ENSTAR

Agrees
Adverse Development Cover
With

MARKEL

The undersigned acted as financial advisor to Enstar

INSURANCE ADVISORY PARTNERS

Insurance, Insurance Services and Insurtech Experts

October 28, 2026

INSURANCE ADVISORY PARTNERS

Insurance, Insurance Services and Insurtech Experts

Transaction Announcement

Financial Advisor To

Enstar Group Limited

On Its Adverse Development Cover With

Markel Group Inc.

Enstar Agrees Adverse Development Cover With Markel

IAP Acted As Financial Advisor To Enstar

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Transaction Overview

- **On October 28, 2026, Enstar announced an adverse development cover with Markel**
  - Written through Cavello Bay Reinsurance Limited, Enstar's wholly owned subsidiary
  - Covers Markel's run-off global reinsurance portfolio & certain exited insurance lines
    - *For underwriting years 2025 and prior*
  - Enstar will receive $2.4bn in consideration to reinsure 'last-to-pay' $2.3bn of reserves
    - *Within a $4.8bn portfolio where Markel will retain the first $2.6bn*
    - *Enstar will be paid a risk premium of $120 million*
  - Enstar will provide $1.2bn of ADC above the $4.8bn of subject reserves
  - Markel will retain administrative and claims handling responsibilities for the portfolio
  - Closing expected Q4'26, subject to regulatory approval & customary closing conditions
- **Overview of Markel**
  - Leading global specialty insurer founded in 1930 and headquartered in Richmond, VA
    - *Focused on complex risks, with insurance, reinsurance and investment operations*
  - Offers admitted, excess and surplus lines and Lloyd's capabilities
  - Wrote $12.5bn of insurance gross premiums in 2025 with 5,000+ employees
  - 62 insurance offices across 16 countries
- **Overview of Enstar**
  - Global (re)insurance group providing retrospective and specialist U/W capabilities
    - *With companies across Bermuda, the U.S., U.K., Continental Europe and Australia*
  - Over $19.9bn of total assets & $5.6bn of shareholders' equity as of 6/30/2026
  - Flagship reinsurer Cavello Bay Reinsurance Limited, "A" rated by S&P and AM Best

Insurance Advisory Partners' Role

- **IAP was retained as financial advisor to Enstar**
- **Provided thoughtful, objective advice across strategic and financial topics**
- **Assisted in negotiating aspects of the transaction**
- **Provided ongoing senior-level advice and transaction support**

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