

**UTMOST WORLDWIDE LIMITED SWITZERLAND BRANCH**

**FINANCIAL CONDITION REPORT**

**FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2021**

## BUSINESS ACTIVITIES

### Strategy, objectives and key business segments

Utmost Worldwide Limited, a licensed insurer with its headquarters in Guernsey, Channel Island (herein the "**Company**"), specialises in offering sophisticated life insurance-based wealth management and employee benefit solutions to a global audience, including multinational organisations, international expatriates and local resident populations in the territories where it is additionally licensed.

Its Switzerland Branch (the "**Branch**") holds a Swiss insurance license (class A2) to conduct unit-linked life insurance business in Switzerland since August 2018 and effectively carries out life insurance business of categories A2.1 (fund unit-linked capital insurance with death or disability protection) and A2.4. (Life insurance linked to an internal investment portfolio or other reference values with death or disability benefit) since then.

The principal activity of the Branch is administration of its policies issued in Switzerland. Management will review the insurance market for potential opportunities with a view to issuing a new life insurance product in the future via intermediaries to expatriates and high net worth individuals. There are currently three different products administered by the Branch: two unit-linked products, one single and one regular premium (category A2.1), and a single premium open architecture product that allows for a wider range of investments (category A2.4). The Branch is currently not underwriting any new business.

### Group and shareholding structure, main locations of business

The Branch is part of the Utmost Group of Companies. The Utmost Group of Companies is a specialist life assurance group with its head office in London employing over 1000 people. The core business lines are Utmost Wealth Solutions, Utmost Corporate Solutions and Utmost Life and Pensions. Utmost Wealth Solutions is located in Ireland, the Isle of Man and Guernsey; Utmost Corporate Solutions is located in Ireland and Guernsey, and Utmost Life and Pensions is located in the UK. As at 31 December 2021, the Utmost Group of Companies had £63.7bn (€75.8bn) in assets under administration on behalf of 560,000 customers.

### Related party transactions

The Branch has outsourced most of its business units to the Company, such as Finance, Investment and IT.

### Auditor

The Branch's auditor is PricewaterhouseCoopers, Switzerland.

### Significant unusual events

During November 2021, the Utmost Group finalised its acquisition of Quilter International from Quilter plc. The acquisition added £24bn of assets under administration and 90,000 policies to Utmost. Quilter forms part of Utmost International, the life assurance business of the Group.

## PERFORMANCE

In addition to the below and in particular for quantitative information, we refer to the quantitative template "Performance Life Solo" and our financial statements for the financial year ended 31 December 2021 ("reporting year"), both attached to this report. Where

deemed helpful, reference has been made to the position in the quantitative template by citing the relevant row therein.

### **Underwriting Performance**

*Gross written premium* amounted to CHF13M for the reporting year and derived largely from the unit-linked life insurance business (category A2.1) with regular ("Vision") and single ("Choice") premiums. Only CHF0.16M was due to top-ups on the A2.4 product ("Portfolio Bond"). Comparing the currency premium amounts for the reporting year to the results for the previous year, the premiums received have reduced by CHF0.2M. The majority of the reduction is due to the portfolio being in run-off.

*Net claims and claim expenses incurred* (equals to "expenses for insurance claims for own account, row 14) amounted to CHF14.5M. Compared to the previous year in which the expense was CHF27.4M, this reflects a decrease of approx. CHF12.9M. CHF8.2M of the movement relates to the decrease in technical provisions (2020: Increase of CHF5.3M), whilst the technical provisions for unit-linked life insurance have increased by CHF7.4M (2020: Increase of CHF9.9M). In total, this amounts to a year-on-year difference in the movement in the total technical provisions of CHF0.8M. Payments for insurance claims (row 9) increased with CHF3.1M. Claims are purely client led and will reflect their circumstances.

*Costs* (equals to "acquisition and administration expenses", row 17) decreased by CHF0.1M to CHF2.2M. As these are mostly internal and re-occurring costs, it is expected that these will remain stable in line with this amount for the reporting year moving forward.

### **Financial Performance**


*Income from investments* amounted to CHF0.3M (row 20), whereas expenses from investments came to CHF0.6M (row 21), this led to a net investment loss of CHF0.3M (row 22). A portion of this loss (CHF 0.07M) relates to the Company / Branch own held bond portfolio returns over the year and is a reduction of CHF0.2M from the small amount of income in the prior year.

*Total Equity* (i.e. the head office account) has increased from CHF17.1M to CHF 27.5M, and is reflective of the profit in the Branch in the current period.

#### Other material income and expenses

*Net capital and interest gains from unit-linked business* came to CHF15.8M (row 23), compared with CHF16.3M in the previous year. This reflects the net movement between premiums paid into the unit-linked fund and claims paid out along with the net increases made in investments during the year, which generated higher than forecast returns in 2021 due to favourable equity market conditions supported by the ongoing Global recovery from the impact of Covid-19.

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Gabriel Zucker  
Branch Chief  
Representative

Adliswil  
29 April 2022



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Charles Bangor-Jones  
Director, Utmost Worldwide  
Limited

Guernsey  
29 April 2022



Currency: CHF or annual report currency  
Amounts stated in millions

	Total	Individual life	Group life	Swiss business	Non-Swiss business
	Previous year	Reporting year	Previous year	Reporting year	Previous year
1 Gross premiums	13.3	13.0			
2 Reinsurers' share of gross premiums					
3 Premiums for own account (1 + 2)	13.3	13.0			
4 Change in unearned premium reserves					
5 Reinsurers' share of change in unearned premium reserves					
6 Premiums earned for own account (3 + 4 + 5)	13.3	13.0			
7 Other income from insurance business					
8 Total income from underwriting business (6 + 7)	13.3	13.0			
9 Payments for insurance claims (gross)	-12.1	-15.3			
10 Reinsurers' share of payments for insurance claims					
11 Change in technical provisions	-5.3	8.2			
12 Reinsurers' share of change in technical provisions					
13 Change in technical provisions for unit-linked life insurance	-9.9	-7.4			
14 Expenses for insurance claims for own account (9 + 10 + 11 + 12 + 13)	-27.4	-14.5			
15 Acquisition and administration expenses	-2.3	-2.3			
16 Reinsurers' share of acquisition and administration expenses					
17 Acquisition and administration expenses for own account (15 + 16)	-2.3	-2.3			
18 Other underwriting expenses for own account					
19 Total expenses from underwriting business (14 + 17 + 18) (non-life insurance only)					
20 Investment income	1.8	0.3			
21 Investment expenses	-1.9	-0.6			
22 Net investment income (20 + 21)	-0.1	-0.3			
23 Capital and interest income from unit-linked life insurance	16.3	15.9			
24 Other financial income					
25 Other financial expenses					
26 Operating result (8 + 14 + 17 + 22 + 23 + 24 + 25)	-0.3	11.9			
27 Interest expenses for interest-bearing liabilities					
28 Other income	1.4	1.5			
29 Other expenses	-7.4	-3.6			
30 Extraordinary income/expenses					
31 Profit / loss before taxes (26 + 27 + 28 + 29 + 30)	-6.3	9.8			
32 Direct taxes	0.0	-0.2			
33 Profit / loss (31 + 32)	-6.4	9.6			

Utmost Worldwide Limited,  
St Peter Port, Switzerland Branch,  
Adliswil

Adliswil

Report of the independent auditor  
to the General Manager  
on the financial statements 2021



# Report of the independent auditor

to the General Manager of Utmost Worldwide Limited, St Peter Port,  
Switzerland Branch, Adliswil

Adliswil

## Report on the audit of the financial statements

As a federally-supervised audit firm, we have audited the accompanying financial statements of Utmost Worldwide Limited, St Peter Port, Switzerland Branch, Adliswil (the 'Branch'), which comprise of the statement of financial position, income statement and notes for the year ended 31 December 2021, in line with Article 28 para. 2 of the Insurance Supervision Act (ISA) and with reference to the FINMA guidelines "Preparation and audit of the financial statements of branch offices of foreign insurance companies (WNL)".

The financial statements have been prepared by the General Manager on the basis of the financial reporting provisions of the Swiss Code of Obligations and the requirements of the supervisory law.

### General Manager's Responsibility for the Financial Statements

The General Manager is responsible for the preparation of these financial statements in accordance with the financial reporting provisions of the Swiss Code of Obligations and the requirements of the supervisory law – in particular the Financial Market Supervision Act (FINMASA), the Insurance Supervision Act (ISA), the Insurance Supervision Ordinance (ISO) and the FINMA Insurance Supervision Ordinance (ISO-FINMA) as well as with the FINMA guidelines "Preparation and audit of the financial statements of branch offices of foreign insurance companies (WNL)" –, and for such internal controls as the General Manager determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the regulatory requirements set out in Article 28 para. 2 ISA, the WNL and Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the Branch office's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch office's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements of the Branch for the year ended 31 December 2021 are prepared, in all material respects, in accordance with the financial reporting provisions of the Swiss Code of Obligations, the requirements of supervision law (in particular FINMASA, ISA, ISO and ISO-FINMA) and with the WNL.

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### **Basis of Accounting**

Without modifying our opinion, we note that the financial statements of the Branch are prepared on the basis of the accounting principles specified above. The financial statements are prepared to comply with the requirements of Article 25 para. 4 ISA. As a result, the financial statements may not be suitable for another purpose.

PricewaterhouseCoopers AG



Nebojsa Baratovic

Audit expert  
Auditor in charge



Ilir Kryeziu

Audit expert

Zurich, 13 April 2022

Enclosure:

- Financial statements (statement of financial position, income statement and notes)



UTMOST WORLDWIDE LIMITED  
 SWITZERLAND BRANCH  
 STATEMENT OF FINANCIAL POSITION  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	2021 CHF	2020 CHF
<b>Assets</b>			
Investments	3	53,926,516	42,591,874
Investments for unit-linked business	4	149,069,501	152,359,886
Cash and cash equivalents	5	7,429,603	5,426,188
Accrued income and prepaid expenses	6	80,867	280,612
<b>Total assets</b>		<b>210,506,487</b>	<b>200,658,560</b>
<b>Liabilities</b>			
Technical provisions	7	32,719,561	40,969,524
Technical provisions for unit-linked business	8	149,069,501	141,656,202
Insurance payables	9	624,837	627,250
Other liabilities	10	518,275	278,951
<b>Total Liabilities</b>		<b>182,932,174</b>	<b>183,531,927</b>
<b>Head Office Account</b>	11	<b>27,574,313</b>	<b>17,126,633</b>
<b>Total Liabilities and Head Office Account</b>		<b>210,506,487</b>	<b>200,658,560</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



**UTMOST WORLDWIDE LIMITED**  
**SWITZERLAND BRANCH**  
**INCOME STATEMENT**  
**FOR THE FINANCIAL YEAR TO 31 DECEMBER 2021**

	Note	2021 CHF	2020 CHF
Gross premium written	14	13,024,727	13,274,825
<b>Net premiums written</b>		<b>13,024,727</b>	<b>13,274,825</b>
Change in unearned premium reserves		-	-
<b>Net premiums earned</b>		<b>13,024,727</b>	<b>13,274,825</b>
<b>Total technical income</b>		<b>13,024,727</b>	<b>13,274,825</b>
Gross claims and claim expenses paid to policyholders	15	(15,293,291)	(12,117,189)
Change in technical provisions	16	8,249,963	(5,334,451)
Change in technical provisions for unit-linked business	17	(7,413,299)	(9,945,783)
<b>Net claims and claim expenses incurred</b>		<b>(14,456,627)</b>	<b>(27,397,423)</b>
Acquisition costs and administrative expenses	18	(2,260,523)	(2,348,821)
<b>Net acquisition costs and administrative expenses</b>		<b>(2,260,523)</b>	<b>(2,348,821)</b>
<b>Total technical expenses</b>		<b>(16,717,150)</b>	<b>(29,746,244)</b>
Income from investments	19	254,767	1,830,609
Expenses from investments	20	(566,392)	(1,935,199)
<b>Net expenses from investments</b>		<b>(311,625)</b>	<b>(104,590)</b>
Capital and interest gains from unit-linked business	21	18,524,911	18,888,994
Capital and interest losses from unit-linked business	22	(2,639,514)	(2,568,374)
<b>Net capital and interest gains from unit-linked business</b>		<b>15,885,397</b>	<b>16,320,620</b>
<b>Operating result</b>		<b>11,881,349</b>	<b>(255,389)</b>
Other income	23	1,492,244	1,350,316
Other expenses	24	(3,617,542)	(7,441,985)
<b>Profit /(Loss) before tax for the year</b>		<b>9,756,051</b>	<b>(6,347,058)</b>
Income tax expense	25	(167,954)	(47,938)
<b>Profit/(Loss) for the year</b>		<b>9,588,097</b>	<b>(6,394,996)</b>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**UTMOST WORLDWIDE LIMITED  
SWITZERLAND BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**1. General information**

Utmost Worldwide Limited, St Peter Port, Switzerland Branch, Adliswil (the "Branch") is a branch of Utmost Worldwide Limited (the "Head Office" or the "Company") incorporated in Guernsey, Channel Islands with company registration number 27151. The Branch is not a separately incorporated legal entity.

The Branch is registered in Switzerland - registration number CHE-477.079.694. The registered office address of the Branch is at Soodmattenstrasse 4, 8134 Adliswil.

The ultimate parent company which maintains a majority controlling interest in the Group is recognised by the directors as OCM Holdings Limited, a Cayman incorporated entity. OCM Holdings Limited is an investment vehicle owned by funds, which are managed and advised by Oaktree Capital Management, L.P., a subsidiary of the ultimate controlling party Oaktree Capital Group LLC.

These financial statements are prepared from the records of the Branch and reflect only transactions relating to operations in Switzerland. The Branch obtained a license to conduct unit-linked life assurance business in Switzerland on 22 August 2018.

**2. Summary of valuation principles and significant accounting policies**

**2.1 Basis of preparation**

These financial statements have been prepared in accordance with the provisions on commercial accounting of the Swiss Code of Obligations (CO) (Art. 957-963b CO, applicable as of 1 January 2013). Apart from the Swiss Code of Obligations, the provisions of the Swiss Ordinance on the Supervision of Private Insurance Companies (Art. 5-6a AVO-FINMA, applicable as of 15 December 2015) have been applied.

The financial statements have been drawn up under the going concern assumption. Transactions and other events are recognised at their occurrence under the periodic accrual principle.

**UTMOST WORLDWIDE LIMITED  
SWITZERLAND BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**2. Summary of valuation principles and significant accounting policies (continued)**

**2.2 Foreign currency translation**

These financial statements are presented in Swiss Francs ("CHF") which is the Branch's functional currency. Transactions in a currency other than CHF ("foreign currency") are translated into CHF using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the income statement.

The year-end exchange rates used are presented below:

	<b>2021</b>	<b>2020</b>
EUR	0.9637	0.9241
GBP	0.8107	0.8276
USD	1.0974	1.1298

**2.3 Investments**

All securities quoted on a stock exchange or with an observable market price in an active market are valued at that price, as of the statement of financial position date, even if this price exceeds the acquisition value or nominal value, with the exception of fixed interest securities.

The investments in fixed income securities are held at the lower of amortised cost and fair market value. Where the fixed income securities are carried at amortised cost, amortisation is recognised as an adjustment to Income from Investments - fixed-income and debt securities in the income statement.

Amortisation of the fixed income securities is calculated using the linear cost amortisation method whereby the difference between acquisition value and the repayment value is distributed in equal amounts on the statement of financial position date as amortisation over the remaining term. The acquisition costs do not include accrued interest.

The investments in note 3, relating to 1.1 Art 5a para. 1, AVO FINMA minimum requirements in the Statement of Financial Position include all Branch-attributed tied asset cash.

Purchases and sales of investments are recognised on the trade date, the date on which the Branch commits to purchase or sell the asset. The financial assets carried at fair value through profit and loss are initially recognised at fair value including transaction costs.

The valuation of investments is in accordance with article 93a ISO. Changes in market value are recognised in the income statement under 'Income from investments' and 'Expenses from investments'



**2. Summary of valuation principles and significant accounting policies (continued)**

**2.4 Investments for unit-linked business**

Securities quoted on a stock exchange or with an observable market price in an active market are valued at that price as of the statement of financial position date, even if this price exceeds the acquisition value or nominal value. Units in collective investment schemes are considered to have an observable market price in an active market if the Branch could have redeemed the units at the statement of financial position date without significant delay.

Where an observable price in an active market is not available, the securities are valued at no more than acquisition cost less an allowance for impairment.

The valuation of investments for unit-linked business is in accordance with article 93a ISO. Changes in market value are booked through the income statement.

The investments for unit-linked business in note 4, relating to 1.1 Art 5a para. 1, AVO FINMA minimum requirements of the balance sheet include all policyholder attributed tied asset cash.

Purchases and sales of investments for unit-linked business are recognised on the trade date, the date on which the Branch commits to purchase or sell the asset. The financial assets carried at fair value through profit and loss are initially recognised at fair value including transaction costs.

The valuation of investments is in accordance with article 93a ISO. Changes in market value are recognised in the income statement under 'Capital and interest gains from unit-linked business' and 'Capital and interest losses from unit-linked business'.

**2.5 Receivables**

Receivables are presented at par value less allowances for impairment. The allowances for significant receivables are considered individually, and the allowances for the other receivables are made using a common set of assumptions. Currently no allowance has been made for impairment based on the nature of the receivables and the empirical experience of the Branch. Please refer to note 6 for detail of any receivables.

**UTMOST WORLDWIDE LIMITED  
SWITZERLAND BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**2. Summary of valuation principles and significant accounting policies (continued)**

**2.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Cash is presented at face value less any allowance for impairment. Please refer to note 5 for details of any cash and cash equivalents.

**2.7 Taxes**

Income tax is recognised as an expense in the Income Statement for the period at the amount expected to be paid to the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Equity tax is recognised on the total equity at year-end, and is calculated as 0.16% of the closing balance of the Head Office account. Please refer to note 25 for details on taxes.

**2.9 Technical provisions**

The Branch only issues unit-linked life insurance policies. The technical provisions for this business are recommended / determined by the Responsible Actuary based on generally accepted actuarial principles and are in accordance with the business plan as approved by FINMA. The provisions can be split into the unit reserves and the non-unit reserves. The provisions for the unit reserves are based on the valuation of the assets associated with each policy.

The provision for the non-unit reserves are made up of several components.

The non-unit reserves include the insurance elements of the contracts and the net position resulting from the change in the liabilities due to product fees considered in combination with the expenses incurred by the Branch in operating its administration systems. The insurance elements include enhancement of policy benefits when paid on the death of the policyholder and / or the refund on death of a proportion of any initial charges that would otherwise accrue wholly to the Branch.

The non-unit reserves also include the enhancement of future benefits should certain conditions be satisfied. Enhancements include features such as loyalty bonuses, retention bonus and enhanced allocation rates, being past contractual commitments that the Branch would be obliged to honour in the future.

In addition to the non-unit reserve, an additional expense reserve is held as a prudent measure to ensure all future expenses are met.

There is also an allowance for the impact of the minimum surrender value relative to the technical provisions, as the technical provisions must always exceed the minimum surrender value at a plan level.



**UTMOST WORLDWIDE LIMITED  
SWITZERLAND BRANCH  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**2. Summary of valuation principles and significant accounting policies (continued)**

***Provisions for other liabilities and charges***

Provisions for other liabilities and charges, other than those relating to insurance contracts, are recognised when the Branch has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are increased, preserved or released according to reappraisals that take place at least yearly.

**2.10 Gross and net premiums**

Gross recurring and single premiums are recognised as revenue when payable by the policyholder. See note 14.

**2.11 Gross claims and claim expenses paid**

Claims and loss adjustment expenses are charged to income as incurred based on the estimated liability for compensation owed to contract holders. See note 15.

**2.12 Head office account**

The head office account represents the amounts contributed by the Company into the Branch in the form of cash contributions and payments of expenses on its behalf. This also includes current and prior period results of operations as reported in the income statement, reduced by the amounts of any repatriation of funds to the Company as the head office. See note 11.

**2.13 Insurance receivables and payables**

Receivables and payables are recognised when due. These include amounts due to and from agents, brokers and insurance contract holders.

If there is objective evidence that the insurance receivable is impaired, the Company reduces the carrying amount of the insurance receivable accordingly and recognises that impairment loss in the statement of comprehensive income. See note 9.

**2.14 Acquisition costs and administrative expenses**

The acquisition costs and administration expenses are charged directly to the income statement in the period for which they relate. The breakdown of the acquisition costs and administration expenses can be found in note 18.

**UTMOST WORLDWIDE LIMITED**  
**SWITZERLAND BRANCH**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

**2. Summary of valuation principles and significant accounting policies (continued)**

**2.15 Value Added Tax (VAT)**

VAT is paid annually at the standard rate of 7.7% on the amount of expenses charged by the Head Office to the Branch for services provided in administering the Swiss policies outside of Switzerland.

**3. Investments**

	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>CHF</b>	<b>CHF</b>
Fixed income and debt securities	33,301,217	39,871,592
Valuation adjustment – investment expense – amortised cost (AC) to market value (MV)	(50,174)	(152,574)
	<u>33,251,043</u>	<u>39,719,018</u>
Collective investment schemes	7,004,046	-
	<u>40,255,089</u>	<u>39,719,018</u>
Tied asset cash – Branch	13,671,427	2,872,856
<b>Total Investments</b>	<u>53,926,516</u>	<u>42,591,874</u>

**4. Investments for unit-linked business**

Investments held to back the unit-linked insurance policies include the following:

	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>CHF</b>	<b>CHF</b>
Equities	847,920	499,203
Structured investment products	-	123,540
Money market investment funds	8,034,420	6,757,066
Collective investment schemes	139,479,092	140,527,818
	<u>148,361,432</u>	<u>147,907,627</u>
Tied asset cash - Policyholder	708,069	4,452,259
<b>Total investments for unit-linked business</b>	<u>149,069,501</u>	<u>152,359,886</u>

UTMOST WORLDWIDE LIMITED  
 SWITZERLAND BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

5. Cash and cash equivalents

	31 December 2021	31 December 2020
	CHF	CHF
Cash held at non-tied asset bank accounts	3,841,841	1,832,363
Cash held in organisational fund bank account	2,987,762	2,993,825
Cash held in surety bank account	600,000	600,000
<b>Total cash and cash equivalents</b>	<b>7,429,603</b>	<b>5,426,188</b>

Based on the credit rating and standing of the Branch's banking counterparties, no allowance was considered necessary at the statement of financial position date.

6. Accrued income and prepaid expenses

	31 December 2021	31 December 2020
	CHF	CHF
Accrued income	25,332	231,554
Prepaid commission	26,023	39,533
Other prepayments	29,512	9,525
	<b>80,867</b>	<b>280,612</b>

7. Technical Provisions

No risk has been ceded to reinsurers and the provisions shown are entirely for the Branch's own account.

	Technical provisions (gross)		Reinsurers' share		Technical provisions written (net)	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Unearned premium reserve	-	-	-	-	-	-
Loss reserves	-	-	-	-	-	-
Other technical provisions	-	-	-	-	-	-
Actuarial reserves	32,719,561	40,969,524	-	-	32,719,561	40,969,524
Provision for policyholder	-	-	-	-	-	-
Provision for surplus funds	-	-	-	-	-	-
<b>Total</b>	<b>32,719,561</b>	<b>40,969,524</b>	<b>-</b>	<b>-</b>	<b>32,719,561</b>	<b>40,969,524</b>

UTMOST WORLDWIDE LIMITED  
 SWITZERLAND BRANCH  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

**Technical Provisions for unit linked business**

No risk has been ceded to reinsurers and the provisions shown are entirely for the Branch's own account.

	Technical provisions (gross)		Reinsurers' share		Technical provisions written (net)	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Unearned premium reserve	-	-	-	-	-	-
Loss reserves	-	-	-	-	-	-
Other technical provisions	-	-	-	-	-	-
Actuarial reserves	149,069,501	141,656,202	-	-	149,069,501	141,656,202
Provision for policyholder	-	-	-	-	-	-
Provision for surplus funds	-	-	-	-	-	-
<b>Total</b>	<b>149,069,501</b>	<b>141,656,202</b>	<b>-</b>	<b>-</b>	<b>149,069,501</b>	<b>141,656,202</b>

**9. Insurance payables**

	31 December 2021 CHF	31 December 2020 CHF
Policyholder	550,609	557,008
Agents and brokers	74,228	70,242
	<u>624,837</u>	<u>627,250</u>

**10. Other liabilities**

	31 December 2021 CHF	31 December 2020 CHF
Accrued operating expenses	235,497	147,351
Tax payable	168,054	26,730
VAT	53,956	55,270
Other payables	60,768	49,600
	<u>518,275</u>	<u>278,951</u>

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11. Head office account

2021	Capital Reserves CHF	Organisational Fund CHF	Surety CHF	Total CHF
Balance at 1 January 2021	13,526,633	3,000,000	600,000	17,126,633
Contribution of cash from head office	27,729	-	-	27,729
*Non-cash contribution from head office	831,854	-	-	831,854
Profit for the year	9,588,097	-	-	9,588,097
Balance at 31 December 2021	23,974,313	3,000,000	600,000	27,574,313

2020	Capital Reserves CHF	Organisational Fund CHF	Surety CHF	Total CHF
Balance at 1 January 2020	16,670,075	3,000,000	600,000	20,270,075
Contribution of cash from head office	2,398,807	-	-	2,398,807
*Non-cash contribution from head office	852,747	-	-	852,747
Loss for the year	(6,394,996)	-	-	(6,394,996)
Balance at 31 December 2020	13,526,633	3,000,000	600,000	17,126,633

\*Expenses paid by head office on behalf of the Branch and treated as a capital contribution.



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12. Audit fees

	31 December 2021 CHF	31 December 2020 CHF
Audit services to incumbent audit firm	218,870	85,241
	<u>218,870</u>	<u>85,241</u>

All audit fees are recognised in acquisition and administrative expenses on the income statement.

13. Personnel expenses

	31 December 2021 CHF	31 December 2020 CHF
Wages, salaries and staff benefits	402,041	446,298
Employer's defined contribution payments	34,617	36,295
	<u>436,658</u>	<u>482,593</u>

All personnel expenses are recognised in administrative expenses on the income statement.

14. Gross premium written

	31 December 2021 CHF	31 December 2020 CHF
Gross written premium	13,024,727	13,274,825
Total gross premium written	<u>13,024,727</u>	<u>13,274,825</u>

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15. Gross claims and expenses paid

	31 December 2021 CHF	31 December 2020 CHF
Gross surrenders paid	15,293,291	12,117,189
Total gross claims and expenses paid	<u>15,293,291</u>	<u>12,117,189</u>

16. Change in Technical Provisions

No risk has been ceded to reinsurers and the provisions shown are entirely for the Branch's own account.

	Technical provisions (gross)		Reinsurers' share		Technical provisions written (net)	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Unearned premium reserve	-	-	-	-	-	-
Loss reserves	-	-	-	-	-	-
Other technical provisions	-	-	-	-	-	-
Actuarial reserves	(8,249,963)	5,334,451	-	-	(8,249,963)	5,334,451
Provision for policyholder	-	-	-	-	-	-
Provision for surplus funds	-	-	-	-	-	-
Total	<u>(8,249,963)</u>	<u>5,334,451</u>	<u>-</u>	<u>-</u>	<u>(8,249,963)</u>	<u>5,334,451</u>

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17. Change in Technical Provisions for unit linked business

No risk has been ceded to reinsurers and the provisions shown are entirely for the Branch's own account.

	Technical provisions (gross)		Reinsurers' share		Technical provisions written (net)	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Unearned premium reserve	-	-	-	-	-	-
Loss reserves	-	-	-	-	-	-
Other technical provisions	-	-	-	-	-	-
Actuarial reserves	7,413,299	9,945,783	-	-	7,413,299	9,945,783
Provision for policyholder	-	-	-	-	-	-
Provision for surplus funds	-	-	-	-	-	-
<b>Total</b>	<b>7,413,299</b>	<b>9,945,783</b>	<b>-</b>	<b>-</b>	<b>7,413,299</b>	<b>9,945,783</b>

18. Acquisition costs and administrative expenses

	31 December 2021 CHF	31 December 2020 CHF
Acquisition costs	654,236	652,314
Head office expenses allocated to the Branch	700,724	717,793
Administrative expenses	905,563	978,714
<b>Total acquisition costs and administrative expenses</b>	<b>2,260,523</b>	<b>2,348,821</b>

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19. Income from investments

2021	Income CHF	Unrealised gains CHF	Realised gains CHF	Total CHF
Income from Investments - fixed interest securities	134,663	25,865	17,703	178,231
Movement in change in valuation - market value to amortised cost - Fixed income and debt securities	-	76,536	-	76,536
	<u>134,663</u>	<u>102,401</u>	<u>17,703</u>	<u>254,767</u>
2020	Income CHF	Unrealised gains CHF	Realised gains CHF	Total CHF
Income from Investments - fixed interest securities	254,934	1,482,147	10,447	1,747,528
Movement in change in valuation - market value to amortised cost - Fixed income and debt securities	-	83,081	-	83,081
	<u>254,934</u>	<u>1,565,228</u>	<u>10,447</u>	<u>1,830,609</u>

20. Expenses from investments

2021	Expenses CHF	Unrealised (losses) CHF	Realised (losses) CHF	Total CHF
Expenses from Investments - Fixed income and debt securities	-	(377,002)	(189,390)	(566,392)
	<u>-</u>	<u>(377,002)</u>	<u>(189,390)</u>	<u>(566,392)</u>
2020	Expenses CHF	Unrealised (losses) CHF	Realised (losses) CHF	Total CHF
Expenses from Investments - Fixed income and debt securities	-	(228,291)	(1,706,908)	(1,935,199)
	<u>-</u>	<u>(228,291)</u>	<u>(1,706,908)</u>	<u>(1,935,199)</u>

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21. Capital and interest gains from unit linked business

2021	Income CHF	Unrealised gains CHF	Realised gains CHF	Total CHF
Capital and interest gains from unit linked business	195,701	14,369,518	3,959,692	18,524,911
	<u>195,701</u>	<u>14,369,518</u>	<u>3,959,692</u>	<u>18,524,911</u>

2020	Income CHF	Unrealised gains CHF	Realised gains CHF	Total CHF
Capital and interest gains from unit linked business	300,562	17,104,582	1,483,850	18,888,994
	<u>300,562</u>	<u>17,104,582</u>	<u>1,483,850</u>	<u>18,888,994</u>

22. Capital and interest losses from unit linked business

2021	Expenses CHF	Unrealised (losses) CHF	Realised (losses) CHF	Total CHF
Capital and interest expenses from unit linked business	-	(2,462,209)	(177,305)	(2,639,514)
	<u>-</u>	<u>(2,462,209)</u>	<u>(177,305)</u>	<u>(2,639,514)</u>

2020	Expenses CHF	Unrealised (losses) CHF	Realised (losses) CHF	Total CHF
Capital and interest expenses from unit linked business	-	(1,963,732)	(604,642)	(2,568,374)
	<u>-</u>	<u>(1,963,732)</u>	<u>(604,642)</u>	<u>(2,568,374)</u>



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23. Other Income

	31 December 2021	31 December 2020
	CHF	CHF
FX revaluation gain	12,222	-
Fee and commission income	1,480,022	1,350,316
	<u>1,492,244</u>	<u>1,350,316</u>

24. Other expenses

	31 December 2021	31 December 2020
	CHF	CHF
Foreign exchange revaluation loss	3,095,143	6,270,717
Miscellaneous expense	376,810	1,029,210
Administration and service charge	38,466	52,967
Interest expenses	53,167	33,821
VAT expense	53,956	55,270
	<u>3,617,542</u>	<u>7,441,985</u>

25. Taxes

The Branch has a profit before tax of CHF 9, 756,051 (2020: loss CHF 6,347,058) which it will offset against any income tax losses from previous years.

Income tax expense/ (credit) is as follows:

	31 December 2021	31 December 2020
	CHF	CHF
Income tax	123,635	21,208
Tax on equity	44,319	26,730
	<u>167,954</u>	<u>47,938</u>

26. Residual amount of operating lease obligations

The future minimum lease payments under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are payable as follows:

	31 December 2021	31 December 2020
	CHF	CHF
Not later than one year	33,617	16,808
Later than one year but not later than five years	-	-
	<u>33,617</u>	<u>16,808</u>

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**27. Full-time equivalents**

The annual average number of full-time equivalent staff employed for the reporting year was 2.4 (2020: 2.7).

**28. Events after the balance sheet date**

The Company is continuing to monitor developments regarding the invasion of Ukraine by Russian forces. As at 31 December 2021, the Company has no direct exposure to Russian assets through its shareholder assets. Through its unit-linked solutions, the Company has an immaterial indirect exposure to Russian assets.

No other subsequent events have been identified which have a significant effect after the balance sheet date.