

Financial Statements

AIG Europe S.A., Luxembourg
Opfikon Branch

31.12.2022



Income Statement for the year ended 31. December 2022

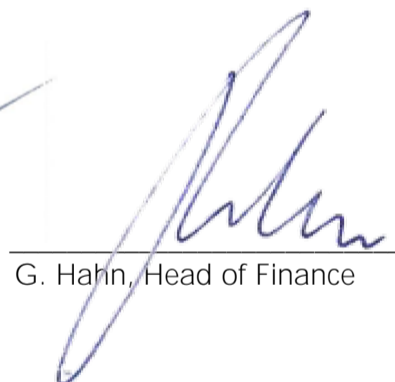
AIG Europe S.A., Luxembourg, Opfikon Branch

Ref.	CHF	2022	2021	Variance
1	Gross premiums written	135'911'819	132'623'639	+3'288'180
2	Premiums ceded to reinsurers	-61'143'016	-57'789'440	-3'353'576
3	Net premiums written (1+2)	74'768'803	74'834'199	-65'396
4	Change in unearned premium reserves	-3'244'409	-4'839'066	+1'594'656
5	Change in reinsurers' share of unearned premium reserves	8'175'762	7'213'116	+962'647
6	Net premiums earned (3+4+5)	79'700'156	77'208'249	+2'491'907
7	Other insurance income	1'577'019	234'629	+1'342'390
8	Total technical income (6+7)	81'277'175	77'442'878	+3'834'296
9	Gross claims and claim expenses paid	-35'462'175	-39'614'697	+4'152'522
10	Reinsurer's share of claims and claim expenses	8'886'154	8'614'072	+272'082
11	Change in technical provisions	-37'182'693	-55'962'249	+18'779'557
12	Change in reinsurers' share of technical provisions	5'435'280	25'721'215	-20'285'935
14	Net claims and claim expenses incurred (9+10+11+12+13)	-58'323'434	-61'241'660	+2'918'226
15	Acquisition costs and administrative expenses	-38'517'593	-33'601'764	-4'915'829
16	Reinsurers' share of acquisition costs and administrative expenses	11'227'936	5'357'990	+5'869'946
17	Net acquisition costs and administrative expenses (15+16)	-27'289'657	-28'243'774	+954'117
18	Other technical expenses own business	-	-	-
19	Total technical expenses (14+17+18)	-85'613'091	-89'485'434	+3'872'343
20	Income from Investments	10'027'402	14'651'776	-4'624'374
21	Expenses from investments	-5'124'178	-3'474'997	-1'649'181
22	Net income from investments (20+21)	4'903'224	11'176'779	-6'273'555
23	Capital and interest gains from unit-linked business (only life insurer)	-	-	-
24	Other financial income	-	-	-
25	Other financial expenses	-	-1'295'869	+1'295'869
26	Operating result (8+14+17+18+22+23+24+25)	567'307	-2'161'646	+2'728'953
27	Interest expenses from interest-bearing liabilities	-	-	-
28	Other income	-	-	-
29	Other expenses	-	-	-
30	Extraordinary income/expenses	-	-	-
31	Profit/loss before tax (26+27+28+29+30)	567'307	-2'161'646	+2'728'953
32	Income tax expense	-209'759	-115'590	-94'169
33	Profit/loss (31+32)	357'548	-2'277'235	+2'634'784

Glattbrugg, 28. April 2023



T. Zanner, Generalbevollmächtigter



G. Hahn, Head of Finance



Balance Sheet at 31.12.2022

AIG Europe S.A., Luxembourg, Opfikon Branch

Ref. AVO FINMA	Assets <i>CHF</i>	31.12.2022	31.12.2021
1.1	Investments	485'024'286	454'451'765
1.1.3	Fixed-income securities	485'024'286	454'451'765
1.5	Cash and cash equivalents	25'739'062	32'568'519
1.6	Reinsurers' share of technical provisions	115'265'490	102'474'175
1.7	Property and equipment	44'673	69'105
1.9	Intangible assets (Software)	172'151	23'564
1.10	Insurance receivables	52'242'166	43'449'292
1.11	Other receivables	13'034'422	4'735'845
1.14	Accrued income and prepaid expenses	2'228'992	1'629'564
	Total Assets	693'751'244	639'401'829

Ref. AVO FINMA	Liabilities <i>CHF</i>	31.12.2022	31.12.2021
2.1	Technical provisions	418'346'572	383'714'619
2.2	Insurance payables	37'983'078	37'463'179
2.8	Other liabilities	61'476'402	87'902'612
2.9	Accrued Expenses and deferred income	5'076'454	5'601'514
	Total Liabilities	522'882'505	514'681'924
2.17	Liaison account	170'868'738	124'719'905
	Total Liaison account	170'868'738	124'719'905
	Total Liabilities	693'751'244	639'401'829

Glattbrugg Glattbrugg, 28. April 2023

T. Zanner, Generalbevollmächtigter

G. Hahn, Head of Finance



Notes

Breakdown and explanations relating to items on the balance sheet and in the income statement

The 2022 annual financial statements of AIG Europe S.A Luxembourg, Opfikon Branch, domiciled at Glattbrugg, Switzerland, have been prepared in accordance with the Swiss accounting and financial reporting legislation entered into force on 1 January 2013 based on partial revisions of the Swiss Code of Obligations (CO) (Art. 957-963b CO).

Apart from the Swiss Code of Obligations, the Company has to adhere to the Insurance Supervisory Ordinance-FINMA (AVO-FINMA) based on article 111b of the Ordinance on the Supervision of Private Insurance Companies (AVO), that entered into force on 15 December 2015.

The AVO-FINMA contains specific guidance for presentation of the balance sheet, the income statement and the notes of insurance companies and overrides the general guidance of the CO.

Time period

The 2022 financial year covers the accounting period from 1 January 2022 to 31 December 2022.

The prior year period covers 1 January 2021 to 31 December 2021.

Valuation principles

Uniform valuation principles have been applied. Assets and liabilities except for technical provisions are valued individually and stated at their nominal value.

Capital investments/property and equipment:

- Property and equipment are stated at cost less accumulated depreciation and impairment losses. The straight-line depreciation method is used for these line items. If there are indications of items being overvalued, the book values are tested for impairment and written down if necessary.
- Fixed-interest securities are valued using the amortised cost method. Unrealised FX differences are booked through the P&L.

Intangible assets:

Internally generated intangible assets are only recognised if they satisfy all of the following conditions on the date of recognition:

- The internally generated intangible asset is identifiable and is under the control of the branch
- The internally generated intangible asset will yield a measurable benefit for the branch over more than one year
- The expenses incurred in creating the internally generated intangible asset can be recognised and measured separately
- It is likely that the resources required to complete and market the intangible asset or use it internally are available or will be made available

Other financial interest / expenses:

According to the Swiss Code of Obligations (CO) to the principle of caution (Art. 958c CO) FX gains are to be shown in the income statement only after they have been realised. In the past we have eliminated gross unrealised FX gains from the income statement, we have now modified the approach to only eliminate net unrealised FX gains.

Technical provisions

Technical provisions are reflecting insurance related liabilities which consist of several components. Case reserves are based on single claims assessments, whereas all other technical reserves (IBNR, Equalisation Reserves, UEPR) are calculated by the actuarial team who are applying recognised mathematical methods. These are in accordance with the Business Plan filed with the regulator FINMA and are covered in the separate Actuaries' report.

Glattbrugg, 28.April 2023

A handwritten signature in blue ink, appearing to read 'T. Zanner', written over a horizontal line.

T. Zanner, Generalbevollmächtigter

A handwritten signature in blue ink, appearing to read 'G. Hahn', written over a horizontal line.

G. Hahn, Head of Finance

Disclosures

Breakdown and explanations relating to items on the balance sheet and the in income statement

Insurance receivables

CHF	31.12.2022	31.12.2021
Receivables from policyholders	25'791'921	21'731'112
Receivables from insurance companies	26'450'246	21'718'180
Receivables from agents and brokers	0	0
Total	52'242'166	43'449'292

Accrued income and prepaid expenses

CHF	31.12.2022	31.12.2021
Accrued income	2'123'349	1'521'377
Prepaid expenses	105'643	108'187
Total	2'228'992	1'629'564

CHF	Technical provisions (gross)		Reinsurers' share		Net Technical provisions	
	2022	2021	2022	2021	2022	2021
Unearned premium reserve	48'714'336	45'264'081	24'398'932	15'807'720	24'315'404	29'456'361
Loss reserves	368'868'409	337'635'418	90'866'558	86'666'455	278'001'851	250'968'963
Other technical provisions	763'827	815'120	0	0	763'827	815'120
Total	418'346'572	383'714'619	115'265'490	102'474'175	303'081'081	281'240'444

Insurance payables

CHF	31.12.2022	31.12.2021
Liabilities to policyholders	877'717	163'311
Liabilities to insurance companies	31'185'015	33'754'337
Liabilities to agents and brokers	5'920'347	3'545'531
Total	37'983'078	37'463'179

Accrued expenses and deferred income

CHF	31.12.2022	31.12.2021
Accrued expenses	2'132'692	1'474'857
Deferred income	2'943'762	4'126'657
Total	5'076'454	5'601'514

Changes in liaison account for Branch companies

CHF	Liaison account
As at 31 Dec 2020	125'723'324
Net result of the year	-2'277'235
Other, Offset of the value from the terminated reinsurance contract in December 2020	1'273'817
As at 31 Dec 2021	124'719'906
Net result of the year	357'548
Cash transfer for the reinsurance contract terminated in December 2020	44'438'871
Other	1'352'413
As at 31 Dec 2022	170'868'738

Receivables from and liabilities to third and related parties

CHF	Third Party	Intercompany	Mgmt. Bodies	Total
				31.12.2022
Receivables	40'177'387	25'099'202	0	65'276'589
Payables	77'069'412	22'390'068	0	99'459'480
Total				
CHF	Third Party	Intercompany	Mgmt. Bodies	Total
Receivables	27'223'264	20'961'873	0	48'185'137
Payables	99'232'688	26'133'103	0	125'365'791
Total				



Change in technical provisions

CHF	Tech. provisions (gross)		Reinsurers' share		Net Technical provisions	
	2022	2021	2022	2021	2022	2021
Change in loss reserves	-37'233'985	-56'008'589	5'435'280	25'721'215	-31'798'705	-30'287'374
Change in other tech. prov.	51'292	46'339			51'292	46'339
Change in actuarial reserves					0	0
Change in provisions for					0	0
Chg. in prov. for surplus funds					0	0
Total	-37'182'693	-55'962'249	5'435'280	25'721'215	-31'747'413	-30'241'035

Audit fees

CHF	2022	2021
Audit services	153'109	200'481
Non related audit services	0	0
Total	153'109	200'481

Income from investments

CHF	Income	Unrealised gains	Realised gains	Total 2022
Real Estate		0	0	0
Participations		0	0	0
Fixed-interest securities	6'495'460	503'247	3'028'694	10'027'402
Loans		0	0	0
Mortgage loans		0	0	0
Shares		0	0	0
Other investments		0	0	0
Total	6'495'460	503'247	3'028'694	10'027'402

CHF	Income	Unrealised gains	Realised gains	Total 2021
Real Estate	0	0	0	0
Participations	0	0	0	0
Fixed-interest securities	11'325'513	0	3'326'263	14'651'776
Loans	0	0	0	0
Mortgage loans	0	0	0	0
Shares	0	0	0	0
Other investments	0	0	0	0
Total	11'325'513	0	3'326'263	14'651'776

Expenses from investments

CHF	Expenses	Unrealised losses	Realised losses	Total 2022
Real Estate	0	0	0	0
Participations	0	0	0	0
Fixed-interest securities	-145'719	-3'447'748	-1'492'407	-5'085'874
Loans	0	0	0	0
Mortgage loans	0	0	0	0
Shares	0	0	0	0
Other investments	-38'304	0	0	-38'304
Total	-184'023	-3'447'748	-1'492'407	-5'124'178

CHF	Expenses	Unrealised losses	Realised losses	Total 2021
Real Estate	0	0	0	0
Participations	0	0	0	0
Fixed-interest securities	-239'349	-675'216	-2'560'432	-3'474'997
Loans	0	0	0	0
Mortgage loans	0	0	0	0
Shares	0	0	0	0
Other investments	0	0	0	0
Total	-239'349	-675'216	-2'560'432	-3'474'997

Personnel expenses and average FTE

Personnel expenses for fiscal year amount to CHF:	in 2022	10'540'218
	in 2021	7'331'203

The annual average number of full-time equivalents for the reporting year was 48.9.

Depreciation of equipment and amortisation of intangible assets

CHF	2022	2021
Property and equipment	41'139	18'961
Intangible assets (Software)	25'311	19'515
Total	66'450	38'476



Others notes

Net release of hidden reserves

CHF	31.12.2022	31.12.2021
Net amount released from hidden reserves	0	0
Total	0	0

Total amount of collateral provided for third-party liabilities

CHF	31.12.2022	31.12.2021
Guarantees	0	0
Liens	0	0
Total	0	0

Total amount of assets pledged to secure own liabilities, as well as assets with retention of title

CHF	31.12.2022	31.12.2021
Book value of restricted assets	100'372	100'362
Assets pledged to secure open derivative transaction	0	0
Other collateral assignments	0	0
Assets under reservation of ownership	0	0
Total	100'372	100'362

Residual amount of lease obligations

CHF	31.12.2022	31.12.2021
Less than 1 year	389'609	363'636
1 to 5 years	114'246	483'154
More than 5 years	0	0
Total	503'855	846'790

Contingent liabilities

The branch has no contingent liabilities.

Liabilities to pension schemes

The branch shows a favourable balance to the pension provider (CHF):

in 2022	53'544
in 2021	91'404

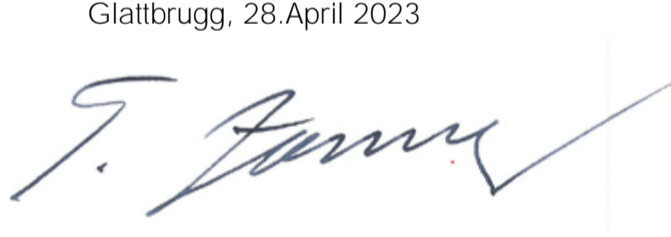
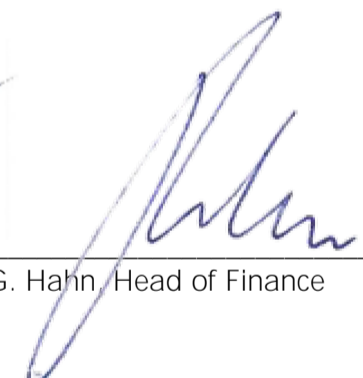
Extraordinary Expense

There are no extraordinary expenses to reported for the year 2022.

Events after the reporting date

AIG Europe S.A. Luxembourg, Opfikon Branch, is affected by the events around Credit Suisse AG. The impacts on the assets side are minimal. AIG participates in an insurance programme of Credit Suisse AG, however our exposure is partially reinsured.

Glattbrugg, 28.April 2023

	
T. Zanner, Generalbevollmächtigter	G. Hahn, Head of Finance