Company No. 10360031

ASCOT UNDERWRITING GROUP LIMITED

ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

CONTENTS

Company Information

Directors	K M Wilson I D Thompson E S Chatterton
Company Secretary	E H Guyatt
Independent auditors	Deloitte LLP Statutory Auditor 1 New Street Square London EC4A 3HQ
Company bankers	Lloyds Bank Plc 25 Gresham Street London EC2V 7HN
Registered office	20 Fenchurch Street London England EC3M 3BY
Registered number	10360031

Strategic report for the year ended 31 December 2024

The directors present their strategic report on the Company for the year ended 31 December 2024.

Principal activity and review of business

Ascot Underwriting Group Limited ("the Company" or "AUGL") is a holding company for Ascot Underwriting Holdings Limited ("AUHL"), Ascot Corporate Name Limited ("ACNL"), Ascot Employees Corporate Member Limited ("AECM") and Ascot Underwriting Limited ("AUL"), and its indirect subsidiary Ascot Insurance Services Limited ("AISL"). All entities are incorporated in the United Kingdom and collectively form the UK group.

AUHL operates as a service company by incurring expenses on behalf of and recharging to other companies within the UK group and to related parties within Ascot Group (being Ascot Group Limited and its subsidiaries). ACNL acts as a limited liability corporate member of the Society of Lloyd's ("Lloyd's"), providing underwriting capacity to Syndicate 1414 ("the Syndicate"). AECM is currently dormant. AUL trades as a managing agent for Syndicate 1414. AISL is a wholly owned subsidiary of AUL that acts as a service company of Syndicate 1414. Ascot MGA Limited remained dormant from its incorporation on 15 June 2022 until it was dissolved on 6 August 2024.

During the year the Company received $5,759,725 (2023: $6,918,762) of dividends in total from UK subsidiaries AUHL and AUL.

Results and performance

The results of the Company for the year, as set out on pages 19 and 20, show a loss on ordinary activities before taxation of $518k (2023: loss of $9,515k). The Company made a larger loss in the prior year due to an impairment in the investment of AECM of $10,840k. The tax credit is $1,570k (2023: $1,587k) leaving a total profit for the financial year of $1,052k (2023: loss of $7,928k). The total shareholders' funds of the Company at the end of the year are $370,867k (2023: $369,815k).

Key performance indicators

	2024	**2023**
	$'000	**$'000**
Net assets	370,867	369,815

The Company is primarily a holding company; it does not generate income from active trade, and its primary source of income is dividend income from underlying subsidiaries. As a holding company the performance of its subsidiaries are the key performance indicators providing the Company with a source of income via dividends in the event of profitable subsidiaries.

Future outlook

The Company continues to be considered a going concern, as it can evidence a strong net asset position and ability to meet the financial obligations due for at least twelve months from the signing of the accounts. The Company expects to continue in its capacity as a holding company for the UK group for the foreseeable future.

Principal risks and uncertainties

The risks set out below are considered to be the principal risks for the Company. The Board of Directors is ultimately responsible for Risk Management. All aspects of the Risk Management Framework have been approved by the Board of Directors. The comments below represent only an overview of the key risks and of the controls to mitigate these risks.

Group risk – the risk that the activities of companies within the UK group have an adverse impact on each other. The key risks considered are sharing of resources (including financial, labour and infrastructure) and brand damage from negative publicity. These are mitigated through clear governance structures, financial monitoring (where applicable), communication between entities across the group as well as a coordinated marketing and communications strategy.

Liquidity risk – the risk is that sufficient cash may not be available to settle obligations when due at a reasonable cost. The only significant liquidity requirement of AUGL is the ability to service the Eurobond facility. The Company has sufficient cash reserves to settle the interest on the loan as it arises.

Strategic report for the year ended 31 December 2024 (continued)

Operational risk – the risk is the subsidiaries of the Company cannot trade due to the office infrastructure or people being unavailable. To counter the impact of this the subsidiaries maintain various contingency plans e.g. disaster recovery sites and backup to mitigate the impact of this risk.

Environmental, Social and Governance Matters

The directors of the Board would like to share the following statement as it represents the actions being taken by the "Ascot group" within the UK (being AUGL and its subsidiaries). Ascot recognises the importance of building on our existing responsible business practices with continuing to embed environmental, social and governance factors.

Environment – Ascot recognises the need to address the impact of climate change on global communities. Ascot's carbon reduction plan, which is published on the Company website, states that Ascot Underwriting Limited is committed to achieving Net Zero Greenhouse Gas emissions by 2050 and has continued its progress to track its scope 1 and 2 emissions, along with a subset of scope 3 emissions. The emissions disclosed below cover emissions across Scope 1 and Scope 2 as well as Scope 3 transport emissions related to Ascot's transport mileage claims (business travel in rental cars or employee-owned vehicles where the Company is responsible for purchasing the fuel). In line with our commitment to improving the transparency of our contribution to climate change, the following tables summarise the results of the Streamlined Energy and Carbon Report (SECR), which has been calculated in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard:

2023-2024 greenhouse gas emission figures[1] (tonnes CO_2 equivalent)

Greenhouse Gas (GHG) Emissions	2024		2023	
	GHG Emissions from UK Operations (tCO_2e)	% Contribution to Total Emissions (location/ market based)	GHG Emissions from UK Operations (tCO_2e)	% Contribution to Total Emissions (location/ market based)
Scope 1 – Direct	25	26% location based/ 98% market based	25	27% location based/ 89% market based
Scope 2: Electricity (Location-based; Indirect)	71	74%	62	69%
Scope 2: Electricity (Market-based; Indirect)	-	-	0	-
Scope 3 (Transport Fuel Reimbursed)	1	1% location based/ 2% market based	3	3% location based/ 11% market based
Total (Including Scope 2 location-based)	**97**	**-%**	**90**	**-%**
Total (including Scope 2 market-based)	**26**	**-%**	**28**	**-%**

[1] The emission data disclosed within this report has been supplied by ERM Limited and is on a calender year basis.

Strategic report for the year ended 31 December 2024 (continued)

UK Energy Consumption and Intensity

Source of Energy Consumption	2024		2023	
	Energy Consumption (kWh)	% Contribution to Total Energy Consumption	Energy Consumption (kWh)	% Contribution to Total Energy Consumption
Natural Gas	131,109	27.5%	121,647	28.0%
Electricity	342,061	71.8%	300,830	69.5%
Vehicle Fleet	3,032	0.7%	10,664	2.5%
Total	476,202	100.0%	433,141	100.0%

Ascot has seen an increase in energy consumption compared to the previous year. This has been driven by an increase in the consumption of electricity (offset somewhat by a reduction in natural gas consumption) driven primarily by an increase in staff headcount which Ascot believes has resulted in more people working in person in the office.

A range of energy efficiency measures have been recently implemented, in part or full, which will continue to deliver savings into 2025. These include:

- *Energy STRAVA:* This is a gamification programme between occupiers of 20 Fenchurch Street to encourage energy saving. Ascot has been one of the best performing occupiers in the property for the competition.
- *Data sharing:* Ascot has access to its building's energy data through the Atrius system, allowing daily monitoring of energy use.
- *Tenant Energy Saving Workshops:* Ascot participated in a tenant energy saving workshop with its building managers to engage in energy saving measures.
- *Occupier Green Meetings:* Ascot regularly attends meetings with its building managers to be updated on initiatives within the property, which include awards, accreditations, energy usage summaries and waste information.
- *REGO certified energy:* Ascot procures all its energy from renewable energy sources.
- *Project Go Dark:* Ascot participates in a building innovation to reduce night light pollution at 20 Fenchurch Street.
- *General Energy Management Improvements:* Ascot takes care to ensure that all computers, monitors, personal chargers, and other electrical appliances on site are switched off when not being used.
- *Heating/cooling times changed:* Air conditioning and heating times are managed throughout the week, with air conditioning being switched off from 6pm Monday – Thursday and 5pm on Fridays.
- *LED Lighting Upgrade:* All lights in the Ascot office have been switched to LEDs.

Social - Ascot endeavours not only to be a good corporate citizen and trusted insurer, but also a respected employer that prioritises the importance of staff well-being and success. Ascot is an equal opportunities employer and continues to place emphasis on ensuring diversity in its broadest sense within its workforce.

Ascot's commitment to maintaining an inclusive culture and recognising and celebrating our diverse workforce is critical to creating an environment where everyone's contributions are appreciated and valued. This is enhanced by the contribution of Ascot's Diversity & Inclusion Council. This employee led group's purpose is to champion cultural celebration and inclusion in the workplace, whilst spearheading corporate initiatives and events that support and celebrate the many diverse cultures at Ascot.

The AUL Charity Committee meets regularly to assess ongoing charitable partnerships and other ways in which we are able to support the local community. This has included the participation of Ascot employees through a vote to nominate the chosen charity of the year 'Holding on letting go'. Donations have been made to charities by service company Ascot Underwriting Holdings Limited (AUHL) throughout the year to

Strategic report for the year ended 31 December 2024 (continued)

local causes such as the East End Community Foundation and The Ben Kinsella Trust, as well as larger national charities such as The British Heart Foundation, World Wildlife Fund and Epilepsy Society. Ascot staff have provided 56 volunteering days to local communities by supporting local charities and organisations such as Mudchute Farm, Migrateful and the Lloyd's Community Programme. Ascot remains partnered with the Sponsors for Educational Opportunity charity, supporting students from underserved and underrepresented backgrounds for career success via internships.

Governance - Ascot is committed to fostering and promoting responsible corporate governance and transparency. The Board's terms of reference contains a list of matters reserved to the Board which must not be delegated to a sub-committee or individual. Oversight and discussion of ESG related items takes place across various committees in the governance framework within the UK Group.

The strategic report was approved at a meeting of the Board of Directors and signed on its behalf by:

K M Wilson

Director

31 March 2025

Section 172 Statement

The directors are fully aware of their responsibilities to promote the success of the Company in accordance with s172 of the Companies Act and have acted in accordance with these responsibilities during the year ended 31 December 2024. In respect to this disclosure the Board has identified that its key stakeholders are the Ascot UK workforce, our ultimate shareholders, including our principal shareholder Canada Pension Plan Investment Board (CPP Investments), customers, brokers, regulators and suppliers. The Board considers and discusses information from across the organisation to assist in understanding the effect of Ascot's operations and the interests and views of our stakeholders. Regarding our responsibilities to our stakeholders, the directors, individually and as a whole, have considered and acted in respect of the following areas of consideration:

The likely consequences of any decision in the long term

The directors have performed a review of the business and have considered the future outlook of the Company within the strategic report. Furthermore, our annual planning cycle is designed to ensure a long-term beneficial impact on Ascot, its employees and other stakeholders, taking into account the strategic direction of the group as well as the possibility for the Board to approve the payment of any proposed dividends. The mix of business written by the Syndicate has continued to become more diversified and through this restructuring of the underwriting portfolios, allows for a platform providing greater future stability of results and overall profitability. We operate our business within a structured control environment, designed to ensure ongoing compliance with all regulatory matters. .

The interests of the employees working for Ascot

The directors strive to make Ascot an enjoyable and rewarding place to work. Annual employee surveys are conducted to measure the level of staff engagement and ensure these are in line with expectations. Where proposed improvements in working conditions are identified, Ascot is pro-active in ensuring such improvements can be practically implemented. Employees are also encouraged to participate in the market-wide Culture Survey managed by Lloyd's. A report containing firm results measured against that market is shared by Lloyd's outlining any areas of concern or issues. Further, Ascot holds regular town hall meetings for all staff to discuss Ascot's global and UK regional results, updates to strategy, and opportunities and challenges that are being seen across the market. These regular meetings ensure staff are well informed and aligned to Ascot's core strategy, helping to keep standards and engagement at the expected level. Ascot has published a UK gender pay gap analysis, performed in line with legislation, on the Company website. We conduct regular salary benchmarking exercises to ensure that our employees are paid appropriate and market competitive remuneration packages.

The Human Resources team has been proactive in ensuring all staff have access to well-being support which continues to be an area of priority, striving towards a supportive and engaging work environment. Additionally, 12 Mental Health First Aiders have received mental health first aid training and there are a further 10 Mental Health Champions. In recognition of Mental Health Awareness Week, the theme of "Movement" was promoted by arranging lunchtime "Walk and Talks" along with raising the awareness of benefits offered including Employee Assistance Program services, well-being/fitness subsidies, and various internal sessions. A hybrid in the office/at home working policy continues to be offered to all staff which is designed to promote a positive work life balance through increased work location flexibility. In addition, a review of our family friendly policies has resulted in enhanced paternity, shared parental and adoption leave policies to encourage that balance for all.

Ascot's commitment to maintaining an inclusive culture and recognising and celebrating our diverse workforce is critical to creating an environment where everyone's contributions are appreciated and valued. This is enhanced by the contribution of Ascot's Diversity & Inclusion Council. This employee led group's purpose is to champion cultural celebration and inclusion in the workplace, whilst spearheading corporate initiatives and events that support and celebrate the many diverse cultures at Ascot. We continue to partner with ISC, a global business community that provides personal, professional and business development for women in insurance and the 'Ascot Group Women and Allies Employee Resources Group' continues to serve to empower, develop, and support the continued success of female employees through mentorship, networking and philanthropic opportunities.

The need to foster business relationships with suppliers, customers and others

Ascot strives to have a client-centric approach to business and is constantly reviewing how we engage with our customers to ensure we are able to transact as seamlessly and dynamically as possible. This includes reviewing the products on offer, the distribution channels used and ensuring the claims response time is among best in class within the London market, which is evidenced by our response times consistently being faster than the average for the market throughout 2024.

Section 172 Statement (Continued)

Our technical ability and capabilities are core to providing clients with value added risk solutions. During 2024 a number of Ascot individuals were recognised as top leaders or underwriters in their fields through market surveys and awards, reinforcing the value which suppliers and customers place in Ascot. We are fortunate to have a talented group of individuals at Ascot and this is testament to their commitment, hard work and dedication.

All staff members are encouraged to consider how we can better serve clients and utilise offerings available in other jurisdictions. Our internal digital strategy is focused on ensuring that all systems and processes are aligned to allow frictionless trade and reporting across regions giving our customers access to products that may have otherwise been difficult to service. We have a robust accounts payable function that ensures suppliers are paid well within standard credit terms, with payments made weekly once invoices have been approved for settlement. The underlying technology means that the approval process is automated, with staff able to approve invoices via mobile/email applications.

The impact of operations on the community and the environment

The AUL Charity Committee meets regularly to assess ongoing charitable partnerships and other ways in which we are able to support the local community. This has included the participation of Ascot employees through a Company-wide vote to nominate the chosen charity of the year 'Holding on letting go'. Donations have been made to charities by service company AUHL on behalf of Ascot throughout the year to local causes such as the East End Community Foundation and The Ben Kinsella Trust, as well as larger national charities such as The British Heart Foundation, World Wildlife Fund and Epilepsy Society. Ascot staff have provided 56 volunteering days to the local communities by supporting local charities and organisations such as Mudchute Farm, Migrateful and the Lloyd's Community Programme. Ascot remains partnered with the Sponsors for Educational Opportunity charity, supporting students from underserved and underrepresented backgrounds for career success via internships.

The directors continue to consider the impact Ascot has on the environment, including a commitment to achieving net zero greenhouse gas emissions by 2050. This is detailed in our carbon reduction plan, in accordance with Procurement Policy Note 06/21, and is annually published on the Lloyd's section of the Company website. During 2024, and in line with Energy Savings Opportunity Scheme reporting requirements, operational initiatives to reduce our environmental impact were implemented and included general energy management improvements and lighting upgrades to the Fenchurch Street office. The directors continually assess, understand and oversee the risks and opportunities presented by ESG factors including climate change as they affect the investment portfolio. In support of this approach, Ascot has developed a “Responsible Investment Policy” which sets out our approach and strategy to ensure we fully incorporate the consideration of ESG factors across our investment portfolios.

The desirability of maintaining a reputation for high standards of business conduct

This is a core value of Ascot and every member of staff is expected to act with professionalism and integrity, which is reiterated within job descriptions, the staff handbook and the annual employee performance review process.

Our regulators are Lloyd's of London, the Prudential Regulation Authority and the Financial Conduct Authority. We have transparent communication and ongoing engagement with our regulators facilitated through the compliance team and certain members of the executive team. Any significant regulatory matters are reported by the executive team to the AUL Board.

There is a clear policy in place for speaking up (whistleblowing) ensuring employees are empowered to raise concerns in confidence and without fear of unfair treatment. An AUL independent Non-Executive Director is appointed as the designated Whistleblowers' Champion and the AUL Audit Committee as a whole ensures that the processes in place are adequate; this includes the provision of an external whistleblowing hotline service. A whistleblowing report is presented to the AUL Board of Directors annually by the Whistleblowers' Champion.

The need to act fairly between members of Ascot group

Ascot's ultimate principal owner is CPP Investments, with other minority investors primarily being directors, employees or former employees. The Board of AUL includes a CPP Investments appointed member and a non-executive Director who also acts in that capacity for AGL, the group's holding company, to assist in driving effective communication and collaboration across the group.

Directors' report for the year ended 31 December 2024

The directors present their report and audited Company financial statements for the year ended 31 December 2024.

Future outlook

This has been discussed in the Strategic Report.

Results and performance

This has been discussed in the Strategic Report.

Dividends

During the year the Company received $5,759,725 of dividends (2023: $6,918,762) in total from UK subsidiaries consisting of $2,600,000 from AUL (2023: £2,200,000), and £2,500,000 from AUHL (2023: £3,500,000). There are no proposed dividends by the Company post the date of this report.

Directors

The directors and officers who held office during the year and up to the date of this report are listed below.

J M Zaffino	Resigned 3 January 2025
H R Jones-Bak	Resigned 28 February 2025
K M Wilson	
I D Thompson	Appointed 3 January 2025
E S Chatterton	Appointed 24 March 2025

Company Secretary

E H Guyatt

Principal risks and uncertainties

This has been discussed in the Strategic Report.

Charitable Donations

No donations were made for charitable purposes during the year (2023: $nil). No donations were made for political purposes during the year (2023: $nil). During the year service company AUHL made donations for charitable purposes of £233,734 (2023: £239,806) on behalf of the UK group.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual reports and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. The directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" (FRS 102).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards subject to any material departures disclosed and explained in the financial statements and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Directors' report for the year ended 31 December 2024 (continued)

Statement of directors' responsibilities (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to the auditors

So far as each person who was a director of the Company at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware. Having made enquiries of fellow directors of the Company and the Company's auditor, each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Independent Auditors

Deloitte LLP have expressed their willingness to continue in office as auditors.

Streamlined Energy and Carbon Reporting

Ascot Group (being Ascot Underwriting Group Limited and its subsidiaries) is committed to complying with relevant environmental legislation to improve transparency and auditability of emissions. As part of this commitment, this section of our Director's Report discloses our operational energy consumption and carbon footprint in line with the UK government's Streamlined Energy and Carbon Reporting (SECR) initiative.

Methodology

The method used for calculating GHG emissions is in line with the GHG Protocol Corporate Accounting and Reporting Standard. Ascot Group assessed all fuel and electricity consumption activities occurring at its leased office of operations, 20 Fenchurch Street and it was determined that the following sources of emissions should be recorded, in line with SECR guidelines:

- Natural Gas consumption (scope 1)
- Electricity consumption (scope 2)
- Transport Mileage Claims (business travel in rental cars or employee owned vehicles where the company is responsible for purchasing the fuel (scope 3)

GHG Emissions

Ascot Group's scope 1, 2 & 3 GHG emissions associated with its UK operations for 2024 are outlined below in Table 1. GHG emission intensity has been calculated using headcount and revenue.

Directors' report for the year ended 31 December 2024 (continued)

Table 1: Annual UK GHG Emissions and Intensity[2]

Greenhouse Gas (GHG) Emissions*	2024		2023	
	GHG Emissions from UK Operations (tCO_2e)	% Contribution to Total Emissions (location/ market based)	GHG Emissions from UK Operations (tCO_2e)	% Contribution to Total Emissions (location/ market based)
Scope 1 – Direct	25	26% location based/ 98% market based	25	27% location based/ 89% market based
Scope 2: Electricity (Location-based; Indirect)	71	74%	62	69%
Scope 2: Electricity (Market-based; Indirect)	-	-	0	-
Scope 3 (Transport Fuel Reimbursed)	1	1% location based/ 2% market based	3	3% location based/ 11% market based
Total (Including Scope 2 location-based)	**97**	**-%**	**90**	**-%**
Total (including Scope 2 market-based)	**26**	**-%**	**28**	**-%**

Table 2: Ascot Group's Intensity metrics

tCO2e vs normalisation metric Intensity Ratio	Unit	2024	2023
Market-based	tCO2e/£M	0.013	0.019
Market-based	tCO2e/FTE	0.072	0.083
Market-based	tCO2e/£m2	0.009	0.011
Location-based	tCO2e/£M	0.049	0.062
Location-based	tCO2e/FTE	0.273	0.270
Location-based	tCO2e/£m2	0.035	0.035

Energy Consumption

Ascot Group's total energy consumption associated with its UK operation's scope 1, 2 & 3 emissions for 2023 and 2024 are outlined below in Table 3. Total site area in square meters occupied by Ascot Group was used to calculate the associated energy intensity.

Energy consumption figures in kWh were obtained from electricity and natural gas invoices for each relevant site. Fuel consumption for the vehicle fleet was obtained through mileage data, which were subsequently converted into kWh using conversion factors for passenger and delivery vehicles from the 2024 UK Government GHG Conversion Factors for Company Reporting

[2] The emission data disclosed within this report has been supplied by ERM Limited and is on a calender year basis.

Directors' report for the year ended 31 December 2024 (continued)

Table 3: UK Energy Consumption and Intensity

Source of Energy Consumption	2024		2023	
	Energy Consumption (kWh)	% Contribution to Total Energy Consumption	Energy Consumption (kWh)	% Contribution to Total Energy Consumption
Natural Gas	131,109	27.5%	121,647	28.0%
Electricity	342,061	71.8%	300,830	69.5%
Vehicle Fleet	3,032	0.7%	10,664	2.5%
Total	**476,202**	**100.0%**	**433,141**	**100.0%**

Energy efficiency measures

Ascot has seen an increase in energy consumption compared to the previous year. This has been driven by an increase in the consumption of electricity (offset somewhat by a reduction in natural gas consumption) driven primarily by an increase in staff headcount which Ascot believes has resulted in more people working in person in the office.
A range of energy efficiency measures have been recently implemented, in part or full, which will continue to deliver savings into 2025. These include:

- *Energy STRAVA:* This is a gamification programme between occupiers of 20 Fenchurch Street to encourage energy saving. Ascot has been one of the best performing occupiers in the property for the competition.
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- *REGO certified energy:* Ascot procures all its energy from renewable energy sources.
- *Project Go Dark:* Ascot participates in a building innovation to reduce night light pollution at 20 Fenchurch Street.
- *General Energy Management Improvements:* Ascot takes care to ensure that all computers, monitors, personal chargers, and other electrical appliances on site are switched off when not being used.
- *Heating/cooling times changed:* Air conditioning and heating times are managed throughout the week, with air conditioning being switched off from 6pm Monday – Thursday and 5pm on Fridays.
- *LED Lighting Upgrade:* All lights in the Ascot office have been switched to LEDs.

The directors' report and the section 172 statement were approved at a meeting of the Board of Directors and signed on its behalf by:

I D Thompson
Director
31 March 2025

K M Wilson
Director
31 March 2025

Independent auditor's report to the members of Ascot Underwriting Group Limited

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of Ascot Underwriting Group Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position
- the statement of changes in equity;
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was: • Investment in subsidiaries
Materiality	The materiality that we used in the current year was $11m which was determined on the basis of 3% of net assets.
Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team. We involved the Deloitte Bermuda IT team in performing testing on key IT systems relevant for the Company's Audit.
Significant changes in our approach	There were no significant changes in our approach in the current year.

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Consideration of the Company's and the Company's subsidiaries' profitability, net asset position and cash flow in 2024 and the extent to which these supported management's going concern assessment.
- Assessment of the assumptions used in the forecasts against our understanding of the business and the market in which it operates.
- Assessment of the accuracy of historical forecasts through comparison to actuals.

Independent auditor's report to the members of Ascot Underwriting Group Limited (continued)

- Assessment of the appropriateness of going concern disclosures made in the Company's financial statements.

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

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

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1 Investment in subsidiaries

Key audit matter description	The Company has investment in subsidiaries of $496m as at 31 December 2024 (2023: $496m), valued at cost and reviewed annually for indicators of impairment in accordance with FRS 102. These investments include investments in Ascot Underwriting Holdings Limited Group of $255.8m and Ascot Corporate Name Limited of $239.5m , which account for 99.9% of the balance and 95.1% of total assets. Judgement is required by the directors as to whether any of the investments should be impaired based on the financial position and future prospects of the investments. Further details are included within the strategic report on pages 3 to 6, critical accounting estimates and judgements note in note 2 and note 11 to the financial statements.
How the scope of our audit responded to the key audit matter	We obtained an understanding of the relevant controls related to the valuation of investment in subsidiaries. We evaluated management's assessment of whether impairment indicators existed at the balance sheet date, and the details of the assets and cash generating units on which this assessment was made. We evaluated this assessment against the requirements of FRS 102, to assess whether management had considered all the required elements from the standards. We assessed whether judgements made by management were justified and reasonable by considering these against the performance of the wider Ascot group and its position within the Lloyd's market.
Key observations	Based on the work performed we concluded that the valuation of investment in subsidiaries is appropriate.

6. Our application of materiality

6.1 Materiality

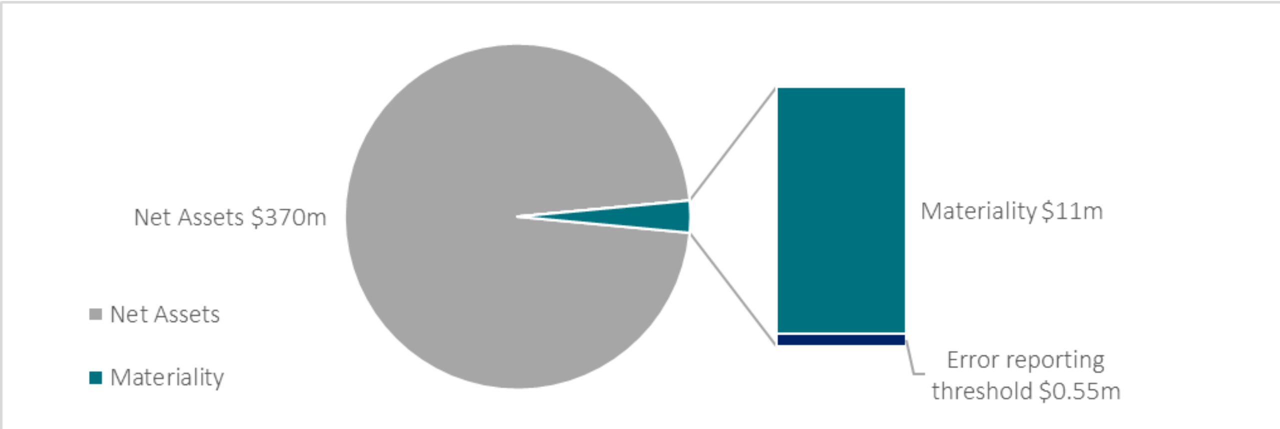
We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or

Independent auditor's report to the members of Ascot Underwriting Group Limited (continued)

influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Materiality	$11m (2023: $11m)
Basis for determining materiality	3% of net assets (2023: 3% of net assets)
Rationale for the benchmark applied	We determined materiality based on net assets. We consider net assets to be of most concern to the key users of the Company's financial statements with respect to performance. We have chosen net assets as a benchmark as this is more reflective of performance by also showing the debt position of the Company.



6.2 Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2024 audit (2023: 70%). In determining performance materiality, we considered the following factors:

a. our risk assessment, including our assessment of the Company's overall control environment and the relatively low complexity of balances; and
b. our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods.

6.3 Error reporting threshold

We agreed with the directors that we would report to the directors all audit differences in excess of $0.55m (2023: $0.55m), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the directors on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1 Scoping

Our audit was scoped by obtaining an understanding of the Company and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team. The Deloitte Bermuda IT team was involved to perform testing on key IT systems relevant for the Ascot audit.

7.2 Our consideration of the control environment

We obtained an understanding of the key IT systems and controls relevant to the audit. Audit work on controls of the IT systems was performed by our IT specialists in Bermuda, and we have reviewed their work to ensure it is appropriate to use for our purposes.

Independent auditor's report to the members of Ascot Underwriting Group Limited (continued)

We obtained an understanding of the relevant business controls in each of the following areas for expenses, cash and the financial statement close process.

7.3 Our consideration of climate-related risks

We obtained management's action plan to embed their approach to managing climate-related financial risks within their organisation.

We have assessed and challenged management's assertions through a review of the nature of the Company's business and their potential exposures to climate risk.

For the financial year ended 31 December 2024, management have assessed that there are no material climate risks impacting upon the Company's financial statements We have assessed whether the climate change disclosures in the annual report were consistent with our understanding of the business and the financial statements.

7.4 Working with other auditors

We involved our Bermuda IT team in performing testing of key IT systems relevant for the Company's audit. We provided direction to our Bermuda IT team through planning calls and referral instructions. We attended frequent update calls to understand the progress of their work during the audit. We performed a review of their working papers and reviewed their concluding documentation for our audit files.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

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

Independent auditor's report to the members of Ascot Underwriting Group Limited (continued)

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1 Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, the directors and the audit committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's sector;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and relevant internal specialists, including IT specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included the Prudential Regulatory Authority (PRA), Lloyd's of London Acts and Byelaws and regulatory solvency requirements.

11.2 Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with , Lloyd's and the PRA; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the

Independent auditor's report to the members of Ascot Underwriting Group Limited (continued)

business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

13. Matters on which we are required to report by exception

13.1 Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

13.2 Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made.

We have nothing to report in respect of this matter.

14. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Claire Clough

Claire Clough FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
31 March 2025

Statement of Comprehensive Income
for the year ended 31 December 2024

	Note	2024 $'000	2023 $'000
Turnover		—	—
Gross profit		**—**	**—**
Administrative expenses		(1,202)	(11,049)
Operating loss	4	**(1,202)**	**(11,049)**
Interest receivable and similar income	7	429	247
Income from shares in group undertakings	8	5,760	6,919
Interest payable and similar charges	9	(5,505)	(5,632)
Loss on ordinary activities before taxation		**(518)**	**(9,515)**
Tax credit on loss on ordinary activities	10	1,570	1,587
Profit/(loss) for the financial year		**1,052**	**(7,928)**

All operations are continuing.

The notes on pages 22 to 29 form an integral part of these financial statements.

Statement of Financial Position
as at 31 December 2024

	Note	2024 $'000	2023 $'000
Investment in subsidiaries	11	495,887	495,887
Total fixed assets		**495,887**	**495,887**
Investments	12	5,600	5,431
Debtors	13	14,236	14,149
Cash at bank		77	145
Deferred tax asset	14	5,133	3,563
Total current assets		**25,046**	**23,288**
Creditors: amounts falling due within one year	15	(381)	(72)
Net current assets		**24,665**	**23,216**
Total assets less current liabilities		520,552	519,103
Creditors: amounts falling due after one year	16	(149,685)	(149,288)
Net assets		**370,867**	**369,815**
Called up share capital	17	306	306
Share Premium	17	355,685	355,685
Profit and loss account		14,876	13,824
Total Shareholders' funds		**370,867**	**369,815**

The notes on pages 22 to 29 form an integral part of these financial statements.

The financial statements on pages 19 to 29 were approved at a meeting of the Board of Directors and signed on its behalf by:

I D Thompson
Director
31 March 2025

K M Wilson
Director
31 March 2025

Statement of Changes in Equity
for the year ended 31 December 2024

	Called-up Share Capital	Share Premium	Profit and Loss Account	Total
	$'000	$'000	$'000	$'000
Balance as at 1 January 2023	306	355,685	21,752	377,743
Total comprehensive loss attributed to shareholders	—	—	(7,928)	(7,928)
Balances as at 31 December 2023	**306**	**355,685**	**13,824**	**369,815**
Balance as at 1 January 2024	306	355,685	13,824	369,815
Total comprehensive profit attributed to shareholders	—	—	1,052	1,052
Balances as at 31 December 2024	**306**	**355,685**	**14,876**	**370,867**

Notes to the financial statements for the year ended 31 December 2024

1. Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, which includes Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102"), and the Companies Act 2006, under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410).

2. Summary of significant accounting policies

AUGL acts primarily as a private holding company limited by its shares and is incorporated in the United Kingdom. The address of its registered office is 20 Fenchurch Street, London EC3M 3BY. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of presentation

The financial statements have been prepared on the going concern basis, under the historical cost convention, in accordance with the Companies Act 2006, and reflect the provisions of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 ('SI2008/410'), the accounting policies as set out below, and in accordance with applicable accounting standards in the United Kingdom (FRS 102). In selecting appropriate accounting policies and the disclosures needed to help users to understand the accounting policies adopted and how they have been consistently applied, consideration has been given to the provision of FRS 102.

The Company's result is included within the consolidated financial statements of Ascot Group Limited ("AGL"). Consequently the Company has taken advantage of section 401(2) of the Companies Act 2006, which exempts an intermediate parent company that is a subsidiary of a parent not established under the law of an EEA State from the requirement to prepare consolidated financial statements if it is included in the consolidated financial statements of a larger group drawn in a manner equivalent to the consolidated financial statements produced in accordance with the provisions of the Seventh Directive. As such, the financial statements contain information about AUGL as an individual company and do not contain consolidated financial information.

Under FRS102 paragraphs 1.11, 1.12 and section 33, the Company qualifies for certain disclosure exemptions as the Company's result is included within the consolidated financial statements of Ascot Bermuda Limited ("ABL") and it has taken advantage of these exemptions from the preparation of a cash flow statement and related party disclosures.

The directors' emoluments disclosed in the notes for the year ended 31 December 2023 have been restated to reflect only the costs borne and payable by AUGL for the services provided by the directors to the Company and its subsidiaries rather than to the wider group (see *note* 6). The restatement is solely in respect of the disclosure in note 6, and has not impacted the comparatives within the Statement of Comprehensive Income. Aggregate directors' emoluments costs as of 31 December 2023 before and after restatement are as follows:

Directors' emoluments	**2023**	**2023**
	Prior restatement	**Restated**
	$'000	**$'000**
Wages and salaries	924	924
Other pension costs	68	68
Other benefits	27	27
Short term and long term incentive plans	2,254	1,164
Stock salary - restricted stock awards	3,277	1,021
	6,550	**3,204**
Highest paid	4,775,807	1,659,013

Notes to the financial statements for the year ended 31 December 2024 (continued)

Going Concern

In arriving at a determination of going concern, the directors consider a number of risks, taking into account the economic, regulatory and environmental considerations as referenced in the Strategic Report;

a. **Group risk –** the risk that the activities of companies within the Ascot group have an adverse impact on each other.
b. **Liquidity risk** – the risk is that sufficient cash may not be available to settle obligations when due at a reasonable cost.
c. **Operational risk** – the risk is the subsidiaries of the Company cannot trade due to the office infrastructure or people being unavailable.

The Company has concluded that it continues to be a going concern after taking into account the above risks, as it can evidence strong net asset position and ability to meet the financial obligations due for at least twelve months from the signing of the accounts.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Currently the only critical accounting judgement for AUGL is in relation to the assessment for impairment to the investments held in AUHL, AUL, AIS and ACNL. The Company has taken the view, where applicable, that these investments continue to pertain to the same cash generating unit (“CGU”) and as such consider impairment at the CGU level accordingly, rather than at the individual entity level. The Company is satisfied that this approach is in line with FRS 102 section 27 (Impairment of assets) due to the inter-dependence of each subsidiary on future group cashflows, forecasted profit and operational reliance within the UK group.

For each reporting period, the Company considers whether the investment in subsidiaries is impaired. This requires consideration of numerous indicators of impairment from both internal and external sources, upon which the Company makes a judgement based on all known facts and future plans. Where an indication of impairment is identified the estimation of recoverable amount requires estimation of the recoverable value of the single CGU described above. This requires estimation of the future cash flows of the UK group and also selection of an appropriate discount rate in order to calculate the net present value of those cash flows.

Key accounting policies

Dividends
Income from shares in group undertakings represents dividend income received from subsidiary operations. Interim dividends are recognised when paid and final dividends are recognised as when they are approved by members passing a written resolution.

Expenditure
The Company retains expenses which are incurred directly in relation to the running of the Company, for example audit fees. In addition, the Company is allocated a share of expenses, which are incurred in relation to its role as the holding entity of the UK group, from other group entities under the Group Resource Agreement.

Interest receivable and payable
Interest is recognised in the financial statements in the period to which it relates.

Taxation
Current and deferred income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred income tax is recognised on an undiscounted basis for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. A deferred income tax asset is recognised to the extent that it is probable that future

Notes to the financial statements for the year ended 31 December 2024 (continued)

taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Current and deferred income taxes are recognised as income or expense in statement of comprehensive income. The expense is charged or credited to operations based upon amounts payable or recoverable as a result of taxable operations for the current year. Where there are losses in the UK in any one year they can be carried back for one year or carried forward indefinitely to be offset against profits arising.

The largest group to consolidate these financial statements is Ascot Group Limited ("AGL") referred to as the "Ascot Group". AUG is part of the Ascot Group, and accordingly expects to be within the scope of Pillar Two legislation. Ascot Group does not expect any Pillar Two income taxes in the UK and has accordingly not accrued any in these financial statements.

Investment in subsidiaries
Investments in subsidiary undertakings and other investments are stated at cost and are reviewed for impairment on an annual basis for any indicators that the carrying value should be impaired.

Foreign currencies
The Company's functional currency is US Dollars. All income and expenses denominated in foreign currencies during the period are translated into US Dollars at the average rates of exchange during the year. Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates of exchange ruling at the statement of financial position date. Exchange differences arising from these transactions are recorded as a gain or loss in the statement of comprehensive income.

Financial assets and liabilities
When financial assets and liabilities are payable or recoverable in more than one year, they are initially recognised at cost and subsequently re-measured at amortised cost using the effective interest rate method. The interest rate used is generally that as stated in the loan agreement (if applicable) or a standard market rate for a similar product. The unwinding of the associated discount is subsequently recognised in the Statement of Comprehensive Income. Financial assets and liabilities payable or receivable in less than one year are recognised at cost, and deemed to be at present value.

3. Cash flow statement

The Company is consolidated into the financial statements of AGL (see note 19). Consequently, the Company has taken advantage of the exemption from preparing a statement of cash flows under the terms of FRS 102.1.11, 1.12 and 1.13 which state that a qualifying entity is entitled to do so.

4. Operating loss

Operating loss is stated after charging:

	2024	**2023**
	$'000	**$'000**
Auditor's remuneration - audit of the statutory financial statements	39	26
Auditor's remuneration - enhanced group audit requirements	118	—
Impairment of investment in subsidiary	—	10,840
Foreign exchange loss / (gain)	8	(589)
Recharges from Group companies	1,028	736

The Company was allocated a share of expenses incurred in relation to its role as the holding entity of the UK group, from other group entities under the Group Resource Agreement.

In 2023, the carrying value of the investment in the subsidiary AECM exceeded its net assets held. Management therefore elected to fully impair the investment.

Notes to the financial statements for the year ended 31 December 2024 (continued)

5. Staff costs

There are no employees. All staff are employed by other companies in the Ascot Group.

6. Directors' Remuneration

Aggregate directors' emoluments charged to the Company, or its subsidiaries, or paid for the benefit of the Company for the four (2023: five) remunerated directors are as follows:

Directors' emoluments	2024	2023
		Restated
	$'000	$'000
Wages and salaries	712	924
Other pension costs	51	68
Other benefits	23	27
Short term and long term incentive plans	1,515	1,164
Stock salary - restricted stock awards	934	1,021
	3,235	**3,204**
Highest paid	1,653,800	1,659,013

The highest paid director for the year ended 31 December 2024 received $1,653,800 of remuneration in the year (Restated 2023: $1,659,013). Benefits, during the year, were expensed in respect of qualifying services for four directors.

The directors' emoluments for the year ended 31 December 2023 have been restated to reflect only the costs borne and payable by AUGL and its subsidiaries.

7. Interest receivable and similar income

Interest receivable relates to amounts earned from the Company's held money market accounts, accrued income, interest on intercompany loan (note 13) and interest earned on cash held during the year.

8. Income from shares in group undertakings

During the year the Company received $5,759,725 of dividends (2023: $6,918,762) in total from UK subsidiaries consisting of $2,600,000 from AUL (2023: £2.200,000), and £2,500,000 from AUHL (2023: £3.500,000). There are no proposed dividends by the Company post the date of this report.

9. Interest payable and similar charges

	2024	2023
	$'000	$'000
Amounts accrued on interest bearing loans	5109	5095
Loan discounting	396	537
	5,505	**5,632**

For further detail on the loan discount please refer to note 16 - Creditors: amounts falling due after one year.

Notes to the financial statements for the year ended 31 December 2024 (continued)

10. Tax on loss on ordinary activities

a) Analysis of credit in the year

The tax credit comprises:

	2024	2023
	$'000	$'000
Current Tax on loss on ordinary activities:		
UK Corporation tax	—	—
Current tax on loss for the year	**—**	**—**
Deferred taxation:		
Deferred tax – origination and reversal of timing differences	1,570	1,305
Impact of change in tax rates	—	282
Deferred tax on loss for the year (note 14)	**1,570**	**1,587**
Tax Credit	**1,570**	**1,587**

b) Factors affecting tax credit for the year

The standard rate of Corporation Tax in the UK is 25% (2023: 23.5%). The Company's loss for this accounting period are taxed at the standard tax rate of 25% (2023: 23.5%). The current tax assessed for the year is lower (2023: lower) than the standard rate of Corporation Tax. The differences are explained below:

	2024	2023
	$'000	$'000
Loss on ordinary activities before taxation	(518)	(9,515)
Loss on ordinary activities before tax multiplied by the standard rate of UK corporation tax of 25% (2023: 23.5%)	129	2,236
Income / (expenses) not deductible for tax purposes:		
Dividends	1,440	1,626
Impairment of investment in subsidiary	—	(2,548)
Other expenses not deductible for tax purposes	(2)	(8)
Foreign exchange gain on capital transaction	3	(1)
Tax rate differences	—	282
Tax credit for the period	**1,570**	**1,587**

11. Investment in subsidiaries

The related undertakings of Ascot Underwriting Group Limited at 31 December 2024:

Subsidiary undertaking	Principal Activity	Registered Address	Class	Percentage
Ascot Underwriting Holdings Limited	Holding Company	20 Fenchurch Street, London, UK	Ordinary	100%
Ascot Employees Corporate Member Limited	Dormant Corporate Member of Lloyd's	20 Fenchurch Street, London, UK	Ordinary	100%
Ascot Corporate Name Limited	Corporate Member of Lloyd's	20 Fenchurch Street, London, UK	Ordinary	100%
Ascot Underwriting Limited	Managing Agent	20 Fenchurch Street, London, UK	Ordinary	100%

Notes to the financial statements for the year ended 31 December 2024 (continued)

11. Investment in subsidiaries (continued)

Indirect related undertakings as at 31 December 2024 were:

Subsidiary undertaking	Principal Activity	Registered Address	Class	Percentage
Ascot Insurance Services Limited	Service Company	20 Fenchurch Street, London, UK	Ordinary	100%

Investment in subsidiary undertakings:

Cost	2024 $	2023 $
Ascot Corporate Name Limited	239,538,811	239,538,811
Ascot Employees Corporate Member Limited	—	—
Ascot Underwriting Holdings Limited	255,844,760	255,844,760
Ascot Underwriting Limited	503,296	503,296
Ascot MGA Limited	—	100
At Year End	**495,886,867**	**495,886,967**

The subsidiary Ascot MGA Limited was formally dissolved on 6 August 2024.

12. Investments

Included within the investments balance within current assets is $5,600k of Invesco money market short term investments (2023: $5,431k).

13. Debtors

	2024 $'000	2023 $'000
Intercompany loan due from subsidiaries	14,199	—
Amounts due from subsidiaries	—	14,121
Other debtors	—	5
Accrued Income	37	23
	14,236	**14,149**

On the 1 December 2024, amounts due from subsidiary ACNL were formalised into an intercompany loan bearing interest at a rate of 1.75% plus Secured Overnight Financing Rate. This loan is expected to be settled within one year.

14. Deferred tax asset

Deferred tax is provided as follows:

	2024 $'000	2023 $'000
At 1 January	3,563	1,976
Deferred tax credit to other comprehensive income (note 10a)	1,570	1,587
At 31 December	**5,133**	**3,563**

Notes to the financial statements for the year ended 31 December 2024 (continued)

14. Deferred tax asset (continued)

The closing deferred tax balance comprise:

	2024	2023
	$'000	$'000
Trading losses	5,133	3,563
	5,133	**3,563**

The calculation of the deferred tax assets and liabilities is based on corporation tax rates, as at the balance sheet date, for the financial years in which the timing difference is expected to reverse. The net deferred tax asset expected to reverse in 2025 is $5,133k (2024: $3,563k). Deferred tax has not been recognised on pre-2017 losses of $181k (2023: $181k) as they are not expected to be utilised in future years.

15. Creditors: amounts falling due within one year

	2024	2023
	$'000	$'000
Amounts due to subsidiaries	227	44
Accruals and deferred income	154	28
	381	**72**

Amounts due to subsidiaries do not have any applicable terms and conditions applied and have been settled within one year.

16. Creditors: amounts falling due after one year

	2024	2023
	$'000	$'000
Loan notes issued to immediate parent	(149,685)	(149,288)
	(149,685)	**(149,288)**

A resolution was passed by the board of AUGL on 17 November 2016 to create up to 200,000,000 loan notes with a value of $1 per note. The loan notes were issued on 18 November 2016 and 150,000,000 were taken up by the Company's parent, Ascot Bermuda Limited. Interest on the notes accrues on a days basis of a 360-day year. In anticipation of maturation of the original loan facility, the Board passed a resolution on 17 June 2021 to relist the loan notes via the inception of a new facility on 18 November 2021, for a further five years.

The issuer (AUGL) will pay interest on the principal amount of each note at a rate of 3.35% per annum, with any interest accrued but unsettled at the period end being added to the principal. The final maturity date of the notes is 18 November 2026 at which point AUGL shall either redeem the notes via a repayment of loan principal to their parent company, or enter into a new loan agreement with ABL. The $150m loan note instrument issued by AUGL is held by ABL and is listed on the Bermuda Stock Exchange.

The balance of the financial liability at the end of the year has been measured at amortised cost using the effective interest rate method (loan rate of 3.35%); this has given rise to the discount being partially unwound to the statement of comprehensive income of expense $395,929 (2023: $537,386) and a discount to the balance sheet value of the loan of receivable $315,282 (2023: $711,211).

Notes to the financial statements for the year ended 31 December 2024 (continued)

17. Share capital and other reserves

	2024 $	2023 $
Authorised	305,992	305,992
Allotted and fully paid	305,992	305,992

The capital consists of 305,992,274 ordinary shares of $0.001 each. The entire issued share capital of the Company is owned by ABL.

	2024 Share Capital $'000	2024 Share Premium $'000	2024 Retained Earnings $'000	2023 Share Capital $'000	2023 Share Premium $'000	2023 Retained Earnings $'000
Balance at 1 January	306	355,685	13,824	306	355,685	21,752
Profit/(loss) for the period	—	—	1,052	—	—	(7,928)
Balance at 31 December	**306**	**355,685**	**14,876**	**306**	**355,685**	**13,824**

18. Related party transactions

The Company has taken advantage of exemptions under FRS 102 Section 33 to not disclose inter-group transactions as the Company is a wholly-owned subsidiary of ABL and AGL. Copies of the AGL consolidated financial statements can be obtained from the Company Secretary, c/o Carey Olsen Services Bermuda Limited, Rosebank Centre, 5th Floor, 11 Bermudian Road, Pembroke, HM08, Bermuda.

Other than those mentioned in the relevant disclosure notes, there are no other material related party transactions during the year.

19. Ultimate controlling party

The Company's immediate parent undertaking and smallest group to consolidate these financial statements is with ABL. Copies of ABL financial statements can be obtained from the Company Secretary, c/o Carey Olsen Services Bermuda Limited, Rosebank Centre, 5th Floor, 11 Bermudian Road, Pembroke, HM08, Bermuda.

The largest group to consolidate these financial statements is AGL. Copies of the AGL consolidated financial statements can be obtained from the Company Secretary, c/o Carey Olsen Services Bermuda Limited, Rosebank Centre, 5th Floor, 11 Bermudian Road, Pembroke, HM08, Bermuda.

The ultimate parent undertaking and controlling party is Canada Pension Plan Investment Board, incorporated in Canada with a registered address of: 1 Queen Street East, Suite 2500, Toronto ON M5C 2W5, Canada.