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UTMOST HOLDINGS IRELAND LIMITED

Directors' Report and Audited Financial Statements for the financial year end 31 December 2023

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Company Information

Board of Directors as at 31 December 2023

Henry O'Sullivan	Executive and Chief Financial Officer	Irish
Ian Maidens	Non-Executive	British
Karl Moore	Executive and Chief Executive Officer	British
Paul Thompson	Non-Executive	British
William Finn	(Independent Non-executive)	Irish
Tim Madigan	(Independent Non-executive)	Irish
Michael (Mike) Davies	(Independent Non-executive)	British

Secretary
Mr. Philip Brady
Ashford House
Tara Street
Dublin 2
Ireland

Registered Office
Navan Business Park
Athlumney
Navan
Co. Meath
Ireland

Company Registration Number: -529604

Principal Bankers

Barclays Bank
1 Molesworth Street
Dublin 2
Ireland

Citibank NA – London branch
25-33 Canada Square
Canary Wharf
London
E14 5LB
United Kingdom

Citibank NA – Dublin branch
1 North Wall Quay
Dublin 1
Ireland

Solicitors
Matheson
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Independent Auditors and Statutory Audit Firm
PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Directors' Report

The Directors present their report and audited consolidated financial statements for the financial year ended 31 December 2023.

(a) Principal Activities

Utmost Holdings Ireland Limited ('the Company' or 'UHIL'), is a wholly owned subsidiary of Utmost International Group Holdings Limited ('UIGHL') a UK incorporated company specialising in the acquisition of life assurance businesses. Its principal business is that of a holding company. The consolidated accounts of UHIL include all subsidiaries listed in note 2 ('the Group').

(b) **Business Review and Future Developments**

The Consolidated Statement of Comprehensive Income for the financial year and the Consolidated Statement of Financial Position as at 31 December 2023 are set out on pages 21 and 23. Group Profit attributable to shareholders for the financial year to 31 December 2023 amounted to €20.3m (2022: Loss €4.8m).

Assets under administration ('AUA') by the Group rose from €23.5bn in 2022 to €26.2bn by 31 December 2023.

The regulatory solvency position remains satisfactory as at 31 December 2023.
Solvency II economic Value ('SII EV') moved from €528.9m in 2022 to €601m in 2023. SII EV represents the group view of the aggregate value of the business and is calculated by adding the SII EV of the insurance entities within the Group and the net assets of the non- insurance entities within the Group.

On 12 April 2023, the company received a €22.5m dividend from Utmost Pan Europe Dac ('UPE'). An additional dividend of €15m was received on 3 November 2023. The proceeds of these dividends were used to repay capital and interest on the loan the Company has with Utmost Group Holdings International Limited.

On 25 April, the Company provided a capital injection of €1m for an additional 1m in ordinary shares to Utmost Services Ireland Limited (USIL). An additional €1m capital contribution was paid on 30 November 2023.

On 29 December 2023, the conduct standards requirements and amendments to the fitness and probity regime, introduced as part of the Central Bank (Individual Accountability Framework) Act 2023, came into effect. The Company is compliant with these requirements.

The Senior Executive Accountability Regime (SEAR) requirements come in effect on 1 July 2024 and work is ongoing to ensure adherence to these requirements by the implementation date.

The International Accounting Standards Board issued International Financial Reporting Standard ("IFRS") 17 in May 2017 (modified in 2020 and 2021) as a replacement to the previous insurance contracts standard IFRS 4. It applies to periods beginning on or after 1 January 2023. The standard was applied retrospectively, subject to the transitional options provided for in the standard.

The Board performed the following activities in respect of the adoption of IFRS 17:

- Reviewed and approved IFRS 17 accounting methodology and monitored the development and implementation of IFRS 17 reporting processes.
- Held training sessions on the requirements of IFRS 17 and the accounting methodology adopted by the Group.
- Reviewed and approved the IFRS 17 transition balance sheet, the FY22 IFRS 17 results and the HY23 IFRS 17 interim results.
- Evaluated reporting from PwC on the implementation of IFRS 17 and their work in respect of the IFRS 17 comparative results.
- Reviewed and approved the annual Business Plan which was presented on an IFRS 17 basis.

(c) Going Concern

The directors have a reasonable expectation that the Group will continue in operational existence for twelve months from the date of approval of the financial statements ('the period of assessment') and have prepared the financial statements on a going concern basis.

In making this assessment, the directors considered the following key areas.

- Solvency
- Liquidity & Cash flow Management
- Asset Quality
- Counterparty Exposure
- Insurance & Mortality Risk

The potential for reinsurers not honouring their financial or operational commitments was also considered.

The Group continues to pay close attention to its solvency position. Through all periods of 2023 and into 2024 the Group is within the risk appetite defined in the Board approved Capital Policy.

The majority of invested assets held are highly liquid.

The Directors have considered the appropriateness of the going concern basis used in the preparation of these.

Financial Statements, having regard to the ability of the Company and Group to be able to meet its liabilities as and when they fall due, and the adequacy of available assets to meet liabilities.

Based on the above, the directors have concluded that the Company and Group have no material uncertainties which would cast a significant doubt on the company's ability to continue as a going concern over the period of assessment.

We refer to Note 1 in the financial statements.

(d) Corporate Governance

Effective corporate governance remains key to the business. The Group has a few Board Committees, including the Audit Committee, the Risk and Compliance Committee, the Investment Committee, and the Banking Committee. A review of the performance of each of the Committees for 2023 confirmed that each Committee performed its duties as outlined within its respective terms of reference. The Remuneration Committee is a subcommittee of the Company.

The Corporate Governance Requirements for Insurance Undertakings 2015 ('the Requirements'), as issued by the Central Bank of Ireland ('CBI'), became effective from 1 January 2016. An annual review is completed by the Risk Management Function that UPE is materially compliant with all obligations as set out in the Requirements.

Utmost Bermuda Limited (previously 'Altraplan Bermuda Limited'), is regulated by the Bermuda Monetary Authority.

The Group is compliant with the Solvency Capital Requirements as set out in the EU wide Solvency II Directive. To comply with these regulations, the Group has successfully implemented:

- A robust system of governance, including but not limited to:
    - Clear allocation and segregation of responsibilities and an effective system for ensuring the transmission of information.

  - Written and implemented policies and procedures.
  - Sound and effective strategies and processes to assess risk.
  - Establishment of an independent Actuarial Function.
- Processes to monitor capital requirements; and
- Effective systems to meet all reporting requirements.

On 09 April 2024, the directors signed a 'Directors Compliance Certificate' for the year ended 31 December 2023 confirming adherence to relevant requirements of the Central Bank of Ireland in relation to Solvency II.

In addition, the Group has executed the requirements of the Fitness & Probity standards as prescribed within the Central Bank Reform Act 2010 (Sections 20 and 22) (Amendment) Regulations 2011.

The Board of Directors in seeking to apply best practice in Corporate Governance periodically establishes committees to help it discharge its responsibilities in respect of the regulated entities. The Directors are satisfied that there is sufficient oversight of the Group's activities through the establishment of audit committees and other board sub-committees by its principal subsidiary undertakings, such that committees are not also required at the UHIL level.

Risk Management

The Group has a defined structure and process to assist in the identification, assessment, and management of risk. This structure is supported by three pillars: the Risk Management Department, the Risk Advisory Committee and the Risk and Compliance Committee. These structures were in place throughout the year to which these statements apply and up to the date of their approval.

The Risk Management Department, an independent control function, continues to enhance the organisation's risk framework and monitors compliance with the requirements of Solvency II – Pillar II. The Risk Management Department continues to develop and drive key risk policy as well as continuously monitoring the "risk profile" of the organisation. The Chief Risk Officer continues to have direct and unfettered access to the Board.

The Risk Advisory Committee continues to monitor and assess risk at a senior executive level within the organisation. Meeting at least quarterly, it reviews the Group's key risks, contained in risk registers, and ensures that all new and emerging risks are appropriately evaluated, and any further actions identified. This Committee also reviews and communicates policy matters, as advised by the Risk Management Department, to those responsible for managing risks. During 2023, the Committee also reviewed the management and oversight of the Group's key outsourcing relationships.

The Risk and Compliance Committee is a Board Committee, and its primary role is to assist the Board in its management of risk and to review the effectiveness of the Risk Management activities of the Group. The Committee meets at least quarterly and during 2023 it provided an oversight and approval role in relation to risk identification and evaluation, risk management and risk reporting. This was facilitated through formal reporting from the Chief Risk Officer. The Risk and Compliance Committee performed its activities in line with its terms of reference during 2023.

The Group Risk Appetite Statement is reviewed and approved at least annually and sets the desired level of risk (in terms of risk appetite and risk preferences) and limit excessive risk-taking. Tolerance levels based on capital and liquidity metrics are set accordingly. Should an indicator approach or breach the defined tolerance levels, escalation mechanisms are then activated.

The principal risks and uncertainties the Group is exposed to are identified and classified in the Risk Map, which is reviewed at least once a year to ensure its adequacy and completeness. The principal risks and uncertainties and how they are managed are outlined below:

Financial Risks – The Group is exposed to financial risk through its financial assets, financial liabilities, reinsurance assets and policyholder liabilities. The Group completes a regular asset liability matching analysis to ensure that its assets are matched to its liabilities by line of business and duration. In relation to its unit-linked business the Company adopts a fully matched position between its policyholder liabilities and the assets that it holds in respect of these liabilities. Nevertheless, there remains financial risk in the form of interest rate risk, equity price risk, currency risk, counterparty risk and credit risk as outlined below:

Interest rate risk – The Group holds shareholder assets in the form of cash and interest-bearing securities and, as such, is exposed to interest rate risk. The Group manages its interest rate risk by regular assessments and monitoring of its investments by the Investment Committee. The Group is exposed to interest rate risk to the extent that adverse interest rate movements impact the value of unit linked assets and therefore the management fee income.

Equity price risk – The Group is exposed to equity price risk to the extent that adverse movements in the value of unit linked assets would reduce the future profitability of the Group through a reduction in management fee income. The Group does not have any direct equity exposure except for investment in subsidiaries.

Currency risk – The Group is exposed to currency risk to the extent that adverse movements in the value of non-Euro shareholder assets would reduce the value of these assets in Euro terms. Additionally, the Group is exposed to adverse movements in the value of non-Euro unit linked assets which would reduce the future profitability of the Group through a reduction in management fee income.

Counterparty risk – The Group is exposed to counterparty default risk arising from investments with counterparties, reinsurance arrangements and the holding of an Italian withholding tax asset. Management ensures that it has diversified and managed investments, and actively monitors its counterparty risks monthly with quarterly updates provided to the Risk and Compliance Committee.

The Group places limits on its exposure by counterparty, by geographical location and by credit rating. Reinsurance is used to manage insurance risk. The creditworthiness of reinsurers is considered on an annual basis by reviewing their financial strength.

Credit risk – The key areas where the Group is exposed to credit risk are corporate bonds, government bonds, EU supranational bonds, bank deposits, collective investment schemes, hedge funds, fund investments, money market funds, the Italian Withholding tax asset, the reinsurers' share of insurance liabilities, amounts due from reinsurers in respect of claims already paid and amounts due from insurance intermediaries.

Expense risk – Expense risk is the risk that actual expenses of the Group differ from the levels expected and allowed for within the pricing and reserving process. The Group mitigates this risk primarily through the annual review of expenses considering experience and any changes to the market rate of inflation. The Group also performs inflation stress scenario analysis through the annual Own Risk and Solvency Assessment process and report.

Insurance risks – The Group is exposed to life underwriting insurance risk deriving from the Group's core business activities. The Group mitigates this risk primarily with reinsurance agreements with third party reinsurers. The Board completes a review of the Reinsurance Policy on an annual basis or more frequently if there are material business or regulatory changes that require assessment.

Operational risks – The Group is exposed to operational risk deriving from the Group's core business activities which are either managed internally or through group and non-group outsourced service providers. The Group mitigates this risk through the implementation of the internal control and risk management system framework, whose design and structure operates to ensure that business activity complies with the laws and regulations in force and that Group processes are efficient and effective, and that accounting and management information is reliable and complete. The Group has implemented a formal outsourcing process which ensures the implementation of appropriate organisational safeguards to monitor the performance of outsourcers and sets reporting obligations

(d) Corporate Governance (continued)

for critical outsourced activities. The Group has also implemented a formal Third-Party Supplier Framework which ensures appropriate oversight and assessment of both critical/non-critical Third-Party Suppliers is in place.

Lapse Risk – refers to the rate of surrenders, as well as paid-up and other discontinuances, being higher or lower than the Group's best estimate assumptions, where such difference results in a diminution of own funds. The Group mitigates lapse risk through annual reviews of lapse risk experience. The Group also undertakes quarterly monitoring and reporting.

Liquidity risk – refers to the risk that the Group will not be able to meet both expected and unexpected cash flow requirements efficiently. All admissible assets must be redeemable within approved periods. The Group manages liquidity risks through cashflow projections and monitoring along with the monitoring of internal liquidity ratios and limits.

Reputational Risk – refers to the risk of potential losses due to a reputational deterioration or to a negative perception of the Group's image among its customers, counterparties, shareholders, and supervisory authorities. The Group mitigates this by considering the impact of reputational risk as part of the key business decision making processes.

Tax Risk - refers to the risk that the Italian tax asset will not be recoverable or that there is a change in regulatory requirements concerning the treatment of the asset for solvency purposes. Following the acquisition of UPE, the Group retains an Italian tax asset resulting from the prepayment of exit tax because of UPE's decision to become an Italian withholding tax agent in 2012.

Emerging Risk – refers to newly developing or changing risks which are difficult to quantify, and which may have a significant impact on the Group. Emerging risks are assessed by Risk Management and reviewed by the Risk and Compliance Committee on a quarterly basis. The Group mitigates these risks through investigation and monitoring of management actions.

Cyber Risk – refers to any risk of financial loss, disruption, or damage to the reputation of the Group from failure and breaches of its information technology systems. The Group mitigates these risks through risk assessments and the implementation of an appropriate control framework, including but not limited to:

- Annual business continuity and disaster recovery planning.
- Bi-annual independent third-party testing of the external defences e.g. firewalls.
- Independent third-party review of the internal systems and access controls benchmarked against industry best practice;
- Ongoing internal review and monitoring of technologies which keep technical controls up to date; and
- Ongoing monitoring of regulatory changes and implementation of the required procedures and controls.

Conduct Risk – refers to the risk the Group poses to its customers from its direct interaction with them. The Group mitigates these risks through the implementation of and compliance with the EIOPA's guidelines on Product Oversight and Governance arrangements by insurance undertakings and insurance distributors. The Group has developed a framework to ensure that customers are protected, and that business is conducted in a fair, efficient, ethical and valuable manner. The Group has also implemented an oversight team which is responsible for initial due diligence and ongoing monitoring of partners.

(d) Corporate Governance (continued)

Concentration Risk – refers to the risk of loss from lack of diversification across multiple jurisdictions, products, or counterparties. The Group mitigates this risk through ongoing diversification of products across multiple jurisdictions and counterparties.

Regulatory Compliance Risk – arises from a failure or inability to comply fully with the laws, regulations standards or codes specifically related to entities in the financial services industry. Any non-compliance may result in the Group being subject to regulatory sanction and financial losses arising from such sanctions. The Group has in place specific personnel tasked with ensuring all aspects of regulation and compliance requirements, including customer conduct codes, are fully complied with. The Group has no appetite or tolerance for regulatory breaches.

Climate Risk – The decarbonisation of the global economy as it transitions towards net zero poses several risks and opportunities to the Group. The Group is exposed to physical climate impacts, low carbon transition risks and potential opportunities. Climate risk can arise from:

- Physical risk: Disruptions and damage to operations due to extreme weather events and chronic changes including temperature rises potentially leading to increased energy consumption.
- Transition risk: The transition to a net zero economy presents financial risks which can arise from a range of factors, including changes in policy, regulation, technology, and customer sentiment. Climate-related metrics are being used to understand and assess the Group's exposure to these risks and potential impacts on asset valuations.
- Liability risk: Climate-related liability risks may arise directly or indirectly from the actions taken by firms in relation to climate change. These may crystallise where a perceived lack of action or lack of appropriate disclosures result in claims or legal action from external stakeholders. These risks will crystallise in full over a longer-term time horizon. The Group treats these risks as cross-cutting risks given they have the potential to manifest through a few principal risk types within the Group's ERM Framework.

Mitigation: A Climate Risk Framework was adopted by the Group to embed climate risk considerations in day-to-day processes. The Board oversees the delivery of the Sustainability Strategy, a key element of which is the management of climate-related risk and opportunities. The Group's approach to climate change is set out in its Corporate Social Responsibility policy.

Directors' Report (continued)

(d) Corporate Governance (continued)

Sustainability Strategy

The Group is dedicated to making a positive difference, building a brighter future for our clients, and better serving all stakeholders. This means the Group has a responsibility to consider the environmental, social, and economic impacts of the actions we take now on our stakeholders – both present and future.

Our Sustainability Strategy is framed along four pillars: Stakeholder Outcomes, People Development, Environmental Impact and Responsible Investment. The Strategy aims to integrate sustainability across our business to support the Group in making a positive difference.

Our Sustainability Commitments

Stakeholder Outcomes

- Continue to enhance our propositions and service quality to improve client outcomes.
- Provide sustainable investment options to our customers.
- Provision of data to our customers which helps them understand the ESG characteristics of their investments.
- Emphasis on economic value creation and enduring financial delivery
- Continue to be an active participant in our local communities.

People Development

- Create an environment where our people can achieve their aspirations and reach their full potential.
- Increase diverse representation and strengthen our leadership focus on diversity, equity, and inclusion.
- Enrich employee engagement and learning to develop our talent.

Environmental Impact

- Reduce and minimise the environmental impact of our operations and supply chains.
- Climate risk considerations embedded in business-as-usual processes.
- Supporter of the Paris Agreement
- Regular and transparent reporting on our sustainability activities.

Responsible Investments

- Fulfil our duties as a signatory to the UN PRI and a member of the IIGCC.
- Interim target to halve the Carbon Intensity of the shareholder investment portfolio by 2030.
- Utmost is a supporter of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and endorses its recommendations. Committed to regular and transparent reporting on our sustainability activities.
- Net zero 2050 target for our shareholder investment portfolio as measured by Carbon Intensity.

Directors' Report (continued)

(d) Corporate Governance (continued)

Compliance and Actuarial

Both the Compliance and Actuarial Departments, as independent control functions within the Group, reported to the Board on ongoing activities throughout 2023.

The Compliance function has continued to develop and execute the Compliance Plan.

The Head of Actuarial Function completed the Actuarial Function Reports for the year ended 31 December 2023.

No material issues were raised by the Compliance and Actuarial functions during the year to which these financial statements relate.

Internal Audit

The Internal Audit function is the third line of defence within the Group and is responsible for performing an independent evaluation of the effectiveness of both the internal control and risk management systems, including the adequacy of the controls in place within each business process.

The Internal Audit function assists the Board, through the Audit Committee, in assessing its role in relation to internal control, risk management and governance responsibilities.

The Head of Internal Audit has direct and unfettered access to the Board and to the Chairman of the Audit Committee. The Head of Internal Audit formally reports to the Audit Committee, which meets on a quarterly basis. The primary role of the Audit Committee is assisting the Board in ensuring that there is an adequate system of controls in place for financial reporting and internal control.

A risk-based internal audit plan for 2023, which aimed to provide assurance over the key business processes as well as financial and operational risks, was approved by the Audit Committee and implemented satisfactorily throughout the year. A report, summarising audit activity and the results of each audit undertaken, was provided to the Audit Committee on a quarterly basis.

Banking Committee

The Banking Committee is responsible for the opening, closure and change in purpose of all Master Custodian and Corporate bank accounts in the name of UPE. The Committee is also responsible for the review and approval of appointments to the authorised signatory list and their levels of authorisation and approval.

Investment Committee

The Investment Committee is responsible for the Group's overall asset management strategy and policies and for identifying, monitoring, reporting, and controlling the risks connected with investment activities and approving changes to specific investments and changes to appetite or tolerances.

Directors' Report (continued)

(e) Directors and Secretary

The names of persons who were directors at any time since 1 January 2023 are set out below.

Henry O'Sullivan	Executive and Chief Financial Officer	Irish
Ian Maidens	Non-Executive	British
Karl Moore	Executive and Chief Executive Officer	British
Paul Thompson	Non-Executive	British
Michael (Mike) Davies	Independent Non-Executive	British
Tim Madigan	Independent Non-Executive	Irish
William Finn	Independent Non-Executive Chairman	Irish
Felim Mackle	Independent Non-Executive	Irish (appointed 29 February 2024)

Mr. Philip Brady is the Company Secretary.

Directors' and Secretary's Interests in Shares

Two directors Paul Thompson and Ian Maidens have an equity interest in certain group entities. Details are disclosed in note 34.

(f) Transactions involving Directors

There were no transactions involving directors during 2023 (2022: none).

(g) Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish Company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Under Company law, the directors should be satisfied that the financial statements give a true and fair view of the assets, liabilities, and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and IFRS and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' Report (continued)

(h) Directors' Compliance Statement
The directors, in accordance with Section 225(2) of the Companies Act 2014 (the "Act"), acknowledge that they are responsible for securing the Company's compliance with its "relevant obligations" (as such term is defined in Section 225 (1) of the Act). The directors confirm that:

a) a compliance policy statement was drawn up setting out the Company's policies (that, in their opinion, are appropriate to the Company) in respect of the Company's compliance with its relevant obligations.
b) appropriate arrangements or structures have been put in place that, in their opinion, are designed to secure material compliance with the Company's relevant obligations; and
c) a review was conducted, during the financial year, of those arrangements or structures.

(i) Accounting Records
The directors have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 regarding accounting records, by employing accounting personnel with the appropriate qualifications and expertise and by providing adequate resources to the finance function. The accounting records are maintained at Navan Business Park, Athlumney, Navan, Co. Meath.

(j) Relevant Audit Information
So far as each of the directors in office at the date of approval of the financial statements is aware:

- there is no relevant audit information of which the Company's statutory auditors are unaware; and
- the directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

(k) Audit Committee
The Company's subsidiary, UPE has established an Audit Committee under Section 167 of the Companies Act 2014. Its function is to assist the UPE Board in fulfilling its oversight responsibilities.

(l) Independent Auditors
PricewaterhouseCoopers was appointed as auditors on 15 August 2018 and are willing to continue in office in accordance with Section 383(2) of the Companies Act 2014.

(m) Political Donations
There were no political donations made during the year (2022: nil).

(n) Events Post Year End
There have been no material events since year end.

Approved by the Board and signed on its behalf by:

Henry O'Sullivan

Director	**Director**
Karl Moore	Henry O'Sullivan
Date: 09 April 2024	

Independent auditors' report to the members of Utmost Holdings Ireland Limited

Report on the audit of the financial statements

Opinion

In our opinion, Utmost Holdings Ireland Limited's consolidated financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the group's and the company's assets, liabilities and financial position as at 31 December 2023 and of the group's profit, the company's profit and the group's and the company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Directors' Report and Audited Financial Statements, which comprise:

- the consolidated and company Statement of Financial Position as at 31 December 2023;
- the consolidated and company Statement of Comprehensive Income for the year then ended;
- the consolidated and company Statement of Changes in Equity for the year then ended;
- the consolidated and company Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, which include a description of the accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law. Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's or the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Directors' Report and Audited Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the group and company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 12, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the company financial statements to be readily and properly audited.
- The Company Statement of Financial Position is in agreement with the accounting records.

Other exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Shane McDonald
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

10 April 2024

Statement of Comprehensive Income for the Year Ended 31 December 2023

	Notes	Consolidated 2023 €000	Consolidated Restated 2022 €'000	Company 2023 €'000	Company 2022 €'000
Insurance revenue		143,062	135,276	-	-
Insurance service expenses		(160,650)	(140,731)	-	-
Net income from reinsurance contracts held		19,055	10,012	-	-
Insurance service result	20	**1,467**	**4,557**	-	-
Fees and charges receivable on Investment Business	4	**90,705**	**92,322**	-	-
Other operating income		**8,259**	**3,856**	-	-
Investment return		2,037,825	(3,240,304)	35,376	51,825
Finance (Expense)/Income from Insurance contracts issued		(298,707)	507,842	-	-
Finance Income/(Expense) from Reinsurance contracts held		41,029	(120,540)	-	-
Movement in investment contract liabilities		(1,781,647)	2,852,434	-	-
Net financial result		**(1,500)**	**(568)**	**35,376**	**51,825**
Other operating expenses	6	(58,594)	(55,504)	(146)	(226)
Amortisation of acquired value of in-force business	10	(12,685)	(37,721)	-	-
Profit for the year before interest and tax		**27,652**	**6,942**	**35,230**	**51,599**
Finance costs	8	(4,641)	(6,611)	(3,261)	(4,606)
Profit for the year before tax		**23,011**	**331**	**31,969**	**46,993**
Tax (charge) / credit	9	(2,690)	(5,117)	-	46
Profit / (loss) for the year after tax		**20,321**	**(4,786)**	**31,969**	**47,039**
Foreign exchange rate movements		(78)	142	-	-
Total comprehensive income / (loss) for the year		**20,243**	**(4,644)**	**31,969**	**47,039**

Statement of Changes in Equity for the Year ended 31 December 2023

Consolidated	Retained Earnings €'000	FCTR €'000	Share Capital €'000	Total Equity €'000
At 31 December 2021, as previously reported	**253,346**	**(42)**	**188**	**253,492**
Impact of initial application of IFRS 17	9,787	-	-	9,787
Restated balance at 1 January 2022	**263,133**	**(42)**	**188**	**263,279**
Loss for the year	(4,786)	-	-	(4,786)
Foreign currency translation reserve	-	142	-	142
At 31 December 2022	**258,347**	**100**	**188**	**258,635**
Profit for the year	20,321	-	-	20,321
Foreign currency translation reserve	-	(78)	-	(78)
At 31 December 2023	**278,668**	**22**	**188**	**278,878**

Company	Retained Earnings €'000	Share Capital €'000	Total Equity €'000
At 1 January 2022	**141,218**	**188**	**141,406**
Profit for the year	47,039	-	47,039
At 31 December 2022	**188,257**	**188**	**188,445**
Profit for the year	31,969	-	31,969
At 31 December 2023	**220,226**	**188**	**220,414**

Statement of Financial Position as at 31 December 2023

Assets	Note	Consolidated 2023 €'000	Consolidated Restated 2022 €'000	Consolidated Restated 1 Jan 2022 €'000	Company 2023 €'000	Company 2022 €'000
Intangible assets						
Acquired value of in-force business	10	145,672	158,357	196,078	-	-
Deferred acquisition costs	11	54,055	49,061	33,479	-	-
Fixed Assets	29	6,737	7,720	8,726	-	-
Financial assets						
Other investments	12	175,733	151,363	232,139	-	-
Investment in subsidiaries	13	-	-	-	269,852	268,611
Financial assets at fair value to cover linked liabilities						
- Financial investments		24,714,852	21,421,378	22,889,188	-	-
- Cash and cash equivalents		1,515,081	2,037,789	2,397,311	-	-
Total financial assets at fair value to cover linked liabilities	14	**26,229,933**	**23,459,167**	**25,286,499**	-	-
Insurance assets						
Insurance contract assets	19	96	86	142	-	-
Reinsurance contract assets	19	554,382	501,438	602,605	-	-
Other assets						
Italian withholding tax prepayment	15	109,357	123,015	129,460	-	-
Other receivables	16	60,322	66,308	48,514	-	-
Cash and cash equivalents	17	83,868	85,712	77,144	1,681	230
Total Assets		**27,420,155**	**24,602,227**	**26,614,786**	**271,533**	**268,841**
Liabilities						
Investment contract liabilities	18	22,336,870	20,053,498	21,876,216	-	-
Insurance contract liabilities	19	4,546,858	4,020,376	4,111,885	-	-
Financial liabilities	24	73,824	100,506	142,657	50,754	77,921
Deferred income liability	25	56,964	57,305	52,369	-	-
Deferred tax liabilities	9	23,699	23,502	22,123	-	-
Other payables	26	103,062	88,405	146,257	365	2,475
Total liabilities		**27,141,277**	**24,343,592**	**26,351,507**	**51,119**	**80,396**
Capital and reserves						
Share capital	27	188	188	188	188	188
Foreign currency translation reserve		22	100	(42)	-	-
Retained earnings		278,668	258,347	263,133	220,226	188,257
Total equity		**278,878**	**258,635**	**263,279**	**220,414**	**188,445**
Total equity and liabilities		**27,420,155**	**24,602,227**	**26,614,786**	**271,533**	**268,841**

On behalf of the board:

Karl Moore

Henry O'Sullivan

Date: 09 April 2024

Statement of Cash flows for the Year Ended 31 December 2023

	Note	Consolidated 2023 €000	Consolidated Restated 2022 €000	Company 2023 €000	Company 2022 €000
Net cash inflow from operating activities	28	**32,881**	**62,018**	**37,337**	**49,770**
Acquisition of fixed assets		(262)	(307)	-	-
Cash flow from financing activities					
Investment in subsidiary		-	-	(2,000)	-
Loan interest paid		(5,906)	(16,321)	(5,329)	(14,551)
Long term loans repaid		(28,557)	(36,822)	(28,557)	(36,822)
Net cash outflow from financing activities		**(34,463)**	**(53,143)**	**(35,886)**	**(51,373)**
Net (decrease)/increase in cash and cash equivalents		**(1,844)**	**8,568**	**1,451**	**(1,603)**
Cash and cash equivalents at 1 January		85,712	77,144	230	1,833
Cash and cash equivalents at 31 December		**83,868**	**85,712**	**1,681**	**230**

Notes to the Financial Statements

1. Accounting Policies

The significant accounting policies adopted by the Group are as follows:

(a) Basis of preparation
The financial statements have been prepared in Euro (€) and all values are rounded to the nearest thousand ('000) except where otherwise stated.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRS IC") interpretations as adopted by the European Union and applicable to companies reporting under IFRS at 31 December 2023.

The financial statements are prepared under the historical cost convention, modified by the valuation of investments as outlined in the accounting policy for investments noted below.

Basis of consolidation
The consolidated financial statements include the financial statements of the Company and each of its subsidiaries as detailed in Note 2. A subsidiary is an entity where the Company has the power, directly or indirectly, to govern the financial and operating policies of the entity to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered in assessing whether the Company controls the entity.

Subsidiaries in which the Company has a beneficial interest are consolidated from the date on which control is transferred to the Company until the date that control ceases. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred.
- liabilities incurred to the former owners of the acquired business.
- equity interests issued by the Group.
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition by acquisition, basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition- related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Going concern
The directors have a reasonable expectation that the Company and Group will continue in operational existence for twelve months from the date of approval of the financial statements ('the period of assessment') and have prepared the financial statements on a going concern basis.

In making this assessment, the directors considered the following.

- Solvency
- Liquidity & Cash flow Management
- Asset Quality
- Counterparty Exposure
- Insurance & Mortality Risk

In addition, the potential for reinsurers not honouring their financial or operational commitments has also been considered.

Based on the above, the directors have concluded that the Company and Group have no material uncertainties which would cast a significant doubt on the company's ability to continue as a going concern over the period of assessment.

Based on the above, the directors have concluded that the Group has no material uncertainties which would cast a significant doubt on the Group's ability to continue as a going concern over the period of assessment. Therefore, they have considered it appropriate to continue to adopt the going concern basis of accounting when preparing the financial statements.

(b) Change in accounting policies

The IASB issued IFRS 17 in May 2017 (modified in 2020 and 2021) as a replacement to the previous insurance contracts standard IFRS 4 and applies to periods beginning on or after 1 January 2023. The standard was applied retrospectively, subject to the transitional options provided for in the standard. The Group's accounting policies in respect of IFRS 17 are also set out in note 1.

On adoption of IFRS 17 the Group has restated the comparative information as presented in these financial statements. The originally presented and restated information for the comparative periods is presented in the tables below:

Statement of Financial Position:

	As at 31 December 2021 as previously reported €'000	Reclassification /restatement €'000	As at 31 December 2021 restated €'000
Acquired value of in-force business (13)	228,018	(31,940)	196,078
Deferred acquisition costs (1)	34,257	(778)	33,479
Reinsurers' share of insurance contract liabilities (2)	643,184	(643,184)	-
Insurance contract receivables (2)	30,604	(30,604)	-
Reinsurance contract assets (2)	-	602,605	602,605
Insurance contract assets (3)	-	142	142
Prepayments and accrued income / Other assets (4)	33,839	(33,839)	-
Other receivables (4)	-	48,514	48,514
Investment contract liabilities (5)	(25,157,671)	3,281,455	(21,876,216)
Insurance contract liabilities (6)	(846,375)	(3,265,510)	(4,111,885)
Unallocated surplus (7)	(36,934)	36,934	-
Payables related to direct insurance operations (7)	(26,205)	26,205	-
Reinsurance payables (2)	(60,086)	60,086	-
Other payables / Other liabilities (8)	(106,234)	(40,023)	(146,257)
Deferred tax asset / (liability) (9)	(20,724)	(1,399)	(22,123)
Deferred income liability (10)	(53,492)	1,123	(52,369)
Retained earnings (11)	(253,346)	(9,787)	(263,133)

Notes to the Financial Statements

1. Accounting Policies

(b) Change in accounting policies (continued)

	As at 31 December 2022 as previously reported €'000	Reclassification /restatement €'000	As at 31 December 2022 restated €'000
Acquired value of in-force business (13)	186,960	(28,603)	158,357
Deferred acquisition costs (1)	49,636	(575)	49,061
Reinsurers' share of insurance contract liabilities (2)	552,702	(552,702)	-
Insurance contract receivables (2)	30,625	(30,625)	-
Reinsurance contract assets (2)	-	501,438	501,438
Insurance contract assets (3)	-	86	86
Prepayments and accrued income / Other assets (4)	32,155	(32,155)	-
Other receivables (5)	-	66,308	66,308
Financial assets at fair value held to cover linked liabilities (12)	23,468,417	(9,250)	23,459,167
Investment contract liabilities (5)	(23,377,790)	3,324,292	(20,053,498)
Insurance contract liabilities (6)	(721,331)	(3,299,045)	(4,020,376)
Unallocated surplus (7)	(26,512)	26,512	-
Payables related to direct insurance operations (7)	(18,216)	18,216	-
Reinsurance payables (2)	(40,464)	40,464	-
Other payables / Other liabilities (8)	(73,803)	(14,602)	(88,405)
Deferred tax liability (9)	(22,179)	(1,323)	(23,502)
Deferred income liability (10)	(58,136)	831	(57,305)
Retained earnings (11)	(249,080)	(9,267)	(258,347)

Statement of Comprehensive income:

	For the year ended 31 December 2022 as previously reported €'000	Reclassification /restatement €'000	For the year ended 31 December 2022 restated €'000
Insurance revenue (14,16)	-	135,276	135,276
Insurance service expenses (14,18)	-	(140,731)	(140,731)
Net income from reinsurance contracts held (14,15)	-	10,012	10,012
Finance income from insurance contracts issued (16,17)	-	507,842	507,842
Finance (expenses) from reinsurance contracts held (16)	-	(120,540)	(120,540)
Net premiums earned (14)	30,874	(30,874)	-
Policyholder claims (15)	(34,621)	34,621	-
Transfer from unallocated surplus (16)	10,421	(10,421)	-
Changes in insurance contract liabilities (16)	28,059	(28,059)	-
Movement in investment contract liabilities (17)	3,223,691	(371,257)	2,852,434
Fees and charges receivable / Fees and charges on investment business and other income (17)	119,931	(23,753)	96,178
Amortisation of AVIF (13)	(41,058)	3,337	(37,721)
Fee and commission expenses (19)	(25,791)	25,791	-
Administrative expenses / Other operating expenses (19)	(57,562)	2,058	(55,504)
Investment return (20))	(3,246,408)	6,104	(3,240,304)
Tax charge (21)	(5,191)	74	(5,117)
Loss for the year after tax and FCTR (22)	(4,124)	(520)	(4,644)

1. Accounting Policies (continued)

Explanation of reclassification / restatement

1 No separate asset recognised for deferred acquisition costs for insurance contracts under IFRS 17. Insurance acquisition cash flows are now included in the insurance liability for remaining coverage. The component related to insurance contracts on a closed book was written off on transition.
2 Reinsurers' share of insurance contract liabilities is now presented under IFRS 17 as Reinsurance Assets. Reinsurance Assets also include balances such as premiums, claims and commissions payable and recoverable which were previously presented under Insurance Contract receivables or Reinsurance payables. The amount of the asset was included within the fulfilment cash flows under IFRS 17. It was remeasured to include impact of the application of a risk adjustment.
3 Insurance contracts held with net cash inflows.
4 Prepayments and accrued income / Other assets now included presented as other receivables; The Reinsurers' share of investment contract liabilities is also now presented as part of Other Receivables.
5 Reclassification of contracts that were previously classified and measured as Investment Contracts under IFRS 9 but have now been classified as Insurance Contracts under IFRS 17.
6 Reclassification of contracts that were previously classified as Investment Contracts. Also, for insurance contracts under IFRS 4, the impact of the re-measurement of insurance liabilities under IFRS 17 includes the impact of the application of a risk adjustment.
7 Now included within Insurance contract liabilities.
8 Other Payables now presented as other liabilities.
9 Impact of tax on transitional adjustment.
10 No separate liability recognised for deferred income liability for insurance contracts under IFRS 17. Cash flows are now included in the CSM. The component related to insurance contracts on a closed book was written off on transition.
11 Difference in retained earnings as at 31/12/2022 reflecting the initial impact of transition as at 1/1/2022 and the impact on profit for the year ended 31/12/2022.
12 Reclass of broker account receivables from "Financial Assets" to "Other Receivables
13 Insurance element of the remaining acquired value of in-force business as at 31/12/2021, related to the UPE acquisition, written off on transition.
14 Gross written premiums included within 'Insurance Revenue' under IFRS 17. Ceded premiums included within Reinsurance result and presented separately on face of profit or loss under IFRS 17.
15 Policyholder claims now presented within Insurance service expense. Claims recovered from the reinsurer are presented with Reinsurance result.
16 Impact of re-measurement of claims reserves under IFRS 17 including the impact of the application of a risk adjustment.
17 Movement in unit linked Insurance contracts previously classified as investment contracts under IFRS 9 now included within Finance income / (expense) from Insurance contracts issued.
18 Fee income from Insurance contracts previously classified as Investment contracts under IFRS 9 IS now included within Insurance Revenue. Fronting commission in UCS segment is also not included within the reinsurance result.
19 Administrative expenses and Fee and commission expenses now presented as Other operating expenses. Operating expenses related to Insurance contracts under IFRS 4 and Insurance contracts previously classified as Investment contracts under IFRS 9 now included within Insurance service expense;
20 Reclassification from presentation under IFRS 4.
21 Tax on transitional adjustments.
22 Impact on profit from transition to IFRS 17.

(c) Critical accounting judgements and the use of estimate

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

The judgements and estimates involved in the Group's accounting policies that are considered by the Board to be the most important to the portrayal of its financial condition and that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. The use of estimates, assumptions or models that differ from those adopted by the Group could affect its reported results.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments and carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(I) Assessment of the significance of insurance risk and product classification

Contracts under which the Group accepts significant insurance risk are classified as insurance contracts. Insurance risk is significant if there is a scenario that has commercial substance in which, on a present value basis, there is a possibility that an issuer could:

- suffer a loss caused by the insured event, and
- pay significant additional amounts beyond what would be paid if the insured event had not occurred.

To have commercial substance, the scenario has to have a discernible effect on the economics of the transaction.

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

(c) Critical accounting judgements and the use of estimate (continued)

(I) Assessment of the significance of insurance risk and product classification (continued)

Contracts under which the transfer of insurance risk to the Group from the policyholder is not significant are classified as investment contracts.

Some insurance and investment contracts contain a discretionary participation feature ("DPF"). This feature entitles the policyholder to additional discretionary benefits as a supplement to guaranteed benefits. Investment contracts with a DPF are recognised, measured and presented as insurance contracts.

The Group uses different measurement approaches, depending on the type of contracts, as follows:

Segment	Contracts Issued	Product Classification	Measurement model
Contracts issued			
UWS	Individual unit linked contracts with material insurance benefits	Insurance Contracts with Direct Participation Features	VFA
UWS	Non linked whole of life and term contracts	Insurance Contracts	GMM
UWS	Individual unit linked contracts with investments linked to external with-profits funds	Insurance Contracts with Direct Participation Features	VFA
UWS	With-profits contracts	Investment Contracts with Discretionary Participation Features	VFA
UWS	Variable Annuity Business	Insurance Contracts	GMM
UCS	Group Life and disability insurance benefits	Insurance Contracts	GMM
Reinsurance contracts held			
UWS	With-profits fund linked reinsurance	Reinsurance contracts held	GMM
UWS	Variable Annuity Business	Reinsurance contracts held	GMM
UCS	Group Life and disability benefits quota-share reinsurance	Reinsurance contracts held	GMM

(II) Fair values of financial investments – accounting policy (f)

(III) Recognition of deferred tax asset – accounting policy (n)

(IV) Recognition and carrying value of AVIF – accounting policy (o)

(V) Deferral of establishment fees – accounting policy (g)

1. Accounting Policies (continued)

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features

Scope

IFRS 17 establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued, reinsurance contracts held and investment contracts with discretionary participation features ("DPF"). When identifying contracts in the scope of IFRS 17 the Group has assessed the significance of any insurance risk accepted from the policyholder and for reinsurance contracts the insurance risk ceded to a reinsurer, whether a few contracts need to be treated as a single contract and whether investment components and goods and services are distinct and have to be separated and accounted for under another standard. Contracts under which the transfer of insurance risk to the Group from the policyholder is not significant are classified as investment contracts.

Contracts that have a legal form of insurance but do not transfer significant insurance risk and expose the Group to financial risk are classified as investment contracts and follow financial instruments accounting under IFRS 9. Some investment contracts without discretionary participation features issued by the Group fall under this category.

An insurance contract with direct participation features is defined by the Group as one which, at inception, meets the following criteria:

- the contractual terms specify that the policyholders participate in a share of a clearly identified pool of underlying items.
- the Group expects to pay to the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Group expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

The Group uses judgement to assess whether the amounts expected to be paid to the policyholders constitute a substantial share of the fair value returns on the underlying items.

All references to insurance contracts in these financial statements apply to insurance contracts issued or acquired, reinsurance contracts held and investment contracts with DPF, unless specifically stated otherwise.

Measurement models

The General Measurement Model ("GMM") is the general accounting approach for the measurement of insurance and reinsurance contracts under IFRS 17. The GMM is formed of the following building blocks each of which are detailed further below:

- Fulfilment cashflows ("FCF")
- Risk adjustment ("RA")
- Contractual service margin ("CSM")

Insurance contracts and investments contracts with DPF (a contract with DPF and the transfer of significant insurance risk to the Group are classified as an insurance contract with DPF) are viewed as creating an obligation to pay policyholders an amount that is equal to the fair value of the underlying items, less a variable fee for service. The variable fee comprises the Group's share of the fair value of the underlying items, which is based on policy fees and management charges (withdrawn from policyholder account values based on the fair value of underlying assets and specified in the contracts with policyholders) less other cashflows that do not vary based on the returns on underlying items. The measurement approach for insurance and investment contracts (excluding reinsurance contracts) with DPF is referred to as the Variable Fee Approach, ("VFA"). The VFA modifies the GMM to reflect that a significant portion of the consideration an entity receives for the contracts is a variable fee.

1. **Accounting Policies (continued)**

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Level of aggregation
Insurance contracts and investment contracts with DPF are aggregated into groups for measurement purposes. IFRS 17 requires a portfolio of contracts to be divided into annual cohorts. As a result, a group may not include contracts issued more than one year apart. The Group judges that division of products into portfolios according to product type, currency and reinsurance arrangements meets the requirements of grouping products that are managed together and give rise to similar risks. The Group, on initial recognition, further divides the portfolios into insurance groups according to whether the contracts have no significant possibility of becoming onerous, are onerous and all other contracts. Insurance contracts that would have a CSM at initial recognition even after including the risk adjustment are judged to have no significant possibility of becoming onerous. Insurance contracts where at initial recognition the total of the fulfilment cashflows, any previously recognised acquisition cash flows and any cash flows arising from the contract at that date is a net outflow are recognised as onerous. All other contracts are grouped together. Reinsurance contracts are judged to be distinct and are not grouped together.

Contract boundaries
The Group uses the concept of contract boundaries to determine the cash flows that should be considered in the measurement of groups of insurance contracts, reinsurance contracts and investment contracts with DPF. This assessment is reviewed for new contracts issued each reporting period. Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums, or the Group has a substantive obligation to provide the policyholder with insurance coverage or other services.

Cash flows outside the insurance contract boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria. Cash flows are within the boundaries of investment contracts with DPF if they result from a substantive obligation of the Group to deliver cash at a present or future date. For reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Group that exist during the reporting period in which the Group is compelled to pay amounts to the reinsurer or in which the Group has a substantive right to receive services from the reinsurer.

Insurance acquisition cashflows

The Group includes the following acquisition cash flows within the contract boundary that arise from selling, underwriting, and starting a group of insurance contracts or investment contracts with DPF and that are:

a. costs directly attributable to individual contracts and groups of contracts; and
b. costs directly attributable to the portfolio of insurance contracts or investment contracts with DPF to which the group belongs, which are allocated on a systematic and rational basis to measure the group of insurance contracts or investment contracts with DPF.

1. **Accounting Policies (continued)**

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Recognition and derecognition

Groups of insurance contracts and investment contracts with DPF issued are initially recognised from the earliest of the following:

- the beginning of the coverage period; or
- the date when the first payment from the policyholder is due or received, if there is no due date; or
- where a group of contracts is onerous, from when the group becomes onerous.

Insurance contracts and investment contracts with DPF acquired in a business combination or a portfolio transfer are accounted for as if they were entered into at the date of acquisition or transfer.

A group of reinsurance contracts held that covers the losses of separate insurance contracts on a proportionate basis (proportionate or quota share reinsurance) is recognised at the later of:

- the beginning of the coverage period of the group; or
- the initial recognition of any underlying insurance contract.

A group of reinsurance contracts held that covers aggregate losses from underlying contracts more than a specified amount (non-proportionate reinsurance contracts, such as excess of loss reinsurance) is recognised at the earlier of:

- beginning of the coverage period of that group; or
- the date the entity recognises an onerous group of underlying insurance contracts if the entity entered into the related reinsurance contract held in the group of reinsurance contracts held at or before that date.

Only contracts that meet the recognition criteria by the end of the reporting period are included in the groups of insurance contracts and measured under IFRS 17. The start and end periods of each insurance group are selected to coincide with the Group's reporting periods. Composition of the insurance groups is not reassessed in subsequent periods.

Accounting for contract modification and derecognition

An insurance contract is derecognised when it is:

- extinguished (when the obligation specified in the insurance contract expires or is discharged or cancelled); or
- the contract is modified, and certain additional criteria are met.

When an insurance contract is modified by the Group because of an agreement with the counterparty or due to a change in regulations, the Group treats changes in cash flows caused by the modification as changes in estimates of the FCF, unless the conditions for the derecognition of the original contract, as set out in the IFRS17 standard, are met. The Group derecognises the original contract and recognises the modified contract as a new contract if any of the following conditions are present:

- if the modified terms had been included at contract inception and the Group would have concluded that the modified contract:
  - **a.** is not in scope of IFRS 17.
  - **b.** results in different separable components.
  - **c.** results in a different contract boundary; or
  - **d.** belongs to a different group of contracts.
- the original contract represents an insurance contract with direct participation features, but the modified contract no longer meets that definition, or vice versa.

When an insurance contract is derecognised from within a group of insurance contracts, the Group adjusts the FCF to eliminate the present value of future cash flows and risk adjustment for non-financial risk relating to the rights and obligations removed from the group and adjusts the CSM (unless the decrease in the FCF is allocated to the loss component of the LRC of the group), depending on the reason for the derecognition.

1. **Accounting Policies (continued)**

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Measurement

(i) Fulfilment cash flows

The FCF are an explicit, unbiased, and probability-weighted estimate (i.e. expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the Group fulfils insurance contracts, including a risk adjustment for non-financial risk.

The estimates of future cash flows:

a. are based on a probability weighted mean of the full range of possible outcomes.
b. are determined from the perspective of the Group, provided the estimates are consistent with observable market prices for market variables; and
c. reflect conditions existing at the measurement date.

Where the effect of future variations in experience on future cashflows are symmetric a single best estimate is assumed to represent the full range of possible outcomes. In a small number of cases, where the effect of future experience variances is not symmetric, then the best estimate is adjusted by probability weighting the effect on cashflows of a range of possible outcomes.

Underlying cashflows, where these arise in multiple currencies, are converted into a single functional currency at the appropriate prevailing foreign exchange rates. To discount the FCF the Group uses the bottom-up approach to determine in each applicable currency, a discount rate curve by applying a liquidity adjustment, where appropriate, to a risk-free yield. The risk-free yield curve is estimated from the published yield curve for the relevant currency.

The assumptions used to calculate the FCF on reinsurance contract assets are generally consistent with those used to calculate the FCF of the Insurance Contracts underlying the Reinsurance Contracts Held. Differences in assumptions relate to items that differ between the underlying Insurance Contracts and reinsurance contract assets, for example reinsurer default risk, reinsurance servicing expenses and liquidity risk. The reinsurance contract assets are modified for the risk of non-performance by the reinsurer. The impact is applied by adjusting the FCF discount rates.

An investment component is the amount that an insurance contract or investment contract with DPF requires the Group to repay to a policyholder even if an insured event does not occur. The Group has not separated any investment components from insurance contracts or investment contracts with DPF as the investment components are not considered to be distinct from the underlying contracts. Non-distinct investment components include the unit fund on unit-linked products and with-profit funds for with-profit products. Movements in investment components are not included in insurance revenue and insurance service expenses under IFRS 17.

1. Accounting Policies (continued)

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Measurement (continued)

(ii) Risk Adjustment

An explicit risk adjustment for non-financial risk is estimated separately from the other estimates and is included in fulfilment cashflows. The risk adjustment is determined as the difference between the fulfilment cashflows under a single, insurance portfolio specific, stress scenario and the base scenario. The risk adjustment is calculated without consideration for any reinsurance in place and represents the compensation the Group requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the Group fulfils insurance contracts.

The estimates of future cash flows are adjusted using the current discount rates to reflect the time value of money and the financial risks related to those cash flows, to the extent not included in the estimates of cash flows. The discount rates reflect the characteristics of the cash flows arising from the groups of insurance contracts, including timing, currency, and liquidity of cash flows. Risk of the Group's non-performance is not included in the measurement of groups of insurance contracts issued.

The Group uses consistent assumptions to measure the estimates of the present value of future cash flows for the group of reinsurance contracts held and such estimates for the groups of underlying insurance contracts. The risk adjustment for reinsurance is determined in the same way as for insurance business but with the stress scenario being determined from a scenario relevant to the underlying insurance portfolio.

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Measurement (continued)

(iii) Contractual Service Margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Group will recognise as it provides insurance services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous) arising from:

a. the initial recognition of the FCF; and
b. cash flows arising from the contracts in the group at that date.
c. the derecognition at the date of initial recognition of:

(I) any asset for insurance acquisition cash flows; and

(II) any other asset or liability previously recognised for cash flows related to the group of contracts.

For a group of insurance contracts or investment contracts with DPF issued where the CSM would be negative, this means the group of insurance contracts or investment contracts with DPF issued is onerous and groups of onerous contracts are recognised when the group becomes onerous. A loss from onerous insurance contracts or investment contracts with DPF is recognised in the Statement of Comprehensive Income immediately with no CSM recognised in the Statement of Financial Position.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Group recognises the net cost immediately in profit or loss. For reinsurance contracts held, the CSM represents a deferred gain or loss that the Group will recognise as a reinsurance expense as it receives reinsurance coverage in the future.

For insurance contracts acquired in a portfolio transfer or business combination, at initial recognition, the CSM is an amount that results in no income or expenses arising from:

a. the initial recognition of the FCF; and
b. a proxy for premiums received in the portfolio transfer or business combination.

The premium proxy is either the fair value of assets transferred minus any consideration paid or the fair value of liabilities received in insurance portfolio transfers or business combinations respectively. To the extent that amounts cannot be directly attributed to the acquired contracts the premium proxy is allocated to acquired insurance groups using weightings based on risk.

At initial recognition contracts are assessed as to whether they are onerous, profitable, or initially profitable but have the potential to become unprofitable and are allocated to different groups depending upon this assessment. The approach taken is to compare at initial recognition, for each insurance contract, the CSM with the Risk Adjustment. If the CSM is greater than the Risk Adjustment the insurance contract is classified as profitable, if the CSM is zero the contract is classified as onerous. All other contracts are classified as having the potential to become onerous.

1. Accounting Policies (continued)

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Subsequent measurement
The carrying amount at the end of each reporting period of a group of insurance contracts issued at the is the sum of:

a. the LRC, comprising:

(I) the FCF related to future service allocated to the group at that date; and

(II) the CSM of the group at that date; and

b. the liability for incurred claims ("LIC"), comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount at the end of each reporting period of a group of reinsurance contracts held is the sum of:

a. the remaining coverage, comprising:

(I) the FCF related to future service allocated to the group at that date; and

(II) the CSM of the group at that date; and

b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Changes in fulfilment cash flows
The FCF are updated by the Group for current assumptions at the end of every reporting period, using the current estimates of the amount, timing, and uncertainty of future cash flows and of discount rates. The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

a. changes that relate to current or past service are recognised in profit or loss; and
b. changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC as per the policy below.

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

a. experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes.
b. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph.
c. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and
d. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments a., b. and d. are measured using the locked-in discount rates as described in the section on interest accretion on the CSM below.

For insurance contracts under the GMM, the following adjustments do not relate to future service and thus do not adjust the CSM:

a. changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereon.
b. changes in the FCF relating to the LIC; and
c. experience adjustments arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium based taxes.

1. **Accounting Policies (continued)**

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Changes in fulfilment cash flows (continued)
For insurance contracts measured under the VFA, where the value of the variable fee is material, the following adjustments relate to future service and thus adjust the CSM:

a. changes in the Group's share of the fair value of the underlying items; and
b. changes in the FCF that do not vary based on the returns of underlying items:
   (I) changes in the effect of the time value of money and financial risks including the effect of financial guarantees.

   (II) experience adjustments arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes.

   (III) changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph.

   (IV) differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period; and

   (V) changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments ii.-v. are measured using the current discount rates.

For insurance contracts measured under the VFA, the following adjustments do not relate to future service and thus do not adjust the CSM:
a. changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items.
b. changes in the FCF that do not vary based on the returns of underlying items:
   (I) changes in the FCF relating to the LIC; and

   (II) experience adjustments in arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium based taxes.

Changes to the contractual service margin
For insurance contracts issued, at the end of each annual reporting period the carrying amount of the CSM is adjusted by the Group to reflect the effect of the following changes:
a. The effect of any new contracts added to the group.
b. For contracts measured under the GMM, interest accreted on the carrying amount of the CSM.
c. Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC which corresponds to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.
d. The effect of any currency exchange differences.
e. The amount recognised as insurance revenue for services provided during the period determined after all other adjustments above.

For a group of reinsurance contracts held, the carrying amount of the CSM at the end of each reporting period is adjusted to reflect changes in the FCF in the same manner as a group of underlying insurance contracts issued, except that when underlying contracts are onerous and thus changes in the underlying FCF related to future service are recognised in insurance service expenses by adjusting the loss component, respective changes in the FCF of reinsurance contracts held are also recognised in the insurance service result.

Notes to the Financial Statements (continued)

1. **Accounting Policies (continued)**

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Interest accretion on the CSM
Under the GMM, interest is accreted on the CSM using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items (locked-in discount rates).

Adjusting the CSM for changes in the FCF relating to future service
The CSM is adjusted for changes in the FCF measured applying the discount rates as specified above in the Changes in fulfilment cash flows section.

Release of the CSM to profit or loss
The amount of the CSM recognised in profit or loss for services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

For contracts issued, the Group determines the proportion of coverage provided in the period for the purpose of CSM recognition as follows:

- **a.** Coverage units in the period, divided by
- **b.** The sum of:
  - (i) Coverage units in the period, and
  - (ii) End of period coverage units total forecast.
- **c.** Where all amounts included in this calculation are undiscounted.

The Group uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits.

The coverage units used by the Group are as follows:

Operating Segment	Business Type	Proposed Coverage Units (proxy for "quantity of benefits").
UWS	Non-linked	Sum at Risk
UWS	Unit linked business	Higher of Unit reserves and sum assured
UWS	Unitised with-profits	Unit Fund
UCS	Annuities	Annuities paid in period (deferred annuities with a death benefit provide 20% of initial expected annuity payments in the deferral period).
UCS	Group life and disability	Earned premium

1. **Accounting Policies (continued)**

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Onerous contracts – loss components

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous, and the Group recognises the excess in insurance service expenses and records it as a loss component of the LRC.

When a loss component exists, the Group allocates the following between the loss component and the remaining component of the LRC for the respective group of contracts, based on amortising the loss component in line with the amortisation of the CSM (i.e. based on coverage units remaining).

The Group allocates the amortisation of the loss component to insurance revenue with an equivalent offset in insurance service expenses.

Decreases in the FCF in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF in subsequent periods increase the loss component.

Amounts recognised in comprehensive income

Insurance revenue

As the Group provides services under the group of insurance contracts, it reduces the LRC and recognises insurance revenue. The amount of insurance revenue recognised in the reporting period depicts the transfer of promised services at an amount that reflects the portion of consideration the Group expects to be entitled to in exchange for those services.

Insurance revenue comprises the following:

Amounts relating to the changes in the LRC:

a. insurance claims and expenses incurred in the period measured at the amounts expected at the beginning of the period, excluding:

- amounts related to the loss component.
- repayments of investment components; and
- amounts of transaction-based taxes collected in a fiduciary capacity.

b. changes in the risk adjustment for non-financial risk, excluding:

- changes included in insurance finance income (expenses);
- changes that relate to future coverage (which adjust the CSM); and
- amounts allocated to the loss component.

c. amounts of the CSM recognised in profit or loss for the services provided in the period; and

d. experience adjustments arising from premiums received in the period that relate to past and current service and related cash flows such as insurance acquisition cash flows and premium-based taxes.

1. Accounting Policies (continued)

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Insurance service expenses

Insurance service expenses include the following:

- **a.** incurred claims and benefits excluding investment components.
- **b.** other incurred directly attributable insurance service expenses.
- **c.** changes that relate to past service (i.e. changes in the FCF relating to the LIC); and
- **d.** changes that relate to future service (i.e. losses/reversals on onerous groups of contracts from changes in the loss components).
- **e.** allocation of non-directly attributable expenses.

Expenses that do not relate to contracts in the scope of IFRS 17 will be presented in other operating expenses under the relevant accounting standard.

Insurance service result from reinsurance contracts held

Net income (expenses) from reinsurance contracts held

The Group presents the financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

- a. reinsurance expenses;
- b. incurred claims recovery;
- c. other incurred directly attributable insurance service expenses;
- d. effect of changes in risk of reinsurer non-performance;
- e. changes that relate to future service (i.e. changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts); and
- f. changes relating to past service (i.e. adjustments to incurred claims).

Reinsurance expenses are recognised similarly to insurance revenue. The amount of reinsurance expenses recognised in the reporting period depicts the transfer of received services at an amount that reflects the portion of ceding premiums the Group expects to pay in exchange for those services.

Reinsurance expenses comprise the following amounts relating to changes in the remaining coverage:

- a. insurance claims and other expenses recovery in the period measured at the amounts expected to be incurred at the beginning of the period, excluding repayments of investment components;
- b. changes in the risk adjustment for non-financial risk, excluding:

  - changes included in finance income (expenses) from reinsurance contracts held; and

  - changes that relate to future coverage (which adjust the CSM);

- c. amounts of the CSM recognised in profit or loss for the services received in the period; and
- d. ceded premium experience adjustments relating to past and current service.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses.

1. **Accounting Policies (continued)**

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from:

a. the effect of the time value of money and changes in the time value of money; and
b. the effect of financial risk and changes in financial risk.

For contracts measured under the GMM, the main amounts within insurance finance income or expenses are:

a. interest accreted on the FCF and the CSM;
b. the effect of changes in interest rates and other financial assumptions; and
c. foreign exchange differences arising from contracts denominated in a foreign currency.

For contracts measured under the VFA, the main amounts within insurance finance income or expenses are:

d. changes in the fair value of underlying items, excluding the shareholders' share of underlying items;
e. interest accreted on the FCF relating to cash flows that do not vary with returns on underlying items; and
f. the effect of changes in interest rates and other financial assumptions on the FCF relating to cash flows that do not vary with returns on underlying items.

For the contracts measured under the GMM and the VFA, the Group includes all insurance finance income or expenses for the period in profit or loss.

1. Accounting Policies (continued)

(d) Liabilities under Insurance contracts and investment contracts with discretionary participation features (continued)

Transition

The transition balance sheet was prepared using the Fair Value Approach for all in-scope business as it is impracticable to use the Fully Retrospective Approach because it is not possible to determine a Risk Adjustment at historic reporting dates. This is a key judgement taken by the Group in preparing the transition balance sheet.

The Group had no basis upon which to determine the Risk Adjustment since it had no policy from which a reliable margin for taking on non-financial risk associated with the contracts in scope of IFRS 17 could be determined at the transition date and there was no explicit historical view of the compensation required for non-financial risk on acquired insurance contracts. Consideration was taken to deriving an approach that used margins from historical acquisitions however as the majority of the acquired policies have been investment contracts, with significant reinsurance on insurance contracts and investment contracts with DPF, it was not possible to accurately reflect the view of insurance risk at historic reporting dates.

Under the Fair Value Approach, the CSM or loss component at the transition date was calculated as the difference between the fair value of a group of contracts at that date and the FCF at that date. The Group measured the fair value of a group of contracts as the Solvency II best estimate liability of cashflows within the IFRS17 Contract Boundary, calibrated using a market value adjustment to give a fair value calculated as 90% of:

- Solvency II best estimate experience assumptions plus best estimates for assumptions not required under Solvency II, plus
- a 50% share of the insurance Group's Solvency II Risk Margin. The Solvency II Risk Margin is allocated to Groups of Insurance Contracts ("GICs") (the level of aggregation of contracts at which CSMs are determined) based on the relative contribution of those cohorts to the aggregated results.

In applying IFRS 17 the Group has used both the GMM and the VFA. The VFA is used where the Group has direct participation in an insurance contract or investment contract.

(e) Liabilities under investment contracts

Contracts issued by the Group which are unit-linked and do not contain significant insurance risk are classified as investment contracts. Investment contracts primarily consist of unit linked contracts written by the Group. Unit linked liabilities are measured at fair value by reference to net asset value of the underlying assets at the Statement of Financial Position date, with the assets and liabilities classified as "Financial assets at fair value held to cover linked liabilities" and "Investment contract liabilities" respectively in the consolidated Statement of Financial Position. The decision by the Group to designate its unit linked liabilities at fair value through profit or loss reflects the fact that the liabilities are calculated with reference to the fair value of the underlying assets.

Premiums received and withdrawals from investment contracts are accounted for directly in the Statement of Financial Position as adjustments to the investment contract liability when the units are created or redeemed. Investment income and changes in fair value arising from the investment contract assets are included in "Investment return" and "Changes in investment contract liabilities" respectively in the Statement of Comprehensive Income.

Benefits are deducted from Investment Contract Liabilities and transferred to amounts due to investment contract holders based on notifications received, when the benefit falls due for payment or, on the earlier of the date when paid or when the contract ceases to be included within those liabilities.

The Group earns revenue on investment management services provided to holders of investment contracts. Revenue is recognised as the services are performed.

1. Accounting Policies (continued)

(f) Financial assets and financial liabilities

Classification

The Group has applied IFRS 9 and classifies its financial assets in the following categories: measured at fair value through profit and loss and measured at amortised cost. The classification is determined by the Group business model for managing the financial assets and the contractual terms of the cash flows.

A financial liability is any liability that is a contractual obligation to deliver cash or other financial asset to another entity, to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity, or a contract that will or may be settled in the entity's own equity instruments. Financial liabilities, are initially recognised at fair value, being their issue proceeds net of transaction costs incurred. All liabilities, other than those designated at fair value through profit or loss, are subsequently carried at amortised cost. The Group's financial liabilities include amounts due to investment and insurance contract holders, payables in respect of investment and insurance contract liabilities, borrowings, reinsurance payables and other payables in the Statement of Financial Position.

Recognition and derecognition

Purchases and sales of financial assets are recognised on the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. At initial recognition, financial assets are measured at their fair value plus, in the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the purchase of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Comprehensive Income.

Financial assets and financial liabilities at fair value through profit or loss

The fair value of quoted investments in an active market is the bid price, for investments in unit trusts and other pooled funds it is the bid price quoted on the last day of the accounting period on which the investments in such funds could be redeemed. If the market for a financial investment is not active, the fair value is determined by using valuation techniques. For these investments, the fair value is established by using quotations from independent third parties, such as brokers or pricing services or by using internally developed pricing models. Priority is given to publicly available prices, where available, but overall, the source of pricing and valuation technique is chosen with the objective of arriving at a fair value measurement which reflects the price at which an orderly transaction would take place between market participants on the measurement date. Valuation techniques used include the use of recent arm's length transactions and reference to the current fair value of other instruments that are substantially the same. Financial assets where the fair value is derived using unobservable Level 3 inputs are principally valued using valuations obtained from external parties which are reviewed internally to ensure appropriateness.

1. Accounting Policies (continued)

(f) Financial assets and financial liabilities (continued)

Financial assets and financial liabilities at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets to collect contractual cash flows and its contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Assets held at amortised cost include insurance receivables and reinsurance receivables.

The Group holds a solvency portfolio which consists of long dated bonds which are held for asset-liability matching purposes and are accounted for at amortised cost. This solvency portfolio is classified under "Other investments" in the Statement of Financial Position. The Group's accounting policy in respect of the impairment of this solvency portfolio is detailed below.

Financial assets at amortised cost are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities, including borrowings from banks, are initially recognised at fair value, being their issue proceeds net of transaction costs incurred. All financial liabilities, other than liabilities under investment contracts which are designated at fair value through profit or loss, are subsequently carried at amortised cost. For financial liabilities measured at amortised cost any difference between initial fair value and redemption value is recognised in the Statement of Comprehensive Income using the effective interest rate method.

Investment in subsidiary undertakings

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity. Investments in subsidiaries are measured at cost less impairment. Investments are reviewed annually to assess whether there are indicators of impairment. Where indicators of impairment exist, the carrying value of the investment in the subsidiary is compared against its recoverable amount, which is the higher of the fair value less cost to sell or the value-in-use, with any resulting impairment recorded in the statement of comprehensive income.

Dividend income from subsidiaries is recognised when the right to receive payment is established.

Impairments

For financial assets, the Group assesses on a forward-looking basis the expected credit losses associated with its debtors, other receivables and solvency portfolio carried at amortised cost as well as the financial assets at fair value through other comprehensive income. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Impairment losses are recognised within the Statement of Comprehensive Income. Subsequent recoveries of amounts previously written off are credited against the same line item.

For non-financial assets, an impairment loss is recognised whenever the carrying amount exceeds the recoverable amount. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. An impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount. To assess the impairment, assets are grouped together at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairment losses are recognised in the Statement of Comprehensive Income. An impairment loss is reversed only to the extent that after the reversal, the asset's carrying amount is no greater than the amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1. Accounting Policies (continued)

(f) Financial assets and financial liabilities (continued)

Investment return

Investment return comprises interest, dividends and fair value gains and losses on financial assets. All gains and losses arising from changes in the fair value of financial investments held at fair value through profit and loss, realised or unrealised, are recognised within "Investment return" in the Statement of Comprehensive Income in the period in which they arise. Unrealised gains and losses represent the difference between the valuation of the investments and their original cost. Realised gains and losses are calculated as net sales proceeds less purchase costs. Purchase costs are calculated on a weighted average basis. Movements in unrealised gains and losses include the reversal of unrealised gains and losses recognised in earlier accounting periods in respect of investment disposals in the current period.

Interest income generated from financial investments measured at amortised cost or fair value through other comprehensive income, including investment income from bank deposits and fixed or floating interest-bearing bonds and stocks, is recognised within "Investment return" in the Statement of Comprehensive Income using the effective interest method.

Dividends, including distributions from collective investments, are accounted for when the income can be reliably measured.

Other income

Other income consists of interest income on shareholder cash and deposits and commission income from the Group's ceded reinsurance on life and disability business. Interest income on shareholder cash and deposits is measured at amortised cost using the effective interest method.

Fair value of financial assets and liabilities

Where possible financial assets and liabilities are valued based on listed market prices by reference to quoted market bid prices for assets and offer prices for liabilities, without any deduction for transaction costs. These are categorised as Level 1 financial instruments and do not involve estimates. If prices are not readily determinable, fair values are determined using valuation techniques including pricing models, discounted cash flow techniques or broker quotes. Financial instruments valued where valuation techniques are based on observable market data at the period end are categorised as level 2 financial instruments. Financial instruments valued where valuation techniques are based on non-observable inputs are categorised as level 3 financial instruments. Level 3 financial instruments therefore involve the use of estimates.

1. Accounting Policies (continued)

(g) Fees and charges and deferred front end fees

Investment contract policyholders are charged fees for policy administration, investment management, surrenders or other contract services. These fees consist of recurring fees and "front-end" fees (fees that are assessed against the policyholder balance as consideration on origination of the contract). The fees may be for fixed amounts or vary with the amounts being managed and will generally be charged as an adjustment to the policyholder's balance.

The recurring fees consist of contractual fees and percentage fees related to investment management services and are recognised as revenue over time as performance obligations are satisfied. In most cases this revenue is recognised in the same period in which the fees are charged to the policyholder. Fees that are related to services to be provided in future periods are deferred and recognised when the performance obligations are fulfilled.

Initial and other "front-end" fees that relate to the provision of investment management services are deferred and recognised over the expected term of the policy on a straight-line basis. Commissions receivable arising from with-profit bond investments and commissions from investments in funds are recognised as revenue over time on a straight-line basis as performance obligations are fulfilled. Other inward commissions and rebates are accounted for on a receipts basis, net of any amounts directly attributable to policies, as this is when the income can be measured reliably, and it is highly probable that it will not be subject to significant reversal. Surrender fees are recognised as income on surrender of a policy as a reduction to the surrender amount returned to policyholders.

(h) Acquisition costs and deferred acquisition costs

Acquisition costs include commissions, intermediary incentives, and incentives payable to the Group's sales force. Incremental costs that are directly attributable to securing investment contracts, and are expected to be recoverable, are deferred and recognised in the Statement of Financial Position as deferred acquisition costs. Acquisition costs that do not meet the criteria for deferral are expensed as incurred.

Deferred acquisition costs are amortised over the expected remaining duration of the underlying policyholder contract. The amortisation of deferred acquisition costs is charged to the Statement of Comprehensive Income within the "Commission and advisor fees" line.

Reviews to assess the recoverability of deferred acquisition costs on investment contracts are carried out at each period end date to determine whether there is any indication of impairment. If there is any indication of impairment, the asset's recoverable amount is estimated. Impairment losses are reversed through the Statement of Comprehensive Income if there is a change in the estimates used to determine the recoverable amount. Such losses are reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation where applicable, if no impairment loss had been recognised.

1. Accounting Policies (continued)

(i) Reinsurance

The Group cedes reinsurance in the normal course of business, with limits varying by line of business. Reinsurers' share of insurance contract liabilities are estimated in a manner consistent with the underlying contract liabilities, outstanding claims provisions or settled claims associated with the reinsured policies and in accordance with the relevant reinsurance contract. There are reinsurance arrangements in place for both the Utmost Wealth Solutions and Utmost Corporate Solutions segments. All reinsurance is in line with the underlying entity reinsurance policy and the accounting for each of these classified between liability for remaining coverage and liability for incurred claims.

The assets which are invested in the with profits funds managed by Aviva Group are held at the valuation provided by Aviva of the Group's share of assets in the with profit funds at the year end.

The Aviva reinsurance contract is measured using the GMM method. The underlying insurance contracts are Insurance Contracts with Direct Participation Features and therefore they would be measured using the VFA method. To correct this mismatch the Group will apply the Risk Mitigation Option to the measurement of the underlying insurance contracts.

Reinsurance fulfilment cashflows that are assets are adjusted for the risk of default of the reinsurance counterparty. Risk of default is allowed for at an individual reinsurance contract level taking account of the credit rating of the entity and the timing and duration of expected cashflows.

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

(j) Other operating expenses

All other operating expenses, including investment management expenses and acquisition costs, are accounted for on an accruals basis.

(k) Italian withholding tax prepayment

Contributions to the Italian Revenue because of the Group acting as a Withholding Tax Agent are recognised as a tax prepayment asset. Italian capital gains tax recovered from policyholders is offset against this asset. The recoverable amount of this asset is reviewed at each financial year end and is determined by the Board of Directors. This asset has not been discounted in the financial statements.

(l) Foreign currencies

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the Statement of Comprehensive Income.

Translation differences on monetary financial assets measured at fair value and designated as held at fair value through profit or loss are included in foreign exchange gains and losses in the Statement of Comprehensive Income. Translation differences on non-monetary items, which are designated as fair value, are reported as part of the fair value gain or loss.

Functional and presentation currency
The consolidated financial statements are presented in Euro, which is the functional currency for all the group companies apart from Utmost Bermuda which remains USD.

1. **Accounting Policies (continued)**

Foreign currencies (continued)

Transactions and balances treatment for translation of Utmost Bermuda

Foreign exchange gains and losses resulting from functional to presentational currency are recognised in the statement of comprehensive income as a movement in the foreign currency translation reserve (FCTR).

(m) Leasing

Leases are recognised as a right-of-use asset and related lease liability except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application.

(n) Taxation

Current tax payable is the expected tax payable on the taxable income for the period adjusted for changes to previous periods and is calculated based on the applicable tax law in Ireland. Deferred tax is provided using the balance sheet liability method on temporary differences arising between the tax bases of assets and liabilities for taxation purposes and their carrying amounts in the financial statements. Current and deferred taxes are determined using tax rates based on legislation enacted or substantively enacted at the year-end date and expected to apply when the related tax asset is realised or the related tax liability is settled.

Deferred tax assets are recognised where it is probable that future taxable profits will be available against which temporary differences will be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax liabilities are recognised when there are temporary differences between the carrying value of assets and the tax base.

(o) Acquired value of in-force business

The present value of future profits on a portfolio of investment contracts, representing the value of in force policies ('AVIF') acquired directly or through the purchase of a subsidiary, is recognised as an acquired value of in- force business intangible asset. AVIF is amortised over the useful lifetime of the related contracts in the portfolio on a systematic basis. The rate of amortisation is chosen by considering the profile of the value of in-force business acquired and the expected depletion in its value.

AVIF is recognised, amortised, and tested for impairment annually by reference to the present value of estimated future profits. Significant estimates include forecast cash flows and discount rates.

(p) Offsetting

Offsetting is applied when the Group has the right to receive amounts on a net basis from the counterparty and the Group has the intention to settle on a net basis for the amounts due to the Group and due to the counterparty.

(q) Pension costs

The Group's staff, who are employed by Utmost Services Ireland Limited are entitled to join a Defined Contribution Plan; the Utmost Ireland Pension Scheme.

Defined Contribution Plan: Payments are made by the Group to a pension fund, independent of the Group. The Group's contributions are recorded as an expense in the statement of comprehensive income.

(r) Finance costs

Interest payable is recognised in the Statement of Comprehensive Income as it accrues.

Notes to the Financial Statements (continued)

1. Accounting Policies (continued)

(s) 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.

(t) Other receivables

Other receivables include debtors arising out of investment and insurance contracts as well as investment dealing debtors. Other receivables are accounted for at amortised cost less impairment.

(u) Provisions and contingencies

Provisions are recognised in respect of present legal or constructive obligations arising from past events where it is probable that outflows of economic resources will be required to settle the obligations and they can be reliably estimated.

Contingent liabilities are possible obligations whose existence depends on the outcome of uncertain future events or those present obligations where the outflows of economic resources are uncertain or cannot be measured reliably. Contingent liabilities are not recognised in the financial statements but are disclosed unless they are remote.

A provision is recognised for onerous contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs reflect the lowest net cost of exiting the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

(v) Property, plant, and equipment

Property, plant, and equipment are stated at historic purchase cost less accumulated depreciation. The costs of property, plant and equipment are depreciated over their expected useful lives on a straight-line basis as follows:

Leasehold improvement, Fixtures and Fittings - 20% Straight Line

Computer hardware and software - 50% Straight Line

Leasehold Property – remaining term of lease

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it's probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2. Subsidiaries

The consolidated financial statements include the following subsidiaries:

Subsidiary	Date of acquisition	Registered address/ business office	Nature of business	Shares held
Harcourt Life Corporation dac (Dissolved 23 Aug 2023)	11 Mar 2015	Ashford House 18-23 Tara Street Dublin 2, Ireland	Management activities	100% of issued share capital
Utmost PanEurope dac (previously Generali PanEurope dac)	19 June 2018	Navan Business Park Athlumney, Navan Co Meath, Ireland	Life insurance	100% of issued share capital
Utmost Services Ireland Limited	18 Aug 2015 (incorporation date)	Ashford House 18-23 Tara Street Dublin 2, Ireland	Management and administration services	100% of issued share capital
Athlumney Kappa (Ireland) dac (previously Quilter International Ireland)	30 Nov 2021	Ashford House 18-23 Tara Street Dublin 2, Ireland	Life insurance	100% of issued share capital
Utmost Bermuda Limited (previously Altraplan Bermuda Limited)	30 Nov 2016	Clarendon House 2 Church Street Hamilton HM 11 Bermuda	Life insurance	100% of issued share capital

3. Segment Reporting

Based on the criteria in IFRS 8, the operating segments of the Group are determined to be:

Utmost Wealth Solutions ("UWS")

A provider of wealth solutions through the sale of unit-linked life assurance products. Also developing insurance solutions, which are aligned to local fiscal and regulatory laws, which may be tailored to meet the unique and exacting requirements of ultra-high-net-worth clients. These solutions are offered through the development and utilisation of the Group's UK and pan-European network of Private Banking relationships. The Group also offers retail and affluent individuals' flexible products for medium to long term financial planning.

Utmost Corporate Solutions ("UCS")

A provider of cross border employee benefits business including life cover, income protection and critical illness cover to corporate clients to protect their employees. UCS specialises in the provision of benefits to multinational corporations with employees in multiple jurisdictions.

The performance of the segments is based upon the non-GAAP measure of operating profit. The Group's internal definition of operating profit is considered by management to provide a better view of the Group's underlying quality of earnings compared to the IFRS profit before interest and tax (PBIT) figure.

3. Segment Reporting (continued)

Operating profit	2023 €'000	Restated 2022 €'000
UWS	43,738	37,192
UCS	(2,154)	8,784
Total segmental operating profit	**41,584**	**45,976**
Amortisation of AVIF	(12,685)	(37,721)
Depreciation	(1,246)	(1,313)
Finance costs	(4,641)	(6,611)
Profit before tax	**23,012**	**331**

	UWS 2023 €'000	UCS 2023 €'000	Total 2023 €'000	UWS 2022 €'000	UCS 2022 €'000	Total 2022 €'000
Insurance revenue	1,891	(424)	1,467	1,790	2,767	4,557
Fees and charges receivable	90,705	-	90,705	92,322	-	92,322
Other operating income	8,260	-	8,260	3,856	-	3,856
Total segmental revenue	**100,856**	**(424)**	**100,432**	**98,768**	**2,767**	**100,735**

4. Fees and charges receivable on investment business

	2023 €'000	Restated 2022 €'000
Fee income from investment contracts	84,460	87,973
Net movement in deferred front-end fees	352	(2,958)
Other fee income — including commission and rebates	5,893	7,307
Total fee income	**90,705**	**92,322**

Notes to the Financial Statements (continued)

5. Net Financial Result

	UWS 2023 €'000	UCS 2023 €'000	Total 2023 €'000
Net investment income – underlying assets			
Interest revenue from financial assets not measured at FVTPL	-	-	-
Net gains on FVTPL investments	2,009,367	-	2,009,367
Net investment income - underlying assets	**2,009,367**	**-**	**2,009,367**
Net investment income – other investments			
Interest revenue from financial assets not measured at FVTPL	12,590	-	12,590
Net gains on FVTPL investments	13,305	2,563	15,868
Net investment income - other investments	**25,895**	**2,563**	**28,458**
Net investment expense – other			
Net change in investment contract liabilities	(1,781,647)	-	(1,781,647)
Net investment expense - other	**(1,781,647)**	**-**	**(1,781,647)**
Total net investment income	**253,615**	**2,563**	**256,178**
Finance (expenses) Income from insurance contracts issued			
Change in the fair value of underlying assets of contracts measured under the VFA	(275,246)	-	(275,246)
Interest Accreted	242	(8,061)	(7,819)
Effect of changes in interest rates and other financial assumptions	500	(9,911)	(9,411)
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	(175)	-	(175)
Changes in foreign exchange	(5,987)	(69)	(6,056)
Finance (expense) from insurance contracts Issued	**(280,666)**	**(18,041)**	**(298,707)**
Finance Income from reinsurance contracts Held			
Interest Accreted	3,716	6,700	10,416
Effect of changes in interest rates and other financial assumptions	20,446	6,978	27,424
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	-	-	-
Changes in foreign exchange	3,119	70	3,189
Finance Income from reinsurance contracts Held	**27,281**	**13,748**	**41,029**
Net Insurance Finance expenses	**(253,385)**	**(4,293)**	**(257,678)**
Summary of the Amounts Recognised in Profit or Loss			
Net Investment Income – underlying assets	1,948,619	-	1,948,619
Net Investment Income – other investments	25,895	2,563	28,458
Net Investment expense – other	(1,713,721)	-	(1,713,721)
Net insurance finance expenses	(253,385)	(4,293)	(257,678)
Net Insurance Finance Income/(expense)	**7,408**	**(1,730)**	**5,678**
Summary of the Amounts Recognised in Profit or Loss			
Insurance Service Result	1,891	(424)	1,467
Net Investment Income	253,615	2,563	256,178
Net Insurance Finance expense	(253,385)	(4,293)	(257,678)
Net Insurance and Investment Results	**2,121**	**(2,154)**	**(33)**

5. Net Financial Result (continued)

	UWS 2022 €'000	UCS 2022 €'000	Total 2022 €'000
Net investment expenses – underlying assets			
Interest revenue from financial assets not measured at FVTPL	-	-	-
Net gains on FVTPL investments	(3,233,088)	-	(3,233,088)
Net investment expense - underlying assets	**(3,233,088)**	**-**	**(3,233,088)**
Net investment income/(expense) – other investments			
Interest revenue from financial assets not measured at FVTPL	1,880	-	1,880
Net gains on FVTPL investments	(8,941)	(155)	(9,096)
Net investment expense - other investments	**(7,061)**	**(155)**	**(7,216)**
Net investment income – other			
Net change in investment contract liabilities	2,852,434	-	2,852,434
Net investment income- other	**2,852,434**	**-**	**2,852,434**
Total net investment expense	**(387,715)**	**(155)**	**(387,870)**
Finance Income (expenses) from insurance contracts issued			
Change in the fair value of underlying assets of contracts measured under the VFA	455,930	-	455,930
Interest Accreted	(2,886)	878	(2,008)
Effect of changes in interest rates and other financial assumptions	807	38,378	39,185
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	573	-	573
Changes in foreign exchange	13,380	782	14,162
Finance Income from insurance contracts Issued	**467,804**	**40,038**	**507,842**
Finance expense from reinsurance contracts Held			
Interest Accreted	(76,076)	(637)	(76,713)
Effect of changes in interest rates and other financial assumptions	(1,593)	(32,444)	(34,037)
Effect of changes in FCF at current rates when CSM is unlocked at locked in rates	-	-	-
Changes in foreign exchange	(9,004)	(786)	(9,790)
Finance expense from reinsurance contracts Held	**(86,673)**	**(33,867)**	**(120,540)**
Net Insurance Finance Income	**381,131**	**6,171**	**387,302**
Summary of the Amounts Recognised in Profit or Loss			
Net Investment Expense – underlying assets	(3,233,088)	-	(3,233,088)
Net Investment Expense – other investments	(7,061)	(155)	(7,216)
Net Investment Income – other	2,852,434	-	2,852,434
Net Insurance Finance Income	381,131	6,171	387,302
Net financial result	**(6,584)**	**6,016**	**(568)**
Summary of the Amounts Recognised in Profit or Loss			
Insurance Service Result	1,787	2,770	4,557
Net Investment Expense	(387,715)	(155)	(387,870)
Net Insurance Finance Income	381,131	6,171	387,302
Net Insurance and Investment Results	**(4,797)**	**8,786**	**3,989**

6. Other operating expenses

	2023 €'000	Restated 2022 €'000
Claims and benefits	144,465	124,822
Staff costs		
Wages and salaries	23,054	23,177
Social insurance costs	3,028	3,158
Pension costs – defined contributions	1,420	1,546
Termination costs	50	-
Other staff costs	1,537	1,725
	29,089	**29,606**
Depreciation of property, plant, and equipment	1,246	1,313
Audit fees	957	858
Audit fees - Solvency II related	113	234
Professional fees	14,316	19,251
Commission expenses	19,953	13,851
Other administrative costs	8,992	6,300
Total expenses	**219,244**	**196,235**
Other operating expenses	58,594	55,504
Insurance service expenses	160,650	140,731
	219,244	**196,235**

Auditors' Remuneration

The remuneration of the auditors for UHIL Company is further analysed as follows:

	2023 €'000	2022 €'000
Auditors' remuneration PricewaterhouseCoopers (PWC Ireland)		
Audit of the financial statements	82	94
Audit related assurance services including Solvency II	40	58
Non-audit services		-
Total auditors remuneration	122	152

7. Directors' emoluments

Included in administration expenses are directors' emoluments:

	2023 €'000	2022 €'000
Directors' emoluments	852	1,225
Directors' pension contributions	67	70
Non- executive directors' emoluments	189	189
Total	**1,108**	**1,484**

The pension contributions are made on behalf of two directors. The contributions are paid to the Utmost Ireland pension scheme. The aggregate amount of the gains by the directors on the exercise of share options during the year ended 31 December 2023 was nil (2022: nil).

Average monthly number of employees for UHIL (including the Directors) during 2023 were Nil (2022: Nil). All Group employees are employees of USIL. The average number of employees during 2023 was 391 (2022: 386).

8. Finance costs

	2023 €'000	2022 €'000
Interest expense on borrowings	4,641	6,611
Total	**4,641**	**6,611**

The interest expense on borrowings arises on financial liabilities measured at amortised cost. The borrowings in place at 31 December 2023 are detailed in note 24. The Group has a foreign exchange exposure as the loans are denominated in GBP.

9. Tax (charge)/credit

	Consolidated		Company	
	2023 €'000	Restated 2022 €'000	2023 €'000	2022 €'000
Irish corporation tax:				
Current tax on profit for the financial year	2,690	5,117	-	(46)
Total charge	**2,690**	**5,117**	**-**	**(46)**

The following table explains the difference between the tax charge that would result from applying the standard corporation tax rate in Ireland of 12.5% (Consolidated) and 25% (Company) and the actual tax charge for the year:

	2023 €'000	2022 €'000	2023 €'000	2022 €'000
Profit on ordinary activities before tax	**23,011**	**331**	**31,969**	**46,993**
Profit on ordinary activities multiplied by standard tax rate of 12.5% (Consolidated) and 25% (Company)	2,877	41	7,992	11,748
Expenses not deductible for tax purposes- permanent differences	1,078	1,495	1,199	173
Prior year over provision	(508)	(153)	-	-
Income not taxed due to loss relief (non-trade charges)	-	-	(6)	-
Losses utilised on which no deferred tax recognised	(321)	(825)	-	-
Franked investment income	-	-	(9,375)	(12,500)
Fair value adjustment on investment in subsidiaries	(50)	5,147	-	-
Fair value gains not taxable	-	-	190	579
Irish income tax	99	180	-	-
Foreign tax effect	201	387	-	-
Losses surrendered for group relief	-	-	-	(46)
Group relief claimed	(685)	(1,155)	-	-
Total charge/ (credit)	**2,690**	**5,117**	**-**	**(46)**

9. Tax (charge)/credit (continued)

As at 31 December 2023 the Group had a net deferred tax liability of €23,699,000 in relation to timing differences (2022: €23,502,000), which is recognised in the financial statements.

Deferred tax assets	Consolidated 2023 €'000	2022 €'000
Balance at 1 January	3,930	6,675
Arising from Section 13 transfer	-	2,749
Deferred tax charge for the financial year	(3,147)	(5,494)
Balance at 31 December	**783**	**3,930**

Deferred tax liabilities	2023 €'000	2022 €'000
Balance at 1 January	(27,432)	(28,780)
Arising from Section 13 transfer	-	(8,240)
Deferred tax credit for the financial year	2,950	9,588
Balance at 31 December	**(24,482)**	**(27,432)**
Net deferred tax liability	**(23,699)**	**(23,502)**

The Group's current view is that it will not be in scope of the Pillar 2 international minimum 15% tax regime in 2024, based on our interpretation of OECD Agreed Administrative Guidance that policyholders' investment return from unit linked policies should not be considered "revenue" of the insurer for the purposes of the scoping test whereby group "revenues" must exceed EUR 750 million for 2 of previous 4 years. It is acknowledged there is currently some uncertainty over this definition and how tax authorities relevant to the Utmost Group will interpret it in local law in future. It is also noted that the group has growth expectations and acquisition ambitions. We consider it likely we will generate future annual revenues that exceed EUR 750m per annum.

The rules are highly complex but based on 2023 consolidated IFRS accounting profits subject to Pillar 2 we would not expect any additional tax to be suffered to be significant under Irish Pillar 2 rules were it to fall in scope because it already suffers local tax at a rate of 12.5% on Pillar 2 profits.

Tax losses for which no deferred tax asset is recognised.

The Irish Group has gross tax losses of €38.3m (2022: €40.8m) in respect of which no deferred tax asset is recognised, because it is not currently considered probable the losses will be utilised.

10. Acquired value of in-force business

	2023 €'000	Restated 2022 €'000
Cost		
At 1 January	270,756	302,696
IFRS 17 transition impact	-	(31,940)
At 31 December	**270,756**	**270,756**
Accumulated amortisation		
At 1 January	112,399	74,678
Reversal of impairment / impairment	(9,854)	9,854
Charge for the financial year	22,539	27,867
At 31 December	**125,084**	**112,399**
Net book value		
At 31 December	**145,672**	**158,357**
Current portion	20,247	22,539
Non-current portion	125,425	135,818
Total	**145,672**	**158,357**

The AVIF is calculated based on the present value of expected future profits on the Utmost Pan Europe, Aegon Ireland and Quilter Ireland portfolio of investment contracts, allowing for the cost of capital. Key assumptions include future lapse and expense assumptions. The AVIF is being amortised in line with the projected run-off of the Solvency II best estimate liabilities. The AVIF is reviewed for impairments at each reporting date by reference to the value of future profits in accordance with Solvency II principles.

11. Deferred acquisition costs

	2023 €'000	Restated 2022 €'000
Balance at 1 January	49,061	33,479
Costs deferred in current financial year	12,702	20,115
Release to income statement	(7,708)	(4,534)
Balance at 31 December	**54,055**	**49,060**
Current portion	2,180	8,740
Non-current portion	51,875	40,320
Total	**54,055**	**49,060**

12. Other investments

	Consolidated 2023 €'000	Consolidated 2022 €'000
Other investments		
Debt securities – Fair value through profit or loss	23,369	35,553
Debt securities – Amortised cost	10,133	10,144
Investment funds – Fair value through profit or loss	72,543	37,394
Total other investments	**106,045**	**83,091**
Underlying items		
Investment funds – Fair value through profit or loss	69,688	68,272
Total underlying items	**69,688**	**68,272**
Balance at 31 December	**175,733**	**151,363**

Investment funds includes the Group's holdings in the Oaktree European Senior Loan Fund, domiciled in Luxembourg. This fund has monthly valuation and liquidity. This investment falls into the Level 2 fair value hierarchy. The Group's holdings are in the EUR share class and are valued at €24,669,000 at 31 December 2023 (2022: €24,561,000 - The investment was sold out of the GBP share class and re-invested into the Euro Share class in November 2023). Dividends are made quarterly and were switched from a stock dividend to a cash dividend during 2023. The investment return on the investment is attributable in full to the Group. The security is held subject to prices in the future which are uncertain. The price risk falls to the Group but is not considered significant as at 31 December 2023 and 31 December 2022.

13. Investment in subsidiaries

	Company 2023 €'000	Company 2022 €'000
Investment in subsidiaries		
Investment in Utmost PanEurope dac	269,500	269,500
Investment in Utmost Services Ireland Limited	352	(889)
Total investment in subsidiaries	**269,852**	**268,611**
Investment in subsidiaries – movement		
Balance at 1 January	268,611	270,924
Investment in subsidiary	2,000	-
Fair value loss in subsidiaries	(759)	(2,313)
Balance at 31 December	**269,852**	**268,611**

14. Financial assets at fair value held to cover linked liabilities.

Investments	Consolidated 2023 €'000	Consolidated Restated 2022 €'000
Bonds	3,737,877	2,393,490
Equities	2,918,537	2,260,203
Funds	17,414,662	16,226,099
Derivatives	3,768	11,505
Other investments	640,008	530,081
Cash and cash equivalents	1,515,081	2,037,789
Total	**26,229,933**	**23,459,167**

Other investments include holdings in Structured Notes, Collateralised Securities, Loans, and Investment Properties. Derivative instruments are used for the purposes of currency hedging for reducing investment risk or facilitating efficient portfolio management. The underlying investment(s) of each derivative must be a permitted investment under the terms of the Group permissible investment list.

15. Italian withholding tax prepayment and accrual

	2023 €'000	2022 €'000
Asset		
Balance at 1 January	123,015	129,460
Payable in respect of 2023	17,571	-
Payable in respect of 2022	-	(1,031)
Recovered from policyholders during the year	(12,943)	(5,414)
Offset special credit	(18,286)	-
Balance at 31 December	**109,357**	**123,015**
Liability		
Balance at 1 January	-	20,560
Payable in respect of 2023	17,571	-
Payable in respect of 2022	-	(1,031)
Offset special credit	(17,571)	-
Paid during the year	-	(19,529)
Balance at 31 December	-	-
Maturity analysis of tax expected to be recovered		
In one financial year or less	-	-
In more than one financial year, but not more than five financial years	109,357	123,015
In more than five financial years, but not more than twenty financial years	-	-
Total	**109,357**	**123,015**

16. Other receivables

	2023 €'000	2022 €'000
Prepayments and accrued income	21,559	25,023
Amounts due from other group companies	23,568	19,183
Other debtors	15,195	22,102
Balance at 31 December	**60,322**	**66,308**
Current portion	60,322	66,308
Non-current portion	-	-
Total	**60,322**	**66,308**

17. Cash and cash equivalents

	Consolidated		Company	
	2023 € '000	2022 € '000	2023 € '000	2022 € '000
Cash at bank	83,868	85,712	1,681	230
	83,868	**85,712**	**1,681**	**230**

18. Investment contract liabilities

The following table summarises the movement in financial liabilities under investment contracts during the year:

	2023 €'000	Restated 2022 €'000
Balance at start of year	20,053,498	21,876,216
Portfolio transfer	-	9,413
Deposits to investment contracts	1,992,423	2,187,574
Withdrawals from investment contracts	(1,527,230)	(886,005)
Fees and charges deducted including third party charges	(85,094)	(70,448)
Commission and rebates receivable	362	-
Change in investment contract liabilities	1,781,647	(2,852,434)
Other movements	-	(4,572)
Foreign exchange movement	121,264	(206,246)
Movement in the year	**2,283,372**	**(1,822,718)**
Closing balance carried forward	**22,336,870**	**20,053,498**

19. Insurance contract assets and liabilities

	UWS 2023 €'000	UCS 2023 €'000	Total 2023 €'000	Current portion 2023 €'000	Non-current portion 2023 €'000	Total 2023 €'000
Insurance Contract Assets	96	-	**96**	**1**	**95**	**96**
Insurance Contract Liabilities	(4,231,949)	(314,909)	**(4,546,858)**	**(353,827)**	**(4,193,031)**	**(4,546,858)**
Reinsurance Contract Assets	304,527	249,855	**554,382**	**99,422**	**454,960**	**554,382**
Reinsurance Contract Liabilities	-	-	-	-	-	-

	Restated UWS 2022 €'000	Restated UCS 2022 €'000	Restated Total 2022 €'000	Current portion 2022 €'000	Non-current portion 2022 €'000	Restated Total 2022 €'000
Insurance Contract Assets	86	-	**86**	(1)	87	**86**
Insurance Contract Liabilities	(3,773,196)	(247,180)	**(4,020,376)**	(332,939)	(3,687,437)	**(4,020,376)**
Reinsurance Contract Assets	309,670	191,768	**501,438**	104,210	397,228	**501,438**
Reinsurance Contract Liabilities	-	-	-	-	-	-

20. Insurance service result

	UWS 2023 €'000	UCS 2023 €'000	Total 2023 €'000
Insurance Revenue			
Amounts Relating to the Changes in the LRC:			
-Expected incurred claims and other expenses after loss component allocation	3,956	100,015	103,971
-Changes in the risk adjustment for non-financial risk for the risk expired after loss component allocation	928	9,033	9,961
-CSM recognised in profit or loss for the services provided	1,635	20,656	22,291
Insurance acquisition cash flows recovery	104	6,735	6,839
Total insurance revenue	**6,623**	**136,439**	**143,062**
Insurance service expenses			
Incurred claims and other directly attributable expenses	(3,998)	(106,510)	(110,508)
Changes that relate to past service – adjustments to the LIC	-	(30,875)	(30,875)
Losses on onerous contracts and reversal of the losses	(215)	(12,213)	(12,428)
Insurance acquisition cash flows amortisation	(104)	(6,735)	(6,839)
Total insurance service expenses	**(4,317)**	**(156,333)**	**(160,650)**
Net expenses from reinsurance contracts Held			
Reinsurance Expense – Contracts not measured under the PAA			
Amounts relating to changes in the remaining coverage:			
-Expected claims and other expenses recovery	(21)	(75,684)	(75,705)
-Changes in the risk adjustment recognised for the risk expired	(198)	(6,974)	(7,172)
-CSM recognised for the services received	(197)	(15,455)	(15,652)
Reinsurance expense – contracts not measured under the PAA	**(416)**	**(98,113)**	**(98,529)**
Other incurred directly attributable expenses	-	(96)	(96)
Effects of changes in the risk of reinsurers non-performance	-	77,172	77,172
Claims recovered	-	11,513	11,513
Changes that relate to future service – changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts			
Changes that relate to past service – adjustments to incurred claims	-	28,995	28,995
Total net income from reinsurance contracts Held	**-**	**117,584**	**117,584**
Total insurance service result	**1,890**	**(423)**	**1,467**

Notes to the Financial Statements (continued)

20. Insurance service result (continued)

	Restated UWS 2022 €'000	Restated UCS 2022 €'000	Restated Total 2022 €'000
Insurance Revenue			
Amounts Relating to the Changes in the LRC:			
-Expected incurred claims and other expenses after loss component allocation	4,047	102,681	106,728
-Changes in the risk adjustment for non-financial risk for the risk expired after loss component allocation	1,094	8,733	9,827
-CSM recognised in profit or loss for the services provided	1,092	12,459	13,551
Insurance acquisition cash flows recovery	65	5,105	5,170
Total insurance revenue	**6,298**	**128,978**	**135,276**
Insurance service expenses			
Incurred claims and other directly attributable expenses	(3,670)	(62,552)	(66,222)
Changes that relate to past service – adjustments to the LIC	-	(63,895)	(63,895)
Losses on onerous contracts and reversal of the losses	(410)	(5,036)	(5,446)
Insurance acquisition cash flows amortisation	(61)	(5,107)	(5,168)
Total insurance service expenses	**(4,141)**	**(136,590)**	**(140,731)**
Net expenses from reinsurance contracts Held			
Reinsurance Expense – Contracts not measured under the PAA			
Amounts relating to changes in the remaining coverage:			
-Expected claims and other expenses recovery	(29)	(73,562)	(73,591)
-Changes in the risk adjustment recognised for the risk expired	(197)	(6,712)	(6,909)
-CSM recognised for the services received	(256)	(7,460)	(7,716)
Reinsurance expense – contracts not measured under the PAA	**(482)**	**(87,734)**	**(88,216)**
Other incurred directly attributable expenses			
Effects of changes in the risk of reinsurers non-performance	-	55	55
Claims recovered	109	134,554	134,663
Changes that relate to future service – changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	6	9,198	9,204
Changes that relate to past service – adjustments to incurred claims	-	(45,694)	(45,694)
Total net income from reinsurance contracts Held	**(367)**	**10,379**	**10,012**
Total insurance service result	**1,790**	**2,767**	**4,557**

21. Amounts determined on transition to IFRS 17

	UWS 2023 €'000	UCS 2023 €'000	Total 2023 €'000
Insurance contracts issued			
Insurance Revenue			
New Contracts	901	112,287	113,188
Contracts measured under the fair value approach at transition	5,722	24,153	29,875
Total	**6,623**	**136,440**	**143,063**
CSM at 31 December			
New Contracts	11,201	5,255	16,456
Contracts measured under the fair value approach at transition	19,278	46	19,324
Balance at 31 December	**30,479**	**5,301**	**35,780**
Reinsurance contracts held			
New Contracts	-	(3,680)	(3,680)
Contracts measured under the fair value approach at transition	(1,944)	(40)	(1,984)
Balance at 31 December	**(1,944)**	**(3,720)**	**(5,664)**

	UWS 2022 €'000	UCS 2022 €'000	Total 2022 €'000
Insurance contracts issued			
Insurance Revenue			
New Contracts	538	66,120	66,658
Contracts measured under the fair value approach at transition	5,760	62,858	68,618
Total	**6,298**	**128,978**	**135,276**
CSM at 31 December			
New Contracts	4,369	2,884	7,253
Contracts measured under the fair value approach at transition	12,925	1,686	14,611
Balance at 31 December	**17,294**	**4,570**	**21,864**
Reinsurance contracts held			
New Contracts	-	(2,380)	(2,380)
Contracts measured under the fair value approach at transition	(2,203)	(1,362)	(3,565)
Balance at 31 December	**(2,203)**	**(3,742)**	**(5,945)**

22. Expected recognition of the contractual service margin

Number of years until expected to be recognised As at 31 December 2023	Insurance contracts issued UWS 2023 €'000	UCS 2023 €'000	Total CSM for insurance contracts issued 2023 €'000	Reinsurance contracts held UWS 2023 €'000	UCS 2023 €'000	Total CSM for reinsurance contracts held 2023 €'000
1	1,806	3,197	**5,003**	(104)	(2,333)	**(2,437)**
2	2,696	1,912	**4,608**	(860)	(1,240)	**(2,100)**
3	1,653	191	**1,844**	(90)	(145)	**(235)**
4	1,570	2	**1,572**	(83)	(1)	**(84)**
5	1,489	-	**1,489**	(76)	-	**(76)**
6-10	6,344	-	**6,344**	(295)	-	**(295)**
>10	14,920	-	**14,920**	(438)	-	**(438)**
Total	30,478	5,302	35,780	(1,946)	(3,719)	(5,665)

Number of years until expected to be recognised As at 31 December 2022	Insurance contracts issued UWS 2022 €'000	UCS 2022 €'000	Total CSM for insurance contracts issued 2022 €'000	Reinsurance contracts held UWS 2022 €'000	UCS 2022 €'000	Total CSM for reinsurance contracts held 2022 €'000
1	1,064	3,293	**4,357**	(125)	(2,772)	**(2,897)**
2	1,818	1,130	**2,948**	(813)	(867)	**(1,680)**
3	972	147	**1,119**	(110)	(104)	**(214)**
4	922	-	**922**	(102)	-	**(102)**
5	873	-	**873**	(95)	-	**(95)**
6-10	3,686	-	**3,686**	(376)	-	**(376)**
>10	7,959	-	**7,959**	(581)	-	**(581)**
Total	17,294	4,570	21,864	(2,202)	(3,743)	(5,945)

The tables below set out the yield curves used to discount the cash flows of insurance contracts for major currencies.

	2023 1 year	5 years	10 years	15 years	20 years	2022 1 year	5 years	10 years	15 years	20 years
USD	4.76%	3.50%	3.45%	3.49%	3.46%	5.07%	3.95%	3.75%	3.71%	3.63%
GBP	4.74%	3.36%	3.28%	3.40%	3.43%	4.46%	4.06%	3.71%	3.62%	3.54%
EUR	3.36%	2.32%	2.39%	2.47%	2.41%	3.18%	3.13%	3.09%	3.02%	2.77%
EUR (Annuities)	4.70%	3.66%	3.73%	3.81%	3.75%	4.59%	4.54%	4.50%	4.43%	4.18%

3. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment

i) Reconciliation of the liability for remaining coverage and the liability for incurred claims

	UWS	UWS	UWS	UWS	UCS	UCS	UCS	UCS
	LRC				LRC			
	Excl. Loss component	Loss component	LIC	Total	Excl. Loss component	Loss component	LIC	Total
	2023	2023	2023	2023	2023	2023	2023	2023
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Opening insurance contract liabilities	(3,763,424)	(408)	-	**(3,763,832)**	(14,981)	(5,026)	(238,757)	**(258,764)**
Opening insurance contract assets	86	-	-	**86**	-	-	-	-
Net balance at 1 January	(3,763,338)	(408)	-	(3,763,746)	(14,981)	(5,026)	(238,757)	(258,764)
Insurance revenue	**6,623**	-	-	**6,623**	**136,439**	-	-	**136,439**
Insurance service expenses								
Incurred claims and directly attributable expenses	-	30	(4,028)	**(3,998)**	-	9,503	(116,013)	**(106,510)**
Changes that relate to past service -adjustments to the LIC	-	-	-	-	-	-	(30,875)	**(30,875)**
Losses on onerous contracts and reversal of those losses	-	(215)	-	**(215)**	-	(12,214)	-	**(12,214)**
Insurance acquisition cashflows	(103)	-	-	**(103)**	(6,735)	-	-	**(6,735)**
Insurance Service expenses	**(103)**	**(185)**	**(4,028)**	**(4,316)**	**(6,735)**	**(2,711)**	**(146,888)**	**(156,334)**
Insurance Service result	6,520	(185)	(4,028)	2,307	129,704	(2,711)	(146,888)	(19,895)
Finance income/(expense) from insurance contracts issued	(280,666)	-	-	**(280,666)**	(3,961)	(9)	(14,071)	**(18,041)**
Total amounts recognised in comprehensive income	(274,147)	(185)	(4,028)	(278,359)	125,743	(2,720)	(160,959)	(37,936)
Investment components	238,765	-	(238,765)	-	14	-	(14)	-
Cashflows								
Premiums received	(422,777)	-	-	**(422,777)**	**(138,441)**	-	-	**(138,441)**
Claims and other directly attributable expenses paid	-	-	242,793	**242,793**	-	-	96,909	**96,909**
Insurance acquisition cashflows	1,282	-	-	**1,282**	8,836	-	-	**8,836**
Total Cashflows	**(421,495)**	-	**242,793**	**(178,702)**	**(129,605)**	-	**96,909**	**(32,696)**
Net balance as at 31 December	(4,220,214)	(593)	-	(4,220,807)	(18,829)	(7,745)	(302,821)	(329,395)
Closing insurance contract liabilities	**(4,220,310)**	**(593)**	-	**(4,220,903)**	**(18,829)**	**(7,745)**	**(302,821)**	**(329,395)**
Closing insurance contract assets	**96**	-	-	**96**	-	-	-	-
Net balance as at 31 December	(4,220,214)	(593)	-	(4,220,807)	(18,829)	(7,745)	(302,821)	(329,395)

3. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment

ı) Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

	UWS LRC Excl. Loss component 2022 €'000	UWS Loss component 2022 €'000	UWS LIC 2022 €'000	UWS Total 2022 €'000	UCS LRC Excl. Loss component 2022 €'000	UCS Loss component 2022 €'000	UCS LIC 2022 €'000	UCS Total 2022 €'000
Opening insurance contract liabilities	(3,863,143)	-	-	**(3,863,143)**	(22,319)	-	(229,707)	**(252,026)**
Opening insurance contract assets	142	-	-	**142**	-	-	-	-
Net balance at 1 January	**(3,863,001)**	-	-	**(3,863,001)**	**(22,319)**	-	**(229,707)**	**(252,026)**
Insurance revenue	**6,298**	-	-	**6,298**	**128,978**	-	-	**128,978**
Insurance service expenses								
Incurred claims and directly attributable expenses	-	18	(3,670)	**(3,652)**	-	4,784	(115,814)	**(111,030)**
Changes that relate to past service -adjustments to the LIC	-	-	-	-	-	-	(10,632)	**(10,632)**
Losses on onerous contracts and reversal of those losses	-	(427)	-	**(428)**	-	(9,820)	-	**(9,820)**
Insurance acquisition cashflows	(66)	-	-	**(67)**	(5,104)	-	-	**(5,104)**
Insurance Service expenses	**(66)**	**(409)**	**(3,670)**	**(4,145)**	**(5,104)**	**(5,036)**	**(126,446)**	**(136,586)**
Insurance Service result	**6,232**	**(409)**	**(3,670)**	**2,153**	**123,874**	**(5,036)**	**(126,447)**	**(7,608)**
					-	-	-	-
Finance income/(expense) from insurance contracts issued	467,803	1	-	**467,804**	1,986	10	38,042	**40,038**
Total amounts recognised in comprehensive income	**474,035**	**(408)**	**(3,670)**	**469,956**	**125,860**	**(5,026)**	**(88,405)**	**32,430**
Investment components	**120,137**	-	**(120,137)**	-	**14**	-	**(14)**	-
Cashflows								
Premiums received	(495,936)	-	-	**(495,936)**	(126,191)	-	-	**(126,191)**
Claims and other directly attributable expenses paid	-	-	123,807	**123,807**	-	-	79,368	**79,368**
Insurance acquisition cashflows	1,428	-	-	**1,428**	7,655	-	-	**7,655**
Total Cashflows	**(494,508)**	-	**123,807**	**(370,701)**	**(118,536)**	-	**79,368**	**(39,168)**
Net balance as at 31 December	**(3,763,338)**	**(408)**	-	**(3,763,746)**	**(14,981)**	**(5,026)**	**(238,757)**	**(258,764)**
Closing insurance contract liabilities	(3,763,424)	(408)	-	**(3,763,831)**	(14,981)	(5,026)	(238,757)	**(258,764)**
Closing insurance contract assets	86	-	-	**86**	-	-	-	-
Net balance as at 31 December	**(3,763,338)**	**(408)**	-	**(3,763,746)**	**(14,981)**	**(5,026)**	**(238,757)**	**(258,764)**

3. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment

i) Reconciliation of the liability for remaining coverage and the liability for incurred claims (continued)

The premium receivables balance forms part of the Liability for Remaining Coverage and the Claims payable balance forms part of the Liability for Incurred Claims. Both balances form part of the Present Value of Future Cashflows.

Gross	Premium receivable		Claims payable		Commission payable		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Opening balance 1 January	13,204	15,911	(9,425)	(10,276)	(1,559)	(2,351)	2,220	3,284
Incurred	561,218	622,127	(323,219)	(187,801)	(12,132)	(10,361)	225,867	423,965
Received	(557,790)	(624,802)	321,721	188,589	11,571	11,148	(224,498)	(425,065)
FX	43	(32)	(189)	65	(3)	5	(149)	36
Closing balance 31 December	**16,675**	**13,204**	**(11,111)**	**(9,425)**	**(2,124)**	**(1,559)**	**3,440**	**2,220**

	UWS	UCS	Total	UWS	UCS	Total
	2023	2023	2023	2022	2022	2022
	€'000	€'000	€'000	€'000	€'000	€'000
Insurance contract liabilities / Reinsurance contract assets Per 23 (a)	4,220,903	329,395	4,550,298	3,763,832	258,764	4,022,596
Premium receivable	-	(16,675)	(16,675)	-	(13,204)	(13,204)
Claims payable	11,047	64	11,111	9,364	61	9,425
Commission payable	-	2,124	2,124	-	1,559	1,559
Closing balance 31 December	**4,231,950**	**314,908**	**4,546,858**	**3,773,196**	**247,180**	**4,020,376**

3. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(b) Reconciliation of the measurement components of insurance contract balances

	UWS Present value of future cashflows 2023 €'000	UWS Risk adjustment for non-financial risk 2023 €'000	UWS CSM 2023 €'000	UWS Total 2023 €'000	UCS Present value of future cashflows 2023 €'000	UCS Risk adjustment for non-financial risk 2023 €'000	UCS CSM 2023 €'000	UCS Total 2023 €'000
Opening insurance contract liabilities	(3,736,279)	(10,263)	(17,290)	**(3,763,832)**	(238,551)	(15,643)	(4,570)	**(258,764)**
Opening insurance contract assets	90	-	(4)	**86**	-	-	-	-
Net balance at 1 January	**(3,736,189)**	**(10,263)**	**(17,294)**	**(3,763,746)**	**(238,551)**	**(15,643)**	**(4,570)**	**(258,764)**
Changes that relate to current service								
CSM recognised in profit or loss for the services provided	-	-	1,635	**1,635**	-	-	20,656	**20,656**
Changes in the risk adjustments for non-financial risk expired service	-	928	-	**928**	-	9,033	-	**9,033**
Experience adjustments	(41)	-	-	**(41)**	(6,495)	-	-	**(6,495)**
	(41)	**928**	**1,635**	**2,522**	**(6,495)**	**9,033**	**20,656**	**23,194**
Changes that relate to future service								
Changes in estimates that adjust the CSM	**7,809**	**(587)**	**(7,222)**	-	**11,478**	**(219)**	**(11,259)**	-
Changes in estimates that result in onerous contract losses or reversal of losses	(46)	-	-	**(46)**	(4,121)	-	-	**(4,121)**
Contracts initially recognised in the period	5,839	(899)	(5,109)	**(169)**	11,499	(9,788)	(9,803)	**(8,093)**
	13,602	**(1,486)**	**(12,331)**	**(215)**	**18,855**	**(10,007)**	**(21,062)**	**(12,214)**
Changes that relate to past service								
Changes that relate to past service – adjustments to the LIC	-	-	-	-	(29,188)	(1,687)	-	**(30,875)**
Insurance Service Result	**13,561**	**(558)**	**(10,696)**	**2,306**	**(16,827)**	**(2,661)**	**(406)**	**(19,895)**
Finance income/(expense) from insurance contracts issued	(277,783)	(394)	(2,489)	**(280,666)**	(16,885)	(831)	(325)	**(18,041)**
Total amounts recognised in comprehensive income	**(264,222)**	**(952)**	**(13,185)**	**(278,359)**	**(33,712)**	**(3,492)**	**(731)**	**(37,936)**
Cashflows								
Premiums received	(422,777)	-	-	**(422,777)**	(138,441)	-	-	**(138,441)**
Claims and other directly attributable expenses paid	242,793	-	-	**242,793**	96,909	-	-	**96,909**
Insurance acquisition cashflows deducted	1,282	-	-	**1,282**	8,836	-	-	**8,836**
Total Cashflows	**(178,702)**	-	-	**(178,702)**	**(32,696)**	-	-	**(32,695)**
Net balance at 31 December	**(4,179,114)**	**(11,215)**	**(30,479)**	**(4,220,807)**	**(304,958)**	**(19,136)**	**(5,302)**	**(329,395)**
Closing insurance contract liabilities	(4,179,224)	(11,215)	(30,464)	**(4,220,903)**	(304,958)	(19,136)	(5,302)	**(329,395)**
Closing insurance contract assets	110	-	(15)	**96**	-	-	-	-
Net balance at 31 December	**(4,179,114)**	**(11,215)**	**(30,479)**	**(4,220,807)**	**(304,958)**	**(19,136)**	**(5,302)**	**(329,395)**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(b) Reconciliation of the measurement components of insurance contract balances

	UWS Present value of future cashflows 2022 €'000	UWS Risk adjustment for non-financial risk 2022 €'000	UWS CSM 2022 €'000	UWS Total 2022 €'000	UCS Present value of future cashflows 2022 €'000	UCS Risk adjustment for non-financial risk 2022 €'000	UCS CSM 2022 €'000	UCS Total 2022 €'000
Opening insurance contract liabilities	(3,842,091)	(11,328)	(9,724)	(3,863,143)	(230,931)	(15,934)	(5,161)	(252,026)
Opening insurance contract assets	142	-	-	142	-	-	-	-
Net balance at 1 January	**(3,841,949)**	**(11,328)**	**(9,724)**	**(3,863,001)**	**(230,931)**	**(15,934)**	**(5,161)**	**(252,026)**
Changes that relate to current service								
CSM recognised in profit or loss for the services provided	-	-	1,092	1,092	-	-	12,459	12,459
Changes in the risk adjustments for non-financial risk expired service	-	1,094	-	1,094	-	8,733	-	8,733
Experience adjustments	395	-	-	395	(8,349)	-	-	**(8,349)**
	395	**1,094**	**1,092**	**2,581**	**(8,349)**	**8,733**	**12,459**	**12,843**
Changes that relate to future service								
Changes in estimates that adjust the CSM	2,820	881	(3,702)	(1)	7,733	64	(7,797)	-
Changes in estimates that result in onerous contract losses or reversal of losses	(78)	-	-	**(78)**	287	-	-	**287**
Contracts initially recognised in the period	6,404	(1,020)	(5,734)	**(350)**	2,489	(8,465)	(4,131)	**(10,107)**
	9,146	**(139)**	**(9,436)**	**(429)**	**10,509**	**(8,401)**	**(11,928)**	**(9,820)**
Changes that relate to past service								
Changes that relate to past service – adjustments to the LIC	-	-	-	-	(10,445)	(185)	-	**(10,630)**
Insurance Service Result	**9,541**	**955**	**(8,344)**	**2,152**	**(8,285)**	**147**	**531**	**(7,609)**
Finance income/(expense) from insurance contracts issued	466,920	111	774	**467,805**	39,833	145	60	**40,038**
Total amounts recognised in comprehensive income	**476,461**	**1,066**	**(7,570)**	**469,957**	**31,548**	**292**	**591**	**32,431**
Cashflows								
Premiums received	(495,936)	-	-	(495,936)	(126,191)	-	-	(126,191)
Claims and other directly attributable expenses paid	123,807	-	-	123,807	79,368	-	-	79,368
Insurance acquisition cashflows deducted	1,428	-	-	1,428	7,655	-	-	7,655
Total cash flows	**(370,701)**	-	-	**(370,701)**	**(39,168)**	-	-	**(39,168)**
Net balance at 31 December	**(3,736,189)**	**(10,263)**	**(17,294)**	**(3,763,745)**	**(238,551)**	**(15,643)**	**(4,570)**	**(258,764)**
Closing insurance contract liabilities	(3,736,279)	(10,263)	(17,290)	(3,763,833)	(238,551)	(15,643)	(4,570)	(258,764)
Closing insurance contract assets	90	-	(4)	86	-	-	-	-
Net balance at 31 December	**(3,736,189)**	**(10,263)**	**(17,294)**	**(3,763,746)**	**(238,551)**	**(15,643)**	**(4,570)**	**(258,764)**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(c) Impact of contracts recognised in the year

	UWS Non-onerous contracts originated 2023 €'000	UWS Onerous contracts originated 2023 €'000	UWS Total 2023 €'000	UCS Non-onerous contracts originated 2023 €'000	UCS Onerous contracts originated 2023 €'000	UCS Total 2023 €'000
Estimates of the present value of future cash outflows	**4,481**	**776**	**5,257**	**69,151**	**61,354**	**130,505**
- Insurance acquisition cashflows	1,109	190	**1,299**	5,295	5,458	**10,753**
- Claims and other directly attributable expenses	3,372	586	**3,958**	63,856	55,896	**119,752**
Estimates of the present value of future cash outflows	**4,481**	**776**	**5,257**	**69,151**	**61,354**	**130,505**
Estimates of the present value of future cash inflows	(10,442)	(654)	**(11,096)**	(83,243)	(58,761)	**(142,004)**
Risk adjustment for non-financial risk	852	47	**899**	4,289	5,500	**9,789**
CSM	5,109	-	**5,109**	9,803	-	**9,803**
Increase in insurance contract liabilities from contracts recognised in the year	**-**	**169**	**169**	**-**	**8,093**	**8,093**

	UWS Non-onerous contracts originated 2022 €'000	UWS Onerous contracts originated 2022 €'000	UWS Total 2022 €'000	UCS Non-onerous contracts originated 2022 €'000	UCS Onerous contracts originated 2022 €'000	UCS Total 2022 €'000
Estimates of the present value of future cash outflows	**4,960**	**1,322**	**6,282**	**38,338**	**73,767**	**112,105**
- Insurance acquisition cashflows	1,258	341	**1,599**	1,650	6,079	**7,729**
- Claims and other directly attributable expenses	3,702	981	**4,683**	36,688	67,688	**104,376**
Estimates of the present value of future cash inflows	(11,641)	(1,045)	**(12,686)**	(44,632)	(69,961)	**(114,593)**
Risk adjustment for non-financial risk	947	73	**1,020**	2,163	6,302	**8,465**
CSM	5,734	-	**5,734**	4,131	-	**4,131**
Increase in insurance contract liabilities from contracts recognised in the year	**-**	**350**	**350**	**-**	**10,108**	**10,108**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(d) Amounts determined on transition to IFRS 17

	UWS New contracts 2023 €'000	UWS Contracts measured under the fair value approach at transition 2023 €'000	UWS Total 2023 €'000	UCS New contracts 2023 €'000	UCS Contracts measured under the fair value approach at transition 2023 €'000	UCS Total 2023 €'000
Insurance contracts issued						
Insurance Revenue	**901**	**5,722**	**6,623**	**112,287**	**24,152**	**136,439**
CSM at 1 January	4,369	12,924	17,293	2,884	1,687	4,570
Changes that relate to current service:						
CSM recognised in profit or loss for the services provided	(430)	(1,205)	(1,635)	(17,022)	(3,634)	(20,656)
Changes that relate to future service:						
Changes in estimate that adjust the CSM	1,981	5,241	7,222	9,315	1,944	11,259
Contract initially recognised in the period	5,109	-	5,109	9,803	-	9,803
	7,090	5,241	12,331	19,118	1,944	21,062
Finance expenses from insurance contracts issued	153	2,335	2,488	326	(1)	325
Total amounts recognised in comprehensive income	7,243	7,576	14,819	19,444	1,943	21,387
CSM at 31 December	11,182	19,295	30,477	5,306	(4)	5,302

23.Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(d) Amounts determined on transition to IFRS 17 (continued)

	UWS	UWS	UWS	UCS	UCS	UCS
	New contracts 2022	Contracts measured under the fair value approach at transition 2022	Total 2022	New contracts 2022	Contracts measured under the fair value approach at transition 2022	Total 2022
	€'000	€'000	€'000	€'000	€'000	€'000
Insurance contracts issued						
Insurance Revenue	**538**	**5,760**	**6,298**	**66,120**	**62,858**	**128,978**
CSM at 1 January	-	**9,724**	**9,724**	-	**5,161**	**5,161**
Changes that relate to current service:	-	-	-	-	-	-
CSM recognised in profit or loss for the services provided	(211)	(881)	**(1,092)**	(2,491)	(9,968)	**(12,459)**
Changes that relate to future service:						
Changes in estimate that adjust the CSM	(1,116)	4,818	**3,702**	1,267	6,530	**7,797**
Contract initially recognised in the period	5,734	-	**5,734**	4,131	-	**4,131**
	4,618	**4,818**	**9,436**	**5,398**	**6,530**	**11,928**
Finance expenses from insurance contracts issued	(37)	(736)	**(773)**	(23)	(37)	**(60)**
Total amounts recognised in comprehensive income	**4,581**	**4,081**	**8,662**	**5,375**	**6,493**	**11,868**
CSM at 31 December	**4,369**	**12,924**	**17,294**	**2,884**	**1,687**	**4,570**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(e) Reinsurance contracts held

	UWS Remaining Coverage 2023 €'000	UWS Incurred Claims 2023 €'000	UWS Total 2023 €'000	UCS Remaining Coverage 2023 €'000	UCS Incurred Claims 2023 €'000	UCS Total 2023 €'000
Opening reinsurance contract assets	309,310	-	**309,310**	18,175	196,257	**214,432**
Opening reinsurance contract liabilities	-	-	-	-	-	-
Net balance at 1 January	**309,310**	-	**309,310**	**18,175**	**196,257**	**214,432**
Net (expense/Income) from reinsurance contracts held	-	-	-	-	-	-
Reinsurance expenses	(416)	-	**(416)**	(98,113)	-	**(98,113)**
Other incurred directly attributable expenses	-	-	-	-	-	-
Claims recovered	-	-	-	-	77,172	**77,172**
Changes that relate to past service – adjustments to incurred claims	-	-	-	-	28,995	**28,995**
Changes that relate to future service – changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	-	-	-	11,513	-	**11,513**
Effect of changes in the risk of reinsurers non-performance	-	-	-	(2)	(94)	**(96)**
Net (expense)/Income from reinsurance contracts held	**(416)**	-	**(416)**	**(86,602)**	**106,073**	**19,471**
Finance income from reinsurance contracts Held	27,281	-	**27,281**	1,834	11,914	**13,748**
Total amounts recognised in comprehensive income	**26,865**	-	**26,865**	**(84,768)**	**117,986**	**33,218**
Investment Components	(32,789)	32,789	-	-	-	-
Cashflows						
Premiums paid net of ceding commissions and other directly attributable expenses paid	(367)	-	**(367)**	88,240	-	**88,240**
Recoveries from reinsurance	-	(32,789)	**(32,789)**	-	(63,539)	**(63,539)**
Total Cashflows	**(367)**	**(32,789)**	**(33,156)**	**88,240**	**(63,539)**	**24,701**
Net balance at 31 December	**303,020**	-	**303,020**	**21,647**	**250,704**	**272,351**
Closing reinsurance contract assets	303,020	-	**303,020**	21,647	250,704	**272,351**
Closing reinsurance contract liabilities	-	-	-	-	-	-
Net balance at 31 December	**303,020**	-	**303,020**	**21,647**	**250,704**	**272,351**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(e) Reinsurance contracts held (continued)

	UWS Remaining Coverage 2022 €'000	UWS Incurred Claims 2022 €'000	UWS Total 2022 €'000	UCS Remaining Coverage 2022 €'000	UCS Incurred Claims 2022 €'000	UCS Total 2022 €'000
Opening reinsurance contract assets	420,952	-	**420,952**	20,273	183,939	**204,212**
Opening reinsurance contract liabilities	-	-	-	-	-	-
Net balance at 1 January	**420,952**	-	**420,952**	**20,273**	**183,939**	**204,212**
Net income/(expense) from reinsurance contracts held						
Reinsurance expenses	(482)	-	**(482)**	(89,735)	-	**(89,735)**
Other incurred directly attributable expenses	-	-	-	-	-	-
Claims recovered	-	109	**109**	-	78,594	**78,594**
Changes that relate to past service – adjustments to incurred claims	-	-	-	-	12,266	**12,266**
Changes that relate to future service – changes in the FCF that do not adjust the CSM for the group of underlying insurance contracts	6	-	**6**	9,187	-	**9,187**
Effect of changes in the risk of reinsurers non-performance	-	-	-	2	53	**55**
Net Income/(expense) from reinsurance contracts held	**(475)**	**109**	**(366)**	**(80,536)**	**90,913**	**10,378**
Finance income from reinsurance contracts Held	(86,673)	-	**(86,673)**	(1,755)	(32,113)	**(33,868)**
Total amounts recognised in comprehensive income	**(87,148)**	**109**	**(87,039)**	**(82,290)**	**58,801**	**(23,490)**
Investment Components	**(24,163)**	**24,163**	-	-	-	-
Cashflows						
Premiums paid net of ceding commissions and other directly attributable expenses paid	(330)	-	**(330)**	80,192	-	**80,192**
Recoveries from reinsurance	-	(24,273)	**(24,273)**	-	(46,483)	**(46,483)**
Total Cashflows	**(330)**	**(24,273)**	**(24,603)**	**80,192**	**(46,483)**	**33,710**
Net balance at 31 December	**309,310**	-	**309,310**	**18,175**	**196,257**	**214,432**
Closing reinsurance contract assets	309,310	-	**309,310**	18,175	196,257	**214,432**
Closing reinsurance contract liabilities	-	-	-	-	-	-
Net balance at 31 December	309,310	-	**309,310**	18,175	196,257	**214,432**

23.Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

)   Reconciliation of the measurement components of reinsurance contract balances

	UWS Present value of future cashflows 2023 €'000	UWS Risk adjustment for non-financial risk 2023 €'000	UWS CSM 2023 €'000	UWS Total 2023 €'000	UCS Present value of future cashflows 2023 €'000	UCS Risk adjustment for non-financial risk 2023 €'000	UCS CSM 2023 €'000	UCS Total 2023 €'000
Opening reinsurance contract assets	305,189	1,919	2,203	309,310	197,766	12,923	3,743	214,432
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-
Net balance at 1 January	**305,189**	**1,919**	**2,203**	**309,310**	**197,766**	**12,923**	**3,743**	**214,432**
Changes that relate to current service								
CSM recognised in profit or loss for the services received	-	-	(196)	(196)	-	-	(15,455)	(15,455)
Changes in the risk adjustments for non-financial risk for the risk expired	-	(198)	-	(198)	-	(6,974)	-	(6,974)
Experience adjustments	(21)	-	-	(21)	1,488	-	-	1,488
Changes that relate to future service	**(21)**	**(198)**	**(196)**	**(416)**	**1,488**	**(6,974)**	**(15,455)**	**(20,942)**
Changes in estimates that adjust the CSM	213	(111)	(102)	-	(4,510)	176	4,334	-
Changes in estimates that result in onerous contract losses or reversal of losses	-	-	-	-	-	-	11,513	11,513
Contracts initially recognised in the period	-	-	-	-	(6,121)	6,533	(412)	-
Changes that relate to past service	**213**	**(111)**	**(102)**	**-**	**(10,631)**	**6,709**	**15,435**	**11,513**
Changes that relate to past service – adjustments to incurred claims	-	-	-	-	27,638	1,357	-	28,995
nsurance service result	-	-	-	-	(96)	-	-	(96)
Finance (income) expenses from insurance contracts issued	**192**	**(309)**	**(298)**	**(415)**	**18,399**	**1,091**	**(20)**	**19,470**
Total amounts recognised in comprehensive income	27,157	85	40	27,282	13,111	640	(3)	13,748
Other charges	**27,349**	**(224)**	**(258)**	**26,867**	**31,510**	**1,731**	**(23)**	**33,218**
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid								
Recoveries from reinsurance	(367)	-	-	(367)	88,240	-	-	88,240
Total cash flows	(32,789)	-	-	(32,789)	(63,539)	-	-	(63,539)
Net balance at 31 December	**(33,157)**	**-**	**-**	**(33,157)**	**24,701**	**-**	**-**	**24,701**
Closing reinsurance contract assets	**299,381**	**1,695**	**1.944**	**303,020**	**253,977**	**14,654**	**3,720**	**272,351**
Closing reinsurance contract liabilities	299,381	1,695	1,944	303,020	253,977	14,654	3,720	272,351
Net balance at 31 December	-	-	-	-	-	-	-	-
	299,381	**1,695**	**1,944**	**303,020**	**253,977**	**14,654**	**3,720**	**272,351**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

) Reconciliation of the measurement components of reinsurance contract balances (continued)

	UWS Present value of future cashflows 2022 €'000	UWS Risk adjustment for non-financial risk 2022 €'000	UWS CSM 2022 €'000	UWS Total 2022 €'000	UCS Present value of future cashflows 2022 €'000	UCS Risk adjustment for non-financial risk 2022 €'000	UCS CSM 2022 €'000	UCS Total 2022 €'000
Opening reinsurance contract assets	416,898	2,202	1,852	420,952	187,544	12,599	4,068	204,212
Opening reinsurance contract liabilities	-	-	-	-	-	-	-	-
Net balance at 1 January	**416,898**	**2,202**	**1,852**	**420,952**	**187,544**	**12,599**	**4,068**	**204,212**
Changes that relate to current service								
CSM recognised in profit or loss for the services received	-	-	(256)	(256)	-	-	(9,461)	(9,461)
Changes in the risk adjustments for non-financial risk for the risk expired	-	(197)	-	(197)	-	(6,712)	-	(6,712)
Experience adjustments	81	-	-	81	5,032	-	-	5,032
Changes that relate to future service	**81**	**(197)**	**(256)**	**(372)**	**5,032**	**(6,712)**	**(9,461)**	**(11,141)**
Changes in estimates that adjust the CSM	(571)	(57)	627	-	(5,812)	(74)	5,886	-
Changes in estimates that result in onerous contract losses or reversal of losses	-	-	6	6	-	-	9,197	9,197
Contracts initially recognised in the period	-	-	-	-	(856)	6,803	(5,947)	-
Changes that relate to past service	**(571)**	**(57)**	**633**	**6**	**(6,668)**	**6,729**	**9,136**	**9,197**
Changes that relate to past service – adjustments to incurred claims	-	-	-	-	11,843	423	-	12,266
Effect of changes in the risk of reinsurers non-performance	-	-	-	-	55	-	-	55
Reinsurance service result	**(490)**	**(254)**	**377**	**(366)**	**10,262**	**440**	**(325)**	**10,378**
Finance expenses from reinsurance contracts issued	(86,617)	(29)	(26)	(86,673)	(33,750)	(116)	(1)	(33,867)
Total amounts recognised in comprehensive (expenses)/income	**(87,107)**	**(283)**	**350**	**(87,039)**	**(23,488)**	**324**	**(326)**	**(23.490)**
Cash flows								
Premiums paid net of ceding commissions and other directly attributable expenses paid	(330)	-	-	(330)	80,192	-	-	80,192
Recoveries from reinsurance	(24,273)	-	-	(24,273)	(46,483)	-	-	(46,483)
Total cash flows	**(24,603)**	-	-	**(24,603)**	**33,709**	-	-	**33,709**
Net balance at 31 December	**305,189**	**1,919**	**2.203**	**309,310**	**197,766**	**12,923**	**3,743**	**214,432**
Closing reinsurance contract assets	305,189	1,919	2,203	309,310	197,766	12,923	3,743	214,432
Closing reinsurance contract liabilities	-	-	-	-	-	-	-	-
Net balance at 31 December	**305,189**	**1,919**	**2,203**	**309,310**	**197,766**	**12,923**	**3,743**	**214,432**

23.Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

) Reconciliation of the measurement components of reinsurance contract balances (continued)

The premium receivables balance forms part of the Present Value of Future Cashflows.

	Premium payable		Ceded claims		Ceded commission		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Opening balance 1 January	(40,411)	(37,409)	13,449	10,516	4,658	4,333	(22,304)	(22,560)
Incurred	(106,720)	(94,856)	95,994	70,646	18,632	14,829	7,907	(9,381)
Received	101,560	91,700	(91,758)	(67,736)	(16,307)	(14,505)	(6,505)	9,459
FX	(151)	154	51	23	14	1	(87)	178
Closing balance 31 December	**(45,722)**	**(40,411)**	**17,736**	**13,449**	**6,997**	**4,658**	**(20,990)**	**(22,304)**

	UWS	UWS	UWS	UWS	UCS	Total
	2023	2023	2023	2022	2022	2022
	€'000	€'000	€'000	€'000	€'000	€'000
Insurance contract liabilities / Reinsurance contract assets Per 22 (f)	303,020	272,351	575,371	309,310	214,432	523,742
Premium payable	-	(45,722)	(45,722)	-	(40,411)	(40,411)
Claims receivable	1,507	16,229	17,736	360	13,089	13,449
Commission receivable	-	6,997	6,997	-	4,658	4,658
Closing balance 31 December	**304,527**	**249,855**	**554,382**	**309,670**	**191,768**	**501,438**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(g) Impact of contracts recognised in the year

	UWS Contracts originated not in a net gain 2023 €'000	UWS Contracts originated in a net gain 2023 €'000	UWS Total 2023 €'000	UCS Contracts originated not in a net gain 2023 €'000	UCS Contracts originated in a net gain 2023 €'000	UCS Total 2023 €'000
Estimates of the present value of future cash outflows	-	-	-	(34,954)	(38,490)	**(73,444)**
Estimates of the present value of future cash inflows	-	-	-	43,963	35,601	**79,564**
Risk adjustment for non-financial risk	-	-	-	(1,789)	(4,744)	**(6,533)**
CSM	-	-	-	(7,220)	7,633	**(413)**

	UWS Contracts originated not in a net gain 2022 €'000	UWS Contracts originated in a net gain 2022 €'000	UWS Total 2022 €'000	UCS Contracts originated not in a net gain 2022 €'000	UCS Contracts originated in a net gain 2022 €'000	UCS Total 2022 €'000
Estimates of the present value of future cash outflows	-	-	-	(27,511)	(47,209)	**(74,720)**
Estimates of the present value of future cash inflows	-	-	-	32,003	43,574	**75,577**
Risk adjustment for non-financial risk	-	-	-	(1,403)	(5,401)	**(6,803)**
CSM	-	-	-	(3,089)	9,036	**(5,947)**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(h) Amounts determined on transition to IFRS 17

	UWS New Contracts 2023 €'000	UWS Contracts measured under the fair value approach at transition 2023 €'000	UWS Total 2023 €'000	UCS New Contracts 2023 €'000	UCS Contracts measured under the fair value approach at transition 2023 €'000	UCS Total 2023 €'000
Reinsurance contracts held						
CSM at 1 January	-	**2,203**	**2,203**	**2,380**	**1,362**	**3,742**
Changes that relate to current service:						
CSM recognised in profit or loss for the services provided	-	(196)	(196)	(12,220)	(3,235)	(15,455)
Changes that relate to future service:						
Changes in estimate that adjust the CSM	-	(102)	(102)	16,815	(968)	15,847
Contract initially recognised in the period	-	-	-	(412)	-	(412)
	-	**(102)**	**(102)**	**16,403**	**(968)**	**15,435**
Finance expenses from reinsurance contracts held	-	40	40	(2)	(1)	(3)
Total amounts recognised in comprehensive income	**-**	**(62)**	**(62)**	**16,401**	**(969)**	**15,432**
CSM at 31 December	**-**	**1,945**	**1,945**	**6,561**	**(2,842)**	**3,719**

23. Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(h) Amounts determined on transition to IFRS 17

	UWS New Contracts 2022 €'000	UWS Contracts measured under the fair value approach at transition 2022 €'000	UWS Total 2022 €'000	UCS New Contracts 2022 €'000	UCS Contracts measured under the fair value approach at transition 2022 €'000	UCS Total 2022 €'000
Reinsurance contracts held						
CSM at 1 January	-	**1,852**	**1,852**	-	**4,068**	**4,068**
Changes that relate to current service:						
CSM recognised in profit or loss for the services provided	-	(256)	**(256)**	(2,151)	(7,310)	**(9,461)**
Changes that relate to future service:						
Changes in estimate that adjust the CSM	-	633	**633**	10,443	4,640	**15,083**
Contract initially recognised in the period	-	-	-	(5,947)	-	**(5,947)**
	-	**633**	**633**	**4,496**	**4,640**	**9,136**
Finance expenses from reinsurance contracts held	-	(26)	**(26)**	35	(36)	**(1)**
Total amounts recognised in comprehensive income	-	**607**	**607**	**4,531**	**4,604**	**9,135**
CSM at 31 December	-	**2,203**	**2,203**	**2,380**	**1,362**	**3,742**

23.Analysis of the Utmost Wealth Solutions Segment and Utmost Corporate Solutions Segment (continued)

(i) Claims Development

	Accident Year					
	2019 €'000	2020 €'000	2021 €'000	2022 €'000	2023 €'000	Total €'000
Gross						
Estimate of ultimate claim costs (gross of reinsurance undiscounted)						
At end of accident year	31,979	49,822	60,025	70,477	69,778	
1 year later	46,125	51,173	63,527	83,061	-	
2 years later	49,941	54,983	70,057	-	-	
3 years later	53,945	62,234	-	-	-	
4 years later	56,229	-	-	-	-	
5 years later	-	-	-	-	-	
Cumulative gross claims and other directly attributable expenses paid	(26,303)	(23,187)	(24,240)	(15,170)	(2,390)	**(91,290)**
Gross cumulative claims liabilities – accident years from 2019 to 2022	29,926	39,046	45,817	67,981	67,388	**250,067**
Gross cumulative claims liabilities – prior accident years	-	-	-	-	-	**96,783**
Effect of discounting	-	-	-	-	-	(71,095)
Effect of the risk adjustment margin for non-financial risk	-	-	-	-	-	12,060
Claims payable	-	-	-	-	-	15,006
Gross LIC for the contracts originated	-	-	-	-	-	**302,821**

	Accident Year					
	2019 €'000	2020 €'000	2021 €'000	2022 €'000	2023 €'000	Total €'000
Net						
Estimate of ultimate claim costs (net of reinsurance undiscounted)						
At end of accident year	5,782	9,841	11,761	11,785	13,753	
1 year later	6,274	9,175	9,148	10,437	-	
2 years later	6,556	9,066	8,711	-	-	
3 years later	6,277	9,970	-	-	-	
4 years later	6,453	-	-	-	-	
5 years later	-	-	-	-	-	
Cumulative net claims and other directly attributable expenses paid	(3,365)	(3,941)	(3,218)	(2,041)	(409)	**(12,974)**
Net cumulative claims liabilities – accident years from 2019 to 2022	3,089	6,029	5,492	8,396	13,345	**36,351**
Net cumulative claims liabilities – prior accident years	-	-	-	-	-	**20,124**
Effect of discounting	-	-	-	-	-	**(8,511)**
Effect of the risk adjustment margin for non-financial risk	-	-	-	-	-	**2,210**
Claims payable	-	-	-	-	-	**1,943**
Net LIC for the contracts originated	-	-	-	-	-	**52,117**

24. Financial liabilities

	Consolidated		Company	
	2023 €'000	2022 €'000	2023 €'000	2022 €'000
Utmost International Group Holdings Limited	50,754	77,921	50,754	77,921
Utmost international Isle of Man Limited	23,070	22,585	-	-
Total	**73,824**	**100,506**	**50,754**	**77,921**

Financial liabilities comprise loans carried at amortised cost. The loan from Utmost Limited, a related party, is a £20m facility provided to UPE following its acquisition by the Company in June 2018. The loan note was transferred on 30 November 2022 to Utmost international Isle of Man Limited. This loan was listed on the International Stock Exchange on 8 April 2019.

25. Deferred income liability

	2023 €'000	Restated 2022 €'000
Balance at 1 January	57,305	52,369
Amortisation	(3,003)	(2,124)
Income deferred in current financial year	2,662	7,060
Balance at 31 December	**56,964**	**57,305**
Current	358	326
Non-current	56,606	56,979
Total	**56,964**	**57,305**

26. Other payables

	Consolidated		Company	
	2023 €'000	Restated 2022 €'000	2023 €'000	2022 €'000
Amounts due to reinsurers	22	53	-	-
Amounts due to policyholders	23,331	22,564	-	-
Tax provision	2,189	2,949	-	-
Premiums received in advance of policy issue	43,263	35,681	-	-
Amounts due to other group companies	3,924	1,213	-	-
Lease liability	6,307	7,325	-	-
Other liabilities	24,026	18,620	365	2,475
Total	**103,062**	**88,405**	**365**	**2,475**

27. Share capital and non-refundable capital contribution

	2023 €'000	2022 €'000
Authorised:		
300,000,000 ordinary shares of €1.00 each	300,000	300,000
Total	**300,000**	**300,000**
Issued and fully paid:		
187,850 Ordinary Shares of €1.00 each	188	188
Total	**188**	**188**

Notes to the Financial Statements (continued)

28. Net cash inflow from operating activities

The reconciliation of profit before tax to the net cash inflow from operating activities is:

	Consolidated		Company	
		Restated		
	2023	2022	2023	2022
	€'000	€'000	€'000	€'000
Profit before tax	**23,011**	**331**	**31,969**	**46,993**
Adjustments for non-cash movements:				
Depreciation	1,246	1,313	-	-
Changes in fair value of financial assets / liabilities	1,875	(5,328)	758	2,313
Amortisation of AVIF	12,685	37,721	1,390	(4,137)
Finance costs	217	244	-	-
Changes in working capital:				
Change in other receivables	5,935	(17,707)	-	62
Change in other liabilities	14,750	(45,458)	3,220	4,493
Change in assets held to cover linked liabilities and other investments	(2,795,136)	1,908,108	-	-
Change in deferred acquisition costs	(8,436)	(15,581)	-	-
Change in deferred Income	6,174	4,936	-	-
Change in reinsurance contract assets	(52,953)	101,222	-	-
Change in investment contract liabilities	2,283,371	(1,822,718)	-	-
Change in insurance contract liabilities	526,482	(91,510)	-	-
Change in withholding tax asset	13,658	6,445	-	-
Corporation Tax (Paid) / Refunded	-	-	-	46
Net cash inflow from operating activities	32,881	62,018	37,337	49,770

29. Fixed Assets

Cost and Net book value	Leasehold improvements, Computer and Office Equipment €'000	Right to Use Asset €'000	Total €'000
Year ended 31 December 2023			
Opening net book value 1 January 2022	967	6,753	7,720
Additions in the year	263	-	263
Disposals in the year	-	-	-
Depreciation charge	(261)	(985)	(1,246)
Closing net book value	969	5,768	6,737
At 31 December 2023			
Cost or valuation	4,036	10,923	14,959
Accumulated depreciation	(3,067)	(5,155)	(8,222)
Net book amount	969	5,768	6,737
At 31 December 2022	**967**	**6,753**	**7,720**
At 31 December 2023	**969**	**5,768**	**6,737**

30. Risk Management

The identification, measurement and management of risk is a priority for the Group. Consequently, the Board of directors has established a comprehensive framework covering accountability, oversight, measurement and reporting to ensure maintenance of sound systems of internal control and risk management to ensure the Group operates within its risk appetite. Risk appetite is a measure of the amount and type of risks the Group is willing to accept in pursuit of its objectives. It seeks to encourage a measured and appropriate approach to risk to ensure risks are understood and aligned to the business strategy and objectives.

The Group's governance structure comprises the Board and appropriate Committee structures. The key subsidiary board committees are the Audit Committee, Risk and Compliance Committee and Investment Committee.

The Audit Committee is responsible for reviewing the appropriateness and completeness of the systems of internal control. The Audit Committee also reviews the annual financial statements, consider the significant financial reporting issues and judgements which they contain and make recommendations to the subsidiary boards concerning their content and approval.

The Risk and Compliance Committees are responsible for the review and oversight of the risk and compliance profile of the relevant operating business within the context of the determined risk appetite. The Investment Committees are responsible for the overall asset management strategy and policies of each operating business and for identifying, monitoring, reporting, and controlling the risks connected with investment activities and approving changes to specific investments and changes to appetite or tolerances.

The UPE Banking Committee is responsible for the opening and closure of all master Custodian and Corporate bank accounts and for the review and approval of appointments to the authorised signatory list and their levels of authorisation.

Insurance risk

Insurance risk refers to the risk that the frequency or severity of insured events may be worse than expected and includes expense risk. The Group's contracts include the following sources of insurance risk:

- **a.** Expenses — Policies cost more to administer than expected;
- **b.** Lapses — An adverse movement in ether surrender rates or persistency rates on policies with guaranteed benefits leading to losses. This includes the risk of greater than expected policyholder option exercise rates giving rise to increased claims costs.
- **c.** Mortality/longevity — Higher than expected death claims on assurance products and payments for a longer duration for annuity products;
- **d.** Claims — Higher than expected claims on short term insurance contracts.

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Policyholder options and guarantees

Some of the Group's products give potentially valuable guarantees or give options to change policy benefits which can be exercised at the policyholders' discretion. These products are described below. Most unitised with-profit contracts give a guaranteed minimum payment on death. Some with-profit bonds pay a guaranteed minimum surrender value, expressed as a percentage of the original premium, on a specified anniversary or anniversaries of commencement. Annual bonuses, when added to unitised with-profit contracts, usually increase the guaranteed amount.

Expense Risk

Expense risk is the risk that actual expenses of the Group differ from the levels expected and allowed for within the pricing and reserving process. Expenses are reviewed annually in light of experience and any changes to the market rate of inflation. The following table details the impact to the Group if expenses were to increase by 5%.

	UWS Impact to:		UCS Impact to:	
	Profit before tax UWS €'000	Equity UWS €'000	Profit before tax UCS €'000	Equity UCS €'000
Insurance contract liabilities (including reinsurance contract liabilities)	(292)	(256)	(626)	(548)
Reinsurance contract assets	-	-	88	77
Net insurance contract liabilities	**(292)**	**(256)**	**(538)**	**(471)**
Investment contract balances	(3,346)	(2,928)	-	-

	Impact to:		Impact to:	
	Profit before tax 2022 €'000	Equity 2022 €'000	Profit before tax 2022 €'000	Equity 2022 €'000
Insurance contract liabilities (including reinsurance contract liabilities)	(221)	(194)	(496)	(434)
Reinsurance contract assets	-	-	87	76
Net insurance contract liabilities	**(221)**	**(194)**	**(409)**	**(358)**
Investment contract balances	(3,853)	(3,371)	-	-

30. Risk Management (continued)

Lapse and claim rates

The assumed rates for surrender and voluntary premium discontinuance in the participating business depend primarily on the length of time a policy is in force. Withdrawal rates used in the valuation of unitised with-profit policies are based on observed experience and adjusted when it is considered that future policyholder behaviour will be influenced by different considerations than in the past. In particular, it is assumed that withdrawal rates for unitised with-profit contracts will be higher on policy anniversaries on which Market Value Adjustments do not apply.

The following table details the impact to the Group if a 20% mass lapse were to occur:

	UWS Impact to:		UCS Impact to:	
	Profit before tax 2023 €'000	**Equity 2023 €'000**	**Profit before tax 2023 €'000**	**Equity 2023 €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	(1,037)	(907)	891	779
Reinsurance contract assets	(298)	(261)	(895)	(783)
Net insurance contract liabilities	**(1,335)**	**(1,168)**	**(4)**	**(4)**
Investment contract balances	(10,922)	(9,557)	-	-

	Impact to:		Impact to:	
	Profit before tax 2022 €'000	**Equity 2022 €'000**	**Profit before tax 2022 €'000**	**Equity 2022 €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	(3,980)	(3,483)	453	397
Reinsurance contract assets	(454)	(397)	(499)	(437)
Net insurance contract liabilities	**(4,434)**	**(3,880)**	**(46)**	**(40)**
Investment contract balances	(10,896)	(9,534)	-	-

30. Risk Management (continued)

Mortality and longevity rates

Mortality rates are based on published tables, adjusted appropriately to take account of changes in the underlying population mortality since the table was published, group experience and forecast changes in future mortality. Where appropriate, a margin is added to assurance mortality rates to allow for adverse future deviations. Annuitant mortality rates are adjusted to make allowance for future improvements in pensioner longevity. A 10% increase to mortality rates, a reduction of 10% in based for annuitant mortality rates is estimated to have the below impacts:

	UWS Impact to:		UCS Impact to:	
Mortality 10% increase	**Profit before tax 2023 €'000**	**Equity 2023 €'000**	**Profit before tax 2023 €'000**	**Equity 2023 €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	(25)	(22)	(20,131)	(17,615)
Reinsurance contract assets	(73)	(64)	16,262	14,230
Net insurance contract liabilities	**(98)**	**(86)**	**(3,869)**	**(3,385)**

	Impact to:		Impact to:	
Longevity 10% reduction in base	**Profit before tax 2023 €'000**	**Equity 2023 €'000**	**Profit before tax 2023 €'000**	**Equity 2023 €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	23	20	17,835	15,606
Reinsurance contract assets	84	73	(14,952)	(13,083)
Net insurance contract liabilities	**107**	**93**	**2,883**	**2,523**

	UWS Impact to:		UCS Impact to:	
Mortality 10% increase	**Profit before tax 2022 €'000**	**Equity 2022 €'000**	**Profit before tax 2022 €'000**	**Equity 2022 €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	(52)	(45)	(17,075)	(14,941)
Reinsurance contract assets	(89)	(78)	14,585	12,762
Net insurance contract liabilities	**(141)**	**(123)**	**(2,490)**	**(2,179)**

	Impact to:		Impact to:	
Longevity 10% reduction in base	**Profit before tax 2022 €'000**	**Equity 2022 €'000**	**Profit before tax 2022 €'000**	**Equity 2022 €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	36	31	15,611	13,659
Reinsurance contract assets	102	89	(13,359)	(11,689)
Net insurance contract liabilities	**138**	**120**	**2,252**	**1,970**

30. Risk Management (continued)

Objectives and policies for mitigating insurance risk
The Group mitigates these risks primarily using reinsurance agreements with third party reinsurers.

The profitability of the run-off of the Group's closed long-term insurance businesses depends to a significant extent on the values of claims paid in the future relative to the assets accumulated to the date of claim. Typically, over the lifetime of a contract, premiums and investment returns exceed claim costs in the early years and it is necessary to set aside these amounts to meet future obligations. The amount of such future obligations is assessed on actuarial principles by reference to assumptions about the development of financial and insurance risks.

It is therefore necessary for the Board to make decisions, based on actuarial advice, which ensure an appropriate accumulation of assets relative to liabilities. These decisions include investment policy, bonus policy and, where discretion exists, the level of payments on early termination.

Reinsurance Risk
The Group is exposed to credit risk because of insurance risk transfer contracts with reinsurers. This also gives rise to concentration of risk with individual reinsurers, due to the nature of the reinsurance market and the restricted range of reinsurers that have acceptable credit ratings. At both 2023 and 2022 year-end positions, the Group's material reinsurance counterparties have a credit rating of either AAA, AA-, A- and BBB.

2023	AAA €'000	AA €'000	A/BBB €'000	Not rated €'000	Total €'000
Reinsurance contract assets	-	293,842	274,128	7,401	575,371
Reinsurance contract liabilities	-	-	-	-	-
Maximum credit risk exposure	-	**293,842**	**274,128**	**7,401**	**575,371**

2022	AAA €'000	AA €'000	A/BBB €'000	Not rated €'000	Total €'000
Reinsurance contract assets	-	300,156	215,650	7,936	523,742
Reinsurance contract liabilities	-	-	-	-	-
Maximum credit risk exposure	-	**300,156**	**215,650**	**7,936**	**523,742**

Underwriting risk
Prior to or at inception, short-term insurance contracts under which the Group accepts significant risk are subjected to an underwriting process. This aims not only to ensure that business is correctly priced, but also to ensure that risk concentrations are identified, and exposure limits are not breached. Where necessary, risk is transferred using reinsurance.

	2023	2022
Individual Unit-linked	4,178,132	**3,735,227**
Life and disability	304,958	238,551
Protection	982	962
Total	**4,484,072**	**3,974,740**

30. Risk Management (continued)

Management of financial and other risks

The Group is exposed to financial risk through its financial assets, financial liabilities (investment contracts and borrowings), reinsurance assets and policyholder liabilities. A key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from contracts with policyholders. The most important components of this financial risk are interest rate risk, equity price risk, currency risk and credit risk.

These risks arise from open positions in interest rate, currency, and equity products, all of which are exposed to general and specific market movements. The risks that the Group primarily faces due to the nature of its investments and liabilities are interest rate risk and equity price risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. It manages these positions within an asset liability management framework (ALM) that was developed to achieve investment returns in excess of obligations under insurance contracts. The Group produces regular reports at portfolio and asset and liability class level that are circulated to the Group's key management personnel and Investment Committees on a quarterly basis. The principal technique of the Group's ALM is to match assets to the liabilities arising from insurance contracts by reference to the type of benefits payable to contract holders. Separate portfolios of assets are maintained for non-linked business and unit-linked business. The Group's ALM is also integrated with the management of the financial risks associated with the Group's other financial assets and liabilities not directly associated with insurance and investment liabilities. The Group does not currently use hedge accounting.

In 2013, as part of the ALM process, the Group identified a requirement to hold long dated bonds to match certain technical provisions. The 'Amortised cost' bond portfolio is now in place to meet this requirement. The notes below explain how financial risks are managed using the categories utilised in the Group's ALM framework.

30. Risk Management (continued)

The following tables reconcile the statement of financial position to each distinct category of liabilities:

2023 Assets	Insurance Contract €'000	Investment Contract €'000	Shareholder €'000	Total €'000
Debt securities-at fair value through profit or loss	1,304,317	2,433,560	23,369	**3,761,246**
Debt securities-amortised cost	-	-	10,133	**10,133**
Equity securities-at fair value through profit or loss	350,335	2,568,202	3,242	**2,921,779**
Other securities-at fair value through profit or loss	1,911,798	16,146,640	142,231	**18,200,669**
Cash at bank	193,256	1,321,825	83,868	**1,598,949**
Insurance debtors and other assets	554,477	-	372,902	**927,379**
Total assets	**4,314,183**	**22,470,227**	**635,745**	**27,420,155**

2023 Liabilities	Insurance Contract €'000	Investment Contract €'000	Shareholder €'000	Total €'000
Investment contract liabilities	-	22,336,870	-	**22,336,870**
Insurance contract liabilities	4,546,858	-	-	**4,546,858**
Other liabilities	-	-	257,549	**257,549**
Total liabilities	**4,546,858**	**22,336,870**	**257,549**	**27,141,277**

2022 Assets	Insurance Contract €'000	Investment Contract €'000	Shareholder €'000	Total €'000
Debt securities-at fair value through profit or loss	788,116	1,605,374	35,553	**2,429,043**
Debt securities-amortised cost	-	-	10,144	**10,144**
Equity securities-at fair value through profit or loss	323,790	1,936,413	6,726	**2,266,929**
Other securities-at fair value through profit or loss	1,879,564	14,888,121	100,179	**16,867,864**
Cash at bank	303,234	1,734,555	85,712	**2,123,501**
Insurance debtors and other assets	501,525	-	403,221	**904,746**
Total assets	**3,796,229**	**20,164,463**	**641,535**	**24,602,227**

2022 Liabilities	Insurance Contract €'000	Investment Contract €'000	Shareholder €'000	Total €'000
Investment contract liabilities	-	20,053,498	-	**20,053,498**
Insurance contract liabilities	4,020.376	-	-	**4,020,376**
Other liabilities	-	-	269,720	**269,720**
Total liabilities	**4,020,376**	**20,053,498**	**269,720**	**24,343,594**

30. Risk Management (continued)

Interest rate risk

Interest rate risk has a material impact across the assets and liabilities categorised in the Group's ALM framework. The Group manages these positions within the ALM framework that was developed to ensure that assets are matched to the liabilities arising from insurance contracts by reference to the type of benefits payable to contract holders. For each distinct category of liabilities, a separate portfolio of assets is maintained. Any gap between the maturity date of the assets and the anticipated maturity date of the liabilities is minimised by means of buying and selling fixed interest securities of different durations.

Changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates at the reporting date. Movements in interest rates affect the return on term deposits held and are a factor in price fluctuations on debt securities. Returns on unit-linked contracts, whether classified as insurance or investment contracts, are at the risk of the policyholder, however, the Group is exposed to fluctuations in so far as they impact the amount of fee income received.

The following table shows a summary of the sensitivity analysis carried out on key risks including interest rate risk and the impact on the Profit or Loss and Equity of the Group;

2023	**UWS Impact to:**		**UCS Impact to:**	
Interest rates 1% increase	**Profit before €'000**	**Equity €'000**	**Profit €'000**	**Equity €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	92,500	80,937	16,176	14,154
Reinsurance contract assets	(2,633)	(2,303)	(13,596)	(11,896)
Net insurance contract liabilities	**89,867**	**78,634**	**2,580**	**2,258**
Shareholder financial assets	(1,764)	(1,543)	-	-
Insurance contract financial assets	(89,685)	(78,474)	-	-
Investment contract financial assets	(390,720)	(341,880)	-	-
Financial assets	**(482,169)**	**(421,897)**	**-**	**-**
Investment contract balances[1]	390,294	341,507	-	-

	Impact to:		**Impact to:**	
Interest rates 1% decrease	**Profit before €'000**	**Equity €'000**	**Profit €'000**	**Equity €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	(92,769)	(81,173)	(18,903)	(16,540)
Reinsurance contract assets	2,660	2,327	15,951	13,957
Net insurance contract liabilities	**(90,109)**	**(78,846)**	**(2,952)**	**(2,583)**
Shareholder financial assets	2,424	2,121	-	-
Insurance contract financial assets	89,685	78,474	-	-
Investment contract financial assets	390,720	341,880	-	-
Financial assets	**482,829**	**422,475**	**-**	**-**
Investment contract balances[1]	(393,613)	(344,412)	-	-

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Interest rate risk (continued)

2022	UWS Impact to: Profit before tax €'000	UWS Impact to: Equity €'000	UCS Impact to: Profit before €'000	UCS Impact to: Equity €'000
Interest rates 1% increase				
Insurance contract liabilities (including reinsurance contract liabilities)	71,768	62,797	11,868	10,385
Reinsurance contract assets	(2,578)	(2,255)	(9,960)	(8,715)
Net insurance contract liabilities	**69,190**	**60,542**	**1,908**	**1,670**
Shareholder financial assets	(1,978)	(1,730)	-	-
Insurance contract financial assets	(69,045)	(60,414)	-	-
Investment contract financial assets	(309,201)	(270,551)	-	-
Financial assets	**(380,224)**	**(332,695)**	-	-
Investment contract balances[1]	309,131	(270,490)	-	-

	Impact to: Profit before tax €'000	Impact to: Equity €'000	Impact to: Profit before €'000	Impact to: Equity €'000
Interest rates 1% decrease				
Insurance contract liabilities (including reinsurance contract liabilities)	(71,887)	(62,901)	(13,909)	(12,170)
Reinsurance contract assets	2,608	2,282	11,705	10,242
Net insurance contract liabilities	**(69,279)**	**(60,619)**	**(2,204)**	**(1,928)**
Shareholder financial assets	2,637	2,307	-	-
Insurance contract financial assets	69,045	60,414	-	-
Investment contract financial assets	309,201	270,551	-	-
Financial assets	**380,883**	**333,272**	-	-
Investment contract balances[1]	(314,236)	(278,035)	-	-

1: Investment contract balances consists of balances which are related to investment contracts written by the Group. The Group consider these to be: AVIF, DAC, DTA, investment contract liabilities, DTL and DIL.

Equity risk

The Group is exposed to equity price risk because of its holdings in equity investments to the extent that these are not matched by liabilities to policyholders. The Group is also exposed to adverse movements in the value of Unit Linked Assets which would reduce the future profitability of the Group in terms of having an adverse impact on fee income.

Changes in the fair value of equity securities will fluctuate because of changes to market prices, whether those changes are caused by factors specific to the individual equity issuer, or factors affecting all similar equity securities traded in the market.

An equity price sensitivity analysis was not considered necessary as all equities held are part of assets held to cover linked liabilities and any movement in value will be offset by a corresponding increase or decrease in the investment contract liabilities where the investment risk is borne by the policyholders ("Unit-linked").

The following table shows a summary of the sensitivity analysis carried out on key risks including equity prices risk and the impact on the Profit or Loss and Equity of the Group.

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Equity risk (continued)

2023	UWS Impact to: Profit before tax €'000	UWS Impact to: Equity €'000	UCS Impact to: Profit before tax €'000	UCS Impact to: Equity €'000
Equity prices 10% increase				
Insurance contract liabilities (including reinsurance contract liabilities)	(183,129)	(160,238)	-	-
Reinsurance contract assets	12,099	10,587	-	-
Net insurance contract liabilities	**(171,030)**	**(149,651)**	**-**	**-**
Shareholder financial assets	(675)	(591)	-	-
Insurance contract financial assets	171,194	149,795	-	-
Investment contract financial assets	1,209,846	1,058,615	-	-
Financial assets	**1,380,365**	**1,207,819**	**-**	**-**
Investment contract balances[1]	(1,208,527)	(1,057,461)	-	-

	Impact to: Profit before tax €'000	Impact to: Equity €'000	Impact to: Profit before tax €'000	Impact to: Equity €'000
Equity prices 10% decrease				
Insurance contract liabilities (including reinsurance contract liabilities)	183,151	160,257	-	-
Reinsurance contract assets	(12,102)	(10,590)	-	-
Net insurance contract liabilities	**171,049**	**149,667**	**-**	**-**
Shareholder financial assets	675	591	-	-
Insurance contract financial assets	(171,194)	(149,795)	-	-
Investment contract financial assets	(1,209,846)	(1,058,615)	-	-
Financial assets	**(1,380,365)**	**(1,207,819)**	**-**	**-**
Investment contract balances[1]	1,207,020	1,056,412	-	-

1: Investment contract balances consists of balances which are related to investment contracts written by the Group. The Group consider these to be: AVIF, DAC, DTA, investment contract liabilities, DTL and DIL.

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Equity risk (continued)

2022	UWS Impact to: Profit before tax €'000	UWS Equity €'000	UCS Impact to: Profit before tax €'000	UCS Equity €'000
Equity prices 10% increase				
Insurance contract liabilities (including reinsurance contract liabilities)	(163,916)	(143,426)	-	-
Reinsurance contract assets	12,982	11,359	-	-
Net insurance contract liabilities	**(150,934)**	**(132,067)**	-	-
Shareholder financial assets	(226)	(198)	-	-
Insurance contract financial assets	151,054	132,172	-	-
Investment contract financial assets	1,061,603	928,903	-	-
Financial assets	**1,212,431**	**1,060,877**	-	-
Investment contract balances[1]	(1,063,907)	(930,919)	-	-

	Impact to: Profit before tax €'000	Equity €'000	Impact to: Profit before tax €'000	Equity €'000
Equity prices 10% decrease				
Insurance contract liabilities (including reinsurance contract liabilities)	163,944	143,451	-	-
Reinsurance contract assets	(12,986)	(11,363)	-	-
Net insurance contract liabilities	**150,958**	**132,088**	-	-
Shareholder financial assets	226	198	-	-
Insurance contract financial assets	(151,054)	(132,172)	-	-
Investment contract financial assets	(1,061,604)	(928,903)	-	-
Financial assets	**(1,212,432)**	**(1,060,877)**	-	-
Investment contract balances[1]	1,063,907	930,919	-	-

1: Investment contract balances consists of balances which are related to investment contracts written by the Group. The Group consider these to be: AVIF, DAC, DTA, investment contract liabilities, DTL and DIL.

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Currency risk

The Group generally invests in assets denominated in the same currencies as its policyholder's liabilities, which mitigates the foreign currency exchange rate risk. Additionally, the Group has a portfolio of GBP denominated government and government agency bonds and is also invested in a GBP denominated Money Market Fund and the GBP share class of the Oaktree Senior European Loan Fund, which results in some currency risk exposure. This is not hedged.

2023	UWS Impact to:		UCS Impact to:	
FX 20% increase GBP	**Profit before tax €'000**	**Equity €'000**	**Profit before tax €'000**	**Equity €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	81,954	71,710	665	582
Reinsurance contract assets	(17,066)	(14,932)	(679)	(594)
Net insurance contract liabilities	**64,888**	**56,778**	**(14)**	**(12)**
Shareholder financial assets	(5,127)	(4,486)	-	-
Insurance contract financial assets	(64,405)	(56,355)	-	-
Investment contract financial assets	914,887	800,526	-	-
Financial assets	**845,355**	**739,685**	**-**	**-**
Investment contract balances[1]	(916,177)	(801,655)	-	-

	Impact to:		Impact to:	
FX 20% decrease GBP	**Profit before tax €'000**	**Equity €'000**	**Profit before tax €'000**	**Equity €'000**
Insurance contract liabilities (including reinsurance contract liabilities)	(81,933)	(71,691)	(665)	(582)
Reinsurance contract assets	17,053	14,921	679	594
Net insurance contract liabilities	**(64,880)**	**(56,770)**	**14**	**12**
Shareholder financial assets	5,127	4,486	-	-
Insurance contract financial assets	64,405	56,355	-	-
Investment contract financial assets	(914,887)	(800,526)	-	-
Financial assets	**(845,355)**	**(739,685)**	**-**	**-**
Investment contract balances[1]	913,462	799,280	-	-

1: Investment contract balances consists of balances which are related to investment contracts written by the Group. The Group consider these to be: AVIF, DAC, DTA, investment contract liabilities, DTL and DIL.

30. Risk Management (continued)

Currency risk

2022	UWS Impact to: Profit before tax €'000	UWS Equity €'000	UCS Impact to: Profit before tax €'000	UCS Equity €'000
FX 20% increase GBP				
Insurance contract liabilities (including reinsurance contract liabilities)	71,523	62,583	631	553
Reinsurance contract assets	(18,084)	(15,823)	(649)	(568)
Net insurance contract liabilities	**53,439**	**46,760**	**(18)**	**(15)**
Shareholder financial assets	(13,872)	(12,138)	-	-
Insurance contract financial assets	(53,096)	(46,459)	-	-
Investment contract financial assets	(822,529)	(719,713)	-	-
Financial assets	**(889,497)**	**(778,310)**	-	-
Investment contract balances[1]	815,744	713,776	-	-

	Impact to: Profit before tax €'000	Equity €'000	Impact to: Profit before tax €'000	Equity €'000
FX 20% decrease GBP				
Insurance contract liabilities (including reinsurance contract liabilities)	(71,510)	(62,572)	(631)	(552)
Reinsurance contract assets	18,066	15,808	649	568
Net insurance contract liabilities	**(53,444)**	**(46,764)**	**18**	**16**
Shareholder financial assets	13,872	12,138	-	-
Insurance contract financial assets	53,096	46,459	-	-
Investment contract financial assets	822,528	719,712	-	-
Financial assets	**889,496**	**778,309**	-	-
Investment contract balances[1]	(822,505)	(719,692)	-	-

1: Investment contract balances consists of balances which are related to investment contracts written by the Group. The Group consider these to be: AVIF, DAC, DTA, investment contract liabilities, DTL and DIL.

Unit-linked contracts Risk

Assets held on behalf of policyholders are subject to market risk, including price and foreign exchange risk, credit risk, liquidity risk and funding risk. Any change in the value of these assets is offset by a corresponding change in the value of investment contract liabilities. The Group's exposure to market risk on unit linked funds is limited to the extent that income arising from asset management charges in certain funds, and its ability to collect that income, is based on the cash flows arising and the value of the assets in the fund, and to changes in the value of any units in funds the Group may hold. In many funds the asset management charge is based on the higher of premiums paid or fund value, further limiting this risk.

Amounts under unit-linked contracts are generally repayable on demand and the Group is responsible for ensuring there is sufficient liquidity within the asset portfolio to enable liabilities to unit-linked policyholders to be met as they fall due. However, the terms of funds investing in less liquid assets permit the deferral of redemptions for predefined periods in circumstances where there are not sufficient liquid assets within the fund to meet the level of requested redemptions.

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Credit risk

Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations. Key areas where the Group is exposed to credit risk are government bonds, corporate bonds, EU supranational bonds, bank deposits, the Italian withholding tax asset, the reinsurers' share of insurance liabilities, amounts due from reinsurers in respect of claims already paid and amounts due from insurance intermediaries.

To mitigate credit risk of counterparties the Group has adopted and complies with the Risk Appetite Statement and Investment Policy. These place hard and soft strategic asset allocation boundaries on the Group's credit and market exposures. There is a minimum allocation to concentration charge exempt securities of 25% of its total marketable securities and investment funds, including cash. This includes exempt Government and exempt international institution bonds and CIC 27 covered bonds with a rating of AAA or AA. In the case of UK and US government bonds, for example, the Group can invest up to a hard limit of 70%, with a soft limit of 50%. It can invest up to a hard limit of 20% in sovereign debt rated AAA, with a soft limit of 15%, up to a hard limit of 15% in sovereign debt rated AA, with a soft limit of 7.5%, and up to hard limit of 5% in sovereign debt rated A, with a soft limit of 3%.

The Group can also invest in non-government bonds, to a maximum allocation of 50% of its total marketable securities and investment funds, excluding cash, which includes a maximum hard limit of 5% for all AAA to A rated, with a soft limit of 3%, and a hard limit of 3% in debt rated BBB, with a soft limit of 1.5%.

In addition, the Group can also invest in Fixed Income and Loans via Investment Funds up to a maximum of a hard limit of 25% for AAA – High Yield rated, with soft limit of 20%.

Finally, for the non-OECD and non-EU regions, there is a 2% hard concentration limit on all bonds based on the country of the ultimate parent.

Risk exposures are monitored against limits and reported to the Investment Committee who are responsible for oversight of Group investments.

Reinsurance is used to manage insurance risk. This does not, however, discharge the Group's liability as primary insurer. If a reinsurer fails to pay a claim, the Group remains liable for the payment to the policyholder. The creditworthiness of reinsurers is monitored against reinsurance indicators, including credit ratings and Solvency Capital Ratios, as set out in the Risk Appetite Statement on a quarterly basis.

Exposures to individual policyholders and groups of policyholders are collected within the ongoing monitoring of the controls associated with regulatory solvency. Where there exists significant exposure to individual policyholders, or homogenous groups of policyholders, a financial analysis equivalent to that conducted for reinsurers is carried out by management. An analysis of policyholders and reinsurers is produced periodically.

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Credit risk (continued)

Credit risk for unit-linked assets is borne by the policyholder. The following tables set out the credit risk exposure and ratings of financial and other assets which are most susceptible to credit risk as at 31 December 2023 and 31 December 2022:

2023	**AAA**	**AA**	**A**	**BBB**	**Unrated**	**Unit-Linked Funds**	**Total**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
Debt securities	11,347	12,793	7,413	1,949	-	-	**33,502**
Other securities	41,587	-	5,585	-	24,760	70,299	**142,231**
Unit-linked	-	-	-	-	-	24,714,852	**24,714,852**
Cash at bank	-	-	83,868	-	-	1,515,081	**1,598,949**
Insurance Contract Assets	-	-	96	-	-	-	**96**
Reinsurance Contract Assets	-	293,842	253,139	7,401	-	-	**554,382**
Other receivables	-	-	23,755	109,357	243,031	-	**376,143**
Total	**52,934**	**306,635**	**373,856**	**118,707**	**267,791**	**26,300,232**	**27,420,155**

2022	**AAA**	**AA**	**A**	**BBB**	**Unrated**	**Unit-Linked Funds**	**Total**
	€'000	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
Debt securities	11,446	24,106	7,907	2,238	-	-	**45,697**
Other securities	-	-	-	-	105,666	-	**105,666**
Unit-linked	-	-	-	-	-	21,421,378	**21,421,378**
Cash at bank	-	-	85,712	-	-	2,037,789	**2,123,501**
Insurance Contract Assets	-	-	86	-	-	-	**86**
Reinsurance Contract Assets	-	300,156	193,346	7,936	-	-	**501,438**
Insurance debtors and other assets	-	-	19,184	123,015	262,263	-	**404,462**
Total	**11,446**	**324,262**	**306,235**	**133,189**	**367,929**	**23,459,167**	**24,602,228**

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Liquidity risk

Liquidity risk refers to the risk that the Group will not be able efficiently to meet both expected and unexpected cash flow requirements. All admissible assets must be redeemable within approved periods. In the event assets may not be redeemable, the Group has entered into agreements with the policyholders to manage such risks.
The following tables below set out the liquidity risk exposure of the Group's financial assets and liabilities as at 31 December 2023:

Financial Assets	**2023 Within 1 Year €'000**	**2023 1-5 years €'000**	**2023 Over 5 years €'000**	**2023 Unit-linked funds €'000**	**2023 Total €'000**
Debt securities	19,070	7,817	6,615	-	33,502
Other securities	66,697	-	5,585	69,949	142,231
Unit-linked	-	-	-	24,714,852	24,714,852
Cash at bank	83,868	-	-	1,515,081	1,598,949
Insurance contract assets	-	-	96	-	96
Reinsurance contract assets	99,422	181,008	273,952	-	554,382
Insurance debtors and other assets	119,444	155,887	100,812	-	376,143
Total	388,501	344,712	387,060	26,299,882	27,420,155

Financial Liabilities	**2023 Within 1 Year €'000**	**2023 1-5 years €'000**	**2023 Over 5 years €'000**	**2023 Unit-linked funds €'000**	**2023 Total €'000**
Financial liabilities under investment contracts	-	-	-	22,336,869	22,336,869
Insurance contract liabilities	353,828	1,100,813	3,092,217	-	4,546,858
Other liabilities	257,550	-	-	-	257,550
Total	611,378	1,100,813	3,092,217	22,336,869	27,141,277

The tables below set out comparative risk data as at 31 December 2022:

Financial Assets	**2022 Within 1 Year €'000**	**2022 1-5 years €'000**	**2022 Over 5 years €'000**	**2022 Unit-linked funds €'000**	**2022 Total €'000**
Debt securities	9,578	27,225	8,894	-	45,697
Other securities	37,394	-	-	68,272	105,666
Unit-linked	-	-	-	21,421,378	21,421,378
Cash at bank	85,712	-	-	2,037,789	2,123,501
Insurance contract assets	-	-	86	-	86
Reinsurance contract assets	104,210	162,232	234,996	-	501,438
Insurance debtors and other assets	281,443	123,019	-	-	404,462
Total	518,337	312,472	243,976	23,527,439	24,602,228

Financial Liabilities	**2022 Within 1 Year €'000**	**2022 1-5 years €'000**	**2022 Over 5 years €'000**	**2022 Unit-linked funds €'000**	**2022 Total €'000**
Financial liabilities under investment contracts	-	-	-	20,053,498	20,053,498
Insurance contract liabilities	332,935	1,013,863	2,673,578	-	4,020,376
Other liabilities	269,720	-	-	-	269,720
Total	602,655	1,013,863	2,673,578	20,053,498	24,343,594

30. Risk Management (continued)

Fair value hierarchy
IFRS 13 seeks to increase consistency and comparability in fair value measurements and related disclosures through a 'fair value hierarchy'. The hierarchy categorises the inputs used in valuation techniques into three levels. The hierarchy gives the highest priority to (unadjusted) quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

The Group's financial investments, as detailed in Note 12, comprise debt securities and investments funds and two investments in subsidiaries. At each reporting date, the Group reviews its financial investments and classifies them in accordance with IFRS 13. If the Group considers that there was a change in measurement basis due to a change in inputs, it will reclassify the relevant financial investment to the appropriate level and separately disclose this transfer. There were no changes in valuation techniques during the year.

Similarly, for investments for the benefit of unit-linked policyholders, the Group reviews these investments at each year end and classifies them according to IFRS13. If the Group considers that there was a change in measurement basis due to a change in inputs, it will reclassify the relevant financial investment to the appropriate level and separately disclose this transfer. There were no changes in valuation techniques during the year.

Level 2 investments consist of investment funds, derivatives, and other structured products. These are fair valued, by the Group, using valuations received from Morningstar for investment funds and structured products and from custodians for derivatives.

A number of investments for the benefit of unit linked policyholders who bear the investment risk have been classified as Level 3 as they typically consist of unlisted or private securities and the Group relies on unobservable inputs for these assets. The value of assets for which significant unobservable inputs were present in 2023 amounted to €487,294,000 (2022: €272,296,000) and typically consisted of unaudited financial statements or valuations provided by a third-party administrator. Movements in investments with Level 3 inputs, during the year are disclosed below.

Due to the nature of the Level 3 investments, the Group does not consider that there are any interrelationships between significant unobservable inputs and other unobservable inputs used in the fair value measurement. In addition, the Group does not consider that there are any significant sensitivities to the fair value of the Level 3 investments should there be a change in the unobservable inputs.

30. Risk Management (continued)

Fair value hierarchy (continued)

The following table presents an analysis of the Group's financial investments and investments for the benefit of life assurance policyholders who bear the investment risk as at 31 December 2023:

Fair value hierarchy	2023 Level 1 €'000	2023 Level 2 €'000	2023 Level 3 €'000	2023 Cash €'000	2023 Total Balance €'000
Financial assets at fair value through profit or loss:					
- other	-	142,398	173	-	142,571
- debt securities	23,176	-	-	-	23,176
Debt securities – amortised cost	10,133	-	-	-	10,133
Unit-linked	9,817,721	14,413,033	487,121	1,512,058	26,229,933
Total	**9,851,030**	**14,555,431**	**487,294**	**1,512,058**	**26,405,813**

	2023 Level 1 €'000	2023 Level 2 €'000	2023 Level 3 €'000	2023 Cash €'000	2023 Total Balance €'000
Financial liabilities at fair value through profit or loss:					
Financial debt	-	73,824	-	-	73,824
Unit-linked	9,817,721	14,413,033	487,121	1,512,058	26,229,933
Total	**9,817,721**	**14,486,857**	**487,121**	**1,512,058**	**26,303,757**

The table below sets out comparative data for the Fair Value Hierarchy as at 31 December 2022:

Fair value hierarchy	2022 Level 1 €'000	2022 Level 2 €'000	2022 Level 3 €'000	2022 Cash €'000	2022 Total Balance €'000
Financial assets at fair value through profit or loss:					
- other	-	105,666	-	-	105,666
- debt securities	35,553	-	-	-	35,553
Debt securities – amortised cost	10,144	-	-	-	10,144
Unit-linked	9,439,251	13,709,819	272,308	2,037,789	25,459,167
Total	**9,484,948**	**13,815,485**	**272,308**	**2,037,789**	**25,610,530**

	2022 Level 1 €'000	2022 Level 2 €'000	2022 Level 3 €'000	2022 Cash €'000	2022 Total Balance €'000
Financial liabilities at fair value through profit or loss:					
Financial debt	-	100,506	-	-	100,506
Unit-linked	9,439,251	13,709,831	272,296	2,037,789	25,459,167
Total	**9,439,251**	**13,810,337**	**272,296**	**2,037,789**	**25,559,673**

Notes to the Financial Statements (continued)

30. Risk Management (continued)

Fair value hierarchy (continued)

The table below sets out the movement in investments with Level 3 inputs:

Assets measured at fair value based on valuation techniques which comprise unobservable inputs: (Level 3)

	2023 €'000	2022 €'000
Balance at 1 January	272,296	286,572
Premiums	172,495	-
Surrenders	(31,728)	(3,071)
Transfer from Level 1 into Level 3	21,722	-
Transfer from Level 2 into Level 3	45,107	-
Transfers out of Level 3	-	(730)
Gains / (losses) in policyholder liabilities	7,402	(10,475)
Balance at 31 December	**487,294**	**272,296**

31. Capital Management

The Group maintains an efficient capital structure consistent with its regulatory requirements. The Group is required to hold sufficient capital to cover the Central Bank of Ireland's Required Minimum Solvency Margin. This Required Minimum Solvency Margin is calculated on a basis prescribed by EU Directives. The Group has additional capital resources available to cover risk exposures in addition to the capital required to meet regulatory requirements. The Group uses the Standard Formula approach to calculate its solvency requirements. Own Funds is financed by shareholders' funds, measured on a Solvency II basis.

Solvency II came into effect on 1 January 2016. The Solvency Capital Requirement ("SCR") at 31 December 2023 was €290,812,000 (2022: €254,811,000) and the Minimum Capital Requirement ("MCR") was €133,889,000 (2022: €123,740,000). The Group's available own funds at that date was €422,772,000 (2022: €356,588,000). The Group's ratio of Eligible Own Funds to SCR was 145% (2022: 140%), and to MCR was 316% (2022: 288%).

Capital management policies and objectives

The Group's objectives in managing its capital are to:

- match the profile of its assets and liabilities, taking account of the risks inherent in the business;
- maintain financial strength to support new business growth;
- satisfy the requirements of its policyholders, regulators and rating agencies;
- retain financial flexibility by maintaining strong liquidity and access to a range of capital markets;
- allocate capital efficiently to support growth; and
- manage exposures to movement in exchange rates.

The Group has several sources of capital available to it and seeks to optimise its debt-to-equity structure in order to ensure that it can consistently maximise returns to shareholders. The Group considers not only the traditional sources of capital funding (see Note 27) but the alternative sources of capital including reinsurance and securitisation, as appropriate, when assessing its deployment and usage of capital.

Capital resource sensitivities

The capital position of the Group at this stage of the development of the business is most sensitive to the following items:

- Capital requirements of the various business categories;
- Sales volumes;
- Business retention levels;
- Costs; and
- Valuation of the Italian withholding tax prepayment.

The Group's sensitivity to these risks is reduced by:

- A clear understanding of the impact of these risks on the capital position of the Group;
- Regular reviews of the capital position; and
- Analysis of the capital position for any new ventures in advance of agreeing to proceed with any such initiatives.

The Group uses a few sensitivity test-based risk management tools to understand the volatility of earnings and its capital requirements, and to manage its capital more efficiently. Primarily, the Solvency & Financial Condition Report (SFCR) and the Own Risk Solvency Assessment (ORSA) are used. Sensitivities to economic and operating experience are regularly produced on all of the Group's financial performance measurements to inform the Group's decision-making and planning processes and as part of the framework for identifying and quantifying the risks to which the Group is exposed.

31. Capital Management (continued)

During the period, the Group complied with externally imposed capital requirements to which it is subject under Solvency II.

The Group does not use transitional deduction on its technical provisions referred to in Article 308d of Directive 2009/138/EC.

Movement in eligible own funds	**2023 €'000**	**2022 €'000**
Opening eligible own funds at 1 January	356,588	377,298
Prior year equity adjustment	9,266	-
Profit recognised since prior financial year	20,244	(4,124)
Elimination of deferred acquisition costs and deferred income liability	(5,591)	(10,735)
Elimination of intangible assets	41,289	41,057
Solvency II valuation of receivables	(801)	939
Solvency II valuation of technical provisions	5,456	(48,198)
Solvency II valuation of investments	365	(1,676)
Solvency II valuation of withholding tax asset	-	126
Deferred tax adjustment	(4,528)	3,091
Subordinated Liability	484	(1,190)
Closing eligible own funds at 31 December	**422,772**	**356,588**

32. Ultimate Parent Company

The Company is a wholly owned subsidiary of Utmost Topco Limited. The Company's immediate parent is Utmost International Group Holdings limited.

The ultimate parent Company which maintains a majority controlling interest in the Group is recognised by the directors as OCM Utmost Holdings Ltd., a Cayman Island incorporated entity. OCM Utmost Holdings Ltd. 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.

Notes to the Financial Statements (continued)

33. Related party disclosures

Transactions with group companies

The Group undertakes transactions with related parties in the normal course of business. These are at arm's length on normal commercial terms and typically include management services recharges, loan and interest repayments and some expense and salary recharges.

The transactions below are representative of intercompany transactions that took place during the financial year.

	Income earned € '000	Expenses incurred € '000	Payable at year end € '000	Receivable at year end € '000
Utmost Services Ireland Limited	40,824	(2,573)	(77)	831
Utmost Holdings Ireland Limited	242	(3,261)	(50,970)	71
Utmost PanEurope dac	199	(43,406)	(26,627)	16,625
Utmost Bermuda Limited	-	(90)	-	257
Utmost Services Limited*	613	(1,668)	-	59
Utmost Administration Limited*	6,475	-	-	1,756
Utmost International Group Holdings Limited*	4,182	(645)	-	51,116
Utmost Worldwide Limited*	1,675	(3,845)	(10,477)	-
Utmost Limited*	1,164	-	-	23,816
Utmost International Isle of Man Limited*	-	-	(6,178)	-
Utmost Switzerland GMBH*	114	-	(189)	-
Utmost International Business Services Limited*	-	-	(2)	-
Utmost L&P*	-	-	(11)	-
Total	**55,488**	**(55,488)**	**(94,531)**	**94,531**

*Not consolidated as part of these accounts

USIL provides policy administration and other management services to life assurance entities within the UHIL Group. Management Service agreements are in place with details of the charging structure between the entities. USIL also recharges UPE for Non-Executive Directors fees.

Transactions with key management personnel

The following disclosures are in accordance with the provisions of IAS 24 Related Party Disclosures, in respect of the compensation of Key Management Personnel. Under IAS 24, Key Management personnel are defined as comprising Executive and Non-Executive Directors together with Senior Executive Officers. Key management expenses continue to be paid through USIL.

	2023 €'000	2022 €'000
Short-term employee benefits	2,306,116	2,645,739
Post-employment benefits	175,842	170,675
Non- executive directors' emoluments	188,813	188,813
	2,670,771	**3,005,227**

The Directors and Secretary had no direct interests in the shares of the Company during the year. Two Directors ·aul Thompson and Ian Maidens have an equity interest in certain parent company entities. (See note 34).

34. Directors' and Secretary's interests

On 31 December 2023 the directors and secretary in office, and their spouses and minor children, had no beneficial interest in the shares of the Company. The directors' interests in the parent and holding companies as are detailed below:

31 December 2023		Paul Thompson Number	Ian Maidens Number
Utmost Topco Limited	C ordinary shares	2,530	2,530
Utmost Topco Limited	D ordinary shares	5,000	5,000
Utmost Topco Limited	S ordinary shares	50	50
Utmost Topco Limited	8% preference shares	16,081,049	16,081,049

31 December 2022		Paul Thompson Number	Ian Maidens Number
Utmost Topco Limited	C ordinary shares	2,530	2,530
Utmost Topco Limited	D ordinary shares	5,000	5,000
Utmost Topco Limited	S ordinary shares	50	50
Utmost Topco Limited	8% preference shares	19,667,733	19,667,733

35. Financial commitments

The Company had no financial commitments at 31 December 2023.

36. Contingent Liability

The Group is involved in defending a legal case on which further disclosure is considered appropriate.

The legal case being defended along with fellow group company Utmost International Isle of Man and another insurer, was served in the Isle of Man Courts in May 2023. The claimants are seeking to recover investment losses in respect of insurance policies issued by each defendant. The claims are at an early stage and have not been particularised fully. It is therefore difficult to identify the timeline over which the claims may progress. Under this claim as issued, there are a total of 314 claimants who appear to be claiming £82m against the Company (although the claim form acknowledges that this figure does not take account of the actual retained value of the investments which are linked to the claimants' policies, the value of which will vary). Most of these claims relate to policies held by professional corporate trustee companies. The costs of this case are being expensed as incurred and no provision for any future spend is in included in these financial statements. Based on the highly limited information received to date the Company believes that these claims are without merit, and it has strong prospects of success to defend the claims against it and therefore no provision for the value of the claims has been included in the financial statements. The Company does have the benefit of professional indemnity insurance and continue to keep its insurers up to date with developments in the claim.

37. Approval of financial statements

The board of directors approved and authorised for issue the financial statements on 09 April 2024.