



Non-life insurance run-off deals

Q1 2026 review



Following the busy end to 2025, where 14 non-life run-off deals were disclosed in Q4, momentum continued into Q1 2026 with a further nine publicly disclosed deals announced by five acquirers.

Five of these deals had disclosed deal values, with cumulative gross liabilities of approximately \$730m transacted. Consistent with deal sizes observed in our Q4 update, three of the deals were sub-\$50m liability deals whilst we also saw two \$250m+ transactions in Q1. We expect to see more transactions of this size being announced during the course of 2026.

A number of legacy acquirers also undertook notable activity outside the traditional run-off market in Q1. This included the announcement of Enstar's acquisition of Accident Fund (AF) Group, a \$3.3bn GWP specialty US P&C insurer. AF Group's Q3 2025 statements show gross technical provisions (including UPR) of \$4.8bn, which will sit within the Enstar group upon closing.

Compre also continued to increase its focus on prospective reinsurance, including its participation in QBE Re's debut casualty sidecar announced in Q1, reflecting a broader trend of legacy players expanding into adjacent areas of the live (re)insurance market and strategic shifts towards greater diversification beyond traditional run-off portfolio acquisitions.

Q1 activity was more geographically diverse than in previous periods, with publicly announced deals involving liabilities originating from Australia, Canada and Continental Europe.

A notable development in the quarter was Riverstone International's formal entry into the Australian market, announcing two transactions comprising the acquisition of a locally domiciled insurer and a loss portfolio transfer for a varied portfolio of Zurich's legacy Australian business, which may be expected to be followed by a Division 3A scheme to assume full legal liability.

This marks a significant step in the evolution of the Australian run-off market, with the presence of another major global acquirer expected to support future deal flow. As highlighted in our 2025 Global Insurance Run-Off Survey, activity in the region has often been linked to strategic M&A; however, additional drivers – including a softening commercial lines market and ongoing pressures around pricing, limits and natural catastrophe reinsurance – may increasingly support more standalone legacy transactions.

As discussed at our recent annual client event, the market is softening, with moderating rates, more selective capital deployment and renewed uncertainty in casualty lines. Historically, this phase of the underwriting cycle has tended to precede an uptick in run-off deal activity. While timing remains uncertain, these dynamics are expected to support a growing pipeline of standalone run-off transactions, in addition to those linked to strategic M&A. We believe these drivers could compound the increasing demand for capital and earnings optimisation across the market including within Lloyd's where we anticipate RITC activity later in 2026 and early 2027.

In Continental Europe, three transactions were announced in Q1, building on the rebound in activity observed in 2025, where seven deals were announced. This supports our expectation of sustained momentum in the region, driven by a growing willingness among cedants to transact with the legacy market. Notably, two transactions incorporated hybrid structures, including Compré's ADC with a European reinsurer involving a renewable feature and Swiss Re's combined ADC, LPT and prospective solution. These structures continue to gain traction, offering capital efficient and cost-effective solutions relative to standalone approaches and reflecting ongoing innovation in deal structuring across the market.

Overall, the quarter represents a solid start to 2026, with continued participation from established market players and further evidence of evolving transaction structures. In addition, collaboration between ILS solutions providers and traditional run-off players remains a consistent theme. The partnership between Enstar and Artex Capital Solutions to deliver exit solutions for ILS investors, combining prospective and retrospective capabilities, highlights the increasing convergence between legacy and alternative capital markets, with potential to broaden the investor base and support future transaction activity. Solution diversification also comes in other forms – recent commentary from DARAG's CEO, Tom Booth, points to a broadening of the run-off acquirer toolkit, with increasing emphasis on service-based solutions that may be a precursor to future run-off portfolio deal flow.

At our client event, a panel comprising representatives from Enstar, RiverStone International and Quest Group agreed that diversification and innovation across the boundary between legacy and live insurance is ever-increasing. Against the backdrop of a softening reinsurance market and macroeconomic challenges, we expect legacy acquirers to continue to innovate by working more closely with live market peers as well as capitalising on a steady flow of traditional legacy opportunities through the remainder of 2026.

Diversification and innovation across the boundary between legacy and live insurance is ever-increasing



Q1 2026 deals activity by region

9 deals

5 acquirers have publicly announced deals in Q1 2026

Grand total

\$730m*

Estimated gross liabilities transacted



**North
America**

Q1 2026 deals activity

\$67m

Disclosed liabilities transacted

4 deals

**Continental
Europe**

Q1 2026 deals activity

\$383m

Disclosed liabilities transacted

3 deals

**Rest of
the World**

Q1 2026 deals activity

\$280m

Disclosed liabilities transacted

2 deals

* The cumulative estimated gross liabilities transacted figure for Q1 2026 does not include c.\$4.8bn of gross technical provisions per AF Group's most recent public filings, that are expected to be transferred to Enstar upon closing of Enstar's acquisition of AF Group.

Deals in Q1 2026

Acquirer group	Target group	Predominant territory	Type of deal	(Re)insurer/ Lloyd's/Captive/ Corporate	Predominant class of liabilities
Swiss Re	Undisclosed	North America	Novation	Re/insurer	Workers' Compensation
Swiss Re	Undisclosed	North America	LPT	Re/insurer	Professional Liability (Dentist)
Swiss Re	Undisclosed	Continental Europe	LPT	Re/insurer	Motor
Swiss Re	Undisclosed	Continental Europe	LPT/ADC & prospective	Re/insurer	Motor
RiverStone International	Zurich Australia Insurance Limited	Rest of the World	LPT to be followed by Division 3A	Re/insurer	Professional indemnity, general liability and workers' compensation
RiverStone International	Boral Insurance Pty Limited (RiverStone International Australia Limited)	Rest of the World	Acquisition	Captive	N/A
Compre Group	Undisclosed	Continental Europe	ADC with renewable mechanism	Re/insurer	Motor, engineering and liability business
Fara Recovery Affiliate	Undisclosed	North America	Share Sale	Corporate	Environmental and other corporate legacy liabilities
Quest Group	Undisclosed	North America	Share Sale	Re/insurer	Workers' Compensation

* Enstar's acquisition of live specialty US P&C insurer, AF Group, was announced in Q1 2026.

How we can support our clients

PwC offers solutions across the lifecycle of a legacy transaction. We have a strong track record in all types of transactions, both simple and complex, successfully completing deals to the full satisfaction of our clients.

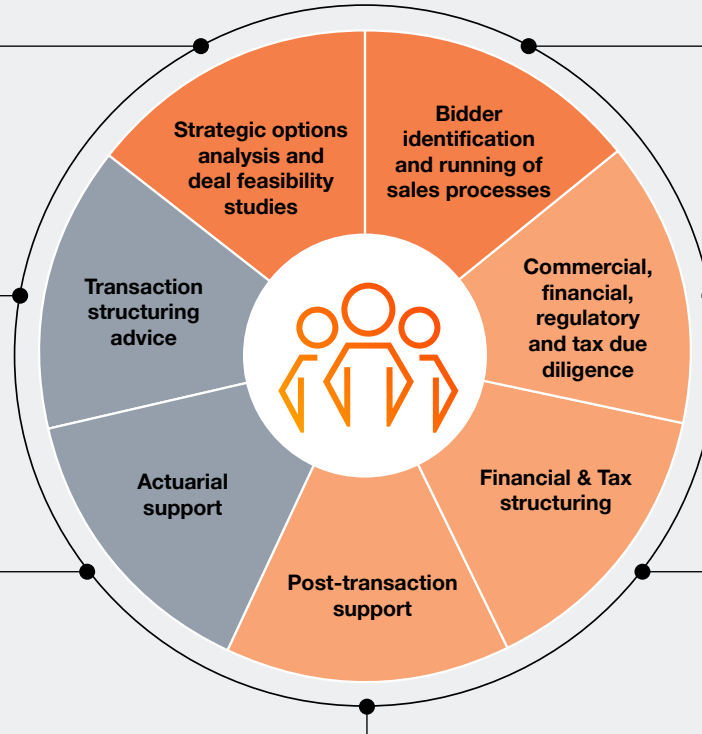
We deliver our services through a multi-disciplined, dedicated and integrated team of professionals and experts with decades of experience and are able to manage complex projects within tight timeframes and execute transactions in line with all stakeholders' needs.

The non-life insurance run-off deals team has access to more than 200 specialists who can provide expert support throughout the deal lifecycle, including:

Utilising our global network and outreach and transactions service capabilities.

Through our specialist market knowledge and wealth of experience, we know what acquirers want to see and how they interpret data, allowing us to pre-empt questions to provide a smooth transaction process.

Including pre-deal analysis and pricing, reserving and capital optimisation and negotiation support throughout the deal.



We have a detailed project management methodology to run tightly controlled and efficient disposal transactions to the satisfaction of all stakeholders.

We bring unrivalled technical expertise to the transactions process and can leverage this every step of the way to add value to deals.

We can integrate specialist services into our offering to support both the transaction and how it best fits into the business and operations.

Supporting migration and separation post deal, we also offer managed service and outsourcing options to our clients.

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About the data

The data used in this publication has been sourced from company announcements and other publicly available information.

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