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## UNWRAPPED PORTFOLIO VS INTERNATIONAL BOND COMPARISON OF POTENTIAL NET RETURNS

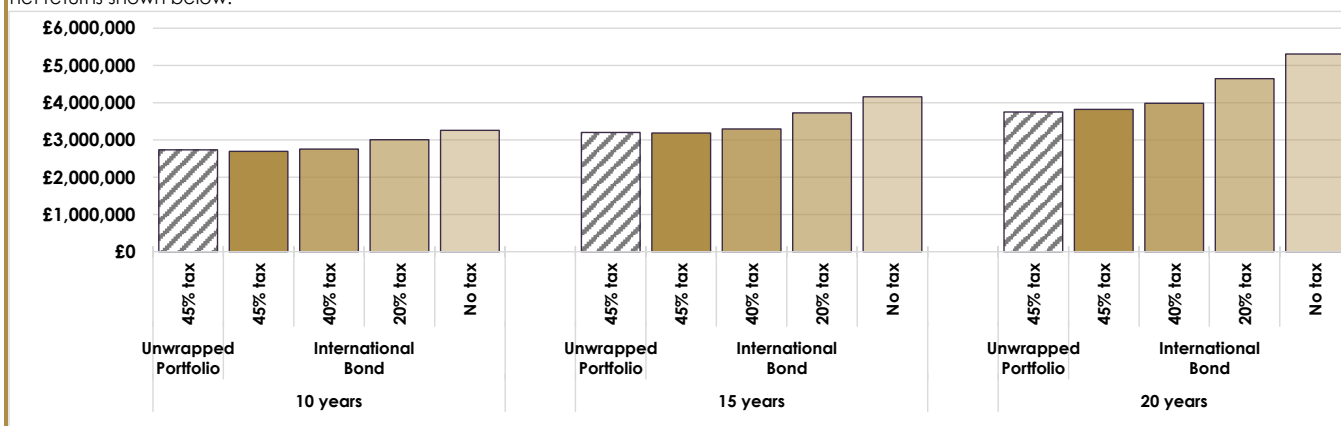
Date: 04/07/2025

| ASSUMPTIONS        |            |                          |            |                    |        |
|--------------------|------------|--------------------------|------------|--------------------|--------|
| Initial investment | £2,000,000 | Taxpayer Status          | Additional | Dividend Allowance | £0     |
| Capital Growth %   | 1.0%       | Growth Crystallised p.a. | 40%        | Dividend Tax Rate  | 39.35% |
| Dividend %         | 3.5%       | CGT Allowance            | £0         | PSA                | £0     |
| Interest %         | 0.5%       | Capital Gains Tax Rate   | 24%        | Interest Tax Rate  | 45%    |
| Total Growth %     | 5.0%       |                          |            |                    |        |

This output is not an illustration and should not be used for these purposes or relied upon by a retail client. Before investing into an international bond, retail clients should be provided with the appropriate disclosure documentation and a personal illustration where applicable.

### COMPARISON OF NET RETURNS FROM AN INTERNATIONAL BOND COMPARED TO THE UNWRAPPED PORTFOLIO

Based on the information detailed above, if your client's investment grew each year at the percentage rates shown above, this would produce the net returns shown below:



| Year:                                      |                               | 10         | 15         | 20         |
|--------------------------------------------|-------------------------------|------------|------------|------------|
| Projected returns at the end of each year: | Unwrapped Portfolio - 45% Tax | £2,730,000 | £3,200,000 | £3,750,000 |
|                                            | International Bond - 45% Tax  | £2,690,000 | £3,180,000 | £3,810,000 |
|                                            | International Bond - 40% Tax  | £2,750,000 | £3,290,000 | £3,980,000 |
|                                            | International Bond - 20% Tax  | £3,000,000 | £3,720,000 | £4,640,000 |
|                                            | International Bond - No Tax   | £3,250,000 | £4,150,000 | £5,300,000 |

— The figures shown in these outputs are projections based on the assumptions at the top of this document and are not guaranteed. They are not a reliable guide to the future performance of an investment. The value of investments can go down as well as up and past performance is not an indicator of future performance. Your client or their trustees may not get back as much as invested.

— For both the international bond and unwrapped investment, this assumes a net annual rate of return of 5% (1% from capital growth, 3.5% from dividends and 0.5% from interest) and that the policyholder is an additional rate taxpayer for the unwrapped portfolio, with no personal savings allowance and the starting rate band for savings is not available. All net income from the unwrapped portfolio is considered reinvested.

— The figures do not include product or advice charges for either investment type.

— The figures for the unwrapped portfolio assume a Capital Gains Tax-free allowance is not available for use each year.

— The figures include a 'rebalancing' of the unwrapped portfolio of 40% every year, meaning that this amount of the unwrapped portfolio is sold each year with the resulting gain being subject to Capital Gains Tax at a rate of 24%.

— The figures assume that any sale or repurchase of assets in the unwrapped portfolio all happen on the anniversary date and that any purchases of retained income also happen on that day.

— The returns on both the international bond and unwrapped portfolio may be affected by changes in currency exchange rates which are not factored into the net returns illustrated.

— The calculator doesn't take into account any withdrawals that may be taken from an international bond including any facilitated adviser charges. Policyholders may be liable to income tax if the sum of any regular withdrawals and facilitated adviser charging, taken in any policy year, exceeds the annual 5% tax-deferred entitlement.

— The statements assumptions and output are based on current taxation practice in the Isle of Man, Ireland and the UK as at 06/04/2025. Tax treatment is subject to change and individual circumstances.

## UNWRAPPED PORTFOLIO VS INTERNATIONAL BOND COMPARISON OF POTENTIAL NET RETURNS

### INVESTMENT VALUE AT THE END OF EACH YEAR

**WARNING** - If the international bond is surrendered in the early years, the bond may be subject to surrender charges, depending on the product type. Your client or their trustees may get back less than invested. Please remember that international bonds are medium to long-term investments, meaning they are designed for an investment period of 5 to 10 years or longer.

| AT END OF YEAR | UNWRAPPED PORTFOLIO<br>45% TAX | INTERNATIONAL BOND<br>45% TAX | INTERNATIONAL BOND<br>40% TAX | INTERNATIONAL BOND<br>20% TAX | INTERNATIONAL BOND<br>0% TAX |
|----------------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------|
|                | (GBP)                          | (GBP)                         | (GBP)                         | (GBP)                         | (GBP)                        |
| 0              | 2,000,000                      | 2,000,000                     | 2,000,000                     | 2,000,000                     | 2,000,000                    |
| 1              | 2,060,000                      | 2,050,000                     | 2,060,000                     | 2,080,000                     | 2,100,000                    |
| 2              | 2,120,000                      | 2,110,000                     | 2,120,000                     | 2,160,000                     | 2,200,000                    |
| 3              | 2,190,000                      | 2,170,000                     | 2,180,000                     | 2,250,000                     | 2,310,000                    |
| 4              | 2,260,000                      | 2,230,000                     | 2,250,000                     | 2,340,000                     | 2,430,000                    |
| 5              | 2,330,000                      | 2,300,000                     | 2,330,000                     | 2,440,000                     | 2,550,000                    |
| 6              | 2,410,000                      | 2,370,000                     | 2,400,000                     | 2,540,000                     | 2,680,000                    |
| 7              | 2,480,000                      | 2,440,000                     | 2,480,000                     | 2,650,000                     | 2,810,000                    |
| 8              | 2,560,000                      | 2,520,000                     | 2,570,000                     | 2,760,000                     | 2,950,000                    |
| 9              | 2,640,000                      | 2,600,000                     | 2,660,000                     | 2,880,000                     | 3,100,000                    |
| 10             | 2,730,000                      | 2,690,000                     | 2,750,000                     | 3,000,000                     | 3,250,000                    |
| 11             | 2,820,000                      | 2,780,000                     | 2,850,000                     | 3,130,000                     | 3,420,000                    |
| 12             | 2,910,000                      | 2,870,000                     | 2,950,000                     | 3,270,000                     | 3,590,000                    |
| 13             | 3,000,000                      | 2,970,000                     | 3,060,000                     | 3,410,000                     | 3,770,000                    |
| 14             | 3,100,000                      | 3,070,000                     | 3,170,000                     | 3,560,000                     | 3,950,000                    |
| 15             | 3,200,000                      | 3,180,000                     | 3,290,000                     | 3,720,000                     | 4,150,000                    |
| 16             | 3,300,000                      | 3,300,000                     | 3,410,000                     | 3,890,000                     | 4,360,000                    |
| 17             | 3,400,000                      | 3,420,000                     | 3,550,000                     | 4,060,000                     | 4,580,000                    |
| 18             | 3,510,000                      | 3,540,000                     | 3,680,000                     | 4,250,000                     | 4,810,000                    |
| 19             | 3,630,000                      | 3,670,000                     | 3,830,000                     | 4,440,000                     | 5,050,000                    |
| 20             | 3,750,000                      | 3,810,000                     | 3,980,000                     | 4,640,000                     | 5,300,000                    |

### BENEFIT FROM 'GROSS ROLL-UP' ON INTERNATIONAL BONDS:

- Bonds issued in jurisdictions such as the Isle of Man or Ireland are not liable to any income tax, capital gains tax or corporation tax in those countries.
- Growth inside the international bond is tax free (except for any withholding tax deducted on some dividends in their country of origin).
- The table below shows the cumulative impact of the tax payable on the unwrapped portfolio over ten years, compared to the relative position of the international bond, prior to redemption.
- For both the unwrapped portfolio and the international bond, this does not include the impact of tax payable at redemption.

|                                                                          | Unwrapped Portfolio | International Bond |
|--------------------------------------------------------------------------|---------------------|--------------------|
| Initial investment                                                       | £2,000,000          | £2,000,000         |
| Personal tax paid over the 10-year period within the unwrapped portfolio | £394,000            | n/a                |
| <b>Value after 10 years, before redemption</b>                           | <b>£2,760,000</b>   | <b>£3,250,000</b>  |

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Utmost International Isle of Man Limited is registered in the Isle of Man under number 024916C.

Registered Office: King Edward Bay House, King Edward Road, Onchan, Isle of Man, IM99 1NU, British Isles. Licensed by the Isle of Man Financial Services Authority.

Utmost Wealth Solutions is registered in the Isle of Man as a business name of Utmost International Isle of Man Limited.

Utmost PanEurope dac (registered number 311420) is regulated by the Central Bank of Ireland.

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Utmost PanEurope dac is a Category A Insurance Permit holder with the Jersey Financial Services Commission.

Utmost Wealth Solutions is registered in Ireland as a business name of Utmost PanEurope dac.