

Hansard Europe Designated Activity Company

Directors' Report and Financial Statements

Financial Year Ended 30 June 2025

Contents	Page
Directors and other information	1
Directors' report	2 – 6
Statement of Directors' responsibilities	7
Independent auditor's report	8 - 13
Profit and loss accounts	14
Statement of comprehensive income	14
Balance sheet	15
Statement of changes in equity	16
Notes to the financial statements	17 - 35

DIRECTORS AND OTHER INFORMATION

Board of Directors

Independent Non-Executive Directors

Ciaran Long MSc (Mgmt), FSAI, Dip IoD (Irish)
David Peach BSc, FCA, FCT (British)
Philip Kay MA, MPhil, DPhil, CDip AF (British) (Chairman)

Executive Directors

Ciaran Cormican FCCA, Dip IFR, Dip IoD (Irish)
Thomas Morfett MA, FCA, FIA (British)

Company Secretary

Elaine O'Donohue ACG

Registered Office

A&L Goodbody
25 North Wall Quay
Dublin 1
D01 H104

Previous Registered Office (ceased 30 June 2025)

A&L Goodbody
3 Dublin Landings
North Wall Quay
Dublin 1
D01 C4E0

Registered No.: 219727

Head of Actuarial Function

Alan Canny BBS, FSAI

Main Bankers

Barclays Bank Ireland plc
2 Park Place
Hatch Street
Dublin 2

Auditors

KPMG
Chartered Accountants
1 Harbourmaster Place
International Financial Services Centre
Dublin 1
D01 F6F5

Directors' Report

The Directors present their report and the audited financial statements for the year ended 30 June 2025.

Principal Activities

Hansard Europe Designated Activity Company (the "Company") transacts Class III Unit Linked Life Assurance business. Risks are located principally in Continental Europe.

Business Review and Future Developments

During the financial year the Company's main focus has been to continue to implement its strategy, which is to protect the interests of policyholders and other stakeholders and ensure an orderly wind-down of the business whilst maintaining the financial and commercial stability of the Company. All back-office services are provided by sister companies within Hansard Global plc ("the Group") under the supervision and control of the Company's Directors.

The most significant risk relates to litigation attaching to ongoing distressed asset issues. Details of litigation are considered elsewhere in this report and in the notes to these financial statements.

The Directors will continue to oversee the orderly wind-down of the business whilst ensuring costs are managed in accordance with the size of the business.

Solvency II

The Company has complied with Solvency II reporting requirements throughout the financial year.

Results and Dividends

The results for the year are set out in the profit and loss accounts on page 14. The total comprehensive loss after tax for the year was £1.8m compared to a loss of £1.3m in the previous financial year.

No dividends were paid during the year (2024: nil). The Board does not recommend payment of a dividend.

Revenue

Under FRS 103 Insurance Contracts, the Company's products are deemed to be investment rather than insurance contracts. This means that investment-linked contract premiums and withdrawals and other benefits paid are not included in the profit and loss accounts but are reported as deposits to and deductions from financial liabilities under investment-linked contracts.

Details of movements on the technical provisions for life assurance policies where the investment risk is borne by the policyholders may be found in note 14 to the financial statements.

Revenue in the profit and loss account reflects both recurring fees and charges deducted from investment-linked contracts as the relevant service is provided in addition to the amortised amount of deferred income carried for initial fees which exceed the level of recurring fees. These latter fees are amortised over the estimated average life in which the service will be provided.

Total fees for the year were £2.0m (2024: £2.1m) and are further analysed in note 6 to the financial statements.

Operating Expenses

Administrative and other expenses have decreased when compared to the prior year to £4.1m (2024: £4.2m). This decrease is attributable to a lower provision for settlement of litigation cases.

Directors' Report (continued)

Litigation

The Company, as a matter of fact and as a matter of contract, does not provide investment advice to policyholders. Notwithstanding the fact that no investment advice is offered or provided, the Company has been the subject of claims by policyholders seeking to attach responsibility to the Company in respect of asset performance related issues. All such claims are defended by the Company. Where an established pattern of settlement is established for any grouping of claims, a provision for expected future settlements is made and further details are provided in note 16. As at the date of this report, the Company had been served with writs with a cumulative net exposure totalling €23.8m, or £20.4m (30 June 2024: €23.8m, translating to £20.2m) arising from policyholder complaints and other asset performance-related issues.

During the year, the Company successfully defended three cases with net exposures of approximately €0.5m, or £0.4m, one of which has been appealed by the plaintiffs. These successes continue to affirm confidence in the Company's legal arguments.

Additional disclosure concerning the pending or threatened legal proceedings is reported in note 19 to the financial statements. All material developments since the year-end and up until the date of this report have been considered when calculating the provision for legal settlements in note 16.

Assets under Administration

Policyholders' Assets under Administration decreased to £54.1m against £59.3m in the previous year. The movement from the previous year reflects the on-going surrender of policies off-set by movements in the value of underlying assets.

Policyholders bear the financial risk relating to the investments underpinning their contracts, as the policy benefits are directly linked to the value of the assets.

Capitalisation and Solvency

Allowable net assets reported at 30 June 2025 to the Central Bank of Ireland in the Company's annual submission, were £5.4m against a Minimum Capital Requirement (MCR) of £3.4m and a Solvency Capital Requirement (SCR) of £3.7m, giving an SCR coverage ratio of 146%.

As a result of the Company's SCR coverage ratio falling below the Company's Strategic Solvency Target ("SST") of 150% as at 30 June, the Company enacted a pre-emptive recovery plan to address the reduction in the solvency coverage ratio. As set out in note 20, the Company received a capital contribution of £0.2m approved by the board on 5 August 2025 which was subsequently approved by the Central Bank of Ireland for inclusion as Tier 1 capital. Were the capital contribution to be included as at 30 June the SCR coverage ratio would be 151%. The Directors continue to monitor the solvency coverage ratio closely, which has at all times been well in excess of the regulatory requirement.

Financial Risk Management

The most significant financial risks faced by the Company are in the areas of market risk (price risk, interest rate risk, currency risk), credit risk and liquidity risk. A description of these risks and the policies in place to manage the risks is included in note 4 to the financial statements.

Accounting Records

The Directors believe that they have complied with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at Hansard Europe Designated Activity Company, Ground Floor, 6 Exchange Place, IFSC, Dublin 1, D01 T9C2, Republic of Ireland.

Directors' Report (continued)

Directors

The Directors who held office during the year are set out below:

Ciaran Cormican
Ciaran Long
David Peach
Thomas Morfett
Philip Kay

Directors' and Secretary's Interests

None of the Directors or the Company Secretary at the year-end, or at any time during the year, have an interest in the Company or an interest exceeding 1% of the share capital of any other Group company. The Company is a single member private limited company.

Transactions Involving Directors

Transactions with Group companies are covered by contracts between the companies concerned. Other than those arrangements, there were no contracts of any significance in relation to the business of the Company in which the Directors had any interest, as defined by the Companies Act 2014, at any time during the year ended 30 June 2025.

Corporate Governance

The Company is classified as a Low Risk firm under the requirements of the Central Bank of Ireland's PRISM rating and is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015.

With effect from 1 July 2013 the Board sits as a minimum Board, as allowed for under Corporate Governance Requirements for Insurance Undertakings 2015 and agreed with the Central Bank of Ireland. All members of the Board sit as members of the Risk Committee. The Audit Committee consists of two independent non-executive directors, David Peach and Ciaran Long, and one executive director, Thomas Morfett.

The Company is committed to high standards of corporate governance. The Board has completed an annual review of Governance and its Committee structures in line with the Corporate Governance Requirements for Insurance Undertakings 2015.

The following Committees have been established by the Board to assist it in discharging its obligations and operated throughout the year under review. Each Committee operates under defined terms of reference and reports to the Board at each Board meeting. The Audit Committee met seven times during the year under review and the Risk Committee met five times during the year under review.

The Chair of each Committee is an independent non-executive director.

- Audit Committee (Chairman: David Peach)
- Risk Committee (Chairman: Ciaran Long)

Audit Committee

The Audit Committee assists the Board in discharging its responsibilities for, inter alia:

- the integrity of the Company's financial statements;
- the effectiveness of the Company's internal controls;
- the Company's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters;
- the effectiveness of the Company's Internal Audit function in the context of the Company's overall risk management system; and
- monitoring the effectiveness, independence and objectivity of the external auditor.

Directors' Report (continued)

Risk Committee

The Risk Committee assists the Board in discharging its responsibilities for, inter alia:

- the effectiveness of the Company's risk management systems;
- the implementation of the Company's risk strategy and maintenance thereof;
- the oversight of Solvency II developments;
- the oversight of investment issues;
- the timely reporting of material deviations from defined risk appetite; and
- monitoring the effectiveness, independence and objectivity of the Risk function.

The Risk Committee utilises a sub-committee, the Investment Committee, to undertake work on investment issues.

Political Donations

The Directors, on enquiry, have satisfied themselves that there were no political donations made during the financial year ended 30 June 2025 (2024: nil).

Post Balance Sheet Events

Subsequent to the year end the Company received a capital contribution of £0.2m. This was approved by the Directors on 5 August 2025 and has therefore not been included as an adjusting event to these financial statements. See note 20 in the notes to the financial statements.

Statement of going concern

The Company's capital position is strong and in excess of regulatory requirements. The closure to new business with effect from 30 June 2013 has reduced new business strain that would otherwise impact negatively on future cash flows. The exposure to significant levels of litigation represents a risk to the Company's capital reserves. However as outlined in the contingent liabilities note to the financial statements, the Company believes it is more likely than not that it will be successful in defending such litigation.

The Directors have given specific consideration to the impact on the business of ongoing global economic conditions. They have reviewed financial forecasts that include plausible downside scenarios such as higher expenses arising from increased inflation, including litigation defence costs. These show the Company will continue to retain sufficient cash reserves to enable it to meet its obligations as they fall due.

The Directors are satisfied that the Company has adequate resources to continue to operate as a going concern for the foreseeable future, including certain forms of Group support that can be called upon where appropriate. The financial statements have therefore been prepared on a going concern basis.

Statement of relevant audit information

So far as each of the Directors are aware, there is no relevant audit information of which the Company's statutory auditors are unaware.

The Directors have taken all steps that ought to have been taken by the Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' Report (continued)

Auditors

KPMG, Chartered Accountants, were first appointed statutory auditor on 2 February 2021 in accordance with Section 383 of the Companies Act 2014 and pursuant to section 383(2) of the Companies Act 2014 will continue in office.

On behalf of the Board



David Peach
Director



Thomas Morfett
Director

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and FRS 103 Insurance Contracts.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements are prepared in accordance with the applicable accounting framework and comply with the provisions of the Companies Act 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Companies Act 2014.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board



David Peach
Director

23/10/25



Thomas Morfett
Director

23/10/25



KPMG

Audit
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF HANSARD EUROPE DESIGNATED ACTIVITY COMPANY

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Hansard Europe Designated Activity Company ('the Company') for the year ended 30 June 2025 set out on pages 14 to 35, which comprise the profit and loss account - technical account - life assurance business, profit and loss account - non-technical account, statement of comprehensive income, balance sheet, statement of changes in equity and related notes, including the summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and FRS 103 Insurance Contracts issued in the United Kingdom by the Financial Reporting Council.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2025 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and FRS 103 *Insurance Contracts*;
- the financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014; and
- the financial statements have been properly prepared in accordance with the requirements of the European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities section of our report. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the audit committee.

We were appointed as auditor by the directors on 2 February 2021. The period of total uninterrupted engagement is the five years ended 30 June 2025. We have fulfilled our ethical responsibilities under, and we remained independent of the Company in accordance with, ethical requirements applicable in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA) as applied to public interest entities. No non-audit services prohibited by that standard were provided.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the director's assessment of the Company's ability to continue to adopt the going concern basis of accounting included: using our knowledge of the Company, the financial services industry, and the general economic environment to identify the inherent risks to the business model and analysing how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Company's available financial resources over this period were the recognition and valuation of litigation and claims.

We also considered less predictable but realistic second order impacts that could affect the Company such as the wider global geopolitical environment and economic conditions on the Company's results and operations, the failure of counterparties who transact with the Company, the support of the Parent Company, solvency and capital adequacy.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF HANSARD EUROPE DESIGNATED ACTIVITY COMPANY (continued)

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the Company's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included:

- Inquiring with the directors or management as to the Company's policies and procedures regarding compliance with laws and regulations, identifying, evaluating and accounting for litigation and claims, as well as whether they have knowledge of non-compliance or instances of litigation or claims.
- Inquiring of directors and internal audit as to the Company's policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Inquiring of directors and internal audit regarding their assessment of the risk that the financial statements may be materially misstated due to irregularities, including fraud.
- Inspecting the Company's regulatory and legal correspondence.
- Reading minutes of the meetings of the Board of Directors, Audit Committee and Risk Committee.
- Performing planning analytical procedures to identify any usual or unexpected relationships.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, regulatory capital and liquidity and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to the fraud risk, we also performed procedures including:

- Assessing accounting estimates for bias by evaluating whether judgements and decisions in making accounting estimates, even if individually reasonable, indicate a possible bias;
- Evaluating the business rationale for significant transactions that are outside the normal course of business for the Company, or that otherwise appear to be unusual;
- Identifying and testing the design and implementation of the relevant control over journal entries and post-closing adjustments;
- Making inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments; and
- Identifying journal entries and other adjustments with characteristics that make them susceptible to fraud and testing the appropriateness of these entries and adjustments.

As the Company is regulated, our assessment of risks involved obtaining an understanding of the legal and regulatory framework that the Company operates in and gaining an understanding of the control environment including the Company's procedures for complying with regulatory requirements.



INDEPENDENT AUDITOR’S REPORT TO THE MEMBER OF HANSARD EUROPE DESIGNATED ACTIVITY COMPANY (continued)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In arriving at our audit opinion above, the key audit matters, in decreasing order of audit significance are set out below. The valuation of the technical provisions for life assurance policies where the investment risk is borne by the policyholders is not considered to be a key audit matter in the current year as its valuation is derived from the unit-linked assets on the balance sheet under investments for the benefit of life assurance policyholders who bear the investment risk and the greatest audit effort is on the asset side.

Recognition and valuation of litigation and claims (litigation provision £594k (2024: £514k) and contingent liability £20,400k (2024: £20,200k)

Refer to pages 18, 32, 33 and 34 (accounting policy) and note 16 and 19 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
<p>The Company has been subject to a number of legal complaints and litigations from policyholders in relation to the selection and performance of the assets linked to contracts.</p> <p>It is the Company’s position that all such legal claims will be contested. This is on the basis that the Company does not provide investment advice and that any investment advice received by the policyholder would have been provided by a professional intermediary appointed by the policyholder.</p> <p>Management evaluates each legal claim, taking into consideration the assessment and advice of external legal counsel. As at 30 June 2025, the Company had been served with cumulative writs with a net exposure totalling £20.4m (2024: £20.2m). Based on management’s assessment, a provision of £594k (2024: £514k) has been raised.</p> <p>The amounts involved are potentially significant and the application of accounting standards to determine the amount, if any, to be provided as a liability, is inherently subjective. There is a risk that the method used to calculate the amount is inappropriate and that the key assumption on settlement is incorrect.</p> <p>There is a risk that the litigations, legal claims and potential financial losses to the business may not be complete and the judgement made by management in assessing the recognition and valuation of the provision or contingent liability may not be appropriate.</p> <p>There is a risk that the litigations and legal claims may not be appropriately disclosed in the financial statements as required by FRS 102.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Obtaining and document our understanding of the recognition and valuation of the litigation and claims process and testing the design and implementation of the control around the recognition of a provision or contingent liability. - Obtaining a listing of ongoing legal claims from the Company, and inspecting the legal expenses ledgers, regulatory correspondence and legal committee minutes of meetings to assess the completeness of the listing. - Independently obtaining from external legal counsel an update on the legal cases and confirming the probability of outcome on the cases. - Obtaining the litigation schedules and legal logs and recalculating the exposure for policies and agreeing a selection to underlying policy data. - Challenging the appropriateness of the method used by management to calculate the provision by comparing management’s previous provision to actual settlements made during the period under review. - Challenging the key assumption made by management regarding whether the Company was more likely than not to be successful in contesting the legal claims by comparing to the external legal counsel confirmations. This is the area that required the most judgement to be made by the audit team.



INDEPENDENT AUDITOR’S REPORT TO THE MEMBER OF HANSARD EUROPE DESIGNATED ACTIVITY COMPANY (continued)

The key audit matter	How the matter was addressed in our audit
<p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<ul style="list-style-type: none"> - Evaluating the appropriateness of disclosures required by FRS 102. <p>Based on evidence obtained, we found that the recognition and valuation of litigation and claims and the related provision and contingent liability to be reasonable.</p>

Existence and valuation of investments for the benefit of life assurance policyholders who bear the investment risk £54,100k (2024: £59,284k)

Refer to page 18 to 25 (accounting policy) and note 4.6 and 14.4 (financial disclosures)

The key audit matter	How the matter was addressed in our audit
<p>The Company holds and manages investments on behalf of policyholders. The investment portfolio comprises of equity securities, collective investment schemes, fixed income securities, bonds, structured notes, deposits and money market instruments.</p> <p>The investment portfolio consists mainly of level 1 and level 2 investments and represents 70% of total assets on the Company’s balance sheet. We do not consider the existence and valuation of investments to have a high risk of material misstatement but due to the size of the investment portfolio in the context of the financial statements, we consider this to be a key focus of our audit. Level 3 investments are not material.</p> <p>For the reasons outlined above the engagement team determine this matter to be a key audit matter.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Obtaining and documenting our understanding of the existence and valuation of investments process. - For all equities, collective investment schemes, fixed income securities, deposits and money market instruments, engaging our own valuation specialists to assist us in evaluating the appropriateness of the valuation of these investments by agreeing the prices used to independent third party sources. This is the area that required the most judgement to be made by the audit team. - Agreeing the existence of all investments to independently obtained confirmations. <p>Based on evidence obtained, we found that the existence and valuation of Investments for the benefit of policyholders who bear the investment risk is reasonable..</p>

Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at £144k (2024: €126k), determined with reference to a benchmark of Shareholder’s equity (of which it represents 1.4% (2024: 1%).

We consider, in our judgement, Shareholder’s equity to be the most appropriate benchmark as the Company’s result has been loss making in recent years and also when taking into account the circumstances of the Company as it is in run-off and the key users of the financial statements.

In determining the percentage to be applied to the benchmark, we considered a number of factors, i.e. focus of the users of the financial statements, elements of the financial statements, ownership and financial structure and the stability of the business environment in which it operates and concluded that an amount at the middle of our normal range was appropriate.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality for the financial statements as a whole was set at £108k (2024: £94k), determined with reference to materiality (of which it represents 75% (2024: 75%). We applied this percentage in our determination of performance materiality because we did not identify factors indicating an elevated level of risk in the current year.

In applying our judgement in determining performance materiality, we considered a number of factors including the number and value of the misstatements detected and the number and severity of deficiencies in control activities in the prior year financial statements audit.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF HANSARD EUROPE DESIGNATED ACTIVITY COMPANY (continued)

In addition, having regard to Practice Note 20 The audit of Insurers in the United Kingdom issued by the Financial Reporting Council, we applied materiality of £555k (2024: £616k) to the audit of policyholders' assets and liabilities in the balance sheet, and related notes, determined with reference to a benchmark of total investments for the benefit of policyholders who bear the investment risk of which it represents 1% (2024: 1%). This materiality was applied solely for our work on matters for which a misstatement is likely only to lead to a reclassification between line items within assets and liabilities.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding £7.2k (2024: £6k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

We applied materiality to assist us to determine what risks were significant risks. As part of our audit scope, we directed our efforts to address the risks of material misstatement with special emphasis on areas involving subjective judgement for example in respect of significant accounting estimates that have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. As in all of our audits, we also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

Our audit was undertaken to the materiality and performance materiality level specified above and was all performed by engagement teams in the Isle of Man and Dublin.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors and other information, Directors' report and Statement of Directors' responsibilities. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information undertaken during the course of the audit, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, those parts of the directors' report specified for our review, which does not include sustainability reporting when required by Part 28 of the Companies Act 2014, have been prepared in accordance with the Companies Act 2014.

Our opinions on other matters prescribed by the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion:

- the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF HANSARD EUROPE DESIGNATED ACTIVITY COMPANY (continued)

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 6, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements/>.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's member, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member, as a body, for our audit work, for this report, or for the opinions we have formed.

23 October 2025

Brian Medjaou

for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm
1 Harbourmaster Place
IFSC
Dublin 1
D01 F6F5

**Profit and loss account – Technical Account
Life Assurance Business
Year ended 30 June 2025**

	Notes	2025 £'000	2024 £'000
Investment income	5	209	258
Realised gains on investments	5	1,422	2,631
Unrealised (losses) / gains on investments	5	(352)	2,488
Other technical income, net of reinsurance			
Fees and charges	6	1,955	2,113
Change in technical provisions			
Change in technical provisions for life assurance policies where the investment risk is borne by the policyholders	14	(1,099)	(5,160)
Net operating expenses			
Acquisition costs	7	(26)	(27)
Administrative, investment and other expenses		(4,095)	(4,238)
Balance on the technical account for life assurance business		(1,986)	(1,935)

**Profit and loss account – Non-Technical Account
Year ended 30 June 2025**

	Notes	2025 £'000	2024 £'000
Balance on the technical account for life assurance business		(1,986)	(1,935)
Investment income	5	707	752
		(1,279)	(1,183)
Other income		28	36
Other charges		(541)	(178)
Loss on ordinary activities before tax	8	(1,792)	(1,325)
Taxation	10	-	-
Loss for the year after taxation		(1,792)	(1,325)

**Statement of comprehensive income
Year ended 30 June 2025**

	Notes	2025 £'000	2024 £'000
Loss for the year after taxation		(1,792)	(1,325)
Other comprehensive income		-	-
Total comprehensive loss for the year		(1,792)	(1,325)

The notes on pages 17 to 35 form an integral part of the financial statements.

**Balance Sheet
As at 30 June 2025**

	Notes	2025 £'000	2024 £'000
Assets			
Investments			
Investments for the benefit of policyholders who bear the investment risk	14	54,100	59,284
		54,100	59,284
Debtors			
Other debtors	11	1,632	506
Other assets			
Cash and cash equivalents	4.2	21,464	21,420
Total assets		77,196	81,210
Liabilities			
Shareholders' equity			
Share capital	12	10,122	10,122
Capital contribution	13	3,674	3,000
Profit or loss account brought forward		(1,545)	(220)
Profit or loss account for the financial year		(1,792)	(1,325)
Shareholder's equity		10,459	11,577
Technical provisions for life assurance policies where the investment risk is borne by the policyholders	14	54,100	59,284
Deferred income reserve	15	617	921
Creditors			
Creditors arising out of insurance operations		5,909	4,365
Other creditors including taxation and social security	16	6,111	5,063
Total equity and liabilities		77,196	81,210

The notes on pages 17 to 35 form an integral part of the financial statements.

On behalf of the board



David Peach
Director

23/10/25



Thomas Morfett
Director

23/10/25

Statement of Changes in Equity
Year ended 30 June 2025

	Share capital £'000	Capital contribution £'000	Retained earnings £'000	Total £'000
At 1 July 2023	10,122	3,000	(220)	12,902
Total comprehensive loss for the year after taxation	-	-	(1,325)	(1,325)
At 30 June 2024	10,122	3,000	(1,545)	11,577

	Share capital £'000	Capital contribution £'000	Retained earnings £'000	Total £'000
At 1 July 2024	10,122	3,000	(1,545)	11,577
Transactions with owners				
Capital Contribution	-	674	-	674
Total comprehensive loss for the year after taxation	-	-	(1,792)	(1,792)
At 30 June 2025	10,122	3,674	(3,337)	10,459

The notes on pages 17 to 35 form an integral part of these financial statements.

1 General information

Hansard Europe Designated Activity Company (“the Company”) transacts Class III Unit Linked Life Assurance business. Risks are located principally in Continental Europe. The Company was closed to new business effective from 30 June 2013 and its primary strategy is to protect the interests of policyholders and other stakeholders and ensure an orderly wind-down of the business whilst maintaining the financial and commercial stability of the Company.

The Company is incorporated as a designated activity company limited by shares in the Republic of Ireland. The address of its registered office is 3 Dublin Landings, North Wall Quay, Dublin 1, Republic of Ireland, D01 C4E0.

The Company’s ultimate parent and ultimate controlling party is Hansard Global plc. Hansard Global plc prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which the Company is a member. Copies of Hansard Global plc group financial statements are available from the Company Secretary at 55 Athol Street, Douglas, Isle of Man, IM99 1QL.

These financial statements are the Company’s separate financial statements.

2 Accounting policies

The principal accounting policies that have been consistently applied by the Company are as follows:

2.1 Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with Irish GAAP, (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and the Companies Act 2014). The financial statements comply with Financial Reporting Standard 102 (“FRS 102”) in conjunction with FRS 103 Insurance Contracts, the Companies Acts 2014 (‘the Act’) and the European Union (Insurance Undertakings: Financial Statements) 2015.

The Directors have, at the date of approving the financial statements, a reasonable expectation that the Company has adequate resources to operate as a going concern for the foreseeable future, being a period of at least 12 months from the approval of these financial statements, and have prepared the financial statements on that basis. In making this statement, the Directors have given specific consideration to the impact on the business of ongoing global economic conditions. They have reviewed financial forecasts that include plausible downside scenarios such as higher expenses arising from increased inflation, including litigation defence costs. These show the Company will continue to retain sufficient cash reserves to enable it to meet its obligations as they fall due.

The Company’s presentational currency is sterling aligning it with the Group’s consolidated financial statements as this is deemed to be more relevant to the circumstances of the Company’s operations. In accordance with the requirements of FRS 102, the Directors have concluded that the functional currency of the Company continues to be sterling.

In these financial statements, the Company has applied the exemptions available under FRS 102 in respect of the following disclosures:

- a cash flow statement and related notes;
- disclosures in respect of related party transactions between members of the same group; and
- disclosures in respect of the compensation of key management personnel.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial investments and financial liabilities at fair value through profit or loss.

The principal accounting policies adopted in the preparation of these financial statements are set out below or, in the case of accounting policies that relate to separately disclosed values in the primary statements, within the

relevant note to these financial statements. These policies have been consistently applied including in any restated comparative numbers, unless otherwise stated.

2.2 Taxation

The Company is liable to Irish corporation tax on the basis applicable to a life assurance company and the provision for current taxation is charged in the profit and loss account. The Company is also subject to foreign taxation in respect of its overseas investments.

The balance on the life assurance business technical account is computed on a post-tax basis reflecting the taxation applicable to life assurance business operations. In the non-technical account, the balance transferred from the life assurance business technical account is grossed up by the taxation attributable to profits from life assurance business at the Company's effective rate of corporation tax.

Provision is made for deferred tax liabilities and deferred tax assets, using the liability method, on all material timing differences, including revaluation gains and losses on investments recognised in the profit and loss account. Deferred tax is calculated at the rates at which it is expected that the tax will arise.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is recognised in the profit and loss account for the period, except to the extent that it is attributable to a gain or loss that is recognised directly in the statement of comprehensive income.

The Company is out of the scope of the Organisation for Economic Co-operation and Development ('OECD') 15% minimum effective tax rate Model Rules (Pillar 2) which have been enacted into Irish legislation as part of Finance (No.2) Act 2023 in December 2023. The Company is not subject to the requirements of Pillar 2 as it consolidates into the group accounts of Hansard Global plc which falls below the revenue threshold, and therefore no further disclosures have been made in the notes to the financial statements.

The Company considers uncertain tax positions together or separately depending on which approach better predicts how the uncertainties will be resolved. Where the Company concludes it is not probable that a tax authority will accept its assessment of an uncertain tax position, it reflects the effect of the uncertainty using either the 'most likely amount' method or the 'expected value' method, as appropriate for the particular uncertainty.

2.3 Foreign currencies

Items included in the financial statements of the Company are measured using Sterling Pound, the functional currency of the economic environment in which the Company operates. Foreign currency transactions are translated into Sterling Pound at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account for the period. Translation differences on non-monetary items, such as equities held at fair value through profit or loss, are reported as part of the fair value gain or loss.

3 Critical accounting estimates and judgements in applying accounting policies

Estimates, assumptions and judgements are used in the application of accounting policies in these financial statements. Critical accounting estimates are those which involve the most complex or subjective judgements or assessments. Estimates, assumptions and judgements are evaluated continually and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from assumptions and estimates made by management.

3.1 Accounting estimates and assumptions

The principal areas in which the Company applies accounting estimates and assumptions are in deciding the type of management expenses that are treated as acquisition costs and the period of amortisation of any deferred acquisition costs and deferred income. Estimates are also applied in determining the recoverability of deferred acquisition costs.

3.1.1 Amortisation of deferred acquisition costs and deferred income

Deferred acquisition costs and deferred income are amortised on a straight-line basis over the estimated average life of the underlying investment-linked contract. The estimated average policy life is determined by the Directors

and is based on the Company's experience (which takes into account lapses rates, surrenders) which is reviewed on a yearly basis. This is currently estimated at between 6 and 16 years, depending on the product type.

3.1.2 Recoverability of deferred acquisition costs

Deferred acquisition costs are tested annually, at Company level, for recoverability by reference to expected future income levels. All remaining deferred acquisition costs were impaired at 30 June 2020, which has remained the case through 30 June 2025.

3.2 Judgements

The primary areas in which the Company has applied judgement in applying accounting policies are as follows:

- to determine whether a provision is required in respect of any pending or threatened litigation, which is addressed in note 16 and 19.
- to determine whether a provision is required in respect the liability adequacy test;
- the classification of contracts between insurance and investment business. All contracts are treated as investment-linked contracts as they do not transfer significant insurance risk;
- the fair value of certain financial investments. Where the Directors determine that there is no active market for a particular financial instrument, fair value is assessed using valuation techniques based on the most recent available relevant information and an appraisal of all associated risks. This process requires the exercise of significant judgement and financial investments fair valued in this way are classified as level 3 in the fair value hierarchy. Further details are in note 4 to these financial statements;
- where the Directors determine that there is an excess of deferred acquisition costs compared to deferred income and present value of future profits, this is impaired; and
- the recoverability of fees related to illiquid assets.

4 Financial risk management

Risk management objectives and risk policies

The Company's objective in the management of financial risk is to minimise, where practicable, its exposure to such risk, except when necessary to support other objectives. The Company seeks to manage risk through the operation of investment-linked business whereby the policyholder bears the financial risk. In addition, shareholder assets are invested in highly rated investments.

Overall responsibility for the management of the Company's exposure to risk is vested in the Board. To support it in this role, an enterprise risk management framework is in place comprising risk identification, risk assessment, control and reporting processes. Additionally, the Board has established a number of Committees with defined terms of reference. These are the Audit, Risk and Investment Committees.

The more significant financial risks to which the Company is exposed are set out below. For each category of risk, the Company determines its risk appetite and sets its investment, treasury and associated policies accordingly.

4.1 Market risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, analysed between price, interest rate and currency risk. The Company adopts a risk averse approach to market risk, with a stated policy of not actively pursuing or accepting market risk except where necessary to support other objectives. However, the Company accepts the risk that the fall in equity or other asset values, whether as a result of price falls or strengthening of sterling against the currencies in which policyholder assets are denominated, will reduce the level of annual management charge income derived from such policyholder assets and the risk of lower future profits.

Sensitivity analysis to market risk

The Company's business is unit-linked and the direct associated market risk is therefore borne by policyholders (although there is a secondary impact as Company income is dependent upon the markets, as mentioned above). Other financial assets and liabilities held outside of policyholder unitised funds primarily consist of units in money market funds, cash and cash equivalents, and other assets and liabilities. Cash held in unitised money market funds and at bank is valued at par and is unaffected by movements in interest rates. Other assets and liabilities are similarly unaffected by market movements.

As a result of these combined factors, the Company's financial assets and liabilities held outside unitised funds are not materially subject to market risk, and movements at the reporting date in equity values have an immaterial impact on the Company's profit after tax and equity. Future revenues from annual management charges may be affected by movements in interest rates, foreign currencies and equity values.

(a) Price risk

An overall change in the market value of the investment-linked funds would affect the annual management charges accruing to the Company since these charges, which are typically 1% p.a., are based on the market value of policyholder assets under administration. Similarly, due to the fact that these charges are deducted from contracts in contract currency, a change in foreign exchange rates relative to sterling can result in fluctuations in reported fee income and expenses. The approximate impact on the Company's profits and equity of a 10% change in fund values, either as a result of price or currency fluctuations, is £0.1m p.a. (2024: £0.1m).

(b) Interest rate risk

Interest rate risk is the risk that the Company is exposed to lower returns or loss as a direct or indirect result of fluctuations in the value of, or income from, specific assets arising from changes in underlying interest rates.

The Company is primarily exposed to interest rate risk on the balances that it holds with credit institutions and in money market funds. A change of 1% p.a. in interest rates will result in an increase or decrease of approximately £0.2m (2024: £0.2m) in the Company's annual investment income and equity.

A summary of the Company's liquid assets at the balance sheet date is set out in note 4.2.

(c) Currency risk

Currency risk is the risk that the Company is exposed to higher or lower returns as a direct or indirect result of fluctuations in the value of, or income from, specific assets and liabilities arising from changes in underlying exchange rates.

(c)(i) Company foreign currency (non-sterling) exposures

The Company is exposed to currency risk on foreign currency denominated bank balances, contract fees receivable and other liquid assets that it holds to the extent that they do not match liabilities in those currencies. The impact of currency risk is minimised by frequent repatriation of excess foreign currency funds to sterling. The Company does not hedge foreign currency cash flows. At the balance sheet date, the Company had exposures in the following currencies:

	2025 US\$'000	2025 €'000	2024 US\$'000	2024 €'000
Gross assets	428	9,128	382	6,470
Matching currency liabilities	(317)	(10,085)	(276)	(8,411)
Uncovered currency exposures	112	(957)	106	(1,941)
Sterling equivalent of exposures (£'000)	81	(820)	84	(1,646)

The approximate effect of a 5% change in the value of US dollars to sterling is less than £0.1m (2024: less than £0.1m); and less than £0.1m in the value of the euro to sterling (2024: less than £0.1m).

(c)(ii) Financial investments by currency

Certain fees and commissions are earned in currencies other than sterling, based on the value of financial investments held in those currencies from time to time.

The sensitivity of the Company to the currency risk inherent in investments held to cover financial liabilities under investment-linked contracts is incorporated within the analysis set out in the table below.

At the balance sheet date the analysis of financial investments by currency denomination was as follows:

Currency	2025 %	2024 %
Euro	40	41
US dollar	41	40
Sterling	17	17
Others	2	2
	100	100

4.2 Credit risk

Credit risk is the risk that the Company is exposed to lower returns or loss if another party fails to perform its financial obligations to the Company. The Company has adopted a risk averse approach to such risk and has a stated policy of not actively pursuing or accepting credit risk except when necessary to support other objectives.

The clearing and custody operations for the Company's security transactions are managed through an outsourcing arrangement with one broker, namely Capital International Limited, a member of the London Stock Exchange. At 30 June 2025, substantially all policyholder cash and cash equivalents, balances due from brokers and financial investments are placed in custody with Capital International Limited. These operations are detailed in a formal contract that incorporates notice periods and a full exit management plan. Delivery of services under the contract is monitored by a dedicated relationship manager provided by the Company's service provider, Hansard Administration Services Limited, a fellow wholly-owned subsidiary of Hansard Global plc. Both relationships are managed against documented Service Level Agreements and Key Performance Indicators.

The Company has an exposure to credit risk in relation to its deposits with credit institutions and its investments in unitholded money market funds. To manage these risks; deposits are made, in accordance with established policy, with credit institutions having a short-term rating of at least F1 or P1 from Fitch IBCA or Moody's respectively and a long term rating of at least A or A3. Investments in unitholded money market funds are made only where such fund is AAA rated. Additionally maximum counterparty exposure limits are set.

These assets are considered to have a high degree of credit worthiness and no assets of a lower credit worthiness are held. The following table sets out information about the credit quality of the Company's deposits with credit institutions and its investments in unitholded money market funds.

	2025 £'000	2024 £'000
Deposits with credit institutions and investments in unitholded money market funds		
<i>Based on Standards & Poor's ratings</i>		
AAA	14,680	15,230
AA- to AA+	-	-
A- To A+	595	567
Cash at bank	6,189	5,623
	21,464	21,420

Within cash at bank, the primary balances were invested in credit institutions as follows: £6m (2024: £5.4m) with a rating of A+ and £0.2m (2024: £0.2m) with a rating of A.

Financial assets held at amortised cost are impaired using an expected credit loss model. The model splits financial assets into those which are performing, underperforming and non-performing based on changes in credit quality since initial recognition. At initial recognition financial assets are considered to be performing. They become underperforming where there has been a significant increase in credit risk since initial recognition, and non-performing when there is objective evidence of impairment. Twelve months of expected credit losses are recognised in the profit and loss account and netted against the financial asset in the balance sheet for all performing financial assets, with lifetime expected credit losses recognised for underperforming and non-performing financial assets.

Expected credit losses are based on the historic levels of loss experienced for the relevant financial assets, with due consideration given to forward looking information. The Company expected credit loss charged in the year is £nil (30 June 2024: £nil). This amount relates to balances likely to be irrecoverable from funds in the process of liquidation. This does not effect the expected loss position of other financial assets.

Trade receivables are designated as having no significant financing component. The Company measures expected credit losses for trade receivables by using a lifetime expected loss allowance.

There have been no changes in the assets in the year ended 30 June 2025 attributable to changes in credit risk (30 June 2024: nil).

At the balance sheet date, an analysis of the Company's own cash and cash equivalent balances, liquid investments and deposits was as follows (an analysis by maturity date is provided in note 4.4):

	2025 £'000	2024 £'000
Deposits with credit institutions	6,189	5,623
Money market funds and call account balances	15,275	15,797
	21,464	21,420

4.3 Liquidity risk

Liquidity risk is the risk that the Company, though solvent, does not have sufficient financial resources to enable it to meet its obligations as they fall due, or can only secure them at excessive cost. The Company is averse to liquidity risk and seeks to minimise this risk by not actively pursuing it except where necessary to support other objectives.

The Company's objective is to ensure that it has sufficient liquidity over short-term (up to one year) and medium-term time horizons to meet the needs of the business. This includes liquidity to cover regulatory capital obligations as well as working capital to fund day-to-day cash flow requirements.

Liquidity risk is principally managed in the following ways:

- Assets of a suitable marketability are held to meet liabilities as they fall due.
- Forecasts are prepared regularly to predict required liquidity levels over both the short- and medium-term.

The Company's exposure to liquidity risk is considered to be low since it maintains a high level of liquid assets to meet its liabilities.

4.4 Undiscounted contractual maturity analysis

Set out below is a summary of the undiscounted contractual maturity profile of the Company's assets.

	2025 £'000	2024 £'000
Maturity within 1 year		
Deposits and money market funds	21,464	21,420
Assets with maturity values	21,464	21,420
Other shareholder assets	1,632	506
Shareholder assets	23,096	21,926
Gross assets held to cover financial liabilities under investment-linked contracts	54,100	59,284
Total assets	77,196	81,210

There is no significant difference between the value of the Company's assets on an undiscounted basis and the balance sheet values.

Assets held to cover financial liabilities under investment-linked contracts are deemed to have a maturity of up to one year since the corresponding investment-linked liabilities are repayable and transferable on demand. In certain circumstances the contractual maturities of a portion of the assets may be longer than one year, but the majority of assets held within the investment-linked funds, excluding those classified as Level 3 in section 4.5 below, are highly liquid. The Company actively monitors fund liquidity.

Set out below is a summary of the undiscounted contractual maturity profile of the Company's liabilities.

	2025 £'000	2024 £'000
Maturity within 1 year		
Creditors arising out of insurance operations	5,909	4,365
Other creditors including taxation and social security	5,748	5,063
Liabilities with maturity values	11,657	9,428
Other shareholder liabilities	980	921
Shareholder liabilities	12,637	10,349
Technical provisions for life assurance policies where the investment risk is borne by the policyholders	54,100	59,284
Total liabilities	66,737	69,633

There is no significant difference between the value of the Company's liabilities on an undiscounted basis and the balance sheet values.

4.5 Classification and subsequent measurement of financial assets and liabilities

The Company has made an accounting policy choice under FRS 102 para 11.2(c) to apply IFRS 9 for the recognition and measurement of financial instruments. The Company recognises deposits with financial institutions and loans and borrowings on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the Company becomes a part to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for a financial asset or financial liability not measured at 'fair value through profit and loss' ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost, or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. The classification of each financial asset and liability is commented on within each respective financial statement note. As at 30 June 2025, only financial assets measured at amortised cost and FVTPL are held.

The subsequent measurement of each class of financial assets is defined in the below table:

Class of asset	Subsequent measurement
Financial assets at FVTPL	Measured at fair value. Net gains and losses, including any interest or dividend income and foreign exchange gains and losses, are recognised in profit or loss.
Financial assets at amortised cost	Measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities

Under IFRS 9, the Company classifies certain financial liabilities, which include bank overdrafts, creditors, loans and borrowings as amortised cost.

A financial liability is recognised when there is a contractual obligation to deliver cash or another financial asset to another entity. Financial liabilities are initially recognised at fair value (normally the issue proceeds i.e. the fair value of consideration received) less, in the case of financial liabilities subsequently carried at amortised cost, transaction costs. For financial liabilities carried at amortised cost, any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the profit or loss account using the effective interest method. When a financial liability that is measured at amortised cost is modified without resulting in derecognition, a gain or loss is recognised in profit or loss. The gain or loss is calculated as the difference between the original contractual cash flows and the modified contractual cash flows discounted at the original effective interest rate.

Other financial liabilities, which relate to unit linked investment contracts are recognised at fair value and are included within 'Technical provision for life assurance policies where the investment risk is borne by the policyholders'. See note 14 for disclosures of the technical provisions.

Financial liabilities are derecognised when they are extinguished, that is when the obligation is discharged, cancelled or expires.

On initial recognition, a financial liability is designated as amortised cost or FVTPL. The criteria for classification and subsequent measurement mirrors that of the financial assets. Therefore, any liabilities which do not meet the amortised cost classification criteria, are designated as FVTPL.

4.6 Fair value estimation

The Company closely monitors the valuation of assets in markets that have become less liquid. Determining whether a market is active requires the exercise of judgement and is determined based upon the facts and circumstances of the market for the instrument being measured. Where the Directors determine that there is no

active market for a particular financial instrument, fair value is assessed using valuation techniques based on available, relevant information and an appraisal of all associated risks. This process requires the exercise of significant judgement on the part of Directors.

FRS 102 requires the Company to classify fair value measurements into a fair value hierarchy by reference to the observability and significance of the inputs used in measuring that fair value. The hierarchy is as follows:

- Level 1: fair value is determined using quoted prices (unadjusted) in active markets for identical assets.
- Level 2: fair value is determined using inputs other than quoted prices included within Level 1 that are observable for the asset either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: fair value is determined using inputs for the asset that are not based on observable market data (unobservable inputs).

The following table analyses the Company's financial assets and liabilities at fair value through profit or loss, at 30 June 2025:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
Equity securities	877	353	-	1,230
Collective investment schemes	48,498	606	98	49,202
Fixed income securities, bonds and structured notes	-	104	70	174
Total financial assets at fair value through profit or loss	49,375	1,063	168	50,606

All other financial assets and liabilities are designated as held at amortised cost which approximates to fair value. No assets were reclassified from any level to another level during the financial year.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial liabilities at fair value through profit or loss	-	54,100	-	54,100

All other financial assets and liabilities are designated as held at amortised cost which approximates to fair value.

The following tables analyse the Company's financial assets and liabilities at fair value through profit or loss, at 30 June 2024:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss				
Equity securities	1,352	706	-	2,058
Collective investment schemes	52,363	615	523	53,501
Fixed income securities	85	105	62	252
Total financial assets at fair value through profit or loss	53,800	1,426	585	55,811

No assets were reclassified from Level 3 to Level 1 or Level 2 during the financial year.

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial liabilities at fair value through profit or loss	-	59,284	-	59,284

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments in the balance sheet, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable input	Sensitivity to changes in unobservable inputs
Suspended assets	Latest available information including or such as net asset values (NAV) or other communication received	Discount factor and NAV	If the NAV was higher/lower, the fair value would be higher/lower. If the discount factor was higher/lower, the fair value would be lower/higher.
Bonds and structured notes	Market comparison/ discounted cash flow: The fair value is estimated considering: (i) current or recent quoted prices for identical securities in markets that are not active; and (ii) a net present value calculated using discount rates which are determined with reference to observable market transactions in instruments with substantially the same terms and characteristics including credit quality, the remaining term to repayments of the principal and the currency in which the payments are made.	Underlying volatility	Significant increases/ decreases in this input in isolation would result in a higher or lower fair value.

Level 3 sensitivity to changes in unobservable measurements

For financial assets assessed as Level 3, based on its review of the prices used, the Company believes that any reasonable change to the unobservable inputs used to measure fair value would not result in a significantly higher or lower fair value measurement at year end, and therefore would not have a material impact on its reported results.

The reconciliation between opening and closing balances of Level 3 assets are presented in the table below:

	2025 £'000	2024 £'000
Opening balance	585	1,449
Unrealised (losses)	(49)	(335)
Transfers in / (out) of level 3	-	-
Purchases, sales, issues and settlements	(368)	(529)
Closing balance	168	585

5 Investment return

Investment return comprises dividends, interest and other income receivable, realised gains and losses on investments and unrealised gains and losses less any expenses incurred. Movements are recognised in the profit and loss account in the period in which they arise. Dividends are accrued on the date notified. Interest is accounted for on a time proportion basis using the effective interest method.

	2025		2024	
	Technical account £'000	Non-technical account £'000	Technical account £'000	Non-technical account £'000
Dividend income	112	-	147	-
Interest income	97	700	111	777
	209	700	258	777
Net gains on realisation of investments	1,422	-	2,631	-
Investment income	1,631	700	2,889	777
Unrealised (losses) / gains on investments	(352)	7	2,488	(25)
Investment return	1,279	707	5,377	752

6 Fees and Charges

Fees are charged to investment-linked contracts for contract administration services, investment management services, payment of benefits and other services related to the administration of investment-linked contracts. Fees are recognised as revenue as the services are provided and when they are reliably estimable. Upfront fees that relate to the future provision of services are deferred in the balance sheet and amortised on a straight-line basis over the estimated life of the relevant contract. These fees are accounted for on the issue of a contract and on receipt of incremental premiums on existing single premium contracts.

Regular fees charged to contracts are recognised on a straight-line basis over the period in which the service is provided. Transactional fees are recorded when the required action is complete.

	2025 £'000	2024 £'000
Contract fee income	1,224	1,357
Fund management charges	731	756
	1,955	2,113

7 Acquisition costs

Acquisition costs include commissions, intermediary incentives and other distribution-related expenditure. Acquisition costs which vary with, and are directly related to, securing new contracts and incremental premiums on existing single premium contracts are deferred to the extent that they are recoverable out of future net income from the relevant contract. Deferred acquisition costs were amortised on a straight-line basis over the estimated average life of the relevant contracts but were fully impaired in 2020. Acquisition costs that do not meet the criteria for deferral are expensed as incurred.

	2025 £'000	2024 £'000
Other acquisition costs	26	27
	26	27

8 Loss on ordinary activities before tax

Loss on ordinary activities is stated after charging the following:

	2025	2024
	£'000	£'000
Auditors' remuneration:		
- Audit of the entity financial statements	67	69
- Other assurance services	32	31
Directors' remuneration:		
- Emoluments	206	203
- Contributions to retirement benefit schemes:		
- Defined contribution	18	18

9 Employee information

The Company provides a range of benefits to employees, including life cover and permanent health insurance, paid holiday arrangements and a defined contribution pension plan.

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

The Company pays fixed contributions into a Master Trust (defined contribution plan) on behalf of its employees. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

The Group operates an annual bonus plan for employees, which includes employees of Hansard Europe Designated Activity Company. An expense is recognised in the profit and loss account when the Company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

9.1 Remuneration

The aggregate remuneration in respect of employees, including payments to executive directors for services to the Company, was as follows:

	2025	2024
	£'000	£'000
Wages and salaries	126	135
Social insurance costs	14	14
Contributions to pension schemes	18	18
	158	167

9.2 Employee Numbers

The average number of employees employed during the year ended 30 June 2025, including Dublin-based executive directors was 1 (2024: 1). Back-office services are provided by other group companies, based in the Isle of Man.

10 Tax on loss on ordinary activities

Taxation is based on profits and income for the period as determined with reference to the relevant tax legislation. Tax payable is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised in equity. Tax on items relating to equity is recognised in equity.

	2025	2024
	£'000	£'000
(a) Analysis of tax credit/charge in the period		
Current tax:		
Irish corporation tax on loss for the year	-	-
	-	-
(b) Factors affecting credit/charge for the year		
Loss on ordinary activities before tax:	(1,792)	(1,325)
Loss on ordinary activities before tax multiplied by the average rate of Irish corporation tax for the year of 12.5%	(224)	(166)
Effects of:		
Adjustment for deferred tax asset not carried forward	224	166
Current tax for the year	-	-

The Company is not subject to the requirements of Pillar 2 as it falls below the revenue threshold as noted in note 2.2.

11 Other debtors

Other debtors are initially recognised at fair value and subsequently measured at amortised cost.

	2025	2024
	£'000	£'000
Other debtors and prepayments	958	506
Amounts due from Group Companies	674	-
	1,632	506

All amounts are due within one year.

12 Share capital

	2025 €'000	2024 €'000
Authorised:		
100,000,000 "A" ordinary shares of €1.00	100,000	100,000
	2025 £'000	2024 £'000
Issued and fully paid:		
14,126,375 "A" ordinary shares of €1.00	10,122	10,122

13 Capital Contribution

Capital contribution

This reserve represents capital contributions received from Hansard Global plc (the immediate parent company) with no obligation to repay. The directors consider the capital reserve to be unencumbered and form part of the Company's own funds. The Central Bank of Ireland also considers the contribution to be part of the Company's own funds.

The value of the capital reserve at 30 June 2025 is £3.7 million (2024: £3 million). Subsequent to the year end the Company received a capital contribution of £0.2m, see note 20.

14 Technical provisions for life insurance policies where the investment risk is borne by the policyholder

14.1 Contract classification

The Company classifies all life assurance products as investment contracts for accounting purposes.

The contracts that transfer insurance risk or financial risk or both fall into the following classes:

- insurance contracts; and
- unit linked investment contracts

Insurance contracts are contracts under which the Company accepts significant insurance risk from policyholders by agreeing to compensate them if a specified uncertain future event (the insured event) adversely affects them. Insurance contracts transfer significant insurance risk at the inception of the contract. As a general guideline, the Company defines as significant insurance risk, the possibility of having to pay benefits on the occurrence of an insured event that are at least 5% or more than the benefits payable if the insured event did not occur. A contract which exposes the issuer to financial risk without significant insurance risk is not an insurance contract.

Long-term business contracts that are not classified as insurance are deemed to be financial instruments and are classified as investment contracts. Investment contracts are those contracts that transfer financial risk with no significant insurance risk. Unit linked contracts written by the Company where the liability under the contract is dependent on the value of the underlying financial assets, derivatives and investment property are classified as investment contracts unless the contracts also contain features that transfer significant insurance risk.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. However, investment contracts are reclassified as insurance contracts after inception if insurance risk becomes significant.

Investment contracts

Investment contracts will continue to be accounted for in accordance with IFRS 9. All of the Company's investment contracts are unit linked in nature. These contracts are accounted for as financial liabilities whose value is contractually linked to the fair value of the financial assets within the policyholders' unit linked funds.

Premiums and claims on investment contracts are taken directly to the balance sheet where investment contract premiums received are treated as a financial liability and investment contract claims are treated as a reduction in a financial liability. The investment return, the related change in the value of the liabilities, policy fees and expenses relating to investment contracts are recorded in the profit and loss account.

a. Policy Fees

Policy fees comprise fees and charges for administering contracts, investment management fees and an element of origination fees that relates to the current year and are included in 'Other technical income'. Fees are recognised in the period in which they are charged unless they relate to services to be provided in future periods in which case they are deferred and recognised as income over the expected term of the contract as the services are provided.

b. Investment contract liabilities

The company has elected to continue to account for all investment contracts under IFRS 9. All of the Company's investment contracts are unit linked in nature. These contracts are accounted for as financial liabilities whose value is contractually linked to the fair value of the financial assets within the policyholders' unit linked funds. The fair value of these financial liabilities is equivalent to the amount payable on demand without penalty.

c. Deferred income liabilities

Fees earned on investment contracts are recognised over the life of the contract as services are provided. Income is deferred for any front end fees which relate to services provided in future periods to the 'deferred income liability'. The deferred income liability is amortised over the anticipated period in which services will be provided. The recognition of balances in the deferred income reserve is based on actuarial assumptions around future income over the life of each policy. These actuarial assumptions are complex in nature and are subject to estimation uncertainty.

14.2 Investment-linked contract liabilities, premiums and benefits paid

14.2.1 Technical provisions for life assurance policies where the investment risk is borne by the policyholder

Investment-linked contracts consist of unit and investment-linked contracts written by the Company. Technical provisions for life assurance policies where the investment risk is borne by the policyholder are measured at fair value by reference to the value of the underlying net asset value of the Company's unitised investment funds, determined on a bid basis, at the balance sheet date.

The decision by the Company to designate its investment-linked liabilities at fair value through profit or loss reflects the fact that the liabilities are calculated with reference to the value of the underlying assets.

14.2.2 Investment-linked contract premiums

Investment-linked contract premiums are not included in the profit and loss account but are reported as deposits to investment-linked contracts and are included in linked liabilities in the balance sheet. On existing business, a liability is recognised at the point the premium falls due on regular premium contracts and the application of top-up premiums to single premium contracts.

14.2.3 Benefits paid

Withdrawals from investment-linked policy contracts and other benefits paid are not included in the profit and loss account but are deducted from financial liabilities under investment-linked contracts in the balance sheet. Benefits are deducted from financial liabilities and transferred to amounts due to investment-linked policyholders on the basis of notifications received, when the benefit falls due for payment or, on the earlier of the date when paid or when the contract ceases to be included within those liabilities.

14.3 Movement in technical provisions for life assurance policies where the investment risk is borne by the policyholder

The following table summarises the movement in technical provisions for life assurance policies where the investment risk is borne by the policyholder during the year:

	2025	2024
	£'000	£'000
Deposits to investment-linked contracts	1,275	1,437
Deductions from contracts	(7,558)	(11,099)
Change in provisions for investment-linked contract liabilities	1,099	5,160
Movement in year	(5,184)	(4,502)
At beginning of year	59,284	63,786
	54,100	59,284

Change in provisions for investment-linked contract liabilities include dividend and interest income and net realised and unrealised gains and losses on financial investments held to cover financial liabilities.

	2025	2024
	£'000	£'000
Contractually due to be settled within 12 months	4,928	3,526
Contractually due to be settled after 12 months	49,172	55,758
	54,100	59,284

14.4 Investments held to cover liabilities under investment-linked contracts

The Company classifies its financial assets into the following categories: financial investments and loans and receivables. Financial investments consist of units in collective investment schemes, equity securities and fixed income securities. All financial investments are designated at fair value through profit or loss.

The decision by the Company to designate its financial investments at fair value through profit or loss reflects the fact that the investment portfolio is not held in order to collect contractual cash flows.

The Company recognises purchases and sales of investments on trade date. Investment transaction costs are written off in administration expenses as incurred.

All gains and losses derived from financial investments, realised or unrealised, are recognised within investment income in the profit and loss account in the period in which they arise.

The value of financial assets at fair value through profit or loss that are traded in active markets (such as trading securities) are based on quoted market prices at the balance sheet date. The quoted market price for financial assets held by the Company is the current bid price. Investments in funds and certain other unquoted securities are valued at the latest available net asset valuation provided by the administrators or managers of the funds and companies, unless the Directors are aware of good reasons why such valuations would not be the most appropriate or indicative of fair value. Where necessary, the Company uses other valuation methods to arrive at the stated fair value of its financial assets, such as recent arms' length transactions or reference to similar listed investments or other information.

Debt instruments are financial assets with fixed or determinable payments that are not quoted on an active market. Debt instruments consist, primarily, of contract fees receivable, long-term cash deposits (i.e. with an original maturity duration in excess of three months) and cash and cash equivalents. Such assets are held at amortised cost which approximates fair value.

The following investments, cash and cash equivalents, other assets and liabilities are held to cover technical provisions for linked liabilities. They are included within the relevant headings on the balance sheet.

	2025 £'000	2024 £'000
Equity securities	1,229	2,058
Investments in collective investment schemes	49,203	53,501
Fixed income securities, bonds and structured notes	174	252
Deposits and money market funds	3,202	3,103
Total assets	53,808	58,914
Other receivables	292	370
Net financial assets held to cover financial liabilities	54,100	59,284

15 Deferred income reserve

Fees charged for services related to the management of investment-linked contracts are recognised as revenue as the services are provided. Initial fees which exceed the level of recurring fees and relate to the future provision of services are deferred. These are amortised over the anticipated period in which services will be provided. The recognition of balances in the deferred income reserve is based on actuarial assumptions around future income over the life of each policy. These actuarial assumptions are complex in nature and are subject to estimation uncertainty. The actuarial assumptions are reviewed regularly by the Head of Actuarial Function.

	2025 £'000	2024 £'000
At 1 July	921	1,281
Income amortised to profit and loss during the year	(304)	(360)
At 30 June	617	921

	2025 £'000	2024 £'000
Current	260	305
Non-current	357	616
At 30 June	617	921

16 Other creditors including taxation and social security

Other payables are initially recognised at fair value and subsequently measured at amortised cost. They are recognised at the point where service is received but payment is due after the balance sheet date.

	2025 £'000	2024 £'000
Commission payable	49	50
Other creditors and accruals	5,468	4,499
Provisions	594	514
	6,111	5,063

Provisions represent amounts to settle a number of the claims referred to in Note 19 'Contingent Liabilities' where it is economically beneficial to do so. Such provisions are calculated where there is an established pattern of settlement for that grouping of claims. The following table reflects the movement in the provision during the period under review.

	2025	2024
	£'000	£'000
Settlement provision as at 1 July 2024	514	133
Additional provisions made in the period	196	416
Released from the provision for settlements	(116)	(35)
Settlement provision as at 30 June 2025	594	514

Further information required by FRS 102 is not disclosed on the basis that it may prejudice the Company's position. All other payable balances, including amounts due to policyholders, are deemed to be current. Due to the short-term nature of these payables the carrying value is considered to reflect fair value.

17 Technical reserves

The Company administers one principal category of business – unit-linked life assurance. The Company's life assurance products do not contain significant levels of financial guarantees or options provided by the Company. The reserves in respect of linked business equal the value of the assets to which the contracts are linked. Assumptions underpinning the valuation of the technical provisions are derived from experience analysis and other factors determined relevant by the Head of Actuarial Function.

18 Capital management

The Company's objectives in managing its capital are:

- To satisfy the requirements of its policyholders and regulators;
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets;
- To match the profile of its assets and liabilities, taking account of the risks inherent in the business; and
- Generate operating cash flows to meet dividend requirements.

Capital management for the Company rests with management and the Group Treasury function.

The Company monitors capital on two bases:

- Total Shareholder's Equity, as per the balance sheet; and
- The capital requirement of the relevant supervisory body, being the Central Bank of Ireland.

The Company's policy is to hold the higher of:

- The Company's internal assessment of the capital required; and
- The capital requirement of the relevant supervisory body plus a specified minimum margin of 50% over this.

As noted in the Director's Report, the Company's SCR coverage ratio was 146% as at 30 June, below the Company's SST of 150%. Following the enactment of the Company's pre-emptive recovery plan by the Directors, a capital contribution of £0.2m from the Company's parent was approved by the Directors on 5 August 2025 which raises the Company's solvency coverage ratio above the SST.

The Company has met the external regulatory solvency requirements throughout the year.

19 Contingent liabilities

The Company does not and has never given any investment advice. Investment decisions are taken either by the contract holder directly or through a professional intermediary appointed by the contract holder. Contract holders bear the financial risk relating to the investments underpinning their contracts, as the policy benefits are linked to the value of the assets. Notwithstanding the above, financial services institutions are frequently drawn into disputes in cases where the value and performance of assets selected by or on behalf of contract holders fails to meet their

expectations. At the balance sheet date a number of fund structures remain affected by liquidity or other issues that hinder their sales or redemptions on normal terms with a consequent adverse impact on policy transactions.

As reported previously, the Company has been subject to a number of complaints in relation to the selection and performance of assets linked to contracts. The Company has been served with a number of writs arising from such complaints and other asset-related issues. All such writs relate to historic business written by the Company prior to its closure to new business in 2013.

As at 30 June 2025, the Company had been served with cumulative writs with a net exposure totalling €23.8m, or £20.4m in sterling terms (30 June 2024: €23.8m / £20.2m) arising from contract holder complaints and other asset performance-related issues.

During the year, the Company successfully defended three cases with net exposures of approximately £0.3m, two of which has been appealed by the plaintiffs (2024: successfully defended eight cases with net exposures of £1.3m). These successes continue to affirm confidence in the Company's legal arguments.

The Company's policy is to maintain contingent liabilities even where the Company wins cases in the court of first instance if such cases have been subsequently appealed. This includes the Company's largest single case in Belgium.

The Company has previously noted that the Company expects a number of the larger claims to ultimately be covered by the Group's insurance cover. During 2025 the Company recorded £0.4m (2024: £0.7m) in total recoveries during the year in relation to costs paid by the Company. The Company expects such reimbursement to continue during the course of that litigation.

While it is not possible to forecast or determine the final results of pending or threatened legal proceedings, based on the pleadings and advice received from the Company's legal representatives, the Directors believe that the Company has strong defences to such claims. Notwithstanding this, there may be circumstances where in order to avoid the expense and distraction of protracted litigation the Board may consider it in the best interests of the Company and its shareholders to reach a commercial resolution with regard to certain of these claims. Such cases totalled less than £0.3m (2024: less than £0.4m) during the period. Additions to the litigation provision of £0.2m (2024: £0.5m) have been provided in the year, where based on past experience it is expected that future settlements may be reached. Where an established pattern of settlement is established for any grouping of claims, a provision for expected future settlements is made in line with FRS 102. This is outlined in Note 16.

20 Post Balance Sheet Events

Subsequent to the year end the Company received a capital contribution of £0.2m. This was approved by the Directors on 5 August 2025 and has therefore not been included as an adjusting event to these financial statements.

There have been no other material post-balance sheet events, which would require disclosure in, or adjustment to, these financial statements.

21 Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 30 September 2025.