Board continues to monitor developments closely to assess any emerging risks, with mitigation focused on maintaining operational resilience and ensuring continuity of business activities.

Iran Conflict

Since the beginning of 2026, geopolitical tensions in the Middle East, including developments relating to the Iran conflict, have increased. While 1CU does not have direct exposure to the affected regions, the broader macroeconomic impacts may indirectly influence its operating environment. Geopolitical

developments are monitored as part of the ongoing risk management processes. At the reporting date, no material impact on Group's solvency position has been identified.

Capital Add On (“CAO”)

As noted earlier in this section FCG has applied for a CAO as a result of limitations in the standard formula with respect to 1CU's risk profile. The CAO reported in the 2025 FCG Annual QRT is £31.2m following approval in March 2026.

The CAO reflects the risks associated with sliding scale profit commission arrangements present on its QS reinsurance arrangements for its Motor portfolio. Under stressed conditions, there is a risk that reinsurance commission income recognised in the Solvency II balance sheet will need to be revalued reducing the value of Own Funds.

It is worth noting that while these arrangements also exist on FCG's home portfolio, the CAO relating to this is currently nil as whilst the portfolio remains relatively undeveloped, the reserves are based on a loss ratio in excess of contractual trigger points at which a fixed commission becomes payable from the reinsurer.

C.7 Any Other Information

There is no other material information to disclose.

D - VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

As at 31st December 2025, FCG held the following assets:

Asset Class	GAAP Accounts Value (£m)		Solvency Valuation Adj.(£m)		Solvency Value (£m)	
	2025	2024	2025	2024	2025	2024
Collective investment undertakings	323.5	317.4	85.6	0.0	409.1	317.4
Technical provisions – reinsurance share	1012.2	919.9	(417.2)	(434.2)	595.0	485.8
Insurance and reinsurance receivables	459.0	512.4	(445.2)	(492.1)	13.8	20.3
Cash and cash equivalents	82.2	18.1	(81.3)	4.3	0.9	22.4
Financial investments - other loans	0.0	0.0	14.3	12.2	14.3	12.2
Other assets	92.8	86.4	(49.5)	(45.9)	43.3	40.4
Deferred acquisition costs	39.3	43.4	(39.3)	(43.4)	0.0	0.0
Deferred taxation	0.0	0.0	9.2	8.8	9.2	8.8
TOTAL	2009.0	1,897.6	(923.4)	(990.3)	1085.6	907.3

Asset Class	Description
Collective Investment Undertakings	<p>Collective Investment Undertakings comprise investments in pooled bond funds and money market funds, where the Company holds units or shares. These funds provide exposure to diversified portfolios of fixed income securities and short-term money market instruments and are held for investment purposes, primarily to support liquidity management and capital preservation objectives. For Solvency II purposes, Collective Investment Undertakings are valued at fair value in accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, based on quoted market prices where available. Where quoted prices are not directly observable, valuations are based on the net asset value reported by the fund manager or administrator.</p> <p>There are no differences between the Solvency II and Statutory accounting values.</p>
Technical Provisions Reinsurance Share	<p>The reinsurance share of technical provisions represents the portion of gross technical provisions that is recoverable from reinsurance counterparties under existing reinsurance arrangements. This includes the reinsurers' share of the best estimate of liabilities. For Solvency II purposes, the reinsurance share of technical provisions is valued separately from gross technical provisions in accordance with Regulation 66 of the Financial Services (Insurance Companies) Regulations 2020 and reflects the expected recoveries from reinsurers, adjusted for the time value of money and the probability of default of the reinsurers. Counterparty default risk is explicitly allowed for through the application of a deduction reflecting the expected losses due to reinsurer default. Differences between the Solvency II valuation and the statutory accounting value primarily arise from the derecognition of Unearned Premiums, which are replaced with the expected claims arising on the unearned premiums, as well as the use of a cash flow based approach to valuation allowing for the time value of money using prescribed PRA yield curves in discounting calculations</p>
Insurance and Reinsurance Receivables	<p>Insurance and reinsurance receivables comprise amounts due to the Company arising from direct insurance and reinsurance contracts, including premiums receivable, reinsurance commissions due, and other contractually agreed balances. For Solvency II purposes, insurance and reinsurance receivables are valued at fair value in</p>

	<p>accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, generally approximated by their nominal value.</p> <p>In line with Solvency II valuation requirements, premium receivables and similar balances relating to insurance obligations are included within the calculation of technical provisions and are therefore transferred from receivables to the best estimate of liabilities for Solvency II reporting purposes.</p> <p>The remaining balance represents funds due from intermediaries which are still within intragroup payment terms but are yet to be remitted to the insurer, in line with prescribed market wide guidance from the GFSC.</p>
Cash and Cash Equivalents	<p>Cash and cash equivalents comprise cash balances held at banks that are immediately available for use by the Company. These balances are held primarily for liquidity management and to meet short-term operational and claims-related funding requirements. For Solvency II purposes, cash at bank is valued at fair value in accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, which is considered to be equal to its nominal value given the short-term nature of the balances.</p> <p>There are no differences between the Solvency II valuation and the statutory accounting value for cash at bank.</p>
Financial investments other loans	<p>Financial investments – other loans comprise loans that are not classified as bonds or cash equivalents and are held by the Company for investment purposes. These assets typically represent fixed or determinable payments and are intended to be held to maturity. For Solvency II purposes, other loans are valued at fair value in accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, based on the present value of future contractual cash flows, discounted using appropriate risk-free interest rates and adjusted where relevant to reflect credit risk. The primary difference between the Solvency II valuation and the statutory accounting value is the reclassification of a property development loan which is classified as “Other assets” for statutory purposes but treated as a loan under Solvency II and revalued using discounted cash flows.</p>
Other Assets	<p>Other assets comprise balances that do not fall within the specific asset categories disclosed elsewhere, including prepayments, accrued income and other sundry debtor balances. These assets are generally short-term in nature and arise in the normal course of business operations. For Solvency II purposes, other assets are valued at fair value in accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, which is typically considered to approximate their nominal value due to their short duration.</p> <p>Any differences between the Solvency II valuation and the statutory accounting value are not material and primarily reflect classification and presentation differences rather than valuation methodology, as discussed above for the Financial Investment – other loan.</p>
Deferred Acquisition Costs	<p>Deferred acquisition costs represent costs that are deferred under statutory accounting standards in respect of the acquisition of insurance contracts, such as commissions and related expenses. Under Solvency II, deferred acquisition costs are not recognised as a separate asset. Instead, all future cash flows relating to acquisition expenses are included within the calculation of the best estimate of liabilities as part of the technical provisions. As a result, deferred acquisition costs have a nil value for Solvency II purposes. The difference between the Solvency II valuation and the statutory accounting value therefore arises due to the requirement to value insurance obligations on a fully prospective, cash-flow-based basis under Solvency II.</p>
Deferred Taxation	<p>Deferred tax assets arise from temporary differences between the valuation of assets and liabilities for Solvency II purposes and their corresponding tax bases, where these</p>

differences are expected to result in recoverable amounts of taxation in future periods. Deferred tax assets are recognised only where it is considered probable that sufficient taxable profits will be available to allow the asset to be utilised. For Solvency II purposes, deferred tax assets are valued in accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, using tax rates enacted or substantively enacted at the reporting date. Differences between the Solvency II and statutory accounting valuations primarily reflect valuation differences in assets and technical provisions under Solvency II and the associated impact on future taxable profits.

D.2 Technical Provisions

The FCG technical provisions include claims reserves incurred based on earned premiums which consider all reasonably foreseeable best estimates. This includes reserves for claims incurred plus a provision for claims Incurred But Not Reported ('IBNR'). FCG also consider any amounts recoverable from reinsurance contracts in respect of claims reserves and IBNR. The technical provisions also include an estimate of the claims which will be payable on unexpired risks (sometimes termed 'premium provisions') based on the expected ultimate loss ratios and large loss experience from the claims provisions.

The gross technical provisions by line of business for FCG are as follows:

31st December 2025:

Line of business	Technical provisions (excluding risk margin) (£m)		Risk margin (£m)		Technical provisions (£m)	
	2025	2024	2025	2024	2025	2024
Motor vehicle liability insurance	732.2	536.3	7.5	5.4	739.7	541.7
Other motor insurance	(34.4)	(20.8)	0.0	1.4	(34.4)	(19.4)
Annuities stemming from non-life insurance contracts	34.0	34.3	0.1	0.1	34.1	34.4
Fire and other damage insurance	10.0	1.5	0.1	0.0	10.1	1.5
Total	741.8	551.3	7.7	6.9	749.5	558.2

Notes to the table:

On materiality grounds FCG does not subdivide its household business by Solvency II line of business, instead allocating the entirety to 'fire and other damage to property insurance'.

Risk margin is allocated to the lines in business in proportion to the Net Claims Provision liability (this is why the risk margin allocation to Other Motor Insurance is zero).

The key areas of uncertainty around FCG technical provisions are as follows:

- Estimation of Outstanding Loss Reserves (**'OSLR'**): while information about claims is generally available, assessing the cost of settling the claim is subject to some uncertainty;
- Estimation of the losses relating to IBNR claims: this is generally subject to a greater degree of uncertainty than estimating the OSLR since the nature of the claims is not known at the time of reserving;
- Estimation of claims arising on business which has not yet expired (unexpired risks): this is uncertain as the claims have not yet been incurred but are expected to be incurred on the business which FCG has written;
- Market environment: changes in the market environment increase the inherent uncertainty affecting the business, including macro-economic factors on vehicle damage-related claims inflation that are uncertain;
- Events Not In Data (**'ENID'**): estimating a provision for events not in data is subject to considerable uncertainty as the events being reserved have not been observed;
- Run-off expenses: the estimation of the expenses required to run-off of the bound obligations is inherently uncertain due to the estimations around the length of the run-off, base costs and inflation; and
- Risk margin: the risk margin, being the margin payable to transfer the business to another insurance carrier, is uncertain due to the requirement to forecast future solvency capital requirement over the period of a run-off. This therefore shares the same uncertainties of the run-off expenses provision considered above as well as the inherent uncertainties around forecasting future solvency capital requirement.

FCG manage the risks around these uncertainties via the following actions:

- Ongoing monitoring of claims, including regular reviews of claims handling functions;
- Maintaining a number of reinsurance arrangements to limit the impact of adverse claims development;
- Internal controls through underwriting and claims management meetings and the Actuarial Function which monitor claims development and reinsurance arrangements; and
- Quarterly internal and external actuarial reviews.

Qualitative and quantitative explanations of differences of bases, methods and assumptions used between the valuation for solvency purposes and the financial statements:

(£m)	2025	Comment
Gross GAAP Technical Provisions	1,246.7	Per Previous Section
Profit on UPR	(30.2)	Profit on unearned exposure following creation of premium provision
Loading for events not in data (ENID)	7.7	Adjustment to capture the effect of possible future events
Removal of unpaid premiums from premium provision	(370.1)	GAAP treats this item as an asset
Solvency II Discounting	(117.6)	Solvency II Discounting using prescribed risk free yield curve
Solvency II Risk Margin	7.7	Solvency II Risk Margin
Other Solvency II Adjustments	5.3	SII Run Off Provision, BBNI, etc
Gross SII Technical Provisions	749.5	

FCG have not applied the matching adjustment, volatility adjustment, transitional risk-free interest term structure or the transitional deduction in the calculation of technical provisions.

D.3 Other Liabilities

FCG recorded the following classes of liabilities for solvency purposes:

Liability (£m)	As at 31/12/2025			2024		
	GAAP Accounts Value	Solvency Valuation Adj.	Solvency Value	GAAP Accounts Value	Solvency Valuation Adj.	Solvency Value
Reinsurance accounts payable	359.7	(359.7)	0.0	373.8	(373.8)	0.0
Deferred income	47.1	(47.1)	0.0	70.0	(70.0)	0.0
Other creditors, including corporation tax and IPT	85.9	0.5	86.4	112.8	2.5	115.3
Subordinated liabilities	64.4	(3.5)	60.9	48.9	(2.0)	46.9
Total	557.1	(409.8)	147.3	605.5	(443.3)	162.2

FCG has no material leasing arrangements.

Liability Class	Description
Reinsurance Accounts Payable	<p>Reinsurance accounts payable comprise amounts owed by the Company to reinsurers under reinsurance contracts, including premiums payable and other contractually agreed balances arising in the normal course of business. For Solvency II purposes, reinsurance accounts payable are valued at fair value in accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, which is generally considered to approximate their nominal value due to their short-term nature. In line with Solvency II valuation requirements, balances directly relating to reinsurance obligations are incorporated within the calculation of technical provisions and are therefore transferred from reinsurance payables into the best estimate of liabilities for Solvency II reporting purposes.</p> <p>Differences between the Solvency II valuation and the statutory accounting value primarily arise from this reclassification and the application of a cash-flow-based valuation approach under Solvency II.</p>
Deferred Income	<p>Deferred income comprises commission receivable from quota share reinsurance arrangements, primarily representing ceding commissions that are deferred under statutory accounting standards and recognised over the coverage period of the underlying insurance contracts. Under Solvency II, deferred income is not recognised as a separate liability. Instead, all future cash flows arising from reinsurance arrangements, including expected commission receipts, are incorporated within the calculation of technical provisions through the best estimate of liabilities. As a result, deferred income balances recognised under statutory accounting are transferred into technical provisions for Solvency II reporting purposes.</p> <p>Differences between the Solvency II valuation and the statutory accounting value therefore arise from the requirement to adopt a fully prospective, cash-flow-based valuation of insurance and reinsurance obligations under Solvency II.</p>
Other creditors, including corporation tax and IPT	<p>Other creditors comprise amounts payable by the Company that do not fall within specific liability categories disclosed elsewhere, including accruals for operating expenses, amounts owed to suppliers, and other sundry payables arising in the normal course of business. These balances are generally short-term in nature. For Solvency II purposes, other creditors are valued at fair value in accordance with Regulation 65 of the Financial Services (Insurance Companies) Regulations 2020, which is considered to approximate their nominal value.</p> <p>Differences between the Solvency II valuation and the statutory accounting value are not material and primarily reflect classification and presentation differences rather than valuation methodology.</p>
Subordinated Liabilities	<p>Subordinated liabilities comprise debt instruments that, in the event of the winding-up or liquidation of the Company, rank below policyholder claims and senior unsecured creditors, but ahead of ordinary shareholders. These instruments are issued in accordance with the Solvency II regulatory framework and are intended to provide loss-absorbing capacity to support the Company's capital position.</p> <p>The Company's subordinated liabilities are contractually subordinated and fully paid-up, and do not include any features that would undermine their ability to absorb losses on a going concern or winding-up basis. Repayment of principal and payment of interest are subject to the relevant contractual terms and applicable regulatory approvals, including, where required, the prior consent of the Gibraltar Financial Services Commission.</p> <p>Interest payable on subordinated liabilities is floating at a predetermined margin, and payments may be deferred in accordance with instrument terms without constituting an event of default. The instruments have a long-dated maturity of at least 10 years from date of inception.</p>

	<p>For Solvency II purposes, the subordinated liabilities are assessed against the eligibility criteria set out in the Delegated Regulation and are classified as Tier 2 Own Funds based on their specific contractual features, remaining maturity, and loss-absorption characteristics. Eligible subordinated liabilities are included in the Company's own funds and contribute to the coverage of the Solvency Capital Requirement (SCR) and, where applicable, the Minimum Capital Requirement (MCR), subject to quantitative limits.</p> <p>The value of subordinated liabilities reported in the Solvency II Balance Sheet reflects their economic value, which may differ from their nominal value, and is determined in accordance with Solvency II valuation principles.</p>
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D.4 Alternative Methods for Valuation

Not applicable.

D.5 Any Other Information

Not applicable.

E - CAPITAL MANAGEMENT

E.1 Own Funds

Information on the objectives, policies and processes for managing Own Funds:

FCG's objectives when managing capital are:

- To ensure it can meet all its policyholder obligations in a timely fashion;
- To safeguard FCG's ability to continue as a going concern;
- To comply with UK Solvency capital requirements with an appropriate margin; and
- To provide distributions to the shareholders in the form of dividends when there is excess capital above these levels.

Forward looking assessments of Capital are performed over a three-year planning horizon and are reported within the Group's annual ORSA process.

FCG classify own funds as tier 1, tier 2 or tier 3 depending on the characteristics of the capital. Tier 1 capital is the best form of capital for the purposes of absorbing losses.

FCG's eligible own funds as at 31st December 2025 and 31st December 2024 are as follows:

Own Fund Item	Tier	31 st December 2025		31 st December 2024	
		£m	%	£m	%
Share capital and share premium	1	0.1	0.0	0.1	0.0
Reconciliation reserve	1	163.6	70.0	178.0	76.1
Subordinated Debt	2	60.9	26.1	46.9	20.1
Deferred Tax Asset	3	9.2	3.9	8.8	3.8
		233.8	100	233.8	100

Tier 1 Own Funds comprises Ordinary Share Capital and Share Premium of £0.1m (2024: £0.1m) and the reconciliation reserve of £163.6m (2024: £127.1m). The reconciliation reserve consists of Solvency II excess of assets over liabilities, less foreseeable capital distributions of £16.1m.

The Tier 1 Own Funds are fully available to absorb losses on both a going-concern and winding up basis and are immediately accessible without any encumbrance, restriction or requirement for regulatory or shareholder consent.

The Ordinary Share Capital, Share Premium and Reconciliation Reserve are fully subordinated to all policyholder and creditor obligations and rank last in the event of liquidation.

The instruments are of unrestricted duration, with no fixed maturity, mandatory redemption features or incentives to reed, thereby providing permanent capital support to the business.

In terms of quality features, the Tier1 Own Funds are free from any hedging guarantees, security interests or structural features that could undermine their loss-absorbing capacity. There are no planned or contractual arrangements that would adversely affect their availability or ability to meet the Solvency Capital Requirement or Minimum Capital Requirement. Accordingly, Tier 1 Own Funds fully meet the criteria for unrestricted Tier 1 capital under Solvency II.

FCG has issued subordinated debt instruments that qualify as Tier 2 Own Funds under the Solvency II regime. These instruments are fully paid, unsecured and subordinated to the claims of all policyholders and senior creditors in the event of liquidation. The subordinated debt has an original maturity of ten years and contains no features that would provide incentives to redeem. Interest payments are contractually payable but may be deferred where required to meet the Solvency Capital Requirement. In accordance with Regulations 71 and 72 of the Financial Services (Solvency 2) (Technical Standards) Regulations 2025, the instruments meet the permanence, subordination and loss-absorbency criteria for Tier 2 classification. The amount recognised as Tier 2 Own Funds at the reporting date reflects the eligible balance after the application of regulatory limits.

Deferred tax assets are recognised as Tier 3 Own Funds to the extent that it is probable they will be realised against future taxable profits or through the reversal of corresponding deferred tax liabilities. The recoverability of deferred tax assets is assessed at the reporting date, taking into account projected future taxable profits under the Company's business plan and the anticipated run-off of temporary differences. In accordance with Regulations 71 and 76 of the Financial Services (Solvency 2) (Technical Standards) Regulations 202, the amount of deferred tax assets eligible for inclusion in Tier 3 Own Funds is subject to the overall Tier 3 quantitative limits and is adjusted where necessary to reflect restrictions on availability or transferability. No deferred tax assets are recognised in Own Funds where their recoverability is considered uncertain.

FCG's SCR of £140.2m is fully covered by Tier 1 Own Funds. FCG's MCR of £35.0m is fully covered by Tier 1 Own Funds.

Qualitative and Quantitative explanations of differences between Solvency II Own Funds and Equity in the Financial Statements:

Reconciliation of GAAP Retained Earnings to Solvency II Own Funds	2025	2024
GAAP Retained Earnings	205.2	165.4
Recognise Profit on Unearned Premiums (UPR)	1.9	42.4
Deduct Solvency II Risk Margin	(7.7)	(6.9)
Add Solvency II Technical Provision Discounting	14.1	12.5
Deduct Solvency II Run Off Provision and ENID's	(15.3)	(13.9)
Add Unearned Broker Income	19.3	21.4
Deduct Intangible Assets	(29.1)	(24.5)
Add Tier 2 Subordinated Debt	60.9	46.9
Adjust for Solvency II Deferred Tax	1.1	(6.3)
Other Solvency II Adjustments	(0.5)	(3.2)
Foreseeable Dividend	(16.1)	-
Solvency II Own Funds	233.8	233.8

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The final solvency capital requirement of FCG is the aggregation of the market, counterparty, non-life and life underwriting risks, less a credit for diversification, an additional charge to represent the operational risks faced by FCG and a capital add-on.

The SCR of FCG as at 31st December 2025 was £140.2m (2024: £144.9m); its MCR as at 31st December 2025 was £35.0m (2024: £36.2m).

FCG Solvency Capital Requirement	31 st December 2025 £m	31 st December 2024 £m
Market risk	21.9	16.6
Counterparty risk	21.2	22.2
Non-life underwriting risk	66.1	55.1
Life underwriting risk	0.3	0.2
Basic SCR diversification	(21.9)	(18.8)
Operational risk	21.4	22.6
Capital add-on	31.2	47.0
SOLVENCY CAPITAL REQUIREMENT	140.2	144.9

The reduction in the solvency capital requirement is primarily driven by a decrease in the capital add-on imposed by the GFSC to reflect the risks associated with sliding scale commissions that are present on reinsurance QS arrangements. The decrease comes as a result of a lower proportional reinsurance placement at the 2026 renewal, more favourable fixed commission terms achieved at renewal, observed loss ratio performance more in line with projections for the 2025 underwriting year and reduced volatility on the 2024 underwriting year as this becomes more developed.

Offsetting the decrease in the CAO is an increase in Non-Life Underwriting Risk as a result of a combination of:

- An increase in reserve risk following reserve strengthening during 2025 and earn through of strong volume growth during the 2024 underwriting year;
- An increase in premium risk reflecting an increase in future net earned premiums following the reduction in QS cession over 2026; and
- An increase in catastrophe risk with a growing home book of business.

FCG is exposed to market risks derived predominately from the assets it holds to meet its insurance liabilities, although exposures to shocks in interest rates and currency rates are also considered in the exposure from underwriting risks.

FCG is exposed to counterparty risks in the form of cash deposits and recoveries from reinsurers (type 1) and from receivables from intermediaries, policyholders and other debtors (type 2).

FCG is exposed to non-life underwriting risk as a result of the insurance policies sold by the group. The risks are based on volatility around earned premiums and claims reserves, and to catastrophe events to which FCG may be exposed.

For the purposes of calculating the SCR under the Standard Formula, FCG has applied a permitted simplification within the life underwriting lapse risk sub-module, using a lapse stress factor of 40%. This approach is consistent with PRA guidance on simplified lapse risk calculations, which allows the use of simplifications where the portfolio is sufficiently homogeneous, lapse behaviour is stable, and the resulting capital requirement is not material relative to the overall SCR. No further simplifications have been applied across other risk modules, which have been calculated in accordance with the full Standard Formula methodology.

There has been no use of undertaking specific parameters in the non-life underwriting risk calculations. The non-life diversification is defined within the standard formula calculation and reflects the fact that the individual non-life risk types are not 100% correlated and therefore a 1-in-200 shock on total non-life underwriting risk is significantly less than the sum of 1-in-200 shocks for the individual non-life sub-risk types

1. FCG is exposed to life underwriting risk as a result of the settled Periodic Payment Orders ('PPOs'). As at 31st December 2025, the gross undiscounted technical provisions associated with PPOs totalled £76.8m (2024: £77.4m) with no new PPO's awarded in the year.

The life underwriting risk in respect of FCG is immaterial. The inputs used to calculate the MCR of FCG are as follows:

FCG Line of Business	Net (of reinsurance) written premiums in the last 12 months (£m)
Motor vehicle liability insurance	45.6
Other motor insurance	13.6
Fire and other damage insurance	0.9
TOTAL	60.1

E.3 Differences between the standard formula and any internal model used

Not applicable.

E.4 Non-Compliance with the MCR and Non-Compliance with the SCR

FCG has maintained capital sufficient to meet its minimum capital requirement throughout the period covered by this report.

FCG met its SCR throughout the years ended 31st December 2024 and 31st December 2025, reporting a coverage ratio of 178.2% and 161.2% respectively before any foreseeable dividend. 31st December 2025 coverage ratio reduces to 166.8% once foreseeable dividends have been deducted from Own Funds.

E.5 Any Other Information

There is no other information to disclose.

GLOSSARY

Term	Definition
1CU	First Central Underwriting Limited
1CU Board	1CU Board of Directors
1CU CRC	1CU Conduct Risk Committee
1CU ManCo	1CU Management Committee
1CU OsCo	1CU Outsourcing Committee
1CU RC	1CU Reserves Committee
ABE	Actuarial Best Estimate
Adjusted EBITDA	Earnings Before Interest Taxes Depreciation and Amortisation adjusted for non-controlling interest, share based payments and any exceptional one-off costs
AFH	Actuarial Function Holder
AQRTs	Annual Quantitative Reporting Templates
ARC	FCIM Audit and Risk Committee
Boards	The Board of Directors of FCG and 1CU
COR	Combined Operating Ratio
CPI	Consumer Price Index
ENID	Events Not In Data
ExCo	Group Executive Committee
FCA	Financial Conduct Authority
FCG	First Central Group Limited
FCIM	First Central Insurance Management Limited
FCS (UK)	First Central Services (UK) Limited
FCS(Gsy)	First Central Services (Guernsey) Limited
GAAP	Generally Accepted Accounting Principles
GAC	Group Audit Committee
GFSC	Gibraltar Financial Services Commission
GIAC	Group Internal Audit Charter
GIC	Group Investment Committee
GWP	Gross Written Premium
IBNR	Claims Incurred But Not Reported
ISO 31000	Risk Management Framework from the International Organization for Standardization
KPIs	Key Risk Indicators
ManCo	Management Committee
MCR	Minimum Capital Requirement
MMF	Money Market Funds
NED	Non-Executive Director
ORSA	Own Risk Solvency Assessment
OSLR	Outstanding loss reserves
PRA	Prudential Regulatory Authority
QS	Quota Share Reinsurance
RemNomCo	Remuneration and Nomination Committee
RIR	Regulated Individuals Regime
RM	Risk Management

RM Framework	The detailed processes and structures of the Group's approach to Risk Management
Risk Owner	Person with the accountability and authority to manage a Risk
1CU PGC	1CU Product Governance Committee
SCR	Solvency Capital Requirement
SFCR	Solvency and Financial Condition Report
SM&CR	Senior Managers and Certification Regime
XoL	Excess of Loss Reinsurance

FCG QUANTITATIVE REPORTING TEMPLATES

General information

Entity name	First Central Group Limited
Entity identification code and type of code	LEI/213800U4P5IWFSR90492
Country of the group supervisor	GI
Language of reporting	en
Reporting reference date	31 December 2025
Currency used for reporting	GBP
Accounting standards	Local GAAP
Method of Calculation of the group SCR	Standard formula
Method of group solvency calculation	Method 1 is used exclusively
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

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- IR.02.01.02 - Balance sheet
- IR.05.02.01 - Premiums, claims and expenses by country: Non-life obligations
- IR.05.02.01 - Premiums, claims and expenses by country: Life obligations
- IR.05.04.02 - Non-life income and expenditure : reporting period
- IR.23.01.04 - Own Funds
- IR.25.04.22 - Solvency Capital Requirement
- IR.32.01.22 - Undertakings in the scope of the group

IR.02.01.02

Balance sheet

		Solvency II value
		C0010
Assets		
R0030	Intangible assets	
R0040	Deferred tax assets	9,187
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	1,810
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	409,154
R0080	<i>Property (other than for own use)</i>	0
R0090	<i>Holdings in related undertakings, including participations</i>	0
R0100	<i>Equities</i>	0
R0110	<i>Equities - listed</i>	
R0120	<i>Equities - unlisted</i>	
R0130	<i>Bonds</i>	0
R0140	<i>Government Bonds</i>	0
R0150	<i>Corporate Bonds</i>	0
R0160	<i>Structured notes</i>	0
R0170	<i>Collateralised securities</i>	0
R0180	<i>Collective Investments Undertakings</i>	409,154
R0190	<i>Derivatives</i>	
R0200	<i>Deposits other than cash equivalents</i>	0
R0210	<i>Other investments</i>	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	14,269
R0240	<i>Loans on policies</i>	0
R0250	<i>Loans and mortgages to individuals</i>	
R0260	<i>Other loans and mortgages</i>	14,269
R0270	Reinsurance recoverables from:	594,951
R0280	<i>Non-life and health similar to non-life</i>	562,049
R0315	<i>Life and health similar to life, excluding index-linked and unit-linked</i>	32,901
R0340	<i>Life index-linked and unit-linked</i>	
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	13,771
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	930
R0420	Any other assets, not elsewhere shown	41,544
R0500	Total assets	1,085,616

		Solvency II value
		C0010
Liabilities		
R0505	Technical provisions - total	749,419
R0510	<i>Technical provisions - non-life</i>	715,399
R0515	<i>Technical provisions - life</i>	34,020
R0542	Best estimate - total	741,762
R0544	<i>Best estimate - non-life</i>	707,792
R0546	<i>Best estimate - life</i>	33,970
R0552	Risk margin - total	7,657
R0554	<i>Risk margin - non-life</i>	7,607
R0556	<i>Risk margin - life</i>	50
R0565	Transitional (TMTP) - life	
R0740	Contingent liabilities	
R0750	Provisions other than technical provisions	
R0760	Pension benefit obligations	
R0770	Deposits from reinsurers	
R0780	Deferred tax liabilities	
R0790	Derivatives	
R0800	Debts owed to credit institutions	
R0810	Financial liabilities other than debts owed to credit institutions	
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	86,377
R0850	Subordinated liabilities	60,901
R0860	<i>Subordinated liabilities not in Basic Own Funds</i>	
R0870	<i>Subordinated liabilities in Basic Own Funds</i>	60,901
R0880	Any other liabilities, not elsewhere shown	
R0900	Total liabilities	896,697
R1000	Excess of assets over liabilities	188,920

IR.05.02.01

Premiums, claims and expenses by country: Non-life obligations

	C0010	C0020	C0030	C0040	C0050	C0060	C0070
	Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
R0010		GB					
	C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written							
R0110	Gross - Direct Business	610,605					610,605
R0120	Gross - Proportional reinsurance accepted						0
R0130	Gross - Non-proportional reinsurance accepted						0
R0140	Reinsurers' share	550,525					550,525
R0200	Net	0	60,080				60,080
Premiums earned							
R0210	Gross - Direct Business	673,642					673,642
R0220	Gross - Proportional reinsurance accepted						0
R0230	Gross - Non-proportional reinsurance accepted						0
R0240	Reinsurers' share	603,989					603,989
R0300	Net	0	69,652				69,652
Claims incurred							
R0310	Gross - Direct Business	673,626					673,626
R0320	Gross - Proportional reinsurance accepted						0
R0330	Gross - Non-proportional reinsurance accepted						0
R0340	Reinsurers' share	504,632					504,632
R0400	Net	0	168,994				168,994
R0550	Net expenses incurred		154,120				154,120

IR.05.02.01

Premiums, claims and expenses by country: Life obligations

		C0150	C0160	C0170	C0180	C0190	C0200	C0210
		Home Country	Top 5 countries (by amount of gross premiums written)					Total Top 5 and home country
			GB					
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
R1410	Gross							0
R1420	Reinsurers' share							0
R1500	Net	0	0					0
Premiums earned								
R1510	Gross							0
R1520	Reinsurers' share							0
R1600	Net	0	0					0
Claims incurred								
R1610	Gross		3,137					3,137
R1620	Reinsurers' share		3,137					3,137
R1700	Net	0	0					0
R1900	Net expenses incurred		0					0

R0690 Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A

166.76%

Reconciliation reserve

R0700 Excess of assets over liabilities
R0710 Own shares (held directly and indirectly)
R0720 Forseeable dividends, distributions and charges
R0725 Deductions for participations in financial and credit institutions
R0730 Other basic own fund items
R0740 Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds
R0750 Other non available own funds
R0760 **Reconciliation reserve**

C0060	
	188,920
	16,067
	9,284
	0
	163,569

IR.25.04.22

Solvency Capital Requirement

Net of loss absorbing capacity of technical provisions

	C0010
Market risk	
R0070 Interest rate risk	2,043
R0080 Equity risk	0
R0090 Property risk	0
R0100 Spread risk	7,926
R0110 Concentration risk	5,546
R0120 Currency risk	17,158
R0125 Other market risk	
R0130 Diversification within market risk	-10,817
R0140 Total Market risk	21,856
Counterparty default risk	
R0150 Type 1 exposures	13,464
R0160 Type 2 exposures	9,133
R0165 Other counterparty risk	
R0170 Diversification within counterparty default risk	-1,404
R0180 Total Counterparty default risk	21,193
Life underwriting risk	
R0190 Mortality risk	
R0200 Longevity risk	281
R0210 Disability-Morbidity risk	
R0220 Life-expense risk	
R0230 Revision risk	
R0240 Lapse risk	
R0250 Life catastrophe risk	
R0255 Other life underwriting risk	
R0260 Diversification within life underwriting risk	
R0270 Total Life underwriting risk	281
Health underwriting risk	
R0280 Health SLT risk	
R0290 Health non SLT risk	
R0300 Health catastrophe risk	
R0305 Other health underwriting risk	
R0310 Diversification within health underwriting risk	
R0320 Total Health underwriting risk	0
Non-life underwriting risk	
R0330 Non-life premium and reserve risk (ex catastrophe risk)	63,390
R0340 Non-life catastrophe risk	8,833
R0350 Lapse risk	9
R0355 Other non-life underwriting risk	
R0360 Diversification within non-life underwriting risk	-6,078
R0370 Total Non-life underwriting risk	66,153
R0400 Intangible asset risk	
Operational and other risks	
R0422 Operational risk	21,387
R0424 Other risks	
R0430 Total Operational and other risks	21,387
R0432 Total before all diversification	149,170
R0434 Total before diversification between risk modules	130,871
R0436 Diversification between risk modules	-21,930
R0438 Total after diversification	108,941
R0440 Loss absorbing capacity of technical provisions	
R0450 Loss absorbing capacity of deferred tax	
R0455 Other adjustments	
R0460 Solvency capital requirement including undisclosed capital add-on	108,941
R0472 Disclosed capital add-on - excluding residual model limitation	31,236
R0474 Disclosed capital add-on - residual model limitation	
R0480 Solvency capital requirement including capital add-on	140,177
R0490 Biting interest rate scenario	increase
R0495 Biting life lapse scenario	
Information on other entities	
R0500 Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510 <i>Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies</i>	
R0520 <i>Institutions for occupational retirement provisions</i>	
R0530 <i>Capital requirement for non-regulated entities carrying out financial activities</i>	
R0540 Capital requirement for non-controlled participation requirements	
R0550 Capital requirement for residual undertakings	
Overall SCR	
R0555 Solvency capital requirement (consolidation method)	140,177
R0560 SCR for undertakings included via D and A	
R0565 SCR for sub-groups included via D and A	
R0570 Solvency capital requirement	140,177

IR.32.01.22

Undertakings in the scope of the group

	Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/ non mutual)	Supervisory Authority
Row	C0010	C0020	C0040	C0050	C0060	C0070	C0080
1	GI	LEI/213800YSXIR6CQ9RCD68	First Central Underwriting Limited	Non-life insurance undertaking	limited company	Non-mutual	Gibraltar Financial Services Commission
2	GB	SC/FCIM	First Central Insurance Management Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	limited company	Non-mutual	
3	GB	SC/FCSUK	First Central Services (UK) Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	limited company	Non-mutual	
4	GB	SC/1CL	1st Central Law Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	limited company	Non-mutual	
5	GG	SC/FCF	First Central Services (GSY) Limited	Non-regulated undertaking carrying out financial activities	limited company	Non-mutual	
6	GG	SC/213800U4P5IWF5R9O492	First Central Group Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	limited company	Non-mutual	

IR.32.01.22

Undertakings in the scope of the group

Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Criteria of influence						
				% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	
Row	C0010	C0020	C0040	C0050	C0180	C0190	C0200	C0210	C0220	C0230
1	GI	LEI/213800Y5XIR6CQ9RCD68	First Central Underwriting Limited	Non-life insurance undertaking	100.00%	100.00%			Dominant	100.00%
2	GB	SC/FCIM	First Central Insurance Management Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	100.00%	100.00%			Dominant	100.00%
3	GB	SC/FCSUK	First Central Services (UK) Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	100.00%	100.00%			Dominant	100.00%
4	GB	SC/1CL	1st Central Law Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	100.00%	100.00%			Dominant	100.00%
5	GG	SC/FCF	First Central Services (GSY) Limited	Non-regulated undertaking carrying out financial activities	100.00%	100.00%			Dominant	100.00%
6	GG	SC/213800U4P5IWF5R90492	First Central Group Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook						

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Undertakings in the scope of the group

Country	Identification code and type of code of the undertaking	Legal Name of the undertaking	Type of undertaking	Inclusion in the scope of Group supervision		Group solvency calculation	
				Yes/No	Date of decision if excluded	Method used and under method 1, treatment of the undertaking	
Row	C0010	C0020	C0040	C0050	C0240	C0250	C0260
1	GI	LEI/213800Y5XIR6CQ9RCD68	First Central Underwriting Limited	Non-life insurance undertaking	Included in the scope		Method 1: Full consolidation
2	GB	SC/FCJM	First Central Insurance Management Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Included in the scope		Method 1: Full consolidation
3	GB	SC/FCSUK	First Central Services (UK) Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Included in the scope		Method 1: Full consolidation
4	GB	SC/1CL	1st Central Law Limited	Ancillary services undertaking as defined in the Glossary part of the PRA Rulebook	Included in the scope		Method 1: Full consolidation
5	GG	SC/FCF	First Central Services (GSY) Limited	Non-regulated undertaking carrying out financial activities	Included in the scope		Method 1: Full consolidation
6	GG	SC/213800U4P5IWFSR9O492	First Central Group Limited	Insurance holding company as defined in the Glossary part of the PRA Rulebook	Included in the scope		Method 1: Full consolidation