

Financial Statements

AIG Europe S.A., Luxembourg
Opfikon Branch

31.12.2023



Income Statement for the year ended 31. December 2023

AIG Europe S.A., Luxembourg, Opfikon Branch

Ref.	CHF	2023	2022	Variance
1	Gross premiums written	146,057,475	135,911,819	+10,145,656
2	Premiums ceded to reinsurers	-64,346,549	-61,143,016	-3,203,533
3	Net premiums written (1+2)	81,710,926	74,768,803	+6,942,124
4	Change in unearned premium reserves	-4,327,549	-3,244,409	-1,083,140
5	Change in reinsurers' share of unearned premium reserves	4,275,919	8,175,762	-3,899,844
6	Net premiums earned (3+4+5)	81,659,296	79,700,156	+1,959,140
7	Other insurance income	1,479,448	1,577,019	-97,571
8	Total technical income (6+7)	83,138,743	81,277,175	+1,861,569
9	Gross claims and claim expenses paid	-37,254,768	-35,462,175	-1,792,593
10	Reinsurer's share of claims and claim expenses	18,617,020	8,886,154	+9,730,866
11	Change in technical provisions	-20,288,177	-37,182,693	+16,894,516
12	Change in reinsurers' share of technical provisions	-7,846,699	-5,435,280	-13,281,979
14	Net claims and claim expenses incurred (9+10+11+12+13)	-46,772,623	-58,323,434	+11,550,811
15	Acquisition costs and administrative expenses	-41,002,684	-38,517,593	-2,485,090
16	Reinsurers' share of acquisition costs and administrative expenses	10,420,739	11,227,936	-807,197
17	Net acquisition costs and administrative expenses (15+16)	-30,581,945	-27,289,657	-3,292,288
18	Other technical expenses own business	-	-	-
19	Total technical expenses (14+17+18)	-77,354,568	-85,613,091	+8,258,523
20	Income from investments	27,741,032	10,027,402	+17,713,630
21	Expenses from investments	-26,468,907	-5,124,178	-21,344,729
22	Net income from investments (20+21)	1,272,125	4,903,224	-3,631,099
23	Capital and interest gains from unit-linked business (only life insurer)	-	-	-
24	Other financial income	-	-	-
25	Other financial expenses	-	-	-
26	Operating result (8+14+17+18+22+23+24+25)	7,056,301	567,307	+6,488,993
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)	7,056,301	567,307	+6,488,993
32	Income tax expense	-1,356,381	-209,759	-1,146,622
33	Profit/loss (31+32)	5,699,920	357,548	+5,342,371

Glattbrugg, 26. April 2024

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Thomas Zanner

T. Zanner
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General Manager Switzerland

M. Abegg

M. Abegg
Head of Client & Broker Engagement Switzerland

Balance Sheet at 31.12.2023

AIG Europe S.A., Luxembourg, Opfikon Branch

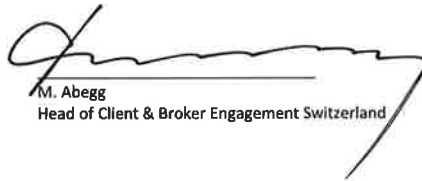
Ref. AVO FINMA	Assets CHF	12/31/2023	12/31/2022
1.1	Investments	498,021,115	485,054,731
1.1.3	Fixed-income securities	498,021,115	485,054,731
1.5	Cash and cash equivalents	22,862,799	25,739,062
1.6	Reinsurers' share of technical provisions	108,345,135	115,265,490
1.7	Property and equipment	60,442	44,673
1.9	Intangible assets (Software)	184,612	172,151
1.10	Insurance receivables	50,671,219	52,242,166
1.11	Other receivables	8,167,394	13,003,978
1.14	Accrued income and prepaid expenses	2,959,125	2,228,992
	Total Assets	691,271,840	693,751,244

Ref. AVO FINMA	Liabilities CHF	12/31/2023	12/31/2022
2.1	Technical provisions	433,590,295	418,346,572
2.2	Insurance payables	38,258,785	37,983,078
2.8	Other liabilities	53,975,253	61,476,402
2.9	Accrued Expenses and deferred income	6,270,557	5,076,454
	Total Liabilities	532,094,891	522,882,505
2.17	Liaison account	159,176,950	170,868,738
	Total Liaison account	159,176,950	170,868,738
	Total Liabilities	691,271,840	693,751,244

Glattbrugg, 26. April 2024

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 Thomas Bärner
 General Manager Switzerland


 M. Abegg
 Head of Client & Broker Engagement Switzerland

Notes

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

The 2023 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 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 2023 financial year covers the accounting period from 1 January 2023 to 31 December 2023.

The prior year period covers 1 January 2022 to 31 December 2022.

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.

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

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.

Disclosures

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

Insurance receivables					12/31/2023	12/31/2022
<i>CHF</i>						
Receivables from policyholders					20,777,861	25,791,921
Receivables from insurance companies					29,893,358	26,450,246
Receivables from agents and brokers					0	0
Total					50,671,219	52,242,166

Accrued income and prepaid expenses					12/31/2023	12/31/2022
<i>CHF</i>						
Accrued income					2,844,176	2,123,349
Prepaid expenses					114,949	105,643
Total					2,959,125	2,228,992

	Technical provisions (gross)		Reinsurers' share		Net Technical provisions	
	2023	2022	2023	2022	2023	2022
<i>CHF</i>						
Unearned premium reserve	52,638,480	48,714,336	28,749,908	24,398,932	23,888,573	24,315,404
Loss reserves	380,246,541	368,868,409	79,595,227	90,866,558	300,651,314	278,001,851
Other technical provisions	705,274	763,827	0	0	705,274	763,827
Total	433,590,295	418,346,572	108,345,135	115,265,490	325,245,161	303,081,081

Insurance payables					12/31/2023	12/31/2022
<i>CHF</i>						
Liabilities to policyholders					40	877,717
Liabilities to insurance companies					30,454,842	31,185,015
Liabilities to agents and brokers					7,803,903	5,920,347
Total					38,258,785	37,983,079

Accrued expenses and deferred income					12/31/2023	12/31/2022
<i>CHF</i>						
Accrued expenses					2,142,463	2,132,692
Deferred income					4,128,095	2,943,762
Total					6,270,557	5,076,454

Changes in liaison account for Branch companies			
<i>CHF</i>			Liaison account
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
Net result of the year			5,699,920
Change in Other Reserves			-732,146
Change in Intra-Branch short-term loan			-19,869,535
Change in Intra-Branch long-term loan			3,209,973
As at 31 Dec 2023			159,176,949

Receivables from and liabilities to third and related parties	<i>CHF</i>		Third Party	Intercompany	Mgmt. Bodies	Total
						12/31/2023
Receivables			38,787,737	20,050,876	0	58,838,613
Payables			60,988,049	31,245,989	0	92,234,038
Total						151,072,651

Receivables from and liabilities to third and related parties	<i>CHF</i>		Third Party	Intercompany	Mgmt. Bodies	Total
						12/31/2022
Receivables			27,223,264	20,961,873	0	65,276,589
Payables			99,232,688	26,133,103	0	99,459,480
Total						164,736,069

**Change in technical provisions**

CHF	Tech. provisions (gross)		Reinsurers' share		Net Technical provisions	
	2023	2022	2023	2022	2023	2022
Change in loss reserves	-20,346,730	-37,233,985	-7,846,699	5,435,280	-28,193,429	-31,798,705
Change in other tech. prov.	58,553	51,292			58,553	51,292
Change in actuarial reserves					0	0
Change in provisions for policyholder					0	0
Chg. in prov. for surplus funds					0	0
Total	-20,288,177	-37,182,693	-7,846,699	5,435,280	-28,134,876	-31,747,413

Audit fees

CHF	2023	2022
Audit services	192,081	153,109
Non related audit services	0	0
Total	192,081	153,109

Income from investments

CHF	Income	Unrealised gains	Realised gains	Total 2023
Real Estate		0	0	0
Participations		0	0	0
Fixed-interest securities	5,971,831	0	0	5,971,831
Loans		0	0	0
Mortgage loans		0	0	0
Shares		0	0	0
Notional Interest Income (NII) allocation	21,769,201	0	0	21,769,201
Total	27,741,032	0	0	27,741,032

CHF	Income	Unrealised gains	Realised gains	Total 2022
Real Estate	0	0	0	0
Participations	0	0	0	0
Fixed-interest securities	6,495,460	503,247	3,028,694	10,027,402
Loans	0	0	0	0
Mortgage loans	0	0	0	0
Shares	0	0	0	0
Notional Interest Income (NII) allocation	0	0	0	0
Total	6,495,460	503,247	3,028,694	10,027,402

The income from investments in the amount of 27.7MM CHF includes an allocation of Notional Investment Income (NII) by the European parent company AIG Europe S.A. Luxembourg in the amount of 21.8 MM CHF, expenses related to this position were not recorded.

Expenses from investments

CHF	Expenses	Unrealised losses	Realised losses	Total 2023
Real Estate	0	0	0	0
Participations	0	0	0	0
Fixed-interest securities	-216,036	-21,710,165	-4,542,706	-26,468,907
Loans	0	0	0	0
Mortgage loans	0	0	0	0
Shares	0	0	0	0
Other investments	0	0	0	0
Total	-216,036	-21,710,165	-4,542,706	-26,468,907

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

Personnel expenses and average FTE

Personnel expenses for fiscal year amount to CHF:

in 2023	11,848,891
in 2022	10,540,218

The annual average number of employees for the reporting year was 62.

Depreciation of equipment and amortisation of intangible assets

CHF	2023	2022
Property and equipment	13,338	41,139
Intangible assets (Software)	48,660	25,311
Total	61,998	66,450



Others notes

Net release of hidden reserves

CHF	12/31/2023	12/31/2022
Net amount released from hidden reserves	0	0
Total	0	0

Total amount of collateral provided for third-party liabilities

CHF	12/31/2023	12/31/2022
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	12/31/2023	12/31/2022
Book value of restricted assets	100,502	100,372
Assets pledged to secure open derivative transaction	0	0
Other collateral assignments	0	0
Assets under reservation of ownership	0	0
Total	100,502	100,372

Residual amount of lease obligations

CHF	12/31/2023	12/31/2022
Less than 1 year	416,868	389,609
1 to 5 years	1,809,228	114,246
More than 5 years	0	0
Total	2,226,096	503,855

Contingent liabilities

The branch has no contingent liabilities.

Liabilities to pension schemes

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

in 2023	161,848
in 2022	53,544

Extraordinary Expense

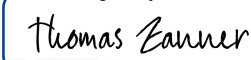
There are no extraordinary expenses to be reported for the year 2023.

Events after the reporting date

AIG Europe S.A. Luxembourg, Opfikon Branch, is not aware of subsequent events after 31 December 2023.

Glattbrugg, 26 April 2024

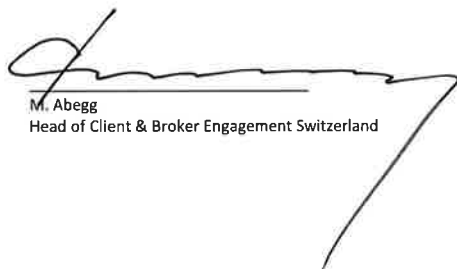
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