



June 7, 2024

## Report of Independent Auditors

To the Board of Directors of Credit Suisse Life (Bermuda) Ltd.

### Opinions

We have audited the accompanying condensed financial statements of Credit Suisse Life (Bermuda) Ltd. (the "Company"), which comprise the condensed balance sheets and condensed statements of capital and surplus as of December 31, 2023 and 2022, and the related condensed statements of income for the years then ended, including the related notes (collectively referred to as the "condensed financial statements").

#### *Unmodified opinion on regulatory basis of accounting*

In our opinion, the accompanying condensed financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations for the years then ended in accordance with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to condensed general purpose financial statements (the "Legislation").

#### *Adverse opinion on U.S. generally accepted accounting principles*

In our opinion, because of the significance of the matter discussed in the *Basis for adverse opinion on U.S. generally accepted accounting principles* section of our report, the accompanying condensed financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2023 and 2022, or the results of its operations for the years then ended.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the condensed financial statements* section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Basis for adverse opinion on U.S. generally accepted accounting principles*

As described in Note 3 to the condensed financial statements, the condensed financial statements are prepared by the Company on the basis of the financial reporting provisions of the Legislation, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Bermuda Monetary Authority.

The effects on the condensed financial statements of the variances between the regulatory basis of accounting described in Note 3 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.



### **Responsibilities of management for the condensed financial statements**

Management is responsible for the preparation and fair presentation of the condensed financial statements in accordance with the financial reporting provisions of the Legislation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the condensed financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the condensed financial statements are available to be issued.

### **Auditors' responsibilities for the audit of the condensed financial statements**

Our objectives are to obtain reasonable assurance about whether the condensed 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the condensed financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the condensed financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the condensed financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the condensed financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*PricewaterhouseCoopers Ltd.*

**Chartered Professional Accountants**

# CONDENSED BALANCE SHEET

Credit Suisse Life (Bermuda) Ltd.

As at

December 31, 2023

Expressed in ['000]

United States Dollars

LINE NO.		2023	2022
1	<b>CASH AND CASH EQUIVALENTS</b>	3,986	3,761
2	<b>QUOTED INVESTMENTS:</b>		
(a)	<b>Bonds and Debentures</b>		
	i. Held to maturity	—	—
	ii. Other	—	—
(b)	<b>Total Bonds and Debentures</b>	—	—
(c)	<b>Equities</b>		
	i. Common stocks	—	—
	ii. Preferred stocks	—	—
	iii. Mutual funds	—	—
(d)	<b>Total equities</b>	—	—
(e)	<b>Other quoted investments</b>	—	—
(f)	<b>Total quoted investments</b>	—	—
3	<b>UNQUOTED INVESTMENTS</b>		
(a)	<b>Bonds and Debentures</b>		
	i. Held to maturity	—	—
	ii. Other	—	—
(b)	<b>Total Bonds and Debentures</b>	—	—
(c)	<b>Equities</b>		
	i. Common stocks	—	—
	ii. Preferred stocks	—	—
	iii. Mutual funds	—	—
(d)	<b>Total equities</b>	—	—
(e)	<b>Other unquoted investments</b>	—	—
(f)	<b>Total unquoted investments</b>	—	—
4	<b>INVESTMENT IN AND ADVANCES TO AFFILIATES</b>		
(a)	<b>Unregulated entities that conduct ancillary services</b>	—	—
(b)	<b>Unregulated non-financial operating entities</b>	—	—
(c)	<b>Unregulated financial operating entities</b>	—	—
(d)	<b>Regulated non-insurance financial operating entities</b>	—	—
(e)	<b>Regulated insurance financial operating entities</b>	—	—
(f)	<b>Total investments in affiliates</b>	—	—
(g)	<b>Advances to affiliates</b>	—	—
(h)	<b>Total investments in and advances to affiliates</b>	—	—
5	<b>INVESTMENT IN MORTGAGE LOANS ON REAL ESTATE</b>		
(a)	<b>First liens</b>	—	—
(b)	<b>Other than first liens</b>	—	—
(c)	<b>Total investments in mortgage loans on real estate</b>	—	—
6	<b>POLICY LOANS</b>	—	—
7	<b>REAL ESTATE</b>		
(a)	<b>Occupied by the company (less encumbrances)</b>	—	—
(b)	<b>Other properties (less encumbrances)</b>	—	—
(c)	<b>Total real estate</b>	—	—

# CONDENSED BALANCE SHEET

Credit Suisse Life (Bermuda) Ltd.

As at

December 31, 2023

Expressed in ['000]

United States Dollars

LINE NO.		2023	2022
	<b>ASSETS</b>		
<b>8</b>	<b>COLLATERAL LOANS</b>	—	—
<b>9</b>	<b>INVESTMENT INCOME DUE AND ACCRUED</b>	—	—
<b>10</b>	<b>ACCOUNTS AND PREMIUMS RECEIVABLE</b>		
(a)	In course of collection	393	366
(b)	Deferred - not yet due	—	—
(c)	Receivables from retrocessional contracts	—	—
(d)	Total accounts and premiums receivable	393	366
<b>11</b>	<b>REINSURANCE BALANCES RECEIVABLE</b>		
(a)	Foreign affiliates	—	—
(b)	Domestic affiliates	—	—
(c)	Pools and associations	—	—
(d)	All other insurers	—	—
(e)	Total reinsurance balances receivable	—	—
<b>12</b>	<b>FUNDS HELD BY CEDING REINSURERS</b>		
<b>13</b>	<b>SUNDRY ASSETS</b>		
(a)	Derivative instruments	—	—
(b)	Segregated accounts companies - long-term business - variable annuities	—	—
(c)	Segregated accounts companies - long-term business - other	69,861	69,420
(d)	Segregated accounts - general business	—	—
(e)	Deposit assets	—	—
(f)	Deferred acquisition costs	—	—
(g)	Not receivables for investments sold	—	—
(h)	THP Receivable	979	519
(i)	Escrow Account	539,751	606,078
(i)	Other Sundry Assets (Specify)	—	—
(k)	Total sundry assets	610,591	676,017
<b>14</b>	<b>LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS</b>		
(a)	Letters of credit	—	—
(b)	Guarantees	—	—
(c)	Other instruments	—	—
(d)	Total letters of credit, guarantees and other instruments	—	—
<b>15</b>	<b>TOTAL</b>	614,970	680,144

# CONDENSED BALANCE SHEET

Credit Suisse Life (Bermuda) Ltd.

As at

December 31, 2023

Expressed in ['000]

United States Dollars

LINE NO.		2023	2022
	<b>TOTAL INSURANCE RESERVES, OTHER LIABILITIES AND CAPITAL AND SURPLUS</b>		
<b>16</b>	<b>UNEARNED PREMIUM RESERVE</b>		
(a)	Gross unearned premium reserves	—	—
(b)	Less: Ceded unearned premium reserve	—	—
	i. Foreign affiliates	—	—
	ii. Domestic affiliates	—	—
	iii. Pools & associations	—	—
	iv. All other reinsurers	—	—
(c)	Total ceded unearned premium reserve	—	—
(d)	Net unearned premium reserves	—	—
<b>17</b>	<b>LOSS AND LOSS EXPENSE PROVISIONS</b>		
(a)	Gross loss and loss expense provisions	—	—
(b)	Less: Reinsurance recoverable balance	—	—
	i. Foreign affiliates	—	—
	ii. Domestic affiliates	—	—
	iii. Pools & associations	—	—
	iv. All other reinsurers	—	—
(c)	Total reinsurance recoverable balance	—	—
(d)	Net loss and loss expenses provisions	—	—
<b>18</b>	<b>OTHER GENERAL BUSINESS INSURANCE RESERVES</b>	—	—
<b>19</b>	<b>TOTAL GENERAL BUSINESS INSURANCE RESERVES</b>	—	—
	<b>LONG-TERM BUSINESS INSURANCE RESERVES</b>		
<b>20</b>	<b>RESERVES FOR REPORTED CLAIMS</b>	—	—
<b>21</b>	<b>RESERVE FOR UNREPORTED CLAIMS</b>	—	—
<b>22</b>	<b>POLICY RESERVES - LIFE</b>	—	—
<b>23</b>	<b>POLICY RESERVES - ACCIDENT AND HEALTH</b>	—	—
<b>24</b>	<b>POLICYHOLDERS' FUNDS ON DEPOSIT</b>	—	—
<b>25</b>	<b>LIABILITY FOR FUTURE POLICYHOLDERS' DIVIDENDS</b>	—	—
<b>26</b>	<b>OTHER LONG-TERM BUSINESS INSURANCE RESERVES</b>	—	—
<b>27</b>	<b>TOTAL LONG-TERM BUSINESS INSURANCE RESERVES</b>	—	—
(a)	Total Gross Long-Term Business Insurance Reserves	—	—
(b)	Less: Reinsurance recoverable balance on long term business		
	i. Foreign affiliates	—	—
	ii. Domestic affiliates	—	—
	iii. Pools & associations	—	—
	iv. All other reinsurers	—	—
(c)	Total Reinsurance Recoverable Balance	—	—
(d)	Total Net Long-Term Business Insurance Reserves	—	—

# CONDENSED BALANCE SHEET

Credit Suisse Life (Bermuda) Ltd.

As at

December 31, 2023

Expressed in ['000]

United States Dollars

LINE NO.		2023	2022
	<b>OTHER LIABILITIES</b>		
28	INSURANCE AND REINSURANCE BALANCES PAYABLE	—	—
29	COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE	336,416	244,521
30	LOANS AND NOTES PAYABLE	—	—
31	(a) INCOME TAXES PAYABLE	—	—
	(b) DEFERRED INCOME TAXES	—	—
32	AMOUNTS DUE TO AFFILIATES	—	—
33	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	2,202	1,224
34	FUNDS HELD UNDER REINSURANCE CONTRACTS		
35	DIVIDENDS PAYABLE	—	—
36	<b>SUNDRY LIABILITIES</b>		
(a)	Derivative instruments		
(b)	Segregated accounts companies	69,861	69,420
(c)	Deposit liabilities		
(d)	Net payable for investments purchased		
(e)	THP Payable	869	—
(f)	<b>Total sundry liabilities</b>	<u>70,730</u>	<u>69,420</u>
37	<b>LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS</b>		
	<b>OTHER INSTRUMENTS</b>		
(a)	Letters of credit	—	—
(b)	Guarantees	—	—
(c)	Other instruments	—	—
(d)	Total letters of credit, guarantees and other instruments	—	—
38	<b>TOTAL OTHER LIABILITIES</b>	<u>409,348</u>	<u>315,165</u>
39	<b>TOTAL INSURANCE RESERVES AND OTHER LIABILITIES</b>	<u>409,348</u>	<u>315,165</u>
	<b>CAPITAL AND SURPLUS</b>		
40	<b>TOTAL CAPITAL AND SURPLUS</b>	205,622	364,979
41	<b>TOTAL</b>	<u>614,970</u>	<u>680,144</u>

**CONDENSED STATEMENT OF INCOME**

**Credit Suisse Life (Bermuda) Ltd.**

As at

**December 31, 2023**

expressed in ['000s]

**United States Dollars**

LINE NO.		2023	2022
	<b>GENERAL BUSINESS UNDERWRITING INCOME</b>		
1	<b>GROSS PREMIUMS WRITTEN</b>		
	(a) Direct gross premiums written	—	—
	(b) Assumed gross premiums written	—	—
	(c) Total gross premiums written	—	—
2	<b>REINSURANCE PREMIUMS CEDED</b>	—	—
3	<b>NET PREMIUMS WRITTEN</b>	—	—
4	<b>INCREASE (DECREASE) IN UNEARNED PREMIUMS</b>	—	—
5	<b>NET PREMIUMS EARNED</b>	—	—
6	<b>OTHER INSURANCE INCOME</b>	—	—
7	<b>TOTAL GENERAL BUSINESS UNDERWRITING INCOME</b>	—	—
	<b>GENERAL BUSINESS UNDERWRITING EXPENSES</b>	—	—
8	<b>NET LOSSES INCURRED AND NET LOSS EXPENSES INCURRED</b>	—	—
9	<b>COMMISSIONS AND BROKERAGE</b>	—	—
10	<b>TOTAL GENERAL BUSINESS UNDERWRITING EXPENSES</b>	—	—
11	<b>NET UNDERWRITING PROFIT (LOSS)- GENERAL BUSINESS</b>	—	—
	<b>LONG TERM BUSINESS INCOME</b>		
12	<b>GROSS PREMIUMS AND OTHER CONSIDERATIONS</b>		
	(a) Direct gross premiums and other considerations	—	—
	(b) Assumed gross premiums and other considerations	—	—
	(c) Total gross premiums and other considerations	—	—
13	<b>PREMIUM CEDED</b>	—	—
14	<b>NET PREMIUMS AND OTHER CONSIDERATION</b>		
	(a) Life	—	—
	(b) Annuities	—	—
	(c) Accident and Health	—	—
	(d) Total Net Premiums and Other Considerations	—	—
15	<b>OTHER INSURANCE INCOME</b>	<b>7,847</b>	<b>108</b>
16	<b>TOTAL LONG-TERM BUSINESS INCOME</b>	<b>7,847</b>	<b>108</b>
	<b>LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES</b>		
17	<b>CLAIMS - LIFE</b>	—	—
18	<b>POLICYHOLDERS' DIVIDENDS</b>	—	—
19	<b>SURRENDERS</b>	—	—

**CONDENSED STATEMENT OF INCOME**

**Credit Suisse Life (Bermuda) Ltd.**

As at

**December 31, 2023**

expressed in ['000s]

**United States Dollars**

LINE NO.		<b>2023</b>	<b>2022</b>
20	<b>MATURITIES</b>	—	—
21	<b>ANNUITIES</b>	—	—
22	<b>ACCIDENT AND HEALTH BENEFITS</b>	—	—
23	<b>COMMISSIONS</b>	—	—
24	<b>OTHER</b>	—	—
25	<b>TOTAL LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES</b>	—	—
26	<b>INCREASE (DECREASE) IN POLICY RESERVES (ACTUARIAL LIABILITIES):</b>		
	(a) Life	—	—
	(b) Annuities	—	—
	(c) Accident and Health	—	—
	(d) Total increase (decrease) in policy reserves	—	—
27	<b>TOTAL LONG-TERM BUSINESS EXPENSES</b>	—	—
28	<b>NET UNDERWRITING PROFIT (LOSS)– LONG-TERM BUSINESS</b>	<b>7,847</b>	<b>108</b>
29	<b>COMBINED NET UNDERWRITING RESULTS BEFORE THE UNDERNOTED ITEMS</b>	<b>7,847</b>	<b>108</b>
	<b>UNDERNOTED ITEMS</b>		
30	<b>COMBINED OPERATING EXPENSE</b>		
	(a) General and administration	172,204	(37,925)
	(b) Personnel cost	—	—
	(c) Other	—	—
	(d) Total combined operating expenses	<b>172,204</b>	<b>(37,925)</b>
31	<b>COMBINED INVESTMENT INCOME - NET</b>	—	—
32	<b>COMBINED OTHER INCOME (DEDUCTIONS)</b>	—	—
33	<b>COMBINED INCOME BEFORE TAXES</b>	<b>(164,357)</b>	<b>38,033</b>
34	<b>COMBINED INCOME TAXES (IF APPLICABLE):</b>		
	(a) Current	—	—
	(b) Deferred	—	—
	(c) Total	—	—
35	<b>COMBINED INCOME BEFORE REALIZED GAINS (LOSSES)</b>	<b>(164,357)</b>	<b>38,033</b>
36	<b>COMBINED REALIZED GAINS (LOSSES)</b>	—	—
37	<b>COMBINED INTEREST CHARGES</b>	—	—
38	<b>NET INCOME</b>	<b>(164,357)</b>	<b>38,033</b>



**CONDENSED STATEMENT OF CAPITAL AND SURPLUS**

Credit Suisse Life (Bermuda) Ltd.

As at

December 31, 2023

expressed in ['000s]

United States Dollars

LINE NO.		2023	2022
1	<b>CAPITAL:</b>		
(a)	Capital Stock		
	(i) authorized 500,000 shares of par value \$1 each, issued and fully paid	500	500
	(ii) authorized shares of par aggregate liquidation value for-	—	—
	(iii) Treasury shares: value each issued	—	—
(b)	Contributed surplus	647,445	642,445
(c)	Any other fixed capital		
	(i) Hybrid capital instruments	—	—
	(ii) Guarantees and others	—	—
	(iii) Total any other fixed capital	—	—
(d)	Total Capital	<b>647,945</b>	<b>642,945</b>
2	<b>SURPLUS:</b>		
(a)	Surplus - Beginning of Year	(277,966)	(315,999)
(b)	Add: Income for the year	(164,357)	38,033
(c)	Less: Dividends paid and payable	—	—
(d)	Add (Deduct) change in unrealized appreciation (depreciation) of	—	—
(e)	Add (Deduct) change in non-admitted assets	—	—
(f)	Add (Deduct) change in appraisal of real estate	—	—
(g)	Add (Deduct) change in any other surplus	—	—
(h)	Surplus - End of Year	<b>(442,323)</b>	<b>(277,966)</b>
3	<b>MINORITY INTEREST</b>	—	—
4	<b>TOTAL CAPITAL AND SURPLUS</b>	<b>205,622</b>	<b>364,979</b>

**CREDIT SUISSE LIFE (BERMUDA) LTD.  
NOTES TO THE CONDENSED GENERAL PURPOSE FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

(expressed in United States Dollars)

**General Note**

1. Credit Suisse Life (Bermuda) Ltd. (the "Company") was incorporated on November 19, 2004, under the laws of Bermuda and is licensed as a Class C long term insurer under the Insurance Act, 1978 of Bermuda and related regulations. The Company was registered under the Segregated Accounts Companies Act 2000 on January 13, 2005.

The Company is a wholly owned subsidiary of Credit Suisse AG. The ultimate beneficial owner of the Company is currently UBS Group AG, a leading global financial services company. On June 12, 2023, UBS Group AG acquired Credit Suisse Group AG (the former parent company of Credit Suisse AG), succeeding by operation of Swiss law to all assets and liabilities of Credit Suisse Group AG, and became the direct or indirect shareholder of all former direct and indirect subsidiaries of Credit Suisse Group AG. UBS is executing its integration plans and aims to substantially complete these by the end of 2026. A relevant proposed transaction with respect to the integration is the merger of Credit Suisse AG with and into UBS AG, each of which is a wholly owned bank subsidiary of UBS Group AG. The merger was completed on May 31, 2024.

2. The Company provides a unit linked individual life insurance product. Under the terms of the policy, the policyholder bears the risk of changes in the valuation of investments held within each individual policy. The Company does not assume any mortality risk under the life insurance product. The Company ceased accepting new client applications effective September 30, 2013, but continues to provide full service to the "closed block" of policies. The Company created a plan to close all policies and communicated the plan to the Bermuda Monetary Authority (BMA) on April 30, 2014, as the plan constitutes a "significant (disclosable) event" as described in the Insurance Act 1978. Prior to this step, the Authority requested that an independent Anti-Money Laundering (AML) review be performed over a sample of policies. The independent AML review report was completed on June 5, 2015, and findings communicated to BMA on July 3, 2015. To date, the Company has not been notified of any corrective or remedial measures by the BMA.

On September 24, 2015, the Board of Directors of the Company resolved with immediate effect to discontinue the Life Portfolio International (LPI) policy product line. Effective January 11, 2016, the remaining four active policies as of December 31, 2023, are still managed by the Company. The Company has commenced the process of terminating or transferring LPI policies to alternative products within the UBS Group.

**CREDIT SUISSE LIFE (BERMUDA) LTD.**  
**NOTES TO THE CONDENSED GENERAL PURPOSE FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

(expressed in United States Dollars)

Management plans to exit all residual LPI policies as soon as possible and thereafter liquidate the Company. There is uncertainty as to the timing of completion of this process. The statutory financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company places the assets and corresponding liabilities for each life insurance policy in a segregated account to ensure that each life insured's assets are insulated from the liabilities associated with all other life insured's. The segregated account protects against both insolvency of any other life insured's segregated account or of the Company itself. The Company has inter- group service agreements with Credit Suisse AG for the provision of asset management and custody services.

**3. Accounting standards**

These condensed general purpose financial statements are prepared in accordance with financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Accounts Rules 2016 with respect to condensed general purpose financial statements (the "Legislation"). The recognition and measurement principles applied are in line with accounting principles generally accepted in the United States of America ("US GAAP"). The presentation of these financial statements in accordance with the guidance prescribed under the legislation differs from US GAAP in certain respects as follows:

- The format of the financial statements is prescribed by schedules IX and X of the Insurance Accounts Rules 2016.
- Statement of Cash Flows or equivalent is not included.
- Certain disclosures required by US GAAP are not included; and
- Comprehensive income and its components are not presented in the condensed statement of income.

The funds held in policyholders Segregated Accounts are invested in Cash, Bonds, Equities, Funds and Other Quoted Investments and are reflected on line 13(c) of the balance sheet. The measurement and recognition of Segregated Account investments is based on the purchase price, subsequently adjusted to fair value, which is generally the current market value.

**CREDIT SUISSE LIFE (BERMUDA) LTD.**  
**NOTES TO THE CONDENSED GENERAL PURPOSE FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

(expressed in United States Dollars)

**4. Accounting policies**

The Company's significant accounting policies are as follows:

a) Premiums

The sole business of the Company is the transaction of the life assurance, and it earns its revenue from the Premiums earned. The Company is not in the business of assuming reinsurance neither has ceded any Insurance to any other Company. Hence there is no Premium assumed or ceded. Premiums are measured and recognized on an accrual basis. The Company is currently in run-off and no business has been written in 2023 or 2022.

b) Segregated Assets and Liabilities

The Segregated Assets for each policyholder are held as collateral against the (equal) Segregated Liabilities for the same policy holder. There are no unsecured policyholder obligations as the Segregated Liability value for each account holder equals the Segregated Asset value for the same account holder. The above segregated assets and liabilities are reflected on line 13(c) and 36(b) of the balance sheet.

All Segregated Account assets are held for the designated policy owners. The policy owners bear the risks of any change in market value without recourse to the General Account. Interest and mortality factors are not applicable.

**CREDIT SUISSE LIFE (BERMUDA) LTD.**  
**NOTES TO THE CONDENSED GENERAL PURPOSE FINANCIAL STATEMENTS**

**DECEMBER 31, 2023**

(expressed in United States Dollars)

The following are Segregated Assets and Liabilities of the Company:

	<b>2023</b> <b>USD'000</b>	<b>2022</b> <b>USD'000</b>
<b>Segregated Assets:</b>	<b>69,861</b>	<b>69,420</b>
Cash	51,461	41,767
Bonds	9,238	10,883
Equities	8,260	15,822
Funds	834	872
Other Investments	4	1
Investment income due and accrued	64	75
<b>Segregated Liabilities:</b>	<b>69,861</b>	
Policy reserves - Life	69,930	69,945
Policy holders' funds on deposit	-	-
Due to general account	(69)	(75)
Insurance & reinsurance balances payable	-	-

c) Insurance reserves

Insurance Reserves are the amount payable to the policy holders and are carried at fair value of the invested assets held on behalf of the policy holder. The balance is currently zero as policyholder funds are reflected in the Segregated Accounts balances.

d) Insurance balance payable

Insurance balance payables arise from surrenders or claims from policy holders which are due but not yet paid out. These are carried at amortized cost. In 2023, this balance was re-classified to Policy reserves- Life as there were no pending surrenders or claims which were due but not paid.

e) Cash and cash equivalents

The company considers Cash Equivalents as short-term and highly liquid instruments with an original maturity of three months or less. The General Account's cash and cash equivalents are classified as a level 1 instrument on the fair value hierarchy.

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f) Foreign currency

i. Foreign currency transactions are translated to US dollars at the rates of exchange ruling at the end of the month in which the transaction took place.

ii. Foreign currency assets and liabilities are translated to US dollars at the rates ruling at the statutory balance sheet date.

iii. Profits and Losses arising from such transactions are included in the Statement of Income under Other Insurance Income.

g) Policy holder acquisition costs and income

Policyholder acquisition costs are fully expensed when incurred. Policyholder fee income is fully recognized as revenue when funds are received.

**5. Basis of recognition**

a) Premium - Refer to Note 4.

b) Investment and commission Income – Not applicable.

c) Foreign currency translation: Refer to Note 4 (f).

**6. Material Contingencies or Commitments**

As of the balance sheet date the Company had not recorded any related contingent liability reserve nor made any commitment. A provision for claims has been included in the amount recorded on Line 29 of the Balance Sheet, in respect of the following:

Lawsuits in Bermuda

In the civil lawsuit brought against the Company Credit Suisse Life (Bermuda) Ltd., the trial took place in the Supreme Court of Bermuda in November and December 2021. The Supreme Court of Bermuda issued a first instance judgment in March 2022, finding for the plaintiff. In May 2022, the Supreme Court of Bermuda issued an order awarding damage of USD 607.4 million to the plaintiff. In May 2022, Credit Suisse Life (Bermuda) Ltd. appealed

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the decision to the Bermuda Court of Appeal. In July 2022, the Supreme Court of Bermuda granted a stay of execution of its judgment pending appeal on the condition that damages awarded were paid into an escrow account within 42 days, which condition was satisfied. In June 2023, the Bermuda Court of Appeal issued its judgment confirming the award issued by the Supreme Court of Bermuda and upholding the Supreme Court of Bermuda's finding that Credit Suisse Life (Bermuda) Ltd. had breached its contractual and fiduciary duties, but overturning the Supreme Court of Bermuda's finding that Credit Suisse Life (Bermuda) Ltd. had made fraudulent misrepresentations. In July 2023, Credit Suisse Life (Bermuda) Ltd. filed its notice of motion for leave to appeal to the Judicial Committee of the Privy Council and applied for a stay of execution of the Bermuda Court of Appeal's judgment pending the outcome of the appeal to the Judicial Committee of the Privy Council on the condition that the damages awarded remain within the escrow account and that interest be added to the escrow account calculated at the Bermuda statutory rate of 3.5%. A hearing on the applications for leave to appeal and stay of execution took place in December 2023. Further, in December 2023, USD 75 million was released from the escrow account and paid to plaintiffs. In March 2024, the Bermuda Court of Appeal granted leave to appeal and ordered that the current stay shall continue pending determination of the appeal to the Judicial Committee of the Privy Council, until and unless the plaintiffs provide a top tier bank guarantee for the remaining judgment debt of USD 536.6 million plus interest. The court further ordered Credit Suisse Life (Bermuda) Ltd. to pay an additional USD 29.5 million into escrow in respect of accrued interest. Further, in March 2024, Credit Suisse Life (Bermuda) filed its Notice of Appeal with the Judicial Committee of the Privy Council. The balance in the escrow account as on December 31, 2023, is USD 540.1 million. This is reflected in Line 13(i) of the Balance Sheet. The amount of paid legal fees in 2023 is USD 3.7 million.

**7. Fair Value:** Refer to Notes 4(e) and 4(b)

**8. Related party transactions and balances**

The Company is owned by Credit Suisse AG, incorporated in Switzerland. The ultimate parent company is UBS Group AG, which is also incorporated in Switzerland.

Copies of the Group Financial Statements of Credit Suisse AG and UBS Group AG, which are those of the smallest and largest groups in which the results of the Company are consolidated, are available to the public and may be obtained via the Group's website.

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The Company's related party balances and transactions for the period December 31, 2023 were all with its parent company, and comprised:

		<b>2023</b>	<b>2022</b>
	<b>Balance Sheet</b>	<b>US\$'000</b>	<b>US\$'000</b>
Line 1	Cash & Cash Equivalents	3,986	3,761
Line 29	Commissions, Expenses, Fees and Taxes	—	158
	<b>Income Statement</b>	<b>US\$'000</b>	<b>US\$'000</b>
Line 30(a)	General and administration	854	390

**Notes to the Balance Sheet**

*Line:*

1. Refer to Note General Note 4(e)
- 2-9. Not applicable.
10. Accounts Receivable comprises fee income due to the Company from policyholders for ongoing administration of policyholder asset accounts.
13. Refer to General Note 4(b) and 6.
- 14-28. Not applicable.
29. Commissions Expenses and Fees comprises provisions for litigations, administrative overhead charges, including legal fees. Refer to General Note 6 for details of litigation claims.
- 30-32. Not applicable.



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33. Accounts Payable and Accrued Liabilities comprises:

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Payments due (death claims)	1,292	1,216
Other accounts payable	910	9
<b>Total</b>	<b><u>2,202</u></b>	<b><u>1,225</u></b>

Payments due (death claims) are balances due in respect of the policy value paid out to beneficiaries following the death of a policyholder. Upon death, the policy terminates and the related segregated account assets are liquidated. The total proceeds are then transferred to the Company's operating account pending final payment to the beneficiaries.

34-35. Not applicable.

36. Refer to General Note 4 (b).

**Notes to the Statement of Income**

Line:

15. Other Insurance Income represent bank interest income and expenses, policy administration fees and charges, and commission expenses.

16 - 29. Not applicable.

30. General and administration expenses comprises litigation claims, management fees and legal fees.

31-32. Not applicable

**Notes to the Statement of Capital and Surplus**

Line:

1(a) The Authorized and Issued Share Capital of the Company comprises 500,000 ordinary shares of par value \$1, all fully paid.

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- 1(b) Contributed Surplus: The Company received USD 5 million in cash from Credit Suisse AG as contributed surplus on March 31, 2023. The transfer was made to help the Company meet its capital and solvency requirements.
- 2(c) Dividends: No dividends have been paid during the year ended 31 December 2023 (2022: Nil).

*Income tax*

The Bermuda Corporate Income Tax Act (Bermuda CIT Act) was enacted on December 27, 2023 and is effective in 2025 for Bermuda businesses that are part of multinational groups with annual revenue exceeding Euro 750 million. The Company has determined that it falls within the scope of the Bermuda CIT Act, however management expects to opt out of the Economic Transition Adjustment (ETA) and instead utilize Net Operating Losses (NOLs) prior to being in scope of the Bermuda CIT Act, as this approach is likely to maximize overall tax savings across the UBS Group. As a result, the Company has not recorded any Bermuda CIT related deferred tax assets (DTA) as at December 31, 2023 since those DTAs (assessed as USD 59 million) would be expected to carry a full valuation allowance as there is uncertainty around the long term profitability of the Company.