

Zurich Holding Company of America, Inc. Audit Committee

Unaudited Consolidated Financial
Statements as of September 30, 2024



Zurich Holding Company of America, Inc.

Consolidated Balance Sheet (Unaudited)

As of September 30, 2024 and December 31, 2023

<i>\$ in 000s</i>	9/30/2024	12/31/2023	Variance \$	Variance %
Assets				
Debt securities	\$ 17,856,607	\$ 20,940,469	\$ (3,083,862)	-15 %
Equity securities	2,771,825	3,689,481	(917,656)	-25 %
Holding in affiliates	—	—	—	— %
Other investments	1,509,658	1,457,472	52,186	4 %
Total Group investments	22,138,090	26,087,422	(3,949,332)	-15 %
Investment for unit-linked contracts	15,626,033	14,424,498	1,201,535	8 %
Total investments	37,764,123	40,511,920	(2,747,797)	-7 %
Cash and cash equivalents	6,535,156	5,008,710	1,526,446	30 %
Reinsurance contract assets	21,547,898	18,179,894	3,368,004	19 %
Receivables and other assets	1,340,724	1,454,016	(113,292)	-8 %
Deferred tax assets	484,380	389,072	95,308	24 %
Property and equipment	307,751	362,110	(54,359)	-15 %
Goodwill	350,181	350,181	—	— %
Other intangible assets	334,391	352,524	(18,133)	-5 %
Total assets	\$ 68,664,604	\$ 66,608,427	\$ 2,056,177	3 %
Liabilities and Equity				
Liabilities:				
Reserves for insurance contracts	\$ 32,128,765	\$ 32,274,690	\$ (145,925)	— %
Reserves for unit-linked contracts	17,966,644	16,784,677	1,181,967	7 %
Other liabilities	2,981,270	2,741,517	239,753	9 %
Deferred tax liabilities	18,826	72,014	(53,188)	-74 %
Notes and loans payable	2,022,000	2,022,000	—	— %
Total liabilities	55,117,505	53,894,898	1,222,607	2 %
Minority interest	1,946	1,946	—	— %
Equity:				
Common stock	—	—	—	— %
Additional paid-in capital	6,492,488	6,492,488	—	— %
Unrealized losses	(50,925)	(101,549)	50,624	-50 %
Retained earnings	7,103,590	6,320,644	782,946	12 %
Total equity	13,545,153	12,711,583	833,570	7 %
Total liabilities and equity	\$ 68,664,604	\$ 66,608,427	\$ 2,056,177	3 %

Zurich Holding Company of America, Inc.

Consolidated Income Statement (Unaudited)

For the nine months ended September 30, 2024 and 2023

<i>\$ in 000s</i>	9/30/2024	9/30/2023	Variance \$	Variance %
Insurance service result				
Insurance revenue	\$ 15,731,717	\$ 15,084,224	\$ 647,493	4%
Insurance service expense	(13,056,517)	(12,595,573)	(460,944)	4%
Reinsurance premiums	(7,139,215)	(4,156,194)	(2,983,021)	72%
Amounts recoverable from reinsurance	5,244,434	2,655,226	2,589,208	98%
Insurance service result	780,419	987,683	(207,264)	-21%
Investment result				
Net investment income	579,974	694,618	(114,644)	-17%
Net capital gains/(losses) and impairments	(71,218)	4,682	(75,900)	1621%
Net investment result on Group investments	508,756	699,300	(190,544)	-27%
Net investment result on unit-linked investments	1,111,875	352,251	759,624	216%
Other insurance finance expense	(815,782)	(583,721)	(232,061)	40%
Change in fair value of unit-linked investments	(1,111,315)	(361,717)	(749,598)	207%
Insurance finance expense	(1,927,097)	(945,438)	(981,659)	104%
Reinsurance finance income	537,399	301,245	236,154	78%
Net investment result	230,933	407,358	(176,425)	-43%
Other result				
Other income	265,339	197,755	67,584	34%
Interest expense on debt	(42,725)	(110,266)	67,541	-61%
Other expenses	(282,277)	(304,012)	21,735	-7%
Other result	(59,663)	(216,523)	156,860	-72%
Fee result				
Fee income	154,623	161,505	(6,882)	-4%
Fee business expense	(99,173)	(98,913)	(260)	—%
Fee result	55,450	62,592	(7,142)	-11%
Net income before taxes	1,007,139	1,241,110	(233,971)	-19%
Income tax expense	(224,193)	(220,212)	(3,981)	2%
Net income after taxes	\$ 782,946	\$ 1,020,898	\$ (237,952)	-23%

Zurich Holding Company of America, Inc.

Consolidated Statement of Equity (Unaudited)

As of and for the period ended September 30, 2024 and December 31, 2023

<i>\$ in 000s</i>	9/30/2024	12/31/2023	Variance \$	Variance %
Additional paid in capital:				
At beginning of period	\$ 6,492,488	\$ 6,492,488	\$ —	—%
Change in paid in capital	—	—	—	—%
At end of period	6,492,488	6,492,488	—	—%
Unrealized appreciation (depreciation):				
At beginning of period	(101,549)	(133,169)	31,620	-24%
Impact of adopting IFRS 9 on January 1, 2023	—	168,150	(168,150)	-100%
	(101,549)	34,981	(136,530)	-390%
Change in unrealized gain (loss) during the period from:				
Investments	459,191	224,904	234,287	104%
Loss reserves	(394,958)	(302,196)	(92,762)	31%
Pension remeasurement	(13,609)	(59,238)	45,629	-77%
	50,624	(136,530)	187,154	-137%
At end of period	(50,925)	(101,549)	50,624	-50%
Retained earnings:				
At beginning of period	6,320,644	4,888,701	1,431,943	29%
Deemed dividend distribution to ZIC	—	(118,355)	118,355	-100%
	6,320,644	4,770,346	1,550,298	32%
Net income	782,946	1,550,298	(767,352)	-49%
At end of period	7,103,590	6,320,644	782,946	12%
Total shareholder equity	\$ 13,545,153	\$ 12,711,583	\$ 833,570	7%