

## **Accounts disclaimer**

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# Section 1:

## Lloyd's Syndicate 6136

**Annual Report and Accounts for the year ended  
31 December 2025**

## Directors and advisors

### **MANAGING AGENT'S REGISTERED OFFICE**

Ariel Re Managing Agency Limited  
9<sup>th</sup> Floor  
The Monument Building  
11 Monument Street  
London  
EC3R 8AF

### **MANAGING AGENT'S REGISTERED NUMBER**

13511920

### **DIRECTORS**

De Saram, Mark Stuart (Chairman)  
Gokhool, Nivedita  
Lednor, Darren Mark  
Mather, Ryan Alexander Robert  
Poole, Jonathan Edward  
Schofield, Belinda Anne  
Trussell, Mary Helen

### **SYNDICATE**

Ariel Re Syndicate 6136

### **ACTIVE UNDERWRITER**

Pickett, Mark

### **BANKERS**

Barclays Bank Plc  
Citibank NA  
RBC Dexia

### **INVESTMENT MANAGERS**

Conning Asset Management Ltd  
24 Monument Street  
London EC3R 8AJ

### **AUDITORS**

Ernst & Young LLP  
Statutory Auditor  
25 Churchill Place  
Canary Wharf  
London E14 5EY

# Chairman's statement

I present to you my report as Chairman of Ariel Re Managing Agency Limited ('ARMA') and its managed Special Purpose Arrangement ("SPA") 6136 which reinsures Syndicate 1910. ARMA is a subsidiary of Ariel Re Services Holdings (No 1355) Limited and is part of the Ariel Re group of companies ("Ariel Re"), which through ARMA's direction, provides underwriting and operational services to the syndicate.

## RESULTS SUMMARY

SPA 6136 was put into runoff for the 2024 Year of Account and hence the result for the year reflects the runoff of the expiring property only liabilities. As of July 2024, this portfolio's liabilities had expired.

The syndicate's UK GAAP result for 2025 was a profit of \$2.2m (2024: \$10.4m).

The SPA's premium is now fully earned.

## THIRD PARTY CAPITAL

In 2023, new third party capital supported the SPA's creation as the Ariel Re business

sought to expand during the Year of Account. The capital providers have since continued to support Ariel Re by providing capacity to Syndicate 1910.

## STAFF COMMITMENT

The board would like to express our deepest thanks to our employees for their continued hard work and dedication, building the syndicate portfolios and continuing to improve our operational efficiency at ARMA.

**Mark De Saram**  
Chairman

18 February 2026

# Report of the Directors of the Managing Agent

The directors of Ariel Re Managing Agency Limited present their report for the year ended 31 December 2025.

## REPORTING BASIS

These syndicate annual accounts are prepared using the annual basis of accounting, as required by Statutory Instrument No 1950 of 2008, The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 ("Lloyd's Regulations 2008").

## RESULTS

The profit for calendar year 2025 is \$2.2m (2024: \$10.4m). Profits will be distributed by reference to the result of the individual underwriting year.

## CALENDAR YEAR RESULTS

The syndicate's key financial performance indicators during the year were as follows:

	2025 \$000	2024 \$000 (Restated)
Gross written premium	227	138
Total comprehensive income	2,205	10,417

## UNDERWRITING YEARS OF ACCOUNT SUMMARY

The return on capacity for the 2023 year of account at 31 December 2025 is shown below

Year of account summary	2023 \$000
Stamp capacity	91,243
Stamp premium income	59,767
Stamp utilisation	65.5%
Gross written premium	68,556
Profit	44,673
Profit on stamp	49.0%

## REINSURANCE PROGRAMME PURCHASE

The syndicate does not buy reinsurance independently of its host Syndicate 1910, but benefits from the reinsurance protection purchased by Syndicate 1910 in proportion to its 13.1% quota share.

## INVESTMENTS

The syndicate operates on a funds withheld basis and so does not operate its own bank accounts or hold any investments but benefits

## PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The syndicate was established in 2023 as a 'sidecar' Special Purpose Agreement, writing a 13.1% quota share of Syndicate 1910 Property portfolio, for business incepting between 1st April 2023 and 31st December 2023. SPA 6136 received a 7% share of investment income from Syndicate 1910 2023 Year of Account. The syndicate is charged a share of expenses incurred by Syndicate 1910 as well as its share of all Lloyd's levies, subscriptions and costs. SPA 6136 was put into run-off for the 2024 Year of Account. Both syndicates are managed by Ariel Re Managing Agency Limited.

from the investment return earned by host Syndicate 1910 which cedes a 7% share of net investment income.

## FOREIGN EXCHANGE EXPOSURE POLICY

The aim of the host syndicate's policy is to minimise foreign exchange volatility in US Dollar terms (the functional currency of the syndicate). To achieve this, they aim to match assets and liabilities in currency. It is the host

syndicate's policy to hold its surplus assets (profits) in US Dollars.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

Note 2 in the notes to the financial statements provides an analysis of the key insurance and financial risks to which the syndicate is exposed.

### **DONATIONS**

Charitable donations during the year amounted to \$nil (2024: \$Nil).

### **OUTLOOK AND FUTURE DEVELOPMENTS**

Syndicate 6136 began writing business as an SPA in April 2023 to take advantage of the favourable rating environment identified on the Syndicate 1910 property portfolio. It was decided to integrate the members from Syndicate 6136 into Syndicate 1910 on the 2024 Year of Account, so Syndicate 6136 did not participate on the 2024 Year of Account and was placed into Run-Off until 31st

### **DIRECTORS AND OFFICERS SERVING IN THE YEAR**

The directors of the Managing Agent, who served during the year ended 31 December 2025 and to the date of this report, were:

Directors and officers

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M S De Saram (independent non-executive; Chairman)

---

N Gokhool

---

R H Knowles

Resigned 11 November 2025

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D M Lednor

---

R A R Mather

---

J E Poole

---

B A Schofield (independent non-executive)

---

M H Trussell (independent non-executive)

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### **ANNUAL GENERAL MEETING**

The directors do not propose to hold an annual general meeting for the syndicate. If any member agent or direct corporate supporter of the syndicate wishes to meet with them, the directors are happy to do so.

### **DISCLOSURE OF INFORMATION TO AUDITORS**

So far as each person who was a director of the Managing Agent at the date of approving the report is aware, there is no relevant audit

information, being information needed by the syndicate auditor in connection with the auditor's report, of which the auditor is unaware. Having made enquiries of fellow directors of the Agency and the syndicate's Auditors, each director has taken all the steps that he or she ought to have taken as a director to become aware of any relevant audit information and to establish that the syndicate's auditor is aware of that information.

December 2025, at which time it has been reinsured by RITC into its host Syndicate 1910.

The capacity for the 2023 Year of Account is \$91.2m

SPA 6136 is not participating on Lloyd's Europe platform as no direct business is written in Europe.

### **ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

The directors of the Managing Agency believe the syndicate's long-term sustainability and profitability for the benefit of its members as a whole will be improved through an active and effective Environmental, Social and Governance ("ESG") strategy. To help develop this ESG strategy, the Ariel Re leadership team has been directed to establish, prioritise and implement Ariel Re's ESG goals and objectives. The directors intend to monitor, guide and aid the leadership team in accomplishing its goals.

**AUDITORS**

Syndicate 6136 ceases to exist after RITC of the 2023 Year of Account has closed into Syndicate 1910. As such no auditors will be required.



**D M Lednor**  
Director

18 February 2026

# Statement of Managing Agent's responsibilities

The managing agent is responsible for preparing the annual report and the syndicate annual accounts in accordance with applicable law and regulations.

The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 ("the 2008 Regulations") requires the managing agent to prepare syndicate annual accounts at 31 December each year, in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), which give a true and fair view of the state of affairs of the syndicate and of its profit or loss for that year.

In preparing these syndicate annual accounts, the managing agent is required to:

- select suitable accounting policies, and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the syndicate annual accounts; and
- prepare the syndicate annual accounts on the basis that the syndicate will continue to write future business unless it is inappropriate to do so. Accordingly, for the

reason stated in Managing agent's report and note 1, the financial statements have not been prepared on a going concern basis

The managing agent is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the syndicate and enable it to ensure that the syndicate annual accounts comply with the 2008 Regulations. It is also responsible for safeguarding the assets of the syndicate and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

The managing agent is responsible for the maintenance and integrity of the corporate and financial information relating to the syndicate included on the managing agent's website.

We confirm that to the best of our knowledge the syndicate accounts, including the iXBRL tagging applied to these accounts, comply with the requirements of the Lloyd's syndicate Accounts Instructions version 3.1 as modified by the Frequently Asked Questions version 1.1 issued by Lloyd's.

Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

# Independent auditor's report to the members of S6136

## OPINION

We have audited the syndicate annual accounts of syndicate 6136 ('the syndicate') for the year ended 31 December 2025 which comprise Statement of Profit or Loss and Other Comprehensive Income, Balance Sheet, the Statement of change in Members' Balances, the Statement of Cash Flows and the related notes 1 to 16, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law including The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and FRS 103 'Insurance Contracts' ('United Kingdom Generally Accepted Accounting Practice'), and Section 1 of the Lloyd's Syndicate Accounts Instructions V3.1 as modified by the Frequently Asked Questions Version 1.1 issued by Lloyd's ('the Syndicate Accounts Instructions').

In our opinion, the syndicate annual accounts:

- give a true and fair view of the syndicate's affairs as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and the Syndicate Accounts Instructions.

## BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, the Syndicate Accounts Instructions, and other applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the syndicate

annual accounts section of our report. We are independent of the syndicate in accordance with the ethical requirements that are relevant to our audit of the syndicate annual accounts in the UK, including the FRC's Ethical Standard as applied to other entities of public interest, 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.

## EMPHASIS OF MATTER – ANNUAL ACCOUNTS PREPARED ON A BASIS OTHER THAN GOING CONCERN

We draw attention to note 1 which explains that in respect of the 2023 year of account, syndicate 6136 has entered into a reinsurance-to-close arrangement at the 36-month stage with its host syndicate 1910. Syndicate 6136 has no successor year of account.

As a result of this, the directors do not consider it appropriate to adopt the going concern basis of accounting in preparation of the annual accounts. Accordingly, the annual accounts of the syndicate have been prepared on a basis other than going concern.

Our opinion is not modified in respect of this matter.

## OTHER INFORMATION

The other information comprises the information included in the Annual Report and Accounts other than the syndicate annual accounts and our auditor's report thereon. The directors of the managing agent are responsible for the other information contained within the Annual Report and Accounts.

Our opinion on the syndicate annual accounts does not cover the other information and, except to the extent otherwise explicitly stated in this 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 syndicate annual accounts 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 syndicate annual accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **OPINIONS ON OTHER MATTERS PRESCRIBED BY THE INSURANCE ACCOUNTS DIRECTIVE (LLOYD'S SYNDICATE AND AGGREGATE ACCOUNTS) REGULATIONS 2008**

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

- the information given in the managing agent's report for the financial year in which the syndicate annual accounts are prepared is consistent with the syndicate annual accounts; and
- the managing agent's report has been prepared in accordance with applicable legal requirements.

### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of the knowledge and understanding of the syndicate and its environment obtained in the course of the audit, we have not identified material misstatements in the managing agent's report.

We have nothing to report in respect of the following matters where The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 requires us to report to you, if in our opinion:

- the managing agent in respect of the syndicate has not kept adequate accounting records; or
- the syndicate annual accounts are not in agreement with the accounting records; or
- certain disclosures of the managing agents' emoluments specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

### **RESPONSIBILITY OF THE MANAGING AGENT**

As explained more fully in the Statement of Managing Agent's Responsibilities set out on page 9, the directors of the managing agent are responsible for the preparation of the syndicate annual accounts and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of the syndicate annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the syndicate annual accounts, the directors of the managing agent are responsible for assessing the syndicate's ability to continue in operation, disclosing, as applicable, matters related to its ability to continue in operation and using the going concern basis of accounting unless the directors of the managing agent either intends to cease to operate the syndicate, or has no realistic alternative but to do so.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE SYNDICATE ANNUAL ACCOUNTS**

Our objectives are to obtain reasonable assurance about whether the syndicate annual accounts 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 syndicate annual accounts.

### **EXPLANATION AS TO WHAT EXTENT 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example,

forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the managing agent and management.

Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the syndicate and determined that the most significant are direct laws and regulations related to elements of Lloyd's Byelaws and Regulations, and the financial reporting framework (UK United Kingdom Generally Accepted Accounting Practice), and requirements referred to by Lloyd's in the Syndicate Accounts instructions. Our considerations of other laws and regulations that may have a material effect on the syndicate annual accounts included permissions and supervisory requirements of Lloyd's of London, the Prudential Regulation Authority ('PRA') and the Financial Conduct Authority ('FCA').
- We obtained a general understanding of how the syndicate is complying with those frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance matters of the syndicate. In assessing the effectiveness of the control environment, we also reviewed significant correspondence between the syndicate, Lloyd's of London and other UK regulatory bodies; reviewed minutes of the Board and Risk Committee of the managing agent; and gained an understanding of the managing agent's approach to governance.
- For direct laws and regulations, we considered the extent of compliance with those laws and regulations as part of our procedures on the related syndicate annual accounts' items.
- For both direct and other laws and regulations, our procedures involved: making enquiries of the directors of the managing agent and senior management for their awareness of any non-

compliance of laws or regulations, enquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees, enquiring about the managing agent's methods of enforcing and monitoring compliance with such policies, and inspecting significant correspondence with Lloyd's, the PRA and the FCA.

- The syndicate operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.
- We assessed the susceptibility of the syndicate's annual accounts to material misstatement, including how fraud might occur by considering the controls that the directors of the managing agent have established to address risks identified by them, or that otherwise seek to prevent, deter or detect fraud. We also considered areas of significant judgement and the impact these have on the control environment. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the syndicate annual accounts were free from material misstatement due to fraud or error.

Our procedures also included:

- Considering accounting estimates for evidence of management bias in respect of recognition of estimated premium income. Supported by our actuaries, we assessed if there were any indicators of management bias in the valuation of gross incurred but not reported claims provisions; and
- Testing the appropriateness of journal entries recorded in the general ledger on a sample basis.

A further description of our responsibilities for the audit of the annual accounts is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

**OTHER MATTER**

Our opinion on the syndicate annual accounts does not cover the iXBRL tagging included within these syndicate annual accounts, and we do not express any form of assurance conclusion thereon.

**USE OF OUR REPORT**

This report is made solely to the syndicate's members, as a body, in accordance with The

*Ernst & Young LLP*

**Angus Millar**  
**(Senior statutory auditor)**

for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

18 February 2026

Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the syndicate'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 syndicate and the syndicate's members as a body, for our audit work, for this report, or for the opinions we have formed.

# Statement of profit or loss and other comprehensive income:

## Technical account – General business

For the year ended 31 December 2025

	Note	2025 \$000	2024 \$000 (Restated)*
Gross premiums written	3	227	138
Outwards reinsurance premiums		-	-
<b>Premiums written, net of reinsurance</b>		<b>227</b>	<b>138</b>
Changes in unearned premium			
Change in the gross provision for unearned premiums		11	8,703
Change in the provision for unearned premiums reinsurers' share		-	-
<b>Net change in provisions for unearned premiums</b>	<b>10</b>	<b>11</b>	<b>8,703</b>
<b>Earned premiums, net of reinsurance</b>		<b>238</b>	<b>8,841</b>
Allocated investment return transferred from the non-technical account	0	1,141	825
Claims paid			
Gross amount		-	39
Reinsurers' share		-	-
<b>Net claims paid</b>	<b>10</b>	<b>-</b>	<b>39</b>
Change in the provision for claims			
Gross amount		767	2,089
Reinsurers' share		-	-
<b>Net change in provisions for claims</b>	<b>10</b>	<b>767</b>	<b>2,089</b>
<b>Claims incurred, net of reinsurance</b>		<b>767</b>	<b>2,128</b>
Net operating expenses	4	(38)	(1,090)
<b>Balance on the technical account – general business</b>		<b>2,108</b>	<b>10,704</b>

\*The restatement relates to the voluntary change in presentational currency from GBP to USD during the year. Refer to note 1 for further details

# Statement of profit or loss and other comprehensive income: (cont.)

## Non-technical account – General business

For the year ended 31 December 2025

	Note	2025 \$000	2024 \$000 (Restated)*
<b>Balance on the technical account – general business</b>		<b>2,108</b>	10,704
Investment income	6	710	582
Realised gains on investments	6	469	150
Unrealised (losses)/gains on investments	6	(28)	93
Investment expenses and charges	6	(10)	-
<b>Total investment return</b>		<b>1,141</b>	825
Allocated investment return transferred to the general business technical account		(1,141)	(825)
Profit/(loss) on foreign exchange		97	(287)
<b>Profit for the financial year</b>		<b>2,205</b>	10,417
<b>Other comprehensive income:</b>			
Currency translation gains/(losses)		-	-
<b>Total comprehensive income for the year</b>		<b>2,205</b>	10,417

The accompanying notes from page 19 to 32 form an integral part of these financial statements.

\*The restatement relates to the voluntary change in presentational currency from GBP to USD during the year. Refer to note 1 for further details

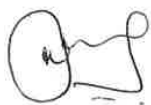
# Balance sheet

As at 31 December 2025

	Note	2025	2024 \$000 (Restated)*
<b>Assets</b>			
Provision for unearned premiums		-	-
Claims outstanding		-	-
Reinsurers' share of technical provisions		-	-
Debtors arising out of reinsurance operations	0	45,524	44,074
<b>Debtors</b>		<b>45,524</b>	44,074
Deferred acquisition costs	8	-	4
Prepayments and accrued income		-	4
<b>Total assets</b>		<b>45,524</b>	44,078
<b>Members' balances and liabilities</b>			
Members' balances		44,673	42,468
<b>Total capital and reserves</b>		<b>44,673</b>	42,468
Provision for unearned premiums		-	11
Claims outstanding		851	1,599
Technical provisions	10	851	1,610
<b>Total liabilities</b>		<b>851</b>	1,610
<b>Total liabilities, capital and reserves</b>		<b>45,524</b>	44,078

The accompanying notes from page 19 to 32 form an integral part of these financial statements.

The Syndicate financial statements on pages 14 to 32 were approved by the board of Ariel Re Managing Agency Limited on 18 February 2026 and were signed on its behalf by:



N Gokhool  
Director



D M Lednor  
Director

\*The restatement relates to the voluntary change in presentational currency from GBP to USD during the year. Refer to note 1 for further details

# Statement of changes in members' balances

For the year ended 31 December 2025

	\$000	\$000 (Restated)*
Members' balances brought forward at 1 January	<b>42,468</b>	32,051
Total comprehensive income for the year	<b>2,205</b>	10,417
<b>Amount due to members at 31 December</b>	<b>44,673</b>	42,468

\*The restatement relates to the voluntary change in presentational currency from GBP to USD during the year. Refer to note 1 for further details

# Statement of cash flows

For the year ended 31 December 2025

	2025 \$000	2024 \$000 (Restated)*
<b>Cash flows from operating activities</b>		
Profit for the financial year	2,205	10,417
Adjustments:		
Decrease in gross technical provisions	(776)	(10,603)
Increase in debtors	(195)	(191)
Movement in other assets/liabilities	4	1,082
Investment return	(1,141)	(825)
Foreign exchange	(97)	120
<b>Net cash flows from operating activities</b>	-	-
<b>Cash flows from investing activities</b>		
Investment income received	-	-
<b>Net cash flows from investing activities</b>	-	-
<b>Cash flows from financing activities</b>		
Capital contributions/open year cash calls made	-	-
<b>Net cash flows from financing activities</b>	-	-
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	-	-
<b>Cash and cash equivalents at the end of the year</b>	-	-

\*The restatement relates to the voluntary change in presentational currency from GBP to USD during the year. Refer to note 1 for further details.

# Notes to the financial statements – (forming part of the financial statements)

## Year ended 31 December 2025

### 1. Accounting policies

#### STATEMENT OF COMPLIANCE

The financial statements have been prepared in compliance with The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and Financial Reporting Standard 103 'Insurance Contracts' (FRS 103), being applicable UK GAAP accounting standards, and the Lloyd's Syndicate Accounts Instructions Version 3.1 as modified by the Frequently Asked Questions Version 1.1 issued by Lloyd's, and in accordance with the provision of Schedule 3 of the Large and Medium –sized Companies and Groups (Accounts and Reports) Regulations 2008 pursuant to section 369 of the Companies Act 2006.

The financial statements are prepared under the historical cost convention.

#### BASIS OF PREPARATION

The financial statements of Syndicate 6136 were authorised for issue by the board of directors on 18 February 2026.

The functional currency of the syndicate is US dollars, and the financial statements are presented in US dollars and rounded to the nearest \$1,000 unless otherwise stated.

Amounts ceded from Syndicate 1910 to Syndicate 6136 are gross of external reinsurance for the 2023 Year of Account and are recognised as gross balances in Syndicate 6136. The syndicate's share of Syndicate 1910's external outwards reinsurance is recognised as reinsurance balances in Syndicate 6136. The syndicate takes a share of investment income and expenses on the 2023 Year of Account from the host Syndicate 1910, and these are recognised in the equivalent account in Syndicate 6136.

Syndicate 6136 operates on a funds withheld basis, so therefore does not hold monetary assets on its balance sheet. This effectively means the syndicate is cashless, with all funds maintained in a withheld account, distributed upon the closure of the Year of Account.

At 31st December 2024 the financial statements were prepared on a historical cost

basis as there were less than 12 months left to run before the expected RITC to S1910.

At 31st December 2025, from the date of the authorisation of the accounts, there will be less than 12 months remaining before the RITC. Therefore, it has been concluded that the entity will not be able to continue its operations for the foreseeable future. Hence, the preparation of the accounts, on a basis other than going concern, has been deemed more appropriate given the circumstances.

The financial statements have been prepared on a historical cost basis.

#### GOING CONCERN

In respect of the 2023 Year of Account, Syndicate 6136 has entered into a reinsurance to close arrangement at the 36 month stage with its host Syndicate 1910. Syndicate 6136 will cease to operate and will have no subsequent years of account. On this basis the syndicate is no longer a going concern. This does not affect the balance sheet valuations in the annual accounts.

The annual accounts have been prepared on the basis of other than going concern. While these syndicate accounts have not been prepared on a going concern basis, the RITC process is anticipated to occur in the ordinary course of business, and there has been no impact to on the valuation of the assets or liabilities of the syndicate. The RITC has followed the normal Lloyd's process and has occurred at 31st December 2025.

#### RESTATEMENT OF COMPARATIVE BALANCES

Effective 1 January 2025, Syndicate 6136 has elected to change its reporting currency from Sterling to US dollars, due to the change in Lloyd's regulatory reporting requirements and to align its functional and reporting currency. This change in accounting policy has nil impact on the Statement of Financial Position assets and liabilities, Statement of comprehensive income or Cashflow statement.

#### JUDGEMENT AND KEY SOURCES OF UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for

revenues and expenses during the year. However, the nature of estimation means that the actual outcomes could differ from those estimates. The following are the syndicate's key sources of estimation uncertainty:

### **PREMIUMS WRITTEN**

Gross written premiums comprise the syndicate's share of the total premiums receivable by Syndicate 1910, gross of reinsurance purchased by Syndicate 1910 for the whole period of cover provided by the contracts entered into during the reporting period, regardless of whether these are wholly due for payment in the reporting period, together with any adjustments arising in the reporting period to such premiums receivable in respect of business written in prior reporting periods. Syndicate 1910 recognises premium on the date on which the policy commences. Syndicate 1910 states gross written premium gross of brokerage payable and excludes taxes and duties levied on them.

Syndicate 1910 makes estimates for pipeline premiums, representing amounts due to the syndicate not yet notified, as well as adjustments made in the year to premiums written in prior accounting periods.

### **CLAIMS INCURRED AND REINSURER'S SHARE**

Claims incurred comprise the syndicate's share of claims and settlement expenses (both internal and external) paid by Syndicate 1910 in the year, and the movement in provision for outstanding claims and settlement expenses, including an allowance for the cost of claims incurred by the reporting date, but not reported until after the reporting period end.

The provision for claims in Syndicate 1910 comprises amounts set aside for claims notified and claims incurred but not yet reported (IBNR).

The amount included in respect of IBNR in Syndicate 1910 is based on statistical techniques of estimation applied by external consulting actuaries. These techniques generally involve projecting from past experience of the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. The provision for claims in Syndicate 1910 also includes amounts in respect of internal and external claims handling costs. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the

business accepted and assessments of underwriting conditions.

The reinsurers' share of provisions for claims in Syndicate 1910 is based on calculated amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to the reinsurance programme in place for the class of business and the claims experience for the year. Syndicate 1910 uses a number of statistical techniques to assist in making these estimates.

Accordingly, the two most critical assumptions as regards claims provisions in Syndicate 1910 are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred.

The directors consider that the syndicate's share of the provisions for claims and related reinsurance recoveries in Syndicate 1910 is fairly stated on the basis of the information currently available to them. However, ultimate liability will vary as a result of subsequent information and events, and this may result in significant adjustments to the amounts provided.

Adjustments to the amounts of claims provisions established in prior years are reflected in the financial statements for the period in which the adjustments are made. The methods used, and the estimates made, are reviewed regularly.

### **SIGNIFICANT ACCOUNTING POLICIES**

#### **Unearned Premiums**

Written premium is earned in according to the risk profile of the policy. Unearned premiums represent the proportion of premiums written in the year that relate to unexpired terms of policies in force at the date of the balance sheet calculated on the basis of established earnings patterns or time apportionment as appropriate.

#### **Unexpired Risks**

A provision for unexpired risks is made where claims and related expenses are likely to arise after the end of the financial period in respect of contracts concluded before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

The provision for unexpired risks is calculated separately by reference to classes of business which are managed together, after taking into account relevant investment return.

At 31 December 2025 the syndicate did not have an unexpired risk provision.

### **Acquisition Costs**

Acquisition costs, comprising commission and other costs related to the acquisition of new insurance contracts are recognised by reference to premium written. They are deferred to the extent that they are attributable to and recoverable against premiums unearned at the balance sheet date. All other operating expenses are accounted for on an accruals basis.

### **Funds Withheld**

The syndicate operates on a “funds with-held basis” and operates no bank accounts of its own and holds no investments. Investment income earned by Syndicate 1910 is ceded to the syndicate.

### **Syndicate Operating Expenses**

The syndicate incurs its share of the operating expenses and personal expenses of Syndicate 1910.

Members’ standard personal expenses are included in net operating expenses and include Lloyd’s subscriptions, Central Fund contributions and Managing Agent’s fees.

Ariel Re Bermuda Limited (“ARBL”), Ariel Re Hong Kong (“ARHK”) and Ariel Re UK Limited (“ARUK”), as Managing General Agencies (MGAs), incur significant cost underwriting business on behalf of Syndicate 1910 and are reimbursed via a coverholder commission of 8.7% for the 2023 Year of Account on premiums written by Syndicate 6136. This fee is included within net operating expenses under both administrative expenses and acquisition costs.

### **Foreign Currencies**

The syndicate’s functional currency and presentational currency is US Dollars.

Transactions denominated in currencies other than the functional currency are initially recorded in the functional currency at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities (which include all assets and liabilities arising from insurance contracts including unearned premiums and deferred acquisition costs) denominated in foreign currencies are retranslated into the functional currency at the exchange rate ruling on the reporting date.

Exchange differences are recorded in the non-technical account and due to the syndicate having the same functional and presentational currency there are no translation differences resulting from conversion of functional currency to presentational currency, which are treated as

other comprehensive income (OCI) and dealt with in the statement of profit or loss and comprehensive income.

### **Distribution of Profits and Collection of Losses**

Lloyd’s has regulations on solvency and the distribution of profits and payment of losses between a syndicate and its members. Lloyd’s continues to require syndicate membership to be on an underwriting year basis, and profits and losses belong to members according to their membership. Normally profits and losses are transferred between a syndicate and its members after results for an underwriting year are finalised after 36 months. This period may be extended if an underwriting year is placed in run-off. The syndicate may make earlier on account distributions or cash calls according to the cash flow of that underwriting year, subject to Lloyd’s regulations. As the syndicate has no bank accounts of its own, distributions are made on its behalf by Syndicate 1910 and treated as payments against reinsurance premium receivable balances in the accounts.

### **Investment Return**

The syndicate receives its share of investment income from Syndicate 1910.

Investment return comprises all investment income, realised investment gains and losses and movements in unrealised gains and losses, net of investment expenses, charges and interest.

Realised gains and losses on investments carried at market value are calculated as the difference between sale proceeds and purchase price. Movements in unrealised gains and losses on investments represent the difference between the valuation at the balance sheet date, together with the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Allocation of actual investment return on investments supporting the general insurance technical provisions and associated members’ balance is made from the non-technical account to the technical account. Investment return related to non-insurance business and members’ balance is attributed to the non-technical account. Investment return has been wholly allocated to the technical account as all investments relate to technical accounts.

### **Taxation**

Under Schedule 19 of the Finance Act 1993 managing agents are not required to deduct basic rate income tax from trading income. Managing agents can recover UK basic rate income tax deducted from syndicate investment income, and consequently any distribution to

members or members' agents is gross of tax. Capital appreciation falls within trading income and is also distributed gross of tax.

No provision has been made for United States federal income tax payable on underwriting results or investment earnings. Any payments on account made by the syndicate during the year have been included in the balance sheet under the heading 'Other Debtors'.

No provision has been made for any other foreign taxes payable by members on underwriting results.

## 2. Risk and capital management

The syndicate writes a quota share of the host Syndicate 1910. Therefore, the risk policies described below are implemented at the host level.

### a) Governance framework

The primary objective of the syndicate's risk and financial management framework is to protect the syndicate's members from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. The Managing Agent recognises the critical importance of having efficient and effective risk management systems in place, as part of a 'three lines of defence' governance model.

The Managing Agent has established a risk management function for the syndicate. Responsibilities are articulated in terms of reference and policies which are cascaded throughout the organizational structure, delegated from the board of directors, its board level committees and the associated executive management forums.

The board of directors of the Managing Agent approves the risk management policies and meets regularly to approve any commercial, regulatory and organisational requirements of such policies. These policies define the identification of risk and its interpretation to ensure the appropriate quality and diversification of assets, align underwriting and reinsurance strategy to the syndicate goals, and specify reporting requirements. Significant emphasis is placed on assessment and documentation of risks and controls, including the articulation of "risk appetite". The Board sets risk appetite annually as part of the syndicate's business planning and capital setting process. The risk management function is also responsible for reviewing the syndicate's Own Risk and Solvency Assessment ('ORSA'), recommending the assessment to the Board for approval.

### b) Capital management objectives, policies and approach

#### Capital framework at Lloyd's

The Society of Lloyd's (Lloyd's) is a regulated undertaking and subject to the supervision of the Prudential Regulation Authority (PRA) under the Financial Services and Markets Act 2000.

Within the supervisory framework, Lloyd's applies capital requirements at member level and centrally to ensure that Lloyd's complies with Solvency UK capital requirements, and beyond that to meet its own financial strength, licence and ratings objectives.

Although Lloyd's capital setting processes use a capital requirement set at syndicate level as a starting point, the requirement to meet Solvency UK and Lloyd's capital requirements apply at overall and member level only respectively, not at syndicate level. Accordingly, the capital requirement in respect of Syndicate 6136 is not disclosed in these financial statements.

#### Lloyd's capital setting process

In order to meet Lloyd's requirements, each syndicate is required to calculate its Solvency Capital Requirement (SCR) for the prospective underwriting year. This amount must be sufficient to cover a 1 in 200-year loss, reflecting uncertainty in the ultimate run-off of underwriting liabilities (SCR 'to ultimate'). The syndicate must also calculate its SCR at the same confidence level but reflecting uncertainty over a one-year time horizon (one year SCR) for Lloyd's to use in meeting Solvency UK requirements. The SCRs of each syndicate are subject to review by Lloyd's and approval by the Lloyd's Capital and Planning Group.

A syndicate may be comprised of one or more underwriting members of Lloyd's. Each member is liable for its own share of underwriting liabilities on the syndicate on which it is participating but not other members' shares. Accordingly, the capital requirement that Lloyd's sets for each member operates on a similar basis. Each member's SCR shall thus be determined by the sum of the member's share of the syndicate SCR 'to ultimate'. Where a member participates on more than one syndicate, a credit for diversification is provided to reflect the spread of risk, but consistent with determining an SCR which reflects the capital requirement to cover a 1 in 200-year loss 'to ultimate' for that member. Over and above this, Lloyd's applies a capital uplift to the member's capital requirement, known as the Economic Capital Assessment (ECA). The purpose of this uplift, which is a Lloyd's not a Solvency UK requirement, is to meet Lloyd's financial strength, licence and ratings objectives. The capital uplift applied for 2025 was 35% (2024: 35%) of the member's SCR to ultimate.

#### Provision of capital by members

Each member may provide capital to meet its ECA either by assets held in trust by Lloyd's specifically for that member (funds at Lloyd's), held within and managed within a syndicate (funds in syndicate) or

as the members' share of the members' balances on each syndicate on which it participates. Accordingly, the ending members balances reported on the balance sheet on page 16 represent resources available to meet the member's and Lloyd's capital requirements.

### c) Insurance risk

The principal risk the syndicate faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the syndicate is to ensure that sufficient reserves are available to cover these liabilities.

The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The syndicate writes short-tail property-catastrophe business in the US and internationally. Reserving risk is managed through the syndicate's Claims and Reserving Management Forum.

The syndicate uses both its own and commercially available risk management software to assess catastrophe exposure. However, there is always a risk that the assumptions and techniques used in these models are unreliable or that claims arising from an unmodelled event are greater than those arising from a modelled event.

As a further guide to the level of catastrophe exposure written by the syndicate, the following table shows hypothetical claims arising out of the Realistic Disaster Scenario (RDS) on the syndicate's in-force exposure at 1 July 2024 (Syndicate 6136 share). As the 2023 Year of Account is closing at 31 December 2025 an RDS return for the syndicate was not required during 2025.

	Estimated Gross loss \$000	Estimated Net loss \$000
Two events – North East U.S Windstorm	2,948	1,150
California Earthquake – San Francisco	10,025	411
California Earthquake – Los Angeles	11,132	426

The table below sets out the concentration of outstanding claim liabilities by type of contract (Syndicate 6136 share).

	2025			2024		
	Gross Liabilities \$000	Re-Insurance Liabilities \$000	Net Liabilities \$000	Gross Liabilities \$000	Re-Insurance Liabilities \$000	Net Liabilities \$000
				(Restated)	(Restated)	(Restated)
RI acceptances	851	–	851	1,599	–	1,599

All business is written in the UK.

The principal assumption underlying the liability estimates is that the future claims development will follow a similar pattern to past claims development experience. This includes assumptions in respect of average claim costs, claim handling costs, claim inflation factors and claim numbers for each underwriting year. Additional qualitative judgements are used to assess the extent to which past trends may not apply in the future, for example: once-off occurrence; changes in market factors such as public attitude to claiming; economic conditions as well as internal factors such as portfolio mix, policy conditions and claims handling procedures. Judgement is further used to assess the extent to which external factors such as judicial decisions and government legislation affect the estimates.

Other key circumstances affecting the reliability of assumptions include variation in interest rates, delays in settlement and changes in foreign currency rates.

### Sensitivities

The claim liabilities are sensitive to the key assumptions that follow. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross and net liabilities, profit and members' balances. The correlation of assumption will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

General insurance business sensitivities as at 31 December 2025	Sensitivity	
	+5.0% \$000	-5.0% \$000
Claims outstanding – gross of reinsurance	43	(43)
Claims outstanding – net of reinsurance	43	(43)

General insurance business sensitivities as at 31 December 2024 (Restated)	Sensitivity	
	+5.0% \$000	-5.0% \$000
Claims outstanding – gross of reinsurance	80	(80)
Claims outstanding – net of reinsurance	80	(80)

#### d) Financial risk

##### 1) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to honour their obligation to the syndicate. The syndicate's net exposure and credit risk is the risk of default by Syndicate 1910.

The table below provides information regarding the credit risk exposure of the syndicate at the reporting date by classifying assets according to independent credit ratings of the counterparties. AAA is the highest possible rating. Assets that fall outside the range of AAA to BBB are classified as speculative grade and have not been rated.

2025	AAA \$000	AA \$000	A \$000	BBB \$000	Other \$000	Not rated \$000	Total \$000
Debtors arising out of reinsurance operations	-	-	45,524	-	-	-	45,524
<b>Total</b>	-	-	45,524	-	-	-	45,524

2024 (Restated)	AAA \$000	AA \$000	A \$000	BBB \$000	Other \$000	Not rated \$000	Total \$000
Debtors arising out of reinsurance operations	-	-	44,074	-	-	-	44,074
<b>Total</b>	-	-	44,074	-	-	-	44,074

### Maximum credit exposure

It is the syndicate's policy to maintain accurate and consistent risk ratings across its credit portfolio. This enables management to focus on the applicable risks and the comparison of credit exposures across all lines of business.

The debtors below have been individually assessed for impairment by considering information such as the occurrence of significant changes in the counterparty's financial position, patterns of historical payment information and disputes with counterparties.

During the year, no impairment has been required, and no credit exposure limits were exceeded.

	Neither past due nor impaired assets	Past due but not impaired assets	Gross value of impaired assets	Impairment allowance	Total
2025	\$000	\$000	\$000	\$000	\$000
Debtors arising out of reinsurance operations	45,524	-	-	-	45,524
<b>Total</b>	<b>45,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,524</b>

	Neither past due nor impaired assets	Past due but not impaired assets	Gross value of impaired assets	Impairment allowance	Total
2024 (Restated)	\$000	\$000	\$000	\$000	\$000
Debtors arising out of reinsurance operations	44,074	-	-	-	44,074
<b>Total</b>	<b>44,074</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,074</b>

The table below sets out the age analysis of financial assets that are past due but not impaired at the balance sheet date:

	Past due but not impaired				Total
	0-3 months past due	3-6 months past due	6-12 months past due	Greater than 1 year past due	
2025	\$000	\$000	\$000	\$000	\$000
Debtors arising out of reinsurance operations	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Past due but not impaired				Total
	0-3 months past due	3-6 months past due	6-12 months past due	Greater than 1 year past due	
2024 (Restated)	\$000	\$000	\$000	\$000	\$000
Debtors arising out of reinsurance operations	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 2) Liquidity risk

The syndicate operates on a funds withheld basis and operates no bank accounts of its own. All transactions are incurred and settled in the first instance by the host Syndicate 1910. On closing a year of account, profits or losses earned by Syndicate 6136 are settled between the host syndicate and the members.

The table below summarises the maturity profile of the syndicate's financial liabilities based on remaining undiscounted contractual obligations, including interest payable, and outstanding claim liabilities based on the estimated timing of claim payments result from recognised insurance liabilities. Repayments which are subject to notice are treated as if notice were to be given immediately.

Year 2025	Undiscounted net cash flows					Total \$000
	No maturity stated \$000	0-1 yrs \$000	1-3 yrs \$000	3-5 yrs \$000	>5 yrs \$000	
Claims outstanding	-	825	26	-	-	851
<b>Total</b>	-	825	26	-	-	851

Year 2024 (Restated)	Undiscounted net cash flows					Total \$000
	No maturity stated \$000	0-1 yrs \$000	1-3 yrs \$000	3-5 yrs \$000	>5 yrs \$000	
Claims outstanding	-	1,403	160	25	11	1,599
<b>Total</b>	-	1,403	160	25	11	1,599

## 3) Market risk

### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The syndicate's functional currency is US Dollars and its exposure to foreign exchange risk arises primarily with respect to its share of transactions by Syndicate 1910 in Euro, GBP and Canadian dollars. Syndicate 6136 seeks to mitigate the risk by matching the estimated foreign currency denominated liabilities with assets denominated in the same currency.

The table below summarises the exposure of the syndicate's share of the financial assets and liabilities of Syndicate 1910 (translated to US dollars) to foreign currency exchange risk at the reporting date, as follows:

2025	Sterling \$000	US dollar \$000	Euro \$000	Canadian dollar \$000	Australian dollar \$000	Japanese Yen \$000	Other \$000	Total \$000
<b>Debtors</b>	(545)	42,187	6	141	1,458	1,314	963	45,524
<b>Total assets</b>	(545)	42,187	6	141	1,458	1,314	963	45,524
<b>Technical provisions</b>	-	(811)	-	-	(33)	(4)	(3)	(851)
<b>Total liabilities</b>	-	(811)	-	-	(33)	(4)	(3)	(851)
<b>Total capital and reserves</b>	545	(41,376)	(6)	(141)	(1,425)	(1,310)	(960)	(44,673)

	Sterling	US dollar	Euro	Canadian dollar	Australian dollar	Japanese Yen	Other	Total
2024 (Restated)	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Debtors	(489)	40,922	4	125	1,310	1,303	899	44,074
Prepayments and accrued income	-	4	-	-	-	-	-	4
Total assets	(489)	40,926	4	125	1,310	1,303	899	44,078
Technical provisions	-	(1,221)	-	(6)	(132)	(132)	(119)	(1,610)
Total liabilities	-	(1,221)	-	(6)	(132)	(132)	(119)	(1,610)
Total capital and reserves	489	(39,705)	(4)	(119)	(1,178)	(1,171)	(780)	(42,468)

The host syndicate matches its currency position so holds net assets across a number of currencies. Syndicate 1910 takes into consideration the underlying currency of the syndicate's required capital and invests its assets proportionately across these currencies so as to protect the solvency of Syndicate 1910, against variation in foreign exchange rates. The net assets of Syndicate 6136 are held by Syndicate 1910 on a funds withheld basis and are due to the members of Syndicate 6136 at closure of the 2023 Year of Account.

### 3. Analysis of underwriting result

An analysis of the underwriting result before investment return is set out below:

2025	Gross premiums written \$000	Gross premiums earned \$000	Gross claims incurred \$000	Gross operating expenses \$000	Reinsurance balance \$000	Underwriting result \$000
Reinsurance acceptances	227	238	767	(38)	-	967
<b>Total</b>	<b>227</b>	<b>238</b>	<b>767</b>	<b>(38)</b>	<b>-</b>	<b>967</b>

2024 (Restated)	Gross premiums written \$000	Gross premiums earned \$000	Gross claims incurred \$000	Gross operating expenses \$000	Reinsurance balance \$000	Underwriting result \$000
Reinsurance acceptances	138	8,841	2,128	(1,090)	-	9,879
<b>Total</b>	<b>138</b>	<b>8,841</b>	<b>2,128</b>	<b>(1,090)</b>	<b>-</b>	<b>9,879</b>

### 4. Net operating expenses

	2025 \$000	2024 \$000 (Restated)
Acquisition costs	(5)	(576)
Change in deferred acquisition costs	4	1,093
Administrative expenses	37	573
Members' standard personal expenses	2	-
<b>Net operating expenses</b>	<b>38</b>	<b>1,090</b>

Ariel Re Bermuda Limited ("ARBL"), Ariel Re Hong Kong ("ARHK") and Ariel Re UK Limited ("ARUK"), as Managing General Agencies (MGAs), incur significant cost underwriting business on behalf of the host Syndicate 1910 and are reimbursed via a coverholder commission of 8.7% for the 2023 Year of Account on premiums written. This fee is included within net operating expenses under both administrative expenses and acquisition costs.

Administrative expenses include:

	2025 \$000	2024 \$000
		(Restated)
<b>Auditors' remuneration:</b>		
fees payable to the syndicate's auditor for the audit of these financial statements	103	90
fees payable to the syndicate's auditor and its associates in respect of other services pursuant to legislation	98	49

## 5. Staff costs and emoluments of the directors of the managing agency

All staff are employed by Ariel Re Management Services Limited (ARMS), which recharges staff costs to the Managing Agent. No emoluments of the directors of Ariel Re Managing Agency Limited were charged to the syndicate during the year.

The emoluments of the active underwriter are borne by the host syndicate and are not separately identifiable from the fee charged to the syndicate.

The host syndicate cedes to the syndicate a share of an administration fee that does not separately identify staff costs.

## 6. Investment return

	2025 \$000	2024 \$000
		(Restated)
<b>Interest and similar income</b>		
<i>From financial assets designated at fair value through profit or loss</i>		
Interest and similar income	710	582
<b>Other income from investments</b>		
<i>From financial assets designated at fair value through profit or loss</i>		
Gains on the realisation of investments	514	157
Losses on the realisation of investments	(45)	(7)
Unrealised gains on investments	73	165
Unrealised losses on the investments	(101)	(72)
Investment management expenses	(10)	-
<b>Total investment return</b>	<b>1,141</b>	<b>825</b>
Transferred to the technical account from the non-technical account	1,141	825

## 7. Debtors arising out of reinsurance operations

	2025 \$000	2024 \$000 (Restated)
Due within one year	45,524	-
Due after one year	-	44,074
<b>Total</b>	<b>45,524</b>	<b>44,074</b>

## 8. Deferred acquisition costs

The table below shows changes in deferred acquisition costs assets from the beginning of the period to the end of the period:

	2025			2024 (Restated)		
	Gross \$000	Reinsurance \$000	Net \$000	Gross \$000	Reinsurance \$000	Net \$000
Balance at 1 January	4	-	4	1,103	-	1,103
Incurred deferred acquisition costs	(4)	-	(4)	(1,093)	-	(1,093)
Foreign exchange movements	-	-	-	(6)	-	(6)
Other	-	-	-	-	-	-
<b>Balance at 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>

## 9. Claims development

The tables following show the syndicate's cumulative incurred claims development, including both claims notified and IBNR for each underwriting year, together with the cumulative payments to date on a gross and net of reinsurance basis at the reporting date.

The syndicate has elected to translate estimated claims and claims payments at a consistent rate of exchange as determined by the reporting date.

In settling claims provisions, the syndicate gives consideration to the probability and magnitude of future experience being more adverse than assumed and exercises a degree of caution in setting reserves where there is considerable uncertainty. In general, the uncertainty associated with the ultimate claims experience in an underwriting year is greatest when the underwriting year is at an early stage of development and the margin necessary to provide the necessary confidence in the provisions adequacy is relatively at its highest. As claims develop, and the ultimate cost of claims becomes more certain, the relative level of margin maintained should decrease. However, due to the uncertainty inherent in the estimation process, the actual overall claim provision may not always be in surplus.

\*Gross and net technical items are the same

	2023 \$000	Total \$000
Pure underwriting year		
Estimate of gross claims at end of underwriting year	3,736	
one year later	1,615	
two years later	851	
<b>Estimate of gross claims reserve</b>	<b>851</b>	<b>851</b>
<b>Less gross claims paid</b>	<b>-</b>	<b>-</b>
<b>Gross claims reserve*</b>	<b>851</b>	<b>851</b>

## 10. Technical provisions

The table below shows changes in the insurance contract liabilities and assets from the beginning of the period to the end of the period.

	2025			2024 (Restated)		
	Gross provisions \$000	Reinsurance Assets \$000	Net \$000	Gross provisions \$000	Reinsurance Assets \$000	Net \$000
<b>Claims outstanding</b>						
Balance at 1 January	1,599	-	1,599	3,742	-	3,742
Claims paid during the year	-	-	-	39	-	39
Expected cost of current year claims	-	-	-	483	-	483
Change in estimates of prior year provisions	(767)	-	(767)	(2,611)	-	(2,611)
Foreign exchange movements	19	-	19	(54)	-	(54)
Other	-	-	-	-	-	-
<b>Balance at 31 December</b>	<b>851</b>	<b>-</b>	<b>851</b>	<b>1,599</b>	<b>-</b>	<b>1,599</b>

	2025			2024 (Restated)		
	Gross provisions \$000	Reinsurance Assets \$000	Net \$000	Gross provisions \$000	Reinsurance Assets \$000	Net \$000
<b>Unearned premiums</b>						
Balance at 1 January	11	-	11	8,770	-	8,770
Premiums written during the year	227	-	227	138	-	138
Premiums earned during the year	(238)	-	(238)	(8,841)	-	(8,841)
Foreign exchange movements	-	-	-	(56)	-	(56)
Other	-	-	-	-	-	-
<b>Balance at 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>11</b>

## 11. Related parties

Lloyd's market regulations require that a managing agent is responsible for employing the underwriting staff and managing the affairs of each syndicate at Lloyd's on behalf of the syndicate members. The managing agent of Syndicate 6136 is Ariel Managing Agency Limited (ARMA).

The immediate parent company of ARMA is Ariel Re Services Holdings (No 1355) Limited. Information on Ariel Re Services Holdings (No 1355) Limited and its subsidiaries is available at [www.arielre.com](http://www.arielre.com)

ARMA has provided service and support to Syndicate 6136 in its capacity as managing agent since 1 April 2023.

For the 2023 Year of Account, Syndicate 1910 ceded 13.1% of written premium to the syndicate on all property lines incepting from 1 April 2023. This cession resulted in the syndicate receiving \$0.2m (2024: \$0.1m) of reinsurance premium from Syndicate 1910 during the year and having a balance of \$45.5m (2024: \$44.1m) receivable from Syndicate 1910 on a funds withheld basis as at 31 December 2025.

ARMA charge a 1% managing agency fee based on Gross Written Premium to Syndicate 1910, who under the quota share agreement recharge a share to Syndicate 6136 who record it under net operating expenses. In 2025 this amounted to \$Nil (2024: \$Nil).

## 12. Disclosure of interests

### Managing Agent's interest

Ariel Re Managing Agency Limited is currently the Managing Agent for Lloyd's Syndicates 1910, 6117 and 6136 and with effect 1 January 2026 syndicate 2006.

The Financial Statements of the Managing Agency can be obtained by application to the Registered Office (see page 4).

### 13. Off-balance sheet items

The syndicate has not been party to any arrangement, which is not reflected in its balance sheet, where material risks and benefits arise for the syndicate.

### 14. Foreign exchange rates

The following currency exchange rates have been used for principal foreign currency transactions:

	2025			2024 (Restated)		
	Start of period rate	End of period rate	Average rate	Start of period rate	End of period rate	Average rate
Sterling	0.80	0.74	0.76	0.79	0.80	0.78
Euro	0.97	0.85	0.89	0.91	0.97	0.92
US dollar	1.00	1.00	1.00	1.00	1.00	1.00
Canadian dollar	1.44	1.36	1.39	1.32	1.44	1.37
Australian dollar	1.62	1.50	1.55	1.47	1.62	1.52
Japanese Yen	157.52	156.16	149.42	141.54	157.52	151.20

### 15. Funds at Lloyd's

Every member is required to hold capital at Lloyd's which is held in trust and known as Funds at Lloyd's ('FAL'). These funds are intended primarily to cover circumstances where syndicate assets prove insufficient to meet participating members' underwriting liabilities. The level of FAL that Lloyd's requires a member to maintain is determined by Lloyd's based on Prudential Regulatory Authority requirements and resource criteria. The determination of FAL has regard to a number of factors including the nature and amount of risk to be underwritten by the member and the assessment of the reserving risk in respect of business that has been underwritten. Since FAL is not under the management of the Managing Agent, no amount has been shown in these Financial Statements by way of such capital resources. However, the Managing Agent is able to make a call on the Member's FAL to meet liquidity requirements or to settle losses.

### 16. Post Balance Sheet Events

During 2026, the following amounts are proposed to be transferred to the members' personal reserve fund.

	\$
2023 Year of Account	44,673,463

## Section 2:

# Lloyd's Syndicate 6136

## Underwriting Year Accounts

# Report of the Directors of the Managing Agent

The directors of Ariel Re Managing Agency Limited present their report at 31 December 2025 for the 2023 closed year of account.

## REVIEW OF THE 2023 YEAR OF ACCOUNT

The syndicate was established in 2023 as a 'sidecar' Special Purpose Agreement, writing a 13.1% quota share of Syndicate 1910 Property portfolio, for business incepting between 1st April 2023 and 31st December 2023.

We are pleased to announce that the 2023 year of account has closed with a profit \$44.7m, which equates to a positive return on capacity of 49.0%.

	2023 \$000
Year of account summary	
Stamp capacity	91,243
Stamp premium income	59,767
Stamp utilisation	65.5%
Gross premiums written	68,556
Profit	44,673
Declared profit on stamp	49.0%

Effective 31 December 2025, the 2023 Year of Account of the syndicate was closed into the 2024 Year of Account of Syndicate 1910.

A commentary is provided in the annual accounts. Please refer to page 6.

## AUDITORS

Syndicate 6136 ceases to exist after RITC of the 2023 Year of Account has closed into Syndicate 1910. As such no auditors will be required.



**DM Lednor**  
Director

18 February 2026

# Statement of Managing Agent's responsibilities

The Insurance Accounts Directive (Lloyd's Syndicates and Aggregate Accounts) Regulations 2008 ("the 2008 Regulations") require the managing agent to prepare syndicate underwriting year accounts for each syndicate for any underwriting year which is being closed by reinsurance to close at 31 December. These syndicate underwriting year accounts must give a true and fair view of the result of the closed year of account.

In preparing these syndicate underwriting year accounts, the managing agent is required by the Syndicate Accounting Byelaw (No 8 of 2005) ("the Syndicate Accounting Byelaw"), to:

- select suitable accounting policies which are applied consistently and, where there are items which affect more than one year of account, ensure a treatment which is equitable as between the members of the syndicate affected. In particular, the amount charged by way of premium in respect of the reinsurance to close shall, where the reinsuring members and reinsured members are members of the

same syndicate for different years of account, be equitable as between them, having regard to the nature and amount of the liabilities reinsured

- take into account all income and charges relating to a closed year of account without regard to the date of receipt or payment;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in these accounts.

The managing agent is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the syndicate and enable it to ensure that the syndicate underwriting year accounts comply with the 2008 Regulations and the Syndicate Accounting Byelaw.

It is also responsible for safeguarding the assets of the syndicate and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Report of the Independent Auditors

## INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF SYNDICATE 6136 2023 CLOSED YEAR OF ACCOUNT

### OPINION

We have audited the syndicate underwriting year accounts for the 2023 year of account of syndicate 6136 ('the syndicate') for the three years ended 31 December 2025 which comprise the Statement of Profit or Loss, the Balance Sheet, the Statement of Changes in Members' Balances, the Statement of Cash Flows and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and FRS 103 "Insurance Contracts" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the syndicate underwriting year accounts:

- give a true and fair view of the profit for the 2022 closed year of account;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and have been properly prepared in accordance with the Lloyd's Syndicate Accounting Byelaw (no. 8 of 2005)

### 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 syndicate underwriting year accounts section of our report. We are independent of the syndicate in accordance with the ethical requirements that are relevant to our audit of the syndicate underwriting year accounts in the UK, including the FRC's Ethical Standard as applied to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

### EMPHASIS OF MATTER – CLOSURE OF THE 2023 YEAR OF ACCOUNT

We draw attention to the Basis of Preparation in Note 1 which explains that the 2023 year of account of syndicate 6136 has closed and all assets and liabilities transferred to the 2024 year of account of the host Syndicate 1910 by reinsurance to close at 31 December 2025.

As a result, the syndicate underwriting year accounts for the 2023 year of account of syndicate 6136 have been prepared under basis other than going concern.

Our opinion is not modified in respect of this matter.

### OTHER INFORMATION

The other information comprises the information included in the Annual Report and Accounts, other than the syndicate underwriting year accounts and our auditor's report thereon. The managing agent is responsible for the other information contained within the Annual Report and Accounts.

Our opinion on the syndicate underwriting year accounts does not cover the other information and, except to the extent otherwise explicitly stated in this 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 syndicate underwriting year accounts 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 syndicate underwriting year accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

We have nothing to report in respect of the following matters where The Lloyd's Syndicate

Accounting Byelaw (no. 8 of 2005) requires us to report to you, if in our opinion:

- the managing agent in respect of the syndicate has not kept adequate accounting records; or
- the syndicate underwriting year accounts are not in agreement with the accounting records.

### **RESPONSIBILITIES OF THE MANAGING AGENT**

As explained more fully in the Statement of Managing Agent's Responsibilities, set out on Page 35, the managing agent is responsible for the preparation of the syndicate underwriting year accounts in accordance with The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 and The Lloyd's Syndicate Accounting Byelaw (no. 8 of 2005) and for being satisfied that they give a true and fair view, and for such internal control as the managing agent determines is necessary to enable the preparation of the syndicate underwriting year accounts that are free from material misstatement, whether due to fraud or error.

In preparing the syndicate underwriting year accounts, the managing agent is responsible for assessing the syndicate's ability to realise its assets and discharge its liabilities in the normal course of business, disclosing, as applicable, any matters that impact its ability to do so.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE SYNDICATE UNDERWRITING YEAR ACCOUNTS**

Our objectives are to obtain reasonable assurance about whether the syndicate underwriting year accounts 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 syndicate underwriting year accounts.

### **EXPLANATION AS TO WHAT EXTENT 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the managing agent and management.

Our approach was as follows:

- We obtained a general understanding of the legal and regulatory frameworks that are applicable to the syndicate and determined that the most significant are direct laws and regulations related to elements of Lloyd's Byelaws and Regulations, and the financial reporting framework (UKGAAP) and requirements referred to by Lloyd's in the Instructions. Our considerations of other laws and regulations that may have a material effect on the syndicate underwriting year accounts included permissions and supervisory requirements of Lloyd's of London, the Prudential Regulation Authority ('PRA') and the Financial Conduct Authority ('FCA').
- We obtained a general understanding of how the syndicate is complying with those frameworks by making enquiries of management, internal audit, and those responsible for legal and compliance matters of the syndicate. In assessing the effectiveness of the control environment, we also reviewed significant correspondence between the syndicate, Lloyd's of London and other UK regulatory bodies; reviewed minutes of the Board and Risk Committee of the managing agent; and gained an understanding of the managing agent's approach to governance.
- For direct laws and regulations, we considered the extent of compliance with those laws and regulations as part of our

procedures on the related syndicate underwriting year accounts' items.

- For both direct and other laws and regulations, our procedures involved: making enquiries of the directors of the managing agent and senior management for their awareness of any non-compliance of laws or regulations, enquiring about the policies that have been established to prevent non-compliance with laws and regulations by officers and employees, enquiring about the managing agent's methods of enforcing and monitoring compliance with such policies, and inspecting significant correspondence with Lloyd's, the FCA and the PRA.
- The syndicate operates in the insurance industry which is a highly regulated environment. As such the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities, which included the use of specialists where appropriate.
- We assessed the susceptibility of the syndicate's underwriting year accounts to material misstatement, including how fraud might occur by considering the controls that the managing agent has established to address risks identified by the managing agent, or that otherwise seek to prevent, deter, or detect fraud. We also considered areas of significant judgement, and the impact these have on the control environment. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included

testing manual journals and were designed to provide reasonable assurance that the syndicate underwriting year accounts were free from material misstatement due to fraud or error.

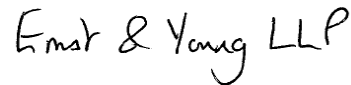
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **USE OF OUR REPORT**

This report is made solely to the syndicate's members, as a body, in accordance with The Lloyd's Syndicate Accounting Byelaw (no. 8 of 2005) and The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the syndicate'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 syndicate and the syndicate's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Angus Millar**

(Senior statutory auditor)



for and on behalf of Ernst & Young LLP,  
Statutory Auditor  
London

18 February 2025

# Statement of profit or loss 2023 Year of Account

For the three years ended 31 December 2025

	Note	2023 year of account \$000
<b>Technical account – general business</b>		
Earned premiums, net of reinsurance		
Gross premiums written	3	68,556
Outward reinsurance premiums		(11,185)
Earned premiums, net of reinsurance		57,371
Reinsurance to close premiums received, net of reinsurance		–
Allocated investment return transferred from the non-technical account		2,505
Claims incurred, net of reinsurance		
Gross amount	3	(27)
Reinsurers' share		–
Net claims paid		(27)
Reinsurance to close premium payable, net of reinsurance	5	(851)
Claims incurred, net of reinsurance		(878)
Net operating expenses	6	(14,141)
Balance on the technical account for general business		44,857
<b>Non-technical account</b>		
Balance on the technical account for general business		44,857
Loss on exchange		(184)
Investment income		2,189
Unrealised gains on investments		500
Unrealised losses on investments		(173)
Investment expenses and charges		(11)
Total investment return		2,505
Allocated investment return transferred to the technical account for general business		(2,505)
Profit for the closed year of account		44,673

There are no recognised gains or losses in the accounting period other than those dealt with in the statement of profit or loss and so no statement of other comprehensive income has been prepared.

# Balance Sheet 2023 Year of Account

As closed at 31 December 2025

	Note	2023 year of account \$000
<b>Assets</b>		
Debtors		
Debtors arising out of reinsurance operations	9	45,524
<b>Total assets</b>		<b>45,524</b>
<b>Liabilities</b>		
Amounts due to members		44,673
Reinsurance to close premium payable, to close the account	5	851
<b>Total liabilities</b>		<b>45,524</b>

Approved by the Board of Ariel Re Managing Agency Limited on 18 February 2026 and signed on its behalf by:



N Gokhool  
Director



D M Lednor  
Director

# Statement of Changes in Members Balances

## 2023 Year of Account

	2023 year of account \$000
Profit for the 2023 closed year of account	44,673
Members' agents' fees	–
Amounts due to members at 31 December 2025	44,673

# Statement of Cash Flows 2023 Year of Account

## for the 36 months ended 31 December 2025

	2023 year of account \$000
	Note
<b>Reconciliation of profit to net cash inflow from operating activities</b>	
Profit for the closed year of account	44,673
Decrease in debtors	(45,524)
Increase in creditors	–
RITC premium payable, net of reinsurance	851
Net cash inflow from operating activities	–
<b>Cash flows from financing activities:</b>	
Members agents' fees paid on behalf of members	–
Net increase in cash and cash equivalents	–
Cash and cash equivalent at 1 January 2023	–
Cash and cash equivalent at end of the year of account	–

# Notes to the Underwriting Year Accounts

for the 2023 closed year of account at 31 December 2025

## 1. ACCOUNTING POLICIES

### STATEMENT OF COMPLIANCE

The syndicate underwriting year accounts have been prepared under The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 ("the Lloyd's Regulations") and in accordance with the Syndicate Accounting Byelaw (No. 8 of 2005) and applicable Accounting Standards in the United Kingdom, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland" ("FRS 102"), Financial Reporting Standard 103 "Insurance Contracts" ("FRS 103") and in accordance with the provision of Schedule 3 of the Large and Medium –sized Companies and Groups (Accounts and Reports) Regulations relating to insurance companies have been applied to the extent that they are relevant for a proper understanding of the underwriting year accounts.

The 2023 year of account has closed and all assets and liabilities have been transferred to the 2024 year of account of Syndicate 1910. The risks that it is exposed to in respect of the reported financial position and financial performance are significantly less than those relating to the open years of account as disclosed in the Syndicate Annual Accounts. Accordingly, these underwriting year accounts do not have associated risk disclosures as required by section 34 of FRS 102. Full disclosures relating to these risks are provided in the Syndicate Annual Accounts.

### BASIS OF PREPARATION

Members participate on a syndicate by reference to a year of account and each syndicate year of account is a separate annual venture. These accounts relate to the 2023 year of account which has been closed by reinsurance to close at 31 December 2025 into the 2024 Year of Account of host syndicate 1910. On this basis the 2023 year of Account is no longer a going concern.

Accordingly, the underwriting year of accounts have been prepared on the basis of other than

going concern. While these syndicate accounts have not been prepared on a going concern basis, there is no impact on the valuation of the assets or liabilities of the syndicate.

Consequently, the balance sheet represents the assets and liabilities of the 2023 year of account at the date of closure and the statement of profit or loss and statement of cash flows reflects the transactions for that year of account during the 36 months period until closure.

Amounts ceded from Syndicate 1910 to Syndicate 6136 are gross of external reinsurance for the 2023 Year of Account and are recognised as Gross balances in Syndicate 6136. The syndicate's share of Syndicate 1910's external outwards reinsurance is recognised as reinsurance balances in Syndicate 6136. The syndicate takes a share of investment income and expenses on the 2023 Year of Account from the host Syndicate 1910, and these are recognised in the equivalent account in Syndicate 6136.

Syndicate 6136 operates on a funds withheld basis, so therefore does not hold monetary assets on its balance sheet. This effectively means the syndicate is cashless, with all funds maintained in a withheld account, distributed upon the closure of the Year of Account.

The financial statements of Syndicate 6136 were authorised for issue by the board of directors on 18 February 2026.

The functional currency of the syndicate is US dollars, and the financial statements are prepared in US dollars and rounded to the nearest \$1,000 unless otherwise stated.

As each syndicate year of account is a separate annual venture, there are no comparative figures.

### SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that

the actual outcomes could differ from those estimates. The following are the syndicate's key sources of estimation uncertainty:

### **PREMIUMS WRITTEN**

Gross written premiums comprise the syndicate's share of the total premiums receivable by Syndicate 1910, gross of reinsurance purchased by Syndicate 1910 for the whole period of cover provided by the contracts entered into during the reporting period, regardless of whether these are wholly due for payment in the reporting period, together with any adjustments arising in the reporting period to such premiums receivable in respect of business written in prior reporting periods. Syndicate 1910 recognises premium on the date on which the policy commences. Syndicate 1910 states gross written premium gross of brokerage payable and excludes taxes and duties levied on them.

Syndicate 1910 makes estimates for pipeline premiums, representing amounts due to the syndicate not yet notified, as well as adjustments made in the year to premiums written in prior accounting periods.

### **CLAIMS INCURRED AND REINSURER'S SHARE**

Claims incurred comprise the syndicate's share of claims and settlement expenses (both internal and external) paid by Syndicate 1910 in the year, and the movement in provision for outstanding claims and settlement expenses, including an allowance for the cost of claims incurred by the reporting date, but not reported until after the reporting period end.

The provision for claims in Syndicate 1910 comprises amounts set aside for claims notified and claims incurred but not yet reported (IBNR).

The amount included in respect of IBNR in Syndicate 1910 is based on statistical techniques of estimation applied by external consulting actuaries. These techniques generally involve projecting from past experience of the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. The provision for claims in Syndicate 1910 also includes amounts in respect of internal and external claims handling costs. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of the business accepted and assessments of underwriting conditions.

The reinsurers' share of provisions for claims in Syndicate 1910 is based on calculated amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to the reinsurance programme in place for the class of business and the claims experience for the year. Syndicate 1910 uses a number of statistical techniques to assist in making these estimates.

Accordingly, the two most critical assumptions as regards claims provisions in Syndicate 1910 are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred.

The directors consider that the syndicate's share of the provisions for claims and related reinsurance recoveries in Syndicate 1910 is fairly stated on the basis of the information currently available to them. However, ultimate liability will vary as a result of subsequent information and events, and this may result in significant adjustments to the amounts provided.

Adjustments to the amounts of claims provisions established in prior years are reflected in the financial statements for the period in which the adjustments are made. The methods used, and the estimates made, are reviewed regularly.

### **BASIS OF ACCOUNTING**

#### **Underwriting Transactions**

The underwriting accounts for each year of account are normally kept open for three years before the result on that year is determined. At the end of that three-year period, outstanding liabilities can normally be determined with sufficient accuracy to permit the year of account to be closed by payment of a reinsurance to close premium to the successor year of account.

Gross premiums are allocated to years of account on the basis of the inception date of the policy. Commission and brokerage are charged to the year of account to which the relevant policy is allocated. Policies written under binding authorities, lineslips or consortium arrangements are allocated to the year of account into which the arrangement incepts. Additional and return premiums follow the year of account of the original premium. Premiums are shown gross of brokerage

payable and exclude taxes and duties levied on them.

Outwards reinsurance premiums ceded are attributed to the same year as the original risk being protected.

Gross claims paid are allocated to the same year of account as that to which the corresponding premiums are allocated and include internal and external claims settlement expenses.

The reinsurance to close premium is determined by reference to the outstanding technical provisions (including those for outstanding claims and unearned premiums, net of deferred acquisition costs and unexpired risks) relating to the closed year. Although this estimate of net outstanding liabilities is considered to be fair and reasonable, it is implicit in the estimation procedure that the ultimate liabilities will be at variance from the premium so determined.

The reinsurance to close premium transfers the liability in respect of all claims, reinsurance premiums, return premiums and other payments in respect of the closing year to the members of the host syndicate and gives them the benefit of refunds, recoveries, premiums due and other income in respect of those years in so far as they have not been credited in these accounts. The outstanding claims comprise amounts set aside for claims notified and claims incurred but not yet reported (IBNR).

Notified claims are estimated on a case-by-case basis with regard to the circumstances as reported, any information available from loss adjusters and previous experience of the cost of settling claims with similar characteristics. The amount included in respect of IBNR is based on statistical techniques of estimation applied by the syndicate's external consulting actuaries. These techniques generally involve projecting from past experience of the development of claims over time to form a view of the likely ultimate claims to be experienced for more recent underwriting, having regard to variations in the business accepted and the underlying terms and conditions. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on

output from rating and other models of the business accepted and assessments of underwriting conditions.

The provision for claims includes amounts in respect of internal and external claims handling costs.

The syndicate uses a number of statistical techniques to assist in making the above estimates. The two most critical assumptions as regards claims provisions are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred. The methods used, and the estimates made, are reviewed regularly.

Acquisition costs, comprising commission and other internal and external costs related to the acquisition of new insurance contracts are deferred to the extent that they are attributable to premiums at the reporting date.

### **Syndicate Operating Expenses**

The syndicate incurs its share of the operating expenses and personal expenses of Syndicate 1910 and also may incur expenses on its own behalf which are then paid by Syndicate 1910 and then recharged to the syndicate.

Members' standard personal expenses are included in net operating expenses and include Lloyd's subscriptions, Central Fund contributions and Managing Agent's fees.

Ariel Re Bermuda Limited ("ARBL"), Ariel Re Hong Kong ("ARHK") and Ariel Re UK Limited ("ARUK"), as Managing General Agencies (MGAs), incur significant cost underwriting business on behalf of Syndicate 1910 and are reimbursed via a coverholder commission of 8.7% for the 2023 Year of Account on premiums written. This fee is included within net operating expenses under both administrative expenses and acquisition costs.

### **Taxation**

Under Schedule 19 of the Finance Act 1993 managing agents are not required to deduct basic rate income tax from trading income. In addition, all UK basic income tax deducted from syndicate investment income is recoverable by managing agents and consequently the distribution made to members or their members' agents is gross of tax. Capital appreciation falls within trading income and is also distributed gross of tax. It is the responsibility of members to agree and

settle their individual tax liabilities with HM Revenue & Customs.

Members resident overseas for tax purposes are responsible for agreeing and settling any tax liabilities with the taxation authorities of their country of residence.

### **Foreign Currency**

The syndicate's functional and presentational currency is US dollar.

Transactions denominated in currencies other than the functional currency are initially recorded in the functional currency at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities (which include all assets and liabilities arising from insurance contracts including unearned premiums and deferred acquisition costs) denominated in foreign currencies are retranslated into the functional currency at the exchange rate ruling on the reporting date.

Exchange differences are recorded in the non-technical account.

## 2. RISK MANAGEMENT

Effective from 31 December 2025 the syndicate closes the 2023 year of account into the host Syndicate 1910's 2024 year of account. The RITC process means that Insurance, Financial, Credit, Liquidity, Market and Capital risks are transferred to the accepting syndicate. Accordingly, these Underwriting Year accounts do not have any associated disclosures as required by section 34 of FRS 102. Full disclosures relating to these risks are provided in the main Annual accounts of the syndicate.

## 3. SEGMENTAL ANALYSIS

An analysis of the underwriting result before investment return is set out below:

2023 year of account	Gross premiums written and earned \$000	Gross claims incurred \$000	Gross operating expenses \$000	Reinsurance balance \$000	Net Reinsurance to close received/ (payable) \$000	Total \$000
Reinsurance	68,556	(27)	(14,141)	(11,185)	(851)	42,352
Total	68,556	(27)	(14,141)	(11,185)	(851)	42,352

All business is written in the United Kingdom.

## 4. ANALYSIS OF RESULT BY YEAR OF ACCOUNT

All results relate to the 2023 Year of Account which has not accepted any Reinsurance to close premiums from prior years.

## 5. REINSURANCE PREMIUM PAYABLE TO CLOSE THE 2023 YEAR OF ACCOUNT

	UPR \$000	Reported \$000	IBNR \$000	Total \$000
Gross and Net Reinsurance to Close Premium	–	39	812	851

The 2023 Year of Account has been reinsured to close into the 2024 Year of Account of host Syndicate 1910.

## 6. NET OPERATING EXPENSES

	2023 year of account \$000
Acquisition costs	8,790
Administration expenses	4,044
Personal expenses	1,307
Total	14,141

## 7. AUDITORS REMUNERATION

	2023 year of account \$000
The closed year profit is stated after charging:	
Fees payable to the syndicate's auditor for the audit of these financial statements	290
Fees payable to the syndicate's auditor and its associates in respect of:	
Other services pursuant to legislation and Lloyd's Byelaws	–
<b>Total</b>	<b>290</b>

The auditor did not receive any other remuneration other than that stated above

## 8. STAFF COSTS AND EMOLUMENTS OF THE DIRECTORS OF THE MANAGING AGENT

No emoluments of the directors of Ariel Re Managing Agency Limited were charged to the syndicate during the year. All staff are employed by Ariel Re Management Services Limited (ARMS).

The emoluments of the active underwriter are borne by the host syndicate and are not separately identifiable from the fee charged to the syndicate.

The host syndicate cedes to the syndicate a share of an administration fee that does not separately identify staff costs.

## 9. DEBTORS ARISING OUT OF REINSURANCE OPERATIONS

	2023 year of account \$000
Due within one year – Intermediaries	45,524

## 10. RELATED PARTIES

The syndicate wrote a quota share of Syndicate 1910's 2023 Year of Account Property portfolio, of 13.1% of written premium. This cession resulted in the syndicate receiving \$68.6m of reinsurance premium during the period 1 January 2023 to 31 December 2025 and having a balance of \$45.5m receivable from Syndicate 1910 on a funds withheld basis as at 31 December 2025

## 11. DISCLOSURE OF INTERESTS

### Managing Agent's interest

Ariel Re Managing Agency Limited is the Managing Agent for Lloyd's Syndicates 1910, 6117 and 6136.

The Financial Statements of the Managing Agency can be obtained by application to the Registered Office (see page 4) and from Companies House.

## 12. EVENTS AFTER THE REPORTING DATE

During 2026, the following amounts are proposed to be transferred to the members' personal reserve fund, in respect of the distribution of the 2023 Year of Account result.

	\$
2023 Year of Account	44,673,463