

# **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

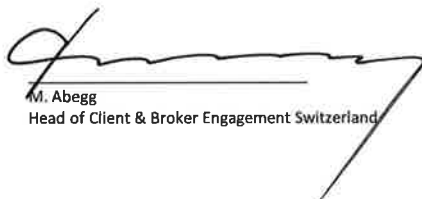
Ref.	CHF	2023	2022	Variance
1	Gross premiums written	146,057,475	135,911,819	+10,145,656
2	Premiums ceded to reinsurers	-64,346,549	-61,143,016	-3,203,533
<b>3</b>	<b>Net premiums written (1+2)</b>	<b>81,710,926</b>	<b>74,768,803</b>	<b>+6,942,124</b>
4	Change in unearned premium reserves	-4,327,549	-3,244,409	-1,083,140
5	Change in reinsurers' share of unearned premium reserves	4,275,919	8,175,762	-3,899,844
<b>6</b>	<b>Net premiums earned (3+4+5)</b>	<b>81,659,296</b>	<b>79,700,156</b>	<b>+1,959,140</b>
7	Other insurance income	1,479,448	1,577,019	-97,571
<b>8</b>	<b>Total technical income (6+7)</b>	<b>83,138,743</b>	<b>81,277,175</b>	<b>+1,861,569</b>
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
<b>14</b>	<b>Net claims and claim expenses incurred (9+10+11+12+13)</b>	<b>-46,772,623</b>	<b>-58,323,434</b>	<b>+11,550,811</b>
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
<b>17</b>	<b>Net acquisition costs and administrative expenses (15+16)</b>	<b>-30,581,945</b>	<b>-27,289,657</b>	<b>-3,292,288</b>
18	Other technical expenses own business	-	-	-
<b>19</b>	<b>Total technical expenses (14+17+18)</b>	<b>-77,354,568</b>	<b>-85,613,091</b>	<b>+8,258,523</b>
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
<b>22</b>	<b>Net income from investments (20+21)</b>	<b>1,272,125</b>	<b>4,903,224</b>	<b>-3,631,099</b>
23	Capital and interest gains from unit-linked business (only life insurer)	-	-	-
24	Other financial income	-	-	-
25	Other financial expenses	-	-	-
<b>26</b>	<b>Operating result (8+14+17+18+22+23+24+25)</b>	<b>7,056,301</b>	<b>567,307</b>	<b>+6,488,993</b>
27	Interest expenses from interest-bearing liabilities	-	-	-
28	Other income	-	-	-
29	Other expenses	-	-	-
30	Extraordinary income/expenses	-	-	-
<b>31</b>	<b>Profit/loss before tax (26+27+28+29+30)</b>	<b>7,056,301</b>	<b>567,307</b>	<b>+6,488,993</b>
32	Income tax expense	-1,356,381	-209,759	-1,146,622
<b>33</b>	<b>Profit/loss (31+32)</b>	<b>5,699,920</b>	<b>357,548</b>	<b>+5,342,371</b>

Glattbrugg, 26. April 2024

DocuSigned by:

Thomas Zanner

T. Zanner  
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General Manager Switzerland

  
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
	<b>Total Assets</b>	<b>691,271,840</b>	<b>693,751,244</b>

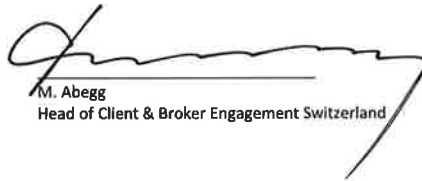
  

Ref. AVO FINMA	Liabilities CHF	12/31/2023	12/31/2022
2.1	Technical provisions	433,590,295	418,346,572
2.2	Insurance payables	38,258,785	37,983,078
2.8	Other liabilities	53,975,253	61,476,402
2.9	Accrued Expenses and deferred income	6,270,557	5,076,454
	<b>Total Liabilities</b>	<b>532,094,891</b>	<b>522,882,505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

Glattbrugg, 26. April 2024

DocuSigned by:

  
 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

<b>Insurance receivables</b>							
<i>CHF</i>						<b>12/31/2023</b>	<b>12/31/2022</b>
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
<b>Total</b>						<b>50,671,219</b>	<b>52,242,166</b>

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

	<b>Technical provisions (gross)</b>		<b>Reinsurers' share</b>		<b>Net Technical provisions</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<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
<b>Total</b>	<b>433,590,295</b>	<b>418,346,572</b>	<b>108,345,135</b>	<b>115,265,490</b>	<b>325,245,161</b>	<b>303,081,081</b>

<b>Insurance payables</b>							
<i>CHF</i>						<b>12/31/2023</b>	<b>12/31/2022</b>
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
<b>Total</b>						<b>38,258,785</b>	<b>37,983,078</b>

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

<b>Changes in liaison account for Branch companies</b>							
<i>CHF</i>							<b>Liaison account</b>
<b>As at 31 Dec 2021</b>							<b>124,719,906</b>
Net result of the year							357,548
Cash transfer for the reinsurance contract terminated in December 2020							44,438,871
Other							1,352,413
<b>As at 31 Dec 2022</b>							<b>170,868,738</b>
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
<b>As at 31 Dec 2023</b>							<b>159,176,949</b>

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

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

**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
<b>Total</b>	<b>-20,288,177</b>	<b>-37,182,693</b>	<b>-7,846,699</b>	<b>5,435,280</b>	<b>-28,134,876</b>	<b>-31,747,413</b>

**Audit fees**

CHF	2023	2022
Audit services	192,081	153,109
Non related audit services	0	0
<b>Total</b>	<b>192,081</b>	<b>153,109</b>

**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
<b>Total</b>	<b>27,741,032</b>	<b>0</b>	<b>0</b>	<b>27,741,032</b>

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
<b>Total</b>	<b>6,495,460</b>	<b>503,247</b>	<b>3,028,694</b>	<b>10,027,402</b>

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
<b>Total</b>	<b>-216,036</b>	<b>-21,710,165</b>	<b>-4,542,706</b>	<b>-26,468,907</b>

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
<b>Total</b>	<b>-184,023</b>	<b>-3,447,748</b>	<b>-1,492,407</b>	<b>-5,124,178</b>

**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
<b>Total</b>	<b>61,998</b>	<b>66,450</b>



## Others notes

### Net release of hidden reserves

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

### Total amount of collateral provided for third-party liabilities

CHF	12/31/2023	12/31/2022
Guarantees	0	0
Liens	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

### 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
<b>Total</b>	<b>100,502</b>	<b>100,372</b>

### 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
<b>Total</b>	<b>2,226,096</b>	<b>503,855</b>

### 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

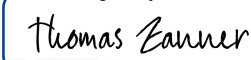
There are no extraordinary expenses to be reported for the year 2023.

### 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

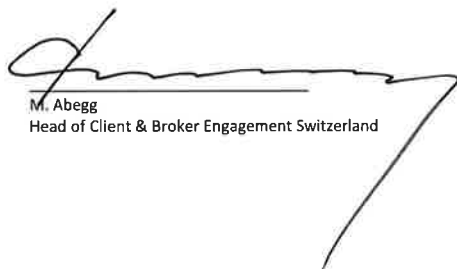
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