

**ALLIED WORLD ASSURANCE COMPANY, AG
SWISS STATUTORY FINANCIAL STATEMENTS**

for the year ending December 31, 2023

Allied World Assurance Company, AG
Statutory Financial Statements
Table of Contents

Table of Contents

<u>Management Report 2023</u>	<u>2</u>
<u>Statutory Balance Sheet</u>	<u>5</u>
<u>Statutory Income Statement</u>	<u>6</u>
<u>Notes</u>	<u>7</u>
<u>Proposed Appropriation of Deficit</u>	<u>15</u>

Allied World Assurance Company, AG
Statutory Financial Statements
Management Report 2023

Management Report 2023

General

Allied World Assurance Company, AG (the “Company”) was incorporated in Switzerland in the Canton of Zug on May 6, 2010. On March 30, 2011, the Company obtained a license from the Swiss Financial Market Supervisory Authority (“FINMA”) to conduct business in non-life direct insurance and reinsurance. In 2012, the Company established a Bermuda branch in order to offer its insurance products via Bermuda throughout the United States of America. Since April 2012, the Company is registered as a Class 3A insurer under the Bermuda Insurance Law 1978.

The Company is a wholly-owned subsidiary of Allied World Assurance Holdings (Ireland) Ltd (the “Holding Company”) and has its head office at Park Tower, Gubelstrasse 24, 6300 Zug, Switzerland. The Company has an annual average of less than 50 full-time employees.

Risk assessment

The Company maintains an entity-wide enterprise risk management framework. The risk processes address the nature and scope of business activities of, and the specific risks to, the Company. The Board of Directors of the Company is responsible for assessing risks related to the financial reporting process and for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the finance function, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company’s statutory financial statements in accordance with Swiss accounting and financial reporting legislation.

The Company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Swiss accounting and financial reporting legislation; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

The Board of Directors of the Company regularly meets with management, the independent registered auditors and the internal auditor; approves the overall scope of audit work and related fee arrangements; and reviews audit reports and findings.

Business Year 2023

The Company reported a net loss after taxes of USD 35.8 million in 2023 compared to a net loss of USD 39.4 million in 2022. The Company wrote similar risks as in 2022 and gross written premium in 2023 totaled USD 143.5 million, of which USD 32.6 million (or 22.7%) was written in direct insurance business and USD 110.9 million (or 77.3%) was written in assumed reinsurance business. Gross written premium in assumed reinsurance business increased by USD 19.0 million compared to prior year. The direct insurance business reported a decrease of USD 7.4 million compared to prior year. Net premiums earned totaled USD 114.3 million, which was an increase of USD 22.5 million (or 24.6%) compared to prior year and was mainly driven by the assumed reinsurance business.

Allied World Assurance Company, AG
Statutory Financial Statements
Management Report 2023

The Company reported a combined ratio of 130.5% in 2023 compared to 145.0% in 2022. As in the prior year, the main drivers for the combined ratio were net losses and loss expenses. In 2023, net losses and loss expenses were USD 118.5 million in assumed reinsurance business and USD 8.0 million in direct insurance business. The catastrophe losses in 2023 in the Swiss assumed reinsurance business mainly resulted from current year losses due to the Turkey and Morocco earthquakes, European hailstorms and prior year reserve strengthenings. The net loss ratio in 2023 was 110.7% compared to 127.5% in 2022.

Net acquisition costs of USD 10.0 million and USD 7.5 million were incurred in 2023 and 2022, respectively. Administrative expenses increased by USD 4.2 million to USD 12.7 million in 2023 compared to USD 8.5 million in 2022 and mainly consisted of personnel expenses, other administrative expenses and depreciation. The expense ratio was 19.9% in 2023 compared to 17.4% in 2022. The increase was driven by higher net acquisition costs and administrative expenses. The total (re)insurance activities resulted in an underwriting loss of USD 34.9 million in 2023.

As of December 31, 2023, total assets were USD 735.6 million and total liabilities were USD 563.5 million; gross reserves for losses and loss expenses were USD 441.7 million; unearned premium reserves, gross were USD 35.0 million; and equalization reserves were USD 31.3 million. The Company maintains tied assets in the amount of USD 232.5 million as of year-end 2023 to support direct insurance liabilities. The total portfolio of fixed maturity investments of USD 416.5 million consisted of global corporate and government bonds. Short-term bonds have an overall maturity of less than 12 months and are presented as cash and cash equivalents. The portfolio of equity securities as at the end of 2023 was USD 20.0 million. Asset-backed securities and equity investment funds are presented as Other investments. The equity investment funds amounted to USD 35.5 million in both 2023 and 2022. Investments in asset-backed securities decreased from USD 3.9 million in 2022 to USD 2.9 million in 2023. The performance of the investment portfolio was in line with management's expectations for the year.

Total shareholder's equity decreased from USD 188.0 million as of December 31, 2022 to USD 172.2 million as of December 31, 2023. On December 12, 2023, the Holding Company contributed an amount of USD 20.0 million (CHF 17.6 million) to the Company's capital.

Ukraine-Russia conflict

On February 24, 2022, Russian troops invaded Ukraine and commenced military operations in multiple locations. These ongoing operations have led to casualties, significant dislocation of the population, damage to infrastructure and disruption to economic activity in Ukraine. To date there has been no significant financial impact in relation to the conflict on the Company.

Hamas-Israel conflict

On October 7, 2023, Hamas-led Palestinian militant groups launched a land, sea and air assault on Israel from the Gaza strip. This has resulted in war between those Hamas-led Palestinian militant groups and Israeli military forces. These ongoing operations have led to casualties, significant dislocation of the population, damage to infrastructure and disruption to economic activity in the region. To date there has been no significant financial impact in relation to the conflict on the Company.

Inflation

Inflation has reached multi-decade highs across global economies due to a confluence of factors and is likely to stay elevated at least into 2024. This is exacerbated by the aforementioned geopolitical events. The hard insurance market in recent years has allowed the Company to accumulate sufficient reserves. However, the Company continues to monitor the situation closely.

Allied World Assurance Company, AG
Statutory Financial Statements
Management Report 2023

Business Objectives

The Company is a specialty reinsurance and insurance company that seeks to write a diversified portfolio of property and casualty business through its main office in the Canton of Zug and branch office in Bermuda. Its business objective is to write and grow a profitable book of business, which is diversified by business mix and geography and which contributes positive returns on equity to its parent entities. The insurance activities focus on medium- to large-sized commercial clients in Switzerland and the United States where the Company offers general casualty and professional liability insurance products. The Company also offers property, general casualty and professional liability reinsurance products, primarily to clients in northern and central Europe and the Middle East.

Outlook

The Company's objective is to manage its core business, to maximize profitability and increase shareholder's funds through future market cycles. In addition, the Company seeks to develop a selected number of initiatives to expand its geographic distribution and product mix, with a focus on profitable growth.

Allied World Assurance Company, AG
Statutory Balance Sheet
as of December 31, 2023 and December 31, 2022

<i>as of December 31, (in 000's)</i>	Notes	2023		2022	
		USD	CHF	USD	CHF
ASSETS					
Real estate		10,801	9,248	11,108	10,343
Fixed maturity investments		402,774	344,855	362,851	337,851
Equity securities		20,000	17,124	20,000	18,622
Other investments	3	38,425	32,899	39,427	36,710
Reinsurance funds held		35,734	30,595	27,549	25,651
Cash and cash equivalents		31,361	26,852	76,444	71,177
Reinsurance recoverable	6	138,474	118,561	134,606	125,332
Fixed assets		15,183	12,999	15,614	14,538
Insurance balances receivable	4	36,741	31,458	36,043	33,559
Other receivables	5	1,390	1,190	739	688
Other assets		605	518	135	126
Accrued assets		4,158	3,557	2,373	2,209
Total assets		735,646	629,856	726,889	676,806
LIABILITIES AND SHAREHOLDER'S EQUITY					
Reserves for losses and loss expenses	6	441,735	378,214	420,986	391,980
Unearned premium reserves	6	34,952	29,926	44,101	41,062
Equalization reserve	6	31,291	26,791	31,803	29,612
Interest-bearing liabilities		17,957	15,375	16,835	15,675
Insurance balances payable	4	25,846	22,130	18,129	16,880
Other payables	5	8,192	7,014	4,936	4,596
Accrued liabilities		3,483	2,982	2,114	1,968
Total liabilities		563,456	482,432	538,904	501,773
Shareholder's equity					
Share capital	7	10,112	10,000	10,112	10,000
Statutory capital reserve					
Statutory capital reserves from tax capital contribution		160,953	151,794	140,953	134,234
Other statutory capital reserves		100,877	99,758	100,877	99,758
Total statutory capital reserves	7	261,830	251,552	241,830	233,992
Retained deficit and net loss					
Carried forward		(63,957)	(82,022)	(24,524)	(31,275)
Net loss		(35,795)	(32,106)	(39,433)	(37,684)
Total retained deficit and net loss	7	(99,752)	(114,128)	(63,957)	(68,959)
Total shareholder's equity	7	172,190	147,424	187,985	175,033
Total liabilities and shareholder's equity		735,646	629,856	726,889	676,806

Allied World Assurance Company, AG
Statutory Income Statement
for the years ended December 31, 2023 and December 31, 2022

<i>for the years ended December 31, (in 000's)</i>	Notes	2023		2022	
		USD	CHF	USD	CHF
Gross written premium		143,489	128,700	131,901	126,050
Premium ceded		(34,418)	(30,870)	(41,323)	(39,490)
Net written premium		109,071	97,830	90,578	86,560
Change in reserves for unearned premium, gross		9,149	8,206	1,924	1,839
Change in reserves for unearned premium, ceded		(3,904)	(3,501)	(725)	(693)
Net premium earned		114,316	102,535	91,777	87,706
Total technical income from insurance activities	8	114,316	102,535	91,777	87,706
Losses and loss expenses paid, gross		(136,776)	(122,679)	(79,530)	(76,002)
Losses and loss expenses paid, ceded		17,868	16,027	11,981	11,449
Change in reserves for losses and loss expenses, gross		(15,878)	(14,242)	(62,000)	(59,250)
Change in reserves for losses and loss expenses, ceded		7,769	6,968	14,866	14,207
Change in equalization reserve		512	459	(2,374)	(2,269)
Net losses and loss expenses		(126,505)	(113,467)	(117,057)	(111,865)
Acquisition costs and administrative expenses, gross		(30,098)	(26,996)	(25,534)	(24,402)
Acquisition costs and administrative expenses, ceded		7,387	6,626	9,544	9,121
Net acquisition costs and administrative expenses	9	(22,711)	(20,370)	(15,990)	(15,281)
Total technical expenses from insurance activities		(149,216)	(133,837)	(133,047)	(127,146)
Investment income	10	17,781	15,948	8,977	8,579
Investment expenses	10	(12,985)	(11,647)	(10,859)	(10,377)
Investment result		4,796	4,301	(1,882)	(1,798)
Total operating result		(30,104)	(27,001)	(43,152)	(41,238)
Interest expense		(628)	(563)	(533)	(509)
Foreign exchange (loss) gain		(5,461)	(4,899)	4,886	4,669
Net loss before tax		(36,193)	(32,463)	(38,799)	(37,078)
Direct tax benefit (expense)		398	357	(634)	(606)
Net loss		(35,795)	(32,106)	(39,433)	(37,684)

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

1. Corporate information

The Company's principal activity is to underwrite first- and third-party insurance and reinsurance risks. The Company was incorporated in Switzerland in the Canton of Zug on May 6, 2010 and is regulated by FINMA pursuant to the Insurance Supervisory Law. In 2012, the Company established a Bermuda branch in order to offer its insurance products via Bermuda throughout the United States of America. Since April 2012, the Company is registered as a Class 3A insurer under the Bermuda Insurance Law 1978. The Company is an indirect subsidiary of Allied World Assurance Company Holdings, Ltd, a Bermuda company that prepares consolidated financial statements according to the accounting principles generally accepted in the United States ("US GAAP"). The Company has an annual average of less than 50 full-time employees.

The balance sheet is shown as of December 31, 2023 and December 31, 2022. The income statement reflects the results of operations for the years ending December 31, 2023 and December 31, 2022.

2. Significant accounting policies

The Company's Statutory Financial Statements are presented in accordance with the Swiss accounting and financial reporting legislation, Art. 957 to 962a Code of Obligations, and the relevant insurance supervisory law, particularly with regard to the revised Insurance Supervisory Ordinance and the revised Insurance Supervisory Ordinance - FINMA. The reporting and functional currency for the Company is United States Dollars ("USD"). Additionally, the Swiss Franc ("CHF") amount is shown for informational purposes. Unless otherwise stated, all amounts are rounded to the nearest thousand USD and thousand CHF.

a) Cash and cash equivalents

All cash and cash equivalents are considered to be cash on hand, deposits or highly liquid investments, including short-term bonds, with an original maturity of twelve months or less at the time of purchase.

b) Investments

Fixed maturity investments

Investments in fixed maturity investments are carried at a maximum value equal to their amortized cost less impairment.

Equity securities

Equity securities that are quoted on a stock exchange are carried at a maximum value equal to their cost less impairment.

Real estate

Real estate held for investment and for own use is carried at cost value less depreciation.

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

Other investments

Other investments consist of asset-backed securities which are carried at amortized cost less impairment and investment funds which are carried at cost less impairment.

c) Insurance reserves

The reserve for losses and loss expenses is comprised of two main elements: outstanding loss reserves (also known as “case reserves”) and reserves for losses incurred but not reported (also known as “IBNR”). Case reserves relate to known claims and represent management’s best estimate of the likely loss settlement. IBNR reserves require substantial judgment because they relate to unquantified events that, based on industry information, management’s experience and actuarial evaluation, can reasonably be expected to have occurred and are reasonably likely to result in a loss to the Company.

The unearned premium reserves represent the share of written premium for unexpired risks as at the balance sheet date.

Equalization reserves are calculated based on the business plan approved by FINMA.

d) Long-term debt

Mortgage and other long-term debt are valued at nominal value.

e) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into USD at the exchange rate in effect on the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are translated into USD at the historical exchange rates. Foreign currency revenues and expenses are translated into USD at the exchange rates prevailing during the period.

f) Foreign currency translation

Although the Company’s reporting currency is USD, the Company also presents the financial statements in CHF. For the translation into CHF, the following methods were applied:

- Equity positions were translated at historical foreign exchange rates, whereas all other positions of the balance sheet presented were translated at the closing rate on the date of the financial statements;
- Income and expenses were translated at the annual average rate; and
- All resulting exchange differences (gains and losses) were recognized in equity.

USD/CHF	2023	2022
Year-end rate	0.8562	0.9311
Annual average rate	0.8969	0.9556

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

g) Direct tax expenses

Direct tax expenses include Swiss and foreign income tax expenses and capital tax expenses in Switzerland.

3. Other investments

The following tables shows the breakdown of other investments as of December 31, 2023 and December 31, 2022.

Other investments <i>as of December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Asset-backed securities	2,909	2,491	3,911	3,642
Equity investment funds	35,516	30,408	35,516	33,068
Total Other investments	38,425	32,899	39,427	36,710

4. Insurance balances receivable and payable

The following tables show the current insurance balances receivable and payable as of December 31, 2023 and December 31, 2022.

Insurance balances receivable <i>as of December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Receivables from intermediaries *	34,289	29,358	31,599	29,421
Receivables from (re)insurance companies	2,100	1,798	2,568	2,391
Receivables from group companies	352	302	1,876	1,747
Total Insurance balances receivable	36,741	31,458	36,043	33,559

Insurance balances payable <i>as of December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Payables to intermediaries *	2,342	2,005	3,302	3,074
Payables to (re)insurance companies	5,867	5,023	4,131	3,846
Payables to group companies	17,637	15,102	10,696	9,960
Total Insurance balances payable	25,846	22,130	18,129	16,880

* The position from/to intermediaries includes balances to (re)insurance companies, which act as intermediaries for the applicable policy/treaty.

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

5. Other receivables and payables

The following tables show the other current receivables and payables as of December 31, 2023 and December 31, 2022.

Other receivables <i>as of December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Receivables from third parties	318	272	144	134
Receivables from shareholder	128	109	120	111
Receivables from related parties	944	809	475	443
Total other receivables	1,390	1,190	739	688

Other payables <i>as of December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Payables to third parties	6,421	5,497	1,354	1,261
Payables to shareholder	518	444	3,191	2,971
Payables to related parties	1,253	1,073	391	364
Total other payables	8,192	7,014	4,936	4,596

6. Insurance reserves

The following table shows the breakdown of the insurance reserves indicating gross amount, reinsurers' share and the amount for own account as of December 31, 2023 and December 31, 2022.

<i>as of December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Reserves for losses and loss expenses, gross	441,735	378,214	420,986	391,980
Reserves for losses and loss expenses, ceded	(127,162)	(108,876)	(119,391)	(111,165)
Reserves for losses and loss expenses, net	314,573	269,338	301,595	280,815
Unearned premium, gross	34,952	29,926	44,101	41,062
Unearned premium, ceded	(11,312)	(9,685)	(15,216)	(14,167)
Unearned premium, net	23,640	20,241	28,885	26,895
Equalization reserve	31,291	26,791	31,803	29,612
Total Insurance reserve, net	369,504	316,370	362,283	337,322

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

7. Shareholder's equity

The share capital of the Company amounts to 10,000 fully paid-in registered shares at a par value of CHF 1,000 each, totaling CHF 10.0 million as shown in the table below.

On December 16, 2022, the Holding Company contributed an amount of USD 25.0 million (CHF 23.8 million) to the Company's statutory capital reserves of USD 216.8 million (CHF 210.1 million). On December 12, 2023, the Holding Company further contributed an amount of USD 20.0 million (CHF 17.6 million) to the Company's statutory capital. The USD 20.0 million (CHF 17.6 million) have not been authorized as capital reserves from tax capital contribution by the Swiss Federal Tax Administration as of the date of these financial statements.

The following table details movements in shareholder's equity from January 1, 2022 through December 31, 2023.

<i>(in 000's)</i>	Share capital		Statutory capital reserves		Retained deficit and net loss		Total shareholder's equity	
	USD	CHF	USD	CHF	USD	CHF	USD	CHF
Opening balance as of January 1, 2022	10,112	10,000	216,830	210,149	(24,524)	(34,267)	202,417	185,882
Capital contribution (December 16, 2022)			25,000	23,843			25,000	23,843
Loss for the year					(39,433)	(37,684)	(39,433)	(37,684)
Foreign exchange revaluation						2,992		2,992
Balance as of December 31, 2022	10,112	10,000	241,830	233,992	(63,957)	(68,959)	187,985	175,033
Capital contribution (December 12, 2023)			20,000	17,560			20,000	17,560
Loss for the year					(35,795)	(32,106)	(35,795)	(32,106)
Foreign exchange revaluation						(13,063)		(13,063)
Balance as of December 31, 2023	10,112	10,000	261,830	251,552	(99,752)	(114,128)	172,190	147,424

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

8. Breakdown between direct insurance and reinsurance business

The following table shows the breakdown of the insurance technical positions of the income statement by direct insurance and reinsurance business for the years ended December 31, 2023 and December 31, 2022.

	Direct Insurance				Reinsurance			
	2023		2022		2023		2022	
<i>for the year ended December 31, (in 000's)</i>	USD	CHF	USD	CHF	USD	CHF	USD	CHF
Gross written premium	32,565	29,209	39,929	38,157	110,924	99,491	91,972	87,893
Premium ceded	(21,155)	(18,974)	(28,971)	(27,686)	(13,263)	(11,896)	(12,352)	(11,804)
Net written premium	11,410	10,235	10,958	10,471	97,661	87,595	79,620	76,089
Change in reserves for unearned premium, gross	8,359	7,497	3,104	2,965	790	709	(1,180)	(1,127)
Change in reserves for unearned premium, ceded	(3,796)	(3,404)	(597)	(570)	(108)	(97)	(128)	(123)
Net premium earned	15,973	14,328	13,465	12,866	98,343	88,207	78,312	74,839
Total technical income from insurance activities	15,973	14,328	13,465	12,866	98,343	88,207	78,312	74,839
Losses and loss expenses paid, gross	(17,336)	(15,550)	(15,062)	(14,394)	(119,440)	(107,129)	(64,467)	(61,608)
Losses and loss expenses paid, ceded	12,742	11,430	8,090	7,731	5,126	4,597	3,891	3,718
Change in reserves for losses and loss expenses, gross	(12,871)	(11,545)	(14,652)	(14,002)	(3,007)	(2,697)	(47,349)	(45,248)
Change in reserves for losses and loss expenses, ceded	9,645	8,650	9,217	8,808	(1,876)	(1,682)	5,649	5,399
Change in equalization reserve	(195)	(174)	(59)	(56)	707	633	(2,315)	(2,213)
Net losses and loss expenses	(8,015)	(7,189)	(12,466)	(11,913)	(118,490)	(106,278)	(104,591)	(99,952)
Acquisition costs and administrative expenses, gross	(6,458)	(5,792)	(6,012)	(5,746)	(23,640)	(21,204)	(19,522)	(18,656)
Acquisition costs and administrative expenses, ceded	6,197	5,558	8,460	8,085	1,190	1,068	1,084	1,036
Net acquisition costs and administrative expenses	(261)	(234)	2,448	2,339	(22,450)	(20,136)	(18,438)	(17,620)
Total technical expenses from insurance activities	(8,276)	(7,423)	(10,018)	(9,574)	(140,940)	(126,414)	(123,029)	(117,572)
Underwriting result	7,697	6,905	3,447	3,292	(42,597)	(38,207)	(44,717)	(42,733)

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

9. Net acquisition costs and administrative expenses

The following table shows a breakdown of the net acquisition costs and administrative expenses for the years ended December 31, 2023 and December 31, 2022.

<i>for the year ended December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Net acquisition costs	9,993	8,963	7,534	7,200
Personnel costs	8,905	7,987	6,593	6,300
Depreciation of real estate (fixed assets)	431	387	431	412
Other admin expenses	3,382	3,033	1,432	1,369
Net acquisition costs and administrative expenses	22,711	20,370	15,990	15,281

10. Investment results

The following table shows a breakdown of the investment income for the years ended December 31, 2023 and December 31, 2022.

<i>for the year ended December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Accretion of bonds	5,568	4,995	-	-
Interest income	10,411	9,338	7,449	7,118
Dividend income	1,326	1,189	1,060	1,013
Rental income	355	318	339	324
Realized gains on bonds	59	53	-	-
Other investment income	62	55	129	124
Total investment income	17,781	15,948	8,977	8,579

The following table shows a breakdown of the investment expenses for the years ended December 31, 2023 and December 31, 2022.

<i>for the year ended December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Amortization of bonds	-	-	1,108	1,058
Depreciation of real estate	307	275	307	293
Realized losses on bonds	8,934	8,013	3,067	2,931
Other investment expense	3,744	3,359	6,377	6,095
Total investment expenses	12,985	11,647	10,859	10,379

Allied World Assurance Company, AG
Notes to Statutory Financial Statements

11. Supplementary information

<i>As of December 31, (in 000's)</i>	2023		2022	
	USD	CHF	USD	CHF
Total pledged assets	25,984	22,247	26,722	24,881
of which subject to a registered mortgage note *	18,204	18,000	18,204	18,000
Tied assets	232,458	199,030	239,005	222,537
Liability due to pension fund	-	-	5	5

* converted to CHF using historical foreign exchange rates

12. Subsequent events

The Company considers events or transactions that occur after the balance sheet date but before the financial statements are approved by the Shareholders' Annual General Meeting ("AGM") to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through the date that the financial statements were approved at the AGM.

There were no subsequent events between the balance sheet date and the date of approval of the financial statements.

13. Net release of hidden services

In 2023 and 2022, the Company did not release hidden reserves.

April 24, 2024



Edward Moresco
Chairman of the Board



Christoph Murg
Managing Director

Allied World Assurance Company, AG
Proposed Appropriation of Deficit
(in USD)
(Proposed by the Board of Directors)

Registered shares eligible for dividends

<i>as of December 31,</i>	2023
Eligible shares	10,000

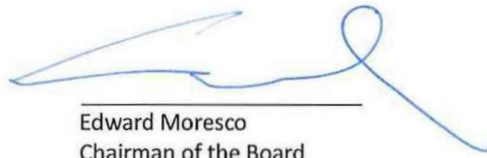
Appropriation of deficit proposed by Board of Directors

<i>as of December 31,</i>	2023
Balance carried forward	(63,957,084)
Net loss for the year	(35,795,499)
Deficit to be carried forward	(99,752,583)

The Board of Directors proposes to the shareholder at the annual general meeting to carry forward a deficit of USD 99,752,583 as shown in the table above.

On behalf of the Board of Directors

April 24, 2024



Edward Moresco
Chairman of the Board