

Assured Guaranty (Europe) SA

SIREN: 852 597 384

Statutory financial statements

For the year ended 31 December 2024



Assured Guaranty (Europe) SA
Contents

	Page
Company information	1
Managing Director's report	2
Statutory auditors' report	6
Balance sheet	11
Income statement	13
Appendices	15

Assured Guaranty (Europe) SA

Company information

Directors

Robert Bailenson
Dominic Frederico
Dominic Nathan
Richard Nicholas
Nicholas Proud
Penelope Shaw
Raphaël de Tapol

Company secretaries

Joanne Merrick
Isabelle Colombel

Registered office

71, rue du Faubourg Saint-Honoré,
75008 Paris
France

Independent auditors

PricewaterhouseCoopers SA
Chartered Accountants and Statutory Auditors
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex
Paris
France

Assured Guaranty (Europe) SA

Managing Director's Report

1.1. Principal activities

Assured Guaranty (Europe) SA, (the “Company” or “AGE”), was incorporated in July 2019 and was established to enable the Assured Guaranty Group to continue underwriting new business and service existing European Economic Area (“EEA”) policies following the United Kingdom's (“UK's”) departure from the European Union (“EU”) and EEA (commonly known as “Brexit”) in January 2020. On 1 October 2020, an affiliate Company, Assured Guaranty UK Limited (“AGUK”) transferred certain of its existing EEA policies to the Company under a Part VII of the United Kingdom Financial Services and Markets Act 2000 and French insurance portfolio transfer procedures (the “Portfolio Transfer”).

The principal activity of the Company is providing financial guarantees for public finance (including infrastructure finance) and structured finance obligations. Financial guarantee insurance written by the Company generally guarantees scheduled payments of principal and interest on an issuer's obligations in the event, and to the extent of, a payment default.

The Company is governed by the French Insurance Code and regulated by the Autorité de Contrôle Prudentiel et de Résolution (“ACPR”) and is registered with the Trade and Companies Register (“RCS”) in France (SIREN: 852 597 384). The Company is authorised to carry out three classes of general insurance business in France: classes 14 (credit), 15 (suretyship) and 16 (miscellaneous financial loss).

Prior to 1 August 2024 the Company was a wholly owned subsidiary of Assured Guaranty Municipal Corp. (“AGM”). On 1 August 2024, AGM merged with and into Assured Guaranty Inc. (“AG”) (formerly Assured Guaranty Corp (“AGC”)), with AG as the surviving company. AGE became a wholly owned subsidiary of AG from this date. AG is an insurance company domiciled in the State of Maryland, United States of America and provides financial guarantee insurance on debt obligations issued in the US and non-US public finance, infrastructure finance and structured finance markets.

Parental and Affiliate Support Agreements

The Company benefits from a number of reinsurance and other support agreements from affiliated Assured Guaranty Group companies, including AG, which owns 99.99% of the Company. Following the merger between AG and AGM, AGE entered into new reinsurance agreements with AG which consolidated the terms of the prior agreements with AG and AGM. A new net worth maintenance agreement with AG (the “AG Net Worth Maintenance Agreement”) which replaced the net worth maintenance agreement with AGM was also entered into on that date. The terms of these agreements are described below.

AG Transferred Business Reinsurance Agreement

The AG Transferred Business Reinsurance Agreement reinsures to AG the business that was transferred to the Company under the Portfolio Transfer. Different percentages of reinsurance cessions are specified for the different reinsured policies.

AG New Business Reinsurance Agreement

The AG New Business Reinsurance Agreement reinsures to AG 90% of the Company's retention on any new policies underwritten by the Company. It also provides reinsurance for certain Public Finance policies transferred to the Company under the Portfolio Transfer for which AGUK was not reinsured by AG and for which AG's quota share percentage cession is approximately 88% to 90%, varying by policy.

Both the AG Transferred Business Reinsurance Agreement and the AG New Business Reinsurance Agreement require AG to pledge collateral to support its reinsurance obligations to the Company. AG's collateral requirement at the end of each calendar quarter is calculated as the sum of AG's share of: (a) the Company's unearned premium reserve (net of the Company's reinsurance premium payable to AG); (b) the Company's provisions for unpaid losses and allocated loss adjustment expenses (net of any salvage recoverable), and (c) any unexpired risks provisions, in each case as calculated in accordance with French GAAP.

AGRE Transferred Business Reinsurance Agreement

The Assured Guaranty Reinsurance Limited (“AGRE”) Transferred Business Reinsurance Agreement preserves AGRE's quota share reinsurance of the AGUK and legacy Assured Guaranty (London) plc (“AGLN”) policies transferred to the Company under the Portfolio Transfer. The agreement imposes a collateral requirement on AGRE consistent with the AG reinsurance agreements as described above.

Assured Guaranty (Europe) SA

Managing Director's Report (continued)

AG Excess of Loss Reinsurance Agreement

Under the AG Excess of Loss Reinsurance Agreement, AG is required to pay the Company the amount by which (i) the sum of (a) the Company's incurred losses calculated in accordance with French GAAP and (b) the Company's net paid losses and loss adjustment expenses, exceed (ii) an amount equal to (a) the Company's capital resources under French law minus (b) 110% of the amounts as may be required by the ACPR as a condition for the Company to maintain its authorization to carry on a financial guarantee business in France. The Excess of Loss Reinsurance Agreement permits the Company to terminate the agreement upon the following events: a downgrade of AG's ratings by Moody's below A3 or by S&P below A- if AG fails to restore its rating(s) to the required level within a prescribed period of time, AG's insolvency or failure by AG to maintain the minimum capital required by its home jurisdiction.

AG Net Worth Maintenance Agreement

Under the terms of the AG Net Worth Maintenance Agreement AG is obligated to ensure the Company maintains capital resources equal to 110% of the amounts as may be required by the ACPR as a condition of the Company maintaining its authorization to carry on financial guarantee business in France provided that, except with the express approval (or non-disapproval) of the Maryland Insurance Administration (MIA):

- (a) no individual contribution by AG to AGE for such purpose shall exceed \$25m.
- (b) AG shall not be permitted to make more than two individual contributions to AGE under the Net Worth Agreement during any calendar year, which two contributions together shall not exceed \$25m.
- (c) the aggregate contributions by AG to AGE under the Net Worth Agreement shall not exceed \$100m.

Ratings

Obligations insured by the Company are generally awarded ratings on the basis of the financial strength ratings given to the Company by major securities rating agencies. As at 14 May 2025, AG and the Company have been assigned the following insurance financial strength ratings set out below, by S&P Global Ratings, a business unit of Standard & Poor's Financial Services ("S&P") and Kroll Bond Rating Agency, Inc. ("KBRA"):

S&P: AA / Stable Outlook

KBRA: AA+ / Stable Outlook

These ratings are subject to continuous review. S&P and KBRA have both reaffirmed the financial strength ratings of AG and the Company within the last 12 months and following the merger of AG and AGM in August 2024. Most recently, in October 2024, KBRA affirmed the financial strength rating of AA+ (stable outlook) of AG and assigned the same rating to the Company. In August 2024, S&P issued a credit rating report in which it affirmed AG's and the Company's financial strength rating of "AA" (stable outlook).

1.2. Business Review

Financial position and performance

Assured Guaranty is the market leader in the financial guarantee industry. During 2024 the Company underwrote business in both the infrastructure finance and structured finance sectors and successfully increased new business volumes in the European structured finance market, generating total new business PVP of of €9.2m, increased from €4.0m in 2023.

AGE continues to target new business growth from both higher levels of new business production in established sectors and by entering new markets and sectors. During 2024, the Company increased its presence in the Italian public and structured finance markets with the establishment of an Italian branch.

Assured Guaranty (Europe) SA

Managing Director's Report (continued)

The Board monitors the performance and position of the Company by reference to, among other measures, the following Key Performance Indicators ("KPIs"):

	2024	2023
Number of new transactions	10	4
	€'000	€'000
Total Gross Written Premium (GWP)	9,276	6,428
Present value of new business production (PVP) ¹	9,244	4,019
Earned premiums, net of reinsurance	299	49
Claims incurred, net of reinsurance	—	—
Change in other technical provisions, net of reinsurance	—	—
Net acquisition and administrative expenses	440	(1,586)
Technical account result	(141)	1,643
Net investment return	880	948
Profit / (loss) before tax	2,180	2,256
Net insured par value of obligations ("par") outstanding	614,056	547,871
Regulatory solvency cover ratio ²	173%	236%

¹ PVP, a non-GAAP (Generally Accepted Accounting Principles) financial measure used by Assured Guaranty group companies, is defined as gross upfront and instalment premiums received, plus the present value of gross estimated future instalment premiums on contracts written in the current year. Future instalment premiums are discounted at the approximate average pre-tax book yield of fixed-maturity securities purchased across Assured Guaranty group companies during the prior calendar year, other than loss mitigation securities. The discount rate is recalculated annually and updated as necessary

² The regulatory solvency cover ratio is the ratio of the Company's Solvency II Own Funds to the Company's Solvency Capital Requirement calculated in accordance with the Solvency II Standard Formula.

Total gross written premium for 2024 was €9.3 million (2023: €6.4 million). Gross written premium includes new business and changes to underlying debt service schedules, including changes to the value of scheduled principal repayments, and adjustments for indexation.

The Company's overall underwriting result for the year was a loss of €0.1 million (2023: profit of €1.6 million). The loss in the current year is primarily attributable to an increase in administration expenses to €14.8m (2023: €12.0m) due to an increase in employee headcount and services provided by group companies, as well as higher spending on professional fees. The overall profitability of the Company is expected to increase over the coming years as further new business is added and the Company reaches appropriate scale. Net acquisition and administrative expenses of €0.4m (2023: negative €1.6m), as reported above, comprise the net of total acquisition and administrative expenses and reinsurance commissions.

As at 31 December 2024, the Company had issued guarantees on financial obligations with gross outstanding par of €8.5 billion (2023: €7.8 billion) and net par after reinsurance of €614.1 million (2023: €547.9 million). The increase from prior year was primarily due to new business underwritten during 2024.

AGE has not incurred any claims to date and no claims reserves or unexpired risks provision has been recognised at the balance sheet date. There has been some deterioration in the overall credit quality of the insured portfolio during the year with the proportion of BIG risks increasing to 14.4% (2023: 3.2%) of gross par outstanding ("GPO"). This is attributable to a deterioration in the performance of certain UK regulated utility obligations and the European renewable energy sector.

The Company's investment strategy focuses on establishing highly liquid, diversified investment portfolios of high credit quality managed by an external investment manager. Under French GAAP, the Company's investments are recorded on an amortised cost basis. The net investment return of €0.88 million (2023: €0.95 million) is due to interest income earned during the year.

The overall duration of the Company's investment portfolio as at 31 December 2024 was 6.12 years (2023: 6.96 years), with an average credit quality of AA- (2023: AA-), excluding short term deposits.

Assured Guaranty (Europe) SA

Managing Director's Report (continued)

The Company remains in a very strong financial position with a regulatory solvency cover ratio of 173% (2023: 236%). On 14 March 2025, the Company issued additional share capital of €20m, further increasing the Company's regulatory capital surplus.

Payments deadlines of clients and suppliers for the past financial year

In accordance with Article D. 441-4 of the French Commercial Code, the information on the payment deadlines relating to customers and suppliers for the past financial year is provided below.

Invoices received and issued which were not settled at the closing date of financial year and in arrears (Table required in Article D.441-4 I of the Commercial Code)

€'000	Invoices <u>received</u> and unpaid as at the end of the financial year and in arrears						Invoices <u>issued</u> and unpaid as at the end of the financial year and in arrears					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)	0 days	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 day and more)
(A) Payment delays per tranche												
Number of invoices concerned	-	1	-	-	-	1	-	-	-	-	-	-
Total amount of invoices concerned inclusive of tax	-	1	-	-	-	-	-	-	-	-	-	-
Percentage of the total purchases over the year	-	<0.1%	-	-	-	<0.1%						
Percentage of the total turnover over the financial year							-	-	-	-	-	-
(B) Invoices excluded from (A) which relate to litigious or non-recorded debts or receivables												
Number of excluded invoices	-						-					
Total amount of excluded invoices (indicate if the VAT is included or excluded)	-						-					
(C) Reference payment deadlines used (contractual or legal - article L. 441-6 or article L. 443-1 of the commercial code)												
Payment deadlines used for the calculation of payment delays	Contractual deadlines						Contractual deadlines					

Assured Guaranty (Europe) SA

Statutory auditor's report on the financial statements

For the year ended 31 December 2024



This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory auditor's report on the financial statements

For the year ended 31 December 2024

To the annual general meeting of
Assured Guaranty (Europe) SA
71 rue du Faubourg Saint-Honoré
75008 PARIS

Opinion

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Assured Guaranty (Europe) SA for the year ended December 31, 2024.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2024, and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

PricewaterhouseCoopers Audit, 63, rue de Villiers 92208 Neuilly-sur-Seine Cedex
Téléphone: +33 (0)1 56 57 58 59, www.pwc.fr

Société d'expertise comptable inscrite au tableau de l'ordre de Paris - Ile de France. Société de commissariat aux comptes membre de la compagnie régionale de Versailles et du Centre. Société par Actions Simplifiée au capital de 2 510 460 €. Siège social : 63 rue de Villiers 92200 Neuilly-sur-Seine. RCS Nanterre 672 006483. TVA n° FR 76 672 006 483. Siret 672 006 483 00362. Code APE 6920 Z. Bureaux : Bordeaux, Grenoble, Lille, Lyon, Marseille, Metz, Nantes, Neuilly-Sur-Seine, Nice, Poitiers, Rennes, Rouen, Strasbourg, Toulouse.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from 1 January 2023 to the date of our report we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

In addition, the services other than the statutory audit that we have provided during the financial year to your company which are not mentioned in the management report or the notes to the annual accounts are as follows:

- Opinion on the Balance Sheet and Solvency Capital Requirement (SCR) as established in Pillar I of the Solvency II Directive, including also the verification of the information in the Solvency and Financial Condition Report (SFCR) and of Quantitative Reporting Templates (Quantitative Reporting Templates - QRT) S.02.01.02, S.17.01.02, S23.01.01, S.25.01.21 and S.28.01.01, as established in Pillar III of the Solvency II Directive prepared by your company (hereafter the "Company") for the year ended December 31, 2024, all of them included in the sections D 'Valuation for solvency purposes' and E 'Capital management'.
- Review of the schedule which reconciles the Shareholders equity and Net Income of Assured Guaranty (Europe) SA prepared on a French Generally Accepted Accounting Principles (French GAAP) basis, to the equivalent amount measured by reference to US GAAP.

Justification of assessments - Key audit matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, it is our responsibility to report to you on the key audit matters of the audit relating to the risks of material misstatement which, in our professional opinion, were the most significant for the audit of the financial statements for the year, and on our responses to those risks.

We determined that there were no key audit matters to report on.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders, except that it is not our responsibility to conclude on the fair presentation and consistency with the financial statements of the solvency related information required by article L. 356-23 of the French Insurance Code (Code des assurances).

The fair presentation and the consistency with the annual financial statements of the information relating to payment terms mentioned in Article D.441-4 of the French commercial code call for the following comment:

As indicated in the management report, this information does not include insurance and reinsurance operations, as your company considers that they do not fall within the scope of the information to be produced, in accordance with the circular of the Fédération Française de l'Assurance of May 29, 2017.

Information relating to corporate governance

We attest that the section of the management report devoted to corporate governance sets out the information required by Articles L. 225-37-4 and L. 22-10-10 of the French Commercial Code (code de commerce).

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditor

We were appointed as statutory auditors of Assured Guaranty (Europe) SA by your status on 8 July 2019.

As at 31 December 2024, we were in the 6th year of total uninterrupted engagement.

Responsibilities of management and those charged with governance in relation to the annual accounts

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditor's Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee, which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine, April 29th, 2025

The Statutory Auditor
PricewaterhouseCoopers Audit

A blue checkmark icon followed by a handwritten signature in black ink.

Christine Billy

Assured Guaranty (Europe) SA**Financial statements and notes****Balance sheet at 31 December 2024****€'000**

Assets	2024	2023
1. Uncalled subscribed capital or head office liaison account	—	—
2. Intangible assets	—	—
3. Investments:	88,488	98,084
3a. Land and buildings	—	—
3b. Investments in affiliated companies and companies linked by participating interests	—	—
3c. Other investments	88,488	98,084
3d. Receivables for cash deposited with ceding companies	—	—
4. Investments representing technical provisions relating to unit-linked contracts	—	—
5. Share of outwards reinsurers and retrocessionaires in technical provisions:	215,690	226,102
5a. Provisions for unearned premiums	215,690	226,102
5b. Provisions for claims payable	—	—
5c. Provisions for profit sharing and rebates	—	—
5d. Equalisation provisions	—	—
5e. Other technical provisions	—	—
5f. Technical provisions for unit-linked contracts	—	—
6. Receivables	170,762	168,482
6a. Receivables from direct insurance operations:	133,372	132,897
6aa. Premiums	133,372	132,897
6ab. Other receivables from direct insurance operations	—	—
6b. Receivables from reinsurance transactions	35,765	35,543
6c. Other receivables:	1,625	42
6ca. Staff	—	—
6cb. State social security and public authorities	—	—
6cc. Miscellaneous debtors	1,625	42
6d. Unpaid called-up capital	—	—
7. Other assets:	5,244	6,250
7a. Operating tangible assets	83	124
7b. Current account and cash	5,161	6,126
7c. Treasury shares	—	—
8. Accruals – assets:	4,564	3,876
8a. Accrued interest and rent	658	685
8b. Deferred acquisition costs	3,821	3,034
8c. Other accruals and prepayments	85	157
Total assets	484,748	502,794

Assured Guaranty (Europe) SA
Financial statements and notes

Balance sheet at 31 December 2024

€'000

Liabilities	2024	2023
1. Shareholders' equity:	112,213	110,249
1a. Share capital	110,900	110,900
1b. Premiums related to share capital	—	—
1c. Revaluation reserves	—	—
1d. Other reserves	—	—
1e. Carry forward	(651)	(2,711)
1f. Result for the year	1,964	2,060
2. Subordinated liabilities	—	—
3. Gross technical provisions:	224,356	234,525
3a. Provisions for unearned premiums	224,356	234,525
3b. Provisions for claims	—	—
3c. Provisions for profit sharing and discounts	—	—
3d. Equalisation provisions	—	—
3e. Other technical provisions	—	—
4. Provisions	—	—
5. Liabilities for cash deposits received from reinsurers	—	—
6. Other liabilities:	128,548	126,341
6a. Payables arising from direct insurance operations	—	—
6b. Payables arising from reinsurance transactions	120,136	119,443
6c. Bonds	—	—
6d. Amounts owed to credit institutions	—	—
6e. Other liabilities:	8,412	6,898
6ea. Negotiable debt securities issued by the Company	—	—
6eb. Other loans, deposits and guarantees received	—	—
6ec. Staff	893	668
6ed. State, Social Security and public authorities	814	649
6ee. Miscellaneous creditors	6,705	5,581
7. Accruals - liabilities	19,631	31,679
Total liabilities	484,748	502,794

Assured Guaranty (Europe) SA
Financial statements and notes

Income statement for the year ended 31 December 2024

€'000

Technical account	2024			2023
	Gross	Cessions and retrocessions	Net	Net
1. Earned premiums:	24,279	(23,980)	299	49
1a. Written premiums	9,276	(8,511)	765	468
1b. Change in provision for unearned premiums	15,003	(15,469)	(466)	(419)
2. Allocated investment income from the non-technical account	—	—	—	—
3. Other technical income	—	—	—	8
4. Claims expenses:	—	—	—	—
4a. Claims and expenses paid	—	—	—	—
4b. Changes to claims provisions	—	—	—	—
5. Charges to other technical provisions	—	—	—	—
6. Share of profit-sharing	—	—	—	—
7. Acquisition and administration expenses:	(15,940)	15,500	(440)	1,586
7a. Acquisition costs	(1,182)	—	(1,182)	(741)
7b. Administration costs	(14,758)	—	(14,758)	(11,965)
7c. Commissions received from reinsurers and substitute guarantors	—	15,500	15,500	14,292
8. Other technical expenses	—	—	—	—
9. Change in the equalisation provision	—	—	—	—
Technical result	8,339	(8,480)	(141)	1,643

Assured Guaranty (Europe) SA**Financial statements and notes****Income statement for the year ended 31 December 2024**

€'000

Non-technical account	2024	2023
1. Non-life insurance underwriting result	(141)	1,643
2. Life insurance underwriting result	—	—
3. Investment income:	1,761	1,377
3a. Investment income	1,325	1,374
3b. Other investment income	436	—
3c. Gains on the realisation of investments	—	3
4. Allocated investment income from non-life technical account	—	—
5. Investment expenses:	(881)	(429)
5a. Internal and external investment management fees and financial expenses	(69)	(66)
5b. Other investment expenses	(703)	(259)
5c. Losses from the realisation of investments	(109)	(104)
6. Investment return transferred to the non-life technical account	—	—
7. Other non-technical products	1,440	—
8. Other non-technical expenses:	—	(335)
8a. Social security charges	—	—
8b. Other non-technical expenses	—	(335)
9. Exceptional results:	—	—
9a. Extraordinary income	—	—
9b. Extraordinary expenses	—	—
10. Employee profit-sharing	—	—
11. Income taxes	(215)	(196)
12. Profit (loss) for the year	1,964	2,060

SECTION 1: ACCOUNTING PRINCIPLES AND METHODS

1.1 Accounting principles

The financial statements of the Company have been prepared in accordance with the following provisions:

- French generally accepted accounting principles (ANC regulation no. 2015-11 dated 26 November 2015 in its latest updated version and in force on 31 December 2023) on the annual accounts of insurance undertakings and transactions of a specific nature;
- Articles L.123-12 to L.123-22 of the French Commercial Code, applicable to insurance companies pursuant to Article L.341-2 of the French Insurance Code (Code des Assurances); and
- ANC regulation no. 2014-03 of 5 June 2014 on the general chart of accounts, amended by regulation 2015-06 of 23 November 2015 on assets and notes, in the absence of specific provisions provided for in ANC regulation no. 2015-11 of 26 November 2015.

The main accounting policies adopted, the notes and details of the balance sheet and income statement are described below.

1.2 Investments

Investments consist of fixed income investments and short-term variable securities.

Entry costs and valuation at year-end

a. Equity and other variable income investments

Equity and other variable-income securities under Article R. 343-10 of the French Insurance Code are recorded at their purchase price, excluding accrued interest. The realisable value for shares of open-ended investment companies and units of mutual funds is the last price published before the balance sheet date.

b. Fixed income investments

Bonds and other fixed-income securities under Articles R. 343-9 of the French Insurance Code are recorded at their purchase price, net of accrued interest at the time of purchase. The difference between the purchase price and the redemption value is reported in the income statement over the remaining term until the repayment date using the actuarial method.

The realisable value is the most recent quoted price at the balance sheet date. The Company does not have any unlisted securities.

Impairment

The Company accounts for impairment of securities under Articles R. 343-9 (fixed income securities) and R. 343-10 (equity and other variable income securities) of the French Insurance Code as described below. Credit risk is assessed on the basis of the Company's intention and ability to hold the securities until maturity:

- Fixed income securities (Amortisable securities) under Article R. 343-9
 - A reserve for impairment is recognised when there is reason to believe that the debtor will not be able to honour its commitments, either through a default in the payment of interest or repayment of principal.
- Equity and other variable-income securities under Article R. 343-10
 - When indicators of other-than-temporary impairment arise, a reserve for impairment is recognised for each individual asset holding on a line-by-line basis (Provision pour Dépréciation Durable). In the event of impairment, the impairment recognised by the Company is the difference between the historical cost and recoverable amount.
 - When the fair market value of the overall investment portfolio, excluding amortisable securities for which the Company has the intention and ability to hold until maturity, is lower than historical value, an additional reserve may be recorded in the case of impairment (Provision pour Risque d'Exigibilité).

Assured Guaranty (Europe) SA

Financial statements and notes

Investment income and expenses

Investment income and expenses include income earned on investments and realised gains and losses on sale of investments. The realised gains and losses on financial investments are calculated using the FIFO method (First in, First out).

1.3 Fixed assets

Tangible fixed assets are recorded at cost less depreciation. The costs of tangible fixed assets comprise their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated over the actual useful life of the assets.

In accordance with the provisions of CRC regulation 2002-10, the Company is required to perform an impairment test when internal or external indicators suggest that an intangible or tangible asset may have lost significant value. If the present value (being the higher of value in use and market value) of a fixed asset is lower than the net book value, an impairment loss is recorded, reducing the net book value of the asset to its present value. When an impairment loss is recognised, the depreciable base of the impaired item is changed, as well as its depreciation schedule. The depreciation schedule may be changed again if the asset subsequently recovers its value.

1.4 Other receivables and other liabilities

Receivables are recorded at their nominal value.

1.5 Deferred acquisition costs and ceding commission income

Acquisition costs comprise the direct expenses for the production of new business, which include underwriter salaries and transaction legal fees. Management uses its judgement in determining what types of costs, as well as what percentage of these costs should be deferred.

The Company conducts an annual study to determine how much of the direct costs qualify for deferral. Costs incurred for soliciting potential customers, market research, training, administration, unsuccessful acquisition efforts, and product development as well as all overhead related costs are expensed as incurred and not deferred. Deferred acquisition costs are expensed on a straight-line basis over the shorter of the contractual maturity date on the associated direct policy or a maximum of five years. When an insured obligation is retired early, the remaining related deferred acquisition cost is expensed.

Reinsurance ceding commission income is deferred, subject to recoverability, and earned on a straight-line basis over the shorter of the contractual maturity date on the associated reinsured policy or a maximum of five years.

1.6 Claims and claim expenses incurred

Claims incurred comprise claims and related claims expenses paid in the year and the change in the provision for claims. A provision for claims outstanding is recorded when there is significant deterioration in an insured obligation and the obligation is in default at the balance sheet date. Claims outstanding are calculated gross of any reinsurance recoveries which are separately calculated (see section 1.10, Reinsurance below).

A substantial amount of experience and judgement is involved in assessing the provision for claims, the ultimate cost of which may not be known with certainty for quite some time. Provisions for claims and related reinsurance recoveries are determined on the basis of information available at the balance sheet date; however, it is inherent in the nature of business written that the ultimate liabilities may vary as a result of subsequent developments.

1.7 Unexpired risks provision and equalisation reserve

A provision is established for any deficiencies arising when unearned premiums, net of associated acquisition costs, are insufficient to meet expected future claims and expenses, after taking into account future investment return. The expected claims are calculated based on information available at the balance sheet date. The unexpired risks provision is included in other technical provisions gross of reinsurance, whilst the reinsurer's share is included within reinsurer's share of other technical provisions. Within the income statement, the movement in the unexpired risks provision is shown net of reinsurance.

1.8 Written premiums

Written premiums comprise total expected premiums for policies incepted during the year, including estimates of premiums not yet due, together with any differences between premiums recognised in prior years in respect of contracts incepting in prior underwriting years and the current total expected premiums for those policies.

Assured Guaranty (Europe) SA

Financial statements and notes

(i) Where the premium on a policy is received up front, the premium is recognised as written on the date of inception.

(ii) Where the premium is received in instalments and the underlying bonds are callable, management considers the nature of the call provision(s) and the likelihood of exercise of those provisions, and determines whether it is probable that the policy will run its full term. The full expected premium is recorded when it is received or when it is probable that it will be received. When the policy is not expected to run its full term, the premium that is recognised as written is either the premium amount to the first call point under the policy or the guaranteed minimum premium (where such a clause exists in the policy) or where the policy is callable without any notice period, the Company records the instalments as they fall due.

When instalment premiums to be received under the policy are linked to an outstanding debt that could be paid down faster than anticipated, or where a premium is linked to an index, the Company recognises written premium based upon an analysis of the premium it is reasonably certain to receive. Any anticipated change in the expected premium receivable is recognised as an adjustment to written premium; in the case of decreases in premium, as soon as it is foreseen and in the case of increases in premium, when such an adjustment is assessed as reasonably certain.

1.9 Earned premiums

Written premiums are recognised as earned income over the policy duration on a time apportionment basis which reflects the incidence of risk. Unearned premiums represent the proportion of premiums written in the current or prior years that relate to unexpired terms of policies in force at the balance sheet date.

1.10 Reinsurance

Contracts entered into by the Company with reinsurers, under which the Company is compensated for losses on insurance policies issued by the Company and that meet the classification requirements for insurance contracts, are classified as reinsurance contracts.

Reinsurance premiums are recognised based on the premium reasonably expected to be paid across the life of the reinsurance contract. Reinsurance premiums are recognised as earned with regard to the incidence of risk for the direct business to which they relate.

The amounts recoverable from reinsurers (shown in reinsurer's share of provision for claims payable, reinsurer's share of other technical provisions and reinsurance receivables) are estimated based upon the gross claims outstanding, having due regard to collectability. Collectability is assessed on the basis of market data and other relevant information on the financial strength of each reinsurer and any collateral provided to the Company. The reinsurers' share of claims incurred in the income statement account reflects the change in amounts received or receivable from reinsurers in respect of those claims incurred during the period. Reinsurance liabilities are primarily premiums payable for reinsurance contracts and are recognised in the income statement as cessions and retrocessions written premiums.

1.11 Operating leases

Leases of assets where a significant portion of the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease. Any operating lease incentives, including rent free periods, are spread over the period of the lease.

1.12 Foreign currency translation

At the balance sheet date, the balance sheet and income statement items denominated in foreign currencies are converted to euros using the year-end rate. In accordance with Articles 241-5 and 241-6 of ANC Regulation 2015-11, foreign exchange differences are recorded on the balance sheet in the case of translation differences on structural positions; and in foreign exchange gains and losses within the income statement in the case of foreign exchange differences on operational foreign exchange positions.

1.13 General expenses

Expenses are first entered into the accounts according to their nature and are then allocated to the technical account on the following basis:

- Direct allocation - expenses that can be directly attributed to a department or activity without the application of an allocation key

Assured Guaranty (Europe) SA

Financial statements and notes

- Allocation key approach - expenses that cannot be directly attributed to a department or activity and are therefore allocated based on objective, appropriate and verifiable quantitative criteria.

The following categories of costs comprise:

- Loss adjustment expenses - professional legal fees associated with claims;
- Contract acquisition costs - costs associated with successful underwriting activity;
- Contract administration fees - insurance portfolio management and monitoring costs; and
- Other technical expenses - costs that cannot be directly assigned or allocated are classified as other technical expenses.

Loss adjustment expenses which are incurred on a per risk or policy basis are recorded under the direct allocation approach. Policy acquisition costs are recognised under the allocation key approach, as discussed within Deferred acquisition costs and ceding commission income above. Policy administration fees are recognised under the direct allocation approach. Currently, there are no expenses that cannot be allocated to one of the identified cost destinations and no costs are recognised as other technical expenses.

1.14 Income tax

Corporation tax expense is recognised on any profits subject to corporation tax. Tax credits are not recognised in the year when pre-tax losses are made but are used in future years to offset against profits generated from similar activities and recognised in the financial statements at that point in time.

SECTION 2: INFORMATION RELATING TO THE BALANCE SHEET

2.1 Investments

€'000	01.01.2024	Entries	Exits	31.12.2024
Gross amount				
Land and buildings	—	—	—	—
Investment in related companies and companies linked by and equity relationship	—	—	—	—
Fixed-income bonds and mutual funds	92,216	23,446	(25,685)	89,977
Cash mutual funds	8,213	25,799	(32,892)	1,120
Cash receivables deposited with ceding companies	—	—	—	—
Other investments	—	—	—	—
Total gross investments	100,429	49,245	(58,577)	91,097
	Depreciation and amortisation 01.01.2024	Depreciation, amortisation and impairment	Reversal of depreciation, amortisation and impairment	Depreciation and impairment 31.12.2024
Land and buildings	—	—	—	—
Investment in related companies and companies linked by and equity relationship	—	—	—	—
Fixed-income bonds and mutual funds	(2,345)	(264)	—	(2,609)
Cash mutual funds	—	—	—	—
Cash receivables deposited with ceding companies	—	—	—	—
Other investments	—	—	—	—
Total	(2,345)	(264)	—	(2,609)
Net amount	98,084	48,981	(58,577)	88,488

€'000	Gross value	Realisable value
Summary of investments		
Bonds and fixed income securities	89,977	72,716
Other loans and similar instruments	—	—
Deposits with ceding companies	—	—
Deposits (other than those above), cash, guarantees and other investments	1,120	1,120
Total	91,097	73,836
Of which forward instruments	—	—
Of which listed investments	91,097	73,836
Of which unlisted investments	—	—
Investments	91,097	73,836

Assured Guaranty (Europe) SA
Financial statements and notes

Investments details

€'000

	Gross value	Net book value	Realisable value
a) of which			
Investments measured in accordance with Article R.343-9	89,977	87,368	72,716
Investments measured in accordance with Article R.343-10	1,120	1,120	1,120
Investments measured in accordance with Article R.343-13	—	—	—
Investments measured in accordance with Article R.343-11	—	—	—
b) of which			
Securities representing technical reserves other than those listed below	91,097	88,488	73,836
Securities pledged to cover commitments to employee benefits institutions or covering managed investment funds	—	—	—
Securities deposited with ceding insurers (including ceding insurers whose commitments are guaranteed by the Company)	—	—	—
Securities allocated to special technical reserves for other business in France	—	—	—
Other allocated or unallocated investments	—	—	—
c) of which			
Investments and forward financial instruments in OECD (The Organisation for Economic Co-operation and Development) member countries	64,272	61,450	51,414
Investments and forward financial instruments in countries that are not members of the OECD	26,825	27,038	22,422

The value of future years amortisation on fixed income bonds and mutual funds is €4.8 million as at 31 December 2024 (€5.3 million as at 31 December 2023).

Assured Guaranty (Europe) SA

Financial statements and notes

2.2 Statement of due date of receivables

€'000	31.12.2024			
	Total	<1 year	1 to 5 years	>5 years
Receivables from direct insurance operations	133,372	16,134	25,162	92,076
Receivables from reinsurance transactions	35,765	4,082	6,802	24,881
Other receivables:	1,625	1,625	—	—
Staff	—	—	—	—
State social security and public authorities	—	—	—	—
Deferred tax asset	—	—	—	—
Miscellaneous debtors	1,625	1,625	—	—
Unpaid called-up capital	—	—	—	—
Total	170,762	21,841	31,964	116,957

€'000	31.12.2023			
	Total	<1 year	1 to 5 years	>5 years
Receivables from direct insurance operations	132,897	12,779	25,495	94,623
Receivables from reinsurance transactions	35,543	3,076	6,897	25,570
Other receivables:	42	42	—	—
Staff	—	—	—	—
State social security and public authorities	—	—	—	—
Deferred tax asset	—	—	—	—
Miscellaneous debtors	42	42	—	—
Unpaid called-up capital	—	—	—	—
Total	168,482	15,897	32,392	120,193

2.3 Fixed assets

€'000	Gross Value 1.1.2024	Inputs	Outputs	Transfers	Gross Value 31.12.2024
Arrangements	—	—	—	—	—
Transport equipment	—	—	—	—	—
Office and computer equipment	204	10	—	—	214
Furniture	95	6	—	—	101
Other non-depreciable property, plant and equipment	—	—	—	—	—
Assets under construction	—	—	—	—	—
Deposits and guarantees	—	—	—	—	—
Total	299	16	—	—	315

	Amortisation 1.1.2024	Change due to Amortisation	Takeover depreciation	Transfers	Amortisation 31.12.2024
Arrangements	—	—	—	—	—
Transport equipment	—	—	—	—	—
Office and computer equipment	(120)	(33)	—	—	(153)
Furniture	(55)	(24)	—	—	(79)
Total	(175)	(57)	—	—	(232)

Net Value	124	(41)	—	—	83
------------------	------------	-------------	----------	----------	-----------

Assured Guaranty (Europe) SA
Financial statements and notes

2.4 Accrued income and prepaid expenses

€'000	01.01.2024	Inputs	Outputs	31.12.2024
Accrued interest and rentals	685	658	(685)	658
Deferred acquisition cost	3,034	1,969	(1,182)	3,821
Other accrued income and prepayments:	157	85	(157)	85
Deferred tax asset	—	—	—	—
Prepaid expenses	157	85	(157)	85
Difference on redemption prices to be received	—	—	—	—
Accrued income	—	—	—	—
Other	—	—	—	—
Total	3,876	2,712	(2,024)	4,564

2.5 Shareholders' equity

€'000	01.01.2024	Appropriation of income	Increase	Decrease	31.12.2024
Share capital	110,900	—	—	—	110,900
Share Premium	—	—	—	—	—
Total	110,900	—	—	—	110,900
Other reserves					
Carry forward	(2,711)	2,060	—	—	(651)
Result for the year	2,060	(2,060)	1,964	—	1,964
Total	(651)	—	1,964	—	1,313
Total	110,249	—	1,964	—	112,213

Composition of the shareholder base

Companies	Securities '000	Values €'000	Voting rights %
Assured Guaranty Inc.	110,889	110,889	100%
Assured Guaranty Municipal Holdings, Inc.	11	11	—
Total	110,900	110,900	100%

No additional shares were issued during the year.

2.6 Provision for contingent liabilities

As at 31 December 2024 the Company does not have any contingent liabilities (31 December 2023: € nil).

Assured Guaranty (Europe) SA
Financial statements and notes

2.7 Statement of liability maturities

€'000	31.12.2024			
	Total	<1 year	1 to 5 years	>5 years
Payables arising from direct insurance operations	—	—	—	—
Payables arising from reinsurance transactions	120,136	13,719	22,866	83,551
Bonds, including convertible bonds	—	—	—	—
Amounts owed to credit institutions	—	—	—	—
Other liabilities:				
Negotiable debt securities issued by the Company	—	—	—	—
Other loans, deposits and guarantees received	—	—	—	—
Staff	893	893	—	—
State, Social Security and public authorities	814	722	92	—
Sundry creditors	6,705	6,705	—	—
Total	128,548	22,039	22,958	83,551

€'000	31.12.2023			
	Total	<1 year	1 to 5 years	>5 years
Payables arising from direct insurance operations	—	—	—	—
Payables arising from reinsurance transactions	119,443	10,353	23,187	85,903
Bonds, including convertible bonds	—	—	—	—
Amounts owed to credit institutions	—	—	—	—
Other liabilities:				
Negotiable debt securities issued by the Company	—	—	—	—
Other loans, deposits and guarantees received	—	—	—	—
Staff	668	668	—	—
State, Social Security and public authorities	649	556	93	—
Sundry creditors	5,581	5,581	—	—
Total	126,341	17,158	23,280	85,903

Amounts owed to Assured Guaranty Group undertakings included within sundry creditors are unsecured, interest free and payable on demand.

2.8 Accruals and deferred income

€'000	01.01.2024	Additions	Releases	31.12.2024
Amortisation of redemption price differences	—	—	—	—
Reinsurance commission deferred	31,679	2,503	(14,551)	19,631
Totals	31,679	2,503	(14,551)	19,631

Assured Guaranty (Europe) SA
Financial statements and notes

2.9 Analysis of non-life technical reserves

	31.12.2024		31.12.2023	
€'000	Gross	Share of cessionaires and retrocessionaires	Net	Net
Provision for unearned written premiums	224,356	215,690	8,666	8,423
Provision for unexpired risks	—	—	—	—
Provisions for claims	—	—	—	—
Other technical provisions	—	—	—	—
Equalisation provisions	—	—	—	—
Total	224,356	215,690	8,666	8,423

2.10 Subordinated liabilities

The Company has no subordinated liabilities as at 31 December 2024 (31 December 2023: € nil).

2.11 Foreign currency assets and liabilities

	31.12.2024			
€'000	Assets in foreign currencies	Of which exchange rate differences	Liabilities in foreign currencies	Of which exchange rate differences
Euro	235,876	—	269,922	—
Pound Sterling	202,391	—	180,697	—
Japanese Yen	23,556	—	19,704	—
US dollar	22,811	—	14,321	—
Swiss Frank	114	—	104	—
Total	484,748	—	484,748	—

Assured Guaranty (Europe) SA
Financial statements and notes

2.12 Off-balance sheet commitments

€'000	Affiliated companies	With shareholding link	Others
Schedule of commitments received and given			
1. Commitments received excluding reinsurance			
1a Endorsements, guarantees and leasing	—	—	—
1b Past service cost on IFC common status	—	—	—
1c End-of-career benefits fund	—	—	—
2. Commitments given:			
2a Endorsements, sureties and credit guarantees given	—	—	—
2b Shares and assets acquired with a commitment to resell	—	—	—
2c Other liabilities on securities, assets or income	—	—	—
2d Drawing rights given to a guarantee fund	—	—	—
2e Other commitments given	—	—	—
3. Reciprocal commitments:			
3a Securities received as collateral from assignees and retrocession in reinsurance	81,747	—	—
3b Securities received from companies that have given substitute transactions	—	—	—
3c Other mutual commitments	—	—	—
4. Other securities held on behalf of third parties			
5. Outstanding forward financial instruments:			
6a Breakdown of financial instruments outstanding by strategic category:			
Investment or disinvestment strategies	—	—	—
Performance strategies	—	—	—
Other operations	—	—	—
6b Breakdown of outstanding forward financial instruments by market category:			
Transactions on an over-the-counter market	—	—	—
Transactions on regulated or similar markets	—	—	—
6c Breakdown of outstanding forward financial instruments by type of market risk and instrument:			
Interest rate risk	—	—	—
Currency risk	—	—	—
Equity risk	—	—	—
6d Breakdown of outstanding forward financial instruments by type of instrument:			
Exchange contracts	—	—	—
Forward rate agreements	—	—	—
Forward contracts	—	—	—
Options	—	—	—
6e Breakdown of outstanding forward financial instruments by residual maturity of strategies:			
From 0 to 1 year	—	—	—
From 1 to 5 years	—	—	—
More than 5 years	—	—	—

SECTION 3: INFORMATION RELATING TO THE INCOME STATEMENT

3.1 Investment income and expenses

€'000	Financial income	Financial expenses	Total
Income from investments	1,325	—	1,325
Gains on the realization of investments	—	—	—
Other financial income/ expenses, commissions, fees	436	(881)	(445)
Financial income	1,761	—	1,761
Financial expense	—	(881)	(881)
Total investment income and expense	1,761	(881)	880

3.2 Breakdown of gross written premiums by geographical area

€'000	2024	2023
France	(299)	371
European Economic Area - excluding France	3,706	3,284
Non-European Economic Area countries	5,869	2,773
Total	9,276	6,428

The above table is based on the location of the risk.

3.3 Staff expenses

The Company has seven full time employees as at the end of the year (2023: six). All other staff supporting the Company's operations are employees of Assured Guaranty UK Services ("AGUKS") or Assured Guaranty US Group Services Inc ("AGSRV"). In consideration for their services, management service fees were levied on the Company by the service companies. The total of salaries and the component of management fees relating to staff compensation is shown below.

€'000	2024	2023
Salaries	3,607	3,031
Pension fund contributions	392	238
Social security charges	982	801
Other	4,780	3,900
Total	9,761	7,970

3.4 Staff

Average number of employees

€'000	2024	2023
Executives	6	5
Staff	1	1
Total	7	6

Assured Guaranty (Europe) SA
Financial statements and notes

3.5 Fees for certification of accounts and other services

€'000	2024	2023
Statutory auditor	220	95
Other services	86	77
Total	306	172

3.6 Analysis of non-technical products/ expenses

Other non-technical products/ expenses		
€'000	2024	2023
Foreign exchange gains / (losses)	1,440	(335)
Total	1,440	(335)

3.7 Analysis of the tax charges

€'000	2024			2023		
	Related to the financial year	Over previous financial years	Total	Related to the financial year	Over previous financial years	Total
Related to ordinary operations	215	—	215	196	—	196
Related to exceptional income and expenses	—	—	—	—	—	—
Total	215	—	215	196	—	196

SECTION 4: OTHER INFORMATION

4.1 Related party information

In 2024 the Company did not enter into any agreements governed by Article L.225-37-4, paragraph 2, of the French Commercial Code, i.e., agreements entered into other than in the normal course of business on arm's length terms, directly or through an intermediary, between (i) a director, the Managing Director or a shareholder that holds more than 10% of the voting rights at General Meetings of the Company's shareholders and (ii) a company controlled by the Company.

Commitments received from parent

The Company benefits from a net worth maintenance agreement provided by its parent, AG. Under the terms of the AG Net Worth Maintenance Agreement AG is obligated to ensure the Company maintains capital resources equal to 110% of the amounts as may be required by the ACPR as a condition of the Company maintaining its authorisation to carry on financial guarantee business in France provided that, except with the express approval (or non-disapproval) of the Maryland Insurance Administration (MIA): (a) no individual contribution by AG to AGE for such purpose shall exceed \$25m. (b) AG shall not be permitted to make more than two individual contributions to AGE under the Net Worth Agreement during any calendar year, which two contributions together shall not exceed \$25m. (c) the aggregate contributions by AG to AGE under the Net Worth Agreement shall not exceed \$100m.

The Company also benefits from collateral pledged by AG in respect of its reinsurance agreements with the Company. The AG Transferred Business Reinsurance Agreement and the New Business Reinsurance Agreement require AG to pledge collateral to support its reinsurance obligations to the Company. AG's collateral requirement at the end of each calendar quarter is calculated as the sum of AG's share of: (a) the unearned premium reserve (net of AGE's reinsurance premium payable to AG); (b) provisions for unpaid losses and allocated loss adjustment expenses (net of any salvage recoverable), and (c) any unexpired risk provisions, in each case as calculated in accordance with French GAAP.

4.2 Management information

The management of the Company consists solely of the Company's directors and its Key Function Holders.

4.3 Compensation paid and credit advances granted to members of the Board of Directors

The directors of the Company are either employees of the Company, appointed by the Company or employees of AGUKS, AGSRV or Assured Guaranty Ltd. ("AGL"). In consideration for their services, management fees were levied on the Company by AGUKS, AGSRV and AGL.

The aggregate remuneration (including benefits in kind) paid to members of the Company's Board of Directors by the Company, AGUKS, AGSRV and AGL in respect of their services as directors of the Company during 2024 was €3.1 million (2023: €2.4 million). The Company also paid €0.07 million (2023: €0.06 million) to a money purchase pension scheme in respect of directors' qualifying service.

No credit advances were granted during 2024 or 2023 to members of the Board of Directors.

4.4 Ultimate and immediate parent company

The immediate parent undertaking of the Company is AG, a stock insurance corporation organised under the laws of the State of Maryland, United States of America. The ultimate parent undertaking and controlling party of the Company is AGL, a Bermuda incorporated insurance holding company.

AGL is the parent undertaking of the largest group of undertakings to consolidate these financial statements for the year ended 31 December 2024. The consolidated financial statements of AGL can be obtained from their registered office at 30 Woodbourne Avenue, Hamilton HM 08, Bermuda or on the ultimate parent's website www.assuredguaranty.com

AG is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of AG can be obtained from their registered office at 1633 Broadway, New York, NY 10019, United States of America or on the ultimate parent's website www.assuredguaranty.com.

4.5 Post Balance Sheet Events

On 14 March 2025 the Company issued an additional 20,000,000 ordinary shares with a nominal value of €1 which were fully subscribed for in cash by the parent Company, AG, and which increased the Company's total share capital from €110.9m to €130.9m.

INCOME STATEMENT APPENDIX

For the year ended 31 December 2024

Non-life technical result by category

€'000	Credit and suretyship insurance
Premiums	24,279
Cost of services	—
Subscription balance	24,279
Acquisition costs	(1,182)
Other net management expenses	(14,758)
Net acquisitions and management expenses	(15,940)
Investment income	—
Profit sharing and technical interests	—
Financial balance	—
Substitute premiums	—
Substitute guarantors' share of service expenses	—
Substitute guarantors' share in profit sharing	—
Commissions received from substitute guarantors	—
Surrogate balance	—
Ceded premiums	(23,980)
Reinsurers' share of benefit expenses	—
Reinsurers' share of profit sharing	—
Commissions received from reinsurers	15,500
Reinsurance balance	(8,480)
Technical balance	(141)
Off-balance sheet items	
Amount of redemptions	—
Gross technical interest for the year	—
Gross technical provisions at the end of the year	—
Opening gross technical provisions	—