RiverStone Holdings (Malta) Limited

GROUP SOLVENCY AND FINANCIAL CONDITION REPORT (SFCR)
YEAR ENDING 31 DECEMBER 2024

Aragon House,
Dragonara Road,
St. Julians, STJ 3140
Malta

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APPROVAL

Approval by the board of directors of the Group Solvency and Financial Condition Report ("SFCR") for the financial year ending 31 December 2024 for Riverstone Malta Holdings Limited, the Holding Company of the RiverStone Malta Insurance Group.

We acknowledge our responsibility for preparing the Group Solvency and Financial Condition Report in all material respects in accordance with the MFSA Rules and the Solvency II Regulations.

We are satisfied that:

a. Throughout the financial year in question, the RiverStone Malta Insurance Group has complied in all material respects with the requirements of the MFSA rules and Solvency II Regulations as applicable to RiverStone Insurance (Malta) SE; and

b. It is reasonable to believe that RiverStone Insurance Group has continued to comply subsequently and will continue to so comply in the future.

Andrew Creed
Director
RiverStone Holdings Malta Limited

Luke Tanzer
Director
RiverStone Holdings Malta Limited

26th March 2025

1. INTRODUCTION

1.1 Basis of Preparation

The Group Solvency and Financial Condition Report ("GSFCR") has been produced in accordance with the requirements of Solvency II legislation.

This GSFCR is applicable to the financial year ending 31 December 2024 (the "reporting period") and was approved by the Board on the 4th March 2025.

The board of directors of Riverstone Holdings Malta Limited ("RHML") (the " HoldCo Board") would like to bring to the attention of the readers that the RMSE Group Solvency & Financial Condition Report (Holding & Insurance Undertaking or "Group") does not materially differ from the RMSE Solo Solvency & Financial Condition Report (Insurance Undertaking). This is due to the fact that the only two companies within the Insurance Group are the Insurance Holding Company, Riverstone Holdings ("Malta") Limited ("RHML") and the Insurance Undertaking ("RMSE"). Therefore this Group SFCR incorporates information at the level of the Riverstone Insurance Malta Insurance Group as well as solo SFCR information for its subsidiary Riverstone Insurance (Malta) SE.

The reporting currency of RiverStone Insurance Group (or the "Group") is Euro ("€"). Any amounts referenced in this report are in EUR unless specifically stated otherwise.

2. SUMMARY

2.1 Business and Performance

RHML, whose ultimate parent is RiverStone International Holdings Limited ("RIHL"), a company registered in Jersey, is the parent of RMSE.

The principal activity of RHML is to act as Holding Company of the operating entity within the Insurance Group, RiverStone Insurance Malta SE ('RMSE'). In turn, the principal activity of RMSE is the timely and economic run-off of the liabilities associated with insurance and reinsurance business previously written.

For the year ending 31 December 2024 RMSE reported a loss for the financial year of €2.8 million (2023: €3.2 million loss). As of 31 December 2024, total equity amounted to €13.6m (2023: €13.9m).

The Insurance Holding Company solely holds shares in the Insurance Undertaking. No trading takes place within the Insurance Holding Company except that of holding shares in the sole subsidiary which is the Insurance Undertaking.

The bases, methods and main assumptions used at the Group level for the valuation for solvency purposes of the Group's assets, technical provisions and other liabilities are consistent with those used by the Insurance Undertaking for the valuation for solvency purposes of its assets, technical provisions, and other liabilities.

	Asset (EUR)	Liabilities (EUR)	Eligible Capital (EUR)
Group (*Holding & Insurance Undertaking*)	107,591,226	94,784,051	12,807,174
Solo (*Insurance Undertaking*)	107,510,829	94,496,883	13,013,945
Variances	80,397	287,168	-206,771

The method of calculation of the Solvency at the level of the Group has been carried out in accordance with Method 1 – Accounting consolidation-based method (default method) in line with Article 230 of the Solvency II Directive.

The Insurance Holding Company does not carry out insurance business and therefore the risks calculated under the standard formula for the purposes of the Group Solvency Capital Requirement are identical to Solvency Capital Requirement ("SCR") risks at Insurance Undertaking level except for the counterparty default risk on the Insurance Holding Company's cash and investments. The SCR cover at the Group level is 193% whereas at the Insurance Undertaking level the SCR cover is 196% as per below table.

	% Cover	SCR (EUR)	Eligible Capital (EUR)
Group SCR Cover *(Holding & Insurance undertaking)*	193%	6,634,028	12,807,174
Solo SCR Cover *(Insurance Undertaking)*	196%	6,624,247	13,013,945
Variance	-3%	9,781	-206,771

There are no restrictions with regard to the fungibility and transferability of owns funds eligible for covering the Group Solvency Capital Requirement. A full consolidation of data of the Insurance Holding Company and the Insurance Undertaking was carried out hence no other method of consolidation referred to in Article 336 of EU Regulation 2015/35 has been used. There were no Group diversification effects that were availed of in view that the consolidation only entailed the Insurance Holding Company and the Insurance Undertaking.

Given that the substance of the group is vested within RMSE as the operational Insurance entity within the group and the RMSE Board, any mentions of ("the Board") hereafter will be taken to mean the RMSE Board. Any reference to systems of governance and risk profile will similarly in substance refer to RMSE's activity.

Capital levels were, and remain, in excess of management and regulatory capital requirements.

2.2 System of Governance

RMSE is committed to high standards of corporate governance and maintains a strong framework for the control and management of the business.

RMSE has established and maintained effective systems of governance which provide for sound and prudent management. There is a clear and well-defined organisational structure with clear, consistent and documented lines of responsibility. The Board and staff have the skills, knowledge and expertise to fulfil their allocated responsibilities. RMSE's information systems produce sufficient, reliable, consistent, timely and relevant information on all business activities, commitments assumed and risk exposures. Adequate risk management, compliance, internal audit and actuarial functions are established and maintained. RMSE's system of governance is considered to be proportionate to the nature, scale and complexity of the Company's business.

2.3 Risk Profile

RMSE has an embedded dynamic risk review framework that identifies, assesses and reports risks that, on an ongoing basis, could have a material adverse impact on its business activity, its financial position or results and its ability to meet its strategic objectives. The following risks, constituted within the adopted RMSE risk taxonomy, defines the current risk profile of the business:

- **Insurance risk,** being the potential for financial loss due to uncertainties related to insurance and reinsurance obligations comprising primarily of reserve risk. The latter results from uncertainty around the estimation of the frequency, severity and timing of future claims and indemnity payments which could result in reserves being insufficient to make up for the ultimate cost of the claims;
- **Capital Risk,** captures the risk of shortfall in capital to meet regulatory requirements or expectations: encompassing both capital level and capital model risk. These being the risk of the entity's own funds falls below the level acceptable by the board and the inadequate assessment of capital required through use of the entity's capital calculation methodology.
- **Market risk** embodies the risk of financial loss due to adverse movements or volatility of market prices of financial instruments in the financial market.
- **Credit risk** constitutes the risk of financial loss arising from unexpected default, delays in payment, and/or deterioration in the credit standing of the counterparties relating to reinsurance assets, securitisations and derivatives as well other debtors and insurance intermediaries. This also captures any potential for financial loss arising from the deterioration in the value of the Reinsurer's assets held in collateral.
- **Liquidity risk** comprising the potential for difficulties around RMSE's ability to meet its financial obligations in full and in a timely manner in normal and/or stressed environment or is forced to do so in a manner that results in material financial losses.
- **Regulatory and Legal Risk** captures the risk of not complying with applicable laws, regulations or legal actions which may result in fines, censure, loss of authorisation or other negative ramifications
- **Operational risk** captures the potential for direct or indirect losses stemming from inadequate internal processes, people, and systems or from external events. This includes amongst others; claims settlement, cyber and data integrity risks and security risks.

- **Strategic risk,** including climate change and sustainability risks, arise from the inability to effectively deliver on the RMSE business strategy and deliver RiverStone Group's objectives.

The risks arising from any of the business activities are managed in line with the Risk Management Framework to protect policyholders and maximise shareholder value. This established framework addresses all the risks surrounding the RMSE's past, present, and future activities.

Capital is held to allow for risks that RMSE is exposed to and is calculated using the Standard Formula.

2.4 Valuation for Solvency Purposes

RMSE values its assets and liabilities in accordance with Solvency II principles. There have been no changes in the approach to the valuation for solvency purposes during the reporting period.

2.5 Capital Management

RMSE maintains policies and procedures which set out how capital management is undertaken. On a Solvency II valuation basis, RMSE holds unrestricted Tier 1 capital only. RMSE's available and eligible capital has remained in excess of the Solvency and Minimum Capital Requirements during the reporting period.

There have been no other changes in the approach to capital management during the reporting period.

3. BUSINESS AND PERFORMANCE

3.1 General Information

3.1.1 Name and Legal Form

RiverStone Insurance (Malta) SE is a private company incorporated in Malta with registration number SE2. The registered address of RiverStone Insurance (Malta) SE is:

RiverStone Insurance (Malta) SE
Aragon House
Dragonara Road
St. Julian's
STJ 3140
Malta

3.1.2 Supervisory Authority

RMSE's supervisory authority responsible for financial supervision is the Malta Financial Services Authority (MFSA), whose contact details are below:

Malta Financial Services Authority
Insurance and Pensions Supervision Unit
Notabile Road
Attard BKR3000Malta

3.1.3 External Auditor

RMSE's external auditor for the reporting period were Deloitte Audit Limited ("Deloitte"), whose contact details are below:

Deloitte Audit Limited
Deloitte Place
Triq l-Intornjatur, Zone 3
Central Business District, CBD 3050
Birkirkara
Malta

3.1.4 Shareholder and Ultimate Parent Company

The immediate parent companies of RMSE are RiverStone Holdings (Malta) Limited, a company with registered address at Aragon House Dragonara Road, St Julian's, STJ 3140, Malta (99.99999% ownership) and Gemini HoldCo Limited, a company with registered address at 6th Floor, 2 Grand Canal Square, Dublin D02 A342, Ireland (0.000001% ownership).

The ultimate holding company is RiverStone International Holdings Limited ("RiverStone International"), a private limited company incorporated in Jersey at the registered address at 27 Esplanade, St Helier, Jersey, JE1 1SG. The majority of the shares in RiverStone International are held by CVC Capital Partners Strategic Opportunities II LP.

3.2 Business

3.2.1 Business Profile

RMSE's primary focus is on the economical and timely runoff of its existing portfolios of runoff business.

RMSE comprises a variety of London market and European portfolios of both reinsurance and direct business, including significant long-tail exposures. The lines of business of RMSE are diverse and mature. The Company used to underwrite business under the following classes of business:

Class 1 – Accident (I/R)
Class 2 – Sickness (I/R)
Class 4 – Railway Rolling Stock (I/R)
Class 6 – Ships (I/R)
Class 7 – Goods in Transit (I/R)
Class 8 – Fire and Natural Forces (I)
Class 9 – Other Damage to Property (I)
Class 12 – Liability for Ships (I/R)
Class 13 – General liability (I/R)
Class 15 – Suretyship (I)
Class 16 – Miscellaneous financial loss (I/R)

3.2.2 Significant Business Events

RiverStone International is a leading global non-life run-off insurance business specialist with more than 25 years of experience helping insurers release capital, streamline their operations and reduce volatility from legacy property and casualty books. During the year-ended no acquisition activity took place in RMSE. Riverstone Malta is no longer actively pursuing the acquisition of further portfolios of run-off business. The Company intends to explore a cross-border merger with an affiliated Group company during 2025.

The former Argo Re Quota Share Agreement which had provided for the cession of 90% of the claims development result (net of inuring reinsurance) to Argo Re was commuted on the 3rd June 2024. In replacement, an equivalent term 90% Quota Share Agreement with Intra-Group affiliate reinsurer Riverstone International Bermuda Limited ('RIBL') was entered into during the year then ended. The agreement provides RMSE with sufficient Credit Risk mitigation arising through its collateralisation requirement: That is, the agreement requires that assets equivalent to a 100% of ceded recoverable assets are to be held in a secure collateral account in trust by an independent third-party trustee.

Ahead of the "Digital and Operational Resilience Act ('DORA')" *(Regulation (EU) 2022/2554 EP)* regulation coming into effect in January 2025, RMSE undertook a DORA preparedness exercise. DORA is a comprehensive piece of legislation that recognises the complexity of subject entities' IT systems and provides for the reinforcement and documentation of the risks, controls and recovery & mitigation inherent to ICT- driven business insurance services. This exercise assessed the entity's ability to comply with the new requirements and set out a plan towards ensuring compliance by the implementation date of January 17th 2025.

3.2.3 Summary of Financial Performance

In relation to the Riverstone Malta Insurance Group, RMSE recorded a loss for the financial year of €2.8 million (2023: loss of €3.2 million), driven by net operating expenses of €0.7 million (2023: €4.6 million), and net favourable reserve development and investment income.

3.3 Performance of Other Activities

There is no other material information that merits disclosure.

3.4 Other Information

There is no other information to be disclosed within this section.

4. SYSTEM OF GOVERNANCE

4.1 General Information on the System of Governance

4.1.1 Governance Structure

The ultimate responsibility for sound and prudent management of the business of the Company rests with the Board.

The RMSE Board comprises three independent non-executive directors and three executive directors. The chair of the RMSE Board is an independent non-executive director. The Board has one Board committee being the Risk & Capital Committee, whilst the functions of the Audit Committee are carried out by the Board in accordance with Solvency II legislation. A number of functions are outsourced by RMSE to a UK affiliate, RiverStone Group Service Company.

The following matters are reserved to the Board:

- set the Company's strategy, ensure that the key goals in that strategy are within agreed risk appetite, and oversee executive implementation of that strategy.
- set and monitor the amounts, types and distribution of capital and own funds ensuring their adequacy to cover the risks of the insurance undertaking.
- shall monitor the ongoing solvency and liquidity position, and cash flow forecasts of the Company.
- shall ensure an adequate and effective internal control framework, that includes well-functioning Risk Management, Compliance and Internal Audit Functions, and an appropriate financial reporting and accounting framework.
- shall ensure that the Company complies with all laws, regulations and administrative provisions.
- establish and maintain a culture of risk awareness and ethical behaviour for the entire organisation to follow in pursuit of its business goals.
- shall ensure a remuneration framework that is aligned to the risk strategies of the Company.
- shall ensure that robust succession plans that recognise current and future business needs and requirements are in place, and which address unexpected loss of key individuals and arrangements covering both short- and long-term situations and requirements.
- shall monitor risk exposures and ensure remediation plans are put in place where risk tolerance is exceeded.
- shall monitor the performance of service providers, including the RiverStone Group Service Company.

The Board shall identify, consider, and manage conflicts of interest. The board comprises of 3 executive directors (including a managing director) and 3 independent non-executive directors.

Executive Committee ("Exco")

Exco is responsible for the day-to-day management responsibilities in relation to RMSE and monitoring the performance of run-off services against the Company's business plan and company goals.

Risk and Capital Committee ("RCC")

The RCC has been established by the Board to oversee the Company's Risk Management and Capital position ensuring that risk appetite is appropriate and adhered to and that key risks are identified and managed. The RCC meets at least four times a year at appropriate times and otherwise as required.

RMSE Governance Structure

RMSE Board

Roles and Responsibilities

- Setting the company's strategy
- Monitoring the ongoing solvency and liquidity position of RMSE
- Ensuring the company complies with all laws and regulations
- Establishing a culture of risk awareness
- Monitoring risk exposures
- Ensuring that robust succession plans are in place
- Monitoring the performance of service providers
- Identifying, considering and managing conflicts of interest

Risk & Capital Committee	Audit Committee (as a function of the Board)
Second Line of Defence	Third Line of Defence
• Monitoring the effectiveness of the Company's risk framework • Satisfying itself that an appropriate risk culture is embedded within the Company • Monitoring and overseeing RMSE's risk profile • Reviewing and making recommendations to the RMSE Board on risk appetites and tolerances • Ensuring management have identified and considered all key risks • Reviewing the effectiveness of the Company's Risk Management Function • Keeping under review the appropriateness of RMSE's ORSA • Oversight of capital management including making recommendations to the Board as appropriate	• Monitoring the integrity of financial statements • Keeping under review the adequacy and effectiveness of RMSE's internal financial controls • Considering and making recommendations to the Board and Group Audit Committee, in relation to the appointment and removal of the external auditor • Reviewing the annual audit plans • Monitoring the effectiveness of RMSE's Internal Audit function

Key Functions

The following table sets out the key functions for RMSE. This includes actuarial, risk management, compliance and internal audit, which have the necessary authority, resources and operational independence to carry out their tasks. This is ensured through being enshrined within their respective function terms of reference which are reviewed and approved by the Board. The functions have delegated responsibilities from the Board and the relevant committees. RMSE did not employ individuals to perform the Internal Audit or Compliance functions directly.

A formal outsourcing agreement was in place with the RiverStone Group service company, to provide Internal Audit resource. In the case of Compliance, this was outsourced. Both the Risk and Actuarial Functions were held by a Fellow of the Institute of Actuaries approved by the MFSA as the dual function-holder, who has sufficient competence and experience to carry out the respective roles.

On minimum of a bi-monthly, and ad-hoc basis if merited, a report is produced by each function head and reviewed by Exco. The appropriateness of resource across all functions is reviewed monthly by Exco. The RiverStone Group service company maintains authority schedules which set out the authorities relevant to each function head and their departments to enable them taco manage their functions and their operations effectively.

Reporting from the key functions to the Board is through Board members having access to the Exco reports and through the Board determining what specific reporting they require at Board meetings.

Function	Responsibilities
Actuarial	• Coordination of the calculation of technical provisions • Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions • Assessing the sufficiency and quality of data used in the calculation of technical provisions • Comparing best estimates against experience • Informing the Board and management on the adequacy of the calculation of technical provisions
Compliance	• Delivering and reporting on the Board agreed annual Compliance plan • Advise management on compliance with laws and regulations • Assess possible impact of any significant changes in the legal environment
Internal Audit	• Delivering and reporting on the Audit Committee recommended and approved annual Internal Audit plan. • Evaluating the adequacy and effectiveness of all functions within the firm
Risk Management	• Delivering and reporting on the Risk & Capital Committee recommended, Board agreed, annual Risk Management Plan • Document and communicate the Risk Management Plan to embed within business • Develop and review Risk Management strategies and policies • Design and produce ORSA processes and documents

4.1.2 Material Changes in the System of Governance

There were no material changes to RMSE's system of governance structure throughout 2024, with the exception of the appointment of an independent non-executive director on 04/01/2024.

4.1.3 Remuneration

The principles of RMSE's remuneration policy are:

- Recruit and retain high calibre employees who are equipped with the correct skills and knowledge required in order to deliver its strategic objectives
- Ensure that salaries and benefits remain competitive with other companies in its market sector and geographical location
- Ensure that the contribution of its employees in achieving the Company goals is recognised and rewarded in a manner that both enhances service delivery and is consistent with the long-term interests of the Shareholder. The measurement of performance takes into account any activities that could have an adverse effect in the future or where there is evidence that activities in previous years have caused deterioration in the current year
- Achieve equity, fairness and consistency in the operation of reward policies and procedures
- Ensure that any material risks linked to remuneration arising at the level of the RiverStone Group are considered and managed
- To pay bonuses which are a fair reflection of individual performance against both the Company and Departmental goals and the overall company performance, whilst also taking account of key personal qualities and responsibilities
- To ensure that the fixed or guaranteed component represents a sufficiently high proportion of the total remuneration to avoid employees being overly dependent on the variable components, and to allow RMSE to operate a fully flexible bonus policy, including the possibility of paying no variable component
- To create an environment where employees recognise that good performance and behaviours are rewarded appropriately and that bonuses are not paid automatically
- To pay a market rate which is comparable to similar roles within both the financial services industry and the local employment market
- To recognise that our employees are appropriately skilled in their respective fields and, as such, deserve appropriate reward for their respective individual contributions to the Company's performance
- To assist in the retention of our employees

Performance related bonus is the main variable element of remuneration and is awarded dependent on performance for the calendar year prior to the date on which the bonus is paid. Factors taken into account include; individual performance, contribution to appropriate risk management, contribution to performance against specific, measurable pre-set Company and Departmental goals, and the wider performance of the RiverStone Group.

There are no supplementary pension schemes.

The remuneration structure is designed to protect the long-term interests of the company, promote sound and effective risk management, and prevent excessive risk taking.

4.1.4 Material Transactions during the Reporting Period

The prior-mentioned commutation of the former Argo Re 90% Quota Share agreement and the inception of the RIBL 90% Intra-Group Quota Share arrangement comprise the material transactions for the year.

4.2 Fit and Proper Requirements

4.2.1 Requirements Concerning Skills, Knowledge and Expertise

RMSE ensures that those individuals who hold a regulated position within the scope of the rules established by the MFSA have the required skills, knowledge and expertise through:

- Identification of the requirements of the role, including qualifications, and creation of a role profile
- Background checks in line with 'Fit and Proper' guidelines
- Annual monitoring of competencies and capabilities
- Annual appraisal process

4.2.2 Assessment Process for Assessing Fitness and Propriety

An initial assessment of fitness and propriety is performed to ensure the individual is fit and proper to carry out the role they have been nominated or interviewed for.

The following minimum standards are considered when assessing fitness and propriety:

- Experience in the market for the role they are carrying out
- Any previous regulatory applications or positions held
- Regulatory References (for relevant jurisdictions) or employment references generally documenting any previous conduct matters
- Criminal record checks
- Completion of the Fit and Proper Questionnaire
- Assessment against the relevant Conduct Standards
- Annual fit and proper reassessment

All in-scope individuals are subject to an annual fit and proper reassessment to ensure they continue to meet the standards of fitness and propriety.

Collective fitness of the Board is undertaken by RMSE through an annual board effectiveness review process. This consists of a ratings-based questionnaire that all members complete to assess the Board's performance, effectiveness and how it could be improved. The board effectiveness review is externally facilitated on a three-year basis.

4.3 Risk Management System including the Own Risk and Solvency Assessment

4.3.1 Risk Management Framework

RMSE employs one MFSA-approved individual to manage the Risk Function, in coordination with the wider Group Risk Function. The Risk Management Function reports to the Risk and Capital Committee (RCC) and to the Board of Directors and is responsible for delivering an annual, Board approved Risk Management Plan for RMSE. Amongst other strategic risk management documents, RMSE has in place a risk management framework, comprising strategies, processes, and reporting procedures. These components identify, measure, monitor, manage and report on the risks to which RMSE is exposed, and consider their interdependencies. These processes operate on an individual basis but are considered on an aggregate level within the context of the risk appetites and the ORSA reports.

Identification

RMSE's risk management processes seek to ensure all risks to which RMSE is exposed are identified and monitored. As at the reporting date, the following key processes were in place:

- Board approved Key Risks, with associated Risk Appetite Statements and monitoring in place to ensure RMSE remains within Risk Appetite. With a minimum annual re-confirmation and revision process in place.
- Monitoring of key risk indicators on a monthly basis and a minimum annual risk and control attestation process.
- Oversight and review of the Risk Management Framework by the RCC to ensure it is appropriate and all key risks are identified.
- Recording and monitoring of risk events, with onwards reporting to oversight bodies as appropriate.
- No blame risk culture, with training provided to all employees on the importance of risk event reporting.

Measurement

Risks are assessed against an impact/probability matrix on both an inherent (without any form of controls) and residual (with existing controls and their effectiveness) basis, with an overall rating provided for reporting purposes.

Monitoring

It is the responsibility of the individual risk owners to monitor the risks that they are responsible for, including the effectiveness of the associated controls. The Risk Function supports risk and control owners in their monitoring responsibilities via regular meetings, attestations and an annual risk review at a minimum, providing sufficient challenge and interaction. This also includes ad-hoc Risk assessments and deep-dives for specific events / identified emerging risks of business importance.

Management

It is the responsibility of the individual risk owners to ensure that all risks are cost effectively mitigated on a net basis, and that any associated metrics do not breach RMSE's risk appetite. This is achieved through a variety of methods, including the regular review, facilitate by the Risk Function, of the metrics for each Risk Appetite.

The key governance bodies in RMSE's risk management process are set out below:

- **The Board:** responsible for setting business and risk strategy and ensuring the principal risks and uncertainties facing the Company are managed;
- **Risk and Capital Committee (RCC):** responsible for the oversight of the Company's risk management framework and monitoring that the Company is operating within the risk appetites approved by the Board;
- **Exco**: responsible for the oversight and review of key deliverables and updates from the Risk Management Function.

Reporting

The Risk Management Function reports on a minimum bi-monthly frequency, and on an ad-hoc basis as needed to the Exco and quarterly to the RCC and the RMSE Board. This reporting encompasses:

- Key risk developments;
- The status of critical risk indicators, which provides an early warning system for where a key risk may crystallise;
- Any control deficiencies
- Risk events and near-misses that have occurred;
- Any risk appetite breaches or ORSA triggers;
- The status of identified emerging risks;
- General risk developments and trends; and
- Appropriateness of Standard Formula regulatory capital and ORSA reports.

Implementation and Integration

To implement the risk management framework, RMSE has a Risk Management Framework Document which outlines the approach taken by RMSE in relation to risk management.

Risk management is implemented and integrated into the organisational structure and decision-making processes of the Company. The Board has ultimate responsibility for ensuring the effectiveness of the risk management system, setting risk appetite and overall risk tolerance limits, as well as approving the main risk management strategies and policies.

The RCC has been established to support the RMSE Board and provides independent oversight of the Risk Management function. The role of the RCC is further described in Section 4.1.1.

A report is provided to the RCC on a quarterly basis which provides information on the risk profile, risk appetite status, key risks and the activities of the Risk Management Function. This allows the RCC to ensure the continued effectiveness of the risk management framework. The RCC in turn report to the Board.

Risk Management Function

RMSE has in place a Risk Management Function with responsibility for delivering the risk management service across the business, with specific responsibilities for:

- Facilitating Board review and agreement of risk appetites and risk tolerances;
- Monitoring the overall risk profile against the risk appetites and tolerances and Key Risk Indicators KRIs). This includes assessing the accumulations of risk, trends, and risks from internal and external market changes, including any changes in risk profile that may necessitate the completion of an out of cycle ORSA Report;
- Drafting risk policies and risk management standards for Board review and approval;
- Coordinating the preparation of the ORSA, apportioning and co-ordinating the responsibilities of those who are involved in the ORSA as required, together with assisting with capital modelling from time to time;
- Developing and implementing the risk framework;
- Developing and distributing tools, techniques, methodologies, common risk language, risk framework, analysis, reporting, communication and training;
- Escalating high priority issues, including key risk events, to the Exco, the RCC and the Board;
- Collating, challenging and reporting on aggregate risk profile, control effectiveness and actions taken to the Board, the RCC and the Exco;
- Ensuring that risks that have been identified as potentially material are reported on to the Board;
- Ensuring that specific areas of risk are reported to the Board and the RCC either on its own initiative or following requests from the Board or the RCC; and
- Advising and coaching management and staff on risk management.

Internal Model

RMSE does not currently operate an approved Internal Model but instead uses the Solvency II Standard Formula framework to calculate its regulatory capital in the ORSA exercise.

4.3.2 Own Risk and Solvency Assessment

During the reporting period an ORSA report was produced and submitted for RMSE.

The ORSA process operates continuously and provides evidence to support the Board required confirmatory statement and ORSA Report approval.

The key stages of the current ORSA process are detailed below:

- Review of the risks on the risk register

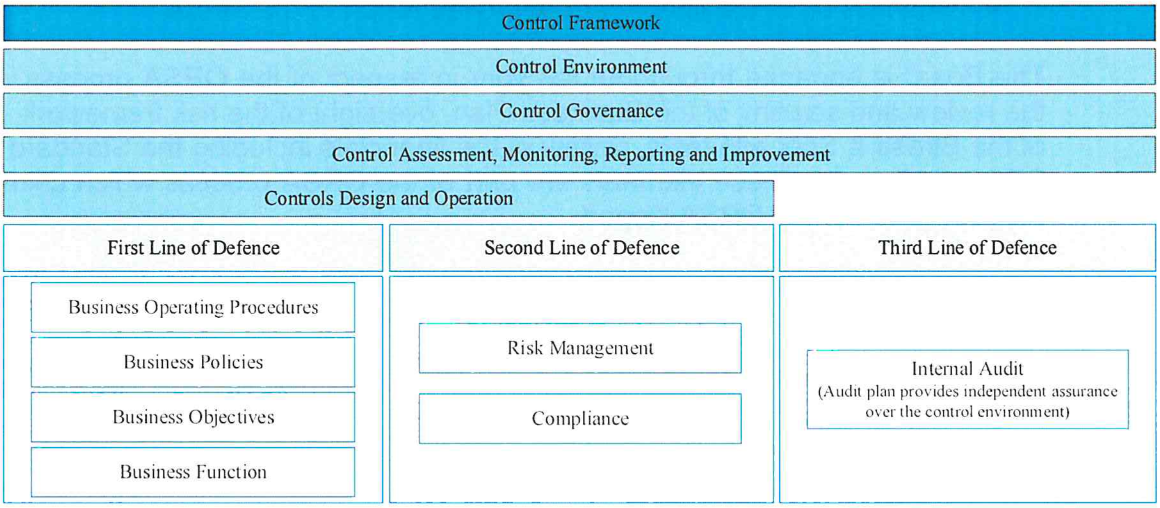
- Considerations of any new and emerging risks
- Quantification of risks
- Business Planning and Risk Appetite Review
- Calculation of the capital required
- Stress and scenario testing planning and undertaking
- ORSA Report prepared capturing the results of the above tasks
- ORSA Report reviewed and challenged by RMSE's Executive Committee ("Exco") prior to final approval by the Board
- Submission of the final Board approved report to the MFSA

The Board is engaged throughout the year in respect of the ORSA process, including the review and scrutiny of the Business Plan, oversight of the risk framework, approval of the Stress & Scenario tests, review of the financials including the Standard Formula SCR calculations. These elements are part of the ORSA process which culminates in the production of the ORSA Report.

4.4 Internal Control System

4.4.1 Internal Control System

The following diagram illustrates the key components of an internal control system as captured in the entity's internal control policy,



The control framework is made up of:

- The control environment - the culture and organisational structures that support sound internal control;
- Control governance activity - the roles and responsibilities that provide oversight of internal control;
- Control assessment, monitoring and reporting activities - supporting the oversight and governance of internal control; and
- Control design and operation - outlining the elements of effective control design and operation.

In order to ensure the ongoing effectiveness and efficiency of the control framework a "three lines of defence model" in in operation.

Controls are first and foremost the responsibility of the business and relevant line management, i.e., the 'first line of defence'. As the first line of defence, line management is responsible for monitoring day to day adherence to this Framework within its area of jurisdiction.

Assurance, which is also referred to as quality assurance or the 'second line of defence', is partly provided by specialist employees who are independent from business line management and partly outsourced to a third-party service provider. The Assurance functions are Risk Management and Compliance. The Risk Function approved individual holds the regulated function, whilst the Compliance Function is outsourced, supported by a RiverStone Group service company.

Principal responsibilities include risk assessment, monitoring, benchmarking, and challenge where appropriate. Second line of defence assurance functions monitor adherence to this Framework. Material risk events are reported to Exco, the RCC, and the Board as appropriate.

The third line of defence is provided by Internal Audit. The primary role of the Internal Audit department is an independent, objective assurance activity designed to add value and improve the operations. It accomplishes its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. Further information on how Internal Audit operates and maintains its independence is provided in Section 4.5. All persons in the second and third line of defence, as described in the diagram above, are independent of the business.

4.4.2 Compliance Function

RMSE has in place a dedicated Compliance Function which operates in accordance with an annual, Board approved Compliance Plan. Work undertaken by the Compliance Function and progress in achieving the annual plan is reported monthly to the Exco and quarterly to the Board.

The compliance function is responsible for:

- Identifying, documenting, and assessing compliance risks of the business and identifying processes and controls to be implemented to mitigate these risks.
- Ensuring adherence with policies and procedures and with the highest ethical standards in all business activities.
- Understanding and advocating rules, regulations and laws and the effective management of compliance risk.
- Proactively working with and advising the business on the management of compliance risk.

The Compliance Function holder reports on a regular basis to the Board on compliance matters. If any material compliance breaches or deficiencies are identified, the Compliance Function Holder reports on the corrective measures recommended to address them, and on corrective measures already taken.

In undertaking its role, the Compliance Function has the authority and ability to communicate with any staff member on its own initiative and be able to access any records necessary for it to fulfil its role.

Terms of Reference

The Compliance Function Terms of Reference defines the responsibilities, competencies, and reporting duties of the Compliance function.

In line with this policy, the Compliance function:

- Drafts compliance policies and standards for Board and/or senior management review and approval, as appropriate
- Leads the development and implementation of a compliance framework across the business
- Identifies and assess compliance risks held within RMSE's risk register
- Develops and distribute tools, techniques, methodologies, common compliance language, compliance framework, analysis, reporting, communication, and training
- Escalates high priority issues, including key risk events, to senior management and the Board; and
- Collates, monitors, challenges and reports on control effectiveness and actions taken to the Exco and the Board

The Terms of Reference are reviewed annually, initially by the Compliance Function holder and then the Board. The Compliance Policy was reviewed and re-approved by the Board during 2024 and it will continue to be regularly reviewed as necessary but at least once annually.

4.5 Internal Audit Function

4.5.1 Internal Audit Function

The role of Internal Audit is to aid the Board and executive management to protect the assets, reputation, and sustainability of the organisation.

RMSE is serviced by the Group Internal Audit Function ("Function"), governed by the Group Internal Audit Charter and Internal Audit Mandate, adopted and approved by the RMSE Audit Committee and Board.

The Function uses a risk-based approach to establish its annual Internal Audit plan (Plan). This risk-based approach is supported by an audit universe, to ensure there is adequate coverage of business activities (with a particular focus on the higher risk areas of the business). The Plan is formally approved by the Audit Committee and subsequently reviewed at least quarterly (with any changes approved by the Audit Committee).

The Function identifies the key risks relevant to the scope of each audit (on the Plan). The Function tests the adequacy and effectiveness of the controls - as owned and operated by the business - that mitigate those risks. An Internal Audit report is provided to the relevant members of ExCo and the Audit Committee upon completion of the audit. Findings are included in the report along with the agreed management actions to address the findings.

Internal Audit tracks the progress and completion of agreed management actions. Internal Audit reports the status of agreed management actions at the monthly ExCo meetings and the quarterly Audit Committee meeting.

The Function derives its ultimate authority from the RMSE Board via delegation to the Audit Committee. The Group Head of Internal Audit reports functionally to the Chair of the RMSE Audit Committee to maintain independence and administratively (and for the purpose of executive communication) to the RMSE managing Director and Group Chief Executive Officer. The Group Head of Internal Audit has direct access to the Chair of the Audit Committee.

4.5.2 Internal Audit Independence

To ensure independence, the Internal Audit Charter requires that the Function:

- Remains free from interference over audit selection, scope, procedures, frequency, timing, or report content;
- Has no direct operational responsibility or authority over any of the activities audited;
- Exhibits professional objectivity in gathering, evaluating, and communicating information;
- Considers the use of external resource where required to preserve independence or to ensure sufficient expert knowledge of the audit subject matter;
- Will confirm to the Board, at least annually, the organisational independence of Internal Audit; and
- Holds regular sessions with the Board where executive management is not present.

Any potential impairment to independence and/or objectivity of the Internal Audit function is reported directly to the Board.

4.5.3 Assuming Other Key Functions

Individuals within the Internal Audit Function have not performed any other role.

4.6 Actuarial Function

RMSE has in place a separate Actuarial Function to undertake the following requirements:

- The coordination of the calculation of technical provisions;
- Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assessing the sufficiency and quality of the data used in the calculation of technical provisions;
- Comparing best estimates against experience;
- Informing the Board of the reliability and adequacy of the calculation of technical provisions;
- Overseeing the calculation of technical provisions in the cases set out in the Solvency II Regulations;
- Expressing an opinion on the overall underwriting policy;
- Expressing an opinion on the adequacy of reinsurance arrangements; and
- Contributing to the effective implementation of the risk-management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements.

During the year the Actuarial Function continued to be carried out by the MFSA-approved Actuarial Function Holder employed by the Company. The Actuarial Function holder remains supported by an outsourcing arrangement with a RiverStone Group Service Company who have a variety of experienced actuaries comprising their own Actuarial Function.

The Actuarial Function maintains open communication with other Functions in the undertaking of their role and reports to the Exco through the Managing Director and to the Board, as required.

4.7 Outsourcing

4.7.1 Outsourcing Policy

In fulfilling its business objectives RMSE continuously explores and, where appropriate, implements organisational changes that improve efficiency and effectiveness.

RMSE only approves proposals to outsource where the proposal is supported by a clear and achievable business case, and where the due diligence requirements set out in the Third-Party Services policy have been met.

Any proposals to outsource must include:

- A full appraisal analysis that takes into account both economic factors and the potential impacts on the business operation and affected staff.
- Evaluation of all material factors that would impact on the ability of the provider to perform its services including technical ability, financial resources, and business continuity plans.

- An assessment of the provider's control environment, which should meet all relevant regulatory requirements.
- A legally binding agreement which sets out terms and conditions relating to compliance, confidentiality, and disclosure of circumstances likely to prejudice delivery, information sharing, access and suitable cancellation rights. A detailed list of recommended contract provisions followed is set out in the Third-Party Services Policy.
- Details of adequate risk mitigation practices which are in place for the effective oversight, management and control of outsourcing arrangements and the ability to identify potential problems at an early stage.

Management of the outsource provider includes the regular monitoring of the applicable service level agreements by the designated relationship owner. These cover the key contractual commitments and specify minimum levels of performance. Any major issues concerning the performance of the outsource provider are escalated to the Board.

Intra Group outsourcing agreements are subject to the same level of diligence and monitoring as third-party service providers. The terms are negotiated and agreed on an arm's length basis.

4.7.2 Outsourcing of Critical or Important Functions or Activities

RMSE outsources the majority of first line of defence activities to RiverStone Group Service Company. Through this outsourcing agreement, the service company undertakes the work in relation to the key functions of RMSE outlined in Section 4.1. The Board maintains oversight over group-affiliated services in relation to the outsourced activities and the terms of the agreement are set out in an outsource agreement in place between RMSE and the RiverStone Group Service Company. In addition, RMSE outsources its Compliance Function to a Maltese licensed Insurance manager. Through this Agreement, the designated Compliance Function Holder is required to perform work in accordance with the Compliance Plan approved by the Board on an annual basis.

4.8 Other Information

There is no additional material information regarding the system of governance that should be disclosed.

5. RISK PROFILE

5.1 Insurance Risk (including Underwriting Risk)

RMSE is in run-off and envisages no further acquisition activity for the immediate future. Currently however, the Surety business has some policies with mandatory renewals that need to be appropriately underwritten. RMSE stays on the risk for these contracts until they expire, or the policy holders choose not to renew. Any potential merger and acquisition activity is subject to granular due diligence and a risk assessment. The completion of any merger or acquisition is subject to Board, Shareholder and Regulatory approval.

Underwriting Risk is classified by RMSE as part of Insurance Risk, which includes reserving. As underwriting is subject to case-by-case specific activity the remainder of this section concentrates on Reserving Risk, as part of Insurance Risk.

5.1.1 Measures Used to Assess Insurance Risk

Insurance risk is driven by the uncertainty surrounding the ultimate claims cost of RMSE's liabilities and thus the reserves held by RMSE. From a capital perspective, risk is driven via the volatility of particular classes of business and the correlations between classes of business. Insurance Risks are modelled using actuarial techniques to generate a capital requirement. Certain material individual claims have a limited number of defined outcomes and claims of this type are modelled using a claims-expert -led probability-weighted approach. In addition, the account has benefited from a 90% quota share reinsurance (Initially to Argo Re, then to RIBL) during the reporting period. This taking into effect after the applicable inuring reinsurance.

5.1.2 Material Insurance Risks

The main component of Insurance Risk for RMSE is reserving risk as most of the business is in run-off status. There is, however, a small amount of premium risk arising from unexpired risks.

There are four principal class claims exposures within the RMSE account worthy of comment which are as follows:

1. Liability, including Directors and Officers'
2. Professional Indemnity
3. Surety
4. Marine

5.1.2 Insurance Risk Concentration

The table below summarises the concentration of insurance before and after reinsurance by the most material classes of business with reference to the carrying amount of outstanding claims on a statutory account valuation basis:

	2024		2023	
	Gross (EUR €000)	Net (EUR €000)	Gross (EUR €000)	Net (EUR €000)
Property	332	33	541	6
Liability	48,357	3,465	84,552	7,361
Professional Indemnity	22,177	2,153	2,446	243
Surety	6,314	1,345	22,605	2,086
Accident & Health	0	0	1	0
Marine	2,674	204	3,390	266
Total Technical Provisions	79,854	7,200	113,535	9,962

5.1.4 Insurance Risk Mitigation

RMSE has a medium level of appetite to accept Insurance Risk in pursuit of its overall strategy.

The business is comprised entirely of one run-off portfolios where there is limited exposure to unexpired risks.

Although active acquisition of new portfolios is not within RMSE's current strategy for the immediate future, in the event of any acquisitions, should they be required, risk mitigation via reinsurance is considered on a case-by-case basis for any potential newly acquired portfolios. Insurance risk can be further mitigated by RMSE through commutations that seek to diminish the most volatile and material reserves.

Reserve adequacy is assessed at least annually through a full reserving exercise, a quarterly actual versus expected process and by reference to other monthly metrics that give an indication of the performance of the reserves during the year.

In relation to any potential acquisition activity, should it be required, a granular review is carried out at the due diligence stage to ensure that any reserves taken on are adequate for the entirety of the run-off.

The Board specifically reviews Insurance Risk at its quarterly meeting and as a standing agenda item will receive presentations from the Actuarial Function on actual versus expected development and the progress against the annual company goals. The Board receives a report from the RCC where Insurance risk is a key agenda item.

5.1.5 Insurance Risk Sensitivity

Stress testing in the reporting period was undertaken as part of the ORSA process using a projected base position of 31 December 2024. Based on the year-end SCR as at 31 December 2023, sensitivity on a reserves deterioration scenario was assessed.

The result, below, for Insurance Risk stress tests conducted set out the change in SCR and as a percentage point of the overall SCR ratio.

Stress Test	SCR Change (€'000)	SCR Ratio (% Change)
Reserve Risk - Significant Claims Deterioration of 10% in all years	350	(20%)

Under the above scenario RMSE's solvency ratio drops from 189% to 169% thereby establishing that it is sufficiently well capitalised to withstand losses in excess of 1-in-200-year scenarios. The RMSE Board considers that, although plausible, the stresses that have been applied under the ORSA Stress and Scenario Testing are reasonably extreme and provides assurance that from a capital perspective RMSE has a good level of resilience to such scenarios.

5.1.6 Special Purpose Vehicles

The Company does not use any special purpose vehicles.

5.2 Market Risk

Market risk is the risk of changes in the income from assets or the value of assets arising from fluctuations in economic variables, including interest rates and exchange rates, and is mainly driven by the nature and composition of the investment portfolio.

5.2.1 Prudent Person Principle in respect of Market Risk

All investments are made by RMSE with due regard to the Prudent Person Principle and the Guidelines on system of governance. Investments are only made in assets that are considered to be appropriate for the Subsidiary's risk appetite, where the subsidiary Board can properly identify the associated risks and can measure, monitor, manage, control and report on those risks.

Prudent person principles, whereby investment decisions are to be made as if being decided by the objective "prudent person", are applied in the context of the investment portfolio as a whole. The regulated subsidiary and its Investment Manager apply these standards by consideration of how a prudent person would invest their own money without undue risk of loss or impairment and with a reasonable expectation of a fair return and appropriate levels of liquidity. The application of prudent person investment principles does not preclude investment in securities that may be perceived to have a higher degree of risk than others, for which a higher return would be anticipated, provided that such risk is balanced within the overall investment portfolio.

RMSE has specific risk tolerances and parameters in place to ensure that it fulfils its obligations to invest all of its assets in accordance with Prudent Person Principles.

In particular, it has tolerances in place to ensure the preservation of invested assets covering its SCR, minimum consolidated Group SCR and policyholder obligations, having regard to the nature of liabilities such that sufficient liquidity is always available for the settlement of claims and other obligations as they fall due, and the adequate capitalisation at all times.

5.2.2 Measures Used to Assess Market Risk

The Board employs various processes, procedures and controls over Market Risk to enable it to effectively identify, measure, monitor, manage, control and report on the investment risks of RMSE. Prudent person investment standards, as mentioned above, are applied by the Board in the context of the investment portfolio as a whole and the Board has specified that investments will only be made where the Board can properly identify the associated risks and where the Board can measure, monitor, manage, control and report on those risks.

RMSE manages market risk through specific risk appetite tolerances, including those covering asset allocation, liquidity, counterparty quality and concentration, geographical concentration, and currency matching. Key risk indicators have been established in relation to market risk. These are reviewed on at least a monthly basis by the Risk Function and are then reported to the ExCo in line with the frequency of ExCo meetings and quarterly to the RCC and the Board.

From a capital perspective, market risk is driven by the level of volatility of investments held. Market risk is captured in RMSE's Standard Formula by each major market risk category, being interest rate risk, equity risk, spread risk, currency risk and concentration risk. RMSE assesses its exposure to market risk on a quarterly basis using the Standard Formula calculation and at least annually using its Capital Model as part of the ORSA process.

There have been no material changes to methods of assessment of market risk during the reporting period.

5.2.3 Material Market Risks and their Mitigation

The material market risks that RMSE is exposed to are Currency Risk, Interest Rate Risk and Spread Risk.

Credit risk on investments and cash is covered in the credit risk section 5.3 and liquidity risk is covered in section 5.4.

Currency Risk

Currency risk is the risk that capital is eroded by losses resulting from foreign exchange rate fluctuations. The overall objective is to match liabilities with an equivalent amount of assets in each major currency at entity level. Where material currency mismatches exists, the entities may utilise forward contracts to reduce the level of mismatch.

Interest Rate Risk

Interest Rate Risk is the risk that the fair value / discounted value of a financial instrument will fluctuate because of changes in interest rates. RMSE's overall objective is to mitigate the interest rate risk inherent in the liabilities, by owning duration sensitive assets which protects RMSE's capital position. RMSE is exposed to Interest Rate Risk primarily through investments in fixed interest securities.

Spread Risk

Spread risk for RMSE arises from its corporate bond portfolio. Corporate bonds are valued using the risk-free yield curve plus an additional credit spread, representing the additional risk associated with the bonds. This spread is higher for lower rated bonds, as they carry more risk and is also wider for longer maturity bonds. The credit spread is the difference in yield between a corporate bond and a government bond at each point of maturity. RMSE manages this risk through the analysis of the impact of the spread risk associated with bond holdings on its capital requirement.

Equity Risk

The regulated subsidiary may hold an element of their investment portfolio in equity holdings, as part of a balanced, diversified portfolio, in order to optimise investment returns. Equities, whilst allowing for investment returns to be optimised, do carry additional risk in comparison with other investment types, such as bonds. The risks associated with holding equities are mitigated through tolerances over the maximum amount of equity holdings as a proportion of the total portfolio. Currently RMSE has no exposure to equity risk as its entire portfolio comprises of bonds and cash.

Concentration Risk

RMSE mitigates the risk of loss of investment value through excessive reliance on a particular asset, issuer, geographical area or other area of concentration by investing in a range of securities of different investment types and counterparties, operating in different industries and jurisdictions. The investment guidelines and risk appetite statements set tolerances that are in place over asset risk concentrations and these are monitored on a monthly basis.

Recent Developments

The following table contains the composition of RMSE's cash and investment portfolio as at the end of 2024 and 2023. There have been no material changes during the reporting period.

	2024		**2023**	
	€m	**%**	**€m**	**%**
Cash	19	73	9	43
Fixed income securities	7	27	11	57
Total	**26**	**100%**	**20**	**100%**

The portfolio is positioned very defensively, being reasonably duration- matched and high credit quality. The portfolio will remain positioned this way until there is material growth in asset under management. The shift towards cash is consistent with ensuring sufficient liquid funds are available as RMSE's portfolio matures.

These assets are invested in accordance with RMSE's risk appetite and the prudent person principle. RMSE's approach to the prudent person principle is set out in Section 4.3.1.

RMSE is not involved in any securities lending, borrowing transactions, repurchase or reverse purchase agreements or the sale of variable annuities.

5.2.4 Market Risk Sensitivity

Interest Rate Risk

Interest rate risk arises primarily from investments in fixed interest securities. In addition, to the extent that claims inflation is correlated to interest rates, liabilities to policyholders are exposed to interest rate risk. The RiverStone Group investment function works closely with its portfolio managers to ensure that the duration of the RMSE's investment portfolio is reasonably-matched to the estimated mean duration of its liabilities.

The impact of a 100-basis point movement in interest rates either way on RMSE's Own Funds (net assets) as at 31 December 2024 is approximately EUR352k. This reflects an asset liability match in quantity and duration on RMSE's balance sheet.

Equity Price Risk

RMSE has no exposure to equity risk in its current investment portfolio.

Currency Risk

RMSE manages its foreign exchange risk against its functional currency, which is the Euros. Around 90% of RMSE's assets and liabilities are denominated in either Euros or Pound Sterling. RMSE's assets and liabilities are reasonably matched by currency to ensure that it has minimal currency risk arising from volatility in the currency markets. Currency risk primarily arises on CHF (Swiss Franc) due to the requirement to maintain ring-fenced funds for the Swiss branch.

At 31st December 2024, a movement of 10% in the Euro against both Pound Sterling, Swiss Franc and US Dollar, either way, would impact RMSE's net assets, on a solvency basis by less than €637k.

5.3 Credit Risk

Credit Risk is the risk of possible losses resulting from unexpected default or deterioration in the credit standing of the counterparties and debtors of undertakings. It is a key risk for the business and RMSE's top capital driver. For YE 2024, the capital charge for Credit Risk is estimated to be €1.9m (27% of SCR). The main drivers of credit risk for RMSE are exposures to Intra-Group and third party reinsurance recoverables together with bank deposits.

RMSE has benefitted from a reduction in Counterparty Default risk due to the inception of the RIBL 90% Intra-Group Quota Share Agreement on commuting the previous Argo Re Quota Share Agreement. The reason underlying this decrease is due to the 100% collateralisation of reinsurance recoverables, held in trust by an independent third party. This enables the risk-mitigating effect of collateral to be taken as a reduction from the default risk capital charge in terms of article 214 of the SII commission delegated act.

5.3.1 Investment Credit Risk – Third Party

RMSE reduces its exposure to credit risk in relation to investments by entering transactions with counterparties that are reputable and by settling trades through recognized exchanges. RMSE has established parameters over the credit quality of its investment counterparties and concentration limits that restrict the exposure to individual counterparties. These parameters are monitored monthly. Derivatives may be used from time to time for the purposes of efficient portfolio management and reduction in investment risk. RMSE maintains strict control limits on open derivative positions. The amount subject to credit risk at any one time is limited to the current fair value of derivative financial assets.

5.3.2 Credit Risk Sensitivity

Stress testing in the reporting period was undertaken as part of the ORSA process and used a base position of 31 December 2024 data. This involved stress testing the One Year Standard Formula and Own Funds calculations to produce an overall stressed solvency position. No future management actions have been considered as part of the stress tests. The Credit Risk stress considered the impact of the failure of RMSE's reinsurance counterparties on RMSE's Own Funds and solvency position.

The results of the stress test confirmed that in case of RIBL's default, the severity of the loss would trigger a breach in RMSE's SCR risk appetite %age of 125%, This would arise out of the increase investment concentration and spread market risk charges due to having a significant amount of investible assets (approximately 90% of Gross TPs). The assessed likelihood of this stress test resulting was deemed to be greater than the 1-in-200 year recurrence period. The reason is that RIBL, a BMA (Bermudan Monetary Authority) -regulated entity with SII-equivalence is adequately capitalised and the collateral arrangements in place ensure that direct recourse to the funds would be secured. Adequate investment diversification and potentially other financial derivatives by way of risk mitigating devices could be used to reduce market risk in this aspect.

5.4 Liquidity Risk

5.4.1 Measures Used to Assess Liquidity Risk

RMSE manages and minimises Liquidity Risk through cash flow management and control. This involves regular analysis and planning to develop expected cash flow requirements over different timeframes.

5.4.2 Material Liquidity Risks

RMSE is exposed to the following material liquidity risks:

- Liabilities not matched by assets in currency or duration
- Counterparty asset concentration

RMSE is exposed to mismatches of assets and liabilities in currencies other than EUR. RMSE assesses these mismatches to ensure they are reasonable.

RMSE regularly reviews and monitors net asset positions to manage currency exposures.

5.4.3 Prudent Person Principle in Respect of Liquidity Risk

In relation to liquidity risk RMSE has a risk appetite that sufficient liquid funds are available for the settlement of policyholder and other stakeholders' obligations as and when they fall due.

5.4.4 Liquidity Risk Mitigation

Cashflow and liquidity assessments are the key techniques through which RMSE mitigates its liquidity risk. The effect of this mitigation technique is that where a liquidity or cashflow issue is identified in the near future, that is a shortfall of unencumbered liquid assets available to meet cash flow requirements, either overall or at an individual currency level, the firm will work with the investment manager to ensure that there is a plan in place to liquidate other investment assets to cover the shortfall.

5.4.5 Expected Profit Included in Future Premiums

Due to RMSE being in runoff, there is no material expected future profit associated with future premium on a solvency II basis.

5.4.6 Liquidity Risk Sensitivity

A Reverse Stress Test considering what claims payments could threaten RMSE's liquidity and require further funding was considered as part of the ORSA Stress and Scenario testing framework.

As at 31 December 2024, RMSE held €23.2 million in liquid bonds and cash. Approximately €3.1 million of the fixed income instrument corporate bonds mature in 2025 and an additional €1.0million of governments bonds which mature in 2026 providing a flow of cash to RMSE. Further, RMSE held approx. €11.2 million in HSBC bank accounts to service its operational expenses and claims liabilities.

The projected claims cash flows, gross of reinsurance recoverables, over the next 12 months are €20.9 million. 75% of RMSE's claims relate to the Liability book. If reinsurance recoveries take longer than expected to complete and/or two or three large losses from either the Liability Binders or the Professional lines D&O classes emerge simultaneously, RMSE's liquidity would be stressed to the extent that it would need to consider alternative sources of liquidity, such as a request for a capital injection from the RiverStone Group.

To mitigate the risk, ongoing proactive communication between claims, reinsurance, finance and investment functions is required. Claims monitor expected claims settlements closely, with appropriate notification to the Finance and Investment Functions to ensure sufficient funds are available for settlements.

Effective and streamlined claims handling also minimises operational errors and prevents unnecessary claims payments also help reduce liquidity stress.

Claims and Finance controls are to be regularly reviewed for effectiveness during the risk reviews conducted by the Risk Management function. There are currently no known issues with regards to the operational effectiveness of controls in relation to liquidity management.

In summary, RMSE has sufficient highly liquid investment grade assets that can be redeemed easily in a short period of time to meet any unforeseen stresses in liability/claims cashflows that may arise.

5.5 Operational Risk

5.5.1 Measures Used to Assess Operational Risk

Operational risks are risks of loss arising from inadequate or failed internal processes, people of systems, or from external events. This encompasses risk from RMSE's business functions arising in the course of conducting business and from the services that are outsourced. Operational risks are identified and measured through the operation of a risk register and are managed through operational controls.

5.5.2 Material Operational Risks

The material Operational Risks that RMSE was exposed to during the reporting period were:

- Failure of third party outsourcing arrangements, including the failure of RiverStone Group Service Company to deliver the services under the Service Level Agreement
- Failure of IT systems / infrastructure or a cyber breach causing significant impact to the delivery of operations
- Non-compliance with, or breach of, legal, regulatory or governance requirements.
- Reputational loss or damage.

5.5.3 Operational Risk Mitigation

Operational risks are mitigated on a case-by-case basis, dependent on the underlying issue. Details of the mitigation in relation to RMSE's key Operational Risks are set out below.

Failure of third party outsourcing arrangements, including via RiverStone Group Service Company

At YE2024, RSME was outsourcing a number of services to the RiverStone Group Service Company, including but not limited to:

- Assistance in actuarial reserving and reporting
- Claims handling and management, including complaints handling
- Financial management and reporting
- Internal Audit services
- Investment management services
- IT infrastructure and support
- Reinsurance recovery services

The operational risk associated with this outsourcing arrangement is considered material to RMSE. This risk is mitigated through a number of controls, including close monitoring and oversight by the RMSE Board. The Board receives a list of outsource arrangements for review on an annual basis to enable it to assess the arrangements ongoing appropriateness. The service levels are also reviewed once a year to ensure they are being met, with reporting provided to the RMSE Board.

A minimum of a yearly risk and control attestation process and risk-appetite and KRI review are also in place, whereby the service providers at the RiverStone Group Service Company attest that the services that they provide to RMSE have been provided during the year in line with the service agreement.

In addition, the RiverStone Group Service Company outsource arrangement has an allocated officer of the company to provide oversight of the outsource service.

The RiverStone Group Service Company operates within a stable regulatory environment with a robust governance and oversight processes in place. More generally, the risks and controls associated with the RiverStone Group Service Company's operations are regularly reviewed by risk and control owners as part of RiverStone' s groupwide risk management processes.

Failure of IT systems / infrastructure or a cyber beach

RMSE's IT systems are hosted by the RiverStone Group Service Company. The RiverStone Group Service Company have a robust control framework in place to mitigate risks associated with IT systems failures or cyber incidents.

These controls include the back up and disaster recovery processes, the security software employed and the Internal Control Environment reports. The application and monitoring of these have been enhanced through the use of one operating system and by having experienced and dedicated in-house development and support functions. During the year-ended the DORA compliance and readiness assessment helped put RMSE in place to be able to meet the necessary requirements to be DORA compliant, with the necessary operational resilience infrastructure in place by the end of Q1 2025. The company has also implemented measures required for the General Data Protection Regulations ("GDPR") and given that GDPR is related to data primarily held on IT systems, the IT function are heavily involved in ensuring GDPR is not contravened. Outsourced IT systems are managed by the IT and Facilities Director.

Non-compliance with Regulatory Requirements

The outsourced compliance function, with the support of the RiverStone Group, on behalf of RMSE, maintains a Compliance Function which monitors all existing and future regulatory requirements. Actions arising from the analysis of potential future regulatory requirements are included within the monthly Compliance Function report to the Exco and their progress is reported to the Board as required.

This includes monitoring and oversight of the sufficient capitalisation of the Swiss Branch RMSE CHAM and the Tied Assets requirement under the applicable Swiss regulator (FINMA) rules.

The Compliance Function operates in accordance with a Compliance Plan that is monitored by the Board.

Reputational loss or damage

Reputation risk relates to trustworthiness of an undertaking and may result in loss of revenues or destruction of capital provider value. Reputational risk is captured under the Key Risk *Reputational loss or damage.* RMSE's associated Risk Appetite statement for this risk is *RMSE avoids actions which could result in reputational damage.* This is monitored through negative press announcements. As at YE 2024, RMSE remained within Appetite.

5.5.4 Operational Risk Sensitivity

A qualitative assessment of the most potentially impactful operational risks to RMSE operations have been considered in the ORSA Report as at YE 2024.

RMSE's operations are supported by external and intra group service providers, including some arrangements that are considered critical or important. It is therefore recognised that one of the key operational risks to RMSE is the potential impact of the services providers poor performance or failure.

RMSE assessed the impact of a one-off Cyber-risk event-related loss of c. EUR 1.5m and it was assessed that the SCR cover ratio decreases by 22% points from the ORSA projected 196% to the estimated cover ratio of 174%. Repeating this stress on the 2024 YE position results in a cover ratio decrease from 189% to 170%.

5.6 Other Material Risks

There are no other material risks.

5.7 Other Information

There is no additional material information regarding the risk profile that should be disclosed.

6. VALUATION FOR SOLVENCY PURPOSES

RMSE presents below the information regarding the valuation of assets for Solvency II purposes including (for each material class of assets):

- A quantitative explanation of any material differences between the asset values for Solvency II purposes and those used for financial reporting bases, which for RMSE and the RMSE Insurance Group comprises General Accounting Principles in respect of certain Eligible Entities, referred to as 'GAPEE'.

- A description of the assets valuation bases, methods and main assumptions used for solvency purposes and those used for financial reporting in the statutory accounts.

6.1 Assets

The value of each of material class of asset as well as the basis used and main assumptions for valuation as described below

RMSE Group Assets	Ref	GAPEE (EUR €000)	SII Valuation Principles (EUR €000)
Deferred Acquisition Costs	a	232	
Deferred Tax Asset			
Investments	b	7,247	7,247
Reinsurance share of TP - non-life excluding health	c	72,655	68,669
Reinsurance share of TP - health similar to non-life		-	-
Reinsurance Receivables	d	5,638	5,638
Cash & Cash Equivalents	e	19,118	19,118
Any Other Assets, Not Elsewhere Shown	f	6,918	6,918
Total assets		**111,808**	**107,591**

Valuation bases, methods and main assumptions

There are no material differences between the GAPEE/Solvency II valuation methods for the classes of assets highlighted above.

a) Deferred Acquisition Costs ("DAC") are disallowed in the Solvency II Balance Sheet as the company does not expect future benefits/cash flow from this asset.
b) Investments are measured at fair value with both realised and unrealized gains or losses being recognised within the profit and loss account.
c) Reinsurance Recoverables are valued at their discounted Best Estimate under Solvency II.
d) Reinsurance receivables represents losses recoverable from Reinsurers and are recorded at face value.
e) Cash and cash equivalents comprise cash at bank and are recorded at face value.
f) Any other assets not elsewhere shown relate to prepayments and intercompany receivables.

Mark Giorgio
Director
Deloitte Audit Limited
MG

6.1.1 Off-Balance Sheet Items

No unlimited guarantees have been provided by RMSE.

During the year ended 31 December 2024 RMSE's former quota share reinsurance contract with Argo Re had been collateralised by an irrevocable standby letter of credit provided by an investment grade rated bank. Under the current RIBL QS arrangement, a 100% collateralisation agreement of ceded technical provisions is in place with the collateral held in a secure trust account, held in trust by an independent trustee.

All material off-balance sheet assets or liabilities have been reported in template S.03.01.

6.2 Technical Provisions

The Company presents below the information regarding the valuation of technical provisions by each material line of business for Solvency II purposes including:

- A quantitative explanation of any material differences between the technical provisions values for Solvency II purposes and those used for financial reporting bases.
- A description of the technical provisions valuation bases, methods and main assumptions used for solvency purposes and those used for financial reporting in the statutory accounts.

I. Quantitative information

RMSE Group Technical Provisions	GAPEE (EUR €000)	SII Valuation Principles (EUR €000)
Gross Technical Provisions – Non-Life (Excluding Health)	79,854	76,430
TP calculated as a whole	79,854	
Best Estimate		75,910
Risk Margin		520
Total Technical Provisions	**79,854**	**76,430**

6.2.1 Solvency II Valuation bases, methods and main assumptions

Process to Calculate the Technical Provisions

The Technical Provisions ("TPs") calculation is carried out in two stages, the first part is the calculation of the GAPEE TPs (i.e. GAPEE Reserves) used in the audited financial statements and the second stage is the calculation of the specific Solvency II (SII) adjustments required for the SII TPs. The GAPEE TPs are a significant element of the SII TPs.

The process to complete the quarterly RMSE TPs is that Claims data is extracted from the Company's claims management system to feed into the reserving process. Inputs from claims handlers and senior claims personnel are specifically considered as part of this process alongside actuarial methodologies. The results are then reviewed internally

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by RMSE at quarterly reserving meetings and presented to the RMSE Board. This process allows challenge of the assumptions, methodology and results.

Appropriateness of the Data, Methodology and Assumptions

GAPEE Best Estimate Reserving

Provisions for outstanding claims and related reinsurance recoveries are established based on best estimates of the ultimate net cost of settlement along with actuarial and statistical projections. Claims provisions are determined based upon previous claims experience, knowledge of events and the terms and conditions of the relevant policies and on interpretation of circumstances. Particularly relevant is experience with similar cases and historical claims payment trends. The approach also includes the consideration of the development of loss payment trends, levels of unpaid claims, judicial decisions and economic conditions.

Best Estimate GAPEE Technical Provision Simplifications

A number of simplifications are used in the assessment of technical provisions, including a high-level assessment of the recovery rate arising from numerous, reinsurance arrangements, as well as simplifications to the basis of estimating future cash-flows. These simplifications are set out below:

- Cash-flows are not modelled stochastically. Tests are applied as part of sensitivity testing to measure the impact of different mean durations to settlement.

- Assumption that non-linear inter-dependencies are not present between classes of business – as RMSE is in run-off, the possibility of non-linear interdependencies is remote, and new claims phenomena are not expected to be linked to wider macroeconomic factors.

The impact of future management actions on the cash-flows underpinning the assessment of technical provisions is not considered; RMSE's ability to influence, through management action, future cash flows is predominantly limited to expense costs and accelerated settlements. As accelerated settlements are typically established on an economically neutral (or better) basis the technical provisions do not explicitly consider the impact of future management actions.

Best Estimate GAPEE Technical Provision Uncertainties

The claims provisions under the GAPEE valuation basis and related reinsurance recoveries are stated estimates and are assessed to correspond to a probability-weighted average basis. These however inevitably contain inherent uncertainties inherent to the nature of loss development and claims settlement, particularly for longer-tailed business and external socio-economic and legal factors such as claims and legal inflation.

Estimates and judgements are continually evaluated and are based on historical experience and other factors.

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The estimation of the ultimate liability arising from claims made under insurance contracts is RMSE's most critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the liability that RMSE will ultimately pay for such claims.

The most significant assumptions made relate to the level of future claims, the level of future claims settlements and the legal interpretation of insurance policies. Whilst the directors consider that the GAPPE reserves and the related reinsurance recoveries are fairly stated on the basis of the information currently available to them, the ultimate liability will vary as a result of subsequent information and events and may result in adjustments to the amount provided. Adjustments to the amounts of provision are reflected in the financial statements for the year in which the adjustments are made. The methods used, and the estimates made, are reviewed regularly.

For these reasons, RMSE estimates that the possible ultimate liabilities for these exposures could be substantially different from the amounts currently provided in the financial statements. Nevertheless, RMSE believes that the reserves carried for these exposures are adequate based on known facts and current interpretation of applicable laws.

6.2.2 Adjustment of GAPEE Reserves to Reflect Solvency II Specific Aspects

The differences in valuation for RMSE's technical provisions on an GAPEE and Solvency II basis include the following adjustments:

- Expected profit arising from the UPR
- Include an element for binary events (events not in the data) and claims handling expenses
- Discount benefit
- Risk margin
- An Allowance for expected losses on reinsurance default in the net TPs

6.2.3 Matching Adjustment, Volatility Adjustment, Transitional Risk-free Interest Rate-term Structure and Transitional Deduction

The matching adjustment, volatility adjustment, transitional risk-free interest rate-term structure and transitional deduction referred to in the Solvency II Regulations are not currently used by RMSE.

6.2.4 Recoverables from Reinsurance Contracts and Special Purpose Vehicles

Ceded technical provisions are derived in the same manner as Gross technical provisions as described above. RMSE's reinsurance contracts comprise a mix of traditional reinsurance type contracts.

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6.2.5 Material Changes in Assumptions

There have been no material changes in the relevant assumptions made in the calculation of technical provisions compared to the previous reporting period.

6.2.6 Material Changes in Technical Provisions

In relation to RMSE, Technical Provisions at 31st December 2024 were €79 million (31 December 2023: €114 million).

6.2.7 Homogeneous Risk Groups

For the purposes of calculating GAPEE Technical Provisions, liabilities are segmented into stable, homogeneous groups or reserving classes such that no relevant data is excluded from the Technical Provisions calculation.

Reserving classes in general reflect lines of business with similar underlying risk exposures and broadly similar underwriting conditions. Further subdivision of the data is performed, typically to isolate single major events or claims from single contracts which have particular settlement features that are not consistent with the behaviour of their natural actuarial reserve group.

6.2.8 Data Deficiencies and Adjustments

The Actuarial Function assesses at least annually the accuracy, completeness and appropriateness of the data used within the Technical Provisions process in order to identify any material limitations. No material limitations have been identified.

6.2.9 Capital Model Calculation

RMSE uses the Standard Formula to calculate its Solvency Capital Requirement. It does not make use of any internal models or undertaking specific parameters/ USPs in the calculation of its Solvency and minimum capital requirement.

6.2.10 Reinsurance Recoverables

The calculation of all reinsurance recoverables follows the same approach adopted for gross technical provisions as described under Section 6.2.1 Calculation of Technical Provisions above.

6.3 Other Liabilities

RMSE Group Other Liabilities	Ref	GAPEE (EUR €000)	SII Valuation Principles (EUR €000)
Deferred Acquisition Cost on Reinsurance	a	208	
Provisions Other Than Technical Provisions	b	268	268
Insurance payables	c	13	13
Reinsurance payables	d	8,847	8,847
Any other liabilities, not elsewhere shown	e	9,226	9,226
Total Other Liabilities		**18,563**	**18,354**

Solvency II Valuation bases, methods and main assumptions

a) Deferred Acquisition Costs ("DAC") are disallowed in the Solvency II balance sheet as the Company does not expect future cash flow from this liability.

b) Provisions Other Than Technical Provisions represents accruals which are valued at face value.

c) The insurance / reinsurance balances relate to payables due within 3 months and are not discounted.

d) Reinsurance payables represent the balances payable to the Intragroup Reinsurer.

e) Any other liabilities balance represents intercompany payables, other than the Reinsurer and is valued at face value.

6.4 Alternative Methods for Valuation

There are no other material differences in the valuation methods of other liabilities that warrant disclosure.

6.5 Any Other Information

There is no additional material information regarding the valuation for solvency purposes that should be disclosed.

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7. CAPITAL MANAGEMENT

7.1 Own Funds

7.1.1 Objectives, Policies and Processes for the Management of Own Funds

Please refer to the table below which illustrates the breakdown by tier of the structure, amount and quality of own funds at the end of the reporting periods being 31 December 2024 and 31 December 2023.

The 3 Tiers are defined as follows:

- Tier 1 own funds is capital that has no features causing or accelerating insolvency e.g. ordinary share capital
- Tier 2 ancillary own funds are items of capital other than basic own funds which can be called up to absorb losses e.g. unpaid share capital, letters of credit or guarantees.
- Tier 3 ancillary own funds are items of capital which when called up would not qualify as Tier 1.

Basic Own Funds	December 2023		December 2024	
	Tier 1 – Unrestricted (EUR €000)	Tier 3 (EUR €000)	Tier 1 – Unrestricted (EUR €000)	Tier 3 (EUR €000)
Ordinary Share Capital	7,760	-	7,760	-
Reconciliation Reserve	-21,280	-	-23,953	-
Deferred Tax Asset	-	-	-	-
Capital Contribution	26,500	-	29,000	-
TOTAL BASIC OWN FUNDS	**12,980**	-	**12,807**	-

By referring to the above table for both the end of the current and previous periods, you will note a decrease in the SII Basic Own Funds from the end of the prior reporting period to the end of the current reporting period (YE 31/12/23: €12,980k; YE 31/12/24 €12,807k) mainly driven by the net effect of the €2.5m capital contribution as well as GAPEE accounting losses recorded during 2024.

7.1.2 Explanation of Differences between Equity in Financial Statements and as Calculated for Solvency Purposes

The table below reflects the quantitative valuation differences for RIMSE between its equity as valued for statutory purposes and the excess of assets over liabilities as calculated for solvency purposes:

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Explanation of Variances	
GAPEE - Excess of Assets over Liabilities	13,391,289
Solvency II - Excess of Assets over Liabilities	12,807,174
Difference	***584,115***
Deferred Acquisition Costs	23,161
ENIDS	190,323
Discounting	- 528,888
Profit on PP	24,429
Risk Margin	520,157
Default	354,932
	584,115

7.1.3 Information on Structure, Amount and Quality of Own Funds

Solvency II Available Own funds total €12.81 million (2023: €12.98 million), comprising €7.76 million of Ordinary Share Capital (2023: €7.76 million), €29 million of Capital Contribution (2023: €26.5 million) and (€23.95) million of Reconciliation Reserve (2023: (€21.28) million).

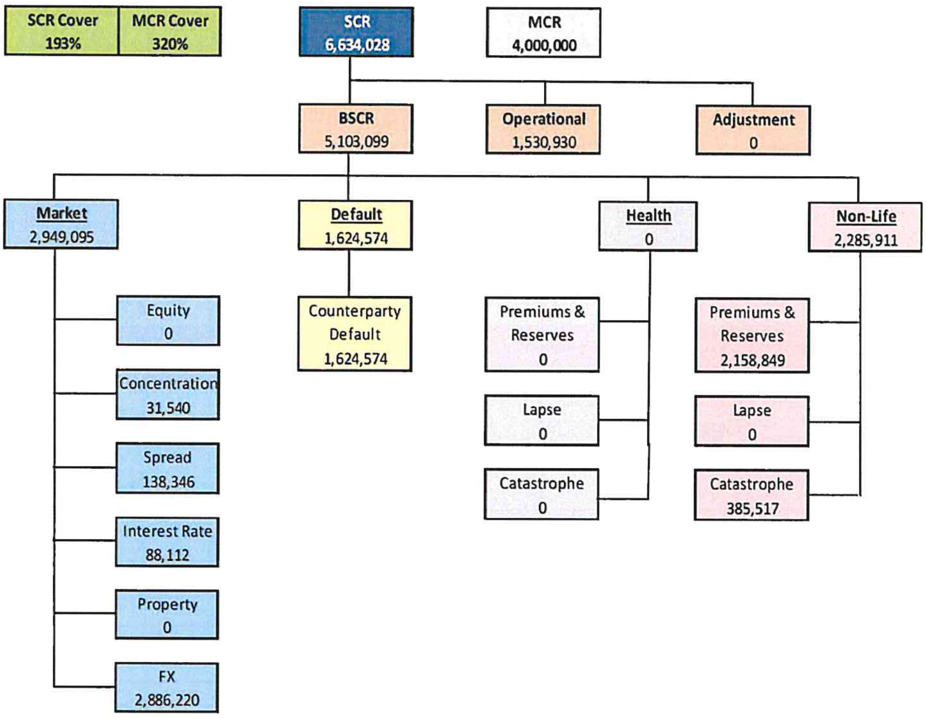
All own funds items are Basic and are classified as Tier 1. Both RMSE's Ordinary Share Capital, Capital Contributions and its Reconciliation Reserve balances are considered permanently available and able to absorb losses on a going concern basis as well as in the case of winding-up.

7.1.4 Information on Items Deducted from Own Funds

There are no items deducted from own funds which warrant disclosure.

7.2 Solvency Capital Requirement and Minimum Capital Requirement

Through the use of the Standard Formula, the maximum and minimum Capital Requirement has been determined as follows:



RMSE GROUP: 31/12/2024

Minimum Capital Requirement (MCR)

MCR	4,000,000

Total MCR NL	845,948
Cap	2,985,313
Floor	1,658,507

Parameters	
Cap	45%
Floor	25%
AMCR	4,000,000

Line of Business	Net Technical Provisions	Net Premium Written	Parameters α	Parameters β	MCR NL
Medical Expense	0	0	5%	5%	0
Income Protection	0	0	13%	9%	0
Workers' Compensation	0	0	11%	8%	0
Motor Vehicle Liability	0	0	9%	9%	0
Other Motor	0	0	8%	8%	0
Marine, Aviation & Transport	199,149	0	10%	14%	20,512
Fire & Other Damage to Property	34,138	0	9%	8%	3,209
General liability insurance	5,648,968	0	10%	13%	581,844
Credit & Suretyship	1,358,099	0	18%	11%	240,383
Legal Expenses	0	0	11%	7%	0
Assistance	0	0	19%	9%	0
Miscellaneous Financial Loss	0	0	19%	12%	0
NPR - Health	0	0	19%	16%	0
NRP - Property	0	0	19%	16%	0
NPR - Casualty	0	0	19%	16%	0
NPR - Marine, Aviation & Transpo	0	0	19%	16%	0

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GROUP SCR RESULTS COMPARISON			
	2023	2024	*Movement*
Cover	147%	193%	*46%*
MCR	4,000	4,000	-
SCR	8,810	6,634	- 2,176
Operational	2,033	1,531	- 502
BSCR	6,777	5,104	- 1,673
Market	2,300	2,949	649
Default	3,721	1,625	- 2,096
Health	-	-	-
Non-Life	2,897	2,286	- 611
Available Capital	12,980	12,807	- 173

The overall solvency capital requirement decreased from EUR 8.8 million to EUR6.9 million. The decrease follows naturally as RMSE's liabilities run-off with no further acquisitions taking place. The main drivers for the decrease in SCR were as follows:

a) Market Risk – increased by EUR 0.65m as RMSE and was mainly driven by temporary FX currency asset-liability mismatches on CHF and GBP as outlined in the. Risk Profile Section of the document
b) Counterparty default risk (CPDR) – decreased by EUR2.1m due to the CPDR-reductive effect of the risk mitigating effect of collateral as explained in the risk profile section.
c) Premium, reserve and catastrophe risk decreased by EUR 0.6m in line with the decrease in the net reserves, with Cat, again decreasing year-on-year, with risk being limited to the very limited Italian surety policy extensions in place.
d) Operational risk decreases in line with the decrease in BSCR.

7.3 Use of the Duration-based Equity Risk Sub-module in the Calculation of the Solvency Capital Requirement

RMSE makes no use of the duration-based equity risk sub-module in the calculation of the SCR.

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7.4 Differences between the Standard Formula and any Internal Model Used

RMSE does not make use of an Internal Model to calculate the SCR.

7.5 Non-compliance with the Minimum Capital Requirement and Non-compliance with the Solvency Capital Requirement

RMSE has not, at the any point during the reporting period or during the period between the reporting date and the issuance of this report been non-compliant with either its SCR or Minimum Capital Requirement ("MCR"). Given its level of capital currently, and projected in the future, it does not foresee the risk of future non-compliance.

Furthermore RMSE sets the loss absorbing capacity of deferred taxes (LACDT) as nil.

7.6 Any Other Information

There is no additional material information regarding capital management that should be disclosed.

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APPENDIX: LIST OF QUANTITATIVE REPORTING TEMPLATES (QRTs) FOR PUBLIC DISCLOSURE (GROUPS)

The following table lists down the QRTs that are required to be publicly disclosed as applicable to the Company:

TEMPLATE REFERENCE	TEMPLATE DESCRIPTION
S.02.01.02	Balance Sheet
S.05.01.02	Information on premiums, claims and expenses
S.23.01.22	Information on own funds
S.25.01.22	Information on the Solvency Capital Requirement calculated using the standard formula
S.32.01.22	Undertakings in the scope of the Group

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S02.01.02.01 Balance Sheet

			Solvency II value
			C0010
Assets	Goodwill	R0010	
	Deferred acquisition costs	R0020	
	Intangible assets	R0030	
	Deferred tax assets	R0040	
	Pension benefit surplus	R0050	
	Property, plant & equipment held for own use	R0060	
	Investments (other than assets held for index-linked and unit-linked contracts)	R0070	7,247,393
	Property (other than for own use)	R0080	
	Holdings in related undertakings, including participations	R0090	
	Equities	R0100	
	Equities - listed	R0110	
	Equities - unlisted	R0120	
	Bonds	R0130	7,247,393
	Government Bonds	R0140	3,133,940
	Corporate Bonds	R0150	3,957,990
	Structured notes	R0160	
	Collateralised securities	R0170	155,463
	Collective Investments Undertakings	R0180	
	Derivatives	R0190	
	Deposits other than cash equivalents	R0200	
	Other investments	R0210	
	Assets held for index-linked and unit-linked contracts	R0220	
	Loans and mortgages	R0230	
	Loans on policies	R0240	
	Loans and mortgages to individuals	R0250	
	Other loans and mortgages	R0260	
	Reinsurance recoverables from:	R0270	68,669,410
	Non-life and health similar to non-life	R0280	68,669,410
	Non-life excluding health	R0290	68,669,410
	Health similar to non-life	R0300	
	Life and health similar to life, excluding health and index-linked and unit-linked	R0310	
	Health similar to life	R0320	
	Life excluding health and index-linked and unit-linked	R0330	
	Life index-linked and unit-linked	R0340	
	Deposits to cedants	R0350	
	Insurance and intermediaries receivables	R0360	
	Reinsurance receivables	R0370	5,638,297
	Receivables (trade, not insurance)	R0380	
	Own shares (held directly)	R0390	
	Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	
	Cash and cash equivalents	R0410	19,117,650
	Any other assets, not elsewhere shown	R0420	6,918,476
	Total assets	R0500	107,591,226

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S02.01.02.01 Balance Sheet (continued)

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Liabilities	Technical provisions - non-life	R0510	76,429,920
	Technical provisions - non-life (excluding health)	R0520	76,429,920
	Technical provisions calculated as a whole	R0530	
	Best Estimate	R0540	75,909,763
	Risk margin	R0550	520,157
	Technical provisions - health (similar to non-life)	R0560	
	Technical provisions calculated as a whole	R0570	
	Best Estimate	R0580	
	Risk margin	R0590	
	Technical provisions - life (excluding index-linked and unit-linked)	R0600	
	Technical provisions - health (similar to life)	R0610	
	Technical provisions calculated as a whole	R0620	
	Best Estimate	R0630	
	Risk margin	R0640	
	Technical provisions - life (excluding health and index-linked and unit-linked)	R0650	
	Technical provisions calculated as a whole	R0660	
	Best Estimate	R0670	
	Risk margin	R0680	
	Technical provisions - index-linked and unit-linked	R0690	
	Technical provisions calculated as a whole	R0700	
	Best Estimate	R0710	
	Risk margin	R0720	
	Other technical provisions	R0730	
	Contingent liabilities	R0740	
	Provisions other than technical provisions	R0750	208,457
	Pension benefit obligations	R0760	
	Deposits from reinsurers	R0770	
	Deferred tax liabilities	R0780	
	Derivatives	R0790	
	Debts owed to credit institutions	R0800	
	Financial liabilities other than debts owed to credit institutions	R0810	
	Insurance & intermediaries payables	R0820	13,130
	Reinsurance payables	R0830	8,847,126
	Payables (trade, not insurance)	R0840	
	Subordinated liabilities	R0850	
	Subordinated liabilities not in Basic Own Funds	R0860	
	Subordinated liabilities in Basic Own Funds	R0870	
	Any other liabilities, not elsewhere shown	R0880	9,285,418
	Total liabilities	R0900	94,784,051
Excess of assets over liabilities		R1000	12,807,174

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S.05.01.02.01 - Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)

Z0001 Z Axis:

			Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted					Total
			Medical expense insurance C0010	Marine, aviation and transport insurance C0060	Fire and other damage to property insurance C0070	General liability insurance C0080	Credit and suretyship insurance C0090	C0200
Premiums written	Gross - Direct Business	R0110					2,100,000	2,100,000
	Gross - Proportional reinsurance accepted	R0120						
	Gross - Non-proportional reinsurance accepted	R0130						
	Reinsurers' share	R0140					(2,146,013)	(2,146,013)
	Net	R0200					(46,013)	(46,013)
Premiums earned	Gross - Direct Business	R0210					4,075,490	4,075,490
	Gross - Proportional reinsurance accepted	R0220						
	Gross - Non-proportional reinsurance accepted	R0230						
	Reinsurers' share	R0240					(3,986,638)	(3,986,638)
	Net	R0300					88,852	88,852
Claims incurred	Gross - Direct Business	R0310	6,824	716,018	214,399	3,435,641	15,574,515	19,947,397
	Gross - Proportional reinsurance accepted	R0320						
	Gross - Non-proportional reinsurance accepted	R0330						
	Reinsurers' share	R0340	(6,132)	(654,611)	(191,387)	(2,511,873)	(14,319,365)	(17,683,368)
	Net	R0400	692	61,407	23,012	923,768	1,255,150	2,264,029
Expenses incurred		R0550	1,799	159,627	59,819	2,401,323	3,262,746	5,885,314
Balance - other technical expenses/income		R1210						(657,249)
Total technical expenses		R1300						5,228,065

S23.01.22.01 Own Funds

			Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
			C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction	Ordinary share capital (gross of own shares)	R0010	36,760,000	36,760,000			
	Non-available called but not paid in ordinary share capital to be deducted at group level	R0020					
	Share premium account related to ordinary share capital	R0030					
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
	Subordinated mutual member accounts	R0050					
	Non-available subordinated mutual member accounts to be deducted at group level	R0060					
	Surplus funds	R0070					
	Non-available surplus funds to be deducted at group level	R0080					
	Preference shares	R0090					
	Non-available preference shares to be dedcuted at group level	R0100					
	Share premium account related to preference shares	R0110					
	Non-available share premium account related to preference shares at group level	R0120					
	Reconciliation reserve	R0130	(23,952,826)	(23,952,826)			
	Subordinated liabilities	R0140					
	Non-available subordinated liabilities to be deducted at group level	R0150					
	An amount equal to the value of net deferred tax assets	R0160					
	The amount equal to the value of net deferred tax assets not available to be deducted at the group level	R0170					
	Other items approved by supervisory authority as basic own funds not specified above	R0180					
	Non available own funds related to other own funds items approved by supervisory authority	R0190					
	Minority interests	R0200					
	Non-available minority interests to be deducted at group level	R0210					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions	Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	R0230					
	whereof deducted according to art 228 of the Directive 2009/138/EC	R0240					
	Deductions for participations where there is non-availability of information (Article 229)	R0250					
	Deduction for participations included via Deduction and Aggregation method (D&A) when a combination of methods are used	R0260					
	Total of non-available own fund items to be deducted	R0270					
Total deductions		R0280					
Total basic own funds after deductions		R0290	12,807,174	12,807,174			

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S23.01.22.01 Own Funds (continued)

Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300					
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
	Unpaid and uncalled preference shares callable on demand	R0320					
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
	Non available ancillary own funds to be dedcuted at group level	R0380					
	Other ancillary own funds	R0390					
Total ancillary own funds		R0400					
Own funds of other financial sectors	Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies - total	R0410					
	Institutions for occupational retirement provision	R0420					
	Non regulated undertakings carrying out financial activities	R0430					
	Total own funds of other financial sectors	R0440					
Own funds when using the D&A, exclusively or in combination with method 1	Own funds aggregated when using the D&A and combination of method	R0450					
	Own funds aggregated when using the D&A and combination of method net of IGT	R0460					
	Total available own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0520	12,807,174	12,807,174			
	Total available own funds to meet the minimum consolidated group SCR	R0530	12,807,174	12,807,174			
	Total eligible own funds to meet the consolidated part of the group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	12,807,174	12,807,174			
	Total eligible own funds to meet the minimum consolidated group SCR	R0570	12,807,174	12,807,174			
Minimum consolidated Group SCR		R0610	4,000,000				
Ratio of Eligible own funds to Minimum Consolidated Group SCR		R0650	320%				
Total eligible own funds to meet the total group SCR (including own funds from other financial sector and from the undertakings included via D&A)		R0660	12,807,174				
Total Group SCR		R0680	6,634,028				
Ratio of Total Eligible own funds to Total group SCR - ratio including other financial sectors and the undertakings included via D&A		R0690	193%				

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S.23.01.22.02 - Reconciliation reserve

Z0001 Z Axis:

			Value
			C0060
Reconciliation reserve	Excess of assets over liabilities	R0700	12,807,174
	Own shares (held directly and indirectly)	R0710	
	Foreseeable dividends, distributions and charges	R0720	
	Other basic own fund items	R0730	36,760,000
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
	Other non available own funds	R0750	
Reconciliation reserve		R0760	(23,952,826)
Expected profits	Expected profits included in future premiums (EPIFP) - Life business	R0770	
	Expected profits included in future premiums (EPIFP) - Non-life business	R0780	
Total Expected profits included in future premiums (EPIFP)		R0790	

Mark Giorgio
Director
Deloitte Audit Limited

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RiverStone International

S.25.01.22.02 - Calculation of Solvency Capital Requirement

			Value
			C0100
Operational risk		R0130	1,594,349
Loss-absorbing capacity of technical provisions		R0140	
Loss-absorbing capacity of deferred taxes		R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	
Solvency Capital Requirement calculated on the basis of Art. 336 (a) of Delegated Regulation (EU) 2015/35, excluding capital add-on		R0200	6,908,845
Capital add-ons already set		R0210	
	of which, capital add-ons already set - Article 37 (1) Type a	R0211	
	of which, capital add-ons already set - Article 37 (1) Type b	R0212	
	of which, capital add-ons already set - Article 37 (1) Type c	R0213	
	of which, capital add-ons already set - Article 37 (1) Type d	R0214	
Consolidated Group SCR		R0220	6,908,845
Other information on SCR	Capital requirement for duration-based equity risk sub-module	R0400	
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
	Total amount of Notional Solvency Capital Requirements for ring-fenced funds	R0420	
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
	Diversification effects due to RFF nSCR aggregation for article 304	R0440	
	Minimum consolidated group solvency capital requirement	R0470	4,000,000
Information on other entities	Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	
	Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	
	Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated undertakings carrying out financial activities		R0530	
	Capital requirement for non-controlled participation	R0540	
	Capital requirement for residual undertakings	R0550	
	Capital requirement for collective investment undertakings or investments packaged as funds	R0555	
Overall SCR	SCR for undertakings included via D&A method	R0560	6,908,845
	Total group solvency capital requirement	R0570	6,908,845

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S.32.01.22.01 - Undertakings in the scope of the group

	Country	Legal Name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Identification code of entity Identifier for s2c_typ:ID (Text)							% capital share (Numeric)	% used for the establishment of consolidated accounts (Numeric)	% voting rights (Numeric)	Other criteria (Text)	Level of influence (QName)	Proportional share used for group solvency calculation (Numeric)	Yes/No (QName)	Date of decision if art. 214 is applied (Date)	Method used and under method 1, treatment of the undertaking (QName)
C0020	C0010	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LEI/213800NZ2O2O9B1KZ788	MALTA	Riverstone Insurance (Malta) SE	Non-Life undertakings	Private Limited Liability Company	Null value	Malta Financial Services Authority	100.00%	100.00%	0.00%	N/A	Significant	100.00%	Included into scope of group supervision		Method 1: Full consolidation
LEI/213800H3633UHMS7LI67	MALTA	Riverstone Holdings (Malta) Limited	Insurance holding company as defined in Art. 212§ [f] of Directive 2009/138/EC	Private Limited Liability Company	Null value	Malta Financial Services Authority	0.00%	0.00%	0.00%	N/A	Null value	0.00%	Included into scope of group supervision		Method 1: Full consolidation

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VAT Reg No: MT2013 6121
Exemption number: EXO2155

Independent auditor's report

to the directors of
Riverstone Holdings (Malta) Limited

Opinion
We have audited the following relevant elements of the Group Solvency and Financial Condition Report ("SFCR") prepared by Riverstone Holdings (Malta) Limited (the Company) as at 31 December 2024:

- Disclosures pursuant to Articles 296, 297 and 359(d) and (e), as at 31 December 2024 ('the Narrative Disclosures subject to audit'); and
- Group templates S.02.01.02, S.23.01.22, S.25.01.22 ('the Group Templates subject to audit').

The Narrative Disclosures subject to audit and the Group Templates subject to audit are collectively referred to as the 'relevant elements of the Group SFCR'.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:
- the 'Introduction', 'Summary', 'Business and performance', 'System of governance' and 'Risk profile' elements of the SFCR;
- Group templates S.05.01.02, S32.01.22;
- the written acknowledgement by management of their responsibilities, including for the preparation of the Group SFCR.

To the extent the information subject to audit in the relevant elements of the Group SFCR includes amounts that are totals, sub-totals or calculations derived from the Other Information, we have relied without verification on the Other Information.

In our opinion, the information subject to audit in the relevant elements of the Group SFCR of the Company as at 31 December 2024 is prepared, in all material respects, in accordance with the Insurance Business Act (Cap. 403) and the Insurance Rules issued thereunder, the Commission Delegated Regulation (EU) 2015/35 and the Commission Implementing Regulation (EU) 2023/895 (hereafter referred to as "the relevant legislation").

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants including International Independence Standards* (IESBA Code) together with the *Accountancy Profession (Code of Ethics for Warrant Holders) Directive* (Maltese Code) that are relevant to our audit of the relevant elements of the Group SFCR in Malta, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Maltese Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independent auditor's report (continued)

to the directors of

Riverstone Holdings (Malta) Limited

Emphasis of Matter – Basis of Accounting

We draw attention to the 'Narrative Disclosures subject to audit' of the Group SFCR, which describe the basis of accounting. The Group SFCR is prepared in compliance with the financial reporting provisions of the Solvency II regulations, and therefore in accordance with a special purpose financial reporting framework. As a result, the Group SFCR may not be suitable for another purpose. Our opinion is not modified in respect of these matters.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Group SFCR does not cover the Other Information and, we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Group SFCR, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the SFCR, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Group SFCR or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact.

We have nothing to report in relation to these matters.

Responsibilities of the Directors for the Group Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Group SFCR in accordance with the financial reporting provisions contained in the relevant legislation referred to above. In accordance with section 8.9 and paragraph 8.11.1 of Chapter 8 of the Insurance Rules, the Directors are responsible for having in place appropriate systems and structures to meet the Company's public disclosure requirements in relation to the Group SFCR and for the approval of the Group SFCR.

The Directors are also responsible to have the necessary internal controls to enable the preparation of the Group SFCR which is free from material misstatement, whether due to fraud or error. The Directors are responsible for overseeing the Company's financial reporting process.

The Directors satisfy themselves that, throughout the financial year in question, the Company has complied in all material respects with the requirements of the relevant legislation as applicable to the Company. The Directors are also required to sign a Declaration Form, in accordance with paragraph 8.6.2 and 8.11.1 of Chapter 8 of the Insurance Rules and Annex IV to the said Chapter, for submission with the Group SFCR to the competent authority.

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report

It is our responsibility to form an independent opinion on the Narrative Disclosures subject to audit that the Company shall disclose and on the Templates subject to audit, in accordance with paragraph 8.10.2 and 8.11.1 of Chapter 8 of the Insurance Rules and Annex V to the said Chapter, confirming that the said relevant elements of the Group SFCR have been prepared in all material respects in accordance with the relevant legislation. Such audit is to be made in accordance with paragraph 8.10.2 and Annex V of Chapter 8 of the Insurance Rules and with International Standards on Auditing.

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Independent auditor's report (continued)

to the directors of
Riverstone Holdings (Malta) Limited

Auditor's Responsibilities for the Audit of the relevant elements of the Group Solvency and Financial Condition Report (continued)

Our objectives are to obtain reasonable assurance about whether the relevant elements of the Group SFCR 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 it is not a guarantee that an audit conducted in accordance with ISAs 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 decision making or the judgement of the users taken on the basis of the Group SFCR.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the relevant elements of the Group SFCR, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the relevant elements of the Group SFCR or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the relevant elements of the SFCR, including the disclosures, and whether the relevant elements of the Group SFCR represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Independent auditor's report (continued)

to the directors of

Riverstone Holdings (Malta) Limited

Restriction on use and distribution of our Report

This report is made solely for the exclusive use of the Directors of the Company in accordance with our engagement letter dated 11 October 2024. However, we acknowledge that a copy of our report will be provided to the Malta Financial Services Authority ("MFSA") for the use of the MFSA solely for the purposes set down by Chapter 8 of the Insurance Rules issued under the Insurance Business Act (Cap. 403). Except for the MFSA's obligations under its Memoranda of Understanding for regulatory collaboration and co-operation, our Report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written express consent. Our audit work has been undertaken so that we might state to the Company's Directors those matters we are required to state to them in an auditor's report on the relevant elements of the Group SFCR and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any duty of care, or any other responsibility and/or liability to anyone other than the Company, for our audit work, for this report or for the opinions we have formed.

This report was drawn up on 26 March 2025 and signed by:

Mark Giorgio as Director
In the name and on behalf of
Deloitte Audit Limited
Registered auditor
Central Business District, Birkirkara, Malta