

Markel Insurance SE,
Munich, Switzerland
Branch, Zürich
Report on Financial
Condition

For year ended December 31,
2025

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1. Summary

The Branch Manager submits the Financial Condition Report ("FCR") for Markel Insurance SE, Munich, Switzerland Branch Zürich for the period from 1 January 2025 to 31 December 2025. The Branch was incorporated on 9 January 2019 and became active as a non-life insurer including reinsurance business in August 2020. The business volume steadily increased resulting in a gross premium income of CHF 5,163k for the financial year 2025. The results of the Branch show an operating result of CHF 188k for the year. Profit after tax was CHF 219k.

2. Business Activities

2.1 Company Information

Name & Legal Form	Markel Insurance SE, Munich, Switzerland Branch Zürich A branch of Markel Insurance SE ("MISE")
Firm Number	CHE – 435.102.703
Address	Limmatquai 4, CH-8001 Zürich, Switzerland
Supervisory Authorities	Swiss Financial Market Supervisory Authority FINMA, Laupenstrasse 27,
External Auditor	KPMG AG, Badenerstrasse 172, CH 8036 Zurich
MISE's immediate Parent	Markel Holdings GmbH

2.2 Business Activities

Markel Insurance SE (MISE) is a subsidiary of Markel Holdings GmbH, a German holding company. Markel Insurance SE, Munich, Switzerland Branch ("the Switzerland branch") was formed on January 8th, 2019 and received the license from FINMA on January 20th, 2020. The Switzerland branch has issued Swiss policies of insurance for Markel Insurance SE, Munich. As of December 31, 2025, it holds licenses to write the following lines of business:

Class		Risks
B6	Ships	
B7	Goods in Transit	Only in connection with property insurance in categories B9, B13, B14
B8	Fire and natural hazards	Only in connection with property insurance in categories B9, B13, B14
B9	Other damage to property	Equine
B12	Liability for ships	
B13	General liability	All risks
B14	Credit	All risks
B15	Suretyship	
B16	Miscellaneous financial loss	Only in connection with property insurance in categories B9, B13, B14

In each of our businesses, we seek to provide quality products and excellent customer service so that we can be a market leader. We believe that our specialty product focus and niche market strategy, enable us to develop expertise and specialized market knowledge. We seek to differentiate ourselves from competitors by our expertise, service, continuity, and other value-based considerations. Overall, our corporate strategy is one of diversification and specialization.

Currently, the Switzerland branch is writing third party liability and surety business.

2.3 Business during 2025

The Switzerland Branch started writing business in the second half of 2020. Based on premium figures according to the provisions on commercial accounting of the Swiss Code of Obligations (CO) (Art. 957-963b OR), the gross written premium by the Switzerland Branch was mainly General Liability business.

2.4 Changes during 2025

There were no significant changes during 2025.

3 Business Performance

3.1 Underwriting Performance

The results of the Branch, as set out on page 3, show a pre*tax*-profit of CHF 246k (pre*tax*-profit loss of CHF 68k) for the period and a profit of CHF 219k (loss of CHF 70k) after tax. Gross written premiums for the period were CHF 5,163 (2,530) thou, consisting mainly of general liability business. Net written premiums for the year were CHF 1,000k (496k). An internal quota share reinsurance arrangement existed for all Markel Insurance SE business. Under this agreement, the Branch reinsured up to 80%, less the relevant percentage ceded to third-party reinsurers, to Markel Bermuda Limited, a fellow Markel subsidiary. The Branch experienced gross claims incurred CHF 808k (1,746k) during the period. The operating result for the year was a profit of CHF 188k (loss of CHF 26k).

The Branch had four employees during the year.

3.2 Investment Performance

MISE's business strategy recognizes the importance of both consistent underwriting and generating operating-profits, as well as superior investment returns to build shareholder value. MISE relies on sound underwriting practices to produce investable funds while minimizing underwriting risk. Most investable assets come from premiums paid by policyholders. Policyholder funds are invested in high-quality fixed income securities.

Branch investments as of 31 December 2025 consisted of government bonds issued by the Swiss Confederation, which is rated AAA. In the current market environment, these show

significantly fewer negative developments than the stock markets or other bonds. A deterioration in the issuer credit rating is highly unlikely and we, therefore, do not expect any longer-term negative impact on tied assets.

3.3 Performance of other activities

Not applicable.

3.4 Any other information

Not applicable.

Attachment 1: Finma rs 2025 02¹

Financial situation report: quantitative template "Performance Solo NL"

Currency: CHF or annual report currency
Amounts stated in thousands

	Total		Direct Swiss business														
	Previous year	Reporting year	Accident		Illness		Motor vehicle		Transport		Fire, natural hazards, property damage		General third-party liability		Other branches		
			Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	Previous year	Reporting year	
Gross premiums	2'529.5	5'162.8												2'529.5	4'777.5	0.0	385.3
Reinsurers' share of gross premiums	(2'033.5)	(4'162.7)												(2'033.5)	(3'854.2)	0.0	(308.5)
Premiums for own account (1 + 2)	496.0	1'000.1												496.0	923.3	0.0	76.8
Change in unearned premium reserves	(42.7)	(593.8)												(42.7)	(312.1)	0.0	(281.7)
Reinsurers' share of change in unearned premium reserves	23.3	475.2												23.3	249.6	0.0	225.6
Premiums earned for own account (3 + 4 + 5)	476.6	881.5												476.6	860.8	0.0	20.7
Other income from insurance business	0.0	0.0															
Total income from underwriting business (6 + 7)	476.6	881.5												476.6	860.8	0.0	20.7
Payments for insurance claims (gross)	(44.9)	(618.0)												(44.9)	(618.0)	0.0	0.0
Reinsurers' share of payments for insurance claims	36.0	503.2												36.0	503.2	0.0	0.0
Change in technical provisions	(1'700.7)	(189.6)												(1'700.7)	(163.7)	0.0	(25.9)
Reinsurers' share of change in technical provisions	1'446.4	20.2												1'446.4	(0.6)	0.0	20.8
Change in technical provisions for unit-linked life insurance																	
Expenses for insurance claims for own account (9 + 10 + 11 + 12 + 13)	(263.2)	(284.2)												(263.2)	(245.1)	0.0	(5.1)
Acquisition and administration expenses	(1'632.5)	(2'193.1)												(1'632.5)	(2'116.4)	0.0	(76.7)
Reinsurers' share of acquisition and administration expenses	1'294.0	1'769.4												1'294.0	1'707.5	0.0	61.9
Acquisition and administration expenses for own account (15 + 16)	(338.5)	(423.7)												(338.5)	(409.0)	0.0	(14.7)
Other underwriting expenses for own account	0.0	(0.0)												0.0	0.0	0.0	(0.0)
Total expenses from underwriting business (14 + 17 + 18) (non-life insurance only)	(601.7)	(707.9)												(601.7)	(668.8)	0.0	(19.8)
Investment income	83.9	200.8															
Investment expenses	(52.1)	(156.3)															
Net investment income (20 + 21)	31.8	44.5															
Capital and interest income from unit-linked life insurance																	
Other financial income																	
Other financial expenses	67.6	(30.0)															
Operating result (8 + 14 + 17 + 18 + 22 + 23 + 24 + 25)	(25.7)	188.1															
Interest expenses for interest-bearing liabilities	0.0	0.0															
Other income	0.0	57.4															
Other expenses	(42.2)	0.0															
Extraordinary income/expenses	0.0	0.0															
Profit / loss before taxes (26 + 27 + 28 + 29 + 30)	(67.9)	245.5															
Direct taxes	(1.6)	(26.8)															
Profit / loss (31 + 32)	(69.5)	218.7															

¹ Please note that all other pages of this form are not applicable.

Attachment 2: Stat Accounts

1. Balance Sheet

CHF thou

ASSETS			
As of 31. December	Notes	2025	2024
Fixed-interest securities		10,809	6,042
Cash and cash equivalents		2,281	3,207
Reinsurers' share of technical provisions	4.3	3,791	3,356
Insurance receivables	4.1	1,957	1,884
Other receivables		438	240
Prepaid expenses and accrued income	4.2	133	81
Total assets		19,410	14,810

CHF thou

LIABILITIES			
As of 31. December	Notes	2025	2024
Technical provisions	4.3	4,790	4,067
Insurance payables	4.5	3,156	2,777
Other liabilities	4.4	639	489
Account to Head Office	4.5	10,825	7,477
Total liabilities		19,410	14,810

2. Income Statement for the period from 1 January 2025 to 31 December 2025

CHF thou

INCOME STATEMENT				
	Notes	2025	2025	2024
Gross premium written		5,163		2,530
Premiums ceded to reinsurers		-4,163		-2,034
Net premiums written			1,000	496
Change in unearned premium reserves		-594		-43
Change in reinsurers' share of unearned premium reserves		475		23
Net premiums earned			882	477
Total technical income			882	477
Gross claims and claim expenses paid		-618		-45
Reinsurers' share of claims and claim expenses		503		36
Change in technical provisions	5.1	-190		-1,701
Reinsurers' share of technical provisions	5.1	20		1,446
Net claims and claim expenses incurred			-284	-263
Acquisitions costs and administrative expenses		-2,193		-1,633
Reinsurers' share of acquisitions costs and administrative expenses		1,769		1,294
Net acquisition costs and administrative expenses			-424	-339
Total technical expenses			-708	-602
Income from investments	5.2	201		84
Expenses from investments	5.2	-156		-52
Net income from investments			45	32
Other financial income/expenses		-30		68
Operating result			188	-26
Other income			57	-
Other expenses			-	-42
Profit/Loss before tax			246	-68
Income tax			-27	-2
Profit/Loss after tax			219	-70

3. Notes to the Financial Statements

3.1 Financial reporting policies

The branch became active as a non-life insurance carrier including reinsurance business on obtaining the FINMA licence on 20 January 2020. The financial statements have been prepared in accordance with the provisions on commercial accounting of the Swiss Code of Obligations (CO) (Art. 957-963b OR). Apart from the Swiss Code of Obligations, the provisions of the Swiss Ordinance on the Supervision of Private Insurance Companies (Art. 5a ISO-FINMA, including Appendix) have been applied for the period from 1 January 2025 to 31 December 2025.

3.2 Foreign Currency Translation

The financial statements of Markel Insurance SE, Munich, Swiss Branch, Zurich ("the Branch") are prepared in Swiss Franc ("CHF"). Transactions denominated in currencies other than the functional currency are recorded in the functional currency at the exchange rate ruling at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are remeasured into the functional currency at the exchange rate ruling on the reporting date. The main exchange rates used are presented below:

	2025	2024
EUR	0.9302	0.9400
USD	0.7919	0.9033
GBP	1.0664	1.1336

3.3 Valuation principles

Uniform valuation principles were applied. Assets, equity, and liabilities were valued individually. Equity and liabilities are stated at their nominal value. Fixed-interest securities are valued using the amortised cost method. The amortisation in the period is recognised in income from investments. Technical provisions are obligations due to insured parties which are determined based on an individual insurance agreement. They are calculated based on the business plan as agreed with FINMA.

3.4 Employees

The Branch employed four employees during the year.

3.5 Audit fees

All fees relate to audit services. They are paid for by Markel International Services Limited and recharged to the Branch. Estimated fees for 2025 are CHF 49 thou.

4. Disclosures, breakdowns, and explanations on Balance Sheet items

4.1 Insurance receivables

CHF thou

	2025	2024
Receivables from policyholders	1,745	1,329
Receivables from insurance companies	212	555
Total	1,957	1,884

4.2 Prepaid expenses and accrued income

CHF thou

	2025	2024
Accrued interest on investments	133	81
Total	133	81

4.3 Technical provisions

CHF thou

	2025		
	Gross	Reinsurers' share	Net
Unearned premium reserve	1,479	1,221	257
Loss reserves	3,148	2,570	578
Safety margin and equalisation reserves	164	-	164
Total	4,790	3,791	999

CHF thou

	2024		
	Gross	Reinsurers' share	Net
Unearned premium reserve	887	748	139
Loss reserves	2,993	2,608	385
Safety margin and equalisation reserves	188	-	188
Total	4,067	3,356	711

4.4 Receivables from and liabilities to related parties

CHF thou

	Third-party	Affiliates	2025	2024
Insurance receivables	1,745	212	1,957	1.884
Other receivables	324	115	438	240
Insurance payables	-3,156	-	-3,156	-2.777
Other liabilities	-639	-	-639	-489
Total	-1,726	327	-1,399	-1.142

4.5 Statement of changes in Branch account

CHF thou

2025			
	Payable to Head Office	Voluntary retained earnings	Total account to Head Office
As at the beginning of the period	7,516	-40	7,477
Profit/Loss for the period	0	219	219
Amounts due to (from) Head Office	3.130	0	3.130
Total	10,646	179	10,825

2024			
	Payable to Head Office	Voluntary retained earnings	Total account to Head Office
As at the beginning of the period	5,006	30	5,036
Profit/Loss for the period	0	-70	-70
Amounts due to (from) Head Office	2,510	0	2,510
Total	7,516	-40	7,477

5. Disclosures, breakdowns, and explanations on Income Statement items

5.1 Change in technical provisions

CHF thou

2025			
	Gross	Reinsurers' share	Net
Change in loss reserve	212	20	192
Change in equalisation reserve	-22	-	-22
Total	190	20	169

CHF thou

2024			
	Gross	Reinsurers' share	Net
Change in loss reserve	1.595	1.446	148
Change in equalisation reserve	106	-	106
Total	1.701	1.446	254

5.2 Investment result

CHF thou

	2025	2024
Fixed-interest securities		
Income	201	84
Amortisation	-118	-52
Expenses	38	-
Total	45	32

6. Management report

6.1 Basics of the Company

The Branch was incorporated on 9 January 2019 and is domiciled at Limmatquai 4, 8001 Zürich. The Branch became active as a non-life insurance carrier including reinsurance business on obtaining the FINMA licence on 20 January 2020.

6.2 Business performance

The results of the Branch, as set out on page 3, show a pre-profit of CHF 246 thou (pre-profit loss of CHF 68 thou) for the period and a profit of CHF 219 thou (loss of CHF 70 thou) after tax. Gross written premiums for the period were CHF 5,163 (2,530) thou, consisting mainly of general liability business. Net written premiums for the year were CHF 1,000 (496) thou. An internal quota share reinsurance arrangement existed for all Markel Insurance SE business. Under this agreement, the Branch reinsured up to 80%, less the relevant percentage ceded to third-party reinsurers, to Markel Bermuda Limited, a fellow Markel subsidiary. The Branch experienced gross claims incurred CHF 808 (1,746) thou of during the period. The operating result for the year was a profit of CHF 188 (loss of CHF 26) thou.

The Branch employed four employees during the year.

The investments of the Branch as at 31 December 2025 consisted of government bonds issued by the Swiss Confederation, which is rated AAA. In the current market environment, these show significantly fewer negative developments than the stock markets or other bonds. A deterioration in the issuer credit rating is highly unlikely and we therefore do not expect any longer-term negative impact on tied assets.

6.3 Principal risks and uncertainties

MISE monitors the risks to which it is exposed, which includes all business underwritten by the MISE Swiss Branch. MISE groups risk under the following categories in line with Solvency II requirements:

- Underwriting Risk
- Reserving Risk
- Market Risk
- Credit Risk
- Operational Risk
- Liquidity Risk
- Group Risk

The MISE Chief Risk Officer (CRO) and the Management Board regularly review the risks to which the company is exposed. The CRO ensures that appropriate measures are taken to mitigate risks and, in addition, the Risk Management department of Markel International monitors the identified risks with qualitative and quantitative risk analyses and assessments and ensures regular and, where necessary, ad-hoc reporting to the Management Board.

An Own Risk and Solvency Assessment report is produced being a forward-looking assessment of the risk profile and adequacy of capital to meet solvency needs over the business planning time horizon. The company is compliant with Solvency II.

MISE uses the Standard Formula to calculate its Solvency Capital Requirement under Solvency II.

6.4 Prospects

With disciplined underwriting and its strong financial condition, the Branch is in an excellent position to capitalise on opportunities as they arise. The Branch will continue to apply Markel's underwriting discipline of underwriting for profit rather than volume and, accordingly, will decline business where the rates are not acceptable.

No material uncertainties that cast doubt about the ability of MISE or the Branch to continue as a going concern have been identified.

The Directors of MISE have a reasonable expectation that MISE and the Branch have adequate resources to continue in operational existence for the foreseeable future.

Attachment 3 KPMG Audit Report



**Markel Insurance SE, Munich -
Switzerland Branch Zurich**

Report of the Independent Auditor
to the General Manager on the

Financial Statements 2025



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To the General Manager of

Markel Insurance SE, Munich, Switzerland Branch Zurich
Limmatquai 4
8001 Zurich

Report of the Independent Auditor

Opinion

We have audited the financial statements of Markel Insurance SE, Munich, Switzerland Branch Zurich (the Company), which comprise the balance sheet as at 31 December 2025, the income statement for the financial year then ended and the notes to the financial statements, including a summary of significant accounting policies, pursuant to Art. 28 (2) of the Insurance Supervision Act (ISA) and Chapter 3 "Preparation and auditing of the financial statements of branches of foreign insurance companies" of the FINMA directive "Supplementary information in the comprehensive reporting on the audit of insurance companies" dated 4 December 2025 (hereinafter "Chapter 3 of the FINMA directive").

In our opinion, the enclosed financial statements of the Company comply in all material respects with the financial reporting provisions of Section 3.1 of Chapter 3 of the FINMA directive.

Basis for Opinion

We conducted our audit in accordance with Swiss law, the Swiss Standards on Auditing (SA-CH) and the requirements set out in Section 3.2 of Chapter 3 of the FINMA directive. Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also 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 audit opinion.

Other Information

The General Manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the General Manager for the Financial Statements

The General Manager is responsible for the preparation of financial statements in accordance with the financial reporting provisions of Section 3.1 of Chapter 3 of the FINMA directive and for such internal control as the General Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Swiss law and the SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

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

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

We also provide the General Manager with a statement that we have complied with the relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and – where applicable – actions taken to eliminate threats or safeguards applied.

KPMG AG



Jean-Marc Wicki
Licensed Audit Expert
Auditor in Charge



Lukas Kündig
Licensed Audit Expert

Zurich, 27 April 2026

Enclosure:

- Financial statements of Markel Insurance SE, Munich, Switzerland Branch Zurich consisting of the balance sheet as at 31 December 2025, the income statement and the notes