Disclosure Statement at 31 December 2025

This disclosure statement is prepared in accordance with the requirements under the Insurance (Valuation and Capital) Rules and the Insurance (Public Disclosure) Rules.

1 Company profile

(a) Authorized insurer's name

Berkley Insurance Company

(b) Nature of the business, and places of business operations

- Carrying on general insurance and reinsurance business
- Major lines of business underwritten are Financial Lines, Marine and Casualty.
- Place of principal activities: Hong Kong
- Place of business sources or operations: mainly Hong Kong

(c) Description of corporate structure

- Place of incorporation of Berkley Insurance Company is United States of America ("BIC US").
- Immediate holding company is Signet Star Holdings Inc., a Delaware holding company which is 100% owned by W. R. Berkley Corporation ("WRBC").
- WRBC is a property and casualty insurance holding company based in Greenwich, Connecticut, USA. Founded in 1967. It is listed on the New York Stock Exchange.
- WRBC insurance company subsidiaries are rated A+ (Superior), Financial Size Category XV by A.M. Best and AA- (Very Strong) by Standard & Poor's. For the most updated rating information, please see https://ir.berkley.com/financials/Ratings/default.aspx.

2 Corporate governance framework

- Berkley Insurance Company based in Hong Kong ("BIC HK") is part of the Asia Pacific ("APAC") corporate governance structure. This includes BIC Asia Pacific Risk Management Strategy and Risk Management Framework for identifying and managing risks faced by the business in the course of its operations.
- The BIC Risk, Operations and Compliance Committee ("ROCC") acts as the regulatory oversight and monitoring committee covering all operations across BIC APAC. The purpose of BIC ROCC is to provide oversight and assist BIC US in discharging its responsibility to exercise due care, skill and diligence regarding the governance and operations, risks and compliance requirements impacting BIC APAC's business operations.
- The BIC ROCC, convened by the Regional Chief Risk Officer, meets at least four times per year, with minutes and reports provided to BIC US.

3 Financial position

(a) Balance sheet determined under the Insurance (Valuation and Capital) Rules

(Unit: in HKD thousands)	As at [31 December 2025]					As at [31 December 2024]				
	Total	Long term business	Of which belongs to: long term business – participating business[1]	General business	Shareholders' fund (if applicable)	Total	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders fund (if applicable)
Total assets	1,489,766	-	-	1,489,766	-	1,314,040	-	-	1,314,040	-
Cash and deposits	1,377,367	-	-	1,377,367	-	1,035,722	-	-	1,035,722	-
Debt securities	-	-	-	-	-	170,481	-	-	170,481	-
Equities (including portfolio investments)	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-
Properties	-	-	-	-	-	-	-	-	-	-
Loans and advances	-	-	-	-	-	-	-	-	-	-
Reverse repurchase agreement	-	-	-	-	-	-	-	-	-	-
Other financial assets	94,189	-	-	94,189	-	82,945	-	-	82,945	-
Policyholder's account assets in respect of unit linked products or retirement scheme	-	-	-	-	-	-	-	-	-	-
Reinsurance assets	11,841	-	-	11,841	-	20,540	-	-	20,540	-
Tax assets	-	-	-	-	-	-	-	-	-	-
Other assets	6,369	-	-	6,369	-	4,352	-	-	4,352	-
Total liabilities	1,025,137	-	-	1,025,137	-	943,702	-	-	943,702	-
Insurance liabilities	939,150	-	-	939,150	-	865,842	-	-	865,842	-
Reinsurance liabilities	-	-	-	-	-	-	-	-	-	-
Repurchase agreement	-	-	-	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	77,623	-	-	77,623	-	71,809	-	-	71,809	-
Tax liabilities	-	-	-	-	-	-	-	-	-	-
Other liabilities	8,364	-	-	8,364	-	6,051	-	-	6,051	-
Net assets	464,630	-	-	464,630	-	370,338	-	-	370,338	-

(b) Material change or other commentary on balance sheet items (if any)

N/A

[1] This column represents all participating businesses within the entity in the case of HK insurers or designated insurers,
or all participating business within the Hong Kong branch in the case of non-HK insurers (other than designated insurers).
For Hong Kong branch of a non-HK insurer (other than designated insurer), if fund of long term reinsurance business with offshore risk is established, since the reference to regulatory returns does not cover such fund, the insurer should add the respective figures of any participating business under such fund for every item under this whole column.

4 Investments

(a) Assumptions and methods used for valuation of investments

N/A, as BIC HK only holds cash and USD time deposits.

(b) Material change in assumptions and methods, or other commentary on investment (if any)

N/A

5 Insurance liabilities

(a) Total insurance liabilities determined under the Insurance (Valuation and Capital) Rules

Insurance Liabilities of Long Term Business

(Unit: in HKD thousands)	As at [date of reporting financial year end]						
	HK insurers or designated insurers: all long term business / Hong Kong branches of non-HK insurers: all long term business of Hong Kong branches, other than fund of reinsurance business with offshore risk if established*					Applicable to Hong Kong branches of non-HK insurers: reinsurance business with offshore risk if fund of reinsurance business with offshore risk is established	Total long term business
	Participating business	Linked long term (Class C)	Retirement scheme category I (Class G)	Retirement scheme category II (Class H)	Other long term business		
Total insurance liabilities (gross of reinsurance)							
Of which: long term insurance liabilities			Not applicable				
Outstanding claims							
Current estimate[1]							
Margin over current estimate							
Prepaid premiums							
Other long term insurance liabilities							
Of which: general insurance liabilities							
Reinsurance assets							
Reinsurance liabilities							

* Please delete as appropriate.

[2] Excludes outstanding claims, prepaid premiums and other long term insurance liabilities which are disclosed separately.

(Unit: in HKD thousands)	As at [date of prior financial year end]						
	HK insurers or designated insurers: all long term business Hong Kong branches of non-HK insurers: all long term business of Hong Kong branches, other than fund of reinsurance business with offshore risk if established*					Applicable to Hong Kong branches of non-HK insurers: reinsurance business with offshore risk if fund of reinsurance business with offshore risk is established	Total long term business
	Participating business	Linked long term (Class C)	Retirement scheme category I (Class G)	Retirement scheme category II (Class H)	Other long term business		
Total insurance liabilities (<u>gross</u> of reinsurance)							
Of which: long term insurance liabilities			Not applicable				
Outstanding claims							
Current estimate[1]							
Margin over current estimate							
Prepaid premiums							
Other long term insurance liabilities							
Of which: general insurance liabilities							
Reinsurance assets							
Reinsurance liabilities							

* Please delete as appropriate.

[1] Excludes outstanding claims, prepaid premiums and other long term insurance liabilities which are disclosed separately.

Insurance Liabilities of General Business

(Unit: in HKD thousands)	As at [31 December 2025]									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (<u>gross</u> of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	939,150
Total general insurance liabilities excluding other general insurance liabilities (<u>gross</u> of reinsurance)	-	-	4,595	145	-	290,540	-	308,692	335,177	939,150
Outstanding claims liabilities	-	-	3,332	12	-	228,437	-	239,618	278,672	750,071
Premium liabilities	-	-	738	109	-	21,270	-	25,316	3,686	51,118
Margin over current estimate for outstanding claims liabilities	-	-	360	2	-	35,360	-	38,509	52,075	126,307
Margin over current estimate for premium liabilities	-	-	165	22	-	5,473	-	5,250	744	11,654
Total general insurance liabilities excluding other general insurance liabilities (<u>net</u> of reinsurance)	-	-	3,447	145	-	291,229	-	300,107	332,381	927,309

(Unit: in HKD thousands)	As at [31 December 2024]									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Total general insurance liabilities (<u>gross</u> of reinsurance)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	865,842
Total general insurance liabilities excluding other general insurance liabilities (<u>gross</u> of reinsurance)	-	-	4,181	48	-	242,552	-	309,183	309,877	865,842
Outstanding claims liabilities	-	-	2,798	42	-	182,925	-	243,451	256,835	686,051
Premium liabilities	-	-	934	-	-	26,181	-	22,155	4,265	53,534
Margin over current estimate for outstanding claims liabilities	-	-	292	7	-	28,212	-	39,191	48,013	115,714
Margin over current estimate for premium liabilities	-	-	158	-	-	5,234	-	4,385	765	10,542
Total general insurance liabilities excluding other general insurance liabilities (<u>net</u> of reinsurance)	-	-	2,925	48	-	239,590	-	297,092	305,647	845,302

(b) Assumptions and method used to derive the assumptions for determining insurance liabilities

Insurance liabilities are valued based on assumptions made in respect of margin over current estimate, discounting, loss ratio, development factor, reinsurance recoveries, expense and future cost of retro, etc. Methodology of valuation of insurance liabilities is a combination of Initial Expected Loss Ratio, Incurred Chain Ladder and Bornheutter Ferguson.

(c) Material change in assumptions and methods used to derive the assumptions, or other commentary on insurance liabilities (if any)

N/A

6 Financial performance

(a) Financial performance in total and at a segmented level, including premiums, investment returns and claims

Performance Analysis on Premiums and Claims

(Unit: in HKD thousands)	For the financial year ended [31 December 2025]				For the financial year ended [31 December 2024]			
	Total	Long term business	Of which belongs to: long term business – participating business[3]	General business	Total	Long term business	Of which belongs to: long term business – participating business	General business
Gross premiums[2]	288,392	-	-	288,392	284,923	-	-	284,923
Regular premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Single premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Net premiums	260,850	-	-	260,850	253,380	-	-	253,380
Regular premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Single premiums	Not applicable	-	-	Not applicable	Not applicable	-	-	Not applicable
Gross claims paid	83,562	-	-	83,562	97,846	-	-	97,846
Net claims	77,974	-	-	77,974	90,621	-	-	90,621

[3] This column represents all participating businesses within the entity in the case of HK insurers or designated insurers, or all participating business within the Hong Kong branch in the case of non-HK insurers (other than designated insurers). For Hong Kong branch of a non-HK insurer (other than designated insurer), if fund of long term reinsurance business with offshore risk is established, since the reference to regulatory returns does not cover such fund, the insurer should add the respective figures of any participating business under such fund for every item under this whole column.
[4] For long term business, it refers to premiums received and receivable during the financial year. For general business, it refers to written premiums.

(Unit: in HKD thousands)	For the financial year ended [31 December 2025]				For the financial year ended [31 December 2024]			
	Total	Long term business	Of which belongs to: long term business – participating business[3]	General business	Total	Long term business	Of which belongs to: long term business – participating business	General business
paid								

Performance Analysis on Investment Returns

(Unit: in HKD thousands)	For the financial year ended [31 December 2025]					For the financial year ended [31 December 2024]				
	Total	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)	Total	Long term business	Of which belongs to: long term business – participating business	General business	Shareholders' fund (if applicable)
Investment returns	38,167	-	-	38,167	-	-	-	-	-	-

(b) Material change or other commentary on financial performance (if any)

N/A

[5] This column represents all participating businesses within the entity in the case of HK insurers or designated insurers, or all participating business within the Hong Kong branch in the case of non-HK insurers (other than designated insurers). For Hong Kong branch of a non-HK insurer (other than designated insurer), if fund of long term reinsurance business with offshore risk is established, since the reference to regulatory returns does not cover such fund, the insurer should add the respective figures of any participating business under such fund for every item under this whole column.

(c) Underwriting Results for general business (for pricing adequacy disclosure purposes)

Underwriting Results of General Business

(Unit: in HKD thousands)	For the financial year ended [31 December 2025]									
	Direct insurance							Reinsurance		Total general business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Gross premium	-	-	6,009	-	-	118,008	-	143,333	21,042	288,392
Net premium	-	-	3,807	-	-	109,032	-	128,692	19,318	260,850
Net undiscounted best estimate combined business results, relating to current year	-	-	54	-144	-	-5,109	-	23,636	2,908	21,345
Net undiscounted best estimate combined business results, relating to prior year	-	-	1,040	29	-	16,070	-	7,967	-51,647	-26,541
Undiscounted underwriting results - profit / (loss)	-	-	1,025	-110	-	3,813	-	32,285	-52,798	-15,785

(Unit: in HKD thousands)	For the financial year ended [31 December 2024]									
	Direct insurance							Reinsurance		Total general Business
	Accident and health	Motor vehicle	Marine, aviation, and transport	Property damage	Employees' compensation	General liability	Pecuniary loss	Proportional	Non-proportional	
Gross premium	-	-	5,304	-	-	128,787	-	126,426	24,405	284,923
Net premium	-	-	3,227	-	-	119,262	-	110,261	20,629	253,380
Net undiscounted best estimate combined business results, relating to current year	-	-	850	114	-	29,414	-	20,536	3,590	54,505
Net undiscounted best estimate combined business results, relating to prior year	-	-	697	-26	-	29,959	-	-134	13,720	44,215
Undiscounted underwriting results – profit / (loss)	-	-	1,255	81	-	31,162	-	-18,790	-30,706	-16,998

(d) Material change or other commentary on underwriting results (if any)

N/A

7 Capital adequacy

(a) Prescribed capital amount at total level and risk capital amount ("RCA") by sub-risk, determined in accordance with the Insurance (Valuation and Capital) Rules (without applying the transitional arrangement under Part 7 of the Insurance (Valuation and Capital) Rules)

Prescribed Capital Amount

(Unit: in HKD thousands)	As at [31 December 2025]	As at [31 December 2024]
Market risk (diversified RCA)	23,839	18,082
Interest rate risk RCA	18,140	11,276
Credit spread risk RCA	-	-
Equity risk RCA	-	-
Property risk RCA	-	-
Currency risk RCA	11,583	11,595
Diversification benefits within market risk	-5,884	-4,789
Life Insurance Risk (diversified RCA)	-	-
Mortality risk RCA	-	-
Longevity risk RCA	-	-
Life catastrophe risk RCA	-	-
Morbidity risk RCA	-	-
Expense risk RCA	-	-
Lapse risk RCA	-	-
Diversification benefits within life insurance risk	-	-
General Insurance Risk (diversified RCA)	151,173	143,275
Reserve and premium risk RCA	150,383	142,316
Natural catastrophe risk RCA	-	-
Man-made non-systemic catastrophe risk RCA	3,042	3,661
Man-made systemic catastrophe risk RCA	-	-
Mortgage insurance risk RCA	-	-
Diversification benefits within general insurance risk	-2,253	-2,702
Counterparty default and other risk RCA	22,902	11,639
Diversification benefits among risk modules	-31,325	-20,600
Operational risk RCA	10,518	10,375
Adjustment for loss absorbing capacity cap	-	-
Adjustment for tax effect	-	-
Any other items which the IA may specify to adjust	-	-
Prescribed capital amount	177,108	162,772

(b) Composition of capital base determined in accordance with the Insurance (Valuation and Capital) Rules

Capital Base

(Unit: in HKD thousands)	As at [31 December 2025]	As at [31 December 2024]
Unlimited Tier 1 capital	464,630	311,030
Limited Tier 1 capital	-	-
Tier 2 capital	-	-
Capital base	464,630	311,030

(c) Ratio of capital base to prescribed capital amount

	As at [31 December 2025]	As at [31 December 2024]
Ratio of capital base to prescribed capital amount	262 %	191%

(d) Material change or other commentary on prescribed capital amount, capital base, and ratio of capital base to prescribed capital amount (if any)

The 2025 capital base of HKD465m represents the total BIC HK onshore + offshore fund, while the 2024 capital base of HKD311m represents the onshore fund only. This is after receiving guidance from Hong Kong Insurance Authority.

BIC HK received HKD78m working funds from head office in third quarter of 2025.

8 Risk Management

(a) Risk appetite and risk governance framework

BIC HK has a conservative risk appetite and it maintains prudent levels of capital and liquidity and generally does not engage in business activities that include high risk activities.

BIC HK underwrites a subset of individual risks of WRBC that are laid out in the annual business plan. The subset of risks is monitored separately by the BIC APAC management and also provided to WRBC for inclusion in the monitoring of the WRBC's Group risk appetite.

Further also see section 2 above.

(b) Insurance risk management

BIC APAC management has developed risk measures and tolerances to monitor insurance risk on a regular basis via the BIC ROCC.

(c) Investment risk management

BIC HK investment policy sets out the parameters within which the investment portfolio is managed, and the policy is approved annually by the BIC ROCC.

The policy provides an investment framework consistent with risk appetite and sets out the risk tolerances for investments in terms of market, credit and liquidity risk.

9 Statement of Compliance

(i) I am satisfied with the completeness, accuracy and consistency of the information disclosed in this disclosure statement in respect of Berkley Insurance Company;
(ii) I am satisfied that the information in this disclosure statement is prepared in accordance with the Insurance (Public Disclosure) Rules and the Insurance (Valuation and Capital) Rules (subject to any variation or relaxation applied thereto);
(iii) I am satisfied that the information in this disclosure statement can be reconciled with the relevant specified annual forms, on each of which an auditor's report is provided, of Berkley Insurance Company's annual returns for the financial year to which this disclosure statement relates, as submitted under rule 4(1) of the Insurance (Submission of Statements, Reports and Information) Rules; and
(iv) I am satisfied that Berkley Insurance Company has complied with all capital requirements that apply to it under the Insurance (Valuation and Capital) Rules (as relaxed or varied, if applicable), during the financial year to which this disclosure statement relates.

Name:	**Tong Man Lung**
Position:	**Chief Executive – Hong Kong Branch**
Company Name:	**Berkley Insurance Company**