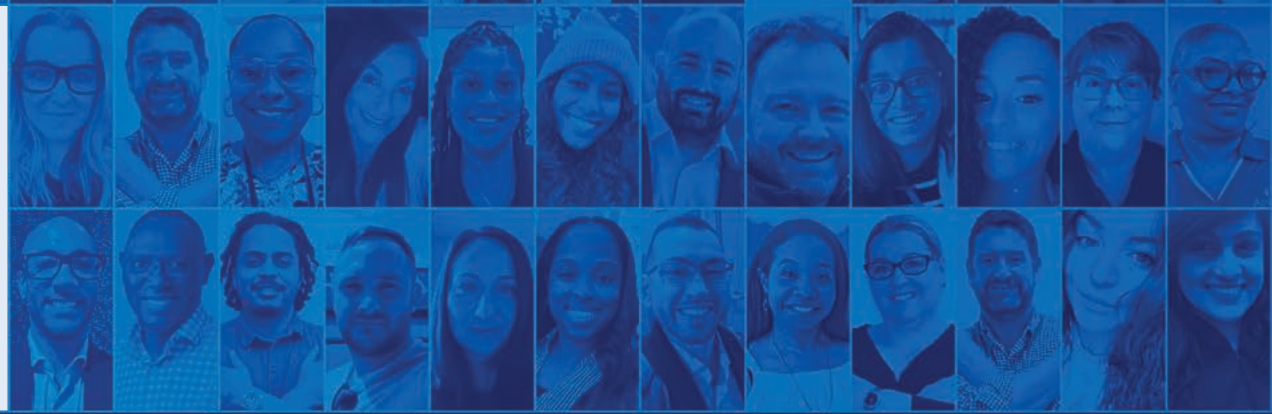
WE ARE ARGUS

ANNUAL REPORT **2024**

ARGUS
Our Interest is You.

WELCOME TO ARGUS



Argus has changed dramatically over its 74 year history. Change that has accelerated under the tenureship of Alison Hill as CEO. We are no longer just an insurer or a financial services business. We are a customer-led business that puts the human experience at its core, focused on building a world where everyone can lead healthy and fulfilling lives.

INSPIRING GROWTH

1950 — **Act of Incorporation for Bermuda's first health insurance company**

16 EMPLOYEES

1981 — **John Sainsbury** replaces the retiring **Jep Stewart** as Managing Director and CEO

1994 — **Centurion Services** was formed

94 EMPLOYEES

1998 — **Gerald Simons** replaces the retiring **John Sainsbury** as CEO

2004 — 130 EMPLOYEES

2009 — Argus acquired **Norwich Union International Insurance Company Ltd** in **Gibraltar**

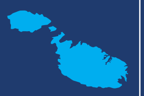
Sheila Nicoll succeeds **Dr. James King** as Board Chair

2011 — 201 EMPLOYEES

Alison Hill replaces the retiring **Gerald Simons** as CEO

2015 — **Peter Dunkerley** succeeds the retiring **David Pugh** as CFO

2016 — Argus acquired **Island Insurance Brokers Malta**



232 EMPLOYEES

2017 — Argus acquired **One Team Health** in **Canada**

2019 — 263 EMPLOYEES

Argus acquired **FirstUnited Insurance Brokers**

2020 — Argus acquired **Island Health Services** and **Family Practice Group** medical practices

David Brown appointed Board Chair as **Sheila Nicoll** retires

2021 — **Antes Insurance Brokers** incorporated in **Malta**

336 EMPLOYEES

2024 — 379 EMPLOYEES

Peter Dunkerley promoted to Deputy Chief Executive Officer

TOGETHER WE ARE A POWERFUL FORCE FOR SUSTAINABLE WELLBEING

PERFORMANCE MEASUREMENTS

$7.3m
NET EARNINGS

86.8%
COMBINED OPERATING RATIO

$18.5m
OPERATING PROFIT

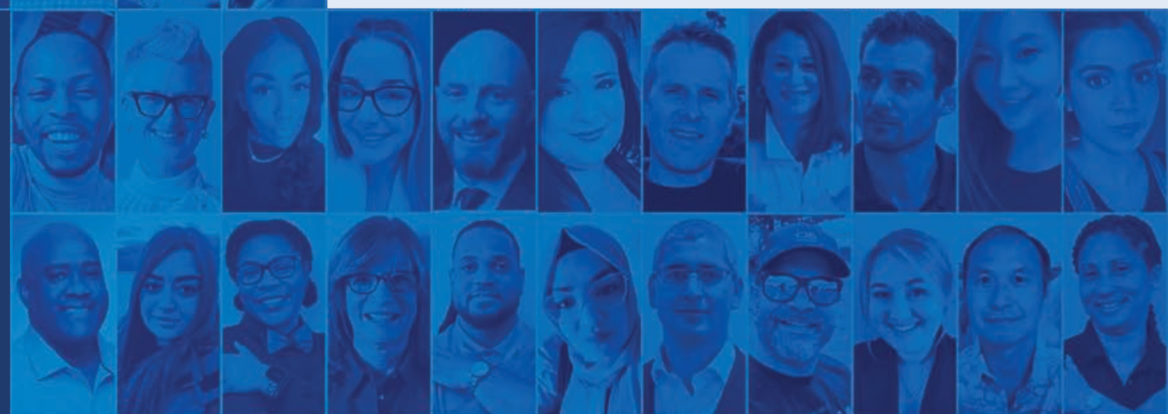
$22.4m
OPERATING CASH FLOW

$52.4m
FEE INCOME

3.8%
DIVIDEND YIELD

12.8%
OPERATING RETURN ON AVERAGE EQUITY

A-(Excellent)
FINANCIAL STRENGTH RATING, A.M. BEST



CONTENTS

1. A MESSAGE FROM THE CHAIR 4

2. A MESSAGE FROM THE GROUP CEO 9

3. A MESSAGE FROM THE GROUP CFO 15

5. INSPIRING HEALTHCARE 23

4. SUSTAINABILITY & GOVERNANCE 27

6. FINANCIAL STATEMENTS 35

INSPIRING LEADERSHIP

A MESSAGE FROM DAVID A. BROWN
CHAIR, ARGUS GROUP

DELIVERING ON OUR AMBITIONS & COMMITMENTS

Fellow Shareholders,

As I reflect back over the last 12 months, in the context of our ambitions and commitments for Argus I am hugely proud of what we have achieved together. Our aim as a board was to:

- Deliver on a faster pace of growth, to go further, faster. To expand our business so that we can better leverage scale and buying power for the benefit of our customers and community
- To deliver meaningful value to everyone who invests in, works for and does business with Argus
- To continue to reinvest in the business, balancing profitability, risk, growth and strategic investments
- To continue to deliver increasing returns on equity, growing book value per share and improving the quality of our assets
- To continue to take steps to better align our share price to the intrinsic value of our business.

Once again, I am delighted to report that not only have we made tangible and meaningful progress against each of these commitments, it is with great pride that we recently announced that we have signed a definitive amalgamation agreement to combine Argus and BF&M in an all-stock transaction.

The directors of both companies unanimously support the transaction and believe it represents a compelling opportunity to create a stronger, more efficient and more diversified group. This is a unique opportunity to bring together two Bermudian insurers with complementary expertise, product lines and geographic footprints. The combined entities will remain in local shareholders hands and continue to be managed from Bermuda. The increased scale of the combined group will support ongoing investment in best-in-class products and services, accelerate our growth plans, and bring greater buying power in the context of ongoing inflationary headwinds. This deal is the culmination of nearly 2 years of hard work by Management and the Board, and is a transformational step towards achieving our ambitions and commitments.

ARGUS
Our Interest is You.

BF&M

CONTINUING OUR GROWTH AND EXPANSION

In Alison Hill's CEO report she outlines the excellent progress we have made in growing and expanding our business and spotlights the individual contributions made by her team. I echo Alison's sentiment and pride in their achievements. Argus' leadership has transformed our business over the last 15 years. They have rebuilt the Argus balance sheet, exiting non-core and underperforming assets and reinvesting profits in a smart and savvy way. They have grown insurance revenue by 6% annually since 2021 driving an 8% annualised increase in Group total revenue and a 5-year average operating ROE of 14.2%.

We have built a robust and diversified business platform delivering health, wealth and protection products into connected communities. We have developed a proven M&A platform focused on value accretive opportunities that include scale acquisitions and rollup of sub-scale businesses to bring volume, expertise and market access. We have focused on expanding our addressable market and managing costs through vertical integration. Of particular note is our Better Health Partnership, a unique and difficult to replicate health ecosystem that embeds cost management structures to better address rising healthcare claims costs that support our attractive returns.

We acquired and built Malta's largest domestic insurance broker, with over 35% market share and achieving 80% growth in income since integration. Our vertical health integration has built the largest primary healthcare practice in Bermuda with over 40% of the island's General Practitioners, whilst our in-house overseas network management business is incentivised to minimise claims costs.

Our ambition as a board is to continue this impressive growth story which is why this is the right time to bring together two historic Bermudian businesses to improve the breadth of products and services offered to the island of Bermuda and the international communities we serve. The Board strongly believes this transaction is the right step to deliver enhanced value creation for all stakeholders.

> "Argus' leadership has transformed our business over the last 15 years. They have rebuilt the Argus balance sheet, exiting non-core and underperforming assets and reinvesting profits in a smart and savvy way."

PLACING VALUE ON VALUES

In Peter Dunkerley's CFO report he summarises the consistency in our operating profitability, return on equity and shareholders value. We remain delighted with the strength of our underlying business performance and the positive contribution from each part of the Group. Over the past 5 financial years, our cumulative Total Shareholder Return (TSR) exceeded 100 percent. TSR measures the returns for a shareholder, taking into account both share price movements and dividends. Argus' TSR performance compares favourably to that of both the FTSE All-Share Total Return Index and the S&P 500 (TR) Index.

We strive to be long-term partners to our customers and patients, by building relationships based on trust and excellence in service delivery. We have made great strides in developing our Voice of the Customer programme to gain valuable insights from a broad range of sources including surveys, focus groups and everyday customer relations. We have seen positive and improving customer satisfaction scores across our business that indicate our efforts are delivering value to our customers.

"We strive to be long-term partners to our customers and patients, by building relationships based on trust and excellence in service delivery."

LEADING WITH PURPOSE

Our purpose is at the heart of everything we do, underpinning our corporate strategy and leading our approach to sustainability. In our third Sustainability Report, we share our progress under the six categories of our sustainability principles: Our Colleagues, Our Customers and Patients, Our Shareholders, Our Communities, Our Environment and Trusted and Responsible Business. At Argus, sustainability means the integration of social equity, economic, and environmental considerations to create healthy, diverse, and resilient communities for this generation and those to come. A natural fit within the ethos of our business, we remain committed to making meaningful contributions to building a better future.

And finally, I would like to thank Alison Hill our Group CEO. Her vision, commitment and leadership has transformed Argus over her 15-year tenure. She has diversified our business lines, grown our markets and delivered impressive shareholder value, growing Argus from a local insurer to a customer led business that puts the human experience at our very core. Alison has been the architect of our people-centric purpose of becoming a powerful force for sustainable wellbeing. She has been unwavering in her commitment to create a rewarding, inclusive, equitable and fun work environment where colleagues are encouraged to be their authentic selves. She has steered Argus to partner and conduct business with others who share the same values of always doing the right thing. To be responsible stewards of our shareholders capital, providing sustainably strong returns in an ethical way. Throughout her career, Alison has led with great courage, determination and resilience, with commercial acumen and an entrepreneurial spirit, with curiosity, creativity and empathy.

DAVID A. BROWN
Chair, Argus Group

> "I would like to thank Alison Hill our Group CEO. Her vision, commitment and leadership has transformed Argus over her 15-year tenure."

Alison Hill and David Brown

INSPIRING

A MESSAGE FROM ALISON S. HILL
GROUP CEO, ARGUS GROUP

INSPIRING SUCCESS

As I reflect back on my 15 years at the helm, it is clear that our successes start with my incredible leadership team and the family of nearly 400 colleagues that we have built globally. Our shared ambition, our drive for growth, our agility, our discipline, our empathy. That's why I wanted my Argus Family on the front cover and featured throughout this year's annual report. It is our people who once again have delivered solid financial results against challenging macro economic headwinds, it is our people who continue to build an unrivalled health ecosystem in Bermuda that is making a meaningful difference to our clients' and patients' lives. It is our people who make a positive impact in our communities via our Sustainability strategy. At Argus, sustainability means the integration of social equity, economic, and environmental considerations to create healthy, diverse, and resilient communities for this generation and those to come.

I am proud to showcase the impressive progress we have made against our sustainability commitments. The detailed actions we have taken and positive impact we have made are covered in our 2024 Sustainability Report. We are making great strides in improving how we engage with our customers and our colleagues. We have invested in enhancing how we gather customer insight through the increased frequency and expansion of customer touchpoints. These rich customer insights have focused and prioritised our actions resulting in a significant improvement in customer satisfaction scores. Of particular note are the improvements in patient satisfaction scores in our medical practices over the last year.

Our focus on colleagues is a top priority, and our approach is multifaceted. Employee engagement & communication, diversity, equity & inclusion (DEI), development & recognition, recruitment and talent retention are all critical factors in building a high-performance culture. Of particular note is the overall 86% favourable score for DEI questions in the 2023 Employee Engagement Survey. With the highest scores on the following questions: *'Employees are treated equally regardless of race, ethnicity, age, gender, disability, religious beliefs, and sexual orientation, I can be myself at work'* and *'This organisation demonstrates a commitment to developing and retaining a diverse workforce'*.

> "It is clear that our successes start with my incredible leadership team and the family of nearly 400 colleagues that we have built globally"

INSPIRING DEVELOPMENT

It has been a great honour and privilege to have led such an important Bermudian business over the last 15 years. We have faced into many challenges over that period. More recently, each of the industries we work in are experiencing extreme financial challenges. All aspects of insurance and financial services have been impacted by macro factors including inflation, recession, climate change and geo-political turmoil. We see it in our P&C businesses with inflationary pressures on the cost of labour and materials. We see it in our Pension business with interest rate volatility, regulatory reform and a widening savings gap threatening our clients' retirement readiness. But most of all, we see it in our health businesses where aging populations, chronic disease, and rapid advances in medical technology, together with a disconnected health system, relentlessly drives up the cost of care. Forecast global average healthcare inflation is 10.1% in 2024, the highest in a decade.

The global challenges can be further compounded in the island nations that we proudly serve. Our geography exposes us to extreme weather events, our market size and scale necessitates foreign travel to access overseas healthcare. That is why we are taking control of our destiny, why we are working to bring Argus and BF&M together to build scale to better serve our customers, our shareholders and our community.

It became obvious that change was essential to safeguard our role in providing for and protecting the island nations that we serve. To fulfil our purpose to be a powerful force for sustainable wellbeing, making physical, financial and mental wellbeing meaningful better in our connected communities. Over 2 years ago we set out to transform our business to be better placed not only to meet the market headwinds but to innovate our business to drive sustainable value for all of our stakeholders. By aligning behind our clear and compelling purpose to be a powerful force. To create a Bermudian Insurance Champion, a champion with the scale and ambition to better protect and provide for the connected communities we proudly serve. By bringing together Argus and BF&M this dream is now a reality.

"We are working to bring Argus and BF&M together to build scale to better serve our customers, our shareholders and our community"

INSPIRING INDIVIDUALS

I have had the great pleasure of working with some exceptional people during my tenure as CEO. I would like to take this opportunity to thank David Brown for being an incredible Chair, for challenging, guiding, supporting and encouraging me and for having the shared vision and ambition to grasp this once in a generation opportunity for Argus to join with BF&M. To thank my highly engaged and active board of directors for their time, insight and hard work throughout the year to ensure that we are always acting in the best interest of our shareholders and customers to deliver highly attractive long-term sustainable value.

It was with great sadness that we learnt of the passing of Sheila Nicoll, the former Chair of the Argus Group. Sheila was an extraordinary leader whose impact on Argus and the broader financial services industry was profound. Her unwavering dedication, integrity and kindness have left an indelible mark on all who had the privilege of working with her. We are deeply indebted for all she has done and the profound impact she has made. Her legacy will continue to inspire us.

And so to my talented team, to the strong foundations that they have built over my tenure and to the incredible contributions that they have made to make our dreams and ambitions a reality.

PETER DUNKERLEY, Chief Financial Officer & Deputy CEO, has 25+ years experience in financial services, joining Argus in 2012. Over his 12-year tenure has transformed and revitalised the economic management of our business. He has built best-in-class capital, commercial, financial, investment, risk and compliance philosophies and systems of management and has built a highly talented team. Peter encapsulates our people-centric culture and values, whilst driving impressive commercial performance and growth.

HANNAH ROSS, Chief Strategy & Capital Officer, has transformed how we manage risk, optimise and deploy capital and drive strategic change during her 14 years at Argus. She has played a key role in funding and supporting our business acquisition and expansion strategy.

PETER LOZIER, Chief Commercial Officer & Head of Global Health is an entrepreneur, business founder and 30+ year veteran in the health insurance industry. He is a passionate advocate of our purpose and architect of our bold and innovative integrated health ecosystem build-out.

SIMON GIFFEN, Chief Investment Officer & Head of Global Wealth, with 25+ years' experience in financial services, has transformed our balance sheet assets to better match our liabilities, enhanced our balance sheet investment performance and built strong partnerships with global best in class investment managers during his 10 years at Argus.

INSPIRING INDIVIDUALS

KEVIN GALEA PACE, Head of Global Broking, is an entrepreneur and founder of successful businesses. He is the driving force behind the integration and growth of our global broking businesses.

ALEX REYNOLDS, Chief Corporate Development & Investor Relations Officer, joined Argus in 2023 with a 25+ year career in financial services and banking. He has been key in driving all aspects of the Argus / BF&M deal and integration planning.

TORY RICHARD, Chief Information Officer, has revolutionised our infrastructure, systems architecture and approach to data security and applications development over his 17-year tenure. He led our Customer Data Core transformation, essential to our customer-led focus.

DAVID SIMONS, Chief Experience Officer, has revolutionised how we think about our customers, championing innovation of our customer experience and the development of our multi-pronged customer data capture and 'Voice of the Customer' insights and service enhancements.

TOM HEALY, Global Director of Finance, over his 10 years at Argus has transformed our commercial focus by identifying the key levers that influence our business economics and applying his impressive commercial acumen when partnering and supporting each of our businesses.

ROBBIE MACDONALD, Group General Counsel, has impressive skills, capabilities and experience gained from top tier global legal practice, coupled with great empathy, sensitivity and care which have proved invaluable in driving the Argus / BF&M deal.

SHEENA SMITH, Chief Human Capital & Culture Officer, joined Argus in 2005. She has followed her passion by completely transforming her career during her tenure from a finance role to a people role, encapsulating our people-centric culture and philosophy. I am so proud of Sheena, her incredible journey while at Argus and her personal transformation.

ONESIMUS NZABALINDA, Chief Global Compliance & Audit Officer, has 30+ years' experience as a compliance and risk management professional. He has transformed how we approach risk and compliance by embedding our 3-lines of defence philosophy across our whole business. I greatly value Onesimus' sage advice and wise counsel particularly as an executive sponsor of our BELONG BLAC DEI initiative.

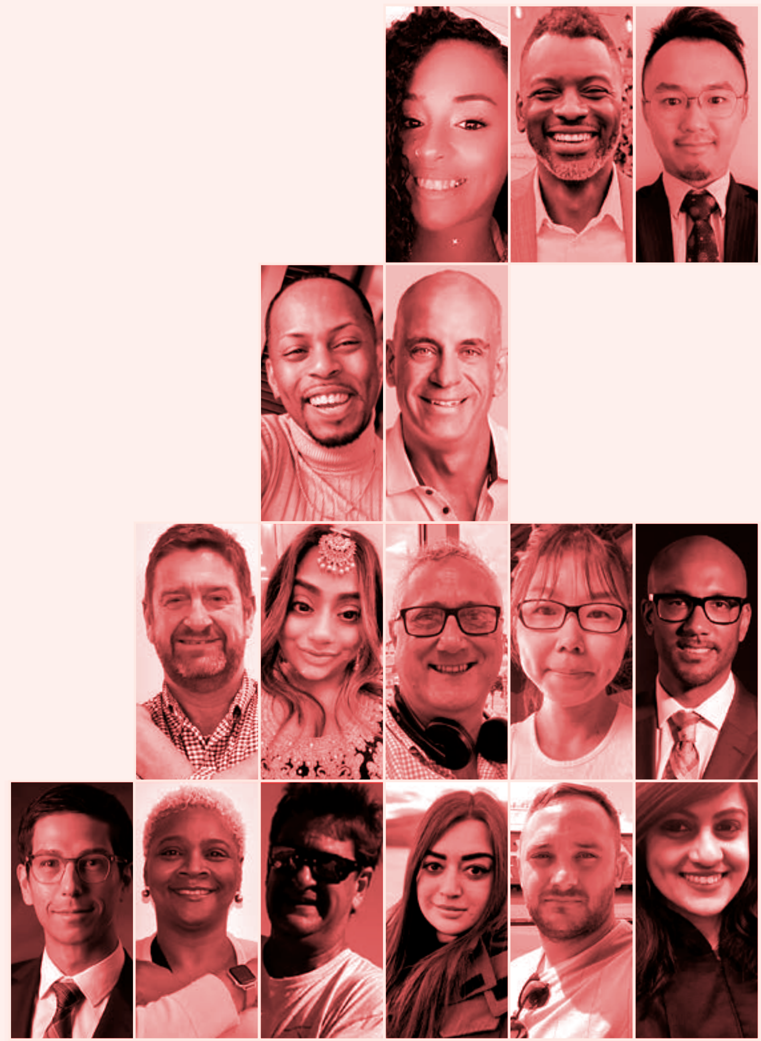
INSPIRING INDIVIDUALS

I am so very proud of my 15-year tenure here at Argus, a tenure which has seen the business transformed and rejuvenated into a highly successful, ambitious and purposeful business. I would like to thank Government, Clients, Customers, Shareholders and Colleagues for their support and good counsel throughout my tenure. Even in the most challenging of times, we were there together, never losing sight of what matters most to our customers.

I have led with a simple compass of 'doing the right thing' to inspire and empower my Argus Family to embody our values and create an environment of authenticity, openness and trust. My legacy, I hope, will be the ethos within the shining stars in the team that I have built at Argus. It is this team I feel sure will continue to live by our values and drive for diversity, inclusion and empathy. I am immensely proud of my Argus Family and wish them every success in the future.

ALISON S. HILL
Group CEO, Argus Group

> "My legacy, I hope, will be the ethos within the shining stars in the team that I have built at Argus."



INSPIRING OPPORTUNITY

A MESSAGE FROM PETER J. DUNKERLEY

CHIEF FINANCIAL OFFICER & DEPUTY CHIEF EXECUTIVE OFFICER, ARGUS GROUP

ROBUST FINANCIAL RESULTS

OUR PERFORMANCE

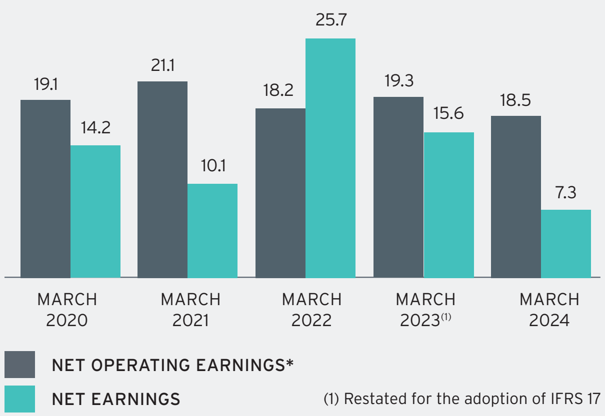
The Argus Group has delivered another year of robust financial operating performance and remains in a very healthy financial position. Our business has undergone significant transformations in recent years to achieve this: from operating model changes to revenue source diversifications. We have successfully evolved from a traditional insurance and financial services business to a well-rounded customer-driven enterprise, focused on creating integrated physical and financial solutions. The proposed amalgamation with BF&M Limited is an exciting next step in the evolution of the Argus Group. With greater geographic reach and enhanced resources, we are confident that our talented team can and will continue to drive further sustainable growth in the coming years.

Operating earnings, which is our key measure of profitability for the Group, is $18.5 million, compared to $19.3 million in the previous year. We are happy to report that insurance revenues across all lines of business within the Group grew from last year. Key growth contributors include health renewals at increased rates, and growth in medical provider fee income. Overall fee income has continued to grow, notably in our healthcare services business, which has increased 19 percent compared to prior year.

The headline net income result for the year, which includes certain non-recurring items illustrated below, was $7.3 million. The overall performance of our insurance and pension businesses has remained solid. The benefits of our diversified income sources were apparent this year, where elevated health insurance claims were largely mitigated by growth in profits of our healthcare services.

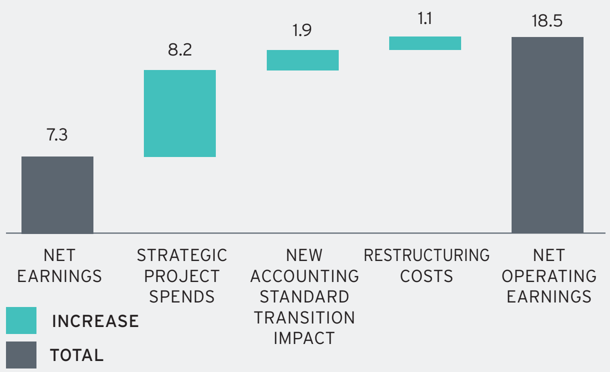
Inflation has increased pressure on our margins and our operating expenses. The Argus team has built a track-record of successfully managing claims inflation – applying market-leading initiatives to ameliorate increasing costs and maintaining margins through targeted pricing and underwriting actions. This year we have also taken further actions to restructure operations to mitigate rising operating costs. We are looking forward to the scale benefits that can be achieved through our planned amalgamation with BF&M Limited. The significant step-up in scale afforded by the proposed amalgamation is expected to substantially enhance purchasing power and operational efficiency to the benefit of customers and long-term shareholder returns.

EARNINGS PERFORMANCE ($ MILLIONS)



(1) Restated for the adoption of IFRS 17

OPERATING EARNINGS RECONCILIATION ($ MILLIONS)



*Net Operating Earnings - net income excluding impact of external market factors and/or one-off events such as Change in fair value of investments and investment properties, gains from sale of business segments, non-core assets, asset impairments, penalties, strategic project spends, and one-time transition impacts from adoption of new accounting standards.

ROBUST FINANCIAL RESULTS

ADOPTION OF IFRS 9 AND IFRS 17

On April 1, 2023, the long-awaited new accounting standards of IFRS 9 and IFRS 17 came into effect. Implementation of these new accounting standards has a transitional impact on the reported equity and income for the year. These impacts are detailed in the financial statements within this report, and in the table alongside.

The accounting policies adopted by the Group under IFRS 9 and IFRS 17 are expected to significantly reduce the 'noise' in reported income caused by interest rate volatility and provide a clearer view of the underlying performance of the Group.

The transitional impact of adopting IFRS 17 and IFRS 9 on the Group's opening retained earnings, net income, accumulated other comprehensive income and total shareholders' equity is summarised in the following table.

($ millions)	Impact on opening retained earning	Impact on net income	Impact on AOCI	Total impact on shareholders' equity
Opening impact - April 1, 2022	(15.3)	-	6.5	(8.8)
March 2023 impact IFRS 17	-	(12.0)	12.9	0.9
March 2024 impact IFRS 9	-	(1.9)	19.8	17.9
TOTAL TRANSITIONAL IMPACT	**(15.3)**	**(13.9)**	**39.2**	**10.0**

BUILDING SHAREHOLDER VALUE

RETURN ON EQUITY

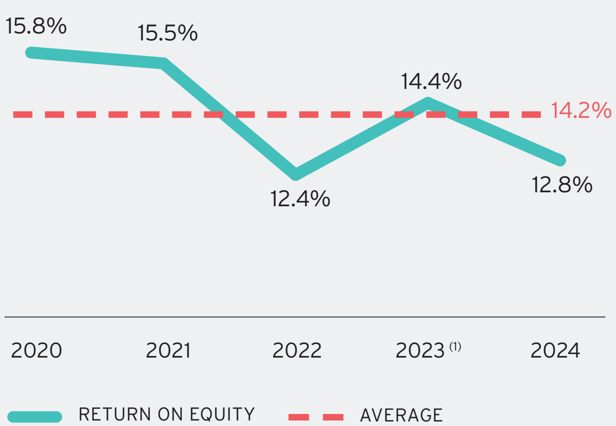
Amid a year where we experienced increased health claims, we are pleased with the operating return on average equity for the year to March 2024 of 12.8 percent. Average annual operating return on equity over the last 5 years is a remarkable 14.2 percent. We remain focused on continuing to deliver attractive and sustainable returns for our investors and seek to put surplus capital to work through judicious investment and strategic growth opportunities.

Since March 2018, our shareholders' equity has increased from $105.9 million to $156.2 million as at March 31, 2024. During this time, we have returned $25.7 million to shareholders through dividends and a further $3.2 million through share repurchases.

Our track record for building shareholder value has been reliable against a backdrop of challenging and volatile times. We have achieved this through solid operating earnings, revenue diversification and continued commitment to careful and diligent custodianship of policyholder and shareholder assets.

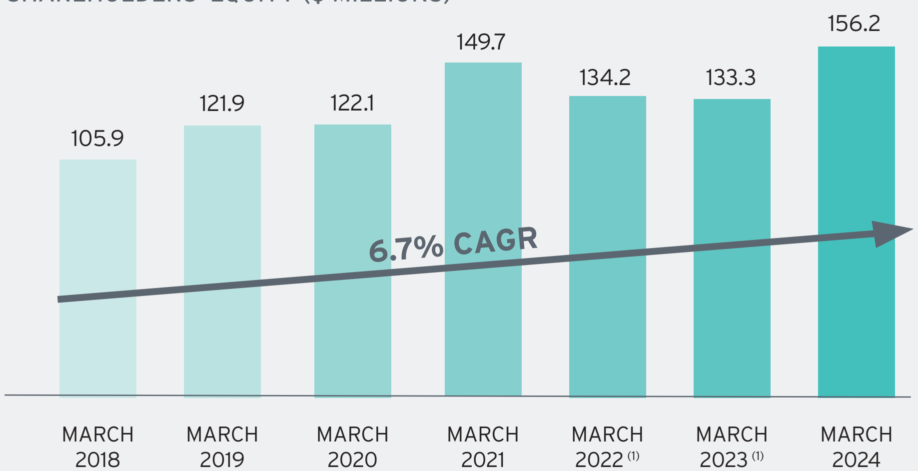
Our strong balance sheet and careful capital management have allowed us to invest in our strategy to create long-term sustainable value and growth. In addition, our statutory capital remains well in excess of the capital required by regulators.

RETURN ON EQUITY (OPERATING EARNINGS BASIS)



(1) Restated for the adoption of IFRS 17

SHAREHOLDERS' EQUITY ($ MILLIONS)



SUPERIOR UNDERWRITING RESULTS

INSURANCE REVENUE

The Argus Group underwrites insurance risks for corporates and individuals across a broad range of health, life, property and liability insurance covers.

We focus on quality over volume in our underwriting. Our disciplined approach to risk management, and experience of balancing margins and affordability, has been key to our track record of superior underwriting results.

Insurance revenue for the year to March 2024 increased by $22.1 million, or approximately 12.9 percent, compared to last year.

As illustrated in the ‘Insurance Revenue’ chart, health insurance premium is the largest contributor to our insurance revenue. P&C premium from both Bermuda and Europe are also meaningful contributors to Group income.

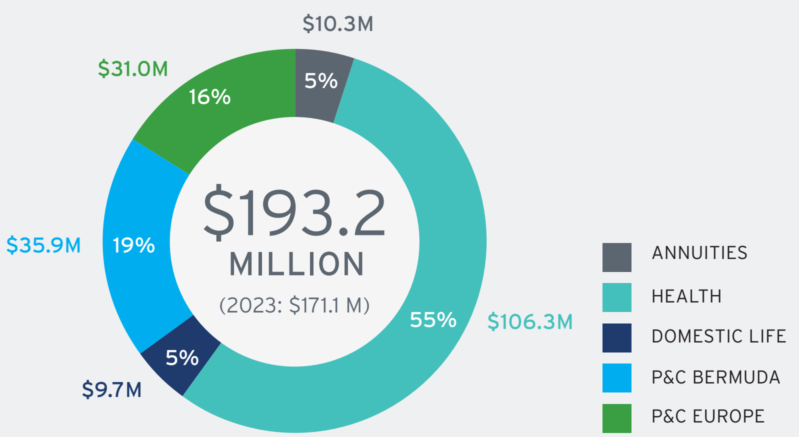
Across the globe, healthcare costs have been consistently rising. In order to mitigate this risk and ensure we can deliver fair and consistent margins, we reprice our policies each year, considering changes in key drivers such as utilisation, demographics, advances in medical technology and benefit changes. Our measured rate increases of premiums, has been a major contributor to our continuing success.

FEE INCOME

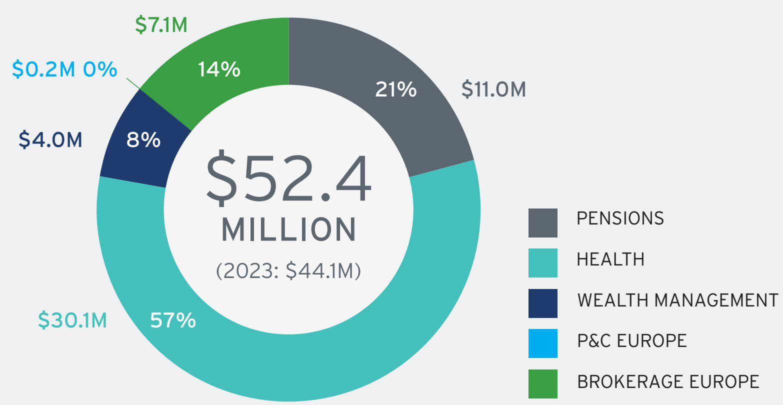
Fee income represents a capital efficient source of revenue for the Argus Group. It also provides diversification benefits, evident this year where our increased fee income from healthcare services helped to partially offset higher health claims. This structure helps provide income stability for our investors.

Fee income increased $8.3 million or approximately 18.8 percent compared to prior year, driven from our healthcare delivery and administrative businesses. We continue to grow new sources of fee-based income, and build resilience and diversification in our revenues through complementary products and services.

INSURANCE REVENUE ($ MILLIONS)



FEE INCOME



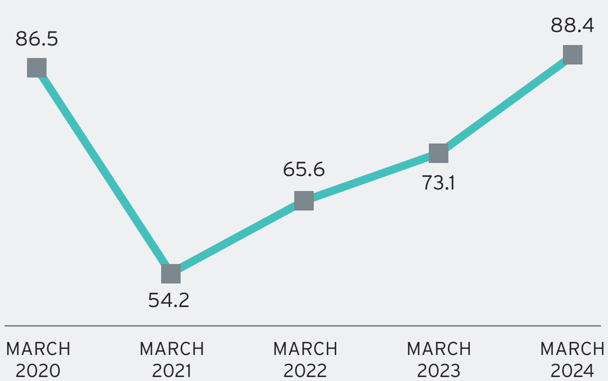
MITIGATING COST & RISK

CLAIMS

Each and every day, our claims team upholds our promise to prioritise our customers in all that we do. We settle claims justly and handle our customers with empathy and genuine compassion during stressful and anxious times.

The key performance metrics for the period have remained strong. The strength in our insurance operations is reflected in the combined operating ratio – a key metric to track the overall performance of our underwriting operations. For the year ended March 31, 2024, the combined operating ratio for the insurance businesses was a healthy 86.8 percent[(1)], which is in line with expectations.

HEALTH INCURRED CLAIMS ($ MILLIONS)



(1) Combined Operating Ratio is calculated as sum of insurance service expenses, commission expense net of commission income, reinsurance costs, and operating expense divided by sum of insurance revenues and management fee income.

HEALTH BENEFITS

In the past year, we experienced continued growth in health claims, largely driven by a higher frequency of severe claims and higher utilisation of branded and speciality drugs. As health insurers we are custodians of our clients' health dollars – a responsibility we take very seriously. Over recent years we have had some demonstrable successes in mitigating the rising cost of healthcare through diligent case management and enhancements to our overseas health network.

GENERAL INSURANCE CLAIMS

Our economic model for our general insurance business involves ceding much of the insurance risk to reinsurers. Our extensive reinsurance programme significantly reduces our exposure to large risk events and results in low volatility to our underwriting income – even when catastrophes occur. Despite these robust programmes, there is still residual volatility in our business, which we experienced in the past year with some larger claims retained in Europe. Nonetheless, we are confident that the steps we are making in our claims management practices will allow for significant improvements in the near future.

DIVERSIFIED INVESTMENTS

Our commitment to careful and diligent custodianship of policyholder and shareholder assets is central to the Argus Group's investment philosophy.

Our investment portfolio is designed to ensure funds are readily available to satisfy our obligation to policyholders and to enhance shareholder value by generating appropriate long-term, risk-adjusted yields. We have a clear objective to maximise returns without taking inappropriate levels of risk.

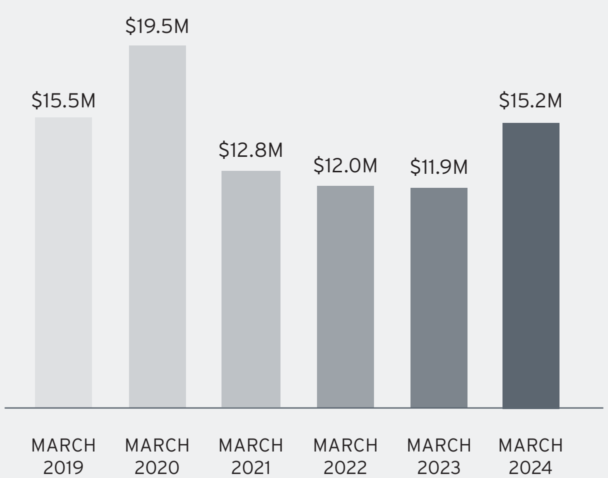
Our investment portfolio experienced a tale of two stories during the year ended March 31, 2024. In the first half of the year, market interest rate increases led to unrealised losses for our fixed income securities. In the latter half, interest rates stabilised and those unrealised losses reversed. As we tend to hold our bonds to maturity, these market fluctuations are generally temporary in nature. Our investments continued to provide stable income, recorded through the income statement and, overall, the Group's portfolio performed in line with expectations.

Against this backdrop, the Group's investment portfolio generated a total income of $33.4 million for the year – $15.2 million of income reported through the income statement, and $18.2 million of unrealised gains reported as other comprehensive income on the balance sheet.

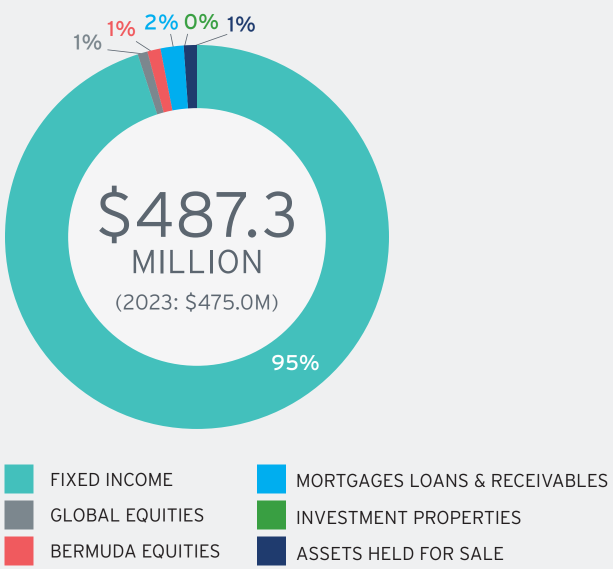
The Group continues to hold a high quality, diversified, global investment portfolio. 95 percent of the Group's investments are in fixed income bonds, of which 99 percent are classified as investment grade.

INVESTMENT INCOME

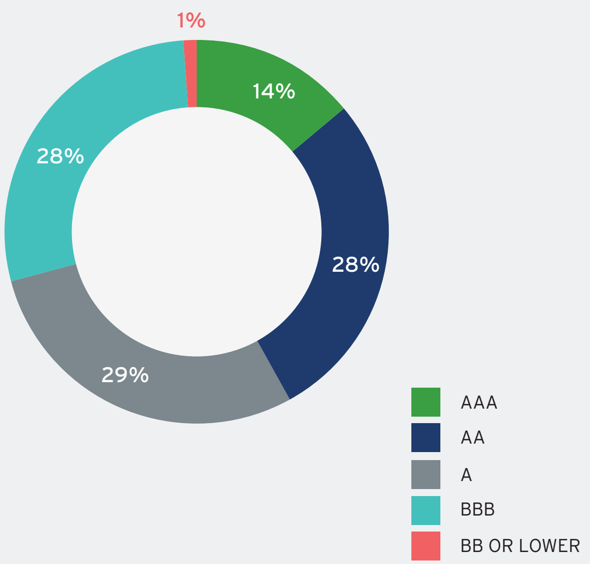
(reported through the income statement)



INVESTMENT ASSETS AT 31 MARCH 2024



FIXED INCOME PORTFOLIO RATINGS AT 31 MARCH 2024



GROWING STRENGTH & OPPORTUNITY

DIVIDENDS

The Board has declared a dividend of twelve cents per share payable on August 30, 2024 for shareholders of record on July 26, 2024. We have been able to provide steady increases to our dividends in the last several years.

SHARE PRICE

Our share price has experienced strong growth over the past 5 years. Nonetheless, our share price continues to trade at a discount to book value. Annualised total shareholder return over the 3 years to March 31, 2024 is 15 percent.

GROWING SHAREHOLDER VALUE

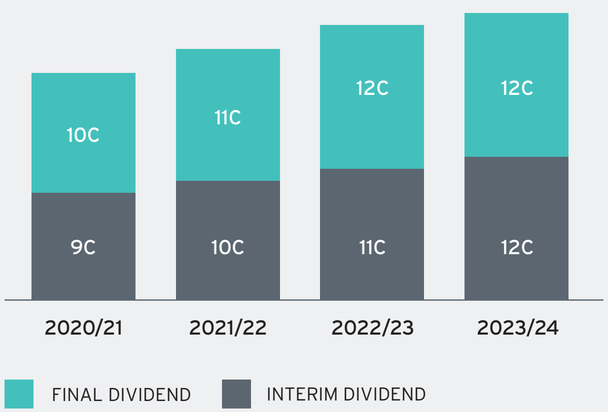
Our focus is growth and sustainable profitability. The proposed amalgamation with BF&M Limited will drive value through scale benefits and open up new markets for further growth. We will continue to be a disciplined business, maintain a strong balance sheet, deliver strong economics, and be a reliable source of dividends for our shareholders.

Thank you for your continued support and confidence in us.

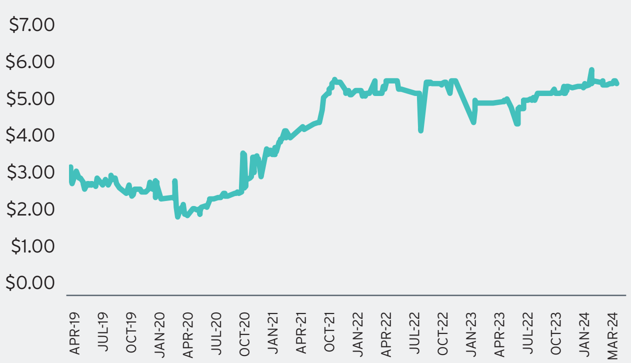
PETER J. DUNKERLEY

Chief Financial Officer & Deputy Chief Executive Officer, Argus Group

DIVIDENDS DECLARED



5 YEAR STOCK PRICE



INSPIRING HEALTHCARE

A MESSAGE FROM PETER LOZIER

CHIEF COMMERCIAL OFFICER & GLOBAL HEAD OF HEALTH, ARGUS GROUP

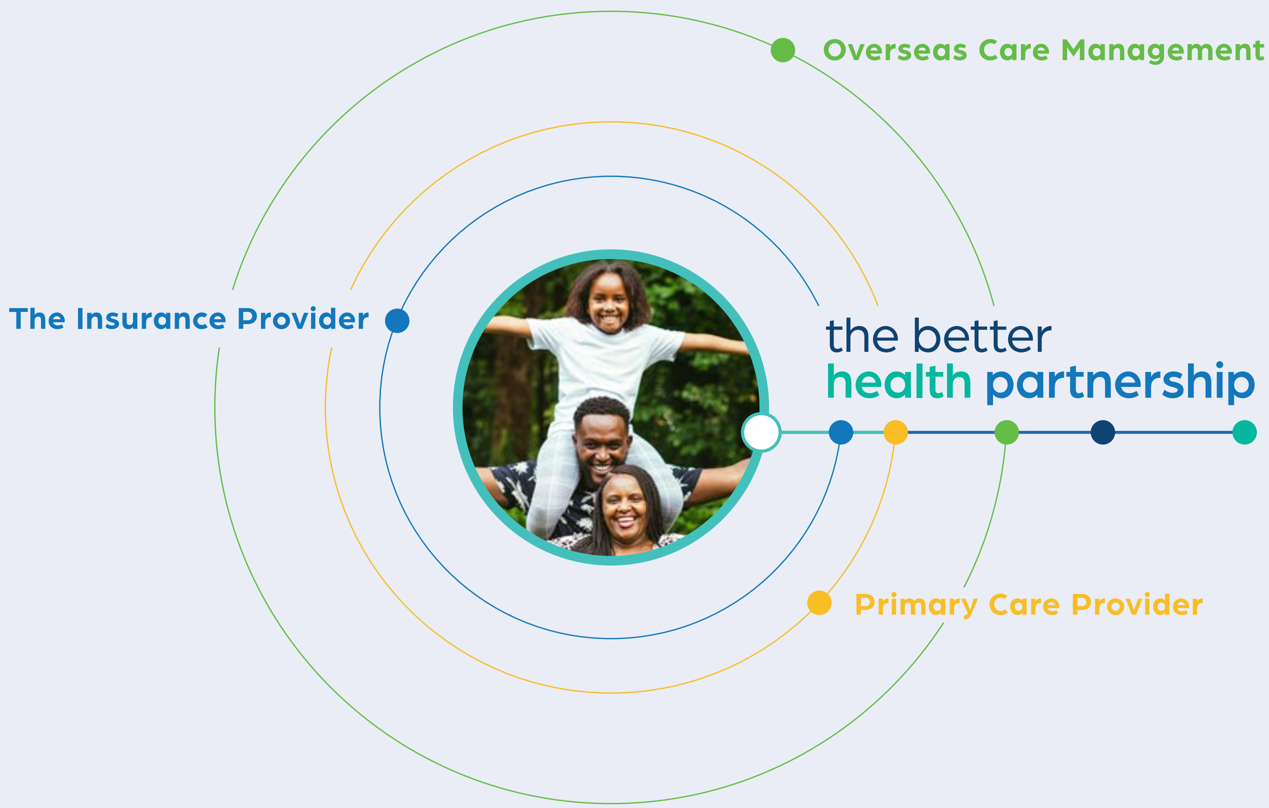
INSPIRING TRANSFORMATION

THE WORLD OF HEALTHCARE IS TRANSFORMING

Transforming through inspirational medical advances that are bringing innovation with new drugs and therapies, improving the quality of life and outcomes for patients. Yet, despite this pace of innovation, the challenges we face are transforming the healthcare landscape too. The challenges of an aging population, a rise in chronic disease, a rise in medical cost inflation. And these are challenges that are compounded in the connected communities we serve, where limited national infrastructure often requires offshoring of many medical cases, which are further exposed to the rising costs of travel and administration. This comes at a growing cost, one that the traditional systems of healthcare can't cope with.

Put simply, in many connected communities the cost of healthcare is growing faster than the economy can keep up. It is not sustainable. I have long believed there has to be a better way. I joined Argus in 2018 as EVP of Group Insurance and set about transforming the business into a future proof health service provider.

This approach inspired Argus to launch The Better Health Partnership in 2021, a healthcare ecosystem that transformed us from a transactional premium and claim model, into a holistic connected ecosystem which puts the client at the centre. This customer-centric view is instrumental to addressing the ever-escalating cost of medical care. It better connects the insurance company, healthcare providers, overseas care / Network coordinators to work together in a better Health Ecosystem, focused on driving down the costs and drive up the quality of care and outcomes for the patient.



INSPIRING OUTCOMES

Some might ask if this approach creates a conflict of interest – we see it as quite the opposite. The Better Health Partnership, puts the customer and patient at the centre, working to improve general health, ultimately reducing the need for prescribed medication and medical intervention. This is better for the insurance company, the provider, the community, the employer, but most importantly it is better for the individual. It aligns all stakeholders to one outcome, that of a healthier individual.

We can already see the results of this transformation positively impacting our community. In 2022, we launched our Diabetes Rewind Programme (DRP), a great example of where Argus and The Better Health Partnership led the way. This programme's objective is to help break the cycle of reliance upon medication, instead providing a pathway to a better health outcome through preventive disease management.

We have graduated over 50 people through the programme, avoiding lifetime health costs of up to $150,000 per person. This equates to a potential saving of over $7.5 million. We have just begun. We have 13,000 diabetics in Bermuda, meaning we have a potential $1.9 billion diabetes problem. If you are reading this report and you know someone who is a diabetic please tell them to contact us. 80% of the graduates of the diabetes program have lost over 15kg and have put their diabetes into remission.

the better health partnership

DIABETES REWIND PROGRAMME

"Now I feel better about myself, my blood pressure is controlled, my diabetes is controlled and all of my medication is stopped because of following the programme"

Debbie MacFarlane, Participant, Diabetes Rewind Programme

INSPIRING FUTURES

We believe that value-based care ecosystems like The Better Health Partnership, are the future of healthcare. These interconnected and patient-centric models that are about 'getting better together'.

So, it's about getting better value for money together, by reducing health care costs through transparency and efficiency. It's about getting better at representing the needs of the population together, by seeking dynamic partnerships across the community. It's about getting better outcomes together, by active participation in wellness programs to reduce drug dependency and medical intervention. Ultimately, it's about getting better and sustainable healthcare together.

Since we launched in Bermuda in 2021 we have progressively built the partnership to include Primary Care Providers, enabling us to remove co-pay for over 13,000 Bermuda residents.

We have welcomed in One Team Health (OTH), whose efficiency in administration and purchasing prowess has delivered year on year health claims savings of over $4.0 million annually.

Scale is the key to further positive transformation, the more we can buy, the better we can negotiate with medical service providers. Indeed, the proposed amalgamation of Argus and BF&M will immediately enable us to drive better value through purchasing drugs and services for patients. Expanding the services that were developed at Argus to a larger group of people. To facilitate more local care at lower costs, such as our local infusion program. To manage high risk overseas cases through OTH with the same rigour and results. To be able to make available this infrastructure to not just Argus and BF&M but to work collaboratively with public plans also.

While The Better Health Partnership is still in its infancy, we are seeing the proof of concept, we are seeing a model that we believe is transportable to other connected communities. And it is this ambition for geographic growth that will unlock further opportunities from scale, further building our purchasing power and efficiency. Further driving us towards delivering a sustainable healthcare model, one connected community at a time.

PETER LOZIER
Chief Commercial Officer & Global Head of Health, Argus Group

the better health partnership

GETTING BETTER TOGETHER

This is just the beginning, we are committed to long term positive change

Demonstrable improvements to efficiency, effectiveness and outcomes

Success can only be achieved by working together in open partnership

INSPIRING SUSTAINABILITY

SUSTAINABILITY & GOVERNANCE REPORT

OUR APPROACH TO SUSTAINABILITY

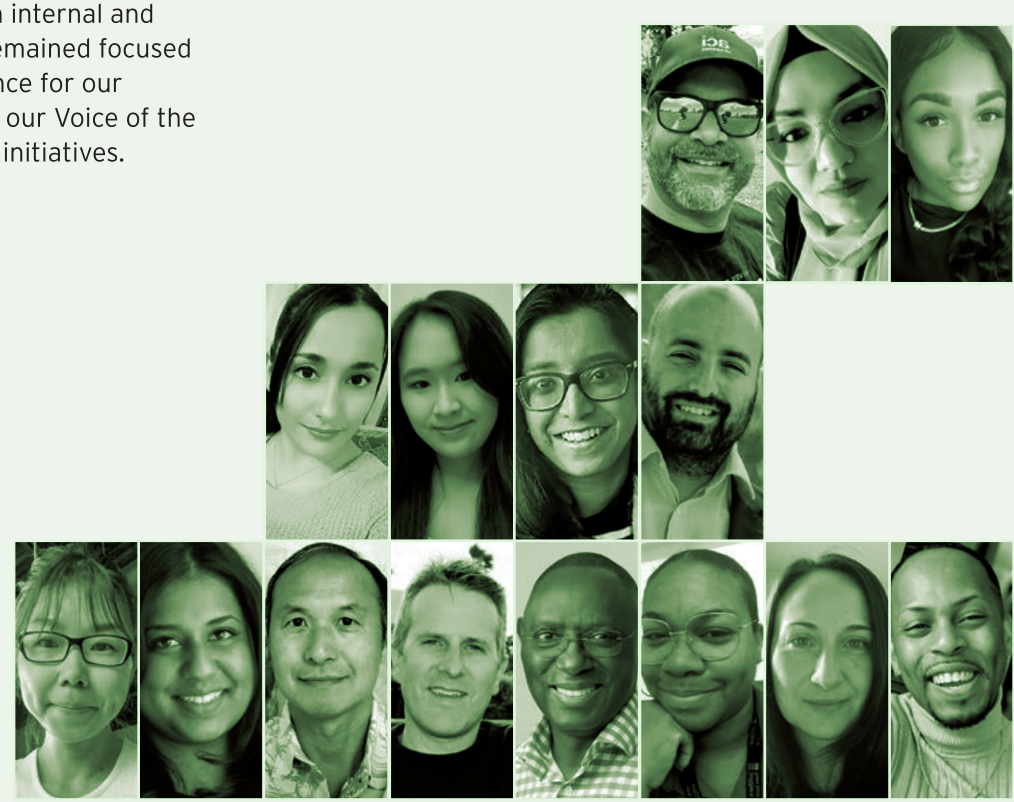
Our purpose is at the heart of everything we do, underpinning our corporate strategy and leading our approach to sustainability. In our third Sustainability Report, we share our progress under the six categories of our sustainability principles: Our Colleagues, Our Customers and Patients, Our Shareholders, Our Communities, Our Environment and Trusted and Responsible Business. At Argus, sustainability means the integration of social equity, economic, and environmental considerations to create healthy, diverse, and resilient communities for this generation and those to come.

A natural fit within the ethos of our business, we remain committed to making meaningful contributions to building a better future. We have been in business for 74 years and during this time we have established an ethos which puts people at the heart of every decision we make. Through our purpose to become a powerful force for sustainable wellbeing, we are committed to making meaningful contributions to building a better future. The importance of being sustainable has never been more relevant.

Climate change effects including increased frequency of extreme weather events, and the global rise in social and economic inequality makes it imperative that we do things differently. We continue exploring ways of minimising impact to our environment, and began utilising renewable energy through the successful installation of 130 solar panels at our Bermuda headquarters.

Our materiality survey was expanded this year to determine the sustainability areas that are of highest importance to our customers and critical vendors. The survey validated the importance of Argus' contribution to community health and wellness, which stood out as a common sustainability focus area for both internal and external stakeholders. We also remained focused on enhancing the Argus experience for our customers and patients, through our Voice of the Customer programme and other initiatives.

> "We are committed to making meaningful contributions to building a better future. The importance of being sustainable has never been more relevant."



CELEBRATING DIVERSITY, EQUITY & INCLUSION

We celebrate diversity, equity and inclusion (DEI) at Argus. We take pride in our BELONG BLAC achievements this year which included Black History month events, recognition in Bermuda for the Dr. Eva Noami Hodgson Racial Justice Awards and philanthrophic activities geared towards DEI. We continue to support our communities with $357,000 of cash and in-kind donations globally. We value our colleagues and invested more than $200,000 for training and development and recognised 44 long service awardees (about half serving Argus for 10 years or more).

Sustainability is an ongoing journey and we have demonstrated our strategy remains flexible enough to adapt to emerging environmental and social issues, while remaining responsive to changing customer and employee expectations. We are proud to have recently published our third sustainability report, sharing with you the progress made during the year and our efforts to further integrate sustainability across our organisation. Our full sustainability reports can be found at www.argus.bm/sustainability.

BELONG BLAC Committee members receiving the Dr. Eva Hodgson Racial Justice Award

IN 2023 WE CELEBRATED THE LONG SERVICE OF 44 MEMBERS OF STAFF

BOARDS, COMMITTEES & OFFICERS

BOARD OF DIRECTORS

David A. Brown (Chair)
Keith W. Abercromby
Barbara J. Merry
Constantinos Miranthis
Sergio Muñoz
E. Barclay Simmons (Deputy Chair)
N. H. Cole Simons, JP
Christian Teixidor
Kim R. Wilkerson

BOARD COMMITTEES

AUDIT COMMITTEE

Keith W. Abercromby (Chair)
David A. Brown
Barbara J. Merry
Constantinos Miranthis
E. Barclay Simmons
N. H. Cole Simons, JP
Christian Teixidor

GOVERNANCE COMMITTEE

Barbara J. Merry (Chair)
David A. Brown
E. Barclay Simmons
Kim R. Wilkerson

PEOPLE & COMPENSATION COMMITTEE

Kim R. Wilkerson (Chair)
Keith W. Abercromby
David A. Brown
Constantinos Miranthis

RISK COMMITTEE

E. Barclay Simmons (Chair)
Keith W. Abercromby
Barbara J. Merry
Constantinos Miranthis
Sergio Muñoz
Kim R. Wilkerson

OFFICERS

Chair – David A. Brown
Deputy Chair – E. Barclay Simmons
Chief Executive Officer – Alison S. Hill
Chief Financial Officer
& Deputy CEO – Peter J. Dunkerley
Chief Investment Officer
& Head of Global Wealth – Simon Giffen
Group General Counsel – Robbie MacDonald
Company Secretary – Janice Fernandes
Assistant Secretary – Sasha Castle-Siddiq

OUR LEADERSHIP TEAM

Our leadership team is dedicated to promoting collaboration, sustainability and innovation throughout the Company. They are focused on the goals of adding value for our shareholders and ensuring exceptional experiences for our customers and colleagues. They are committed to setting Argus apart as a leader in the industry.

ALISON HILL

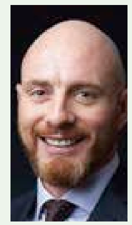
CHIEF EXECUTIVE OFFICER

PETER DUNKERLEY

CHIEF FINANCIAL OFFICER
& DEPUTY CHIEF EXECUTIVE OFFICER

PETER LOZIER

CHIEF COMMERCIAL OFFICER
& GLOBAL HEAD OF HEALTH



ROBBIE MACDONALD

GROUP GENERAL COUNSEL

ONESIMUS NZABALINDA

CHIEF GLOBAL COMPLIANCE
& AUDIT OFFICER

TORY RICHARD

CHIEF INFORMATION OFFICER

HANNAH ROSS

CHIEF STRATEGY
& CAPITAL OFFICER

ALEX REYNOLDS

CHIEF CORPORATE DEVELOPMENT
& INVESTOR RELATIONS OFFICER

DAVID SIMONS

CHIEF EXPERIENCE OFFICER

SHEENA SMITH

CHIEF HUMAN CAPITAL
& CULTURE OFFICER

TOM HEALY

GLOBAL DIRECTOR OF FINANCE

KEVIN GALEA PACE

HEAD OF GLOBAL BROKING

SIMON GIFFEN

CHIEF INVESTMENT OFFICER
& HEAD OF GLOBAL WEALTH

OUR PRINCIPAL OPERATING SUBSIDIARIES

BERMUDA

ARGUS INSURANCE COMPANY LIMITED
Constantinos Miranthis (Chair)
Peter J. Dunkerley
Peter Lozier
E. Barclay Simmons

CENTURION INSURANCE SERVICES LIMITED
Barbara J. Merry (Chair)
Peter J. Dunkerley
Ryan Eve
Kevin Galea Pace
Kim R. Wilkerson

BERMUDA LIFE INSURANCE COMPANY LIMITED
Kim R. Wilkerson (Chair)
David A. Brown
Peter J. Dunkerley
Constantinos Miranthis
E. Barclay Simmons

I.H.S. LABORATORIES LTD.
David A. Brown (Chair)
Peter J. Dunkerley
Peter Lozier
Dr. Basil Wilson

ISLAND HEALTH SERVICES LTD.
David A. Brown (Chair)
Dr. Gerhard L. Boonstra
Dr. Jeffrey Macleod
Peter J. Dunkerley
Peter Lozier

ARGUS WEALTH MANAGEMENT LIMITED
E. Barclay Simmons (Chair)
Peter J. Dunkerley
Constantinos Miranthis
N. H. Cole Simons, JP

GIBRALTAR

ARGUS INSURANCE COMPANY (EUROPE) LIMITED
Keith W. Abercromby (Chair)
Alex Bonavia*
Peter J. Dunkerley
Constantinos Miranthis
Sergio Muñoz
Michel Macelli

WESTMED INSURANCE SERVICES LIMITED
Peter J. Dunkerley (Chair)
Alex Bonavia*
Kevin Galea Pace

ARGUS GROUP HOLDINGS (EUROPE) LIMITED
Peter J. Dunkerley (Chair)
Keith Abercromby
Barbara J. Merry

CANADA

ONE TEAM HEALTH, INC.
Kim R. Wilkerson (Chair)
Peter J. Dunkerley
Peter Lozier

MALTA

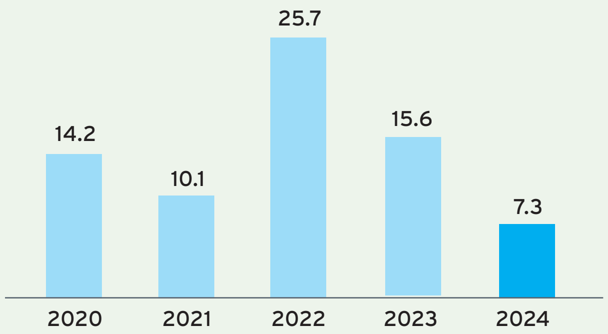
ANTES INSURANCE BROKERS LIMITED
Barbara J. Merry (Chair)
Peter J. Dunkerley
Kevin Galea Pace
Lawrence Pavia
Christian Teixidor
Kim R. Wilkerson*

*Subject to regulatory approval

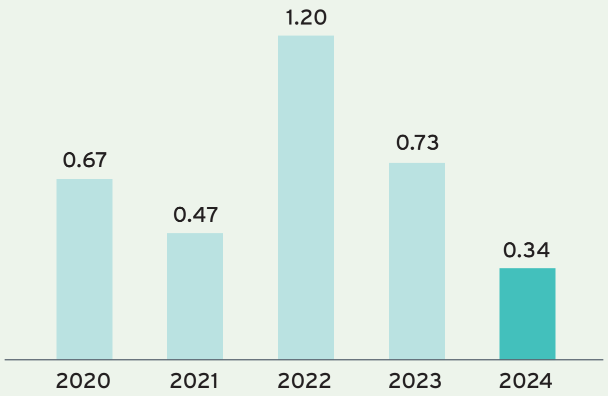
FIVE-YEAR SUMMARY FOR SHAREHOLDERS

TOTAL REVENUE ($ MILLIONS)

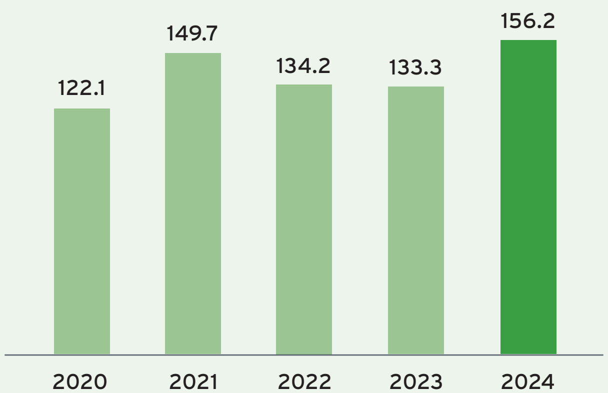
EARNINGS ATTRIBUTABLE TO SHAREHOLDERS ($ MILLIONS)



EARNINGS PER SHARE – FULLY DILUTED ($)



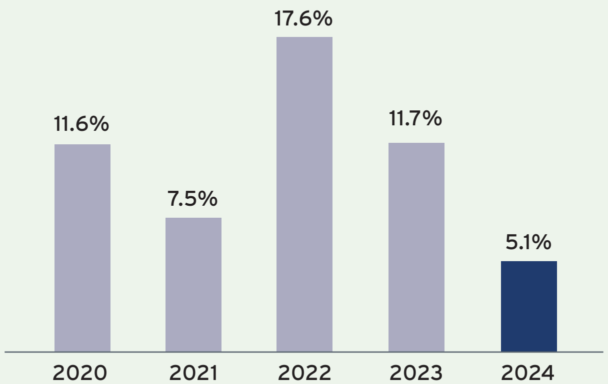
SHAREHOLDERS' EQUITY ($ MILLIONS)



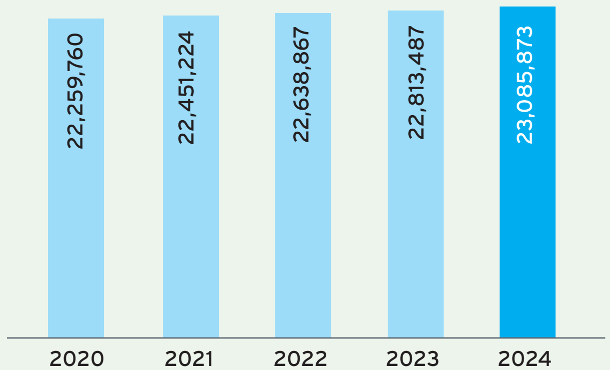
TOTAL GENERAL FUND ASSETS ($ MILLIONS)

FIVE-YEAR SUMMARY FOR SHAREHOLDERS

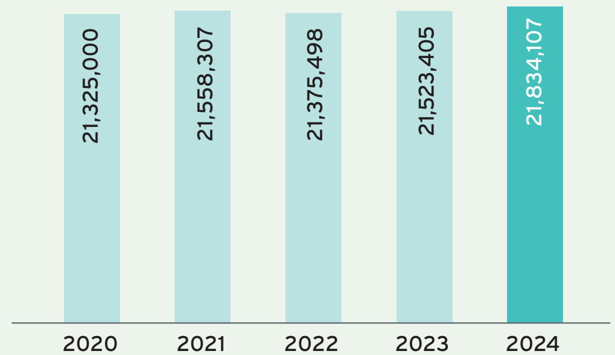
RETURN ON SHAREHOLDERS' EQUITY



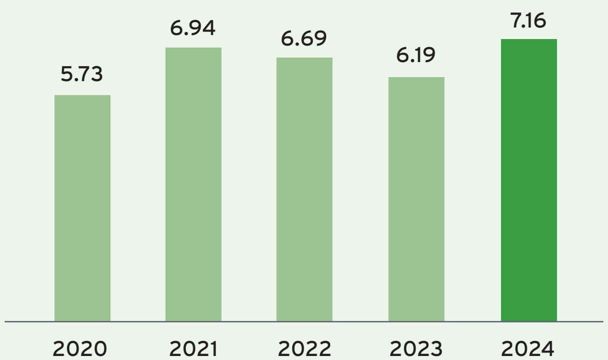
SHARES IN ISSUE



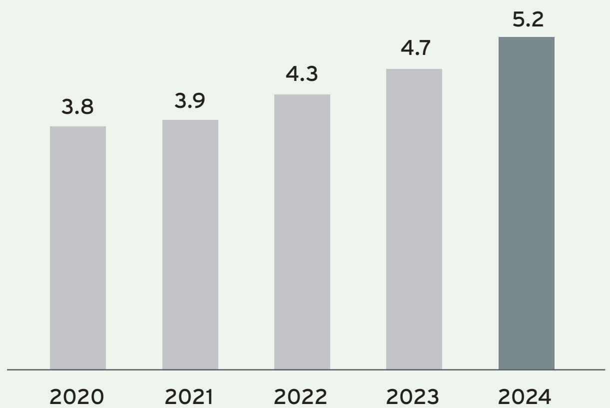
OUTSTANDING SHARES



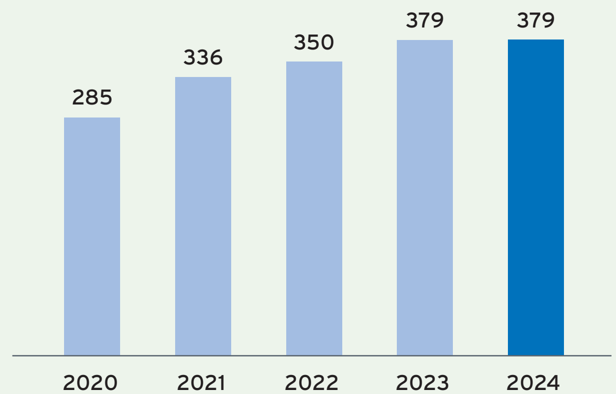
BOOK VALUE PER SHARE ($)



DIVIDENDS DECLARED ($ MILLIONS)



EMPLOYEES



INSPIRING NUMBERS

FINANCIAL REPORT

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements and other financial information in this Annual Report have been prepared by the Group's Management, which is responsible for their integrity, consistency, objectivity and reliability. To fulfil this responsibility, the Group maintains policies, procedures and systems of internal control to ensure that its reporting practices, and accounting and administrative procedures are appropriate, such that relevant and reliable financial information is produced and assets are safeguarded. These controls include the careful selection and training of employees, the establishment of well-defined areas of responsibility and accountability for performance, and the communication of policies and a code of conduct throughout the Group. In addition, the Group engages PricewaterhouseCoopers Advisory Limited ("PwC") to provide internal audit co-sourcing services. Under the internal audit co-sourcing engagement PwC provides support to the Chief Global Compliance & Audit Officer by performing internal audit projects, in accordance with the Internal Audit Charter and the Group's Internal Audit Plan. The Chief Global Compliance & Audit Officer reports directly to the Audit Committee.

These consolidated financial statements have been prepared in conformity with International Financial Reporting Standards and, where appropriate, reflect estimates based on Management's judgment. The financial information presented throughout this Annual Report is generally consistent with the information contained in the accompanying consolidated financial statements.

KPMG Audit Limited, the independent chartered professional accountants appointed by the shareholders, have audited the consolidated financial statements set out on pages 39 through 138 in accordance with auditing standards generally accepted in the United States of America to enable them to express to the shareholders their opinion on the consolidated financial statements. Their report is shown opposite.

The consolidated financial statements have been further reviewed and approved by the Board of Directors acting through the Audit Committee, which comprises of directors who are not officers or employees of the Group. The Audit Committee, which meets with the auditors and Management to review the activities of each and reports to the Board of Directors, oversees Management's responsibilities for the financial reporting and internal control systems. The auditors have full and direct access to the Audit Committee and meet periodically with the committee, both with and without Management present, to discuss their audit and related findings.

These consolidated financial statements were authorised for issue by the Board of Directors on July 26, 2024.

Alison S. Hill	Peter J. Dunkerley
Chief Executive Officer	Chief Financial Officer
	July 26, 2024

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of Argus Group Holdings Limited and its Subsidiaries

Opinion

We have audited the consolidated financial statements of Argus Group Holdings Limited and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of March 31, 2024 and 2023, and April 1, 2022 and the related consolidated statements of operations, comprehensive operations, changes in equity, and cash flows for the years ended March 31, 2024 and 2023, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of March 31, 2024, and 2023, and April 1, 2022, and its financial performance and its cash flows for the years ended March 31, 2024, and 2023 in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Group and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as issued by the IASB, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise significant doubt about the Group's ability to continue as a going concern for one year after the date that the consolidated financial statements are authorised for issuance.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 judgment made by a reasonable user based on the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control 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 Group'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise significant doubt about the Group'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.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The engagement partner on the audit resulting in this independent auditor's report is Gary Pickering.

KPMG Audit Limited

Chartered Professional Accountants
Hamilton, Bermuda
July 26, 2024

CONSOLIDATED BALANCE SHEETS

(In $ thousands)	Note	MARCH 31 2024	MARCH 31 2023 Restated (1)	APRIL 1 2022 Restated (1)
Assets				
Cash and short-term investments	5	**60,966**	41,587	55,849
Interest and dividends receivable		**3,449**	3,351	2,526
Assets held-for-sale	4	**3,910**	7,937	4,240
Investments	6,7	**480,970**	464,760	472,498
Receivable for investments sold		**278**	-	2,400
Trade and other receivables	8	**6,562**	5,693	5,928
Reinsurance contract assets	16	**30,444**	26,382	25,157
Other assets	9	**11,313**	11,814	11,541
Investment properties	10	**2,399**	2,399	2,774
Investment in associates	11	**2,719**	2,993	2,908
Property and equipment	12	**56,027**	53,392	54,073
Right-of-use assets	13	**2,942**	3,639	3,411
Intangible assets	14	**23,387**	24,553	25,875
TOTAL GENERAL FUND ASSETS		685,366	648,500	669,180
Segregated fund assets	31	1,244,364	1,128,406	1,203,738
TOTAL ASSETS		1,929,730	1,776,906	1,872,918

(In $ thousands)	Note	MARCH 31 2024	MARCH 31 2023 Restated (1)	APRIL 1 2022 Restated (1)
Liabilities				
Fee based payables	8	**8,606**	8,078	8,692
Liabilities held-for-sale	4	**-**	65	-
Taxes payable		**257**	295	216
Accounts payable and accrued liabilities	15	**41,141**	32,452	39,855
Lease liabilities	13	**3,247**	3,990	3,742
Insurance contract liabilities	16	**234,236**	223,356	232,385
Reinsurance contract liabilities	16	**1,134**	398	319
Investment contract liabilities	17	**237,790**	243,751	246,544
Post-employment benefit obligation	18	**2,707**	2,790	3,271
TOTAL GENERAL FUND LIABILITIES		529,118	515,175	535,024
Segregated fund liabilities	31	1,244,364	1,128,406	1,203,738
TOTAL LIABILITIES		1,773,482	1,643,581	1,738,762
Equity				
Attributable to shareholders of the Company				
Share capital		**15,899**	15,419	15,472
Contributed surplus		**57,056**	55,595	54,915
Retained earnings		**88,622**	86,480	75,585
Accumulated other comprehensive loss	22	**(5,329)**	(24,169)	(11,816)
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		156,248	133,325	134,156
TOTAL EQUITY		156,248	133,325	134,156
TOTAL EQUITY AND LIABILITIES		1,929,730	1,776,906	1,872,918

(1) Restated for the adoption of IFRS 17. See note 2.20.1 for details.

The accompanying notes form part of these consolidated financial statements.

Approved by the Board of Directors

David A. Brown
Chair

E. Barclay Simmons
Deputy Chair

CONSOLIDATED STATEMENTS OF OPERATIONS

For the years ended March 31 (in $ thousands, except for per share data)	Note	2024	2023 *Restated* [1]
Insurance revenue	24	193,202	171,087
Insurance service expenses	27, 16	(138,704)	(117,889)
Net expenses from reinsurance contracts held	16	(17,577)	(14,321)
Insurance service result		36,921	38,877
Investment income		15,167	11,905
Income from associates		-	85
Investment return		15,167	11,990
Net finance expenses from insurance contracts		(6,097)	(3,763)
Net finance income from reinsurance contracts		561	146
Movement in investment contract liabilities		7	(29)
Net financial result	25	9,638	8,344
Gain from the sale of subsidiary	3	259	-
Fee income from service contracts	26	52,394	44,115
Commission expenses		(1,629)	(1,646)
Other operating expenses	27	(89,774)	(73,621)
EARNINGS BEFORE INCOME TAXES		7,809	16,069
Income tax expense	30	(488)	(463)
NET EARNINGS FOR THE YEAR		7,321	15,606
Earnings per share			
Basic	23	0.34	0.73
Diluted		0.34	0.73

(1) Restated for the adoption of IFRS 17. See note 2.20.1 for details.

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE OPERATIONS

For the years ended March 31 (in $ thousands)	Note	2024	2023 *Restated* [1]
Net Earnings for the Year		7,321	15,606
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to net earnings:			
Post-employment medical benefit obligation remeasurement		20	466
Change in unrealised gains on equity investments		721	-
Items that are or may subsequently be reclassified to net earnings:			
Change in unrealised gains on bonds		18,208	-
Change in unrealised losses on available-for-sale investments		-	(23,475)
Change in unrealised gains/(losses) on translating financial statements of foreign operations		349	(2,235)
Net finance income/(expenses) from reinsurance contracts		(10)	51
Net finance income/(expenses) from insurance contracts		(448)	12,840
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		18,840	(12,353)
COMPREHENSIVE INCOME FOR THE YEAR		26,161	3,253

(1) Restated for the adoption of IFRS 17. See note 2.20.1 for details.

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended March 31 (in $ thousands)	Note	2024	2023 *Restated* [1]
Share Capital			
Authorised:			
25,000,000 common shares of $1.00 each (2023 - 25,000,000)		25,000	25,000
Issued and fully paid, beginning of year 22,813,487 shares (2023 - 22,638,867 shares)		22,814	22,639
Add: Shares issued under the dividend reinvestment plan 272,386 shares (2023 - 174,620 shares)		272	175
Deduct: Shares held in Treasury, at cost 1,251,766 shares (2023 - 1,290,082 shares)		(7,187)	(7,395)
TOTAL, NET OF SHARES HELD IN TREASURY, END OF YEAR		15,899	15,419
Contributed Surplus			
Balance, beginning of year		55,595	54,915
Stock-based compensation expense		266	235
Treasury shares granted to employees		(262)	(438)
Shares issued under the dividend reinvestment plan	21	1,457	883
BALANCE, END OF YEAR		57,056	55,595
Retained Earnings			
Balance, beginning of year		86,480	90,964
Adjustment on initial application of IFRS 17		-	(15,379)
Restated retained earnings balance, beginning of year		86,480	75,585
Net earnings for the year		7,321	15,606
Dividends		(5,179)	(4,711)
BALANCE, END OF YEAR		88,622	86,480
Accumulated Other Comprehensive Income/(Loss)			
Balance, beginning of year		(24,169)	(18,357)
Adjustment on initial application of IFRS 17		-	6,541
Restated accumulated other comprehensive loss, beginning of year		(24,169)	(11,816)
Other comprehensive income/(loss)		18,840	(12,353)
BALANCE, END OF YEAR		(5,329)	(24,169)
Total attributable to Shareholders of the Company		156,248	133,325
TOTAL EQUITY		156,248	133,325

(1) Restated for the adoption of IFRS 17. See note 2.20.1 for details.

The accompanying notes form part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In $ thousands)	MARCH 31 2024	MARCH 31 2023 *Restated* (1)
OPERATING ACTIVITIES		
Earnings before income taxes	7,809	16,069
Adjustments to reconcile net earnings to cash basis		
Bad debt expense	212	444
Interest income	(15,930)	(13,329)
Dividend income	(250)	(489)
Investment income related to deposit administration pension plans	2,835	973
Net realised and unrealised (gains)/losses on investments	(1,509)	1,339
Amortisation of mortgages and net premium of bonds	(615)	441
Net impairment gains on investments	(78)	(781)
Change in the fair value of contingent liability	280	392
Income from associates, including impairment	-	(85)
Net realised and unrealised losses on investment properties	-	36
Gain on the sale of subsidiary	(259)	-
Gain on the sale of associates	(59)	-
Amortisation, depreciation and impairment	7,007	6,676
Expense on vesting of stock-based compensation	266	235
Interest expense	205	198
	(7,895)	(3,950)
Change in operating balances		
Trade and other receivables	(1,115)	(352)
Reinsurance contract assets	(4,005)	(1,513)
Other assets	562	(389)
Fee based payables	570	(379)
Accounts payable and accrued liabilities	8,944	(6,603)
Insurance contract liabilities	10,422	4,417
Reinsurance contract liabilities	736	79
Investment contract liabilities	(5,961)	(2,793)
Post employment benefit liability	(63)	(15)
	10,090	(7,548)

(In $ thousands)	MARCH 31 2024	MARCH 31 2023 *Restated* (1)
Interest income received	12,719	11,128
Dividend income received	250	489
Income tax paid	(601)	(549)
CASH GENERATED FROM OPERATING ACTIVITIES	22,372	15,639
INVESTING ACTIVITIES		
Purchase of investments	(256,367)	(131,102)
Sale, maturity and paydown of investments	261,320	111,686
Sale of subsidiary, net of cash disposed of	4,418	-
Purchase of property and equipment	(8,008)	(3,965)
CASH GENERATED/ (USED IN) FROM INVESTING ACTIVITIES	1,363	(23,381)
FINANCING ACTIVITIES		
Dividends paid to shareholders	(3,504)	(3,679)
Interest expense paid	(205)	(198)
Acquisition of shares held in Treasury	-	(796)
Principal lease payments	(670)	(698)
CASH USED IN FINANCING ACTIVITIES	(4,379)	(5,371)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND SHORT-TERM INVESTMENTS	23	(1,149)
NET INCREASE IN CASH AND SHORT-TERM INVESTMENTS	19,379	(14,262)
CASH AND SHORT-TERM INVESTMENTS, beginning of year	41,587	55,849
CASH AND SHORT-TERM INVESTMENTS, end of year	60,966	41,587

(1) Restated for the adoption of IFRS 17. See note 2.20.1 for details.

The accompanying notes form part of these consolidated financial statements.

CONTENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES		PAGE
1	Operations	45
2	Summary of material accounting policies	45
3	Disposal of Subsidiary	64
4	Assets and Liabilities Held-for-Sale	65
5	Cash and Short-term investments	66
6	Investments	67
7	Fair Value Measurement	69
8	Trade and Other Receivables and Fee based payables	75
9	Other Assets	75
10	Investment Properties	76
11	Investment in Associates	76
12	Property and Equipment	77
13	Right-of-use Assets and Lease Liabilities	78
14	Intangible Assets	79
15	Accounts Payable and Accrued Liabilities	80
16	Insurance and Reinsurance contracts	81
17	Investment Contract Liabilities	104

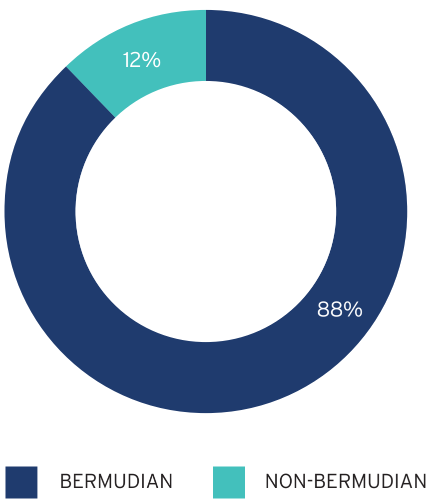
NOTES		PAGE
18	Post-Employment Benefit Liability	105
19	Group Composition	106
20	Risk Management	108
21	Dividends	123
22	Components of Accumulated Other Comprehensive loss	124
23	Earnings Per Share	125
24	Insurance Revenue	126
25	Net Financial Result	127
26	Fee Income from service contracts	129
27	Operating Expenses	130
28	Stock-based Compensation	131
29	Related Party Transactions	132
30	Income Tax Expense	133
31	Segregated Funds and Separate Accounts	135
32	Operating Segments	136
33	Commitments and Contingencies	138
34	Subsequent Events	138

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

(Amounts in tables are expressed in thousands of Bermuda dollars, except for per share amounts and where otherwise stated)

SHARE OWNERSHIP



1 OPERATIONS

Argus Group Holdings Limited (the Company) was incorporated in Bermuda with limited liability on May 26, 2005, as a holding company and has its registered office at the Argus Building, 14 Wesley Street, Hamilton HM 11, Bermuda. The Company's shares are traded on the Bermuda Stock Exchange. At March 31, 2024, it has 1,414 shareholders, 78.6 percent of whom are Bermudian, holding 88.0 percent of the issued shares.

The Company and its subsidiaries (the Group) operates predominantly in Bermuda, Gibraltar, Malta and Canada underwriting life, health, property and casualty insurance (P&C). The Group also provides investment, savings and retirement products, administrative services, health care and insurance broker services. Refer to Note 19 for details on the composition of the Group and Note 32 on Operating Segments.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies used in the preparation of the consolidated financial statements are discussed below and are applied consistently.

2.1 STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and in accordance with the provisions of the Bermuda Companies Act 1981, as amended.

These consolidated financial statements, as at and for the year ended March 31, 2024, were authorised for issue by the Board of Directors on July 26, 2024.

2.2 BASIS OF PRESENTATION

2.2.1 Basis of measurement

The consolidated financial statements have been compiled on the going concern basis and prepared on the historical cost basis except for the following material items on the Consolidated Balance Sheets:

- Financial assets and financial liabilities at fair value through profit or loss (FVTPL) are measured at fair value;
- Financial assets at fair value through other comprehensive income (FVOCI) are measured at fair value;
- Investment properties are measured at fair value;
- Segregated fund assets and liabilities are measured at fair value based on net asset values reported by third parties, such as fund managers or independent custodians;
- The fulfilment cash flow of an insurance contract is measured using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk.
- Post-employment benefit liability is measured at the present value of the defined benefit obligation;
- Assets and liabilities held-for-sale are measured at the lower of their carrying value and fair value less cost to sell; and
- Deposit administration pension plans, and self-funded group health policies investment contracts are measured at amortised cost. While, deposit accounted annuity polices investment contracts are measured at FVTPL.

The Consolidated Balance Sheets are presented in order of decreasing liquidity.

2.2.2 Presentation currency

The financial statements are presented in Bermuda dollars, which is the Company's functional currency, and which are on par with United States (U.S.) dollars.

2.2.3 Use of critical estimates, judgments and assumptions

The preparation of the consolidated financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

Note 2.10 – Insurance, Investment and Service Contracts;
Note 10 – Investment Properties; and
Note 11 – Investment in Associates.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year is included in the following notes:

Note 2.8 – Impairment of Assets;
Note 6 and Note 17 – Investments and Investment Contract Liabilities; and
Note 16 – Insurance and Reinsurance contracts.

2.3 BASIS OF CONSOLIDATION

2.3.1 Business combinations

The Group uses the acquisition method to account for the acquisition of subsidiaries. At the date of acquisition, the Group recognises the identifiable assets acquired and liabilities assumed as part of the overall business combination transaction at their fair value. Recognition of these items is subject to the definitions of assets and liabilities in accordance with the IASB's Framework for the Preparation and Presentation of Financial Statements. The Group may also recognise intangible items not previously recognised by the acquired entity, such as customer lists. Transaction costs that the Group incurs in connection with a business combination are expensed as incurred.

Amalgamation transactions

Under a business combination where entities under common control are amalgamated, the carrying values of the assets and liabilities of the entities are combined. Transactions arising from the amalgamation of the entities under common control are eliminated in the Group's consolidated financial statements.

2.3.2 Subsidiaries

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 has the ability to affect those returns through its power over the entity. The results and financial position of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group's consolidated financial statements include the financial statements of the Company and its subsidiaries after all intercompany accounts and transactions have been eliminated. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

2.3.3 Investment in associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operational policies. Significant influence is normally presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Other indicators that may provide evidence of significant influence include representation on the board of directors of the investee, participation in policy-making processes and provision of technical information.

Investment in associates is initially recognised at cost, which includes transaction costs. Thereafter, these investments are measured using the equity method. Under the equity method, the Group records its proportionate share of income and loss from such investments on the Consolidated Statements of Operations and its proportionate share of Other Comprehensive Income on the Consolidated Statements of Comprehensive Operations. Certain associates have different accounting policies from the Group and, as a result, adjustments have been made to align the associate's accounting policies with the Group.

Investments in associated companies are derecognised when the Group loses significant influence. Any retained interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained investment at the date when significant influence is lost and its fair value is recognised in Income from associates on the Consolidated Statements of Operations.

2.4 FOREIGN CURRENCY REMEASUREMENT AND TRANSLATION

2.4.1 Remeasurement of transactions in foreign currencies

The individual financial statements of the Company and its subsidiaries are prepared in the currency in which they conduct their ordinary course of business, which is referred to as the functional currency. Monetary assets and liabilities denominated in currencies other than the functional currency of the Company or its subsidiaries are remeasured into the functional currency using rates of exchange at the balance sheet date. Income and expenses are translated at average rates of exchange.

Foreign exchange gains and losses are reflected in Other operating expenses on the Consolidated Statements of Operations.

2.4.2 Translation to the presentation currency

The financial statements of foreign operations are translated from their respective functional currencies to Bermuda dollars, the Group's presentation currency. Assets and liabilities are translated at the rates of exchange at the balance sheet date, and income and expenses are translated using the average rates of exchange. The accumulated gains or losses arising from translation of functional currencies to the presentation currency are included in Other comprehensive income/(loss) on the Consolidated Statements of Comprehensive Operations.

2.5 CASH AND SHORT-TERM INVESTMENTS

Cash and short-term investments include cash balances, cash equivalents, time deposits and other short-term highly liquid financial assets with original maturities of three months or less, and bank overdrafts. Interest on these balances is recorded on the accrual basis and included in Investment income.

Cash includes restricted cash being held on behalf of clients in order to comply with regulatory requirements in Malta. These amounts are not available for use in the Group's daily operations.

2.6 ASSETS AND LIABILITIES HELD-FOR-SALE

Disposal groups, which are comprised of assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale.

The sale is highly likely if, on the reporting date, Management has committed to detailed sales plans, is actively looking for a buyer, has set a reasonable selling price, and the sale is highly likely to occur within a year. Disposal groups are measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held-for-sale, these assets will no longer be depreciated.

See Note 4, Assets and Liabilities Held-For-Sale for more details.

2.7 FINANCIAL INSTRUMENTS

2.7.1 Financial assets

2.7.1(a) Classification and recognition of financial assets

The Group has the following financial assets: (i) Fair Value through Profit or Loss, (ii) Fair Value through Other Comprehensive Income, and (iii) Amortised Cost. The classification and measurement of financial assets is determined by assessing the Group's business model for managing the financial assets, and the contractual cash flow characteristics of the financial asset.

Business model test

The Group performs the business model test at a business segment level which reflects how financial assets are managed in order to achieve the Group's objectives. The assessment is based on observable factors such as:

- How the performance of the business segment and the financial assets held within that segment are evaluated and reported to the Group's key management personnel.
- The risks that affect the performance of the business segment (and the financial assets held within that business segment) and the way those risks are managed.
- How investment managers of the business are compensated; and the value of the assets managed or on the contractual cash flows collected; and
- The expected frequency, value and timing of asset sales.

Contractual cash flow test

The contractual cash flow test is performed at the individual security level to identify whether the contractual cash flows are solely payments of principal and interest (SPPI). For contractual cash flows to be SPPI they must include returns consistent with a basic lending arrangement. In performing this assessment the Group considers whether the financial assets contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet the condition. Where the contractual terms deviate from a basic lending arrangement, the SPPI criterion would not be met, and such a financial asset would be measured at FVTPL.

(i) Financial assets at FVTPL

A financial asset is classified as FVTPL if it is managed in a fair value business segment or is designated as such upon initial recognition or are mandatorily required to be measured at fair value.

On initial recognition FVTPL instruments are measured at their value on the trade date, plus any directly attributable transaction costs. Any subsequent changes in the fair value of the financial instrument, as well as interest and dividend income earned is recorded in Investment income on the Consolidated Statements of Operations. Interest income is net of investment management, legal and transaction fees.

The Group has designated certain debt investments as at FVTPL on initial recognition, because they relate to insurance contracts that are measured in a way that incorporates current information and all related insurance finance income and expenses are recognised in net income. The assets would otherwise be measured at FVOCI or amortised cost.

(ii) **Financial assets at FVOCI**
The Group applies the new category under IFRS 9 for debt instruments when (i) the instrument is held with the objective to collect the contractual cash flows and sell the asset, and (ii) the contractual term of the financial asset meets the SPPI test. These instruments largely comprise of debt instruments that have previously been classified as available-for-sale under IAS 39. Debt securities in this category are carried at fair value, with the intention of being held for an indefinite duration and may be sold in response to needs for liquidity, in response to changes in market conditions, or the requirement to stay within investment policy guidelines. On initial recognition, FVOCI investments are measured at fair value on the trade date.

After initial measurement, FVOCI financial assets are subsequently measured at fair value with unrealised gains or losses recognised in Other comprehensive income and presented on the Consolidated Statements of Comprehensive Operations. When an investment is derecognised, the cumulative gain or loss in Other comprehensive income is transferred to the Consolidated Statements of Operations.

Interest income, amortisation and accretion of premiums and discounts, is recognised within the net investment income for the current period. Interest income is net of investment management, legal and transaction fees.

(iii) **Financial asset at Amortised Cost**
Debt instruments in this category are carried at amortised cost and are intended to be held until maturity to collect the contractual cash flows. The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest and dividend income, including the amortisation of any premiums and discounts on these instruments are included within net investment income. Interest income is net of investment management, legal and transaction fees.

After initial recognition, debt instruments are measured at amortised cost using the effective interest method, less any impairment. Amortisation of interest is included in Investment income on the Consolidated Statements of Operations. Expected credit loss (ECL) is recognised in the Consolidated Statements of Operations when the investment is impaired.

2.7.1(b) Derecognition and offsetting
The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows of the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, which is normally the trade date. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented on the Consolidated Balance Sheets when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.7.2 Financial Liabilities

2.7.2(a) Classification and recognition of financial liabilities

The Group has the following financial liabilities: (i) financial liabilities at FVTPL and (ii) other financial liabilities. Management determines the classification of financial liabilities at initial recognition.

(i) **Financial liabilities at FVTPL**
The Group's financial liabilities at FVTPL relate to deposit accounted annuity policies shown under Investment contract liabilities on the Consolidated Balance Sheets. Contracts recorded at FVTPL are measured at fair value at inception and each subsequent reporting period. These contracts are measured at FVTPL since the related assets are managed and their performance is evaluated on a fair value basis. Changes in fair value of investment contract liabilities are recorded in Movement in investment contract liabilities on the Consolidated Statements of Operations (Note 2.10.2).

(ii) Other financial liabilities

All remaining financial liabilities are classified as other financial liabilities, which include Investment contract liabilities related to the deposit administration pension plans and self-funded group health policies (Note 2.10.2), Payables arising from investment transactions, Fee based payables and Accounts payable and accrued liabilities. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

Payables arising from investment transactions and Accounts payable and accrued liabilities are considered short-term payables with no stated interest.

All other financial liabilities (including liabilities designated at FVTPL) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

2.7.2(b) Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

2.7.3 Investment income

Interest is recorded in Investment income on the Consolidated Statements of Operations as it accrues, using the effective interest method. Dividend income is recognised on the date the Group's right to receive payment is established, which, in the case of quoted securities, is normally the ex-dividend date.

2.8 IMPAIRMENT OF ASSETS

2.8.1 Impairment of financial assets

2.8.1(a) Policies applicable beginning April 1, 2023

The Group recognises an allowance for expected credit losses (ECLs) on financial assets not designated at FVTPL. Financial assets measured at amortised cost are presented at their carrying amounts on the Consolidated Balance Sheets, which is the gross carrying amount less the allowance for ECL, with changes in the allowance for ECL recognised in Investment income on the Consolidated Statements of Operations.
The allowance for ECL on financial assets measured at FVOCI, does not reduce the carrying amount of the assets in the Consolidated Balance Sheets, which remains at fair value. Rather, an amount equal to the allowance for ECL that would arise if the assets were measured at amortised cost is recognised in Other comprehensive income, with changes in the allowance for ECL recognised in Investment income on the Consolidated Statements of Operations.

At the end of each reporting period, the Group applies a three-stage impairment approach to measure the ECL on financial assets measured at amortised cost or at FVOCI:

- Stage 1 – 12-Month ECL: For financial assets that have not experienced a significant increase in credit risk since the date of initial recognition, a loss allowance equal to the credit losses expected to result from default events occurring over the 12 months following the reporting date is recognised.
- Stage 2 – Lifetime ECL: For financial assets that have experienced a significant increase in credit risk since the date of initial recognition, a loss allowance equal to the credit losses expected to result from default events occurring over the remaining lifetime of the financial asset is recognised.
- Stage 3 – Impairment: When a financial asset is credit-impaired, a loss allowance equal to the ECL over the remaining lifetime of the financial asset is recognised. Interest income is calculated based on the carrying amount of the asset, net of the loss allowance.

The Group has not experienced any significant increase in credit risk (SICR) during the financial year and hence holds no Stage 2 or 3 assets. Furthermore, the investment policy prevents the group from holding any assets including high yield assets in excess of its asset mix permitted range.

The Group monitors all financial assets that are subject to impairment for significant increase in credit risk. In making this assessment, we consider both quantitative and qualitative information such as:

- negative rating agency announcements in respect of investment issuers and debtors;
- significant reported financial difficulties of investment issuers and debtors;
- the disintegration of the active market(s) in which a particular asset is traded or deployed;
- adverse economic or regulatory conditions that may restrict future cash flows and asset recoverability;
- the withdrawal of any guarantee from statutory funds or sovereign agencies implicitly supporting the asset.

Write-offs
Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are recorded to credit loss expense. There were no write-offs over the periods reported in these financial statements.

2.8.1(b) Policies prior to April 1, 2023
The Group's accounting policy prior to the adoption of IFRS 9 are summarised below:

Held-to-maturity financial assets and Loans and receivables
All individually significant held-to-maturity financial assets and loans and receivables are assessed individually for impairment. Those found not to be impaired are then collectively assessed for impairment. Held-to-maturity financial assets and loans and receivables that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for Management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends. If there is objective evidence that an impairment loss on held-to-maturity financial assets or loans and receivables has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The impairment loss is recognised in Investment income on the Consolidated Statements of Operations and reflected in an allowance account against the held-to-maturity financial assets or loans and receivables. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed in Investment income on the Consolidated Statements of Operations.

Available-for-sale financial assets
When there is objective evidence that an Available-for-sale asset is impaired, the loss accumulated in Other comprehensive income is reclassified to the Consolidated Statements of Operations in Investment income. The cumulative loss that is reclassified from Other comprehensive income to Investment income is the difference between the amortised cost and the current fair value less any impairment loss recognised previously in Investment income on the Consolidated Statements of Operations. Impairment losses on Available-for-sale equity securities are not reversed.

2.8.1(c) Investment in associates
When there is objective evidence that an Investment in an associate is impaired, an impairment loss is measured by comparing the recoverable amount of the investment with its carrying value. The recoverable amount is determined in accordance with Note 2.8.2.

An impairment loss is recognised in Income from associates on the Consolidated Statements of Operations. Reversal of a previously recognised impairment loss is made if there has been a favourable change in the estimates used to determine the recoverable amount.

2.8.2 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets comprised of Property and equipment, Right-of-use assets and Intangible assets are reviewed at each reporting date to determine if there is objective evidence of impairment. Objective factors that are considered when determining whether a non-financial asset may be impaired include, but are not limited to, the following:

- adverse economic, regulatory or environmental conditions that may restrict future cash flows and asset usage and/or recoverability;
- the likelihood of accelerated obsolescence arising from the development of new technologies and products; and
- the disintegration of the active market(s) to which the asset is related.

If objective evidence of impairment exists, then the asset's recoverable amount is estimated. An impairment loss is recognised Other operating expenses on the Consolidated Statements of Operations if the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount of an asset is the greater of its value-in-use and its fair value less costs to sell. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

2.9 INVESTMENT PROPERTIES

Investment properties are real estate and real estate fractional units primarily held to earn rental income or held for capital appreciation. Properties that do not meet these criteria are classified as Property and equipment (Note 2.12). Rental income from investment properties is recognised on a straight-line basis over the term of the lease. Expenditures related to ongoing maintenance of properties subsequent to acquisition are expensed as incurred. Investment properties are initially recognised at the transaction price including acquisition costs on the Consolidated Balance Sheets. These properties are subsequently measured at fair value with changes in values recorded in Investment income on the Consolidated Statements of Operations.

Fair values are evaluated regularly by an accredited independent valuation specialist, who holds a recognised and relevant professional qualification and who has recent experience in the valuation of properties in Bermuda.

2.10 INSURANCE, INVESTMENT AND SERVICE CONTRACTS

2.10.1 Insurance contracts

Insurance contracts are comprised of insurance contracts issued, and reinsurance contracts held. Insurance contracts are those contracts where the Group has accepted significant insurance risk from the policyholders by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholders.

In the normal course of business, the Group uses reinsurance to mitigate its risk exposures to insurance contracts issued. A reinsurance contract held transfers significant insurance risk if it transfers substantially all the insurance risk resulting from the insured or reinsured portion of the underlying insurance contracts, even if it does not expose the reinsurer to the possibility of a significant loss.

2.10.1(a) Level of aggregation

The Group aggregates insurance contracts and reinsurance contracts held into portfolios based on the underlying risk and the management of those risks. Each portfolio is further disaggregated into groups of contracts that are issued within a financial year and the underlying expected profitability, that is (i) onerous, and (ii) other profitable contracts. The Group does not issue any insurance contracts that at initial recognition would have no significant possibility of becoming onerous. The classification of insurance contracts and reinsurance contracts into a group is not subsequently reconsidered once determined.

2.10.1(b) Initial recognition and measurement

Insurance contracts issued are recognised from the earliest of the beginning of the insurance contract's coverage period; or when payment from the policyholder becomes due or, if there is no contractual due date, when it is received.

Reinsurance contracts held are recognised from the later of the beginning of the coverage period and when the underlying insurance contract is initially recognised.

Insurance contracts issued and reinsurance contracts held that were 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.

All insurance contracts issued by the Group are measured using one of two measurement models: either the General Measurement Model (GMM), or the Premium Allocation Approach (PAA). The measurement model applied is dependent on the types of contracts written.

2.10.1(b)(i) Insurance Contracts measured under GMM

Insurance contracts issued

On initial recognition, a group of GMM insurance contracts issued is measured as the total of the fulfilment cash flows (FCF), and the CSM. The FCF represents the current estimates of the future cash flows from premiums and pay out for claims, benefits and expenses, adjusted to reflect the timing of money and the associated financial and non-financial risks. The CSM on initial recognition of a group of insurance contracts is the total of the fulfilment cash flows, any cash flows arising at that date and any amount arising from the derecognition of any asset or liability recognised for insurance acquisition cash flows.

Subsequently, the carrying value for a group of GMM insurance contracts is equal to the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). The LRC comprises of the FCF related to services that will be provided under the contracts in future periods and any remaining CSM at the reporting date. The FCF are measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. The carrying amount for CSM at the reporting date is measured as the CSM at the beginning of the reporting period, adjusted for:

- The effect of any new contracts added to the group;
- Interest accretion on the carrying amount of the CSM;
- The change in FCF relating to future service, except to the extent that increases exceed the carrying amount of the CSM (giving rise to a loss) or decreases are allocated to the loss component of the LRC (reversing a prior loss);
- The effect of any currency exchange differences on the CSM; and
- The amount recognised as Insurance revenue due to the performance of insurance contract services in the period (CSM amortisation).

While the LIC includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims that have been incurred but not yet reported.

Reinsurance contracts held

The measurement of reinsurance contracts held at initial recognition largely follows the assumptions applied to the measurement of insurance contracts issued at initial recognition. On initial recognition, the CSM for a group of reinsurance contracts held is measured as an amount equal to the sum of the total FCF, the amount derecognised at that date of any asset or liability previously recognised for cash flows related to the group, and any cash flows arising at that date; and any income recognised in the Consolidated Statement of Operations because of onerous underlying contracts recognised at that date. The group measures the estimates of the present value of future cash flows using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts issued, with an adjustment for any risk of non-performance by the reinsurer due to disputes or credit risk.

Subsequently, the carrying amount of a group of reinsurance contracts held is the sum of the asset for remaining coverage (ARC) and the asset for incurred claims (AIC). The ARC comprises of the fulfillment cash flows that relate to services that will be received under the contracts in future periods, and any remaining CSM at that date. While the AIC includes the fulfillment cash flows for recovery of losses claims and expenses that have not yet been received, including for recovery of claims that have been incurred but not yet reported.

The CSM of each group of reinsurance contract assets held is adjusted to reflect changes in future cash flows, including from new contracts, assumption changes, and the amounts recognised from services received in the reporting period. If a loss-recovery component exists, it is adjusted on subsequent measurement to reflect changes in the loss component of the onerous group of underlying contracts to the extent that it impacts reinsured cash flows, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Group expects to recover from the reinsurance contract assets held.

2.10.1(b)(ii) Contracts issued measured under the PAA

Insurance contracts issued

The Group uses the PAA for measuring eligible group of insurance contracts with short duration and no significant variability in cashflows. This measurement model is applied to the property and casualty products, group health, group life, and a subset of group long term disability products for which the LRC would not differ materially from applying the GMM.

On initial recognition, the LRC is measured as the premiums received at initial recognition; minus any insurance acquisition cash flows allocated to the group at that date and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for insurance acquisition cash flows. The Group has chosen not to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount for a group of PAA insurance contracts is equal to the sum of the LRC and the LIC.

The LRC at initial recognition is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses and decreased by the amount recognised as insurance revenue for services provided and any additional insurance acquisition cash flows allocated after initial recognition. The Group will not apply discounting or interest accretion in measuring the LRC as it is expected that at the contract inception that the period between payment by the policyholder of all or substantially all the premium, and the satisfaction of the insurer's corresponding obligation to provide insurance coverage will be one year or less.

The LIC includes the fulfillment cash flows for losses on claims and expenses that have not yet been paid, inclusive of claims incurred but not reported. The future cash flows are discounted at current rates, unless they are expected to be paid in one year or less from the date the claims are incurred.

Reinsurance contracts held

On initial recognition a group of reinsurance contract held ARC is measured as the premium paid, adjusted for ceding commissions that are not contingent on claims and any amounts previously recognised for cash flows related to the group. If the underlying contract is onerous, a loss recovery component is created and used to adjust the ARC.

Subsequently, the carrying amount for each group of reinsurance contracts held at each reporting date is the sum of the ARC and the AIC. The ARC from initial recognition is increased by any premium paid and reduced by the amount recognised as cost of reinsurance for services provided. The AIC is measured consistent with the AIC for contracts measured under the GMM model.

Contract derecognition

The Group derecognises a contract when it is extinguished, that is, when the specified obligations in the contract expire or are discharged or cancelled.

2.10.1(c) Insurance acquisition cash flows

Insurance acquisition cash flows are internal and external costs of selling, underwriting and starting a group of insurance contracts that are directly attributable to a portfolio. Insurance acquisition cash flows are allocated to groups of insurance contracts using a systematic and rational method and considering, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort.

If insurance acquisition cash flows are directly attributable to a group of contracts, then they are allocated to that group and to the groups that will include renewals of those contracts. If insurance acquisition cash flows are directly attributable to a portfolio but not to a group of contracts, then they are allocated to groups in the portfolio using a systematic and rational method.

Where insurance acquisition cash flows have been paid or incurred before the related group of insurance contracts is recognised on the Consolidated Balance Sheets, a separate asset for insurance acquisition cash flows may be recognised for each related group. The asset is then derecognised when the insurance acquisition cash flows are included in the initial measurement of the related group of insurance contracts. The amortisation of insurance acquisition cash flows is based on the passage of time over the relevant coverage period.

The Group does not generally pay or incur significant insurance acquisition cash flows before a related group of insurance contracts is recognised on the Consolidated Balance Sheets.

At each reporting date, if facts and circumstances indicate that an asset for insurance acquisition cash flows may be impaired, then the Group:

a. recognises an impairment loss on the Consolidated Statement of Operations so that the carrying amount of the asset does not exceed the expected net cash inflow for the related group; and

b. if the asset relates to future renewals, the Group recognises an impairment in the Consolidated Statement of Operations to the extent that it expects those insurance acquisition cash flows to exceed the net cash inflow for the expected renewals and this excess has not already been recognised as an impairment loss under (a).

The Group reverses any impairment losses in income or loss and increases the carrying amount of the asset to the extent that the impairment conditions have improved.

2.10.1(d) Presentation
Insurance contracts issued and Reinsurance contracts held

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the Consolidated Balance Sheets.

Insurance Revenue

For contracts measured under the GMM, insurance revenue is recognised as service is provided. This represents the amounts relating to changes in LRC which the Group expects to receive consideration, and is comprised of:

- claims and other insurance service expenses incurred in the period, measured at the amounts expected at the beginning of the year;
- changes in risk adjustment for non-financial risk relating to current services;
- amount of the CSM recognised in income; and
- other amounts, including premium experience adjustments.

For insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period for a group of contracts.

Insurance service expenses

Insurance service expenses are recognised in the Consolidated Statements of Operations as they are incurred and includes incurred claims and other insurance service expenses, amortisation of insurance acquisition cash flows, losses and reversal of losses on onerous contracts and adjustments to liabilities for incurred claims.

Net Income/expenses from reinsurance contracts

The financial performance of groups of reinsurance contracts held is recognised on a net basis in net income/expenses from reinsurance contracts held. This represents the cost of reinsurance net of ceding commissions not contingent on claims, less recoveries and profit commission from reinsurer. Reinsurance net of ceding commissions not contingent on claims is recognised as services are received from the reinsurer over the coverage period, while reinsurance recoveries and profit commissions contingent on claims are recognised as claims and other insurance service expenses are recovered.

Net finance income/expenses from insurance contracts and reinsurance contracts

Net finance income or expense from insurance contracts and reinsurance contracts held are recognised as the carrying value for insurance and reinsurance contract changes as a result of i) the effect of the time value of money and changes in the time value of money; and ii) the effect of financial risk and changes in financial risk.

For contracts measured using the GMM, the Group disaggregates finance income and expenses from insurance and reinsurance contracts between income and OCI. The change due to discounting for these contracts is bifurcated into two components: (a) the unwind of the locked-in discount curve is recognised in the Consolidated Statements of Operations and (b) changes to the current curve is recognised in other comprehensive income. The amount included in income is determined by a systematic allocation of the expected total insurance finance income or expenses over the duration of the group of contracts. The amount presented in OCI is accumulated in the insurance finance reserve.

For contracts measured using the PAA, the Group presents finance income and expenses from insurance and reinsurance contracts in income. The Group disaggregates changes in the risk adjustment for non-financial risk between the insurance service expenses and net finance income/expense from insurance contracts and finance income/expenses from reinsurance contracts by applying a systematic allocation method.

Insurance contract receivables and payables

Insurance contract receivables and payables primarily consist of amounts owing from and to third party administrators and other intermediaries that are not directly attributable to a specific group of insurance or reinsurance contracts. Insurance contracts receivables are included in Trade and other receivables on the Consolidated Balance Sheets. Insurance contract payables are presented in Accounts payable and accrued liabilities the Consolidated Balance Sheets.

2.10.2 Investment contracts

Contracts issued that do not transfer significant insurance risk, but do transfer financial risk from the policyholder, are financial liabilities and are accounted for as investment contracts. Service components of investment contracts are treated as service contracts. Fees earned from the service components of investment contracts are included on the Consolidated Statements of Operations under Fee income from service contracts.

Liabilities for investment contracts are measured at FVTPL or amortised cost (Note 2.7.2).

The investment contract liabilities of the Group are from the following contracts:

(i) Deposit administration pension plans are plans where the Group's liability is linked to contributions received, plus a predetermined and guaranteed rate of return. The liability related to these plans is carried at amortised cost.

(ii) Self-funded group health policies are refund accounting agreements that provide for the retroactive adjustment of premiums based upon the claims experience of the policyholder. Under these agreements, any surplus arising is set off against future deficits or returned to the policyholder. Any deficit that may arise is set off against future surpluses or may be recovered in full, or in part, by lump sum payments from policyholders. As these agreements do not transfer insurance risk, funds received under these agreements are accounted for as investment contracts. Assets and liabilities arising from these types of policies are measured at amortised cost.

(iii) Deposit accounted annuity policies relate to policies that do not transfer significant insurance risk but do transfer financial risk from the policyholders and are measured at FVTPL.

2.10.3 Other service contracts

Fee income from service contracts is recognised as revenue when services are rendered at either a point in time or over time. The Group's performance obligations are generally satisfied over time as the customer simultaneously receives and consumes the benefits of the services rendered.

Fee income from pension administration, policyholder administration under segregated fund arrangement and investment management services are recognised based on a percentage of assets under management or another variable metric. Asset-based fees vary with assets under management, which are subject to market conditions and investor behaviours beyond the Group's control.

Certain service contracts in the Group's brokerage business include profit commission, which is recognised on the underlying performance of the covered policies at the end of the underwriting cycle. Revenue is recognised when it is highly probable that a significant reversal in the amount of the revenue recognised will not occur.

2.11 SEGREGATED FUNDS

Segregated funds are lines of business in which the Group issues a contract where the benefit amount is directly linked to the reported net asset values of the investments held in the particular segregated fund. Although the underlying assets are registered in the name of the Group and the segregated fund policyholder has no direct access to the specific assets, the contractual arrangements are such that the segregated fund policyholder bears the risks and rewards of the fund's investment performance. The Group derives fee income, which is included within Fee income from service contracts on the Consolidated Statements of Operations. Deposits to segregated funds are reported as increases in Segregated funds liabilities and are not reported on the Consolidated Statements of Operations.

Segregated fund assets are recorded at fair value based on net asset values reported by third parties, such as investment managers and fund administrators.

Segregated fund assets may not be applied against liabilities that arise from any other business of the Group. The investment results are reflected directly in segregated fund assets and liabilities.

2.12 PROPERTY AND EQUIPMENT

Owner-occupied properties and all other assets classified as Property and equipment are stated at cost less accumulated depreciation and impairment. Subsequent costs are included in the assets' carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The costs of the day-to-day servicing of Property and equipment are included in Other operating expenses on the Consolidated Statements of Operations.

Depreciation is calculated so as to write the assets off over their estimated useful lives at the following rates per annum:

Buildings	2.5%
Computer equipment	10% – 33%
Furniture, equipment and leasehold improvements	10% – 20%

The assets' residual values, useful lives and method of depreciation are reviewed regularly, at minimum at the end of each fiscal year, and adjusted if appropriate. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is considered to be impaired and is written down immediately to its recoverable amount. In the event of an improvement in the estimated recoverable amount, the related impairment may be reversed. Gains and losses on disposal of property and equipment are determined by reference to their carrying amount, and are recognised in Other income on the Consolidated Statements of Operations.

2.13 INTANGIBLE ASSETS

Intangible assets refer to customer lists, non-compete agreements and goodwill. Customer lists are initially measured at fair value by estimating the net present value of future cash flows from the contracts in force at the date of acquisition. These are amortised on a straight-line basis over their estimated useful lives. Goodwill is measured at cost less accumulated impairment losses.

Subsequent expenditures are capitalised only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognised in Other operating expenses on the Consolidated Statements of Operations as incurred. Annually, Management reviews the remaining portion of Intangible assets based upon estimates of future earnings and recognises any permanent impairment in Other operating expenses on the Consolidated Statements of Operations in the year in which it is identified.

2.14 EMPLOYEE BENEFITS

Post-employment benefits

The Group operates a post-employment medical benefit plan for the benefit of its employees. The plan is closed to new entrants effective April 1, 2011. The Group accrues the cost of these defined benefits over the periods in which the employees earn the benefits. The post-employment benefit liability is calculated using the projected unit credit actuarial cost method. The present value of the defined benefit liability is determined by discounting the estimate of future cash flows using interest rates of AA-rated corporate bonds that have terms to maturity that approximate the terms of the related post-employment benefit liability. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in Other comprehensive income on the Consolidated Statements of Comprehensive Operations. Interest expense and other expenses related to the post-employment medical benefit plan are recognised in Other operating expenses on the Consolidated Statements of Operations.

Pensions

The Group operates a defined contribution plan. On payment of contributions to the plan there are no further legal or constructive obligations to the Group. Contributions are recognised as employee benefits on the Consolidated Statements of Operations under Other operating expenses in the period to which they relate.

Stock-based compensation

The Restricted Stock Plan is accounted for under the fair value method. The fair value of each share granted under the Restricted Stock Plan is based upon the market price at the date of grant. The estimated fair value is recognised as an expense pro rata over the vesting period, adjusted for the impact of any non-market vesting conditions. This is included in the Other operating expenses on the Consolidated Statements of Operations and in the Contributed surplus on the Consolidated Statements of Changes in Equity.

At each reporting date, the Group reviews its estimate of the number of shares that are expected to vest. It recognises the impact of the revision of original estimates, if any, on the Consolidated Statements of Operations, and a corresponding adjustment is made to Contributed surplus over the remaining vesting period.

2.15 TAXATION

Current and deferred taxes are recognised on the Consolidated Statements of Operations, except when they relate to items recognised in Other comprehensive income, in which case the current and deferred taxes are also recognised in Other comprehensive income.

Current taxes are based on the taxable result for the period. The taxable result for the period differs from the result as reported on the Consolidated Statements of Operations because it excludes items that are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are generally recognised for all temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available, against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset when the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to settle its current tax assets and liabilities on a net basis.

2.16 SHARE CAPITAL

Common shares

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognised as a deduction from equity.

Treasury shares

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes direct attributable costs, net of any tax effects, is recognised as a deduction from equity. Repurchased shares are classified and presented under Treasury shares on the Consolidated Statements of Changes in Equity. When Treasury shares are subsequently sold or reissued, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in Contributed surplus on the Consolidated Statements of Changes in Equity.

2.17 LEASES

Leases are recognised as Right-of-use assets and corresponding liabilities at the date the lease assets are available for use by the Group. Right-of-use assets and Lease liabilities are presented as separate lines in the Consolidated Balance Sheets.

2.17.1 Right-of-use assets

Right-of-use assets are recorded at cost, which is the initial amount of the lease liability, less accumulated amortisation. Right-of-use assets consist of fixed assets such as rental space and other assets arising from leases recognised at the commencement date of the contract, which is when the leased asset is made available for the Group. The Group calculates depreciation using the straight-line method and is presented in Other operating expenses on the Consolidated Statements of Operations.

The depreciation period is based on the estimated useful life, which is the lease period. Right-of-use assets are amortised over periods ranging from 2 to 10 years.

2.17.2 Lease liabilities

At the commencement date of the contracts, Lease liabilities are recognised based on the discounted value of the outstanding lease payments. The discount rate used in the valuation is the interest rate implicit in the lease, or if this rate is not available, at the incremental borrowing rate. Subsequently, Lease liabilities are recorded at amortised cost using the effective interest method and the related interest expense is recognised in Other operating expenses on the Consolidated Statements of Operations. The Group has elected to recognise lease payments for short-term and low-value contracts on a straight-line basis over the lease term in Other operating expenses.

2.18 EARNINGS PER SHARE

Basic earnings per share is presented on the Consolidated Statements of Operations and is calculated by dividing net earnings by the time-weighted average number of shares in issue during the year.

Diluted earnings per share is calculated in the same manner as basic earnings per share except that the weighted average number of shares is adjusted for the dilutive effect, if any, of outstanding options at the end of the year.

2.19 SEGMENT REPORTING

The Group is organised into operating segments based on their products and services. These operating segments mainly operate in the financial services industry. The Chief Executive Officer and the Board of Directors review the business and make strategic decisions primarily by operating segments.

During the year, the Group amended the structure of the reportable segments to reflect the changes in the business strategy, and the management structure.

The Group's reportable segments are as follows:

(i) **employee benefits and health** – comprised of health insurance, local life, long-term disability insurance and health care providers;

(ii) **wealth management** – including investment and asset management, annuities, pensions and financial planning;

(iii) **property and casualty insurance** – including fire and windstorm (home and commercial property), all risks, liability, marine, motor coverage, employer's indemnity coverage in Malta, Gibraltar and Bermuda;

(iv) **brokerage companies** – comprised of insurance brokers in Malta, Gibraltar and Bermuda; and

(vi) **All other** – representing the combined operations of the remaining components of the Group comprising of management companies and holding companies.

The Group evaluates performance of operating segments on the basis of profit or loss from operations. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment operating revenue is derived primarily from insurance revenue and fees and commission income.

2.20 APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

2.20.1 New and revised standards effective April 1, 2023

The Group has applied the following new and revised standards, relevant to the Group, which are issued by IASB that are mandatorily effective for the accounting period beginning April 1, 2023.

2.20.1(a) IFRS 17, Insurance Contracts (IFRS 17)

Recognition, measurement, and presentation of insurance contracts

IFRS 17 establishes the principles for the recognition, measurement, presentation, and disclosure of insurance contracts issued and reinsurance contracts held by the Group. It introduces the GMM, which requires insurance contract liabilities to be measured using probability-weighted estimates of future cash flows, discounting, a risk adjustment for non-financial risk and a CSM representing the unearned profit that will be recognised over the coverage period. The Group has applied this measurement model to its annuity, individual life, and a subset of group long-term disability products.

Under IFRS 17, insurance revenue in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration and an allocation of premiums that relate to recovering insurance acquisition cash flows. In addition, investment components are no longer included in insurance revenue and insurance service expenses.

The premium allocation approach, an optional simplified measurement model is applicable to short duration contracts where the policy's contract boundary is one year or less. When measuring liabilities for remaining coverage, the PAA is similar to the Group's previous accounting treatment. However, when measuring liabilities for incurred claims, the Group now discounts the future cash flows (unless they are expected to occur in one year or less from the date on which the claims are incurred) and includes an explicit risk adjustment for non-financial risk. The PAA model has been applied to the property and casualty products, group health, group life, and a subset of group long-term disability products.

Previously, all acquisition costs were recognised and presented as separate assets from the related insurance contracts (deferred acquisition costs) until those costs were included net earnings. Under IFRS 17, only insurance acquisition cash flows that arise before the recognition of the related insurance contracts are recognised as separate assets and are tested for recoverability. These assets are presented in the carrying amount of the related portfolio of contracts and are derecognised once the related contracts have been recognised.

Income and expenses from reinsurance contracts other than insurance finance income and expenses are now presented as a single net amount on the Consolidated Statements of Operations. Previously, amounts recovered from reinsurers and reinsurance expenses were presented separately.

For presentation in the Consolidated Balance Sheets, the Group aggregates portfolios of insurance issued, and reinsurance contracts held and presents separately:

- Portfolios of insurance contracts issued that are assets.
- Portfolios of reinsurance contracts held that are assets.
- Portfolios of insurance contracts issued that are liabilities.
- Portfolios of reinsurance contracts held that are liabilities.

The portfolios referred to above are those established at initial recognition in accordance with the IFRS 17 requirements.

Some line item descriptions in the Consolidated Statements of Operations have been changed significantly compared with last year. Previously the Group reported the following line items:

- Gross premium written
- Reinsurance ceded
- Net change in unearned premium
- Policy benefits
- Claims and adjustment expenses
- Reinsurance recoveries
- Gross change in contract liabilities
- Changes in reinsurers' share of claims provisions.

Instead, IFRS 17 requires separate presentation of:

- Insurance revenue
- Insurance service expenses
- Income/expenses from reinsurance contracts held
- Net finance income/expenses from insurance contracts
- Net finance income/expenses from reinsurance contracts held.

The Group provides disaggregated qualitative and quantitative information in the notes to the Consolidated Financial Statements about:

- Amounts recognised in its financial statements from insurance contracts.
- Significant judgements, and changes in those judgements, when applying the standard.

Impact of Transition

The changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a full retrospective approach, and where impracticable to do so a fair value approach has been applied. The full retrospective approach was considered impractical for these contracts because the information required was unavailable due to changes to the Group's operating model. The Group has elected to apply the fair value approach for all contracts issued before April 1, 2020 which were still in-force at the transition date.

Under the full retrospective approach, at April 1, 2022 the Group:

- identified, recognised and measured each group of insurance and reinsurance contracts as if IFRS 17 had always been applied and
- derecognised previously reported balances that would not have existed if IFRS 17 had always been applied. These included some deferred acquisition costs for insurance contracts, and insurance receivables and payables. Under IFRS 17, they are included in the measurement of the insurance contracts.

The full retrospective approach has been applied to all contract issued after April 1, 2020.

The fair value approach uses information available on the transition date rather than at initial recognition to determine an opening CSM for the portfolio of insurance contracts. The Group used an adjusted fulfillment cash flow approach to determine the fair value. This approach involves adjusting the IFRS 17 fulfilment cash flows to estimate the fair value of insurance contracts. Cash flows were adjusted to reflect specific amounts a market participant would require, in addition to the FCF to take over the obligation of the Group. These adjustments include:

- An amount for overhead and other non-directly attributable expenses a market participant may incur.
- An additional cost of capital required to compensate a market participant for taking on the obligation.
- A reduction in the present value of the release of the risk adjustment embedded in the FCF.
- Adjustments for differences between an entity's valuation assumptions and a market participant's valuation assumptions.
- Adjustments for where a contract boundary does not fully reflect the economic substance of a contract.

In applying the fair value approach the Group used discount rates determined at the fair value calculation date instead of the policy inception date and a single cohort for each portfolio on transition.

The opening CSM was then determined as the difference between the fair value of insurance contracts and the FCF at the transition date.

The Group has applied the transition provisions in IFRS 17 and, as permitted by the standard, has not disclosed the impact of the adoption of IFRS 17 on EPS. The effects of adopting IFRS 17 on the Consolidated Financial Statements on April 1, 2022, are presented below in the Consolidated Statement of Changes in Equity.

The cumulative effect of the initial application of IFRS 17 was a reduction in net equity of $8.8 million as at April 1, 2022. Additionally, the comparative year has been restated resulting in a reduction to Consolidated Net Earnings Attributable to Shareholder's Equity of $12.0 million for the year ended March 31, 2023, and a cumulative decrease in shareholders' equity of $7.9 million at March 31, 2023. These adjustments are presented in the Consolidated Statement of Changes in Equity for the year ended March 31, 2023.

The cumulative decrease to shareholders equity comprised of:

	MARCH 31, 2023	APRIL 1, 2022
Shareholders equity as previously reported	141,263	142,994
IFRS 17 adjustments:		
Discounting of provision for losses and loss adjustment expenses	(390)	(2,893)
Risk adjustments	(749)	(701)
Contract service margin	(6,799)	(5,244)
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS AS RESTATED	133,325	134,156

2.20.1(b) Financial instruments (IFRS 9)

Effective April 1, 2023, the Group adopted *IFRS 9, Financial instruments*, which replaces *IAS 39, Financial Instruments: Recognition and Measurement*. IFRS 9 introduces three principal classification categories for financial assets. Financial assets are measured at initial recognition at fair value, and are classified as and subsequently measured at FVTPL, FVOCI or amortised cost based on the Group's business model for managing the financial asset and the contractual cash flow characteristics of the asset. The held-to-maturity, available-for-sale (AFS), and loans and receivable classification from IAS 39 are no longer applicable under IFRS 9.

IFRS 9 maintains the IAS 39 classification for financial liabilities. Under IFRS 9, financial liabilities are measured at either amortised cost, FVOCI or FVTPL.

IFRS 9 also introduces a new impairment model for financial instruments not measured at FVTPL that requires the recognition of expected credit losses at initial recognition of a financial instrument and the recognition of full lifetime expected credit losses if there is a SICR.

As permitted by IFRS 9, the Group has elected to not apply the standard retrospectively. Therefore, comparative amounts have not been restated. The impact of the transition is summarised below:

Prior Measurement (IAS 39)	Current Measurement (IFRS9)	Net Income	Other Comprehensive Income	Total Comprehensive Income	Expected Credit Loss Allowance
AFS	FVOCI	-	-	-	(81)
AFS	AC	-	17,913	17,913	(90)
AFS	FVTPL	(1,924)	1,924	-	-
		(1,924)	19,837	17,913	(171)

2.20.1(c) Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies

Effective April 1, 2023, the Group adopted the amendments to *IAS 1 Presentation of Financial Statements (IAS 1) and IFRS Practice Statement 2 "Making Materiality Judgments"*, which were issued in February 2021. The amendments require companies to disclose their material accounting policies information rather than their significant accounting policies. They further clarify that immaterial accounting policy information does not need to be disclosed; and if it is disclosed, it should not obscure material accounting information. The amendments were applied retrospectively, and the adoption did not have a significant impact on the Group's Consolidated Financial Statements.

2.20.1(d) Amendments to IAS 8 Definition of Accounting Estimate

Effective April 1, 2023, the Group adopted the amendments to *IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (IAS 8)* which were issued in February 2021. The amendments replace the definition of a change in accounting estimate with a definition of accounting estimates. They further clarify how companies should distinguish changes in accounting estimates from changes in accounting policies, and correction or errors. The amendments were applied retrospectively, and the adoption did not have a significant impact on the Group's Consolidated Financial Statements.

2.21 FUTURE ACCOUNTING AND REPORTING CHANGES

The recently issued new accounting standards that will impact the Group in 2024 and beyond are as follows:

2.21.1 Amendments to *IFRS 16 Leases*

In September 2022, the IASB issued amendments to *IFRS 16 Leases* (IFRS 16), effective for annual reporting periods beginning on or after January 1, 2024, with early application permitted. The amendments specify how a seller-lessees should subsequently measures sales and leaseback transactions that meet the requirements in IFRS 15, *Revenue from Contracts with Customers* to be accounted for as a sale. The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback transaction such that it recognises no gain or loss relating to the right it retains. Adoption of these amendments are not expected to have a significant impact on the Group's Consolidated Financial Statements.

2.21.2 Amendments to IAS 12 Income Taxes

In May 2023, the IASB issued amendments to IAS 12 Income Taxes (IAS 12), related to the OECD's International Pillar Two Tax Reform. The OECD aims to establish a global minimum tax for large international companies. In response to the OECD's reforms, in December 2023, a 15 per cent corporate income tax was enacted in Bermuda. The Group is not presently in scope of the requirements since the corporate income tax is applicable only to multinational enterprise groups with annual revenues of €750 million or more.

3 DISPOSAL OF SUBSIDIARY

On May 19, 2023, the Group entered into an Amalgamation Agreement with a related party to sell NBHH (Keepsake) Limited. The sale was completed on May 25, 2023.

(a) Net cash inflow from sale of subsidiary

Proceeds from sale	4,418
Less: Cash and short-term investments	-
Net cash inflow	4,418

(b) Gain from sale of subsidiary

Proceeds from sale	4,418
Net assets disposed of on sale of subsidiaries	(4,159)
GAIN FROM THE SALE OF SUBSIDIARY	259

4 ASSETS AND LIABILITIES HELD-FOR-SALE

In February 2020, Management committed to a plan to sell NBHH (Keepsake) Limited, including the related assets and liabilities. The sale was completed during the year. Refer to note 3 for details.

In March 2020, Management committed to a plan for the settlement of an outstanding mortgage loan receivable. The settlement of the outstanding loan is dependent upon the sale of the collateral property, which is expected to be finalised in the next fiscal year.

The following table shows the assets and liabilities held-for-sale measured at carrying value.

AS AT MARCH 31	2024	2023
Investments	3,910	3,645
Other assets	-	52
Investment properties	-	4,240
Total General fund assets held-for-sale	3,910	7,937
LIABILITIES		
Accounts payable and accrued liabilities	-	65
Total General fund liabilities held-for-sale	-	65
Due to related parties – net (1)	-	733
	-	798

(1) The divestment plan of NBHH (Keepsake) Limited includes the settlement of the Due to related parties prior to the effective date of sale.

5 CASH AND SHORT-TERM INVESTMENTS

AS AT MARCH 31	2024	2023
Cash at bank and in hand	56,446	38,534
Short-term investments	4,520	3,053
	60,966	41,587

Included in Cash at bank and in hand is restricted cash of €6.1 million, equivalent to $6.6 million (2023 – €4.5 million, equivalent to $4.9 million). Certain subsidiaries have arrangements in place on behalf of clients in order to comply with regulatory requirements in Malta.

$0.3 million (2023 – $0.4 million) of cash at bank and in hand is held to support the investment contract liabilities associated with deposit administration pension plans (Note 17).

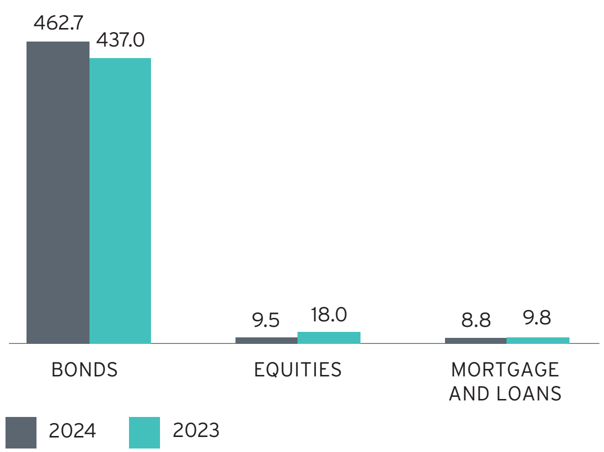
Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of Cash at bank and in hand. As of March 31, 2024 and 2023, the Group's bank overdraft position is not material.

6 INVESTMENTS

CARRYING VALUES AND ESTIMATED FAIR VALUES OF INVESTMENTS

	MARCH 31, 2024		MARCH 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Investments at FVOCI				
Bonds	144,724	144,724	-	-
Equities	6,056	6,056	-	-
	150,780	150,780	-	-
Available-for-sale				
Bonds	-	-	420,181	420,181
Equities	-	-	16,712	16,712
	-	-	436,893	436,893
Investments at FVTPL				
Bonds	59,443	59,443	16,821	16,821
Equities	3,437	3,437	1,290	1,290
	62,880	62,880	18,111	18,111
Investments at Amortised cost				
Bonds	258,523	246,861	-	-
Mortgages and loans	8,746	9,288	-	-
Policy loans	41	41	-	-
	267,310	256,190	-	-
Loans and receivables				
Mortgages and loans	-	-	9,715	9,986
Policy loans	-	-	41	41
	-	-	9,756	10,027
TOTAL INVESTMENTS	480,970	469,850	464,760	465,031

INVESTMENT COMPOSITION ($ MILLIONS)



Included in Bonds are investments that support the investment contract liabilities associated with deposit administration pension plans (Note 17) of $246.9 million (2023 – $234.4 million). These investments are maintained under a separate account to provide the policyholders with certain protections from creditors of the Group.

Equities include investment in certain companies domiciled in Bermuda of $3.4 million (2023 – $1.3 million) where the Group has more than a 20 percent interest. However, there is no significant influence over the investee's operational and financial policies. This is due to restrictive voting rights and limited access to the technical information of these investees.

Investments that meet the SPPI criterion

The Group has investments of $465.2 million (2023 – $440.4 million) that meet the SPPI criterion. This refers to bonds, mortgages and loans, and policy loans. The change in the fair value of these invested assets during the year is a gain of $18.9 million (2023 – loss of $23.5 million). In terms of credit quality of such assets (excluding mortgages), 99 percent (2023 – 99 percent) of these investments are above investment grade assets and the remaining 1 percent (2023 – 1 percent) are below investment grade assets.

Investments with a carrying value of $13.8 million (2023 – $24.5 million) do not have SPPI qualifying cash flows as at March 31, 2024. The change in the fair value of these invested assets during the year is a gain of $0.6 million (2023 – loss of $1.9 million).

Equities with a carrying value of $7.5 million (2023 – $18.0 million) do not meet the SPPI criterion as at March 31, 2024.

Investments presented as assets held-for-sale with a carrying value of $3.9 million (2023 – $7.9 million), refer to mortgages and loans and bond funds, and do not have SPPI qualifying cash flows as at March 31, 2024. The change in the fair value of these invested assets during the year is $0.3 million (2023 – $0.7 million).

7 FAIR VALUE MEASUREMENT

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group determines the estimated fair value of each individual security utilising the highest level inputs available. Prices for the majority of the Group's investment portfolio are provided by a third-party investment accounting firm whose pricing processes and the controls thereon are subject to an annual audit on both the operation and the effectiveness of those controls. The audit reports are available to clients of the firm and the report is reviewed annually by Management. In accordance with their pricing policy, various recognised reputable pricing sources are used, including broker-dealers and pricing vendors. The pricing sources use bid prices where available, otherwise indicative prices are quoted based on observable market-trade data. The prices provided are compared to the investment managers' pricing. The Group has not made any adjustments to any pricing provided by independent pricing services or its third-party investment managers for either year ended March 31, 2024 or 2023.

Level 1 investments are securities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Group determines securities classified as Level 1 to include highly liquid U.S. treasuries, certain highly liquid short-term investments and quoted equity securities.

Level 2 investments are securities with quoted prices in active markets for similar assets or liabilities or securities valued using other valuation techniques for which all significant inputs are based on observable market data. Instruments included in Level 2 are valued via independent external sources using modelled or other valuation methods. Such methods are typically industry-accepted standard and include:

- broker-dealer quotes;
- pricing models or matrix pricing;
- present values;
- future cash flows;
- yield curves;
- interest rates;
- prepayment speeds; and
- default rates.

Other similarly quoted instruments or market transactions may be used.

The Group determines securities classified as Level 2 to include short-term and fixed maturity investments and certain derivatives, such as:

- U.S. corporate bonds;
- Municipal, other government and agency bonds;
- Foreign corporate bonds;
- Mortgage/asset-backed securities;
- Bond and Equity Funds with listed underlying assets; and
- Derivatives, such as options, forward foreign exchange contracts, interest rate swaps and credit default swaps.

The fair value of investment properties is usually determined by external independent property valuers, having appropriate, recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment properties annually. Fair value is based on market data from recent comparable transactions. These assets are classified as Level 2. Investment properties for which no market data from recent comparable transactions are available, are classified as level 3.

Fair value of the Investment contract liabilities (Deposit accounted annuity policies) is determined by using valuation techniques, such as discounted cash flow methods. A variety of factors are considered in the valuation techniques, including yield curve, credit spread and default assumptions, which have market observable inputs. Accordingly, Investment contract liabilities are classified under Level 2.

The fair value of the majority of the investments for accounts of segregated fund holders is based on net asset values reported by third parties, such as investment managers and fund administrators. The fair value hierarchy of direct investments within investments for accounts of segregated fund holders, such as short-term securities, local equities and corporate debt securities, is determined according to valuation methodologies and inputs described above in the respective asset type sections.

The Group determines whether transfers have occurred between levels of the fair value hierarchy by re-assessing the categorisation at the end of each reporting period, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 3 investments are securities for which valuation techniques are not based on observable market data. The Group classifies unquoted/private equities as Level 3, as the valuation technique incorporates both observable and unobservable inputs. These investments may be subject to certain lock-up provisions. The type of underlying investments held by the investee, which form the basis of the net asset valuation, include assets such as private business ventures, to which the Group does not have access. The Group considers net assets value as a reasonable approximate of fair value.

The significant unobservable inputs used in the fair value measurement of the Group's level 3 unquoted equities are the net asset value based on the equity's audited financial statements and the equity's share price valuation which is supported by an investment manager. A 5 percent increase/decrease in the net asset value would result in a $0.2 million increase/decrease (2023: $0.2 million increase/decrease) in the fair value of the investments.

The fair value of investment properties with no market data from recent comparable transactions are classified as level 3.

The Group measure these investment properties using the income approach, whereby the value was derived using estimations of future cash flows for a set time frame and the terminal value; discounted using a risk adjusted rate. In determining the terminal value a constant, long-term earnings growth factor was applied. A terminal growth rate of 1 percent was used, which is based on market information on similar accommodations in Bermuda. A discount rate of 11.5 percent was applied, which represents current market assessments of the time value of money and the risk specific to the investment properties.

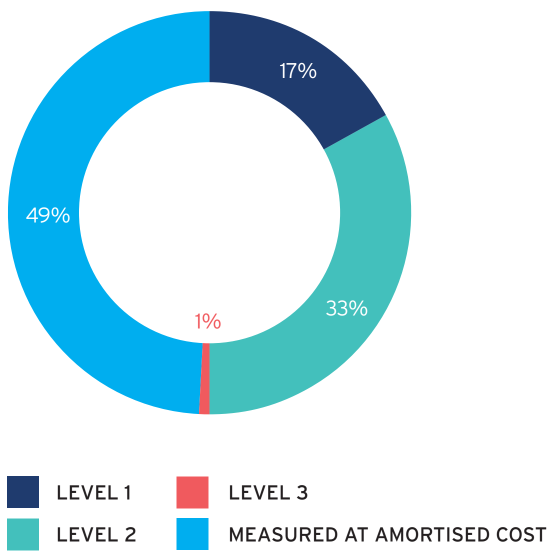
A higher terminal growth rate and a lower discount rate would increase the fair value. A lower terminal growth rate and a higher discount rate would decrease the fair value.

The Group has an established control framework with respect to the measurement of fair values. This includes an investment validation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. The Group's investment validation process includes a review of price movements relative to the market. Any significant discrepancies are investigated and discussed with investment managers and a valuation specialist. The process also includes regular reviews of significant observable inputs and valuation adjustments. Significant valuation issues are reported to the Board of Directors.

7.1 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The following table presents fair value of the Group's assets and liabilities measured at fair value in the Consolidated Balance Sheets, categorised by level under the fair value hierarchy.

ASSET FAIR VALUE LEVELLING 2024

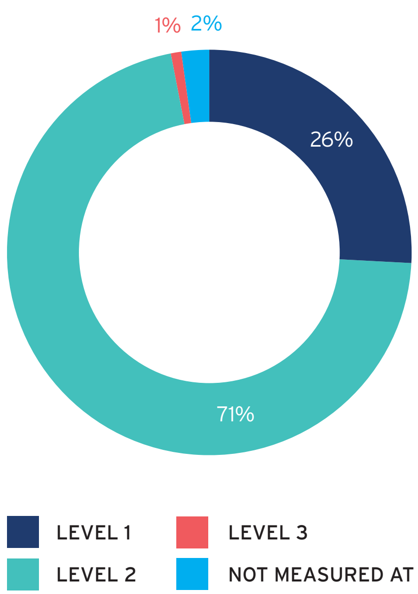


MARCH 31, 2024	Level 1	Level 2	Level 3	Total Fair Value
Cash and short-term investments	60,966	-	-	60,966
Interest and dividends receivable	-	3,449	-	3,449
Investments at FVOCI				
Bonds				
U.S. government	14,117	-	-	14,117
U.S. corporates	-	94,206	-	94,206
Municipal, other government and agency	-	28,401	-	28,401
Mortgage/asset-backed securities	-	8,000	-	8,000
Total FVOCI bonds	14,117	130,607	-	144,724
Equities				
Global listed equities	4,478	-	-	4,478
Preferred stock	-	95	-	95
Private equity funds and unquoted equities	-	-	1,483	1,483
Total FVOCI equities	4,478	95	1,483	6,056
TOTAL INVESTMENTS AT FVOCI	18,595	130,702	1,483	150,780
Investments at FVTPL				
Bonds				
U.S. government	14,683	-	-	14,683
U.S. corporates	-	10,420	-	10,420
Municipal, other government and agency	-	21,455	-	21,455
Foreign Corporate	-	12,885	-	12,885
Total FVTPL bonds	14,683	44,760	-	59,443
Equities				
Private equity funds and unquoted equities	-	-	3,437	3,437
Total FVTPL equities	-	-	3,437	3,437
TOTAL INVESTMENTS AT FVTPL	14,683	44,760	3,437	62,880
Investment properties	-	-	2,399	2,399
TOTAL ASSETS AT FAIR VALUE	94,244	178,911	7,319	280,474
LIABILITIES				
Investment contract liabilities	-	3	-	3
TOTAL LIABILITIES AT FAIR VALUE	-	3	-	3
SEGREGATED FUNDS	10,088	1,234,276	-	1,244,364

7.1 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

- continued

ASSET FAIR VALUE LEVELLING 2023



MARCH 31, 2023	Level 1	Level 2	Level 3	Total Fair Value
Cash and short-term investments	41,587	-	-	41,587
Interest and dividends receivable	-	3,351	-	3,351
Available-for-sale investments				
Bonds				
U.S. government	62,374	-	-	62,374
U.S. corporates	-	223,535	-	223,535
Municipal, other government and agency	-	56,111	-	56,111
Foreign corporates	-	12,780	-	12,780
Mortgage/asset-backed securities	-	65,381	-	65,381
Total Available-for-sale bonds	62,374	357,807	-	420,181
Equities				
Global listed equities	13,988	-	-	13,988
Preferred stock	-	452	-	452
Private equity funds and unquoted equities	-	-	2,272	2,272
Total Available-for-sale equities	13,988	452	2,272	16,712
TOTAL AVAILABLE-FOR-SALE INVESTMENTS	76,362	358,259	2,272	436,893
FVTPL				
Bonds				
U.S. government	16,821	-	-	16,821
	16,821	-	-	16,821
FVTPL				
Equities				
Private equity funds and unquoted equities	-	-	1,290	1,290
TOTAL INVESTMENTS AT FVTPL	16,821	-	1,290	18,111
Investment properties	-	-	2,399	2,399
TOTAL ASSETS AT FAIR VALUE	134,770	361,610	5,961	502,341
LIABILITIES				
Investment contract liabilities	-	46	-	46
TOTAL LIABILITIES AT FAIR VALUE	-	46	-	46
SEGREGATED FUNDS	8,849	1,119,557	-	1,128,406

The following table provides a roll forward for the General fund assets measured at fair value for which significant unobservable inputs (Level 3) are used in the fair value measurement.

MARCH 31, 2024	At FVTPL Equities	At FVOCI Equities	Investment properties	Total
Balance, beginning of year	1,290	2,272	2,399	5,961
Included in Investment income	2,147	-	-	2,147
Included in Other comprehensive income	-	201	-	201
Sales/Write Off	-	(990)	-	(990)
	3,437	1,483	2,399	7,319

MARCH 31, 2023	At FVTPL Equities	Available-for-sale Equities	Investment properties	Total
Balance, beginning of year	1,441	2,525	-	3,966
Included in Investment income	-	(399)	-	(399)
Included in Other comprehensive income	-	146	-	146
Transfer from level 2	-	-	2,399	2,399
Sales/Write Off	(151)	-	-	(151)
	1,290	2,272	2,399	5,961

7.2 ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE

For assets and liabilities not measured at fair value in the Consolidated Balance Sheets, the adjacent table discloses summarised fair value information categorised by the level in the preceding hierarchy, together with the related carrying values.

7.3 TRANSFERS OF ASSETS AND LIABILITIES WITHIN THE FAIR VALUE HIERARCHY

The Group's policy is to record transfers of assets and liabilities between levels at their fair values as at the end of each reporting period, consistent with the date of determination of fair value. Assets are transferred out of Level 1 when they are no longer transacted with sufficient frequency and volume in an active market. Conversely, assets are transferred from Level 2 to Level 1 when transaction volume and frequency are indicative of an active market. There were no transfers between Levels 1 and 2 during the year ended March 31, 2024 and 2023.

During the year, investment properties valued at $nil (2023 – $2.4) were transferred from level 2 to level 3 as observable inputs were not available.

MARCH 31, 2024	Level 1	Level 2	Level 3	Total Fair Value	Carrying Value
ASSETS					
Bonds	66,250	180,611	-	246,861	258,523
Mortgages and loans (1)	-	9,288	-	9,288	8,746
Policy loans	-	41	-	41	41
TOTAL ASSETS DISCLOSED AT FAIR VALUE	66,250	189,940	-	256,190	267,310
LIABILITIES					
Investment Contract liabilities (2)	-	227,770	-	227,770	237,787
TOTAL LIABILITIES DISCLOSED AT FAIR VALUE	-	227,770	-	227,770	237,787

MARCH 31, 2023	Level 1	Level 2	Level 3	Total Fair Value	Carrying Value
ASSETS					
Mortgages and loans (1)	-	9,986	-	9,986	9,715
Policy loans	-	41	-	41	41
TOTAL ASSETS DISCLOSED AT FAIR VALUE	-	10,027	-	10,027	9,756
LIABILITIES					
Investment Contract liabilities (2)	-	230,896	-	230,896	243,705
TOTAL LIABILITIES DISCLOSED AT FAIR VALUE	-	230,896	-	230,896	243,705

(1) Fair value of mortgages and loans is determined by discounting expected future cash flows using current market rates.
(2) Fair value of Investment contract liabilities is based on the following methods:

- Deposit administration pension plans – based on a discounted cash flow method. Factors considered in the valuation include current yield curve, plus appropriate spreads which have market observable inputs; and
- Self-funded group health policies – the carrying value approximates the fair value due to the short-term nature of these investment contract liabilities.

8 TRADE AND OTHER RECEIVABLES AND FEE BASED PAYABLES

Trade and other receivables is comprised of:

AS AT MARCH 31	2024	2023 (restated)
Insurance premium receivable from policyholders, agents and brokers	3,920	2,918
Insurance contract receivables from third party administrators and other	2,642	2,775
TOTAL TRADE AND OTHER RECEIVABLES	6,562	5,693

Fee based payables is comprised of:

AS AT MARCH 31	2024	2023 (restated)
Due to policyholders, agents and brokers	7,128	6,684
Unearned commission income	1,478	1,394
TOTAL FEE BASED PAYABLES	8,606	8,078

9 OTHER ASSETS

AS AT MARCH 31	2024	2023 (restated)
Other financial assets		
Fees receivable	2,412	1,913
Lease receivables	316	364
Notes and other receivables	4,360	4,935
TOTAL OTHER FINANCIAL ASSETS	7,088	7,212
Income taxes receivable	89	206
Prepaid expenses	4,136	4,396
TOTAL OTHER ASSETS	11,313	11,814

10 INVESTMENT PROPERTIES

	Fair Value
Balance, April 1, 2022	2,774
Disposals	(339)
Loss on Disposals	(36)
BALANCE, MARCH 31, 2023 AND 2024	**2,399**

Investment properties are held primarily for resale and for rental income under operating lease agreements. All other investment properties are stated at fair value. Included in the Group's investment properties are condominium units, fractional apartment units and a residential property.

The Group has entered into operating leases for certain investment properties. The rental income arising during the year amounted to $nil (2023 – $0.5 million), which is included in Investment income on the Consolidated Statements of Operations. Direct operating expenses included within Investment income arising in respect of such properties during the year were $0.3 million (2023 – $0.6 million). There are no restrictions on the investment properties. The Group has no contractual obligations to purchase, construct or develop the investment properties other than normal service charge arrangements.

The Group recorded $nil unrealised losses from change in fair value on its investment properties flowing through the Consolidated Statement of Operations (2023 – $nil).

11 INVESTMENT IN ASSOCIATES

The Group's investment in associates of $2.7 million (2023 – $3.0 million) comprised of equity interests in a number of individually immaterial associates. The Group's share in earnings of associates as at March 31, 2024 was $nil (2023 – $0.1 million gain).

11.1 CONTINGENCIES AND RESTRICTIONS

Included in Investment in associates is a 40.7 percent interest (2023 – 40.7 percent) in a private company domiciled in Bermuda. The carrying value of this investment as at March 31, 2024, is $2.7 million (2023 – $2.7 million). The Group has issued a guarantee in respect of its proportionate share of a term bank loan facility totalling $4.0 million (2023 – $4.2 million).

12 PROPERTY AND EQUIPMENT

	Land and buildings	Computer equipment	Furniture and other equipment	Total
Gross carrying amount				
Balance, March 31, 2022	84,875	19,436	9,809	114,120
Additions	687	2,733	545	3,965
Foreign exchange rate movements	(68)	(32)	(45)	(145)
BALANCE, MARCH 31, 2023	85,494	22,137	10,309	117,940
Additions	4,149	2,917	942	8,008
Disposal	-	(197)	-	(197)
Foreign exchange rate movements	15	4	2	21
BALANCE, MARCH 31, 2024	**89,658**	**24,861**	**11,253**	**125,772**
Accumulated depreciation				
Balance, March 31, 2022	41,407	10,689	7,951	60,047
Depreciation charge for the year	1,637	2,515	475	4,627
Foreign exchange rate movements	(61)	(32)	(33)	(126)
BALANCE, MARCH 31, 2023	42,983	13,172	8,393	64,548
Depreciation charge for the year	1,872	2,772	536	5,180
Foreign exchange rate movements	12	2	3	17
BALANCE, MARCH 31, 2024	**44,867**	**15,946**	**8,932**	**69,745**
Net carrying amount:				
As at March 31, 2023	42,511	8,965	1,916	53,392
AS AT MARCH 31, 2024	**44,791**	**8,915**	**2,321**	**56,027**

13 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Right-of-use Assets

	Land and Building
Gross carrying amount	
Balance, March 31, 2022	5,398
Additions	1,060
Foreign exchange rate movements	(187)
BALANCE, MARCH 31, 2023	6,271
Additions	616
Derecognition of right-of -use asset	(1,779)
Foreign exchange rate movements	29
BALANCE, MARCH 31, 2024	**5,137**
Accumulated depreciation	
Balance, March 31, 2022	1,987
Depreciation charge for the year	727
Foreign exchange rate movements	(82)
BALANCE, MARCH 31, 2023	2,632
Depreciation charge for the year	661
Derecognition of right-of-use asset	(1,108)
Foreign exchange rate movements	10
BALANCE, MARCH 31, 2024	**2,195**
Net carrying amount:	
As at March 31, 2023	3,639
AS AT MARCH 31, 2024	**2,942**

Lease Liabilities

AS AT MARCH 31	2024	2023
Undiscounted cash flows		
Within 1 year	860	872
After 1 year but not more than 5 years	2,798	3,169
More than 5 years	122	851
Undiscounted balance	3,780	4,892
Effect of discounting	(533)	(902)
LEASE LIABILITIES	3,247	3,990

There were no short-term leases in March 2024 and 2023.

The interest expense recognised in Other operating expenses on the Consolidated Statements of Operations for the year ended March 31, 2024 amounted to $0.2 million (2023 – $0.2 million).

Lease Receivable

The Group sub-lease an office building that has been presented as part of right-of-use assets. The lease and sub-lease expires in 2029. The lease receivable from the sub-lease agreement is included in Other assets on the Consolidated Statement of Balance Sheets.

The following table sets out the maturity analysis of the lease receivables, showing the undiscounted lease payments to be received after the reporting date.

AS AT MARCH 31	2024	2023
Undiscounted cash flows		
Within 1 year	72	72
After 1 year but not more than 5 years	288	288
More than 5 years	18	90
Total undiscounted lease receivable	378	450
Unearned financial income	(62)	(86)
LEASE RECEIVABLE	316	364

For the years ended March 31, 2024 and 2023, the interest income on lease receivable recognised in Investment income on the Consolidated Statements of Operations was not material.

14 INTANGIBLE ASSETS

Goodwill

The Group has recognised goodwill of $0.8 million associated with the acquisition of One Team Health (OTH) in 2019 and, $19.8 million from the acquisition of the Bermuda based medical practices (VBCI, which includes Island Health Services, Family Practice Group assets and I.H.S Laboratories) in 2020. The Goodwill recognised represents the value of the expected synergies arising from the acquisitions, the expertise and reputation of the assembled workforce of the acquired companies. These benefits were not recognised separately from goodwill because they do not meet the recognition criteria for identifiable assets. Goodwill has been allocated to the health division and the VBCI cash generating units (CGUs).

The Group annually assess goodwill for impairment or more frequently if events or circumstances occur that indicate that the carrying value may not be recoverable. The recoverable amount of a CGU is the higher of the estimated fair value less costs to sell or the value-in-use of the CGU. The recoverable amount of the CGUs have been determined based on the value-in-use calculation.

The value-in-use of the CGUs are derived from discounted forecast cashflow models. The forecasted cashflows are per the CGU 5 years Management approved financial budget and are based on an annualised growth in revenue ranging from 2 percent to 5 percent. The applied revenue growth rate is based on past experiences and the targeted growth rate of the CGU. A discount rate of 11.5 percent was applied, which represents the estimated cost of capital for the Group. A terminal growth rate of 1 percent was used which represents the estimated longer term growth rate for the CGUs.

A reasonable decline in the annualised revenue by a potential 5 percent would not result in the goodwill associated with the health division CGU or the goodwill associated with the VBCI CGU to be impaired. An estimated decline in the annualised revenue of approximately 14 percent would result in the recoverable value of the health division goodwill being equal to its carrying value. An estimated decline in the annualised revenue of 31.3 percent would result in the recoverable value of the VBCI goodwill being equal to its carrying value.

	Customer Lists	Goodwill	Non-compete agreements	Total
Gross carrying amount				
Balance, March 31, 2022	18,308	20,591	2,339	41,238
Foreign exchange adjustments	88	-	-	88
BALANCE, MARCH 31, 2023	18,396	20,591	2,339	41,326
Foreign exchange adjustments	8	-	-	8
BALANCE, MARCH 31, 2024	**18,404**	**20,591**	**2,339**	**41,334**
Accumulated amortisation				
Balance, March 31, 2022	14,000	-	1,363	15,363
Amortisation charge for the year	776	-	546	1,322
Foreign exchange adjustments	88	-	-	88
BALANCE, MARCH 31, 2023	14,864	-	1,909	16,773
Amortisation charge for the year	776	-	390	1,166
Foreign exchange adjustments	8	-	-	8
BALANCE, MARCH 31, 2024	**15,648**	-	**2,299**	**17,947**
Net carrying amount:				
As at March 31, 2023	3,532	20,591	430	24,553
AS AT MARCH 31, 2024	**2,756**	**20,591**	**40**	**23,387**

Customer Lists and the Non-compete agreements

Customer Lists and the Non-compete agreements arose from business acquisitions in Europe. Customer Lists are amortised over the remaining useful life which ranges from 3 to 8 years. The Non-compete agreements are amortised over the remaining period of restriction as defined in the agreements, which ranges from 1 to 3 years.

There was no impairment of intangible assets and goodwill for the years ended March 31, 2023 and 2024.

15 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

AS AT MARCH 31	2024	2023 (restated)
Payables and other accrued expense	28,657	20,662
Accrued staff benefits	10,539	8,042
Contingent liability arising from business acquisition	1,892	3,612
Commission payables	53	136
TOTAL ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	41,141	32,452

16 INSURANCE AND REINSURANCE CONTRACTS

The Group's Insurance contracts issued and reinsurance contracts held by operating segment and exclude intercompany balances comprised of:

MARCH 31, 2024	Employee Benefit and Health		Wealth Management	Property and Casualty	
	PAA	GMM	GMM	PAA	Total
Insurance contracts issued					
Insurance contract liabilities	16,941	666	163,396	53,233	234,236
Reinsurance contracts held					
Reinsurance contract assets	7,607	-	-	22,837	30,444
Reinsurance contract liabilities	(786)	(348)	-	-	(1,134)

MARCH 31, 2023	Employee Benefit and Health		Wealth Management	Property and Casualty	
	PAA	GMM	GMM	PAA	Total
Insurance contracts issued					
Insurance contract liabilities	17,179	702	158,375	47,100	223,356
Reinsurance contracts held					
Reinsurance contract assets	6,614	-	-	19,768	26,382
Reinsurance contract liabilities	-	(398)	-	-	(398)

16.1 SIGNIFICANT JUDGEMENTS

Fulfilment cash flows

Fulfilment cash flows comprise:

- estimates of future cash flows;
- an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that the financial risks are not included in the estimates of future cash flows; and
- a risk adjustment for non-financial risk.

The Group's objective in estimating future cash flows is to determine the expected value of a range of scenarios that reflects the full range of possible outcomes. The cash flows from each scenario are discounted and weighted by the estimated probability of that outcome to derive an expected present value.

a. Estimates of future cash flows

In estimating future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experiences, updated to reflect current expectations of future events. The estimates of future cash flows reflect the Group's view of current conditions at the reporting date.

Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders, insurance acquisition cash flows and other costs that are incurred in fulfilling contracts.

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Other costs that are incurred in fulfilling the contracts include: i) claims handling, maintenance and administration costs, (ii) recurring commissions payable on instalment premiums receivable within the contract boundary, (iii) costs that the Group will incur in providing investment services, (iv) costs that the Group will incur in performing investment activities to the extent that the Group performs them to enhance benefits from insurance coverage for policyholders by generating an investment return from which policyholders will benefit if an insured event occurs, and (v) income tax and other costs specifically chargeable to the policyholders under the terms of the contracts.

The Insurance acquisition cash flows and other costs attributable to a group of contracts comprise of both direct costs and an allocation of fixed and variable overheads. The Group allocates insurance acquisition cash flows using methods that are systematic and rational. The methods used are consistently applied to all costs that have similar characteristics.

b. Actuarial assumptions – long duration contracts

Long duration insurance contracts issued by the Group refer to insurance contracts with coverage period greater than one year and which are not eligible for the Premium Allocation Approach under IFRS 17. This comprises of individual life, annuities and domestic life contracts issued by the Group. The risks associated with long duration insurance contracts are complex and subject to several variables that complicate quantitative sensitivity analysis.

To determine the present value of future cash flow for in-force policies, the Group makes assumptions about mortality rate, morbidity rate, lapse and surrender rate, and expenses.

Mortality

Mortality refers to the likelihood of death. The mortality assumptions are generally developed using a blend of mortality data from published actuarial tables and weighted by the Group's historic experiences. For the annuity business the Group uses the RP-2014 table produced by the Society of Actuaries' (SOA's) Retirement Plans Experience Committee (RPEC). While for the individual life business, the 1997-04 Canadian Institute of Actuaries (CIA) Mortality Table is used.

To better reflect the Group's own risk pool, both tables' rates are modified using historical company experience.

Morbidity

Morbidity refers to the incidence of accident and sickness as well as the recovery from the incidence. The morbidity assumptions are based on industry standard morbidity tables for the long-term disability business. The frequency of claims is low, and the risk is substantially reinsured.

Lapse and Surrender

Policyholders may allow their policies to lapse prior to the end of the contractual coverage period by choosing not to continue to pay premiums or by surrendering their policy for the cash surrender value. Lapse and surrender options are not available for annuities. The surrender rates for the individual life product line are based on industry and the Group's experience. The surrender rates vary by plan, policy duration and method of premium payment.

Expenses

Operating expense assumptions reflect the projected costs of servicing and maintaining the in-force policies. The assumptions are derived from internal reviews of operating costs and include an allowance for inflation. The Group prices its products to cover the expected costs of servicing and maintaining them. In addition, the Group monitors expenses quarterly, including comparisons of actual expenses to expense allowances used in pricing and valuation.

c. Actuarial assumptions – short duration contracts

Short duration insurance contracts issued by the Group refer to insurance contracts with the coverage period of the liabilities being 12 months or less. Other contracts, which have longer period of coverage, but which qualify for the PAA through the PAA eligibility test, are also considered short duration. The Group issues the following short-duration contracts: Group Long-Term Disability (LTD), Group Life and Accidental Death and Dismemberment (AD&D), Group Health, and Property and Casualty (P&C).

The Group based its assumptions and estimates on parameters available at the reporting date. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. When measuring LRC, the PAA is broadly similar to the Group's previous accounting treatment under IFRS 4. However, when measuring, LIC the Group now discounts cash flows that are expected to occur more than one year after the date on which the claims are incurred and includes an explicit risk adjustment for non-financial risk.

d. Discount rate

All cash flows are discounted using risk-free yield curves adjusted to reflect the characteristics of the cash flows and the liquidity of the insurance contracts. The Group uses a risk-free curve based on Bloomberg data for government treasuries by currency. An illiquidity premium is determined by applying a liquidity spread ratio to the total spread on the reference portfolio. An internally generated risk-free discount curve can be transparently developed from market data, ensuring consistency with IFRS 17.

The tables below set out the yield curves used to discount the cash flows of immediate fixed annuity and non- life contracts for major currencies:

2024	1 year	5 years	10 years	15 years	20 years	30 years
EUR	3.67%	3.02%	3.14%	3.31%	3.44%	3.74%
GBP	5.03%	4.56%	4.74%	5.13%	5.45%	5.51%
USD	5.37%	4.77%	5.04%	5.25%	5.39%	5.19%
2023	**1 year**	**5 years**	**10 years**	**15 years**	**20 years**	**30 years**
EUR	3.43%	3.37%	3.51%	3.68%	3.72%	3.70%
GBP	4.88%	4.67%	4.81%	5.01%	5.09%	5.15%
USD	5.03%	4.50%	4.70%	5.00%	5.15%	4.87%

e. Risk adjustment for non-financial risk

Risk adjustment for non-financial risk reflects the compensation the Group would require for bearing non-financial risk. The risk adjustment for non-financial risk is determined using the cost of capital technique. Using this technique, the Group determines the risk adjustment for non-financial risk by applying a cost-of-capital rate to the amount of capital required for each future reporting date and discounting the result using the discount curves described above. The required capital is determined by using the Bermuda Solvency Capital Requirement (BSCR) as a basis.

The cost-of-capital rate is the additional reward that investors would require for exposure to the non-financial risk. The Group's weighted-average cost-of-capital rate is 11.5% (2023: 10.6%).

The risk adjustments for non-financial risk for all contracts correspond to a confidence level of approximately 88.1%, which is based on a 1 year time horizon for both years ended March 31, 2024 and 2023.

f. Contractual service margin

The CSM of a group of contracts is recognised in net earnings to reflect services provided in each year based on the number of coverage units provided in the year, which is determined by considering for each contract the quantity of the benefits provided and its expected coverage period. The coverage units are reviewed and updated at each reporting date.

The Group determines the quantity of the benefits provided under each contract as follows:

Product	Basis for determining quantity of benefits provided
Annuities	Present value of expected future claims and expenses
Individual Life	Present value of expected future claims and expenses

An analysis of the expected timing of the allocation of the CSM to the Consolidated Statement of Operation is disclosed in Note 16.4.

16.2 CHANGES IN INSURANCE CONTRACTS

Movements in insurance and reinsurance contract balances

i. Wealth management
Insurance Contracts
An analysis of the LRC and LIC for insurance contracts issued by the wealth management operating segment measured under GMM were as follows:

	MARCH 31, 2024			MARCH 31, 2023		
	Liabilities for remaining coverage			Liabilities for remaining coverage		
	Excluding loss component	Liabilities for incurred claims	Total	Excluding loss component	Liabilities for incurred claims	Total
Opening insurance contract liabilities	156,873	1,502	158,375	171,747	1,025	172,772
Insurance revenue						
Contracts under the full retrospective transition approach	(200)	-	(200)	(191)	-	(191)
Contracts under the fair value transition approach	(9,411)	-	(9,411)	(9,539)	-	(9,539)
Post transition	(690)	-	(690)	(229)	-	(229)
Total insurance revenue	(10,301)	-	(10,301)	(9,959)	-	(9,959)
Insurance service expenses						
Incurred claims and other insurance service expenses	-	8,664	8,664	-	8,706	8,706
Adjustments to liabilities for incurred claims	-	(59)	(59)	-	574	574
Total insurance service expenses	-	8,605	8,605	-	9,280	9,280
Total insurance service result	(10,301)	8,605	(1,696)	(9,959)	9,280	(679)
Net finance expenses from insurance contracts	4,394	-	4,394	3,546	-	3,546
Other comprehensive income	451	-	451	(12,731)	-	(12,731)
Total changes in the consolidated statement of operations and comprehensive operations	(5,456)	8,605	3,149	(19,144)	9,280	(9,864)
Investment components and premium refunds	(6,034)	6,034	-	(5,601)	5,601	-
Cash flows						
Premiums received	16,721	-	16,721	9,871	-	9,871
Claims and other insurance service expenses paid, including investment components	-	(14,849)	(14,849)	-	(14,404)	(14,404)
Total cash flows	16,721	(14,849)	1,872	9,871	(14,404)	(4,533)
CLOSING INSURANCE CONTRACT LIABILITIES	162,104	1,292	163,396	156,873	1,502	158,375

i. Wealth management - *continued*
Analysis by measurement component - contracts measured under GMM.

MARCH 31, 2024			CSM			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Full retrospective approach	Fair value approach	Post Transition	Total
Opening insurance contract liabilities	145,622	6,137	1,496	3,194	1,926	158,375
Changes that relate to current services						
CSM recognised for services provided	-	-	(101)	(305)	(155)	(561)
Change in risk adjustment for non-financial risk for risk expired	-	(610)	-	-	-	(610)
Experience adjustments not related to future service	(1,196)	-	-	-	-	(1,196)
Changes that relate to future services						
Contracts initially recognised in the year	(2,274)	571	-	-	1,703	-
Changes in estimates that adjust the CSM	(68)	(1,038)	232	1,407	198	731
Changes that relate to past services						
Adjustments to liabilities for incurred claims	(60)	-	-	-	-	(60)
Total insurance service result	(3,598)	(1,077)	131	1,102	1,746	(1,696)
Net finance expenses from insurance contracts	4,021	158	17	81	117	4,394
Other comprehensive income	324	127	-	-	-	451
Total changes in the consolidated statement of operations and comprehensive operations	747	(792)	148	1,183	1,863	3,149
Cash flows						
Premiums received	16,721	-	-	-	-	16,721
Claims and other insurance service expenses paid, including investment components	(14,849)	-	-	-	-	(14,849)
Total cash flows	1,872	-	-	-	-	1,872
CLOSING INSURANCE CONTRACT LIABILITIES	148,241	5,345	1,644	4,377	3,789	163,396

i. Wealth management - *continued*
Analysis by measurement component - contracts measured under GMM.

MARCH 31, 2023			CSM			
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Full retrospective approach	Fair value approach	Post Transition	Total
Opening insurance contract liabilities	160,823	6,719	2,154	3,076	-	172,772
Changes that relate to current services						
CSM recognised for services provided	-	-	(90)	(211)	(42)	(343)
Change in risk adjustment for non-financial risk for risk expired	-	(624)	-	-	-	(624)
Experience adjustments not related to future service	(410)	-	-	-	-	(410)
Changes that relate to future services						
Contracts initially recognised in the year	(2,020)	330	-	-	1,690	-
Changes in estimates that adjust the CSM	92	96	(580)	266	249	123
Changes that relate to past services						
Adjustments to liabilities for incurred claims	575	-	-	-	-	575
Total insurance service result	(1,763)	(198)	(670)	55	1,897	(679)
Net finance expenses from insurance contracts	3,302	140	12	63	29	3,546
Other comprehensive income	(12,207)	(524)	-	-	-	(12,731)
Total changes in the consolidated statement of operations and comprehensive operations	(10,668)	(582)	(658)	118	1,926	(9,864)
Cash flows						
Premiums received	9,871	-	-	-	-	9,871
Claims and other insurance service expenses paid, including investment components	(14,404)	-	-	-	-	(14,404)
Total cash flows	(4,533)	-	-	-	-	(4,533)
CLOSING INSURANCE CONTRACT LIABILITIES	145,622	6,137	1,496	3,194	1,926	158,375

ii. Employee benefits and health

Insurance Contracts

An analysis of the LRC and LIC for insurance contracts issued by the employee benefit and health operating segment measured under GMM were as follows:

	MARCH 31, 2024			MARCH 31, 2023		
	Liabilities for remaining coverage			Liabilities for remaining coverage		
	Excluding loss component	Liabilities for Incurred claims	Total	Excluding loss component	Liabilities for Incurred claims	Total
Opening insurance contract liabilities	702	-	702	607	-	607
Insurance revenue						
Contracts under the fair value transition approach	(91)	-	(91)	(16)	-	(16)
Total insurance revenue	(91)	-	(91)	(16)	-	(16)
Insurance service expenses						
Incurred claims and other insurance service expenses	-	21	21	-	68	68
Total insurance service expenses	-	21	21	-	68	68
Total insurance service result	(91)	21	(70)	(16)	68	52
Net finance expenses from insurance contracts	25	-	25	-	-	-
Other comprehensive income	(3)	-	(3)	(109)	-	(109)
Total changes in the consolidated statement of operations and comprehensive operations	(69)	21	(48)	(125)	68	(57)
Cash flows						
Premiums received	34	-	34	220	-	220
Claims and other insurance service expenses paid	-	(21)	(21)	-	(68)	(68)
Insurance acquisition cash flows	(1)	-	(1)	-	-	-
Total cash flows	33	(21)	12	220	(68)	152
CLOSING INSURANCE CONTRACT LIABILITIES	666	-	666	702	-	702

ii. Employee benefits and health - *continued*

Analysis by measurement component - contracts measured under GMM.

MARCH 31, 2024			CSM	
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Fair value approach	Total
Opening insurance contract liabilities	529	19	154	702
Changes that relate to current services				
CSM recognised for services provided	-	-	(11)	(11)
Change in risk adjustment for non-financial risk for risk expired	-	(1)	-	(1)
Experience adjustments not related to future service	(73)	-	-	(73)
Changes that relate to future services				
Changes in estimates that adjust the CSM	106	(11)	(80)	15
Total insurance service result	33	(12)	(91)	(70)
Net finance expenses from insurance contracts	20	-	5	25
Other comprehensive income	(3)	-	-	(3)
Total changes in the consolidated statement of operations and comprehensive operations	50	(12)	(86)	(48)
Cash flows				
Premiums received	34	-	-	34
Claims and other insurance service expenses paid	(21)	-	-	(21)
Insurance acquisition cash flows	(1)	-	-	(1)
Total cash flows	12	-	-	12
CLOSING INSURANCE CONTRACT LIABILITIES	591	7	68	666

ii. Employee benefits and health - *continued*

Analysis by measurement component - contracts measured under GMM.

MARCH 31, 2023			CSM	
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Fair value approach	Total
Opening insurance contract liabilities	572	13	22	607
Changes that relate to current services				
CSM recognised for services provided	-	-	(13)	(13)
Change in risk adjustment for non-financial risk for risk expired	-	(1)	-	(1)
Experience adjustments not related to future service	(30)	-	-	(30)
Changes that relate to future services				
Contracts initially recognised in the year	(27)	-	27	-
Changes in estimates that adjust the CSM	(31)	9	118	96
Total insurance service result	(88)	8	132	52
Other comprehensive income	(107)	(2)	-	(109)
Total changes in the consolidated statement of operations and comprehensive operations	(195)	6	132	(57)
Cash flows				
Premiums received	220	-	-	220
Claims and other insurance service expenses paid	(68)	-	-	(68)
Total cash flows	152	-	-	152
CLOSING INSURANCE CONTRACT LIABILITIES	529	19	154	702

ii. Employee benefits and health - *continued*

An analysis of the LRC and LIC for insurance contracts issued by the employee benefit and health operating segment measured under the PAA were as follows:

MARCH 31, 2024		Liabilities for Incurred claims		
	Liabilities for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract liabilities	657	16,443	79	17,179
Insurance revenue	(116,209)	-	-	(116,209)
Insurance service expenses				
Incurred claims and other insurance service expenses	-	93,606	30	93,636
Amortisation of insurance acquisition cash flows	1,415	-	-	1,415
Adjustments to liabilities for incurred claims	-	1,442	(4)	1,438
Total insurance service expenses	1,415	95,048	26	96,489
Total insurance service result	(114,794)	95,048	26	(19,720)
Total changes in the consolidated statement of operations	(114,794)	95,048	26	(19,720)
Cash flows				
Premiums received	114,173	-	-	114,173
Claims and other insurance service expenses paid	-	(93,276)	-	(93,276)
Insurance acquisition cash flows	(1,415)	-	-	(1,415)
Total cash flows	112,758	(93,276)	-	19,482
CLOSING INSURANCE CONTRACT LIABILITIES	(1,379)	18,215	105	16,941

ii. Employee benefits and health - *continued*

An analysis of the LRC and LIC for insurance contracts issued by the employee benefit and health operating segment measured under the PAA were as follows:

MARCH 31, 2023		Liabilities for Incurred claims		
	Liabilities for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract liabilities	120	15,156	48	15,324
Insurance revenue	(102,901)	-	-	(102,901)
Insurance service expenses				
Incurred claims and other insurance service expenses	-	74,159	13	74,172
Amortisation of insurance acquisition cash flows	1,950	-	-	1,950
Adjustments to liabilities for incurred claims	-	2,427	18	2,445
Total insurance service expenses	1,950	76,586	31	78,567
Total insurance service result	(100,951)	76,586	31	(24,334)
Total changes in the consolidated statement of operations	(100,951)	76,586	31	(24,334)
Cash flows				
Premiums received	103,438	-	-	103,438
Claims and other insurance service expenses paid	-	(75,299)	-	(75,299)
Insurance acquisition cash flows	(1,950)	-	-	(1,950)
Total cash flows	101,488	(75,299)	-	26,189
CLOSING INSURANCE CONTRACT LIABILITIES	657	16,443	79	17,179

ii. Employee benefits and health - *continued*

Reinsurance contracts
Reinsurance contracts held measured under the GMM. Analysis by remaining coverage and incurred claims.

MARCH 31, 2024	Assets for remaining coverage	Assets for incurred claims	Total
Opening reinsurance contract liabilities	(397)	(1)	(398)
Effect of changes in non-performance risk of reinsurers	(1)	-	(1)
Net expenses from reinsurance contracts	(1)	-	(1)
Net finance income from reinsurance contracts	(13)	-	(13)
Other comprehensive income	(10)	-	(10)
Total changes in the consolidated statement of operations and comprehensive operations	(24)	-	(24)
Cash flows			
Premiums paid	73	-	73
Amounts recovered	-	1	1
Total cash flows	73	1	74
CLOSING REINSURANCE CONTRACT LIABILITIES	(348)	-	(348)

MARCH 31, 2023	Assets for remaining coverage	Assets for incurred claims	Total
Opening reinsurance contract liabilities	(403)	84	(319)
Allocation of reinsurance premiums paid	(90)	-	(90)
Net expenses from reinsurance contracts	(90)	-	(90)
Other comprehensive income	51	-	51
Total changes in the consolidated statement of operations and comprehensive operations	(39)	-	(39)
Cash flows			
Premiums paid	45	-	45
Amounts recovered	-	(85)	(85)
Total cash flows	45	(85)	(40)
CLOSING REINSURANCE CONTRACT LIABILITIES	(397)	(1)	(398)

ii. Employee benefits and health - *continued*

Analysis by measurement component
- reinsurance contracts held measured under GMM.

MARCH 31, 2024			CSM	
	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Fair value approach	Total
Opening reinsurance contract liabilities	(386)	17	(29)	(398)
Changes that relate to current services				
CSM recognised for services received	-	-	1	1
Experience adjustments not related to future service	(60)	(1)	-	(61)
Changes that relate to future services				
Changes in estimates that adjust the CSM	29	(9)	40	60
Effect of changes in non-performance risk of reinsurance	-	-	(1)	(1)
Total net expenses from reinsurance contracts	(31)	(10)	40	(1)
Net finance income from reinsurance contracts	(12)	-	(1)	(13)
Other comprehensive income	(11)	1	-	(10)
Total changes in the consolidated statement of operations and comprehensive operations	(54)	(9)	39	(24)
Cash flows				
Premiums received	73	-	-	73
Amounts recovered	1	-	-	1
Total cash flows	74	-	-	74
CLOSING REINSURANCE CONTRACT LIABILITIES	(366)	8	10	(348)

ii. Employee benefits and health - *continued*

Analysis by measurement component
- reinsurance contracts held measured under GMM.

MARCH 31, 2023	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	CSM Fair value approach	Total
Opening reinsurance contract liabilities	(332)	5	8	(319)
Changes that relate to current services				
CSM recognised for services received	-	-	3	3
Change in risk adjustment for non-financial risk for risk expired	-	(1)	-	(1)
Experience adjustments	(66)	-	-	(66)
Changes that relate to future services				
Contracts initially recognised in the year	(18)	-	18	-
Changes in estimates that adjust the CSM	18	14	(58)	(26)
Total net expenses from reinsurance contracts	(66)	13	(37)	(90)
Other comprehensive income	52	(1)	-	51
Total changes in the consolidated statement of operations and comprehensive operations	(14)	12	(37)	(39)
Cash flows				
Premiums paid	45	-	-	45
Amounts recovered	(85)	-	-	(85)
Total cash flows	(40)	-	-	(40)
CLOSING REINSURANCE CONTRACT LIABILITIES	(386)	17	(29)	(398)

ii. Employee benefits and health - *continued*

Reinsurance contracts held measured under the PAA - analysis by remaining coverage and incurred claims.

MARCH 31, 2024		Assets for Incurred claims		
	Assets for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	-	6,608	6	6,614
Allocation of reinsurance premiums paid	(11,146)	-	-	(11,146)
Amounts recoverable from reinsurance				
Recoveries of incurred claims	-	8,087	-	8,087
Adjustments to assets for incurred claims	-	1,835	4	1,839
	-	9,922	4	9,926
Effect of changes in non-performance risk of reinsurers	-	(28)	-	(28)
Net expenses from reinsurance contracts	(11,146)	9,894	4	(1,248)
Cash flows				
Premiums paid	10,360	-	-	10,360
Amounts recovered	-	(8,905)	-	(8,905)
Total cash flows	10,360	(8,905)	-	1,455
NET CLOSING BALANCE	(786)	7,597	10	6,821
Closing reinsurance contract assets	-	7,597	10	7,607
Closing reinsurance contract liabilities	(786)	-	-	(786)
NET CLOSING BALANCE	(786)	7,597	10	6,821

ii. Employee benefits and health - *continued*

Reinsurance contracts held measured under the PAA - analysis by remaining coverage and incurred claims.

MARCH 31, 2023		Assets for Incurred claims		
	Assets for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	278	8,129	7	8,414
Allocation of reinsurance premiums paid	(7,876)	-	-	(7,876)
Amounts recoverable from reinsurance				
Recoveries of incurred claims	-	4,977	-	4,977
Adjustments to assets for incurred claims	-	(559)	(1)	(560)
	-	4,418	(1)	4,417
Net expenses from reinsurance contracts	(7,876)	4,418	(1)	(3,459)
Cash flows				
Premiums paid	7,598	-	-	7,598
Amounts recovered	-	(5,939)	-	(5,939)
Total cash flows	7,598	(5,939)	-	1,659
CLOSING REINSURANCE CONTRACT ASSETS	-	6,608	6	6,614

iii. Property and Casualty

Insurance Contracts
An analysis of the LRC and LIC for insurance contracts issued by the property and casualty operating segment measured under the PAA were as follows:

MARCH 31, 2024		Liabilities for Incurred claims		
	Liabilities for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract liabilities	13,076	32,564	1,460	47,100
Insurance revenue	(66,601)	-	-	(66,601)
Insurance service expenses				
Incurred claims and other insurance service expenses	-	17,714	(48)	17,666
Amortisation of insurance acquisition cash flows	10,655	-	-	10,655
Adjustments to liabilities for incurred claims	-	5,075	193	5,268
Total insurance service expenses	10,655	22,789	145	33,589
Total insurance service result	(55,946)	22,789	145	(33,012)
Insurance finance expenses				
Net finance expenses from insurance contracts	-	1,606	72	1,678
Effect of movements in exchange rates	92	96	3	191
Total changes in the consolidated statement of operations	(55,854)	24,491	220	(31,143)
Cash flows				
Premiums received	66,238	-	-	66,238
Claims and other insurance service expenses paid	-	(17,759)	-	(17,759)
Insurance acquisition cash flows	(11,203)	-	-	(11,203)
Total cash flows	55,035	(17,759)	-	37,276
CLOSING INSURANCE CONTRACT LIABILITIES	12,257	39,296	1,680	53,233

iii. Property and Casualty - *continued*

Insurance Contracts
An analysis of the LRC and LIC for insurance contracts issued by the property and casualty operating segment measured under the PAA were as follows:

MARCH 31, 2023		Liabilities for Incurred claims		
	Liabilities for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening Insurance contract liabilities	12,814	29,158	1,709	43,681
Insurance revenue	(58,211)	-	-	(58,211)
Insurance service expenses				
Incurred claims and other insurance service expenses	-	16,131	16	16,147
Amortisation of insurance acquisition cash flows	10,088	-	-	10,088
Adjustments to liabilities for incurred claims	-	3,944	(205)	3,739
Total insurance service expenses	10,088	20,075	(189)	29,974
Total insurance service result	(48,123)	20,075	(189)	(28,237)
Insurance finance expenses				
Net finance expenses from insurance contracts	8	200	9	217
Effect of movements in exchange rates	(335)	(863)	(69)	(1,267)
Total changes in the consolidated statement of operations	(48,450)	19,412	(249)	(29,287)
Cash flows				
Premiums received	59,214	-	-	59,214
Claims and other insurance service expenses paid	-	(16,006)	-	(16,006)
Insurance acquisition cash flows	(10,502)	-	-	(10,502)
Total cash flows	48,712	(16,006)	-	32,706
CLOSING INSURANCE CONTRACT LIABILITIES	13,076	32,564	1,460	47,100

iii. Property and Casualty - *continued*

Reinsurance contracts

Reinsurance contracts held measured under the PAA - analysis by remaining coverage and incurred claims.

MARCH 31, 2024		Assets for Incurred claims		
	Assets for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	6,055	13,144	569	19,768
Allocation of reinsurance premiums paid	(24,564)	-	-	(24,564)
Amounts recoverable from reinsurance				
Recoveries of incurred claims	-	7,213	53	7,266
Adjustments to assets for incurred claims	-	1,037	(67)	970
	-	8,250	(14)	8,236
Net expenses from reinsurance contracts	(24,564)	8,250	(14)	(16,328)
Net finance income from reinsurance contracts	-	551	23	574
Effect of movements in exchange rates	112	5	2	119
Net finance income from reinsurance contracts	112	556	25	693
Total changes in the consolidated statement of operations	(24,452)	8,806	11	(15,635)
Cash flows				
Premiums paid	24,782	-	-	24,782
Amounts recovered	-	(6,078)	-	(6,078)
Total cash flows	24,782	(6,078)	-	18,704
CLOSING REINSURANCE CONTRACT ASSETS	6,385	15,872	580	22,837

iii. Property and Casualty - *continued*

Reinsurance contracts

Reinsurance contracts held measured under the PAA - analysis by remaining coverage and incurred claims.

MARCH 31, 2023		Assets for Incurred claims		
	Assets for remaining coverage	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	5,684	10,509	551	16,744
Allocation of reinsurance premiums paid	(20,752)	-	-	(20,752)
Amounts recoverable from reinsurance				
Recoveries of incurred claims	-	7,055	59	7,114
Adjustments to assets for incurred claims	-	2,897	(31)	2,866
	-	9,952	28	9,980
Net expenses from reinsurance contracts	(20,752)	9,952	28	(10,772)
Net finance income from reinsurance contracts	-	140	6	146
Effect of movements in exchange rates	(150)	(179)	(16)	(345)
Net finance income from reinsurance contracts	(150)	(39)	(10)	(199)
Total changes in the consolidated statement of operations	(20,902)	9,913	18	(10,971)
Cash flows				
Premiums paid	21,273	-	-	21,273
Amounts recovered	-	(7,278)	-	(7,278)
Total cash flows	21,273	(7,278)	-	13,995
CLOSING REINSURANCE CONTRACT ASSETS	6,055	13,144	569	19,768

16.3 EFFECT OF CONTRACTS INITIALLY RECOGNISED IN THE YEAR

The following tables summarise the effect on the measurement components arising from the initial recognition of insurance and reinsurance contracts measured under the GMM in the year.

AS AT MARCH 31	2024	2023
Estimates of present value of cash outflows	14,449	7,831[(1)]
Estimates of present value of cash inflows	(16,723)	(9,878)
Risk adjustment for non-financial risk	571	330
CSM	1,703	1,717
LOSSES FOR THE NET OUTFLOW RECOGNISED ON INITIAL RECOGNITION	-	-

(1) Estimates of present value of cash outflows represents claims and other insurance service expenses payable.

16.4 CONTRACTUAL SERVICE MARGIN

The following table sets out when the Group expects to recognise the remaining CSM in the Consolidated Statement of Operations after the reporting date, for contracts measured under the GMM.

MARCH 31, 2024	Within 1 year	2-5 years	6-10 years	Over 10 years	Total
Insurance Contracts					
Wealth management	581	2,060	2,143	5,026	9,810
Health and Employee benefit	2	7	7	52	68
Reinsurance Contracts					
Health and Employee benefit	1	4	4	1	10
MARCH 31, 2023	Within 1 year	2-5 years	6-10 years	Over 10 years	Total
Insurance Contracts					
Wealth management	219	833	1,067	4,497	6,616
Health and Employee benefit	13	41	38	62	154
Reinsurance Contracts					
Health and Employee benefit	(2)	(7)	(7)	(13)	(29)

16.5 ASSETS FOR INSURANCE ACQUISITION CASH FLOWS

	Total
Balance, March 31, 2022	1,973
Amount incurred during the year	10,088
Amount derecognised and included in the measurement of insurance contracts	(9,673)
Effect of movement in exchange rates	(83)
Balance, March 31, 2023	2,305
Amount incurred during the year	10,655
Amount derecognised and included in the measurement of insurance contracts	(10,107)
Effect of movement in exchange rates	(32)
BALANCE, MARCH 31, 2024	2,821

16.6 CLAIMS DEVELOPMENT TABLE

The following tables show the estimates of cumulative incurred claims, including both claims notified and incurred but not reported (IBNR) reserves for each successive accident year at each reporting date, together with cumulative payments to date.

Property and Casualty – Gross of reinsurance

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Estimate of gross ultimate liability[1] as at end of accident year	50,162	12,467	14,552	14,278	15,289	24,665	16,603	19,826	19,700	21,865	
one year later	48,765	11,184	14,163	13,946	14,537	24,076	14,830	18,808	18,728	-	
two years later	48,423	11,324	13,937	14,117	13,972	23,729	16,780	18,353	-	-	
three years later	64,028	10,824	13,774	13,631	14,061	23,455	18,173	-	-	-	
four years later	64,396	10,651	13,496	13,227	14,069	23,461	-	-	-	-	
five years later	56,379	10,497	13,359	13,185	14,826	-	-	-	-	-	
six years later	57,187	10,473	13,390	13,350	-	-	-	-	-	-	
seven years later	57,209	10,484	13,182	-	-	-	-	-	-	-	
eight years later	57,719	10,544	-	-	-	-	-	-	-	-	
nine years later	57,578	-	-	-	-	-	-	-	-	-	
Cumulative gross claims paid	(57,563)	(10,466)	(12,904)	(13,125)	(12,460)	(21,272)	(11,960)	(14,436)	(10,871)	(6,655)	
Gross liabilities - accident years from 2015 to 2024	15	78	278	225	2,366	2,189	6,213	3,917	7,857	15,210	**38,348**
Gross liabilities - accident years before 2015											205
Expense adjustment											3,768
Effect of discounting											(3,025)
Risk adjustment											1,680
GROSS LIABILITIES FOR INCURRED CLAIMS (Refer to note 16.2)											40,976

Property and Casualty – Net of reinsurance

Accident year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Total
Estimate of gross ultimate liability[1] as at end of accident year	12,011	9,165	8,451	9,685	11,301	13,406	10,401	12,988	13,839	17,048	
one year later	11,208	8,522	8,483	9,850	10,837	12,264	9,350	12,691	13,047	-	
two years later	11,128	8,583	8,306	10,110	10,241	11,720	8,310	12,265	-	-	
three years later	11,581	8,032	8,144	9,648	9,862	11,308	8,281	-	-	-	
four years later	11,575	7,948	8,052	9,513	9,878	11,598	-	-	-	-	
five years later	11,403	8,091	7,907	9,517	9,796	-	-	-	-	-	
six years later	11,419	7,831	7,932	9,594	-	-	-	-	-	-	
seven years later	11,464	7,801	7,809	-	-	-	-	-	-	-	
eight years later	11,486	7,835	-	-	-	-	-	-	-	-	
nine years later	11,465	-	-	-	-	-	-	-	-	-	
Cumulative gross claims paid	(11,449)	(7,757)	(7,624)	(9,393)	(9,246)	(10,855)	(7,052)	(9,385)	(8,234)	(6,820)	
Gross liabilities - accident years from 2015 to 2024	16	78	185	201	550	743	1,229	2,880	4,813	10,228	**20,923**
Gross liabilities - accident years before 2015											197
Expense adjustment											3,768
Effect of discounting											(1,464)
Risk adjustment											1,100
NET LIABILITIES FOR INCURRED CLAIMS (Refer to note 16.2)											24,524

(1) Adjusted for revaluation of foreign currencies at the exchange rate as at year end.

17 INVESTMENT CONTRACT LIABILITIES

Carrying values and estimated fair values of the Investment contract liabilities are as follows:

AS AT MARCH 31	2024 Carrying value	2024 Fair value	2023 Carrying value	2023 Fair value
At amortised cost:				
Deposit administration pension plans	233,552	223,535	233,231	220,422
Self-funded group health policies	4,235	4,235	10,474	10,474
	237,787	227,770	243,705	230,896
At FVTPL:				
Deposit accounted annuity policies	3	3	46	46
TOTAL INVESTMENT CONTRACT LIABILITIES	237,790	227,773	243,751	230,942

17.1 INVESTMENT CONTRACT LIABILITIES AT AMORTISED COST

The change in Investment contract liabilities measured at amortised cost is a result of the following:

AS AT MARCH 31	2024	2023
Balance, beginning of year	243,705	246,388
Deposits	75,665	87,960
Withdrawals	(80,180)	(81,612)
Transfers to Segregated funds	10	22
Fees deducted	(3,735)	(3,484)
Interest	3,193	1,348
Other	(871)	(6,917)
BALANCE, END OF YEAR	237,787	243,705

For the year ended March 31, 2024, the net gain relating to investment contracts measured at amortised cost is $3.8 million (2023 – net gain of $5.5 million).

17.2 INVESTMENT CONTRACT LIABILITIES AT FVTPL

The change in investment contract liabilities at FVTPL is a result of the following:

AS AT MARCH 31	2024	2023
Balance, beginning of year	46	156
Included in net earnings	(7)	29
Deposits	-	4
Withdrawals	(36)	(143)
BALANCE, END OF YEAR	3	46

18 POST-EMPLOYMENT BENEFIT LIABILITY

The Group operates a post-employment medical benefit plan in Bermuda, which provides medical benefits to eligible retired employees and their spouses. The amount of benefits provided depends on future cost escalation and the Company meeting the benefit payment obligation as it falls due. Actuarial valuation to determine the defined benefit obligation is performed quarterly.

The plan exposes the Group to risks, such as longevity risk, interest rate risk and health care cost inflation risks. Responsibility for governance of the plan lies with the Company. Risks are managed through plan design and eligibility changes, which limit the size and growth of the defined benefit obligation.

The movement in the defined benefit liability is as follows:

AS AT MARCH 31	2024	2023
Balance, beginning of year	2,790	3,271
Movements during the year recognised in Operating expense:		
Current service cost	4	17
Interest cost on benefit liability	128	146
	132	163
Remeasurement during the year included in Other comprehensive income:		
Actuarial (gain)/loss arising from experience adjustment	(20)	(466)
Benefit payments	(195)	(178)
BALANCE, END OF YEAR	2,707	2,790

As at March 31, 2024, the present value of the defined benefit obligation was comprised of $0.1 million (2023 – $0.3 million) relating to active employees and $2.6 million (2023 – $2.5 million) relating to members in retirement.

Components of the change in benefit liabilities year-on-year and other employee future benefit expense are as follows:

(i) Current service cost represents benefits earned in the current year. These are determined with reference to the current workforce eligible for benefits and the amount of benefits to which they will be entitled upon retirement, based on the provisions of the Group's benefit plan.

(ii) Interest cost on benefit liability represents the increase in the liability that results from the passage of time.

(iii) Each quarter, the actuaries recalculate the benefit liability and compare it to that estimated as at the prior period end. Any differences resulting from changes in assumptions, or from plan experience being different from expectations of Management at the previous year end, are considered actuarial gains or losses.

The significant actuarial assumptions in measuring the Group's accrued benefit liability are estimated as follows:

AS AT MARCH 31	2024	2023
Discount rate	4.8%	4.6%
Health care cost trend rate	5.5%	5.5%

The discount rate assumption has a significant impact on the value of the obligation. A one percent increase in this rate would reduce the present value of the defined benefit obligation by $0.1 million (2023 – $0.3 million).

Health care cost calculations are based on trend rate assumptions which may differ from actual results. Changes in trend rate assumptions by one percent in either direction will change the health care cost as follows:

MARCH 31, 2024	Increase	Decrease
Aggregate of current service cost and interest cost	-	(1)
Accrued benefit liability	259	(225)

MARCH 31, 2023	Increase	Decrease
Aggregate of current service cost and interest cost	2	(1)
Accrued benefit liability	286	(247)

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

19 GROUP COMPOSITION

19.1 LIST OF SIGNIFICANT SUBSIDIARIES AS AT MARCH 31, 2024

All subsidiaries are included in the Group consolidated financial statements. The Group's voting rights percentages are the same as the ownership percentages.
All entities are 100 percent owned.

- **ARGUS GROUP HOLDINGS LIMITED** *(Bermuda)*
  - ARGUS GROUP HOLDINGS (EUROPE) LIMITED *(Gibraltar)*
    - ARGUS INSURANCE COMPANY (EUROPE) LIMITED *(Gibraltar)*
    - WESTMED INSURANCE SERVICES LIMITED *(Gibraltar)*
    - ANTES INSURANCE BROKERS LTD *(Malta)*
  - ARGUS INSURANCE COMPANY LIMITED *(Bermuda)*
    - NEWSTEAD, BELMONT HILLS DEVELOPMENT COMPANY NO. 2 LTD. *(Bermuda)*
  - ARGUS MANAGEMENT SERVICES LIMITED *(Bermuda)*
    - SOMERS ISLES MANAGEMENT SERVICES, INC. *(Canada)*
  - TROTT PROPERTY LIMITED *(Bermuda)*
  - ARGUS WEALTH MANAGEMENT LIMITED *(Bermuda)*
    - ARGUS INVESTMENT NOMINEES LIMITED *(Bermuda)*
  - CENTURION INSURANCE SERVICES LIMITED *(Bermuda)*
  - BERMUDA LIFE INSURANCE COMPANY LIMITED (1) *(Bermuda)*
  - ONE TEAM HEALTH INC *(Canada)*
  - ISLAND HEALTH SERVICES LTD. (includes assets of The Family Practice Group) *(Bermuda)*
  - I.H.S. LABORATORIES LTD. *(Bermuda)*

NATURE OF BUSINESS:

- EMPLOYEE BENEFITS & HEALTH
- WEALTH MANAGEMENT
- P&C
- BROKERAGE COMPANIES
- ALL OTHERS

(1) The annuity and pension division of the entity is reported within the wealth management operating segment.

19.2 SIGNIFICANT RESTRICTIONS

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the regulatory requirements within the jurisdiction in which they operate. See Note 5 and Note 20.

The carrying amounts of the insurance subsidiaries' General Fund Assets and General Fund Liabilities are as follows:

AS AT MARCH 31	2024	2023
General fund assets	645,559	583,675
General fund liabilities	494,643	473,637

19.3 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

A subsidiary of the Company acts as investment manager to Argus Investment Strategic Fund Ltd. (AISFL), an investment fund that is a structured entity not consolidated by the Group. A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual arrangements.

AISFL and the Group also share common directors and officers. Although the Group has power to govern AISFL's financial and operating policies by virtue of the investment management contract, it does not earn investment management fee income, nor does it have significant variable returns from AISFL. Accordingly, AISFL was not consolidated as part of the Group.

AISFL's net assets as at March 31, 2024, of $976.0 million (2023 – $890.8 million) include the Group's Segregated Funds of $954.1 million (2023 – $875.8 million). However, the Group does not have exposure to losses on these Segregated Funds as the contractual arrangements for these funds are such that the Segregated Funds' policyholder bears the risk and rewards of AISFL's investment performance. The Group does not bear the risks and rewards. Refer to Note 31 for Segregated Fund disclosures.

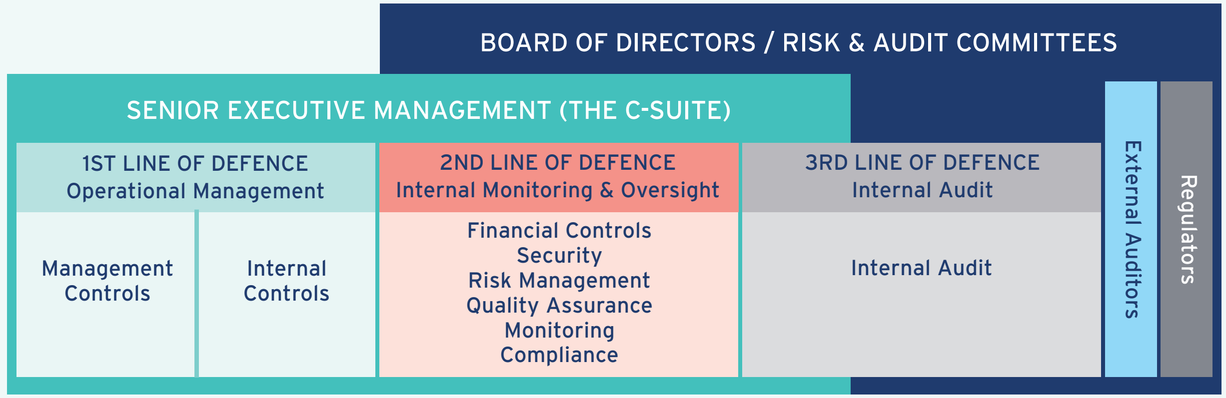
20 RISK MANAGEMENT

20.1 GOVERNANCE FRAMEWORK

The Group prioritises the development of a forward-looking risk management framework to deal appropriately with changes in the economic, social and regulatory environment in which it operates. The risk management deployed by the Group is based on the principles set down below, which are aligned with the Group's strategy and take into account the regulatory requirements, as well as the best market practices.

- **A comprehensive risk management policy, with a forward-looking approach**
  The Board of Directors approves the Group's risk management framework including related policies. The Board meets regularly and provides oversight to the implementation of an effective risk management framework. The risk management framework defines the Group's identification of risk and its interpretation, and sets out the risk profiles for the Group to ensure the appropriate quality and diversification of assets and alignment of underwriting and reinsurance strategy to the corporate goals. The Group also ensures emerging risks and sustainability considerations are embedded within the risk management framework.
- **Three Lines of Defence model**
  The Group has adopted the Three Lines of Defence model as shown on this page, which addresses how specific duties related to risks and controls are managed and coordinated within the Group.

THE THREE LINES OF DEFENCE



20.2 OPERATIONAL RISK AND CAPITAL MANAGEMENT

Capital Management

The Group's capital base is structured so as to exceed regulatory targets, maintain satisfactory credit ratings, align the profile of assets and liabilities taking account of risks inherent in the businesses, provide flexibility to take advantage of growth opportunities and provide an adequate return to shareholders. Capital is managed on a consolidated basis under principles that consider all the risks associated with the businesses. It is also managed at the operating segment level under the principles appropriate to the jurisdiction in which it operates. The Group's capital base consists of Share capital, Contributed surplus, Retained earnings and Accumulated other comprehensive income/(loss) as disclosed on the Consolidated Balance Sheets.

The Bermuda Monetary Authority (BMA) is the regulator of the Group. The laws and regulations of Bermuda require that the Group maintain a minimum amount of statutory capital and surplus based on the enhanced capital requirement. As of March 31, 2024 and 2023, the amount of group statutory capital and surplus exceeds this regulatory requirement.

The operations of the Group are also subject to regulatory requirements within the jurisdictions in which they operate. Such regulations not only prescribe approval and monitoring of activities, but also impose certain restrictive provisions (e.g. capital adequacy) to minimise the risk of default and insolvency on the part of the regulated entities and to meet unforeseen liabilities as these arise.

Management monitors the adequacy of the insurance subsidiaries' capital from the perspective of Bermuda, Gibraltar and Malta statutory requirements. The Bermuda Insurance Act 1978 and Related Regulations, the Gibraltar Insurance Companies Act 1987 and the Malta Insurance Intermediaries Act 2006 (the Acts) require the Group's insurance subsidiaries to file an audited annual statutory financial return and meet minimum solvency margins and minimum liquidity ratios.

The statutory capital and surplus and minimum solvency margin of the Group's insurance subsidiaries are shown below:

The Bermuda Solvency Capital Requirement is the prescribed form of capital and solvency reporting in Bermuda, which was revised under new legislation enacted in 2008. The BSCR includes a standardised model used to measure the risk associated with an insurance subsidiary's assets, liabilities and premiums, and a formula to take account of catastrophe risk exposure. The BMA requires all insurers to maintain their statutory capital and surplus at a target level, which is 120 percent of the amount calculated in accordance with the BSCR. As of March 31, 2024 and 2023, the statutory capital and surplus of the insurance subsidiaries exceeded this regulatory requirement.

MARCH 31, 2024	Bermuda	Europe	Total
Statutory capital and surplus	141,422	17,358	158,780
Minimum solvency margin	30,109	4,411	34,520

MARCH 31, 2023	Bermuda	Europe	Total
Statutory capital and surplus	87,170	17,132	104,302
Minimum solvency margin	27,221	3,930	31,151

In addition, minimum liquidity ratios must be maintained by Bermuda entities writing general business, whereby relevant assets, as defined by the Acts, must exceed 75 percent of relevant liabilities. The Bermuda Insurance Act 1978 and Related Regulations limits the maximum amount of annual dividends and distributions that may be paid by the Group's insurance subsidiaries. Before reducing by 15 percent or more of statutory capital, and surplus by 25 percent or more, as set out in the prior year's financial statements, these insurance subsidiaries shall request the approval of the BMA. In addition, the Bermuda Companies Act 1981 limits the Group's ability to pay dividends and distributions to shareholders if there are reasonable grounds for believing that the Group would be unable to pay its liabilities as they become due, or if the realisable value of its assets would be less than the aggregate of its liabilities, issued share capital and contributed surplus accounts.

Argus Insurance Company (Europe) Limited (AICEL) is regulated by the Financial Services Commission (FSC) in Gibraltar. On January 1, 2016, the Solvency II capital requirements came into force. The Solvency Capital Requirement (SCR) is the amount of funds that insurance and reinsurance undertakings are required to hold in the European Union. The SCR should reflect a level of eligible own funds that enables insurance undertakings to absorb significant losses and that gives reasonable assurance to policyholders and beneficiaries that payments will be made as they fall due.

AICEL is in compliance with the Solvency I and Solvency II requirements and exceeds the Required Minimum Margin and SCR. The Solvency II return and SCR are not required to be audited.

The BMA has been declared by the European Commission to be fully equivalent to Solvency II. Consequently, Bermuda shall be considered by all European Member States as applying an equivalent statutory insurance regime in accordance with the requirements of Solvency II. The FSC in Gibraltar has confirmed that it recognises the BMA as the Group's Supervisor and the FSC will focus its supervision on AICEL as a solo entity.

20.3 FINANCIAL INSTRUMENT RISK MANAGEMENT

The Group has policies relating to the identification, measurement, monitoring, mitigation, and control of risks associated with financial instruments. The key risks related to financial instruments are credit risk, liquidity risk and market risks, which include currency, interest rate and other price risks, including equity risk.

20.3.1 Investment Risk

Investment policy is established by the Risk Committee of the Board of Directors to manage this risk. Investment policy sets parameters within which the Group's external investment managers must operate. Important parameters include guidelines on permissible asset classes, duration ranges, credit quality, currency, maturity, sectors, geographical, sovereign and issuer exposures. Compliance with guidelines is monitored on a quarterly basis. Any adjustments to the investment policy are approved by the Risk Committee of the Board of Directors. The Group's fixed maturity portfolios are managed by two external investment managers. The Group also has a diversified low volatility multi-strategy portfolio of bond and equity funds and a small equity portfolio. The performance of the managers is monitored on an ongoing basis.

All portfolios' duration is matched to the duration of the insurance liabilities and investment contract liabilities within an agreed range. The portfolios are invested in fixed maturity securities, fixed maturity funds and cash and cash equivalents. The portfolios may, at times, contain assets significantly in excess of those required to meet insurance liabilities or other defined funding needs.

The Group reviews the composition, duration and asset allocation of its investment portfolio on a regular basis in order to respond to changes in interest rates and other market conditions. If certain asset classes are anticipated to produce a higher return within Management's risk tolerance, an adjustment in asset allocation may be made. Conversely, if the risk profile is expected to move outside of tolerance levels, adjustments may be made to reduce the risks in the portfolio.

The Risk Committee meets quarterly to ensure that the Group's strategic and tactical investment actions are consistent with investment risk preferences, appetite, risk and return objectives and tolerances.

20.3.1(a) Credit Risk

The Group has exposure to credit risk, which is the risk that a counterparty will suffer a deterioration in financial strength or be unable to pay amounts in full when due. The concentration of credit risk exposures held by insurers may be expected to be greater than those associated with other industries, due to the specific nature of reinsurance markets and the extent of investments held in financial markets. By the nature of the business, reinsurers interact with similar customers in similar markets. However, the Group uses a panel of reinsurers with global operations and diversified portfolios and limits its exposure to any one reinsurer.

Reinsurance is placed with counter parties that have a strong credit rating. Management regularly monitors and performs an assessment of creditworthiness of reinsurers.

20.3.1(b) Maximum Exposure to Credit Risk

The following table summarises the Group's maximum exposure to credit risk related to financial instruments and insurance contracts. The maximum credit exposure is the carrying value of the financial assets and insurance assets net of any allowances for losses.

Credit risk is mitigated by entering into collateral agreements for mortgages and loans. The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Management monitors the value of the collateral, requests additional collateral when needed and performs an impairment evaluation on a regular basis.

The Group manages credit risk by its specific investment diversification requirements, such as investing by asset class, geography and industry, review of credit quality ratings for portfolio investments and an active credit risk governance, including independent monitoring and review and reporting to Senior Management and the Board.

AS AT MARCH 31	Note	2024	2023
Cash and short-term investment		60,966	41,587
Interest and dividends receivable		3,449	3,351
Bonds - at Amortised FVTPL, and FVOCI	6	462,690	437,002
Mortgages and loans	6	8,746	9,715
Policy loans	6	41	41
Receivable for investments sold		278	-
Trade and other receivables	8	6,562	5,693
Other financial assets included in Other assets	9	7,088	7,212
Reinsurance contract assets	16	30,444	26,382
TOTAL CONSOLIDATED BALANCE SHEET MAXIMUM CREDIT EXPOSURE		580,264	530,983

20.3.1(c) Concentration of Credit Risk

Concentrations of credit risk arise from exposures to a single debtor, a group of related debtors or groups of debtors that have similar credit risk characteristics, such as operating in the same geographical region or in similar industries. The characteristics are similar in that changes in economic or political environments may impact their ability to meet obligations as they come due.

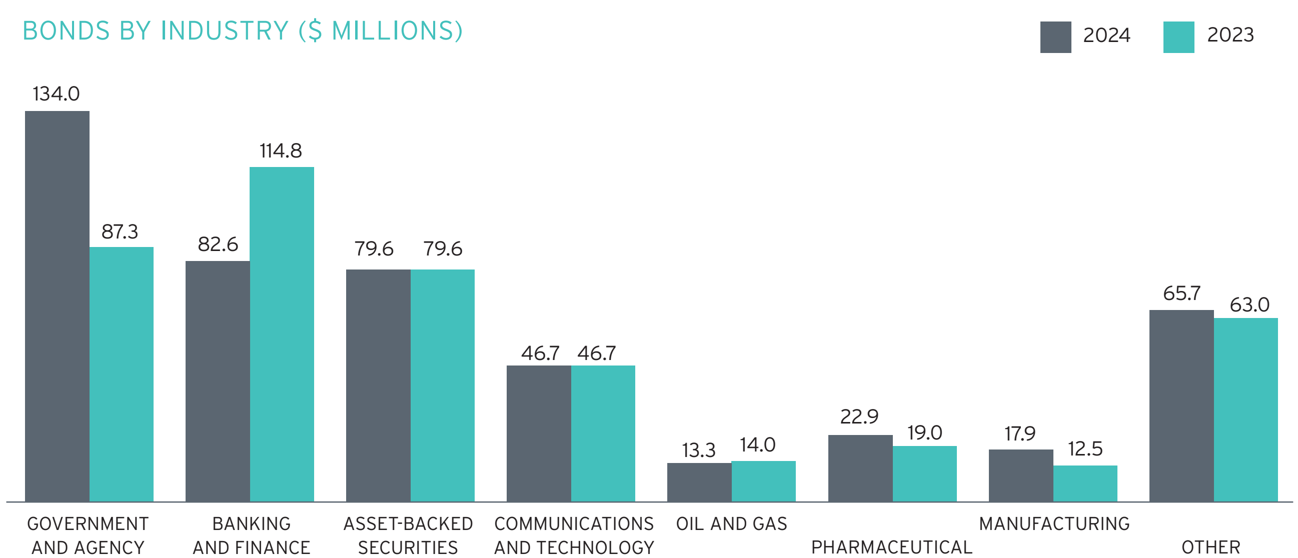
The following tables provide details of the carrying value of bonds financial instruments by industry sector and geographical distribution.

AS AT MARCH 31	2024	2023
Bonds issued or guaranteed by:		
Government and Agency	134,030	87,328
Banking and Finance	82,586	114,853
Asset-backed Securities	79,591	79,574
Communications and Technology	46,659	46,674
Oil and Gas	13,310	14,008
Manufacturing	17,886	12,493
Pharmaceutical	22,946	19,080
Transportation	5,838	6,403
Utilities and Energy	8,618	8,264
Insurance	3,382	4,105
SupraNational	6,291	4,308
Mining	3,069	3,059
Other (1)	38,484	36,853
TOTAL BONDS	462,690	437,002

AS AT MARCH 31	2024	2023
Geographical distribution of bonds is as follows:		
United States of America	345,433	315,724
United Kingdom	18,926	19,915
Cayman Islands	39,181	37,849
France	8,304	8,324
Netherlands	7,773	8,313
Canada	3,657	5,195
Ireland	1,999	1,917
Switzerland	2,240	4,811
Mexico	2,663	2,623
SupraNational	1,772	2,746
Australia	1,125	889
Japan	7,431	6,951
Other (1)	22,186	21,745
TOTAL BONDS	462,690	437,002

(1) Other includes investment with less than $2.0 million of concentration of credit risk by industry sector and geographical distribution.

BONDS BY INDUSTRY ($ MILLIONS)



Mortgages comprise first mortgages on real property situated in Bermuda. Residential mortgages include mortgages for both single and multiple family dwellings. As at March 31, 2024, the Group's mortgages and loans amount to $8.7 million (2023 – $9.7 million).

20.3.1(d) Asset Quality

20.3.1(d)(i) Bonds and reinsurance assets by credit rating

The following table provides an analysis of the carrying value of bonds instruments and reinsurance asset by rating.

AS AT MARCH 31	2024	2023
Bond portfolio quality:		
AAA	62,849	154,831
AA	129,169	39,938
A	134,012	117,697
BBB	130,261	118,083
BB or lower	6,397	6,452
Not rated	2	1
TOTAL BONDS	462,690	437,002

Reinsurance contracts assets:		
AA	12,962	12,085
A	17,509	14,335
BBB	(27)	(38)
TOTAL REINSURANCE CONTRACT ASSETS	30,444	26,382

20.3.1(d)(ii) Expected credit loss (ECL) allowances on impaired investments

The impairment policy on financial assets is detailed in section 2.8.1(a).

Expected credit losses are calculated as the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the effective interest rate (EIR) determined at initial recognition. When estimating ECL, the Group uses information that is reasonably available, including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions.

ECL is calculated based on the value of collateral, internal and external rating history and the probabilities of default. ECL is essentially the product of the; probability of default (PD); loss given default (LGD); and exposure at default (EAD).

ECL Key Inputs	PD	LGD	EAD
Measurement	Based on historical defaults covering a sufficient look-back period (24 months) and is estimated based on internal or external data, or a mix of both.	**Bonds** Estimated using internal data sourced from rating agencies, based on seniority of the debt and credit rating. **Mortgages** Estimates are based on the time to maturity, number of delinquent days within the last 12 months, and gross debt service ratio.	**Bonds** Estimated by projecting outstanding balances based on amortisation schedules. **Mortgages** EAD is linked to the underlying real estate value or collateral.

Significant changes in the gross carrying amounts of financial instruments do not contribute to changes in the loss allowance, as these are based solely on the key inputs within the ECL model.

	Stage 1: 12-Month ECL	Stage 2: Lifetime ECL*	Stage 3: Credit impaired*
Recognition	All financial assets for which either the credit risk has not increased significantly since the initial recognition or the credit risk is low at the reporting date. 12-month ECL's are recognised and interest revenue is calculated on the gross carrying amount of the asset, without deducting the credit allowances.	All financial assets for which the credit risk has increased significantly since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. Lifetime ECL is recognised for these assets but interest revenue is still calculated on the gross carrying amount of the asset.	All financial assets that have the objective evidence of impairment at the reporting date. Lifetime ECL is recognised for these assets and interest revenue is calculated on the net carrying amount, net of credit allowance.
Timing/ Duration	It is the total asset weighted by the probability ECL's resulting from the default events that are likely to occur within 12 months after the reporting date.	ECLs resulting from all the possible default events occurring over the expected life of the financial instrument.	The method is similar to that for lifetime ECL assets, with the PD set at 100% over the expected life of the asset.

*A SICR event would constitute a credit rating downgrade/default from investment to sub-investment grade. The Group does not hold any Stage 2 or 3 (non-performing), credit impaired debt instruments as prescribed by the Group's Investment Policy.

Summary of the Group's stage 1 ECL at March 31, 2024 are as follows:

	MARCH 31, 2024			
	Bonds at Amortised Cost	Bonds at FVOCI	Mortgages	Total
Balance, beginning of year	(90)	(81)	(1)	(171)
Movement during the year	(7)	(8)	-	(15)
BALANCE, END OF YEAR	(97)	(89)	(1)	(186)

20.3.1(d)(iii) Age analysis of financial assets past due

MARCH 31, 2024	Past due but not impaired			
	Less than 90 days	90 to 179 days	180 days or more	Total
Mortgage and loans	-	-	1,244	1,244
Other receivables included in Other assets	80	283	608	971
BALANCE, END OF YEAR	80	283	1,852	2,215

MARCH 31, 2023	Past due but not impaired			
	Less than 90 days	90 to 179 days	180 days or more	Total
Mortgage and loans	-	-	1,821	1,821
Other receivables included in Other assets	298	89	1,400	1,787
BALANCE, END OF YEAR	298	89	3,221	3,608

Past due financial assets have an allowance of $nil (2023 – $nil million) because the fair value of the collateral or the expected future cash flows are below the carrying value of these financial assets.

20.3.2 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet all cash outflow obligations as they come due. The Group's asset-liability management process allows it to maintain its good financial position by ensuring that sufficient liquid assets are available to cover its expected funding requirements. The Group invests in various types of assets with a view to matching them with its liabilities. To strengthen its liquidity further, the Group actively manages and monitors its capital and asset levels, the diversification and credit quality of its investments, cash forecasts and actual amounts against established targets.

The short-term (less than one year) liquidity needs are adequately met by maturing bonds, mortgages and loans, as well as by current operating cash flows.

Historically, the Deposit administration pension plan liabilities renew for further periods upon maturity and remain with the Group. Longer duration cash flows are also backed by a broader range of asset classes, including equity and other non-fixed income assets.

Reinvestment strategies and policies are in place for maturing assets backing longer-term liabilities and are reflected in the insurance contract liabilities measured under the GMM. Based on the Group's historical cash flows and current financial performance, Management believes that the cash flow from the Group's operating activities will continue to provide sufficient liquidity for the Group to meet its contractual obligations and to pay other expenses as they fall due.

Liability maturity profile:
The following is an analysis by liability type of the estimated timing of net cash flows based on the Group's liabilities. The settlement profile is based on current estimates and historical trends and the actual timing of future cash flows may differ materially from the following disclosure.

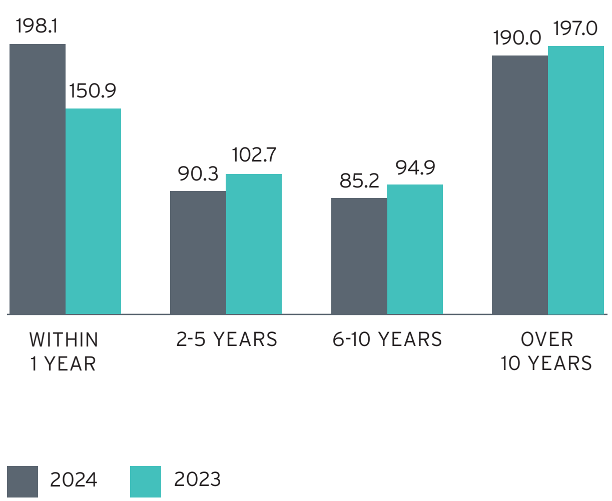
MARCH 31, 2024	Within 1 year	2-5 years	6-10 years	Over 10 years	Total
Insurance contract liabilities					
- net of reinsurance	46,133	66,691	59,128	99,748	271,700[1]
Fee based payables	8,606	-	-	-	8,606
Investment contract liabilities	100,924	20,009	24,926	87,664	233,523[1]
Taxes payable	257	-	-	-	257
Accounts payable and accrued liabilities	41,141	-	-	-	41,141
Lease liabilities	860	2,798	122	-	3,780[1]
Post-employment benefit liability	193	791	985	2,639	4,608[1]
TOTAL FROM GENERAL FUND LIABILITIES	198,114	90,289	85,161	190,051	563,615

(1) The amounts shown above are based on estimated undiscounted net cash flows, which differ from the amounts shown on the Consolidated Balance Sheets, which are based on discounted cash flows.

MARCH 31, 2023	Within 1 year	2-5 years	6-10 years	Over 10 years	Total
Insurance contract liabilities					
- net of reinsurance	46,062	62,773	56,837	96,493	262,165[1]
Fee based payables	8,078	-	-	-	8,078
Investment contract liabilities	64,715	34,239	36,216	98,002	233,172[1]
Taxes payable	295	-	-	-	295
Accounts payable and accrued liabilities	30,732	1,720	-	-	32,452
Lease liabilities	872	3,169	851	-	4,892[1]
Post-employment benefit liability	198	794	974	2,510	4,476[1]
TOTAL FROM GENERAL FUND LIABILITIES	150,952	102,695	94,878	197,005	545,530

(1) The amounts shown above are based on estimated net cash flows, which differ from the amounts shown on the Consolidated Balance Sheets, which are based on discounted cash flows.

LIABILITY MATURITY PROFILE ($ MILLIONS)



20.3.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market factors. Market factors include three types of risk: currency risk, interest rate risk and equity risk.

20.3.3(a) Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The following policies and procedures are in place to mitigate the Group's exposure to currency risk:

- The Group regularly monitors the effect of currency translation fluctuations;
- Investments are normally made in the same currency as the liabilities supported by those investments;
- The majority of the Group's assets, liabilities and earnings are denominated in Bermuda or U.S. dollars; and
- The assets and liabilities of the foreign operations are held in their appropriate functional currency.

The summary quantitative information about the Group's exposure to foreign currency transaction risk arising from insurance and reinsurance contracts and financial instruments at the reporting date was as follows:

	MARCH 31, 2024			MARCH 31, 2023		
	Sterling	Euro	CAD	Sterling	Euro	CAD
Financial assets	15,558	37,350	4,944	14,229	34,789	4,158
Financial liabilities	(1,510)	(11,319)	(5,536)	(2,015)	(26,267)	(4,083)
Insurance and reinsurance assets	2,336	3,424	-	3,003	3,865	-
Insurance and reinsurance liabilities	(9,520)	(18,649)	-	(8,637)	(2,056)	-
	6,864	10,806	(592)	6,580	10,331	75

A reasonably possible strengthening or weakening of the sterling, euro or canadian dollar against all other currencies at the reporting date would have affected the measurement of insurance and reinsurance contracts and financial instruments denominated in a foreign currency and affected net income and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

	Change in exchange rate	MARCH 31, 2024 Impact on net income/equity		MARCH 31, 2023 Impact on net income/equity
Sterling				
Financial instruments	+/- 10%	+/-	1,405	1,221
Insurance and reinsurance contracts	+/- 10%	+/-	(718)	(563)
Euro				
Financial instruments	+/- 10%	+/-	2,603	852
Insurance and reinsurance contracts	+/- 10%	+/-	(1,523)	181
CAD				
Financial instruments	+/- 10%	+/-	(59)	8
Insurance and reinsurance contracts	+/- 10%	+/-	-	-

20.3.3(b) Interest Rate Risk

Interest rate risk is the potential for financial loss arising from changes in interest rates. Changes in market interest rates can impact the reinvestment of matured investments, as the returns available on new investments may be significantly different from the returns previously achieved.

The Group manages these risks through:

- Asset allocation and diversification of the investment portfolio;
- Investing in fixed income assets that closely match the life product liability cash flows for products with fixed and highly predictable benefit payments; and
- Quantifying and reviewing regularly the risk associated with the mismatch in portfolio duration and cash flow.

The Group issues unit-linked investment policies in a number of its operations. The policyholder bears the investment risk on the assets held in the unit-linked fund. The value of the policy benefits is directly linked to the value of the assets in the fund. The Group's exposure to market risk on this business is limited to the extent that income arising from asset management charges is based on the value of assets in the fund.

The Group issues deposit administration pension plans with a short-term guaranteed rate of return. To the extent that the actual rate of return on the underlying funds differs from the guaranteed rate, the risk and rewards are borne by the Group. The Group's exposure to interest rate risk sensitive insurance and reinsurance contracts and debt instruments are, as follows:

		2024		2023	
	Change in interest rate	Impact on net income	Impact on equity	Impact on net income	Impact on equity
Insurance and reinsurance contracts	+100bps	336	10,667	301	10,691
Insurance and reinsurance contracts	-100bps	(349)	(12,161)	(315)	(12,220)
Financial instruments	+100bps	-	(10,318)	-	(9,980)
Financial instruments	-100bps	-	10,334	-	9,996

20.3.3(c) Equity Risk

Equity investments are held in accordance with the Group's investment policy as part of the well-diversified asset portfolio that are appropriate for the operating segment. Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The direct exposure to equity markets generally falls within the risk-taking philosophy of the Group's investment policy and is regularly monitored by Management.

An analysis of the Group's sensitivity to a 10% increase or decrease in equity prices at the reporting date, assuming that all other variables remain constant, is presented opposite.

		MARCH 31, 2024		MARCH 31, 2023	
	Change in prices	Impact on net income	Impact on equity	Impact on net income	Impact on equity
Financial instruments	+10%	949	949	1,800	1,800
Financial instruments	-10%	(949)	(949)	(1,800)	(1,800)

The Group's insurance or reinsurance contacts are not sensitive to change in equity prices.

20.4 INSURANCE RISK MANAGEMENT

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments, or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts. The variability of risks is monitored by careful selection and implementation of underwriting guidelines, as well as the use of reinsurance arrangements.

The Group purchases reinsurance as part of its risk mitigation programme. Reinsurance is placed on both a proportional and non-proportional basis. The majority of proportional reinsurance is quota-share reinsurance, which is taken out to reduce the overall exposure to mitigate both risk frequency and risk severity of the Group to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Group's net exposure to catastrophe losses. Retention limits for the excess-of-loss reinsurance vary by product line and territory.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provisions and are in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract.

20.4.1 Concentration of underwriting risk

The following table sets out the carrying amounts of the Group's insurance contracts (net of reinsurance) by country of issue.

AS AT MARCH 31	2024	2023
Bermuda	179,410	176,048
Malta	16,447	14,376
Gibraltar	9,069	6,948
TOTAL	204,926	197,372

The carrying amounts of the Group's short duration insurance contracts[1] (net of reinsurance) are analysed below by type of insurance risks.

	AS AT MARCH 31 2024			AS AT MARCH 31 2023		
	Employee Benefits and Health	Property and Casualty	Total	Employee Benefits and Health	Property and Casualty	Total
Health Care	10,150	-	10,150	12,052	-	12,052
Property	-	812	812	-	798	798
Motor	-	23,548	23,548	-	20,524	20,524
Accident and Liability	-	5,979	5,979	-	5,808	5,808
Marine	-	58	58	-	202	202
	10,150	30,397	40,547	12,052	27,332	39,384

(1) The Group's short duration contracts includes Health and property and casualty products.

20.4.2 Sensitivity analysis

The table below analyses how the CSM, net income and equity would have increased/decreased if changes in underwriting risk variables that were reasonably possible at the reporting date had occurred. This analysis presents the sensitivities both before and after risk mitigation by reinsurance and assumes that all other variables remain constant.

MARCH 31, 2024	Change in Assumption	CSM		Net income and equity	
		Gross	Net	Gross	Net
Annuities					
Mortality rates	+1%	408	408	-	-
Mortality rates	-1%	(413)	(413)	-	-
Expenses	+5%	(225)	(225)	-	-
Expenses	-5%	225	225	-	-
Individual Life					
Mortality rates	+1%	(7)	(1)	-	-
Mortality rates	-1%	7	1	-	-
Expenses	+5%	(18)	(18)	-	-
Expenses	-5%	18	18	-	-
Lapse rates	+5%	(5)	10	-	-
Lapse rates	-5%	5	(11)	-	-
Health					
Ultimate claims	+5%	-	-	(5,672)	(5,672)
Ultimate claims	-5%	-	-	2,661	2,661
P&C					
Ultimate claims	+5%	-	-	(3,716)	(1,860)
Ultimate claims	-5%	-	-	3,716	1,860

MARCH 31, 2023	Change in Assumption	CSM		Net income and equity	
		Gross	Net	Gross	Net
Annuities					
Mortality rates	+1%	348	348	-	-
Mortality rates	-1%	(352)	(352)	-	-
Expenses	+5%	(230)	(230)	-	-
Expenses	-5%	230	230	-	-
Individual Life					
Mortality rates	+1%	(9)	(2)	-	-
Mortality rates	-1%	6	1	-	-
Expenses	+5%	(21)	(20)	-	-
Expenses	-5%	21	20	-	-
Lapse rates	+5%	(7)	9	-	-
Lapse rates	-5%	7	(10)	-	-
Health					
Ultimate claims	+5%	-	-	(4,985)	(4,985)
Ultimate claims	-5%	-	-	2,408	2,408
P&C					
Ultimate claims	+5%	-	-	(3,305)	(1,696)
Ultimate claims	-5%	-	-	3,305	1,696

20.5 LIMITATIONS OF SENSITIVITY ANALYSIS

The sensitivity information given in Note 20.3 demonstrates the estimated impact of a change in a major input assumption while other assumptions remain unchanged. In reality, there are normally significant levels of correlation between the assumptions and other factors. It should also be noted that these sensitivities are non-linear and larger or smaller impacts should not be interpolated or extrapolated from these results. Furthermore, estimates of sensitivity may become less reliable in unusual market conditions, such as instances when risk-free interest rates fall towards zero.

21 DIVIDENDS

AS AT MARCH 31, 2024

Record date	Per share amount	Amount of dividends	Payment date
July 28, 2023	0.12	2,583	August 25, 2023
December 28, 2023	0.12	2,596	January 26, 2024
	0.24	5,179	

AS AT MARCH 31, 2023

Record date	Per share amount	Amount of dividends	Payment date
July 29, 2022	0.11	2,351	August 26, 2022
December 30, 2022	0.11	2,360	January 27, 2023
	0.22	4,711	

As a result of the Dividend Reinvestment Plan, share capital and contributed surplus as at March 31, 2024 increased by $0.3 million and $1.5 million (2023 – $0.2 million and $0.9 million), respectively.

22 COMPONENTS OF ACCUMULATED OTHER COMPREHENSIVE LOSS

AS AT MARCH 31	2024	2023
Remeasurement of post-employment medical benefit obligation	(189)	(209)
Available-for-sale investments	-	(37,920)
Equity investments at FVOCI	721	-
Bonds at FVOCI	(19,712)	-
Finance income on insurance contracts	18,933	19,381
Finance income on reinsurance contracts	41	51
Translation of financial statements of foreign operations	(5,123)	(5,472)
NET ACCUMULATED OTHER COMPREHENSIVE LOSS	(5,329)	(24,169)

23 EARNINGS PER SHARE

The adjacent table reflects the net earnings and share data used in the basic and diluted earnings per share computations:

FOR THE YEAR ENDED MARCH 31	2024	2023 (restated)
Net earnings for the year	7,321	15,606

AS AT MARCH 31 (Number of shares)	2024	2023
Weighted average outstanding common shares	21,660,248	21,413,738
Common shares and common share equivalents	21,834,107	21,523,405
Earnings per share		
Basic	0.34	0.73
Diluted	0.34	0.73

24 INSURANCE REVENUE

AS AT MARCH 31, 2024

	Employee Benefits and Health	Wealth Management	Property and Casualty	Total
Contracts measured under GMM				
CSM recognised for services provided	11	561	-	572
Change in risk adjustment for non-financial risk for risk expired	1	610	-	611
Expected incurred claims and other insurance service expenses	79	9,130	-	9,209
Total revenue from contracts measured under GMM	91	10,301	-	10,392
Contracts measured under the PAA	116,209	-	66,601	182,810
TOTAL INSURANCE REVENUE	116,300	10,301	66,601	193,202

AS AT MARCH 31, 2023

	Employee Benefits and Health	Wealth Management	Property and Casualty	Total
Contracts measured under GMM				
CSM recognised for services provided	13	342	-	355
Change in risk adjustment for non-financial risk for risk expired	2	624	-	626
Expected incurred claims and other insurance service expenses	1	8,993	-	8,994
Total revenue from contracts measured under GMM	16	9,959	-	9,975
Contracts measured under the PAA	102,901	-	58,211	161,112
TOTAL INSURANCE REVENUE	102,917	9,959	58,211	171,087

25 NET FINANCIAL RESULTS

AS AT MARCH 31, 2024	Employee Benefits and Health	Wealth Management	Property and Casualty	Brokerage Companies	All Other	Total
Investment return						
Interest income (calculated using the effective interest rate method)	-	12,682	-	-	-	12,682
Other interest income	708	1,089	994	9	448	3,248
Dividend income	43	85	122	-	-	250
Net realised and unrealised gains/(losses) on investments	282	(110)	(810)	-	2,147	1,509
Amortisation of premium on bonds	-	410	205	-	-	615
Change in the fair value of contingent liability	-	-	-	-	(280)	(280)
Net impairment loss on financial assets	-	78	-	-	-	78
Other investment revenue	-	523	(202)	-	(421)	(100)
Deduct: Investment income relating to Deposit administration pension plans	-	(2,835)	-	-	-	(2,835)
Total investment return	1,033	11,922	309	9	1,894	15,167
Net finance expenses from insurance contracts						
Interest accreted	(25)	(4,394)	(1,633)	-	-	(6,052)
Effect of changes in interest rates and other financial assumption	-	-	(45)	-	-	(45)
Total net finance expenses from insurance contracts	(25)	(4,394)	(1,678)	-	-	(6,097)
Net finance income from reinsurance contracts						
Interest accreted	(5)	-	152	-	-	147
Other	(8)	-	422	-	-	414
Total net finance income from reinsurance contracts held	(13)	-	574	-	-	561
Movement in investment contract liabilities	-	7	-	-	-	7
NET FINANCIAL RESULT	995	7,535	(795)	9	1,894	9,638

25 NET FINANCIAL RESULTS - *continued*

AS AT MARCH 31, 2023	Employee Benefits and Health	Wealth Management	Property and Casualty	Brokerage Companies	All Other	Total
Investment return						
Interest income	439	11,725	709	3	453	13,329
Dividend income	112	85	273	-	19	489
Net realised and unrealised gains/(losses) on investments	(543)	670	(952)	-	(550)	(1,375)
Amortisation of premium on bonds	-	(420)	(21)	-	-	(441)
Change in the fair value of contingent liability	-	-	-	-	(392)	(392)
Other investment revenue	-	682	(53)	-	(57)	572
Net impairment loss on financial assets	-	781	-	-	-	781
Deduct: Investment income relating to Deposit administration pension plans	-	(973)	-	-	-	(973)
Total investment return	8	12,550	(44)	3	(527)	11,990
Net finance expenses from insurance contracts						
Interest accreted	-	(3,546)	(870)	-	-	(4,416)
Effect of changes in interest rates and other financial assumption	-	-	653	-	-	653
Total net finance expenses from insurance contracts	-	(3,546)	(217)	-	-	(3,763)
Net finance income from reinsurance contracts						
Interest accreted	-	-	363	-	-	363
Other	-	-	(217)	-	-	(217)
Total net finance income from reinsurance contracts held	-	-	146	-	-	146
Movement in investment contract liabiliities	-	(29)	-	-	-	(29)
NET FINANCIAL RESULT	8	8,975	(115)	3	(527)	8,344

26 FEE INCOME FROM SERVICE CONTRACTS

Fee income from service contracts recognised during the year were as follows:

AS AT MARCH 31, 2024	Employee Benefits and Health	Wealth Management	Property and Casualty	Brokerage Companies	Total
Pensions and policyholder administration	30,100	10,991	218	-	41,309
Investment management	-	3,969	-	-	3,969
Brokerage income	-	-	-	7,116	7,116
TOTAL FEE INCOME FROM SERVICE CONTRACTS	30,100	14,960	218	7,116	52,394

AS AT MARCH 31, 2023 (restated)	Employee Benefits and Health	Wealth Management	Property and Casualty	Brokerage Companies	Total
Pensions and policyholder administration	22,806	10,316	-	121	33,243
Investment management	-	4,121	-	-	4,121
Brokerage income	-	-	-	6,751	6,751
TOTAL FEE INCOME FROM SERVICE CONTRACTS	22,806	14,437	-	6,872	44,115

27 OPERATING EXPENSES

Operating expenses incurred during the year are as follows:

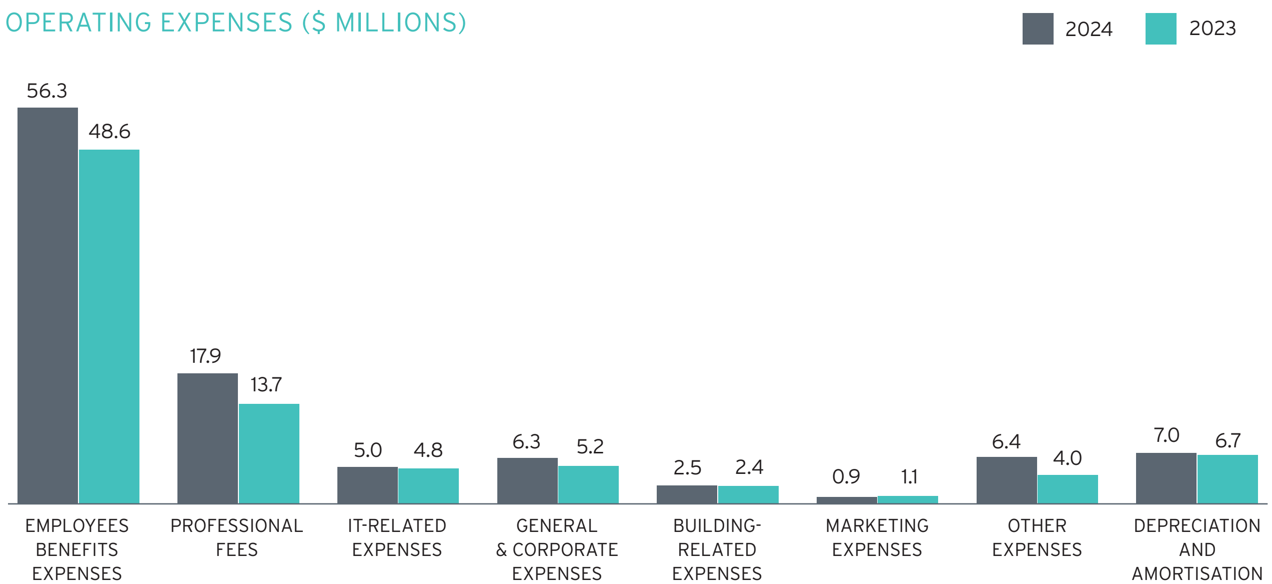
AS AT MARCH 31	2024	2023
Employee benefits expenses (see following table)	56,261	48,641
Professional fees	17,920	13,725
IT-related expenses	5,054	4,817
General and corporate expenses	6,302	5,200
Building-related expenses	2,477	2,446
Marketing expenses	917	1,061
Depreciation and amortisation	6,968	6,676
Other expenses	6,426	3,966
TOTAL OPERATING EXPENSES	102,325	86,532
Amounts attributed to insurance acquisition cash flows incurred during the year	(5,820)	(4,674)
Amortisation of insurance acquisition cash flows	5,820	4,674
	102,325	86,532
Represented by:		
Insurance service expenses	12,551	12,911
Other operating expenses	89,774	73,621
	102,325	86,532

Employee benefits expense during the year is comprised of:

AS AT MARCH 31	Note	2024	2023
Salaries and other short-term benefits		54,531	47,318
Pension costs (1)		1,527	1,103
Post-employment medical benefits	18	(63)	(15)
Stock-based compensation	28	266	235
TOTAL EMPLOYEE BENEFITS EXPENSE		56,261	48,641

(1) Pension costs arise from the Group's defined contribution pension plan covering all full-time employees in Bermuda, Canada, Gibraltar and Malta.

OPERATING EXPENSES ($ MILLIONS)



28 STOCK-BASED COMPENSATION

The Group has the 2017 Restricted Stock Plan in place. The purpose of the Restricted Stock Plans is to enhance the Group's ability to attract and retain the services of certain key employees and to incentivise such persons to devote their utmost effort and skill to the growth of the Group by providing them with an interest in its long-term growth and stability. Under each of the Restricted Stock Plans, the maximum number of shares that may be granted is 250,000 over the five-year life of each plan. In 2022, the plan was renewed for an additional five years.

Shares granted under the Plan vest at the rate of 33.3 percent at the end of each year for three years after the date of grant. The fair value of each share granted is based upon the market price at the date of grant.

The details on shares vested, granted and forfeited during the year are as follows:

AS AT MARCH 31, 2024	Number of Shares	Weighted average exercise price
Vested during the year	57,692	5.31
Granted during the year	50,000	6.26
Forfeited during the year	6,658	6.31

AS AT MARCH 31, 2023	Number of Shares	Weighted average exercise price
Vested during the year	41,733	4.03
Granted during the year	82,980	6.34
Forfeited during the year	3,934	5.40

The following table summarises information about the outstanding stock grants:

RESTRICTED SHARES VESTING	Weighted average excercise price	Number of shares
January 2025	6.26	16,667
January 2026	6.26	16,667
January 2027	6.26	16,667
July 2024	6.30	15,333
July 2025	6.30	15,533
August 2024	6.15	13,517
September 2024	6.39	9,684
September 2025	6.39	9,684
TOTAL		113,752

29 RELATED PARTY TRANSACTIONS

29.1 TRANSACTIONS WITH SIGNIFICANTLY INFLUENCED INVESTEES

The Group provided insurance-related products and services to various significantly influenced investees. The premiums and fees received from these transactions totalled $0.1 million (2023 – $0.1 million) in the year and are shown as Insurance revenue on the Consolidated Statements of Operations.

There were no receivables and payables arising from insurance contracts and service contracts with significantly influenced investees as at March 31, 2024 and 2023.

29.2 COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel have been identified as the Board of Directors and Officers of the Company. These individuals have the authority and responsibility for planning, directing and controlling the activities of the Group. The summary of compensation of key management personnel for the year is as follows:

AS AT MARCH 31	2024	2023
Salaries and other short-term benefits	5,232	3,760
Post-employment benefits (1)	230	180
Stock-based compensation	35	36
TOTAL KEY MANAGEMENT PERSONNEL COMPENSATION	5,497	3,976

(1) Includes pension costs.

29.3 DIRECTORS' AND OFFICERS' SHARE INTERESTS AND CONTRACTS

The total interest of all Directors and Officers of the Company in the shares of the Company at March 31, 2024, was 168,946 (2023 – 156,427) shares.

With the exception of the employment contract with the Chief Executive Officer, Ms. A. S. Hill, there were no other service contracts with the directors during the year.

30 INCOME TAX EXPENSE

Bermuda
Certain entities domiciled in Bermuda received an undertaking from the Bermuda Government exempting these companies from all Bermuda local income, withholding and capital gains taxes until 2035. At the present time no such taxes are levied in Bermuda.

Europe
Subsidiaries domiciled in Gibraltar are subject to normal Gibraltar corporation tax at a rate of 12.5 percent (2023 – 12.5 percent) on all taxable profits. The subsidiary domiciled in Malta is subject to normal Malta corporation tax at a rate of 35 percent on all taxable profits. Malta operates a tax refund system whereby, upon distribution of dividends out of taxable profits, the shareholders are generally entitled to a 6/7th refund of tax paid by the distributing company subject to the satisfaction of certain criteria. The effective tax rate after approval of the tax refund is five percent.

Canada
Subsidiaries domiciled in Canada are subject to Canada Revenue Agency corporate income tax rates, rules and regulations. The statutory income tax rate for subsidiaries domiciled in Canada is 26.5 percent on all taxable profits.

30.1 INCOME TAXES FOR THE YEAR

AS AT MARCH 31	2024	2023
Total current income taxes	462	478
Deferred taxes	26	(15)
TOTAL INCOME TAX EXPENSE	488	463

30.2 CURRENT INCOME TAXES RECONCILIATION

Tax applying the statutory domestic income tax rate and the tax charge for the year are reconciled as follows:

AS AT MARCH 31	2024	2023 (restated)
Earnings before income taxes	7,809	16,069
Less: Earnings not subject to taxes	6,739	14,198
EARNINGS SUBJECT TO TAXES	1,070	1,871
Income taxes at the application rate	(103)	277
Tax effect of:		
Expenses not deductible for tax purposes	67	(20)
Adjustment to taxes related to prior year	54	(44)
Difference between depreciation and capital allowances	(21)	(17)
Effect of tax losses brought forward	491	267
TOTAL CURRENT INCOME TAXES	488	463

30.3 UNRECOGNISED DEFERRED TAX ASSETS

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

AS AT MARCH 31	2024	2023
Tax losses carried forward	977	490
Capital allowances carried forward	(42)	(21)
Deductible temporary differences	7	6
NET UNRECOGNISED DEFERRED TAX ASSETS	942	475

As of March 31, 2024, the Group has net operating loss carryforwards of $3.7 million (2023 – $1.8 million). The Group's net operating loss carryforwards will expire in 2040 through to 2044 under the current Canadian tax legislation.

31 SEGREGATED FUNDS AND SEPARATE ACCOUNTS

The assets for contracts held under the Segregated Funds are allocated to Separate Accounts as authorised by the Bermuda Life Insurance Company Limited (Separate Accounts) Consolidation and Amendment Act 1998.

Changes to Segregated Funds are as follows:

AS AT MARCH 31	2024	2023
Additions to Segregated Funds		
Contributions and transfers	145,244	137,600
Return on investments	131,993	(70,500)
Segregated funds acquired	1,132	1,016
	278,369	68,116
Deductions from Segregated Funds		
Withdrawals, benefit payments and transfers to the General Fund	151,077	132,630
Operating expenses	11,334	10,818
	162,411	143,448
Net additions/(deductions) to Segregated Funds for the year	115,958	(75,332)
Segregated Funds, beginning of year	1,128,406	1,203,738
SEGREGATED FUNDS, END OF YEAR	1,244,364	1,128,406

32 OPERATING SEGMENTS

32.1 RESULTS BY SEGMENT

AS AT MARCH 31		Employee Benefits and Health	Wealth Management	Disposal Group (1)	Property and Casualty	Brokerage Companies	All other	Elimination	Total
Insurance revenue	2024	116,300	10,301	-	66,601	-	-	-	193,202
	2023	102,917	9,959	-	58,211	-	-	-	171,087
Insurance service expenses	2024	(96,510)	(8,605)	-	(33,589)	-	-	-	(138,704)
	2023	(78,635)	(9,280)	-	(29,974)	-	-	-	(117,889)
Net expense from reinsurance contracts held	2024	(1,249)	-	-	(16,328)	-	-	-	(17,577)
	2023	(3,549)	-	-	(10,772)	-	-	-	(14,321)
Investment income	2024	1,033	11,922	-	309	9	1,894	-	15,167
	2023	8	11,769	781	(129)	3	(527)	-	11,905
Income from associates	2024	-	-	-	-	-	-	-	-
	2023	-	-	-	85	-	-	-	85
Net finance expenses from insurance contracts	2024	(25)	(4,394)	-	(1,678)	-	-	-	(6,097)
	2023	-	(3,546)	-	(217)	-	-	-	(3,763)
Net finance income from reinsurance contracts	2024	(13)	-	-	574	-	-	-	561
	2023	-	-	-	146	-	-	-	146
Fee income from service contracts	2024	30,100	14,960	-	218	7,116	-	-	52,394
	2023	22,806	14,437	-	-	6,872	-	-	44,115
Commission expenses	2024	-	(1,554)	-	(8)	(67)	-	-	(1,629)
	2023	-	(1,557)	-	-	(89)	-	-	(1,646)
Other operating expenses	2024	(28,683)	(12,582)	-	(8,461)	(6,899)	(32,022)	(1,127)	(89,774)
	2023	(24,521)	(11,177)	-	(7,027)	(6,451)	(23,582)	(863)	(73,621)
Income tax expense	2024	-	-	-	(28)	(373)	(87)	-	(488)
	2023	45	-	-	(148)	(330)	(30)	-	(463)
Segment earnings/(loss) attributable to shareholders, after tax	2024	20,903	9,795	-	6,520	1,132	(33,178)	2,149	7,321
	2023	19,356	11,107	-	8,700	1,449	(24,143)	(863)	15,606

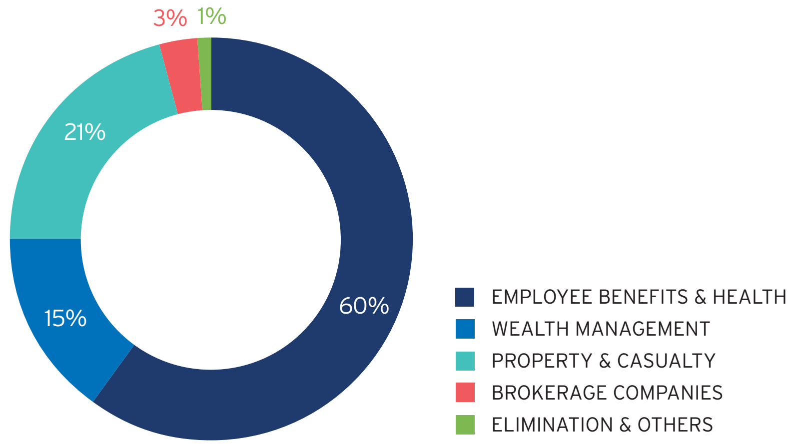
(1) Disposal groups refer to certain groups of assets and liabilities, which are held-for-sale (Note 4).

GEOGRAPHIC INFORMATION ON SEGMENT REVENUES

Management considers its external customers to be the individual policyholders and corporations and, as such, the Group is not reliant on any individual customer.

MARCH 31 2024	Bermuda	Europe	Total
Segment revenues	211,723	31,463	243,186
MARCH 31 2023			
Segment revenues	182,404	30,467	212,871

SEGMENT REVENUES



32.2 ASSETS AND LIABILITIES BY SEGMENT

	Employee Benefits and Health	Wealth Management	Disposal Group[1]	Property and Casualty	Brokerage Companies	All other	Elimination	Total
MARCH 31, 2024								
Total General Fund Assets	97,967	439,205	3,910	118,073	14,890	170,468	(159,147)	685,366
Segregated Fund Assets	-	1,244,364	-	-	-	-	-	1,244,364
Total General Fund Liabilities	35,201	405,899	-	59,613	10,992	16,949	464	529,118
Segregated Fund Liabilities	-	1,244,364	-	-	-	-	-	1,244,364
MARCH 31, 2023								
Total General Fund Assets	86,522	403,388	7,937	101,387	13,959	172,841	(137,534)	648,500
Segregated Fund Assets	-	1,128,406	-	-	-	-	-	1,128,406
Total General Fund Liabilities	40,882	394,835	65	52,157	10,747	16,434	55	515,175
Segregated Fund Liabilities	-	1,128,406	-	-	-	-	-	1,128,406

(1) Disposal groups refer to certain groups of assets and liabilities, which are held-for-sale (Note 4).

33 COMMITMENTS AND CONTINGENCIES

33.1 OPERATING LEASES

Group as a lessor

The Group has entered into non-cancellable commercial property leases on several floors of the Group's office buildings. These leases have remaining terms of between one and five years. All leases include a clause to enable upward revision of the rental charge upon expiration according to prevailing market conditions. Future annual minimum lease rental receivable under non-cancellable operating leases as at March 31, 2024, are as follows:

AS AT MARCH 31	2024	2023
Within one year	1,071	1,071
After one year but not more than five years	6	1,071

33.2 CONTINGENCIES

The Group is contingently liable with respect to certain litigation and claims that arise in the normal course of business.

34 SUBSEQUENT EVENTS

34.1 DIVIDENDS

Based upon the audited financial results of the Group for the year ended March 31, 2024, the Directors have declared a dividend of 12 cents per share (2023 – 12 cents per share) payable on August 30, 2024 for shareholders of record on July 26, 2024.

34.2 AMALGAMATION

On June 28, 2024 the Group announced its intention to amalgamate with Bermuda-based insurance company BF&M Limited. The Group's board approved the transaction on June 21, 2024 and the Group is now awaiting approval from regulatory authorities and shareholders before proceeding with the amalgamation. Management anticipates that the planned completion date will be the fourth quarter of 2024.

GLOSSARY

The following abbreviations are used often in the consolidated financial statements:

AC	Amortised cost
AIC	Asset for incurred claims
ARC	Asset for remaining coverage
CGU	Cash generating unit
CSM	Contractual service margin
ECL	Expected credit loss
EPS	Earnings per share
FCF	Fulfilment cash flows
FVOCI	Fair value through other comprehensive income
FVTPL	Fair value through profit and loss
GMM	General measurement model
LIC	Liability for incurred claims
LRC	Liability for remaining coverage
PAA	Premium allocation approach
SICR	Significant increase in credit risk
SPPI	Soley payments of principal and interest

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