PartnerRe

Disclosure Statement 2025

Partner Reinsurance Europe SE
Hong Kong Branch

CONTENTS PAGE

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

1. COMPANY PROFILE

1.A. AUTHORIZED INSURER'S NAME

Partner Reinsurance Europe SE Hong Kong Branch (“the Branch") forms part of Partner Reinsurance Europe SE ("the Company"), a Societas Europaea registered and domiciled in Ireland.

1.B. NATURE OF THE BUSINESS AND PLACES OF BUSINESS OPERATIONS

The Branch has been licensed to carry on both General Insurance and Long-Term Insurance reinsurance business in Hong Kong since 1 August 2012 and 16 September 2019, respectively.

The Branch provides reinsurance for General Insurance and Long-Term Insurance risks of ceding companies (primary insurers and reinsurers) on a proportional or non-proportional basis from clients across the Asia-Pacific region, with primary exposures in Hong Kong, Japan, Korea, Australia/New Zealand and Greater China. General Insurance business comprises Property and Casualty ("P&C") and Specialty lines, while Long-Term Insurance business comprises Life and Annuity (Class A) and Permanent Health (Class D) lines of business. Business is written in both onshore and offshore markets.

The principal place of business of the Branch is Room 3837, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.

The Branch relies on the Company Head Office and other Group affiliates for a range of operational support services, including finance, actuarial, risk management, compliance and IT functions.

There were no material changes to the business profile of the Branch during the financial year.

1.C. DESCRIPTION OF CORPORATE STRUCTURE

Partner Reinsurance Europe SE Hong Kong Branch forms part of Partner Reinsurance Europe SE, a Societas Europaea registered and domiciled in Ireland.

The Company's immediate parent company is PartnerRe Holdings Europe Limited, a company incorporated in Ireland.

The Company is a member of the PartnerRe group. The parent company of the PartnerRe Group is PartnerRe Ltd. (“Group Parent”), a company incorporated in Bermuda. PartnerRe Ltd. is a member of the Covéa Group and a subsidiary of Covéa Coopérations S.A. ("Covéa"), a company incorporated in France.

As at 31 December 2025, the Company had branches in France, Hong Kong, Switzerland and the United Kingdom and subsidiaries incorporated in Brazil and the United States.

The Branch operates as an extension of the legal entity and relies on group-wide infrastructure and resources.

There were no material changes to the corporate structure of the Branch during the financial year.

2. CORPORATE GOVERNANCE FRAMEWORK

The Company's system of governance includes the Board of Directors ("the Board") and the Board Committees, delegation of roles and responsibilities and authorities, fit and proper requirements, risk management system, internal control system, Compliance function, Risk function, Actuarial function, Internal Audit function and use of outsourcing.

The Board has established two sub-committees: the Audit Committee and the Risk Committee.

The Board has reserved certain powers for itself and has delegated other powers to the General Manager. Under this authority, the General Manager has established an Executive Committee, responsible for managing the overall business, implementing the business plan in line with the agreed strategy and overseeing the management of risk and regulatory compliance across the organisation.

General governance standards and structure

The Board is responsible for the effective, prudent and ethical oversight of the Company. The Board is also responsible for, among other things, setting and overseeing:

- The business strategy for the reinsurance undertaking.
- The establishment of a documented risk appetite framework and the strategy for the ongoing management of material risks including, inter-alia, liquidity risk.
- The amounts, types and distribution of internal capital and own funds adequate to cover its risks.
- Ultimate responsibility and ownership for the Company's ORSA process.
- A remuneration framework that is in line with the risk strategies of the insurance undertaking.
- A robust, transparent organisational structure with effective communication and reporting channels.
- An adequate and effective internal control framework, that includes well-functioning and properly resourced risk management, compliance, actuarial and internal audit functions that are independent of business units and possess adequate authority to operate effectively.
- The appointments of Directors and a General Manager and senior management with appropriate integrity and adequate knowledge, experience, skill and competence for their roles and endorsing the appointment of people who may have a material impact on the Company's risk profile and monitoring on an ongoing basis their appropriateness for the role.
- Oversight of its committees.
- The activities of the Company's subsidiaries.
- The establishment of a Conflicts of Interest Policy for Board Members.

The Board shall ensure that no one individual has unfettered decision making power within the Company.

The Audit Committee

The Audit Committee has been established to oversee the Company's financial reporting process and the internal control environment on behalf of the Board. The Audit Committee is governed by an Audit Committee Charter.

The Audit Committee is composed of three Non-Executive Directors, two of whom are Independent Non-Executive Directors. The Chair of the Audit Committee is an Independent Non-Executive Director.

The Risk Committee

The Risk Committee has been established to provide oversight and advice to the Board on the Company's current risk exposures and its future risk strategy. The Risk Committee has oversight responsibility for company policies and activities related to overall management of the Company's risks pursuant to the business strategy and risk management policy established by the Board.

The Risk Committee is composed of four directors comprising two Independent Non-Executive Directors, one Group Non-Executive Director and the Executive Director.

Powers Delegated by the Board

The Board has reserved certain powers for itself and has delegated other powers. This delegation is documented in the Board's Delegation of Authority Policy which is part of the Board's Charter. Authorities that have not been reserved for the Board are delegated to the General Manager.

Under this authority, the General Manager has established an Executive Committee, called the Legal Entity Management Team ("the LEM").

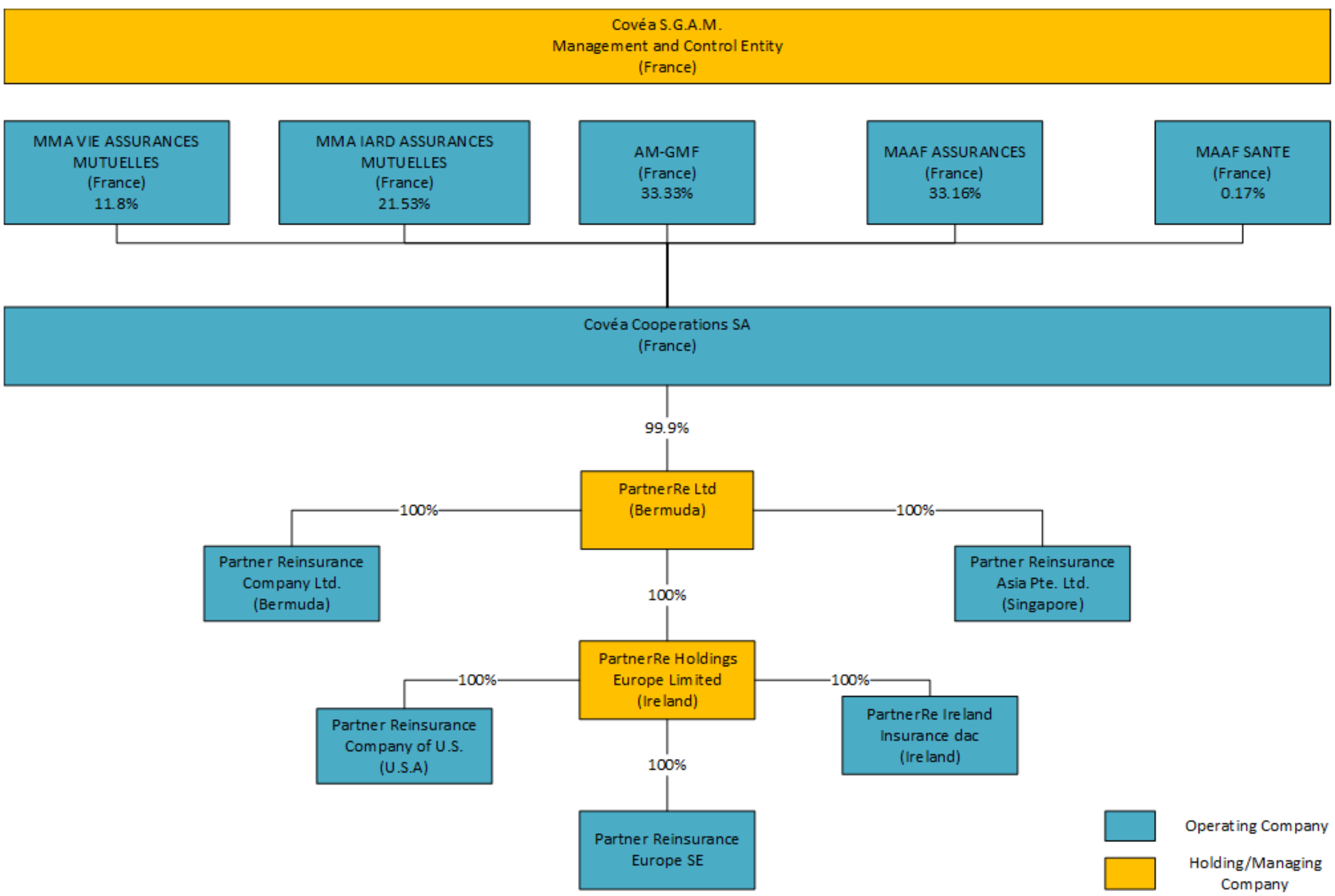
The LEM is the senior executive team within the Legal Entity and is established for the purpose of providing advice and making recommendations to the General Manager in respect of the Company's operations. The LEM is responsible for managing the overall business, implementing the business plan in line with the agreed strategy and overseeing the management of risk and regulatory compliance across the Company.

The LEM comprises the Company's General Manager, the Chief Risk Officer (CRO), Heads of Actuarial Function (HoAFs), Chief Financial Officer (CFO) and Head of Compliance and has established the following committees to aid its management of the Company:

- Legal Entity Reserving and Capital Committee
- Hong Kong Branch Oversight Committee
- Investment Committee
- Branch Managers' Committee

Organisational Structure

The following diagram is a simplified Group structure and includes the material related reinsurance and insurance entities in the Group:



Legal Entity Reserving and Capital Committee

The Legal Entity Reserving and Capital Committee is responsible for the quarterly review and approval of the Technical Provisions, Solvency Capital Requirement, Economic Balance Sheet and Own Funds of the Company before the quarterly Quantitative Reporting Templates (QRTs) are filed with the Central Bank of Ireland (“CBI”). The Committee also reviews these items in advance of the submission of annual returns and makes recommendation to the Audit Committee in respect of the returns.

The Committee also reviews and approves the assumptions and assumption changes supporting the calculation of the Technical Provisions on an annual basis before submission to the Board.

The Committee is chaired by the CFO and the other members are the Life and Non-Life HoAFs, the CRO and the General Manager. The Committee meets at least quarterly.

Hong Kong Branch Oversight Committee

The Branch Oversight Committee is a sub-committee of the LEM. Its responsibilities include management and oversight of the Branch. In addition the Committee reviews and approves Hong Kong specific annual Risk-Based Capital (“RBC”) regulatory returns.

The Committee is chaired by the General Manager and its members are the Branch Manager, the Asia-Pacific (“APAC”) and Europe, the Middle East, and Africa (“EMEA”) Chief Executive Officer Life and Health (“CEO L&H”), Chief Financial Officer (“CFO”)/Head of Finance (Hong Kong Branch), Life and Non-Life Head of Actuarial Functions (“HoAFs”), Chief Risk Officer (“CRO”), Head of Compliance, APAC Chief Actuary L&H, Non-Life Senior Reserving Actuary for Asia and General Counsel Asia.

The Branch Oversight Committee has created a sub-committee (the Hong Kong Reserving and Capital Committee). The Hong Kong Reserving and Capital Committee is comprised of legal entity General Manager, CFO/Head of Finance Hong Kong Branch, Life and Non-Life HoAFs, CRO and the Branch Manager.

This committee reviews and approves Hong Kong specific quarterly RBC regulatory returns.

Investment Committee

The Committee is responsible for providing oversight of investments and monitoring and analysing the Company’s (including the Branch) investment results and portfolio movements. In addition, the Committee reviews any potential investment opportunities.

The Committee ensures that the Company and the Branch’s investment portfolio remains compliant with the investment guidelines, asset allocation plan & risk appetite limits.

The Investment Committee is chaired by the CFO and its members are Head of Investments/Group Chief Investment Officer, General Manager, CRO, Group Treasurer and Head of Investment Accounting.

Branch Managers' Committee

The Branch Managers' Committee is a forum where managers of each of the Company's branches meet with the LEM and provide updates on all matters relating to the functioning of the Branch.

The Committee is chaired by the General Manager and its members are: the LEM, the U.K., France, Switzerland and Hong Kong Branch Managers and the General Manager of PartnerRe Miami Inc. (PRE Miami).

Authority and independence of key functions

The Branch has appointed relevant key executive and management persons in each of the following control functions: Risk Management, Actuarial, Finance, Internal Audit and Compliance. Internal Audit reports to the Audit Committee. The Branch has appointed an appointed actuary in respect of Long-Term Insurance business and a certifying actuary in respect of General Insurance business.

Risk Management function

The Risk Management function has independent oversight of risk management activities including identifying, assessing, monitoring and reporting existing and emerging risks. The Risk Management function monitors the risk profile of the Company's position against risk appetite statements and tolerances and reports deviations in line with agreed reporting procedures.

Actuarial function

The Company has two Actuarial functions covering life and non-life business respectively each with a respective Head of Actuarial Function. The HoAFs are responsible for coordinating the calculation of technical provisions, informing the Board of the reliability and adequacy of the calculation of technical provisions and providing an opinion on the Company's technical provision, ORSA, retrocession and underwriting policy.

Finance function

The Company's CFO has responsibility for ensuring the accuracy of the Company's financial reports and quarterly/ annual statutory and regulatory filings, ensuring compliance with relevant accounting standards and corporate law requirements, the monitoring of solvency ratios and calculations and ensuring that sufficient capital is maintained to meet business and regulatory requirements.

Internal audit

Internal Audit is an independent evaluation and appraisal function reporting to the Board through the Audit Committee. Internal Audit examines and evaluates the functioning of the internal controls and other elements of governance and provides independent assurance over the operations of the Company. Internal Audit's responsibilities are set out in the Internal Audit Charter.

Compliance function

The Compliance function advises the Company on compliance with applicable laws, regulations and administrative provisions. The function also identifies and assesses the impact of any changes in the legal environment, on the operations of the Company. In addition, the function designs, implements and executes a compliance monitoring framework to provide assurance to the Board on the adequacy of measures taken by the company to meet regulatory requirements.

3. FINANCIAL POSITION

3.A. BALANCE SHEET

The Branch regulatory balance sheet ("EBS") has been prepared in accordance with the insurance (Valuation and Capital) Rules. The table below shows the financial position as at 31 December 2025 and 31 December 2024.

2025 In HKD '000s	Total	Long-Term Insurance Business	General Insurance Business	Shareholders' fund
Total assets	**2,447,649**	**1,323,361**	**630,367**	**523,975**
Cash and deposits	28,401	8,625	19,668	108
Debt securities	1,692,760	785,729	393,665	513,366
Equities (including portfolio investments)	87,856	68,576	8,779	10,501
Other financial assets	421,613	415,372	6,241	—
Reinsurance assets	159,174	—	159,174	—
Tax assets	952	—	952	—
Other assets	56,893	45,059	41,888	—
Total liabilities	**763,792**	**478,626**	**315,221**	**—**
Insurance liabilities	480,862	229,118	251,744	—
Reinsurance liabilities	131,038	131,038	—	—
Other financial liabilities	80,401	64,858	15,543	—
Tax liabilities	27,202	18,345	8,857	—
Other liabilities	44,289	35,267	39,077	—
Net assets	**1,683,857**	**844,735**	**315,146**	**523,975**

2024 In HKD '000s	Total	Long-Term Insurance Business	General Insurance Business	Shareholders' fund
Total assets	**2,163,387**	**1,034,985**	**593,605**	**560,114**
Cash and deposits	37,838	13,798	23,953	87
Debt securities	1,461,305	647,867	269,462	543,976
Equities (including portfolio investments)	136,772	66,843	53,879	16,050
Other financial assets	324,591	288,350	36,242	—
Reinsurance assets	169,299	—	169,299	—
Other assets	33,581	18,127	40,770	—
Total liabilities	**415,806**	**110,389**	**330,678**	**53**
Insurance liabilities	166,294	(115,644)	281,938	—
Reinsurance liabilities	126,871	126,871	—	—
Other financial liabilities	55,690	47,321	8,316	53
Tax liabilities	25,747	24,460	1,287	—
Other liabilities	41,204	27,381	39,138	—
Net assets	**1,747,581**	**924,595**	**262,928**	**560,060**

Total Assets

Total assets increased by HKD 284m, predominantly driven by net increase in investments of HKD 182m and increase in other financial assets of HKD 97m. These increases were partially offset by a net decrease of HKD 5m across Cash and Deposits, Reinsurance Assets, Tax Assets and Other Assets, none of which were individually material.

Investments

Investments increased by HKD 182m during the year, primarily reflecting positive net investment flows of HKD 137m and unrealised gains of HKD 45m.

Other Financial Assets

Other financial assets which primarily comprise of receivables arising from insurance operations (insurance receivables) and amounts due from related parties increased by HKD 97m during the year. The increase was driven by higher Long-Term Insurance receivables, consistent with growth in the Long-Term Insurance business during 2025, partially offset by reduction in General Insurance business receivables.

Total Liabilities

Total liabilities increased by HKD 348m during the year, primarily driven by an increase in Insurance Liabilities of HKD 315m and an increase in Other Financial Liabilities of HKD 24m. The remaining increase of HKD 9m arose from movements in Reinsurance Liabilities, Tax Liabilities and Other Liabilities, none of which were individually material.

Insurance Liabilities

Long-Term Insurance liabilities increased by HKD 344m during the year, primarily reflecting the impact of operating experience, updates to assumptions and methodologies, foreign exchange movements and other operational developments.

General Insurance liabilities decreased by HKD 30m, primarily driven by lower outstanding claims liabilities within the Property Damage portfolio and a reduction in the Margin Over Current Estimate ("MOCE") following the annual assumptions review.

There were no changes in overall composition of assets and liabilities during the reporting period.

4. INVESTMENTS

4.A. ASSUMPTIONS AND METHODS USED

Cash and Deposits

Cash and deposits are measured at face value, which approximates fair value due to their short-term maturity and high liquidity.

Debt Securities

Debt securities are generally valued using prices obtained from independent pricing services or broker quotations. Valuations reflect observable market inputs, including interest rates, credit spreads and other relevant market data.

Equities (including portfolio investments)

Amounts reported within Equities (including portfolio investments) relate to investments in money market funds. These investments are valued using prices or net asset values provided by the relevant fund managers.

Valuation methodologies and assumptions are applied consistently and reviewed periodically to support the appropriateness of investment valuations.

There were no material changes in the valuation methodologies or key assumptions applied in measuring investments during the reporting period.

5. INSURANCE LIABILITIES

5.A. LONG-TERM INSURANCE BUSINESS

Insurance liabilities of Long-Term Insurance business are determined in accordance with the insurance (Valuation and Capital) Rules (Cap. 41R) and represent the present value of future obligations arising from reinsurance contracts.

The table below shows Insurance Liabilities of Long-Term Insurance business as at 31 December 2025 and 31 December 2024.

2025 **In HKD '000s**	**HK insurers or designated insurers: all Long-Term Insurance business Hong Kong branches of non-HK insurers: all Long-Term Insurance business of Hong Kong branches, other than fund of reinsurance business with offshore risk if established** **Other Long-Term business**	**Applicable to Hong Kong branches of non-HK insurers: reinsurance business with offshore risk if fund of insurance business with offshore risk is established**	**Total Long-Term Insurance business**
Total insurance liabilities (gross of reinsurance)	**229,118**	**—**	**229,118**
Of which: Long-Term insurance liabilities	229,118	—	229,118
Outstanding claims	566,684	—	566,684
Current estimate	(444,378)	—	(444,378)
Margin over current estimate	106,812	—	106,812
Reinsurance assets	—	—	—
Reinsurance liabilities	**131,038**	**—**	**131,038**

2024 **In HKD '000s**	**HK insurers or designated insurers: all Long-Term Insurance business Hong Kong branches of non-HK insurers: all Long-Term Insurance business of Hong Kong branches, other than fund of reinsurance business with offshore risk if established** **Other Long-Term business**	**Applicable to Hong Kong branches of non-HK insurers: reinsurance business with offshore risk if fund of insurance business with offshore risk is established**	**Total Long-Term Insurance business**
Total insurance liabilities (gross of reinsurance)	**(115,644)**	**—**	**(115,644)**
Of which: Long-Term Insurance liabilities	(115,644)	—	(115,644)
Outstanding claims	467,584	—	467,584
Current estimate	(719,809)	—	(719,809)
Margin over current estimate	136,581	—	136,581
Reinsurance assets	**—**	**—**	**—**
Reinsurance liabilities	**126,871**	**—**	**126,871**

5.A.1 ASSUMPTIONS AND METHODS USED

Long-Term Insurance liabilities are calculated as the present value of future cash flows arising from insurance and reinsurance contracts. These cash flows typically include premiums, claims, commissions, profit commissions, brokerage, taxes and other directly attributable expenses. Cash flow projections are based on current information available at the valuation date and best estimate assumptions.

Margin of Current Estimate (MOCE) is calculated as the 75th percentile of normal distribution characterised by a mean equal to Current Estimate (CE) and a 99.5th percentile equal to the capital requirement for each sub-risk. For the Branch, all life insurance sub-risks are applicable except for longevity risk. Diversification has been applied using correlation table among life insurance risk. This method aligns with the specified approach from RBC pillar 3 template.

The valuation of Long-Term Insurance liabilities incorporates best estimate assumptions for key factors such as mortality, morbidity, persistency, expenses and discount rates.

Assumptions are derived using a combination of experience analysis, relevant external information and expert judgement, taking into account the nature, credibility and availability of data. Experience studies are performed where appropriate to assess the ongoing suitability of assumptions and to support updates where warranted.

Where relevant, assumptions also reflect expected future developments that may influence insurance liabilities, including trends affecting mortality and morbidity experience. Assumptions are reviewed periodically and applied consistently over time to support the appropriateness of liability valuations.

Premiums, claims, expenses and other relevant cash flows are projected separately and discounted using currency-specific risk-free yield curves prescribed by the Insurance Authority ("IA"), where available. For currencies for which the IA does not prescribe risk-free yield curves, EIOPA risk-free yield curves are used as a proxy, reflecting the similar market-consistent valuation principles applied under the respective regulatory frameworks.

5.A.2 MATERIAL CHANGES IN ASSUMPTIONS AND METHODS

During the reporting year, enhancements were made to certain valuation models and selected assumptions were updated to reflect emerging experience and revised expense expectations. These changes were implemented to support the continued appropriateness of the valuation of Long-Term Insurance liabilities.

There were no other material changes in the assumptions and methods used during the reporting period.

5.B. GENERAL INSURANCE BUSINESS

Insurance liabilities of General Insurance business are determined in accordance with the Insurance (Valuation and Capital) rules and represent the present value of future obligations arising from reinsurance contracts.

The table below shows Insurance Liabilities of General Insurance business as at 31 December 2025 and 31 December 2024.

2025 in HKD '000s	Reinsurance Proportional	 Non-Proportional	Total General Insurance Business
Total general insurance liabilities (gross of reinsurance)	**—**	**—**	**251,743**
Total general insurance liabilities excluding other general insurance liabilities (gross of reinsurance)	**142,529**	**109,214**	**251,743**
Outstanding claims liabilities	146,061	150,680	296,741
Premium liabilities	(10,870)	(47,898)	(58,768)
Margin over current estimate for outstanding claims liabilities	4,032	3,747	7,779
Margin over current estimate for premium liabilities	3,306	2,685	5,991
Total general insurance liabilities excluding other general insurance liabilities (net of reinsurance)	**54,584**	**37,986**	**92,570**

2024 in HKD '000s	Reinsurance Proportional	 Non-Proportional	Total General Insurance Business
Total general insurance liabilities (gross of reinsurance)	**—**	**—**	**281,937**
Total general insurance liabilities excluding other general insurance liabilities (gross of reinsurance)	**150,821**	**131,116**	**281,937**
Outstanding claims liabilities	147,730	183,769	331,499
Premium liabilities	(7,282)	(63,155)	(70,437)
Margin over current estimate for outstanding claims liabilities	7,087	7,724	14,811
Margin over current estimate for premium liabilities	3,286	2,778	6,064
Total general insurance liabilities excluding other general insurance liabilities (net of reinsurance)	**65,718**	**47,691**	**113,409**

5.B.1 ASSUMPTIONS AND METHODS USED

The following are the assumptions and methods used to derive the assumptions for determining the General Insurance business insurance liabilities.

General Insurance business insurance liabilities are comprised of two components as defined under the Hong Kong Insurance (Valuation and Capital) Rules (Cap. 41R):

I. Current Estimate (CE): the current estimate of a General Insurance liability must be calculated as the probability-weighted average of the present values of the future cashflows. (Rule 28 (1)). An applicable insurer must calculate the current estimates for its General Insurance liabilities separately for outstanding claims liabilities and premium liabilities.

II. Margin Over Current Estimate (MOCE): The margin over current estimate to be used by an applicable insurer in valuing its General Insurance liabilities is an amount, calculated net of reinsurance, added to the current estimates for such liabilities, such that the sum of current estimates and margin over current estimate provides for a 75% probability of adequacy for its General Insurance liabilities.

The CE is determined gross of the amounts recoverable from retrocession contracts, which are held separately on the asset side of the EBS. The valuations of best estimate provision for outstanding claims liabilities and premium liabilities are carried out separately. Projections are performed separately for the inwards and ceded business, but the bases, methodology and assumptions are considered consistently.

The location in which the business was written and original currency of the contracts is considered for the purpose of granularity and discounting. In calculating the CE, risks are grouped homogeneously. The calculation accounts for the lifetime of existing obligations within contract boundaries. A consistent methodology is applied across all lines of business.

Premiums, claims, expenses and other relevant cash flows are projected separately and discounted using currency-specific risk-free yield curves prescribed by the IA, where available. For currencies for which the IA does not prescribe risk-free yield curves, EIOPA risk-free yield curves are used as a proxy, reflecting the similar market-consistent valuation principles applied under the respective regulatory frameworks.

Key assumptions used in the estimation of the CE include claims development patterns, loss ratios used for a priori assumptions and unearned exposures, acquisition cost ratios, expense assumptions and, where relevant, inflation assumptions. An explicit allowance is also made for events not captured within the historical data through the application of an Events Not in Data (ENIDs) loading.

These assumptions are derived using a combination of actuarial techniques applied to historical experience data, including claims development analyses and premium-based projections. This analysis is supplemented, where appropriate, by expert judgement and relevant market or industry benchmarks. The assumptions are reviewed regularly as part of the actuarial valuation process.

The MOCE is calculated as a risk margin by line of business, applied to the discounted cashflows of claims liabilities and premium liabilities. The assumptions are set such that the sum of CE and MOCE provides a 75% probability of adequacy for its General Insurance liabilities.

There have been no material changes in assumptions underlying the calculation of General Insurance liabilities during 2025

6. FINANCIAL PERFORMANCE

The Branch financial performance reflects the performance analysis of its premiums and claims paid, both gross and net, investment returns and underwriting results (General Insurance business) for the year.

Comparative information for 2024 has not been presented as the Hong Kong RBC regime came into effect on 1 July 2024 and, accordingly, 2024 represented only a six-month reporting period under the RBC regime. Furthermore, certain financial performance disclosures included in this section are being reported for the first time in 2025 and therefore have no prior-year comparatives.

6.A. PERFORMANCE ANALYSIS ON PREMIUMS AND CLAIMS

The table below shows the performance analysis of premiums written and claims paid for both Long-Term Insurance and General Insurance business on both gross and net basis for financial year 31 Dec 2025.

2025 **In HKD '000s**	**Total**	**Long-Term Insurance business**	**General Insurance business**
Gross premiums	**1,373,558**	**1,157,565**	**215,993**
Regular premiums	—	1,157,565	—
Net premiums	**1,027,867**	**954,703**	**73,164**
Regular premiums	—	954,703	—
Gross claims paid	**727,612**	**624,755**	**102,857**
Net claims paid	**630,609**	**594,199**	**36,410**

Long-Term Insurance business

Long-Term Insurance business comprises Life and Annuity (Class A) and Permanent Health (Class D) lines of business written in both Onshore and Offshore markets.

Gross premiums written for 2025 were HKD 1,158m, of which Class D contributed HKD 771m and Class A contributed HKD 386m. Net premiums written were HKD 955m.

Gross claims paid during the year amounted to HKD 625m and net claims paid amounted to HKD 594m. Claims experience was primarily attributable to class D business reflecting the underlying volume of business written during the year.

General Insurance business

The General Insurance business is written on both proportional and non-proportional reinsurance basis across both Onshore and Offshore markets.

Gross and net premiums written during 2025 were HKD 216m and HKD 73m respectively, with Property Damage lines of business representing the largest contributor to the premiums volumes.

Gross claims paid during the year were HKD 103m and net paid claims were HKD 36m. Claim activity was predominantly attributable to Property Damage line of business.

6.B. PERFORMANCE ANALYSIS ON INVESTMENT RETURNS

The Branch investment return relates to returns from its investment portfolio through net investment income, including interest on fixed maturities and mark to market movements on investments.

Performance analysis of the Branch investment returns for financial year 2025 was as follows

2025 **In HKD '000s**	**Total**	**Long-Term Insurance business**	**General Insurance business**	**Shareholders' fund**
Investment returns	**127,537**	**60,185**	**26,092**	**41,260**

The investment return for financial year 2025 was a gain of HKD 128m, driven by interest income of HKD 83m and unrealised gains (mark to market gains) on fixed-income securities of HKD 45m, which resulted from a decrease in global interest rates across the mid-term and long-end yield curves.

6.C. UNDERWRITING RESULTS OF GENERAL INSURANCE BUSINESS

The table below outlines the Branch performance analysis of underwriting results of General Insurance business for financial year 31 December 2025.

2025	**Reinsurance**		**Total General Insurance Business**
	Proportional	**Non-Proportional**	
Gross premiums	123,027	92,966	215,993
Net premiums	41,776	31,388	73,164
Net undiscounted best estimate combined business results, relating to current year	14,927	74	15,001
Net undiscounted best estimate combined business results, relating to prior year	38,281	(16,258)	22,023
Undiscounted underwriting results - profit / (loss)	**56,292**	**(12,068)**	**44,224**

Gross and net premiums written for General Insurance business during 2025 were HKD 216m and HKD 73m, respectively.

Net undiscounted best estimate combined business results relating to current year and prior year were HKD 15m and HKD 22m, respectively. Both current and prior year net undiscounted best estimates were primarily attributable to Property Damage line of business.

The general insurance business generated an undiscounted underwriting profit of HKD 44m and a technical ratio of 43% as at 31 December 2025. Property Damage and Marine Aviation & Transport lines of business were the principal contributors to the underwriting profit.

7. CAPITAL ADEQUACY

7.A. PRESCRIBED CAPITAL AMOUNT

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

The table below shows the components of the RCA and PCA as at the end of the current and prior financial years:

In HKD ‘000s	2025	2024
Market risk (diversified RCA)	**427,117**	**398,556**
Interest rate risk RCA	118,337	108,019
Credit spread risk RCA	39,463	36,574
Currency risk RCA	370,945	347,451
Diversification benefits within market risk	(101,628)	(93,488)
Life Insurance Risk (diversified RCA)	**685,376**	**740,234**
Mortality risk RCA	76,273	97,327
Life catastrophe risk RCA	408,601	365,878
Morbidity risk RCA	220,490	268,428
Expense risk RCA	160,214	152,038
Lapse risk RCA	153,447	258,533
Diversification benefits within life insurance risk	(333,649)	(401,970)
General Insurance Risk (diversified RCA)	**235,912**	**168,949**
Reserve and premium risk RCA	32,974	40,505
Natural catastrophe risk RCA	225,498	154,208
Diversification benefits within general insurance risk	(22,560)	(25,764)
Counterparty default and other risk RCA	**15,187**	**10,478**
Diversification benefits within risk modules	(407,014)	(357,240)
Operational risk RCA	**62,628**	**46,638**
Prescribed capital amount	**1,019,206**	**1,007,615**

The PCA increased by HKD 12m during the year and this is mainly due to the following:

Market Risk

Market Risk increased primarily due to higher interest rate and currency risk requirements, reflecting increased sensitivity of assets and liabilities to interest rate movements and higher AUD and NZD currency exposures, partially offset by a reduction in JPY exposure arising from changes in the underlying business mix.

Life Insurance Risk

Life Insurance Risk decreased reflecting the combined effect of model and assumption updates implemented during 2025 and changes in the underlying business profile. The reduction was partially offset by increases associated with new business volumes, changes in portfolio composition and foreign exchange movements.

General Insurance Risk

General Insurance Risk increased primarily due to a higher General Insurance catastrophe risk charge, reflecting increased exposure following the 1 January 2026 renewal season.

Operational Risk

Operational Risk increased primarily due to higher Gross Written Premiums within the Life portfolio, reflecting increased business volumes.

7.B. CAPITAL BASE

The composition of capital base ("available capital") is determined in accordance with the insurance (Valuation and Capital) Rules (Cap.41R). The Branch has opted out of the establishment of offshore reinsurance fund for Long-Term Insurance and General Insurance business. Accordingly, the prescribed capital amount reflects the calculation at the overall Hong Kong Branch level, meaning the regulatory capital is equal to PCA for the entire Branch.

All of the Branch's available capital is classified as Unlimited Tier 1 Capital and is fully available to meet both the Minimum Capital Amount ("MCA") and Prescribed Capital Amount ("PCA") requirements. The Branch does not hold any Limited Tier 1 capital or Tier 2 capital.

The Branch’s available capital by tier on its regulatory balance sheet as at 31 December 2025 and 2024 were as follows:

In HKD ‘000s	**2025**	**2024**
Unlimited Tier 1 capital	1,683,857	1,747,581
Limited Tier 1 capital	—	—
Tier 2 capital	—	—
Capital base	1,683,857	1,747,581

The available capital decreased by HKD 64m during the year mainly driven by reduction in available capital for Long-Term Insurance and shareholder funds offset by increase in available capital for General Insurance fund, for further details refer to section 3 of this report.

7.C. RATIO OF CAPITAL BASE TO PRESCRIBED CAPITAL AMOUNT

The Branch’s ratio of capital base to PCA (the "RBC ratio") for the current and prior financial years is as follows:

	2025	**2024**
Ratio of capital base to PCA	165 %	173 %

The RBC ratio of 165% (2024: 173%) represents an excess of available capital over PCA of HKD 664m (2024: HKD 740m), and a decrease of 8% in ratio when compared to 2024. The decrease in the RBC ratio during the year is primarily driven by reduction in available capital of HKD 64m, as explained in section 3, together with an increase in PCA of HKD 12m, as explained in section 7.A. of this report.

8. RISK MANAGEMENT

8.A. RISK APPETITE AND RISK GOVERNANCE FRAMEWORK

Risk appetite and risk management objectives

The Branch operates within the Risk Management Framework (“RMF”) and Risk Appetite Framework (“RAF”) of the Company. The RMF establishes the principles, processes and governance arrangements for the identification, assessment, management, monitoring and reporting of risks across the Company, including its branches.

The Company’s RAF defines the level and types of risk the organisation is willing to assume in pursuit of its strategic objectives, while protecting policyholders, maintaining strong capitalisation and ensuring compliance with regulatory requirements. The RAF combines qualitative risk appetite statements with quantitative Key Risk Indicators (“KRIs”), limits and tolerance thresholds across all material risk categories. These metrics are calibrated to the Company’s capital resources and supported by defined monitoring, escalation and remediation processes.

No material changes were made to the Company's overarching risk appetite or risk management objectives during the financial year. The Branch is managed as an integral component of the Company's global risk profile, benefiting from entity-wide diversification, capital mobility and access to internal and external retrocession arrangements.

The Company does not maintain branch-specific underwriting or market risk appetite statements. The Branch exposures are therefore assessed against the Company's entity-level risk appetite and limits. To ensure compliance with local regulatory requirements and timely identification of potential constraints, the RAF includes branch-level and fund-level capital adequacy KRIs, which are monitored alongside entity-level indicators.

Asset and liability management

Asset and liability management ("ALM") for the Branch is conducted at entity level and within the Company's investment governance structures. No separate ALM segmentation by line of business is applied at Branch level.

Assets allocated to the Branch are managed to support its liabilities. Interest rate and currency risks arising from multi-currency liabilities and a predominantly USD-denominated investment portfolio are assessed and stress-tested as part of the Branch's annual risk management processes.

Risk governance framework

Ultimate responsibility for risk governance rests with the Board, which sets the overall risk strategy, approves the RAF and oversees the effectiveness of the risk management system. The Board is supported by the Company Risk Committee, which provides oversight of current and emerging risks, monitors compliance with risk appetite and advises the Board on risk-related matters.

Day-to-day risk management is undertaken by senior management under the leadership of the Company's CRO. The CRO is responsible for independent oversight of the risk profile, operation of the RMF and escalation of material risks, limit breaches and emerging issues to senior management, the Risk Committee and the Board.

The Branch is subject to dedicated local governance through the Branch Oversight Committee, which is responsible for the management and oversight of the Branch and for ensuring compliance with local regulatory, risk management and governance requirements. The Committee reviews the Branch's risk profile, capital position and local regulatory reporting, including matters arising from the Hong Kong Own Risk and Solvency Assessment ("Hong Kong ORSA"), and escalates material issues where appropriate.

The Branch performs an annual branch-specific risk identification and assessment process in accordance with IA Guideline GL21. This process, documented through the Hong Kong ORSA, considers all material risks relevant to the Branch and informs capital projections, stress and scenario testing and capital adequacy monitoring. The Hong Kong ORSA is fully integrated into the Company's governance and risk management processes and is reviewed by relevant branch and entity stakeholders before approval by the Company Board.

Hong Kong ORSA outcomes form an integral part of the Branch's risk management and decision-making processes. They inform management's assessment of prospective solvency, risk concentrations and resilience under stress. Where forward-looking assessments indicate increased risk or reduced capital headroom, mitigating actions may include enhanced monitoring or escalation to the Company senior management and the Board, changes to retrocession arrangements and capital management actions.

8.B. INSURANCE RISK MANAGEMENT

The Branch's insurance risk profile is primarily driven by Long-Term Insurance underwriting risk, notably mortality and morbidity risks, including critical illness and disability. General Insurance risks are smaller and are predominantly associated with natural catastrophe exposures.

The concentration in Long-Term Insurance risks is intentional and consistent with the Branch's strategic focus. These risks are mitigated through diversification across geographies, products and cedants and through the Group's internal and external retrocession arrangements. Under the Company's internal retrocession framework, a 65% whole-account quota share to Partner Reinsurance Company Ltd. applies to both Long-Term Insurance and General Insurance business, with higher cession percentages for certain Financial Solutions business. This materially reduces the Branch's net insurance risk exposure and contributes to capital efficiency. The Branch also benefits from PartnerRe's group-wide external retrocession programs. Insurance risk management responsibilities, controls and governance are fully embedded within the Company's RMF, as described in section 8A.

Key Long-Term Insurance and General Insurance risk exposures, including mortality and natural catastrophe risk, are monitored on a quarterly basis through dedicated KRIs and risk limits, with regular reporting to senior management, the Company Risk Committee and the Board.

8.C. INVESTMENT RISK MANAGEMENT

Investment risk management for the Branch is governed at the Company level and forms an integral part of the Company’s overall balance sheet, capital and risk management objectives. The primary investment objective is to ensure the ability to meet policyholder obligations at all times, preserve capital strength and support underwriting activities, while operating within the Board-approved RAF. There is no separate investment return objective for the Branch; investments are managed to support liabilities and regulatory capital requirements and are aligned with the Company’s prudent person approach and long-term solvency considerations.

Assets allocated to the Branch are invested in a high-quality fixed income portfolio, consisting primarily of government bonds, investment-grade corporate bonds and agency mortgage-backed securities. The Branch does not invest in equities, real estate, alternative assets or sub-investment-grade instruments, and no such investments are planned. Investment concentration risk is mitigated through high credit quality standards, issuer diversification and the absence of complex or illiquid asset classes. Investment risks are controlled through the Company’s entity-wide investment policy, defined limits on credit quality, duration, liquidity and currency exposure, and regular stress and scenario testing. No investment risk transfer techniques are used beyond diversification, and no material changes to the investment strategy were implemented in the financial year or are envisaged.

The most material market risk exposure for the Branch is foreign exchange risk, arising from the multi-currency nature of liabilities combined with a predominantly USD-denominated investment portfolio.

Governance and oversight of investment risk are exercised through the Company’s established investment governance framework. The Company's Investment Committee (“IC”) is the primary oversight body and meets monthly to review portfolio composition, market developments, compliance with investment limits and implications for solvency and capital. The Branch investment portfolio is monitored separately within the IC, alongside entity-level reporting. Roles and responsibilities for investment decision-making, risk monitoring and escalation are clearly defined, and investment risk management is fully embedded within the Company’s governance structures and RMF.

Foreign exchange, interest rate, spread and aggregate market risks are monitored on a quarterly basis through dedicated KRIs, metrics and risk limits, with regular reporting to senior management, the Company Risk Committee and the Board.

Liquidity risk

Liquidity risk for the Branch is considered low and is managed within the Company’s entity-wide liquidity risk framework. The Branch benefits from access to the Company’s centrally managed, highly liquid investment portfolio. Liquidity risk is monitored through the Company’s regular risk management processes, including stress testing.

Counterparty risk

Counterparty risk for the Branch arises primarily from exposures to highly rated investment counterparties, cedants and retrocessionaires. These risks are managed within the Company’s entity-level counterparty risk framework, which includes counterparty approval processes, exposure limits and ongoing monitoring of credit quality.

8.D. OTHER RISK MANAGEMENT

In addition to insurance and investment risks, the Branch is exposed to operational, regulatory and compliance risks inherent in operating as an overseas reinsurance branch. These risks are managed within the Company’s entity-wide operational risk management framework and internal control environment, including controls relating to outsourcing arrangements, information technology, data protection, financial reporting and regulatory compliance.

Operational risks relevant to the Branch, including reliance on Group-provided services and compliance with local regulatory requirements, are assessed through the annual branch risk identification process and documented in the Hong Kong ORSA.

Climate change and broader environmental, social and governance ("ESG") risks are integrated into the Company's RMF and have been assessed as not currently material at both the Company and Branch level. These risks continue to be monitored through the Company's regular risk management and governance processes.

9. STATEMENT OF COMPLIANCE

(1) I am satisfied with the completeness, accuracy and consistency of the information disclosed in this disclosure statement in respect of Partner Reinsurance Europe SE Hong Kong Branch;

(2) I am satisfied that the information in this disclosure statement is prepared in accordance with the Insurance (Public Disclosure) Rules and the Insurance (Valuation and Capital) Rules (subject to any variation or relaxation applied thereto);

(3) I am satisfied that the information in this disclosure statement can be reconciled with the relevant specified annual forms, on each of which an auditor's report is provided, of Partner Reinsurance Europe SE Hong Kong Branch's annual returns for the financial year to which this disclosure statement relates, as submitted under rule 4(1) of the Insurance (Submission of Statements, Reports and Information) Rules; and

(4) I am satisfied that Partner Reinsurance Europe SE Hong Kong Branch has complied with all capital requirements that apply to it under the Insurance (Valuation and Capital) Rules, (as relaxed or varied, if applicable), during the financial year to which this disclosure statement relates.

Name:	Nerissa Yan
Position:	Chief Executive
Company Name:	Partner Reinsurance Europe SE Hong Kong Branch

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