



WHITE BEAR
CAPITAL

WHITE BEAR CAPITAL LIMITED

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Registered Number: **10220701**
Registered Office: 7th Floor, 70 Mark Lane
London
EC3R 7NQ



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CONSOLIDATED REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

	Page No.
Directors and Officers	1
Strategic Report	2
Directors' Report	10
Statement of Directors' Responsibilities	12
Independent Auditor's Report	13
Consolidated Income Statement	18
Consolidated Statement of Comprehensive Income	19
Consolidated Statement of Changes in Equity	20
Company Statement of Changes in Equity	20
Company Statement of Financial Position	21
Consolidated Statement of Financial Position	22
Consolidated Statement of Cash Flows	24
Notes to the Financial Statements	25

WHITE BEAR CAPITAL LIMITED

DIRECTORS AND OFFICERS

Directors

Executive

John Anthony Lynch

Peter David Scales

Non executive

Adam George Beatty (resigned 7 May 2024)

Dominic James Haviland Slade

Paul Malcolm Bridges (appointed 13 March 2024)

Company Secretary

Shirley Anne Holley

Registered Office and Trading Office:

7th Floor, 70 Mark Lane

London

EC3R 7NQ

Bankers:

Barclays Bank Plc

Investment Manager:

Conning Asset Management Limited

Auditor:

BDO LLP

55 Baker Street

Marylebone

London

W1U 7EU



WHITE BEAR CAPITAL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Formation of the business

White Bear Capital Limited ("the Company") was incorporated on 8 June 2016 and operates in the UK as the holding company of a number of wholly owned subsidiaries ("the Group") in the insurance sector.

Purpose and principal activities of the business

The Group has a dual principal trading strategy; a Lloyd's Managing Agency, managing Syndicate 5886 ("the Syndicate") and a Financial Conduct Authority ("FCA") registered Managing General Agency ("MGA") managing four lines of business.

Its original focus was the Lloyd's insurance market with the formation on 28 June 2016 of Blenheim Underwriting Limited ("Blenheim"). Blenheim, as Managing Agent, provides underwriting services, claims handling services and administrative support to Syndicate 5886, a syndicate at Lloyd's which commenced underwriting on 1 January 2017.

On 18 April 2019, the Company set up an MGA called Blenheim Partnerships Limited ("BPL"), (formerly White Bear Managers Ltd). BPL is an FCA approved insurance intermediary providing insurance underwriting services to external clients. On 3 August 2020, BPL received authorisation from the Guernsey Financial Services Commission ("GFSC") to act as an Insurance Manager and subsequently established a branch office in Guernsey. On 1 October 2020, BPL was authorised as a Lloyd's Coverholder to underwrite on behalf of Lloyd's syndicates.

In 2020, BPL commenced trading and started writing business on behalf of (re)insurance companies and Lloyd's syndicates. 2024 has seen the existing underwriting teams establish themselves in the market place as well as ensuring that operational processes and procedures are embedded.

In October 2022, a subsidiary of BPL was established in the state of Delaware; WBM US Insurance Services LLC ("WBU"). This is a limited liability company ("LLC"), whose sole member is BPL. No capital has been contributed. This LLC facilitates the U.S. Builders' Risk business by a U.S. MGA, by way of consulting and portfolio management services. During 2024, the Board made the decision to liquidate WBU in 2025.

On 25 April 2019, the Company set up White Bear Corporate Services Ltd ("WBCS"), a company to employ all the group employees. On 1 July 2019, all the employees of Blenheim were transferred to WBCS under TUPE. Since that date, WBCS has been responsible for its employees and for administering the payroll in respect of those employees.

On 21 November 2019, the Company acquired Nameco (No. 1036) Limited, a corporate Name at Lloyd's which underwrote on various syndicates at Lloyd's, including Syndicate 5886. The name of this company was changed to White Bear Corporate Capital Limited ("WBCC"). WBCC was initially allocated an underwriting capacity on Syndicate 5886 of £79.6m for the 2021 Year of Account. This participation increased to £104.8m for the 2022 Year of Account. In 2023, WBCC's participation on Syndicate 5886 rose to £105.0m. For the 2024 Year of Account, WBCC's participation on Syndicate 5886 further increased to £117.5m. For the 2025 Year of Account, WBCC's participation on Syndicate 5886 further increased to £154.3m.



WHITE BEAR CAPITAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Continued

Purpose and principal activities of the business (continued)

Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), FRS 103 "Insurance Contracts", the Companies Act 2006 and Schedule 3 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, relating to insurance. The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value.

Review of the business

The stamp capacity of Syndicate 5886 for the 2024 Year of Account ("YoA") was £400 million. During 2024, we observed favourable trading conditions across most classes and low loss activity. The stamp capacity of Syndicate 5886 is £525 million for the 2025 YoA.

WBCC increased its participation on Syndicate 5886 from £105.0m of capacity on Syndicate 5886 for the 2023 YoA to £117.5m for the 2024 YoA. By participating on Syndicate 5886, the Group is able to share in the profit and losses of the Syndicate for which it is the Managing Agent. The participation of the business in future years will be dependent on market conditions and available opportunities as well as the level of funds available in the Group to support the requisite Funds at Lloyd's ("FAL").

The FAL must be provided in order for corporate names to underwrite on syndicates at Lloyd's. The FAL is provided by White Bear Capital Limited under a Third Party Deposit agreement.

On 14 December 2022, a term loan for a one year period of £25.0m was taken out with Barclays Bank for the purpose of FAL. This loan was extended for one year on 14 December 2023. The loan attracted interest at Sterling Overnight Index Average ("SONIA") rates plus 3.5%, payable quarterly in arrears. The loan was subject to compliance with financial covenants which are measured quarterly. As of the date of these financial statements, the Company had met these covenants. During 2024, this loan was repaid in full.

Conning Asset Management Limited ("Conning") acts as an investment manager for Syndicate 5886 and they invest in debt securities and other fixed income securities in line with Lloyd's trust fund requirements and guidelines. Conning have also managed the Company's FAL which is pledged on behalf of WBCC.

BPL managed four lines of business in 2024: General Aviation, Builders' Risk, Commercial Crime and Energy Liability. The General Aviation business has had a positive year of trading despite competitive market conditions. Builders' Risk has increased its capacity following binder consolidation and the US business has grown its distribution networks. Commercial Crime was established during 2023 and the account developed over the course of 2024 and in addition added Management Liability business to its market offering. The Energy Liability book, despite a positive 2024, closed in January 2025 as a result of the departure of the underwriting team.



WHITE BEAR CAPITAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Continued

Review of the business (*continued*)

From 1st January 2025, the Company commenced writing a Bloodstock account bringing the numbers of lines written to four. It is our intention to bring all four lines to maturity and capitalise on their underwriting expertise. We intend to enable this by working on access to either licencing and fronting capabilities for additional territories or additional reinsurance capacity partners to support our underwriting activities.

The Group declared a Profit after tax of £17.7m for the current financial year (2023: £10.4m). This is largely derived from the activities of WBCC representing the Group's share of the trading position of Syndicate 5886 at year end.

This result is set out in the Consolidated Income Statement on Page 18 of these financial statements.

The Group's underwriting result and other income is analysed in Note 5 of these financial statements and consists of underwriting results, managing agency fees, profit commissions, income for expenses recharged to Syndicate 5886 and consortia fees.

Income for expenses recharged

Blenheim recharges expenses to the Syndicate as per the Managing Agent's agreement. This income is recognised as the expense is recognised and amounted to £18.1m for the financial year to 31 December 2024 (£15.7m for the financial year to 31 December 2023).

Consortia fees

Blenheim receives fees as a consortia manager and these amounted to £1.4m for the financial year to 31 December 2024 (£0.5m for the financial year to 31 December 2023).

MGA Commissions

BPL receives commissions as an MGA and these amounted to £4.6m for the financial year to 31 December 2024 (£3.4m for the financial year to 31 December 2023).

Managing Agency fee income and Profit Commission

Blenheim, in its capacity as Managing Agent for Syndicate 5886, is due Managing Agency fees and Profit Commission from the Syndicate for each Underwriting YoA for which it is responsible. The Managing Agency fees are charged at 0.75% of the Syndicate stamp capacity and the Profit Commission is 20% of the Syndicate's profits, adjusted for any previous year losses as per the deficit clause.

Investments

The total investment return for the Group for the calendar year is a gain of £6.3m (2023: £7.3m). U.S. government bonds underperformed over the year as longer maturity yields rose, whilst short maturity yields were unmoved. Volatility was high over the year as the Federal Reserve began its rate cutting cycle, after seeing continued progress on inflation, despite strong employment data being reported. While progress was made on inflation in September, there was a reacceleration in the fourth quarter as inflation ended the year at 2.9%. Concerns around the inflation outlook were heightened following the election of Donald Trump as President of the United States as he threatened to impose tariffs on the USA's largest trading partners. U.S. Credit spreads narrowed over the year, with real estate, banking, and insurance outperforming at a subsector level.



WHITE BEAR CAPITAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**
Continued

Review of the business (*continued*)

Investments (continued)

Shorter maturity Canadian government bond yields fell over the year as the Bank of Canada cut interest rates by 175 basis points over 2024. Inflation fell substantially over the year from 3.4% to 1.8% and sits below the Bank of Canada's 2% target. As such, rates were lowered from 5.0% to 3.25%. On the political front, Canadian credit spreads narrowed over the year, with real estate, insurance, and basic industry outperforming at a subsector level.

Given our cautious investment risk appetite, the overall investment return for the year (and the performance of the investment manager) is viewed as being satisfactory.

Expenses & tax

The Group incurred net operating expenses relating to its participation on Syndicate 5886 of £34.2m (2023: £32.7m) and administrative expenses and other charges relating to Group operations of £30.0m (2023: £30.0m) consisting mainly of employee and IT costs. Further analysis of employee costs are set out in Note 9. Tax was a charge of £3.6m for the financial year to 31 December 2024 (2023: £3.0m).

Key performance indicators

The Directors monitor the performance of the Group by reference to the following key performance indicators ("KPI"):

	2024	2023
Group's share of gross written premiums	£116.0m	£117.2m
Earnings Before Interest, Tax, Depreciation and Amortisation	£20.3m	£13.6m

Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") is a widely used indicator in business for assessing the underlying earnings of the business.

The Directors of the Company and its subsidiaries have considered and applied their statutory duty to promote the success of the Company under s172 of the Companies Act 2006, and in so doing, have acted in accordance with these responsibilities during the year, by having regard to the issues, factors, and stakeholders relevant to each of the following:

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the company's employees,
- (c) the need to foster the company's business relationships with suppliers, customers, and others,
- (d) the impact of the company's operations on the community and the environment,
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the company.



WHITE BEAR CAPITAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Continued

Review of the business (*continued*)

The likely consequences of any decision in the long term

The importance of giving due consideration to all stakeholders is a continuous process that is weaved into the Company's and wider Group's governance structure and decision-making process. Annually, Group business plans are prepared which look three years forward, a process which aims to balance the interests of different stakeholders. All strategic decisions, including changes to capital, corporate and Board structures, dividend declarations and changes to accounting and outsourcing policies, are approved by the Board as per the Matters Reserved for the Board. The Directors continue to promote the success of the Company through expansion of its activities as referred to in the Company's Strategic Report.

In 2020, the Board decided that the long-term strategy of the Group required additional third-party investment. As such, in November 2020, Alchemy Special Opportunities Fund IV became the majority shareholder of the Group. The Directors continue to promote the success of the Group through expansion of its activities as demonstrated by the continued increase in capital allocated to Syndicate 5886 for the 2024 Year of Account. This aligns with the long-term Group strategy to increase the Group's own capitalisation of the Syndicate.

The interests of the Company's employees

The Company has no employees and receives services from a group service company, WBCS, which is also the Group employing company.

The Group has implemented Human Resources policies that set out the approach to ensuring fairness and equality in the workplace underpinning the interests of the Group's employees. Employee engagement is fostered through quarterly Group wide staff meetings where senior management articulate the strategy and performance of the business and where successes are celebrated.

All Directors understand that the quality and experience of the workforce are fundamental to the success of the Group. The Group consider the training and development of its workforce to be key and therefore supports both internal and external training for employees. Succession planning within the Group's leadership team is reviewed annually and a skills and competency assessment is carried out to identify learning and development needs so that training plans are aligned to aid the Group to promote from within.

The interests of the Company's employees

The Directors are also committed to supporting diversity within the Group's leadership team and receive reporting from Human Resources on diversity regularly. The Group also ensures recruiters present diverse candidates during the recruitment of senior management.

The Directors are committed to the health, safety, and wellbeing of its workforce. The Group offers comprehensive health insurance, Employee Assistance Programmes, life cover and contributions to a defined contribution pension scheme. The Group has conducted reviews of its benefits package and made several enhancements.



WHITE BEAR CAPITAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Continued

Review of the business (*continued*)

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

The Group is fully committed to working responsibly with its suppliers. Terms of engagement with advisors, suppliers and contractors are reviewed annually by the executive management. Clear and fair guidance and service level agreements are in place and these are amended and adjusted to align with the needs of the business. We manage our operational risk relating to our outsourcing arrangements through the monitoring of defined service level agreements.

The subsidiary companies strive to work closely with their customers and capital providers to ensure that customers are treated fairly.

In addition, BPL will regularly review broker and coverholder trading partners and their major reinsurance cedant companies to understand their financial strength. In addition, regular independent audits are carried out on those who act on our behalf to ensure that they are acting appropriately within the limits of their delegation, and in the best interests of our customers.

The impact of the Company's operations on the community and the environment

The Group has a commitment to its communities, which we recognise includes environmental responsibilities including those of our stakeholders. The Group's employees are encouraged to participate in volunteering opportunities within the community and employees can apply to receive financial support for charitable fundraising activities.

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

The Group is committed to fully complying with the relevant regulatory requirements and standards across its business. To support the business, the Group compliance function seeks to be a trusted advisor to the business, driving and supporting innovation whilst partnering with the business and regulators to ensure regulatory obligations are met. Compliance reports to the Group and subsidiary boards on material compliance matters including regulatory change, reporting requirements and any regulatory breaches.

The need to act fairly between members of the Company

All interactions with other Group entities are carried out at arm's length and are governed by service level agreements and a robust Conflicts of Interest Policy.

Principal risks and uncertainties

All businesses face risks and uncertainties. The principal risks and uncertainties are set out in Note 4 of these financial statements.

Future development of the business

Climate Change

In response to the PRA Supervisory Statement in 2019 and a subsequent "Dear Chief Executive Officer" letter in 2020, Blenheim has implemented significant changes to address and quantify the financial risks of climate change where possible and relevant, in order to meet the PRA's requirements. We expect our approach to managing the financial risks from climate change to develop over time.



WHITE BEAR CAPITAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Continued

Future development of the business (*continued*)

Climate Change (continued)

Blenheim has ensured Board-level engagement and accountability with the PRA's requirements, assigning clear responsibilities for managing the financial risks associated with climate change. The Chief Executive Officer, who is a Board member, is responsible for identifying and managing financial climate related risks.

The Board addresses the financial risks from climate change through the existing risk management framework. The Board considers the risks with respect to the current and future impacts to the business environment in which it operates. The Board assesses the financial risk from climate change using stress testing developed by the Exposure Management team and has implemented a board-approved risk appetite to limit the financial risks associated with climate change. The Board has identified two main areas of financial risk arising from climate change that are applicable in the short and long-term: catastrophe risk and investment risk.

Catastrophe Risk

As most of the underwriting activity relates to (re)insurance which provides cover for natural catastrophes and man-made events, the main focus of Syndicate 5886's activities to date in relation to underwriting has been on catastrophe modelling and climate change by the Exposure Management team working in conjunction with the underwriting teams led by the Active Underwriter to ensure we do not overcommit the Syndicate 5886's capital at a time when the pattern of natural catastrophes may be altering due to climate change or other reasons. Syndicate 5886 utilises industry standard catastrophe models for our main peril regions, but we also have considerable in-house expertise in developing our own catastrophe models both to help validate the outputs of the former or to address significant peril regions not covered by the models we licence.

Investment Risk

Financial investments are a material asset to the balance sheet which could be exposed to the financial risks. As per the Prudent Person Principle insurers must diversify their assets to avoid excessive accumulation risk in the investment portfolio. Therefore the Group has instructed the investment manager to have regard to and consider the impact of any climate-related risks where their impact could adversely impact returns having specific regard to thermal coal, oil sands and arctic energy.

Environmental, Social and Governance

The Group acknowledges and recognises the significance of environmental, social and governance ("ESG") considerations in delivering optimum outcome for all stakeholders, both internal and external, and believes that appropriate ESG policies and practices support building a sustainable business.

The Group, is committed to ensuring ethical behaviours in our activities, promoting diversity, equality and inclusion in the workplace, considering our own impact on the environment, continuing our strong governance work and facilitating ESG related knowledge sharing throughout the Group.



WHITE BEAR CAPITAL LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

Continued

Future development of the business (*continued*)

Environmental, Social and Governance (continued)

The Group has an ESG Committee which is responsible for developing, recommending and subsequent implementation of the overall ESG strategy. The ESG Committee consists of senior members of management. The ESG Committee reports on the ESG Policy to the Board and meets regularly to consider progress and develop strategy.

The ESG Committee is focused on:

- (a) Communicating ESG policy to employees and providing appropriate training.
- (b) Taking steps as part of our recruitment practices to widen the pool of talent from which we draw our workforce, together with supporting volunteering programmes that promote the London Insurance Market within local communities.
- (c) Tracking progress in promoting diversity, equality and inclusion in the workplace with a number relevant KPIs active which are reported regularly to the Group and subsidiary boards.
- (d) Operating robust and independent whistleblowing arrangements across the Group that actively encourage employees to speak up on actual or suspected wrongdoing.
- (e) Continuing to work towards formalising our approach to reducing the Group's environmental footprint.
- (f) Developing a sustainable and consistent underwriting approach to ESG issues and the associated risk management framework to support this. We will work closely with our (re)insurance clients and producing brokers to help manage and navigate transition to more sustainable worldwide energy sources and emissions levels.
- (g) Developing our catastrophe modelling and scenario testing in respect of climate change related risks to support underwriting decision making and business planning.
- (h) Considering impact of any ESG risks within our investment strategies.

The Group's activity will be kept under review to ensure that our progress continues to align with, and is responsive to, new scientific developments, emerging trends and priorities, stakeholder expectation, legislation, and regulation.

Business Development

WBCC has increased the amount of syndicate capacity for the 2025 YoA to £154.3m (2024 YoA: £117.5m). All of this capacity is with Syndicate 5886. The participation of the business in future years will be dependent on market conditions and available opportunities as well as the level of funds available in the Group to support the requisite funds at Lloyd's.

Approved by the Board and signed on its behalf by:

John Anthony Lynch
27 June 2025

WHITE BEAR CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors of White Bear Capital Limited present their report together with the financial statements for the financial year ended 31 December 2024.

Information required in Directors' Report which is disclosed in the Strategic Report

Schedule 7 of the "Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008" requires certain information to be disclosed in the Directors' Report. However, the Group has chosen, in accordance with s414C(11) of the Companies Act, to disclose the information relating to credit risk and liquidity risk in Note 4 of these financial statements.

Future developments

The Directors aim for the Group to act as Managing Agent to Syndicate 5886 for the foreseeable future as well as continue to participate on Syndicate 5886. BPL will continue to be developed as conditions and opportunities allow. Further details are set out in the Strategic Report on pages 2 to 9.

Streamlined Energy and Carbon Reporting ("SECR")

The Group falls within the scope of the SECR requirements. As the Group uses less than 40,000 kwh of energy per year, it is exempt from reporting on the SECR requirements. It is for this reason that the Directors have not included information in relation to the Group's energy and carbon usage.

Going concern basis

Having considered the principal risks and uncertainties facing the Group, the expected future profitability and cash flows of the Group, and the amount of shareholder's equity, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next 12 months. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors

The current Directors of the Company are shown on page 1. All the Directors held office during the financial period under review.

Dividends

No dividends in respect of the financial year to 31 December 2024 are proposed or recommended (2023: £nil).

WHITE BEAR CAPITAL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. This indemnity was in force from inception of the Company. Directors' and Officers liability and Professional Indemnity insurance has been maintained throughout the financial year.

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- (1) So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (2) the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditor

BDO LLP were appointed as auditors and it is the intention of the Directors to reappoint BDO LLP as auditor for the forthcoming year.

Approved by the Board and signed on its behalf by:



John Anthony Lynch
27 June 2025



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WHITE BEAR CAPITAL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's financial statements and then 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

WHITE BEAR CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITE BEAR CAPITAL LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of White Bear Capital Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2024 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cashflows and notes to the financial statements, 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and Financial Reporting Standard 103 Insurance Contracts (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

WHITE BEAR CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITE BEAR CAPITAL LIMITED *Continued*

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Strategic Report and Directors' Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

WHITE BEAR CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITE BEAR CAPITAL LIMITED *Continued*

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have 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 ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the Companies Act 2006, Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland and Financial Reporting Standard 103: Insurance Contracts (United Kingdom Generally Accepted Accounting Practice).

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Corporate and VAT legislation, Employment Taxes, Health and Safety and the Bribery Act 2010.

WHITE BEAR CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITE BEAR CAPITAL LIMITED

Continued

Auditor's responsibilities for the audit of the financial statements (*continued*)

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with the Financial Conduct Authority (FCA) and Lloyd's;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of controls.

Our procedures in respect of the above included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Assessing significant estimates made by management regarding the recognition of revenue, particularly recognition of the managing agency fees, profit commission and expense recharges to the syndicate for bias;
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Review and consideration of adjustments made to the financial statements for any unusual or unexpected journal postings;
- Assessing the appropriateness of accounting policies applied; and
- Assessing the accuracy of management recharges and the timing of revenue recognition around the year end.

WHITE BEAR CAPITAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHITE BEAR CAPITAL LIMITED *Continued*

Auditor's responsibilities for the audit of the financial statements (*continued*)

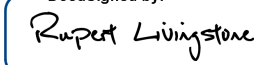
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

DocuSigned by:

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Rupert Livingstone (Senior Statutory Auditor)
For and on behalf of BDO LLP
Statutory Auditor
London, UK
Date: 27 June 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



WHITE BEAR CAPITAL LIMITED

CONSOLIDATED INCOME STATEMENT TECHNICAL ACCOUNT - GENERAL BUSINESS FOR THE YEAR ENDED 31 DECEMBER 2024

		31 December 2024	31 December 2023
	Notes	£'000	£'000
Premiums written			
Gross premiums written	5	115,989	117,209
Outward reinsurance premium		(25,192)	(26,162)
Net written premiums		<u>90,797</u>	<u>91,047</u>
Change in the provision for unearned premiums			
Gross provision		(10,031)	(4,644)
Reinsurers' share		1,945	2,183
Net change in the provision for unearned premiums	6	<u>(8,086)</u>	<u>(2,461)</u>
Earned premiums, net of reinsurance		82,711	88,586
Allocated investment return		3,838	2,268
Total technical income		<u>86,549</u>	<u>90,854</u>
Claims paid			
Gross amount		(40,690)	(48,760)
Reinsurers' share		7,496	8,634
Net claims paid		<u>(33,194)</u>	<u>(40,126)</u>
Changes in the provision for claims outstanding			
Gross amount		(1,232)	7,036
Reinsurers' share		(1,117)	(8,853)
Change in the net provision for claims outstanding	6	<u>(2,349)</u>	<u>(1,817)</u>
Claims incurred, net of reinsurance		(35,543)	(41,943)
Net operating expenses	7	(34,221)	(32,662)
Balance on technical account - general business		<u>16,785</u>	<u>16,249</u>

All transactions are derived from continuing operations.

The Notes on pages 25 to 63 form an integral part of these accounts.



WHITE BEAR CAPITAL LIMITED

CONSOLIDATED INCOME STATEMENT NON TECHNICAL ACCOUNT - GENERAL BUSINESS FOR THE YEAR ENDED 31 DECEMBER 2024

Continued

	Notes	31 December 2024 £'000	31 December 2023 £'000
Balance on technical account - general business		16,785	16,249
Investment return	10	6,337	7,289
Allocated investment return transferred to the general business technical account		(3,838)	(2,268)
Other income	5	31,733	21,883
Administrative expenses and other charges		(29,965)	(29,971)
Profit before taxation		21,052	13,182
Tax		(3,623)	(3,016)
Profit for the financial year		17,429	10,166

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	31 December 2024 £'000	31 December 2023 £'000
Profit for the financial year	17,429	10,166
Currency translation differences	353	280
Total comprehensive profit before taxation	17,782	10,446
Tax on comprehensive profit	(88)	(66)
Total comprehensive profit for the financial year	17,694	10,380

All transactions are derived from continuing operations.

The Notes on pages 25 to 63 form an integral part of these accounts.



WHITE BEAR
CAPITAL

WHITE BEAR CAPITAL LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Called Up Share Capital £'000	Share Premium Account £'000	Profit and Loss Account £'000	Total Equity £'000
<i>For the year ended 31 December 2024</i>				
Opening balance 1 January 2024	-	76,136	3,871	80,007
Total comprehensive profit for the financial year	-	-	17,694	17,694
As at 31 December 2024	-	76,136	21,565	97,701

	Called Up Share Capital £'000	Share Premium Account £'000	Profit and Loss Account £'000	Total Equity £'000
<i>For the year ended 31 December 2023</i>				
Opening balance 1 January 2023	-	76,136	(6,509)	69,627
Total comprehensive profit for the financial year	-	-	10,380	10,380
As at 31 December 2023	-	76,136	3,871	80,007

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Called Up Share Capital £'000	Share Premium Account £'000	Profit and Loss Account £'000	Total Equity £'000
<i>For the year ended 31 December 2024</i>				
Opening balance 1 January 2024	-	78,460	(1,714)	76,746
Total comprehensive profit for the financial year	-	-	5,936	5,936
As at 31 December 2024	-	78,460	4,222	82,682

	Called Up Share Capital £'000	Share Premium Account £'000	Profit and Loss Account £'000	Total Equity £'000
<i>For the year ended 31 December 2023</i>				
Opening balance 1 January 2023	-	78,460	(1,774)	76,686
Total comprehensive profit for the financial year	-	-	60	60
As at 31 December 2023	-	78,460	(1,714)	76,746

Called up share capital represents the nominal value of shares that have been issued.

Share premium account represents the premium paid for shares above their nominal value (net of any issue expenses).

Profit and loss account represents all current and prior period retained profits and losses.

The Notes on pages 25 to 63 form an integral part of these accounts.



WHITE BEAR CAPITAL LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		31 December 2024 £'000	31 December 2023 £'000
Notes			
Fixed assets			
Investment in subsidiaries	16	<u>1,030</u>	<u>482</u>
		1,030	482
Investments			
Financial investments	15	<u>42,055</u>	<u>77,615</u>
		42,055	77,615
Current Assets			
Debtors - Amounts falling due within one year	17	24,293	12,675
Cash	18	<u>20,332</u>	<u>17,962</u>
		44,625	30,637
Creditors			
Term loan	20	-	25,000
Creditors - Amounts falling due within one year	21	5,154	7,113
		<u>39,471</u>	<u>(1,476)</u>
Net current assets / (liabilities)			
Debtors			
Debtors - Amounts falling due after one year	17	126	126
Total assets less current liabilities			
		<u>82,682</u>	<u>76,746</u>
Net assets			
		<u><u>82,682</u></u>	<u><u>76,746</u></u>
Capital and reserves			
Share capital	22	-	-
Share premium	22	78,460	78,460
Profit and loss account		<u>4,222</u>	<u>(1,714)</u>
Total Equity		<u><u>82,682</u></u>	<u><u>76,746</u></u>

The financial statements were approved by the Board of Directors on 27 June 2025.

Signed on behalf of the Board of Directors:

John Anthony Lynch

Director

London

27 June 2025

The Notes on pages 25 to 63 form an integral part of these accounts.



WHITE BEAR CAPITAL LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		31 December 2024 £'000	31 December 2023 £'000
Assets	Notes		
Intangible assets	14	(30)	(30)
		(30)	(30)
Investments			
Financial investments	15	133,793	124,620
Deposits with ceding undertakings		64	17
		133,857	124,637
Reinsurers' share of technical provisions			
Provision for unearned premiums	6	6,406	4,539
Claims outstanding	6	22,960	21,984
		29,366	26,523
Debtors - Amounts falling due within one year			
Arising out of direct insurance operations		24,768	17,691
Arising out of reinsurance operations		25,780	23,493
Other debtors	17	16,744	6,491
		67,292	47,675
Debtors - Amounts falling due after one year	17	575	504
Cash and other assets			
Cash at bank and in hand	18	39,724	54,023
Property, plant and equipment	13	59	44
Other assets		5,071	6,114
		44,854	60,181
Prepayments and accrued income			
Accrued interest		758	412
Deferred acquisition costs		11,095	8,822
Other prepayments and accrued income		40,102	18,399
		51,955	27,633
Total assets		327,869	287,123

The Notes on pages 25 to 63 form an integral part of these accounts.



WHITE BEAR CAPITAL LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

Continued

		31 December 2024 £'000	31 December 2023 £'000
Total equity and liabilities	Notes		
Capital and reserves			
Share premium		76,136	76,136
Profit and loss account		21,565	3,872
Total equity		<u>97,701</u>	<u>80,008</u>
Liabilities			
Technical provisions			
Provision for unearned premiums	6	52,740	43,057
Claims outstanding	6	96,964	89,984
		<u>149,704</u>	<u>133,041</u>
Creditors - Amounts falling due within one year			
Arising out of direct insurance operations		932	383
Arising out of reinsurance operations		14,435	12,956
Term loan	20	-	25,000
Other creditors	21	45,090	26,629
		<u>60,457</u>	<u>64,968</u>
Creditors - Amounts falling due after more than one year	21	20,007	9,107
Total liabilities		<u>230,168</u>	<u>207,116</u>
Total shareholders' funds and liabilities		<u>327,869</u>	<u>287,123</u>

The financial statements were approved by the Board of Directors on 27 June 2025.

Signed on behalf of the Board of Directors:

John Anthony Lynch
Director
London
27 June 2025

The Notes on pages 25 to 63 form an integral part of these accounts.



WHITE BEAR CAPITAL LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	31 December 2024 £'000	31 December 2023 £'000
Cash flows from operating activities		
Profit on ordinary activities before taxation	21,052	13,182
Depreciation on property, plant and equipment	40	104
Movement in gross technical provisions	16,663	13,641
Movement in reinsurers' share of technical provisions	(2,843)	2,360
Movement in debtors	(18,831)	(2,955)
Movement in prepayments and accrued income	(24,322)	(261)
Movement in creditors	24,315	(756)
Movement in accrued expenses and deferred income	3,480	4,082
Corporation taxes (paid) / received	6	(123)
Investment return	(2,499)	(7,289)
Other	354	282
Net cash inflow from operating activities	17,415	22,266
Cash flows from investing activities		
Purchase of property, plant and equipment	(40)	-
Interest received	538	202
Purchases of financial investments	(115,471)	(137,594)
Sales of financial investments	106,297	123,567
Investment return	1,962	7,087
Net cash outflow from investing activities	(6,714)	(6,738)
Cash flows from financing activities		
Share issuance costs	-	-
Payment of term loan	(25,000)	-
Net cash outflow from financing activities	(25,000)	-
Cash and cash equivalents at beginning of year	54,023	38,494
Movement in cash and cash equivalents	(14,299)	15,529
Cash and cash equivalents at end of year	39,724	54,023

The Notes on pages 25 to 63 form an integral part of these accounts.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. Company information

White Bear Capital Limited (registered number 10220701) "the Company" is a private company, limited by shares and incorporated in England and Wales. The Company's registered address is 7th Floor, 70 Mark Lane, London, EC3R 7NQ. Its principal place of business is 7th Floor, 70 Mark Lane, London, EC3R 7NQ.

2. Basis of preparation and summary of significant accounting policies

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), FRS 103 "Insurance Contracts" ("FRS 103"), the Companies Act 2006 and Schedule 3 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, relating to insurance. FRS 103 is an appropriate standard as the majority of activities of the Group are insurance related. The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value.

The White Bear Capital Group "the Group" financial statements consolidate the financial statements of the Company drawn up to 31 December 2024. Details of its subsidiaries are set out in Note 16.

The Company has taken advantage of section 408 of the Companies Act 2006 and has not included either its own Statement of Comprehensive Income or its own Statement of Cash Flows and related notes in these financial statements. The Company's profit for the financial year was £5.9m (2023: £0.1m).

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

- (a) The financial statements have been prepared on a going concern basis. The Directors' assessment of the going concern basis is discussed in the Directors' Report under the heading 'Going Concern Basis'.
- (b) All financial statements are presented in Pounds Sterling (£), being the functional and presentational currency of the Company and rounded to the nearest £'000.

Foreign currency transactions are translated into functional currency using periodic rates. At each period end foreign currency monetary items are translated at the rate of exchange at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. Foreign exchange gains and losses are presented in the Statement of Comprehensive Income within administrative expenses.

(c) Basis of accounting

Amounts reported in the general business technical account relate to movements in the year in respect of all relevant years of account of the Syndicate.

Assets and liabilities arising as a result of the underwriting activities are controlled by the Blenheim. The Syndicate's assets are held subject to trust deeds for the benefit of the Syndicate's insurance creditors.

The accounting policies included in these financial statements in respect of the Syndicate information are those adopted by Blenheim.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(d) Premiums

Premiums written comprise the total premiums receivable in respect of business incepted during the year, together with any differences between booked premiums for prior years and those previously accrued, and include estimates of premiums due but not yet receivable or notified to the Syndicate, less an allowance for cancellations. All premiums are shown gross of commission payable to intermediaries and exclude taxes and duties levied on them.

Profit commissions on contracts are estimated based on underlying profitability and accrued where the amount can be estimated with reasonable certainty.

(e) Unearned premiums

Written premium is earned 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 Statement of Financial Position date, calculated on a time apportionment basis having regard where appropriate, to the incidence of risk.

(f) Deferred acquisition costs

Acquisition costs comprise costs arising from the conclusion of insurance contracts. They include both direct costs, such as intermediary commissions or the cost of drawing up the insurance document or including the insurance contract in the portfolio, and indirect costs, such as the advertising costs or the administrative expenses connected with the processing of proposals and the issuing of policies.

Deferred acquisition costs are costs arising from the conclusion of insurance contracts that are incurred during the reporting period, but which relate to a subsequent reporting period and which are carried forward to subsequent reporting periods.

Acquisition costs, which represent commission and other related expenses, are deferred over the period in which the related premiums are earned.

(g) Profit commission

Profit Commission is charged by Blenheim at a rate of 20% of the profit on an earned Year of Account basis subject to the operation of a two year deficit clause. The Profit Commission is payable after the appropriate Year of Account closes.

(h) Reinsurance premiums

Reinsurance premiums comprise the total premiums payable for the whole cover provided by contracts entered in the period, including portfolio premiums payable, and are recognised on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(i) Claims incurred and reinsurers' share

Claims incurred comprise claims and settlement expenses (both internal and external) occurring in the year and changes in the provisions for outstanding claims, including provisions for claims incurred but not reported and settlement expenses, together with any other adjustments to claims from previous years. Where applicable, deductions are made for salvage and other recoveries.

The provision for claims outstanding comprises amounts set aside for claims notified and claims incurred but not yet reported ("IBNR"). The amount included in respect of IBNR is based on statistical techniques of estimation applied by each syndicate's in-house reserving team and reviewed by external consulting actuaries. These techniques generally involve projecting from past experience 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 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 is based on calculated amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to each syndicate's reinsurance programme in place for the class of business, the claims experience for the year and the current security rating of the reinsurance companies involved.

Accordingly the two most critical assumptions made by each syndicate's managing agent 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 including pricing models for recent business are reasonable indicators of the likely level of ultimate claims to be incurred.

The level of uncertainty with regard to the estimations within these provisions generally decreases with time as the exposure period recedes. In addition the nature of short tail claims such as property where claims are typically notified and settled within a short period of time will normally have less uncertainty after a few years than long tail risks such as some liability business where it may be several years before claims are fully advised and settled. In addition to these factors if there are disputes regarding coverage under policies or changes in the relevant law regarding a claim this may increase the uncertainty in the estimation of the outcomes.

The assessment of these provisions is usually the most subjective aspect of an insurer's accounts and may result in greater uncertainty within an insurer's accounts than within those of many other businesses. The provisions for gross claims and related reinsurance recoveries have been assessed on the basis of the information currently available to the directors of each syndicate's managing agent. 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 provisions are not discounted for the investment earnings that may be expected to arise in the future on the funds retained to meet the future liabilities. The methods used, and the estimates made, are reviewed regularly.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(j) Unexpired risks provision

Provisions for unexpired risks are made where the costs of outstanding claims, related expenses and deferred acquisition costs are expected to exceed the unearned premium provision carried forward at the Statement of Financial Position date. 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.

(k) Closed years of account

At the end of the third year, the underwriting account is normally closed by reinsurance into the following Year of Account. The amount of the reinsurance to close premium payable is determined by the Managing Agent, generally by estimating the cost of claims notified but not settled at 31 December, together with the estimated cost of claims incurred but not reported at that date, and an estimate of future claims handling costs.

Any subsequent variation in the ultimate liabilities of the closed Year of Account is borne by the underwriting year into which it is reinsured.

The payment of a reinsurance to close premium does not eliminate the liability of the closed year for outstanding claims. If the reinsuring syndicate was unable to meet its obligations, and the other elements of Lloyd's chain of security were to fail, then the closed underwriting account would have to settle outstanding claims.

The Directors consider that the likelihood of such a failure of the reinsurance to close is extremely remote, and consequently the reinsurance to close has been deemed to settle the liabilities outstanding at the closure of an underwriting account. WBCC has included its share of the reinsurance to close premiums payable as technical provisions at the end of the current period, and no further provision is made for any potential variation in the ultimate liability of that Year of Account.

(l) Run-off years of account

Where an underwriting Year of Account is not closed at the end of the third year (a "run-off" Year of Account) a provision is made for the estimated cost of all known and unknown outstanding liabilities of that year. The provision is determined initially by the Managing Agent on a similar basis to the reinsurance to close. However, any subsequent variation in the ultimate liabilities for that year remains with the corporate member participating therein. As a result, any run-off year will continue to report movements in its results after the third year until such time as it secures a reinsurance to close.

(m) Net operating expenses (including acquisition costs)

Net operating costs include acquisition costs, profit and loss on exchange and other amounts incurred by the Syndicate.

Acquisition costs, comprising commission and other costs related to the acquisition of new insurance contracts, are deferred to the extent that they are attributable to premiums unearned at the Statement of Financial Position date.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(n) Financial assets and financial liabilities

Classification:

The accounting classification of financial assets and liabilities determines their basis of measurement and how changes in those values are presented in the Income Statement and Other Comprehensive Income. These classifications are made at initial recognition and subsequent classification is only permitted in restricted circumstances.

The Group's investments comprise of debt and equity investments, derivatives, cash and cash equivalents and loans and receivables. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company or the Syndicate after deducting all of its liabilities.

Recognition:

Financial assets and liabilities are recognised when the Company or the Syndicate becomes party to the contractual provisions of the instrument. In respect of the purchases and sales of financial assets, they are recognised on the trade date.

Initial measurement:

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Subsequent measurement:

Non-current debt instruments are subsequently measured at amortised cost using the effective interest method.

Debt instruments that are classified as payable or receivable within one financial year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Other debt instruments are measured at fair value through profit or loss.

De-recognition of financial assets and liabilities:

Financial assets are derecognised when and only when a) the contractual rights to the cash flow from the financial asset expire or are settled, b) the Company or the Syndicate transfer to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company or the Syndicate, despite having retained some significant risks and rewards of ownership, have transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(n) Financial assets and financial liabilities (*continued*)

Fair value measurement:

The best evidence of fair value is a quoted price for an identical asset or liability in an active market that the entity can access at the measurement date.

When quoted prices are unavailable, observable inputs developed using market data for the asset or liability, either directly or indirectly, are used to determine the fair value.

If the market for the asset is not active and there are no observable inputs, then the Company or the Syndicate estimates the fair value by using unobservable inputs, i.e. where market data is unavailable.

Impairment of financial instruments measured at amortised cost or cost:

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, i.e. using the effective interest method.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. The amount of the reversal is recognised in profit and loss immediately.

Offsetting:

Debtors/creditors arising from insurance/reinsurance operations shown in the Statement of Financial Position include the total of all the Syndicate outstanding debit and credit transactions as processed by the Lloyd's central facility. No account has been taken of any offsets which may be applicable in calculating the net amounts due between the Syndicate and each of their counterparty insureds, reinsurers or intermediaries as appropriate.

(o) Investment return

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

Realised and unrealised gains and losses are measured by reference to the original cost of the investment if purchased in the year, or if held at the beginning of the year by reference to the fair value at that date.

Investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business technical account to reflect the investment return on funds supporting the underwriting business.

(p) Basis of currency translation

The presentation and functional currency of the Group is Pound Sterling (£), which is the currency of the primary economic environment in which it operates.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(p) Basis of currency translation (*continued*)

Income and expenditure in US dollars, Canadian dollars and Euros is translated at the average rate of exchange for the year. Underwriting transactions denominated in other foreign currencies are included at the rate of exchange ruling at the date the transaction is processed.

Monetary assets and liabilities, which according to FRS 103 are deemed to include unearned premiums and deferred acquisition costs, are translated into Pound Sterling at the rates of exchange at the Statement of Financial Position date.

Any non-monetary items are translated into the functional currency using the rate of exchange prevailing at the time of the transaction.

Differences arising on translation to the functional currency of the Syndicate where the functional currency is US dollars is reported in the Statement of Other Comprehensive Income. All other exchange differences are reported within the Income Statement, Non-Technical Account.

(q) Reinsurance at corporate level

Where considered applicable by the Directors of WBCC, they may purchase additional reinsurance to that purchased through the Syndicate. Any such reinsurance premiums and related reinsurance recoveries are treated in the same manner as described for the Syndicate in Note 2 (g) and (h) above.

(r) Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

WBCC is taxed on its results including its share of underwriting results declared by the Syndicate. These are deemed to accrue evenly over the calendar year in which they are declared. The Syndicate results included in these financial statements are only declared for tax purposes in the calendar year following the normal closure of the Year of Account. No provision is made for corporation tax in relation to open years of account.

However, full provision is made for deferred tax on underwriting results not subject to current corporation tax to the extent that it is recoverable.

HM Revenue & Customs agrees the taxable results of the Syndicate on the basis of computations submitted by Blenheim. At the date of the approval of these financial statements the Syndicate taxable results of years of account closed at this and at previous year ends may not have been fully agreed with HM Revenue & Customs. Any adjustments that may be necessary to the tax provisions established by WBCC, as a result of HM Revenue & Customs agreement of the Syndicate results, will be reflected in the financial statements of subsequent periods.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(s) Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the Statement of Financial Position date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise, based on current tax rates and law.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities have not been discounted.

(t) Intangible assets

Intangible assets are in respect of goodwill arising on the acquisition of subsidiaries. Goodwill is not amortised but is tested for impairment annually. Where the purchase price of a subsidiary is less than the net assets acquired, this gives rise to negative goodwill which is adjusted for subsequent changes in value in future years.

The intangible assets are reviewed for impairment where there are indicators for impairment, and any impairment is charged to the Income Statement for the period.

(u) Cash and cash equivalents

Cash and cash equivalents include deposits held by the Group with banks and cash and the Group's share of the Syndicate's cash and cash equivalents. The Group has no control over the disposition of assets and liabilities held by the Syndicate at Lloyd's.

(v) Expenses

Expenses are recognised on an accruals basis.

(w) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

(x) Depreciation

Depreciation is charged on all fixed assets held so the original cost is written down to the estimated residual value over the period of their estimated useful economic lives. The depreciation is calculated over the following periods:

Leasehold premises - length of lease

Furniture, fixtures and fittings - 5 years

Computer and IT equipment - 3 years

Fixed assets include assets purchased under finance leases and the liability under the finance lease is shown within creditors.

(y) Subordinated loans

Subordinated loans are recognised as a debtor in the Company Statement of Financial Position. Where the loan is for greater than one year, this is recognised as such. The subordinated loan is recognised as a financial asset at amortised cost using the effective interest rate method.

(z) Term loan

The term loan is recognised as a financial liability due within one year as described in Note 2 (n) above.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

2. Basis of preparation and summary of significant accounting policies (*continued*)

(aa) Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group (its subsidiaries). Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The White Bear Capital Employee Benefit Trust ("the EBT") is also included within the financial statements of the Group as the Group is deemed to have de facto control of the assets and liabilities of the EBT.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

(ab) Other income

Other income includes fees charged to Syndicate 5886 for the provision of goods and services, Managing Agency fees, consortia fees and MGA commissions. Managing Agency fees are recognised over the 36 month period to close of the Year of Account to which the fees attach, in line with the activity of the Managing Agent. Income charged for the provision of goods and services are recognised at the same time as when the expense which is to be recharged to the Syndicate has been recognised. Profit Commission is recognised to the extent that it is highly probable and it will not be subject to significant reversal. Consortia fees are recognised in line with the activity to which the fee relate. MGA commissions in respect of business underwritten on behalf of (re)insurance clients. The fees are recognised when the policies are written.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. These judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The measurement of the provision for claims outstanding is the most significant judgement involving estimation uncertainty regarding amounts recognised in these financial statements in relation to underwriting by the Syndicate and this is disclosed further in Note 6.

The management and control of the Syndicate is carried out by Blenheim, and the Group looks to Blenheim to implement appropriate policies, procedures and internal controls to manage the Syndicate.

The key accounting judgements and sources of estimation uncertainty set out below therefore relate to those made in respect of the Group only, and do not include estimates and judgements made in respect of the Syndicate.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

3. Judgements in applying accounting policies and key sources of estimation uncertainty (*continued*)

Purchased syndicate capacity

Estimating value in use:

Where an indication of impairment of capacity values exists, the Directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires an estimate of the future cash flows expected to arise from the capacity and a suitable discount rate in order to calculate present value.

Determining the useful life of purchased syndicate capacity:

The assessed useful life of syndicate capacity is five years. This is on the basis that this is the life over which the original value of the capacity acquired is used up.

Assessing indicators of impairment:

In assessing whether there have been any indicators of impairment assets, the Directors of WBCC consider both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Recoverability of receivables:

The Group establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability, factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers are all considered.

4. Risk management

This section summarises the financial and insurance risks the Group is exposed to either directly at its own corporate level or indirectly via its participation in the Syndicate.

Risk background

The Syndicate's activities expose it to a variety of financial and non-financial risks. Blenheim is responsible for managing the Syndicate's exposure to risks and, where possible, and where possible introducing controls and procedures that mitigate the effects of the exposure to risk. Each year, Blenheim prepares a Lloyd's Capital Return ("LCR") for the Syndicate, the purpose of this being to agree capital requirements with Lloyd's based on an agreed assessment of the risks impacting the Syndicate's business, and the measures in place to manage and mitigate those risks from a quantitative and qualitative perspective. The risks described below are typically reflected in the LCR, and, typically, the majority of the total assessed value of the risks concerned is attributable to insurance risk.

The insurance risks faced by the Syndicate include the occurrence of catastrophic events, downward pressure on pricing of risks, reductions in business volumes and the risk of inadequate reserving. Reinsurance risks arise from the risk that a reinsurer fails to meet their share of a claim. The management of the Syndicate's funds is exposed to risks of investment, liquidity, currency and interest rates leading to financial loss. The Syndicate is also exposed to regulatory and operational risks including its ability to continue to trade. However, supervision by Lloyd's provides additional controls over the Syndicate's management of risks.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

4. Risk management (*continued*)

Risk background (*continued*)

The Group manages the risks faced by the Syndicate on which it participates by monitoring its performance. This commences in advance of committing to support the Syndicate for the following year, with a review of the business plan prepared by Blenheim. In addition, quarterly reports and annual accounts together with any other information made available by Blenheim are monitored. If the Group considers that the risks being run by the Syndicate are excessive, it will seek confirmation from Blenheim that adequate management of the risk is in place and, if considered appropriate will withdraw support from the next underwriting year.

Syndicate risks

i. Liquidity risk

The Syndicate is exposed to daily calls on its available cash resources, principally from claims arising from its insurance business. Liquidity risk arises where cash may not be available to pay obligation when due, or to ensure compliance with the Syndicate's obligations under the various trust deeds to which it is party.

The Syndicate aims to manage its liquidity position so that they can fund claims arising from significant catastrophic events, as modelled in its Lloyd's realistic disaster scenarios ("RDS").

Although there are usually no stated maturities for claims outstanding, the Syndicate has provided its expected maturity of future claims settlements as follows:

	No stated maturity £'000	0-1 year £'000	1-3 years £'000	3-5 years £'000	>5 years £'000	Total £'000
31 December 2024						
Claims outstanding	-	49,317	33,361	9,695	4,591	96,964
	No stated maturity £'000	0-1 year £'000	1-3 years £'000	3-5 years £'000	>5 years £'000	Total £'000
31 December 2023						
Claims outstanding	-	46,868	31,516	8,021	3,579	89,984



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

4. Risk management (*continued*)

Syndicate risks (*continued*)

ii. Credit risk

Credit ratings to syndicate assets emerging directly from insurance activities which are neither past due nor impaired are as follows:

31 December 2024	AAA £'000	AA £'000	A £'000	BBB or lower £'000	Not rated £'000	Total £'000
Financial investments	9,103	19,975	46,823	15,837	-	91,738
Deposits with ceding undertakings	-	-	64	-	-	64
RI share of claims outstanding	-	1,863	13,655	-	7,442	22,960
Cash at bank and in hand	-	-	5,694	-	-	5,694
	9,103	21,838	66,236	15,837	7,442	120,456

31 December 2023	AAA £'000	AA £'000	A £'000	BBB or lower £'000	Not rated £'000	Total £'000
Financial investments	5,668	13,065	25,595	2,677	-	47,005
Deposits with ceding undertakings	-	-	17	-	-	17
RI share of claims outstanding	-	3,310	11,977	54	6,643	21,984
Cash at bank and in hand	-	-	20,582	-	-	20,582
	5,668	16,375	58,171	2,731	6,643	89,588



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

4. Risk management (*continued*)

Syndicate risks (*continued*)

ii. Credit risk (*continued*)

Syndicate assets emerging directly from insurance activities, with reference to their due date or impaired are as follows:

	Neither past due nor impaired £'000	Past due but not impaired			Impaired £'000	Total £'000
		Less than 6 months £'000	Between 6 months and 1 year £'000	Greater than 1 year £'000		
31 December 2024						
Financial investments	91,738	-	-	-	-	91,738
Deposits with ceding undertakings	64	-	-	-	-	64
Reinsurers' share of claims	22,960	-	-	-	-	22,960
Reinsurance debtors	-	3,075	-	-	-	3,075
Cash at bank and in hand	5,694	-	-	-	-	5,694
Other assets	5,071	-	-	-	-	5,071
Insurance and other debtors	66,922	1,448	689	471	-	69,530
	192,449	4,523	689	471	-	198,132

	Neither past due nor impaired £'000	Past due but not impaired			Impaired £'000	Total £'000
		Less than 6 months £'000	Between 6 months and 1 year £'000	Greater than 1 year £'000		
31 December 2023						
Financial investments	47,005	-	-	-	-	47,005
Deposits with ceding undertakings	17	-	-	-	-	17
Reinsurers' share of claims	21,984	-	-	-	-	21,984
Reinsurance debtors	-	3,665	-	-	-	3,665
Cash at bank and in hand	20,582	-	-	-	-	20,582
Other assets	6,114	-	-	-	-	6,114
Insurance and other debtors	53,303	210	970	-	-	54,483
	149,005	3,875	970	-	-	153,850

iii. Interest rate and equity price risk

Interest rate risk and equity price risk are the risks that the fair value of future cash flows of financial instruments will fluctuate because of changes in market interest rates and market prices, respectively.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

4. Risk management (*continued*)

Syndicate risks (*continued*)

iv. Currency risk

The Syndicate's main exposure to foreign currency risk arises from insurance business originating overseas, primarily denominated in US dollars. Transactions denominated in US dollars form a significant part of the Syndicate's operations. This risk is, in part, mitigated by the Syndicate maintaining financial assets denominated in US dollars against its major exposures in that currency.

The table below provides details of assets and liabilities by currency:

31 December 2024	GBP £'000	USD £'000	EUR £'000	CAD £'000	Other £'000	Total £'000
Total assets	49,244	162,495	6,897	13,679	5,604	237,919
Total liabilities	(81,925)	(131,120)	(13,037)	(6,317)	(5,056)	(237,455)
Surplus/(deficiency) of assets	(32,681)	31,375	(6,140)	7,362	548	464
31 December 2023	GBP £'000	USD £'000	EUR £'000	CAD £'000	Other £'000	Total £'000
Total assets	23,700	121,699	4,039	12,325	6,889	168,652
Total liabilities	(35,479)	(111,541)	(12,933)	(6,353)	(6,423)	(172,729)
Surplus/(deficiency) of assets	(11,779)	10,158	(8,894)	5,972	466	(4,077)

The impact of a 5% change in exchange rates between GBP and other currencies would be £1.7m on shareholder's funds (2023: £0.4m).

Company risks

i. Investment, credit and liquidity risks

The Group manages its cash and funding requirements to ensure it has sufficient liquid resources to meet the operating needs of the various Group businesses.

The Group is exposed to credit risk from counterparties during the normal course of operations and counterparty exposure in respect of cash deposits held at financial institutions which have a minimum long term rating of A-. Counterparty exposures are monitored regularly.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

4. Risk management (*continued*)

Company risks (*continued*)

ii. Credit risk

Credit ratings to corporate assets which are neither past due nor impaired are as follows:

	AAA	AA	A	BBB or lower	Not rated	Total
31 December 2024	£'000	£'000	£'000	£'000	£'000	£'000
Financial investments	-	8,714	22,714	8,993	1,634	42,055
Cash at bank and in hand	-	-	34,030	-	-	34,030
	-	8,714	56,744	8,993	1,634	76,085

	AAA	AA	A	BBB or lower	Not rated	Total
31 December 2023	£'000	£'000	£'000	£'000	£'000	£'000
Financial investments	-	18,304	40,982	15,514	2,815	77,615
Cash at bank and in hand	-	-	33,441	-	-	33,441
	-	18,304	74,423	15,514	2,815	111,056



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

4. Risk management (*continued*)

Company risks (*continued*)

ii. Credit risk (*continued*)

Corporate assets, with reference to their due date or impaired, are as follows:

	Neither past due nor impaired £'000	Past due but not impaired			Impaired £'000	Total £'000
		Less than 6 months £'000	Between 6 months and 1 year £'000	Greater than 1 year £'000		
31 December 2024						
Financial investments	42,055	-	-	-	-	42,055
Cash at bank and in hand	34,030	-	-	-	-	34,030
	76,085	-	-	-	-	76,085

	Neither past due nor impaired £'000	Past due but not impaired			Impaired £'000	Total £'000
		Less than 6 months £'000	Between 6 months and 1 year £'000	Greater than 1 year £'000		
31 December 2023						
Financial investments	77,615	-	-	-	-	77,615
Cash at bank and in hand	33,441	-	-	-	-	33,441
	111,056	-	-	-	-	111,056



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Continued

4. Risk management (*continued*)

Company risks (*continued*)

iii. Currency risks

The Group is exposed to movements in non Pounds Sterling currencies. This risk is, in part, mitigated by maintaining financial assets denominated in these currencies against its major exposures in those currencies.

The table below provides details of assets and liabilities by currency:

31 December 2024	GBP	USD	EUR	CAD	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Total assets	31,271	56,883	280	1,516	-	89,950
Total liabilities	21,355	(12,266)	(245)	(1,557)	-	7,287
Surplus of assets	<u>52,626</u>	<u>44,617</u>	<u>35</u>	<u>(41)</u>	<u>-</u>	<u>97,237</u>
 31 December 2023	 GBP	 USD	 EUR	 CAD	 Other	 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Total assets	43,782	73,437	161	1,091	-	118,471
Total liabilities	(18,883)	(14,364)	(125)	(1,014)	-	(34,387)
Surplus of assets	<u>24,900</u>	<u>59,073</u>	<u>36</u>	<u>77</u>	<u>-</u>	<u>84,085</u>



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

4. Risk management (*continued*)

Company risks (*continued*)

iv. Regulatory risks

WBCC is subject to continuing approval by Lloyd's to be a member of a Lloyd's syndicate. The risk of this approval being removed is mitigated by monitoring and fully complying with all requirements in relation to membership of Lloyd's. The capital requirements to support the proposed amount of syndicate capacity for future years are subject to the requirements of Lloyd's. A variety of factors are taken into account by Lloyd's in setting these requirements including market conditions and syndicate performance and although the process is intended to be fair and reasonable, the requirements can fluctuate from one year to the next, which may constrain the volume of underwriting WBCC is able to support.

Regulatory risk is the risk of loss owing to a breach of regulatory requirements or failure to respond to regulatory change. Regulated group companies are required to comply with a variety of regulatory requirements including those of the FCA, PRA, Lloyd's and the GFSC. Lloyd's requirements include those imposed on the Lloyd's market by overseas regulators. Should these regulatory approvals be revoked or restricted, the group would be unable to perform one or more regulated activities for its clients. This risk is mitigated by the operation of a compliance function that monitors business activity and regulatory developments to assess any effects on the Company. The compliance framework ensures the monitoring of, and full compliance with, all relevant regulatory requirements. This includes monitoring and compliance with applicable solvency requirements.

v. Operational risks

As there are relatively few transactions actually undertaken by the Group there are only limited systems and operational requirements of the Group and therefore operational risks are not considered to be significant. Close involvement of all Directors in the Company's key decision making and the fact that the majority of the Group's operations are conducted by the Syndicate, provides control over any remaining operational risks.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Continued

5. Analysis of underwriting result and other income

	31 December 2024					
	Gross written premiums	Gross premiums earned	Gross claims incurred	Gross operating expenses	Reinsurance balance	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Direct insurance						
Accident & health	6,685	5,889	(3,486)	(2,596)	(407)	(600)
Motor - other classes	2,418	2,545	(1,600)	(843)	(276)	(174)
Marine, aviation and transport	4,625	4,287	(2,776)	(1,183)	158	486
Fire and other damage to property	48,854	45,096	(14,222)	(15,615)	(7,681)	7,578
Third party liability	2,796	829	(494)	(340)	(59)	(64)
Credit and suretyship	9,769	8,728	(2,912)	(2,928)	(919)	1,969
Legal expenses	364	31	(16)	(28)	-	(13)
	75,511	67,405	(25,506)	(23,533)	(9,184)	9,182
Reinsurance	40,478	38,554	(16,415)	(10,688)	(7,683)	3,768
Total	115,989	105,959	(41,921)	(34,221)	(16,867)	12,950

	31 December 2023					
	Gross written premiums	Gross premiums earned	Gross claims incurred	Gross operating expenses	Reinsurance balance	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Direct insurance						
Accident & health	4,612	3,981	(1,591)	(2,042)	(258)	90
Motor - other classes	3,125	3,187	(1,799)	(1,211)	(452)	(275)
Marine, aviation and transport	4,358	4,050	(4,197)	(1,177)	613	(711)
Fire and other damage to property	45,072	42,239	(12,541)	(13,688)	(6,720)	9,290
Third party liability	265	83	(27)	(45)	(21)	(10)
Credit and suretyship	9,411	7,450	(3,159)	(2,620)	(598)	1,073
	66,843	60,990	(23,314)	(20,783)	(7,436)	9,457
Reinsurance	50,366	51,575	(18,410)	(11,879)	(16,762)	4,524
Total	117,209	112,565	(41,724)	(32,662)	(24,198)	13,981

Other income

	31 December 2024	31 December 2023
	£'000	£'000
Other income comprises:		
Override fees	-	(22)
Income charged for provision of goods and services	18,095	15,686
Consortia fees	1,350	458
MGA commissions	4,596	3,387
Managing agency fee income	2,070	1,775
Managing agency profit commission	5,458	599
Other Income	164	-
	31,733	21,883

All other income arises from business conducted in the United Kingdom and Guernsey.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Continued

6. Technical provisions

Movement in claims outstanding	2024			2023		
	Gross £'000	RI £'000	Net £'000	Gross £'000	RI £'000	Net £'000
At 1 January	89,984	21,984	68,000	78,709	25,859	52,850
Movement of reserves	1,232	(1,117)	2,349	(7,036)	(8,853)	1,817
Other movements	5,748	2,093	3,655	18,311	4,978	13,333
At 31 December	<u>96,964</u>	<u>22,960</u>	<u>74,004</u>	<u>89,984</u>	<u>21,984</u>	<u>68,000</u>

Movement in unearned premiums	2024			2023		
	Gross £'000	RI £'000	Net £'000	Gross £'000	RI £'000	Net £'000
At 1 January	43,057	4,539	38,518	40,691	3,024	37,667
Movement of reserves	10,031	1,945	8,086	4,644	2,183	2,461
Other movements	(348)	(78)	(270)	(2,278)	(668)	(1,610)
At 31 December	<u>52,740</u>	<u>6,406</u>	<u>46,334</u>	<u>43,057</u>	<u>4,539</u>	<u>38,518</u>

Movement in deferred acquisition costs	2024		2023	
	Net £'000		Net £'000	
At 1 January	8,822		8,122	
Movement in deferred acquisition costs	2,360		1,102	
Other movements	(87)		(402)	
At 31 December	<u>11,095</u>		<u>8,822</u>	

Included within other movements are foreign exchange movements and the effect of the 2021 and prior years' technical provisions being reinsured to close into the 2022 Year of Account (2023: 2020 and prior years' technical provisions being reinsured to close into the 2021 Year of Account), to the extent where the Company's syndicate participation portfolio has changed between those two years of account.

Assumptions, changes in assumptions and sensitivity

As described in Note 4 the majority of the risks to the Group's future cash flows arise from its participation in the results of Lloyd's syndicates and are mostly managed by the managing agents of the syndicates. The Group's role in managing these risks, in conjunction with the WBCC's Members' Agent, is limited to a selection of syndicate participations and monitoring the performance of the syndicates and their managing agents.

The amounts carried by the Group arising from insurance contracts are calculated by the managing agents of the syndicates and derived from accounting information provided by the managing agents and reported upon by the syndicate auditors.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Continued

6. Technical provisions (*continued*)

Assumptions, changes in assumptions and sensitivity (*continued*)

The key assumptions underlying the amounts carried by the Group arising from insurance contracts are:

- the net premiums written calculated by the managing agent are an accurate assessment of the premiums payable as a result of the risks contractually committed to up to the Statement of Financial Position date;
- the net unearned premiums calculated by the managing agent are an accurate assessment of the net premiums written that reflect the exposure to risks arising after the Statement of Financial Position date, including appropriate allowance for anticipated losses in excess of the unearned premium;
- the claims reserves calculated by the managing agents are an accurate assessment of the ultimate liabilities in respect of claims relating to events up to the Statement of Financial Position date;
- the potential ultimate result of run-off year results has been accurately estimated by the managing agents; and
- the values of investments and other assets and liabilities are correctly stated at their realisable values at the Statement of Financial Position date.

There have been no changes to these assumptions in 2024.

The amounts carried by the Group arising from insurance contracts are sensitive to various factors as follows:

- a 5% increase/decrease in net earned premium (with no other underwriting elements assumed to change pro-rata with premium) will increase/decrease the Group's pre-tax profit/loss by £4.1m (2023: £4.4m);
- a 5% increase/decrease in the Managing Agents' calculation of gross claims reserves will decrease/increase the Group's pre-tax profit/loss by £4.8m (2023: £4.5m);
- a 5% increase/decrease in the Managing Agents' calculation of net claims reserves will decrease/increase the Group's pre-tax profit/loss by £3.7m (2023: £3.4m).

The 5% movement has been selected to give an indication of the possible variations in the assumptions used.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Continued

6. Technical provisions (*continued*)

Assumptions, changes in assumptions and sensitivity (*continued*)

The tables below show the historical gross and net claims development on all years of account, based on the Group's participation on the Syndicate, during the year ended 31 December 2023. This is included for information as the Group has participated on the Syndicate the since the 2020 Year of Account.

Claims development - Gross

Underwriting pure year	After one year £'000	After two years £'000	After three years £'000	After four years £'000	After five years £'000	After six years £'000	After seven years £'000	After eight years £'000
2017	35,689	43,488	45,474	45,540	45,807	46,018	46,025	45,579
2018	25,370	36,139	36,791	36,292	35,287	34,982	34,701	-
2019	22,569	39,596	41,957	42,678	43,621	43,820	-	-
2020	34,022	47,923	49,008	50,544	51,916	-	-	-
2021	44,348	61,911	60,980	61,413	-	-	-	-
2022	58,701	70,629	68,900	-	-	-	-	-
2023	27,867	36,897	-	-	-	-	-	-
2024	33,435	-	-	-	-	-	-	-

Claims development - Net

Underwriting pure year	After one year £'000	After two years £'000	After three years £'000	After four years £'000	After five years £'000	After six years £'000	After seven years £'000	After eight years £'000
2017	19,506	23,971	24,647	24,092	24,051	23,919	23,920	23,664
2018	17,872	25,914	26,905	26,248	25,654	25,416	25,118	-
2019	17,322	30,673	32,477	33,563	34,787	35,176	-	-
2020	23,960	35,371	36,121	36,667	38,360	-	-	-
2021	33,296	46,712	46,140	46,671	-	-	-	-
2022	43,291	58,863	58,419	-	-	-	-	-
2023	24,405	31,776	-	-	-	-	-	-
2024	26,634	-	-	-	-	-	-	-



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

7. Net operating expenses

	31 December 2024 £'000	31 December 2023 £'000
Acquisition costs	(22,472)	(21,433)
Change in deferred acquisition costs	2,360	1,102
Administrative expenses	(5,935)	(10,300)
Personal expenses	(8,174)	(2,031)
	<u>(34,221)</u>	<u>(32,662)</u>

8. Directors' emoluments

	31 December 2024 £'000	31 December 2023 £'000
The emoluments and benefits of the Directors of the Company were:		

Executive Directors

Remuneration	540	488
Other benefits	11	10
	<u>551</u>	<u>498</u>

Non-Executive Directors

Remuneration	115	-
Other benefits	-	-
	<u>115</u>	<u>-</u>

	31 December 2024 No.	31 December 2023 No.
Number of Directors that are members of a defined contribution scheme	-	-

	31 December 2024 £'000	31 December 2023 £'000
<i>Highest paid Director</i>		
The emoluments of the highest paid director were:		

Aggregate emoluments and benefits (excluding any amounts in respect of contributions to pension schemes)	<u>276</u>	<u>249</u>
	<u>276</u>	<u>249</u>



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

9. Employee information

	31 December 2024 £'000	31 December 2023 £'000
Employment costs (including Directors):		
Wages and salaries	12,644	12,659
Employer's N.I. contributions	1,555	1,545
Employer's pension contributions	1,824	1,591
	16,023	15,795

A defined contribution scheme is in operation. Contributions are made by the Group and the employee is able to voluntarily make their own contributions to the scheme as well. Pension costs are fully expensed to the Statement of Comprehensive Income as they become due.

The monthly average number of persons working directly for the Group, including executive Directors, during the period was:

	31 December 2024 No.	31 December 2023 No.
Management	4	5
Underwriting and Claims	40	36
Operations and Administration	53	52
	97	93



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

10. Investment return

	31 December 2024	31 December 2023
	£'000	£'000
Investment income	4,651	4,637
Interest on cash at bank	537	202
Other interest and similar income	167	141
Realised gains on investments	3,418	612
Total Investment income	8,773	5,592
Investment management expenses	(108)	(132)
Realised losses on investments	(2,550)	(696)
Investment expenses and charges	(2,658)	(828)
Net unrealised gains	222	2,525
Total investment return	6,337	7,289

Analysed as follows:

	31 December 2024	
	Investments at fair value through profit or loss	Total
	£'000	£'000
Realised losses	868	868
Unrealised gains	222	222
	1,090	1,090
Interest and similar income (net of expenses)		5,247
Total investment return		6,337

	31 December 2023	
	Investments at fair value through profit or loss	Total
	£'000	£'000
Realised losses	(84)	(84)
Unrealised gains	2,525	2,525
	2,441	2,441
Interest and similar income (net of expenses)		4,849
Total investment return		7,289



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

11. Profit before taxation

	31 December 2024 £'000	31 December 2023 £'000
Operating profit is stated after charging:		
<i>Group</i>		
Depreciation of property, plant and equipment	40	103
Operating lease	43	184
Auditor's remuneration for audit services	85	89
Auditor's remuneration for tax compliance services	79	40
<i>Company</i>		
Auditor's remuneration for audit services	22	42
Auditor's remuneration for tax compliance services	23	7

A proportion of the depreciation and operating lease are recharged to Syndicate 5886 and included within Other income in Note 5.

12. Taxation

	31 December 2024 £'000	31 December 2023 £'000
The tax charge is based on the (loss)/profit for the financial year and represents:		
Current tax		
UK Corporation tax	-	(9)
Foreign tax	1	-
Adjustments in respect of previous periods	1	7
Total current tax	<u>2</u>	<u>(2)</u>
Deferred tax		
Origination and reversal of timing differences (see Note 19)	3,630	2,946
Adjustments in respect of previous periods	(9)	72
Total deferred tax charge	<u>3,621</u>	<u>3,018</u>
Total tax on loss on ordinary activities	<u>3,623</u>	<u>3,016</u>



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

12. Taxation (*continued*)

	31 December 2024 £'000	31 December 2023 £'000
The tax assessed for the year differs from the standard rate of corporation tax in the UK for the tax year 2024, which is 25.0%, and for 2023, which was 23.5%. The differences are explained below:		
Profit on ordinary activities before tax	21,052	13,182
Weighted average corporation tax charge: 25.0%, 2023: 23.5%	5,264	3,098
Effects of:		
Expenses not deductible for tax purposes	(943)	538
Capital allowances lower than depreciation	(8)	8
Movement in deferred tax at balance sheet rate	3,712	4,262
Timing differences on Underwriting losses	(4,339)	(5,174)
Temporary differences	(23)	(13)
Foreign tax	(32)	35
Change in tax rates	-	203
Adjustment in respect of previous periods	(8)	59
	3,623	3,016

13. Property, plant and equipment

	Leasehold premises £'000	Furniture, fixtures & fittings £'000	Computer & IT equipment £'000	Total £'000
Cost				
1 January 2024	211	80	1,178	1,469
Additions	-	38	15	53
31 December 2024	211	118	1,193	1,522
Depreciation				
1 January 2024	173	80	1,172	1,425
Charged in the period	30	3	5	38
31 December 2024	203	83	1,177	1,463
Net book value				
1 January 2024	38	-	6	44
31 December 2024	8	35	16	59



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

14. Intangible assets

On 21 November 2019, White Bear Capital Limited acquired Nameco (No. 1036) Limited, a Lloyd's corporate member. On 6 January 2020, the name of Nameco (No. 1036) Limited was changed to WBCC. The acquisition gave rise to goodwill as follows:

	£'000
Consideration paid as cash	50
Net assets acquired	(80)
	<u>(30)</u>

The net assets of White Bear Corporate Capital Limited consisted of:

	£'000
Cash	10
Deferred tax	3
Other debtors	241
Prepayments and accrued income	2
Corporation tax payable	(24)
Net assets of participation on the Syndicate	(40)
Other creditors	(79)
Accruals and deferred income	(33)
Net assets	<u>80</u>

The difference between the proceeds and the net assets acquired is shown as goodwill. This goodwill is negative as the price paid for the business was lower than the sum of the net assets acquired. After the 2022 YoA has been distributed, any negative goodwill remaining will be released to the Group's retained profits. There has been no change to goodwill as at 31 December 2024.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

15. Financial investments

The Company categorises its fair value measurement using the following three fair value hierarchy levels based on the reliability of inputs used in determining fair values as follows:

Level 1: The unadjusted quoted price in an active market for identical assets that an entity can access at the measurement date.

Level 2: Inputs other than quoted prices included in Level 1 that are observable (i.e. developed using market data) for the asset, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset.

Consolidated 31 December 2024

Financial Investments held at fair value through profit or loss

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Shares and other variable yield securities and units in unit trusts	111	38,564	776	39,451
Debt and other fixed income securities	-	94,342	-	94,342
Fair value	111	132,906	776	133,793

Cost

£'000

132,823

Consolidated 31 December 2023

Financial Investments held at fair value through profit or loss

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Shares and other variable yield securities and units in unit trusts	266	69,532	807	70,605
Debt and other fixed income securities	-	54,015	-	54,015
Fair value	266	123,547	807	124,620

Cost

£'000

124,127



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

15. Financial investments (*continued*)

Company
31 December 2024

Financial Investments held at fair value through
profit or loss

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Shares and other variable yield securities and units in unit trusts	-	36,591	-	36,591
Debt and other fixed income securities	-	5,464	-	5,464
Fair value	-	42,055	-	42,055

Cost

£'000

41,539

Company
31 December 2023

Financial Investments held at fair value through profit
or loss

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Shares and other variable yield securities and units in unit trusts	-	67,648	-	67,648
Debt and other fixed income securities	-	9,967	-	9,967
Fair value	-	77,615	-	77,615

Cost

£'000

77,218



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

16. Investment in subsidiaries

	Consolidated 31 December 2024 £'000	Consolidated 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Investment in subsidiaries	-	-	1,030	482

At 31 December 2024, the Group and Company had interests in the following subsidiaries:

Subsidiaries	Type of share held	Proportion held (%)	Country of Incorporation	Nature of business
Blenheim Underwriting Limited	Ordinary	100%	UK	Lloyd's managing agent
White Bear Corporate Services Ltd	Ordinary	100%	UK	Payroll service company
Blenheim Partnerships Limited (formerly White Bear Managers Ltd)	Ordinary	100%	UK	FCA registered MGA and GFSC registered Insurance Manager
White Bear Corporate Capital Limited	Ordinary	100%	UK	Lloyd's corporate member
WBM US Insurance Services LLC	-	100%	US	Consulting and portfolio management services

The registered office for all UK subsidiaries is at 7th Floor, 70 Mark Lane, London, EC3R 7NQ.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Continued

17. Other debtors

Amounts falling due within one year:

	Consolidated	Consolidated	Company	Company
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Lloyd's trust account	-	6	-	-
Deferred tax asset	1,219	1,097	1,147	1,105
Trade debtors	-	-	16	-
Other debtors	5,373	5,388	-	-
Prepayments	-	-	1,975	264
Accrued Income	10,152	-	562	1,013
Amounts owed by subsidiaries	-	-	20,593	10,293
	16,744	6,491	24,293	12,675

Amounts falling due after one year:

	Consolidated	Consolidated	Company	Company
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Accrued Income	-	-	-	-
Amounts owed by subsidiaries	-	-	126	126
Other	575	504	-	-
	575	504	126	126

Amounts owed by subsidiaries is a £0.1m subordinated loan with BPL.

18. Cash

	Consolidated	Consolidated	Company	Company
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Cash within Funds at Lloyd's	1	1	-	-
Insurance cash balances	18,206	35,545	-	-
Cash freely available for use	21,517	18,477	20,332	17,962
	39,724	54,023	20,332	17,962

Cash within Funds at Lloyd's is restricted and not freely available to the Group. Insurance cash balances of £18.2m (2023: £35.6m) are held in trust or insurer bank accounts and are not available to the Company for working capital purposes.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

19. Deferred taxation

	31 December 2024 £'000	31 December 2023 £'000
Opening balance - net	1,064	4,056
Profit and loss account (charge)	(3,630)	(2,946)
Tax charge on other comprehensive loss	3	(46)
Closing balance - net	<u>(2,563)</u>	<u>1,064</u>
The above net deferred tax position as at year end is analysed as follows:	31 December 2024 £'000	31 December 2023 £'000
Deferred tax asset	(2,552)	1,072
Deferred tax liability	<u>(11)</u>	<u>(8)</u>
	<u>(2,563)</u>	<u>1,064</u>

The deferred tax balance consists of timing differences relating to the taxation of underwriting results and calendar year losses. Deferred tax assets are shown within Other debtors Note 12.

20. Term loan

Amounts falling due within one year:

	Consolidated 31 December 2024 £'000	Consolidated 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Term loan	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>

The loan is subject to compliance with financial covenants which are measured quarterly. As of the date of these financial statements, the Company has met these covenants. The loan was fully repaid in 2024.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

21. Other Creditors

Amounts falling due within one year:

	Consolidated	Consolidated	Company	Company
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Amounts payable to brokers	8,809	8,390	-	-
Loss fund advances	3,489	6,252	-	-
Taxation and social security	603	517	-	-
Share of syndicate results	8,382	1,427	-	-
Trade creditors	45	86	-	27
Deferred tax liability	3,839	-	-	-
Finance lease creditors	44	1,618	-	-
Other creditors	9,609	1,304	-	-
Accruals and deferred income	10,269	6,789	1,990	285
Amounts owed to subsidiaries	-	-	3,164	6,801
Managing Agency PC	1	246	-	-
	45,090	26,629	5,154	7,113

Amounts falling due after one year:

	Consolidated	Consolidated	Company	Company
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Share of syndicate results	20,007	9,096	-	-
Accruals and deferred income	-	-	-	-
Finance lease creditors	-	11	-	-
	20,007	9,107	-	-



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

22. Called up share capital and share premium	31 December 2024 £'000	31 December 2023 £'000
Called up, allocated and fully paid:		
127 A Ordinary Shares of £0.01 each	-	-
Nil B Ordinary Shares of £0.01 each	-	-
3,668 C Ordinary Shares of £0.01 each	-	-
50 G Ordinary Shares of £0.01 each	-	-
2,298 Ordinary Shares of £0.01 each	-	-
340 Deferred Shares of £0.01 each	-	-
	<hr/>	<hr/>
	-	-

On 1 July 2017, the Company had 200 Ordinary shares of £0.01 each in issue.

On 6 July 2017, the Company issued 800 A Ordinary shares, as a new share class, which were acquired by Nephila Holdings Ltd, a related party for a consideration of £0.2m. The allocation of the 800 A Ordinary shares represent 20.0% of the voting and economic rights of the Company.

On 2 October 2017, the Company issued 100 B Ordinary shares, as a new share class, which were acquired by Estera Trust (Jersey) Ltd as trustee of the White Bear Capital Employee Benefit Trust for a consideration of £1. The allocation of the B Ordinary Shares represents 2.0% of the economic rights of the Company but have no voting rights.

On 16 November 2017, the Company issued an additional 1,140 Ordinary shares which were acquired by employees of the White Bear Capital Limited group for a consideration of £0.2m.

On 28 February 2019, the Company issued a further 265 Ordinary shares which were acquired by employees of the White Bear Capital Limited Group for a consideration of £0.2m.

On 14 September 2020, 80 Ordinary shares which were previously acquired by employees of the White Bear Capital Limited Group were acquired by Ocorian Limited as trustee of the White Bear Capital Employee Benefit Trust for a consideration of £0.1m. During 2020 Estera Trust (Jersey) Ltd changed name to Ocorian Limited.

On 17 September 2020, the Company issued 380 Ordinary shares which were acquired by employees of the White Bear Capital Limited Group for a consideration of £0.4m.

On 16 November 2020, 100 B Ordinary shares which were acquired by Ocorian Limited as trustee of the White Bear Capital Employee Benefit Trust were converted into 51 Ordinary shares and 49 Deferred shares, as a new share class. On this date 673 A Ordinary shares which were previously acquired by Nephila Holdings Ltd, a related party, were acquired by Ocorian Limited as trustee of the White Bear Capital Employee Benefit Trust for a consideration of £2.2m. These were converted into 382 Ordinary shares and 291 Deferred shares. The total allocation of Ordinary Shares is now at 2,418 which represents 45.5% of the voting rights and economic rights of the company. The total allocation of A Ordinary Shares is now at 127 which represents 2.4% of the voting rights and economic rights of the company.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

22. Called up share capital and share premium (*continued*)

On 16 November 2020, the Company issued 2,768 C Ordinary shares, as a new share class, which were acquired by Alchemy Special Opportunities Fund IV LP, a related party for a consideration of £61.5m. The total allocation of C Ordinary Shares at 31 December 2020 was 2,768 which represented 52.1% of the voting and economic rights of the Company.

On 1 October 2021, an additional 900 C Ordinary shares were issued and acquired by Alchemy Special Opportunities Fund IV LP for a consideration of £20.0m. The total allocation of the 3,668 C Ordinary Shares represent 58.8% of the voting and economic rights of the Company.

On 22 December 2021, the Company issued 50 G Ordinary Shares, as a new share class, which were acquired by employees of the White Bear Capital Limited group for a consideration of £9,505. The allocation of 50 G Ordinary Shares represent 0.8% of the voting and economic rights of the Company.

On 23 December 2021, the Company acquired 20 of its own Ordinary Shares from a former employee of the White Bear Capital Limited group for the nominal value of £0.20 paid out of the distributable profits of the Company. These 20 Ordinary Shares were then immediately cancelled. The reduction in share capital was then transferred to the capital redemption reserve in accordance with the requirements of the Companies Act 2006, Section 18, Chapter 7.

On 11 September 2024, the Company acquired 100 of its own Ordinary Shares from a former employee of the White Bear Capital Limited group for the nominal value of £1.00 paid out of the distributable profits of the Company. These 100 Ordinary Shares were then immediately cancelled. The reduction in share capital was then transferred to the capital redemption reserve in accordance with the requirements of the Companies Act 2006, Section 18, Chapter 7.

Any profits available for distribution may be distributed amongst the holders of the Ordinary Shares, the A Ordinary Shares, the C Ordinary shares and the G Ordinary shares in the amounts as recommended by the Board pro rata and pari passu to the number of shares held as if the same constituted one class of share.

The total allocation of Ordinary Shares at 31 December 2024 was 2298 Ordinary Shares which represents 35.4 % of the voting and economic rights of the Company, with the 127 A Ordinary Shares representing 2.0%, the 3,688 C Ordinary Shares representing 56.6%, and the G Ordinary Shares representing 0.8%. There were no changes to the voting and economic rights of the Company in the period to 31 December 2024.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

23. Employee Benefit Trust	31 December 2024 No.	31 December 2023 No.
Ordinary Shares	513	513
Deferred Shares	340	340
	853	853

The Employee Benefit Trust ("EBT") is set up for the benefit of the full time employees of the Group and hold the above investments.

Although the Group only has de facto control of the EBT, it is required under Standing Interpretations Committee pronouncement 12 to account for the assets of the EBT as if they belong to the Group. Consequently, the assets and liabilities, income and expenses of the EBT appear in the Group financial statements.

The shares are valued at fair value, in accordance with United Kingdom Generally Accepted Accounting Practice.

EBT funds consist of debtors of £2.3m as at 31 December 2024 (2023: £2.3m) owed to WBCS.



WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

24. Lease commitments

The Group's subsidiary, Blenheim, has entered into a sub-lease agreement to rent offices. Under this agreement, the lease runs to March 2030, although there is an option for the tenant to break the agreement in March 2025. The lessor also has an option to break the agreement in March 2025 but only if Blenheim fails certain prescribed financial tests.

The agreement includes an initial 31 month rent-free period at the start of the lease and a further 6 month rent free period from March 2025 if the break is not operated. The total outstanding commitment under this operating lease is £3.7m (2022: £4.6m).

At 31 December 2024 the Group had future minimum lease payments under non-cancellable operating leases as follows:

	Consolidated	Consolidated	Company	Company
	31 December	31 December	31 December	31 December
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Within 1 year	443	886	-	-
2 to 5 years	3,287	3,102	-	-
Over 5 years	-	628	-	-
	<u>3,730</u>	<u>4,616</u>	<u>-</u>	<u>-</u>

25. Financial liabilities

All financial liabilities are measured at amortised cost.

WHITE BEAR CAPITAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 *Continued*

26. Related party transactions

Key Management Personnel

The executive directors of White Bear Capital Limited are considered to be the Key Management Personnel of White Bear Capital Limited and the White Bear Capital Limited Group. Details of their remuneration is set out in Note 8.

The Directors and employees are entitled to remuneration through a discretionary bonus determined by Group performance metrics. Accordingly, these costs are not allocated or recharged to entities within the Group, being recognised as a Group cost. The Directors received £455k (2023: nil) in the financial year under this Group bonus scheme.

Ownership and related parties

The Company does not have a parent undertaking and the Directors consider that there is no ultimate controlling party.

Alchemy Special Opportunities Fund IV LP own a 58.8% shareholding in White Bear Capital Limited. Dominic James Haviland Slade, a director of Alchemy Partners L.P. INC., is a non-executive director of White Bear Capital Limited.

Employee Benefit Trust

As set out in Note 22, Ocorian Limited as trustee of the White Bear Capital Employee Benefit Trust own 513 Ordinary shares and 340 Deferred shares (2023: 513 Ordinary shares and 340 Deferred shares). All employees of the White Bear Capital Limited Group are potential beneficiaries, including Messrs Lynch and Scales. Ocorian Limited received fees of £nil (2023: £nil) from the Group during the year.

27. Post balance sheet events

The Group had no post balance sheet events.