

# List of Signatures

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**Corporate Announcement no. 10/2024: Annual Report Ress Life Investments A/S 1 January – 31 December 2023**

Copenhagen, 20 March 2024

The Board of Directors and Management have today discussed and approved the Annual Report of Ress Life Investments A/S for the period 1 January 2023 – 31 December 2023.

Key results and highlights:

- Ress Life Investments A/S realised a net profit before and after tax of USD 5,881,133 for the period 1 January - 31 December 2023. Net profit for the period corresponds to a net return on equity of 1.6% and an increase in net asset value of USD 38 per share.
- The profit for the year is mainly a result of fair value adjustments of life insurance policies offset by administrative expenses and staff costs.
- The fair value of the Group's investment assets increased from USD 341,991,516 at 31 December 2022 to USD 356,920,259 at 31 December 2023.
- The Group's investments in treasury bills decreased from USD 32,623,714 at 31 December 2022 to USD 4,936,925 at 31 December 2023.
- Equity stands at USD 367,590,039 at 31 December 2023, corresponding to a net asset value of USD 2,437 per share compared with a net asset value of USD 2,399 at 31 December 2022.
- During the period, 7,193 new ordinary shares were issued and 18,523 shares were bought back from investors and 635 were resold to investors. The Group holds 19,025 treasury shares at 31 December 2023.
- Management expects that the life insurance policy market continues to offer attractive returns for the medium term.

Questions related to this announcement can be made to the Company's AIF-manager, Resscapital AB.

Contact person:  
Gustaf Hagerud  
[gustaf.hagerud@resscapital.com](mailto:gustaf.hagerud@resscapital.com)  
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Yours sincerely,

Ress Life Investments A/S  
Board of Directors



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# **Ress Life Investments A/S**

## **Annual Report**

**For the period 1 January - 31 December 2023**

**Nybrogade 12, 1203 Copenhagen K, Denmark**

**Approved at the Annual General Meeting on 17 April 2024**

**Ole Meier Sorensen  
Chairman of the Annual General Meeting**



**20 March 2024**

**CVR no. 33 59 31 63**



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## Company details

Name	Ress Life Investments A/S
Address, zip code, city	Nybrogade 12, 1203 Copenhagen K, Denmark
CVR no.	33 59 31 63
Established	1 April 2011
Registered office	Copenhagen
Financial year	1 January – 31 December
Website	<a href="http://www.resslifeinvestments.com">www.resslifeinvestments.com</a>
E-mail	<a href="mailto:info@resslifeinvestments.com">info@resslifeinvestments.com</a>
Board of Directors	Søren Andersen, Chairman Jeppe Buskov Anne Buchardt
Executive Board	Ketil Poul Petersen
AIF manager	Ress Capital AB, Sturegatan 46, SE-114 36 Stockholm, Sweden
Depository	Artha Fondsmæglerselskab A/S, Strandvejen 58, DK- 2900 Hellerup, Denmark
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6, DK-2300 Copenhagen
Annual General Meeting	The Annual General Meeting is to be held on 17 April 2024 at the Company's registered address.

## Share information

Exchange	Nasdaq Copenhagen
Nominal value per share	EUR 500
Shares outstanding at the balance sheet date	169,854
Share classes	One
Voting rights per share	One
Ticker	RLAINV
ISIN	DK0060315604

## Financial calendar

20 March 2024	Annual Report for the financial year from 1 January 2023 through 31 December 2023
17 April 2024	Annual General Meeting
10 September 2024	Interim financial statements for the period from 1 January 2024 through 30 June 2024



## Statement by the Board of Directors and Management

The Board of Directors and Management have today discussed and approved the Annual Report of Ress Life Investments A/S, the Group, for the period 1 January 2023 - 31 December 2023.

The consolidated financial statements and the parent financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Furthermore, the Annual Report is prepared in accordance with disclosure requirements for listed companies in Denmark.

In our opinion the consolidated and parent financial statements give a true and fair view of the Group's and Parent's assets, liabilities and financial position at 31 December 2023 and of the results of the Group's and the Parent's operations and cash flows for the period 1 January 2023 – 31 December 2023.

Further, in our opinion the Directors' report includes a fair review of the development in the Group's activities and financial conditions and describes significant risks and uncertainties which may affect the Group.

The supplementary report provides a fair presentation within the framework of generally recognized guidelines for such reports.

We recommend that the Annual General Meeting approve the Annual Report.

Copenhagen, 20 March 2024  
Management:

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Ketil Poul Petersen

Board of Directors:

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Søren Andersen  
Chairman of the Board

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Anne Buchardt

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Jeppe Buskov



## Independent Auditor's report

### To the shareholders of Ress Life Investments A/S

#### Report on the consolidated financial statements and the parent financial statements

##### Opinion

We have audited the consolidated financial statements and the parent financial statements of Ress Life Investments A/S for the financial year 01.01.2023 – 31.12.2023, which comprise the income statement, statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information, for the Group as well as for the Parent. The consolidated financial statements and the parent financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023, and of the results of their operations and cash flows for the financial year 01.01.2023 – 31.12.2023 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Our opinion is consistent with our audit book comments issued to the Audit Committee and the Board of Directors.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, we have not provided any prohibited non-audit services as referred to in Article 5(1) of Regulation (EU) No 537/2014.

We were appointed auditors of Ress Life Investments A/S for the first time on 13.10.2010 for the financial year 2011/12. On the general meeting on 11.01.2023 we were reappointed for the financial year 01.10.2022 – 31.12.2022 after a mandatory tender. We have been reappointed annually by decision of the general meeting for a total contiguous engagement period of 2 years up to and including the financial year 2023.

##### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements and the parent financial statements for the financial year 01.01.2023 – 31.12.2023. These matters were addressed in the context of our audit of the consolidated financial statements and the parent financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Independent Auditor's report

<i>Fair value measurement of life settlement contracts</i>	<i>How the matter was addressed in our audit</i>
<p>Life settlement contracts (other investments) for the Group amount to USD 356,958 thousand at 31.12.2023. We consider measurement of life settlement contracts a key audit matter as such measurement is based on accounting estimates, including management judgements. Changes in accounting estimates may have a material impact on the measurement of other investments.</p> <p>The most significant management judgements and assumptions comprise:</p> <ul style="list-style-type: none"> <li>• Choice of valuation method</li> <li>• Estimation of future cash flows (premiums and death benefits)</li> <li>• Choice of discount rates</li> <li>• Assessment of life expectancies (mortality assumptions).</li> </ul> <p>Management has described the principles and assumptions used to measure life settlement contracts in more detail in the summary of accounting policies.</p>	<p>Based on our risk assessment, we have audited the fair value measurement of life settlement contracts made by Management.</p> <p>Our audit procedures were as follows:</p> <ul style="list-style-type: none"> <li>• Assessment and testing of key controls related to Management's definition of assumptions, including whether such key controls were in place.</li> <li>• Assessment of the chosen valuation method chosen by Management based on the characteristics of the investments, our knowledge of the industry and history.</li> <li>• Assessment of the most significant management judgements, including test to underlying documentation.</li> </ul>

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by the Danish Financial Statements Act and article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation).

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the information required by the Danish Financial Statements Act and article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation). We did not identify any material misstatement of the management commentary.





## Independent Auditor's report

### Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and these parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- 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 and the Parent's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.



## Independent Auditor's report

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Copenhagen, 20 March 2024

### Deloitte

Statsautoriseret Revisionspartnerselskab  
CVR No. 33 96 35 56



**Jacques Peronard**

State-Authorised Public Accountant

Identification No (MNE) mne16613



**Rikke Frydkjær Hansen**

State-Authorised Public Accountant

Identification No (MNE) mne46616



## Directors' report

### Consolidated financial highlights

USD'000	1 Oct 2022 –				
	2023	31 Dec 2022*	2021/22	2020/21	2019/20

#### Key figures

Operating profit/loss	-8,903	-1,560	-12,121	-7,410	-6,127
Financial income and expenses, net	14,784	3,347	47,017	19,722	18,835
Profit/loss for the year	5,881	1,787	34,896	12,312	12,707

Financial assets, non-current	356,920	341,992	303,228	255,262	192,449
Total assets	373,288	392,145	391,984	283,422	221,122
Equity	367,590	387,498	384,915	281,659	219,268

Net asset value per share in USD	2,437	2,399	2,388	2,159	2,058
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#### Financial ratios (percentages)

Financial assets <i>in percentage of total assets</i>	95.6	96.0	91.3	92.6	87.0
Solvency ratio	98.5	98.8	98.2	99.4	99.2
Return on equity	1.6	0.5	10.5	4.9	6.8

\*The Parent Company, thus the Group, has changed its financial year from 1 October – 30 September to 1 January – 31 December in 2022, hence the 3-month sub-period.

Solvency ratio: 
$$\frac{\text{Equity} \times 100}{\text{Total assets}}$$

Return on equity: 
$$\frac{\text{Profit/Loss for the year}}{\text{Average equity}}$$

#### Principal activities

The main activity of the Group is to invest in securities ensuring exposure to the secondary market for US life insurance policies. The investment strategy is primarily pursued through investments in life insurance policies.

The Parent Company is an Alternative Investment Fund ("AIF") as defined in the Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") and the Danish Act on Managers of Alternative Investment Funds.

The Group is marketed towards professional investors as defined in the European Union's MiFID Directive (Markets in Financial Instruments Directive) and to semi-professional investors where permitted. Ress Capital AB holds a license to market, to retail investors in Denmark and Sweden as well.

The Group's Alternative Investment Fund Manager (AIFM) is Ress Capital AB, a limited liability company incorporated in Sweden (company no 556698-1253). The Fund Manager's focus is insurance-linked securities with an emphasis on the secondary market for US life insurance policies. The Fund Manager is authorised and supervised as an alternative investment fund manager (AIFM) by Finansinspektionen, the Swedish Financial Supervisory Authority.

All Group announcements are published through Nasdaq GlobeNewswire and can also be found on the Parent Company's website [www.resslifeinvestments.com](http://www.resslifeinvestments.com) under the heading 'Fund Announcements'.



## Directors' report

### Development in activities and finances

The fair value of the investment in life insurance contracts increased from USD 341,992 thousand on 31 December 2022 to USD 356,920 thousand on 31 December 2023. The internal rate of return (IRR) has increased following the increasing interest rates and has affected the fair value measurement in the first half of 2023. The fair value of the investments is estimated by the Alternative Investment Fund Manager (Ress Capital AB in Sweden) based primarily on life expectancy and insurance premium outlooks. The change in fair value of these life insurance contracts is specified in note 12.

During the period, 7,193 new ordinary shares of EUR 500 nominal value per share were issued, 18,523 shares were bought back from investors and 635 were resold to investors. The Group holds 19,025 treasury shares at 31 December 2023. The sole purpose of the Group buying shares is to accommodate the shareholders' right to execute a redemption of shares as per the provisions of in the Articles of Association.

As of 31 December 2023, the Group had USD 16,368 thousand of current assets compared to USD 50,153 thousand as of 31 December 2022. The reason of decreased current assets was mainly due to maturity of US treasury bills, the proceeds of which were used to redeem shareholders. The investments in US Treasury bills held by the Group are for cash management purposes.

### Market update

The secondary market for US life insurance policies continued to grow in 2023. The fact that the supply in the market is driven by factors mainly unrelated to macroeconomic conditions has meant that the secondary market in 2023 has been largely unaffected by events in other parts of the financial markets. However, an indirect effect of rising interest rates and bond yields is that the credit outlook for US life insurance companies has improved.

The purchase IRRs for reviewed policies remained stable during the year for higher quality policies, while a positive upward trend in IRRs for riskier assets was noted.

### Development in the fund

As of 31 December 2023, all life insurance policies were owned directly by the Group. The Group owned 531 policies issued by over 60 different US-based life insurance companies. The total face value of the policies exceeds USD 1.40 billion.

During the fiscal year, the fund experienced 10 policies paying out with a total USD 6.9 million in face amount. The actual number of maturities is slightly below the expected number of maturities while the average size of maturing policies has been below the portfolio's average policy size..

### Result for the period

During the period, the net asset value of the Group has increased from USD 2,399 per share at 31 December 2022 to USD 2,437 per share at 31 December 2023. The increase in the net asset value per share of 1.60% is not in accordance with Management's expectations of a long term target of 7.0% in US dollars per annum, as expressed in the 2022 Annual Report. This is mainly caused by the actual number of maturities and average maturities of life policies were both below expected amounts.

The Group's operating costs increased to USD 8,801 thousand for the 12-month period ending 31 December 2023, compared to USD 1,539 thousand for the 3-month period from 1 October 2022 to 31 December 2022. Besides, having only a 3-month period as comparable figures the operating costs increased mainly due to relatively higher company and share related costs and legal fees.



**Directors' report**

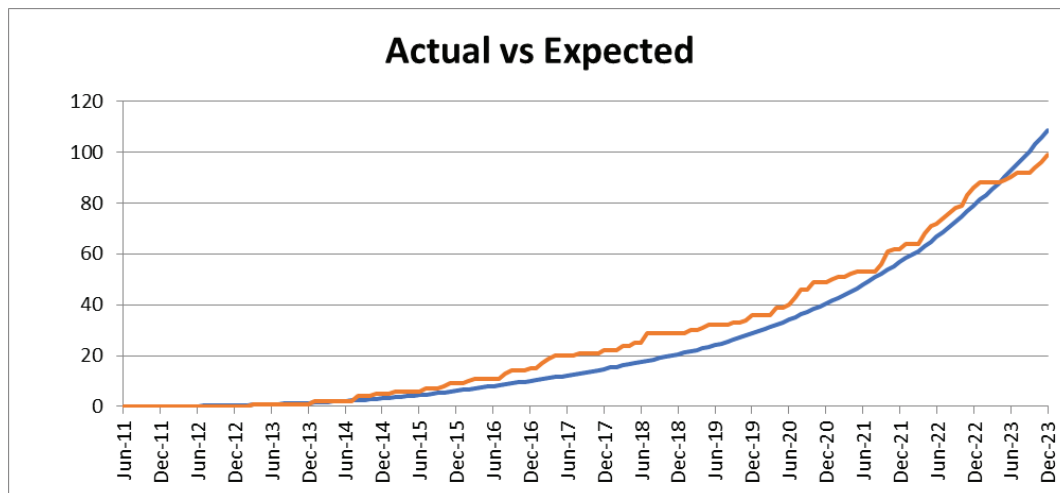
**Result for the period – continued**

The Annual Report shows an income amounting to USD 5,881 thousand for the period 1 January 2023 – 31 December 2023 compared with USD 1,787 thousand for the period 1 October 2022 – 31 December 2022. Even though the result is below expectation, the Management considers the result of the period to be satisfactory, given the volatile nature of life insurance policy pay-outs from year to year.

**Realized maturities – actual to expected**

Since the launch of the fund in April 2011 the number of maturities is in line with expectations. In 2023, the number of maturities was below expectations. Furthermore, the face value of policies which matured in 2023 were smaller than the portfolio's average policy size. These two factors are the main reasons why the fund's return in 2023 is below the return target of 7.0% net in US dollars.

The below graphs show the actual number of maturities/proceeds from maturities (red) versus estimated expectation (blue). The portfolio has experienced more than USD 166 million worth of maturities since inception.

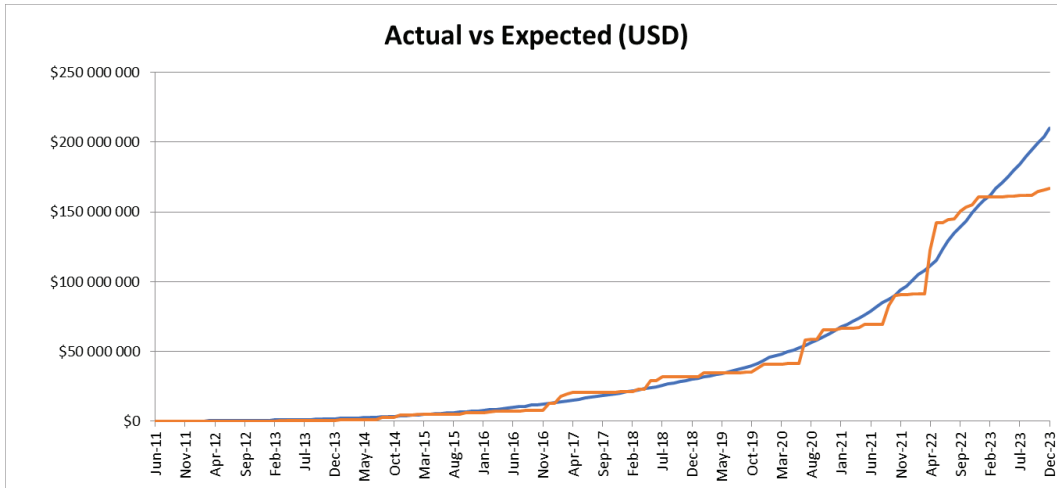


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**Directors' report**

**Realized maturities – actual to expected – continued**



The Fund Manager has recently finalised a detailed analysis of the pay-out pattern in the last two years. The objective was to analyse whether the low number of pay-outs during the period could be an indication that the life expectancies for the policies are underestimated. The conclusion of the analysis is that the number of maturities is within a 95% confidence interval.

**Forward-looking statements**

Expectations towards the future, including with regards to future levels of profit as discussed in this report are inherently associated with risks and uncertainties, and may be affected by macroeconomic circumstances outside of Management's control. Consequently, realized results may deviate significantly from reported outlooks and expectations expressed in this report or elsewhere. Refer also to the risk described in note 12.

**Unusual circumstances**

Management is giving ongoing consideration to the current macroeconomic climate, with an increase in global inflation and a high level of volatility in financial markets. Currently, no material impact on the Group's operation is expected.

**Market outlook**

Management is aware of the current market developments. Thus far, life insurance policies have proven resilient despite the sharp increases in certain macroeconomic variables such as market interest rates and inflation rates globally. Management and the Fund Manager will continue to follow these developments closely.

The outlook for the life settlement market in 2024 is generally positive. Inflation and equity market volatility may lead to increased supply in the secondary market, while current higher interest rates should continue to contribute to high turnover in the tertiary market. Overall, increased supply of assets to purchase provides for interesting opportunities during the next 12 months.

Insurance industry research published in 2023 forecast that the life settlements market will have steady growth in the coming years. Both the annual face-amounts of new policies settled and the total market size is expected to grow over the periods 2024 to 2032. (Conning, October 2023, [www.conning.com](http://www.conning.com))



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## Directors' report

### Market Outlook – continued

During the fiscal year, the assets of the Group decreased from USD 392.1 million to USD 373.3 million. The outlook for future growth is neutral given the current macroeconomic climate and expected interest rate levels.

The net asset value per share in the Group increased with 1.60% during the financial year. The net asset value per share in the Group is also expected to continue to increase as insured individuals are getting older and policy pay-outs increase.

Due to the nature of the Group and its investments it is difficult to estimate the level of expected future profits. However, the net target returns for the Group is 7.0% in USD per annum and it is reasonable to believe that the yield on the underlying assets is sufficient to reach the target over the medium term.

The result for the financial year 2024 is expected to be in the net target return on the longer term, under the prerequisites that the actual life insurance policies pay-outs monetarily consolidate towards the expected monetary pay-out in the medium term.

### Events after the balance sheet date

There are no events after the balance sheet date materially affecting the annual report.

### Significant agreements with Management

No special agreements have been made with the Group's management.

### Significant agreements that change or expire if control of the Group is changed

No special agreements have been made with the Group's management or other parties, which are dependent on the composition of the Group's shareholders.

### Performance attribution

The table below shows the estimated calendar year performance attribution since 2019 in USD.

Performance 2023-12-31 (USD)	2019	2020	2021	2022	2023
Realised (Maturities & sold policies)	5.92%	11.53%	7.36%	12.81%	2.12%
Aging effect	2.72%	2.08%	2.36%	2.08%	2.38%
Mtm-adjustment (Chg. In disc. Rates)	3.74%	-1.30%	0.11%	-2.13%	-0.55%
Valuation policy change	0.00%	0.00%	0.00%	0.00%	0.00%
Life Expectancy Updates	0.31%	-0.07%	0.00%	-0.02%	0.24%
Premium prepayments	-0.14%	-0.15%	-0.16%	-0.15%	-0.12%
Premium optimization	-0.40%	-0.21%	-0.60%	-0.02%	-0.12%
COI increases	-0.60%	0.00%	0.00%	0.00%	0.00%
<b>Gross portfolio performance</b>	<b>11.55%</b>	<b>11.89%</b>	<b>9.06%</b>	<b>12.57%</b>	<b>3.95%</b>
Investment factor effect	-1.03%	-1.54%	-0.84%	-1.10%	-0.27%
<b>Net portfolio performance</b>	<b>10.52%</b>	<b>10.35%</b>	<b>8.22%</b>	<b>11.47%</b>	<b>3.68%</b>
Fund Costs	-2.53%	-3.14%	-2.92%	-2.98%	-2.08%
<b>Net Fund Performance</b>	<b>7.99%</b>	<b>7.21%</b>	<b>5.30%</b>	<b>8.49%</b>	<b>1.60%</b>



## Directors' report

### Uncertainties regarding the measurement and recognition

The majority of the Group's assets consist of life insurance policies. The liquidity of the tertiary market for life insurance policies is limited and thus it is not certain that the sale of a life insurance policy would realize the amount at which the asset is recognised in the financial statements at a given point in time. Life expectancies and fair values are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision.

### Risks

The Board has reviewed the most important strategic and business-related risks. Among the most important risks are; financial risk, i.e. the fact that the value of the life insurance policies can decrease and changes in applicable law, which could adversely affect the Group and its share price and longevity risk, which can affect the yearly returns. Currency risk is another risk factor since the shares are denominated in EUR, the accounting currency is USD and the underlying assets are in USD. Other important risk factors are the liquidity risk, i.e. the fact that the shares may not trade regularly, the Group's dependence on its Alternative Investment Fund Manager, tax risks related to the Group's investments as well as credit & counterparty risks and concentration risks within the portfolio.

### Tax risks

For the Group, an investment in the life insurance contracts involves a number of complex tax considerations. Changes in tax legislation in the country in which the Group holds life insurance contracts, or changes in tax treaties negotiated within OECD, could adversely affect the returns to its shareholders. Each shareholder is strongly urged to consult its own tax advisers regarding their tax implications of investing and holding life insurance contracts.

### Capital structure

The Group is primarily funded through equity. The Group may raise loans of a maximum of 50% of the Group's total equity. The Group's shares are negotiable securities, freely tradable and listed on Nasdaq Copenhagen under the exchange's AIF segment. The shares must be registered in the Parent Company's owner registry.

No shares have special rights, and at the Group's general meeting each share amount of EUR 500 gives one vote.

Shareholders with more than 5% of the outstanding shares and voting rights at the balance sheet date are disclosed in note 10.

The Group has no interest in holding treasury shares other than for the purpose of reselling them to new or existing shareholders. Consequently, no policy regarding the possession of treasury share has been established.

### Capital management

The capital of the Group is represented by the net assets attributable to the investors. The Group's objective when managing capital is to safeguard the ability to continue as a going concern to provide returns for investors and benefits for other stakeholders as well as maintain a strong capital base to support the development of the investment activities of the Group.

### Status on corporate governance recommendations

The recommendations are best practice guidelines, which companies should generally follow. A company failing to comply with a recommendation must explain why it has deviated from the recommendation and what it has done differently (the "comply or explain" approach). Failure to comply with a recommendation is not considered a breach of rules, but merely implies that the Board of Directors of the Group has chosen a different approach.





## Directors' report

### Status on corporate governance recommendations – continued

By adhering to sound principles of corporate governance, the Group wishes to maintain the confidence of investors, achieve its financial objectives and act with integrity towards all its stakeholders.

The Group's position on the Corporate Governance Recommendations is listed on its webpage:  
<https://www.resscapi.com/fund/fund-documentation/>

### Board of Directors

Board members are elected for a one-year term and are re-appointed at the Annual General meeting.

Chairman Mr Søren Andersen (born 1967) was elected for the Board of Directors on 27 August 2019 and obtained chair position at the Annual General meeting on 30 January 2020. Mr Andersen is the Managing Director of Nordic I&P DK ApS, S.A. Consulting ApS, Fpension A/S and NHMSA ApS. Mr Andersen is a Board Member of Fpension A/S. Mr. Andersen does not hold any shares in the Group.

Board Member Mr Jeppe Buskov (born 1975) was elected for the Board of Directors on 28 February 2014. Mr Buskov currently holds the position as chair of the Board of Directors of Advokatfirmaet Kromann Reumert International A/S. Mr Buskov is a Board Member of KR 649 A/S. Mr. Buskov holds 132 shares in the Group.

Board Member Mrs Anne Buchardt (born 1969) was elected for the Board of Directors on 30 January 2020. Mrs Buchardt is the Chairman of the Board of Danske Invest Management A/S and Global Head of Private Banking of Danske Bank A/S. Mrs Buchardt is a Board Member of Danske Private Equity A/S and Managing Director of Bølgebrus Holding ApS. Mrs Buchardt does not hold any shares in the Group.

Neither of the members of the Board of Directors or Management hold options, warrants or similar in the Group.

### Management

CEO Mr Ketil Petersen has been member of the Board of Directors of the Group since August 2018. Mr Petersen is a member of the Board of Directors of St. Petri Capital A/S, Dannebrog Invest Fondsmæglerselskab A/S, Dannebrog Invest Holding ApS, DFS Real Estate A/S and the Managing Director of Verismo ApS. The Board of Directors approved appointment of Ketil Petersen as Chief Executive Officer ("CEO") of Ress Life Investments A/S with effect from 15 November 2023. Mr. Petersen does not hold any shares in the Group.

### Corporate Social Responsibility

The business of the Group is limited to investments in US life insurance policy contracts and treasury bills, and has no employees except for the Executive Management, comprising of one Chief Executive Officer. The business model is described under Principal activities, where it is referred to. Based on a materiality and risk assessment of the Group's business activities within investments of life insurance in US, the Group have assessed that it does not have any material risks in relation to human rights, social and labour conditions, climate and environment and anti-corruption. The Group has through its materiality and risk assessment assessed the nature of its investments and concluded that due to the activities characteristics there is no material risk in relation to greenhouse gas emissions. Furthermore, as the markets in which the Group is located and operates in has stringent GDPR-legislation implemented, it is also assessed that risks to human rights and corruption are deemed immaterial. Lastly, as described above, since the Group has no employees expect for upper management the risks related to social and labour conditions has also been assessed immaterial. As such, the Group does not have a corporate social responsibility policy, including one for human rights, social and labour conditions, climate and environment and anti-corruption.



## Directors' report

### Corporate Social Responsibility – continued

The Group wishes to promote social characteristics in accordance with Article 8 of the EU's regulation on sustainability-related disclosures (SFDR). The Group does not have sustainable investment as its goal. Please refer to page 36 for Ress Life Investments A/S periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 for the period 1 January 2023 - 31 December 2023.

### Data Ethics

The Group has not adopted a policy for data ethics. The Group accepts investment requests from reliable investors and has KYC checks in place.

The Fund Manager has the equivalent policy for data ethics. The Fund Manager is regulated by Finansinspektionen, the Swedish Financial Supervisory Authority and has various policies and procedures in place which ensures data are handled accordingly to relevant legislation.

### Packaged Retail Investment and Insurance-based Products (PRIIP) Risks and Liquidity

The Group invests primarily in US life insurance policies, and other longevity-linked assets and financial instruments. In addition, the Group may invest up to 20% of the assets in short term US treasury securities. The Group has cash holdings to pay premiums on life insurance policies. Finally, the Group may grant loans secured by investments in life insurance policies or other longevity-linked assets and enter into financial instruments that include a financing element.

An investment in the Group involves a number of risks. As an investor, among the most significant risks are investment and longevity risk, valuation risk on policies, liquidity risk, counterparty risk on insurance companies, risk related to dependency on the Fund Manager and key persons, risk on increase insurance premia, currency risk, risks related to delay or suspension of redemption, enforcement risks, and tax risks.

The Group's current risk profile is risk-class 2 on the PRIIP risk-scale. The Group aims to be in risk-class 2 "a low risk class".

Shares of the Group may be sold at any time at their applicable market price. Investors have the right to have their shares redeemed per the provisions in the Articles of Association. As the Group invests in financial instruments with exposure to the secondary life insurance policy market, the Group's assets will be illiquid, and thus the Group may have limited opportunities to convert assets into cash. Consequently, the Group has set out a redemption notice period of 180 days. A deduction can be made for covering the necessary costs of redemption (disinvestment and fees to accountant and attorney) in connection with redemption.

If a large number of investors were to request redemption at the same time, the Group may have to execute a sale of assets, which could potentially lead to material losses of value. The Group may therefore not be able to carry out redemptions as requested unless it has the necessary liquid reserves or can sell shares to new investors within the same timeframe.



## Directors' report

### Target figures and policies for the underrepresented gender

The Board currently consists of one woman and two men, thus there is an equal gender distribution for the Board of Directors. The other management levels include solely the CEO in the Executive Board, the Group has no employees, thus also no underrepresented gender in relation to other management levels and is thus not subject to disclosing the policy regarding gender equality in the Board of Directors or other management levels.

As a result, the Group is not required to set or disclose target figures for gender equality in accordance with the Danish Business Act. However, the Group is subject to report on the number of members in the top management as well as disclosing the percentage.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Board of Directors</b>					
Total members of the Board	5	4	4	4	3
Underrepresented gender in per cent	20%	25%	25%	25%	33%
<b>Executive Board</b>					
Total members of Executive Board	1	1	1	1	1



## Financial statements

### Income statement and statement of comprehensive income

Note	USD	Consolidated		Parent Company	
		1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022
4	Staff costs	-101,857	-20,892	-101,857	-20,892
5	Other operating costs	-8,801,041	-1,538,684	-8,401,220	-1,526,134
	<b>Operating profit/loss</b>	<b>-8,902,898</b>	<b>-1,559,576</b>	<b>-8,503,077</b>	<b>-1,547,026</b>
11	Results from investments in subsidiaries	0	0	-106,894	-15,020
6	Financial income	14,848,806	3,396,414	14,551,504	3,395,123
7	Financial expenses	-64,775	-49,378	-60,400	-45,617
	<b>Profit before tax</b>	<b>5,881,133</b>	<b>1,787,460</b>	<b>5,881,133</b>	<b>1,787,460</b>
	Tax on profit for the year	0	0	0	0
	<b>Profit for the year</b>	<b>5,881,133</b>	<b>1,787,460</b>	<b>5,881,133</b>	<b>1,787,460</b>
	Other comprehensive income	0	0	0	0
	<b>Total comprehensive income for the year</b>	<b>5,881,133</b>	<b>1,787,460</b>	<b>5,881,133</b>	<b>1,787,460</b>

There have been no transactions in other comprehensive income.

	31 December 2023	31 December 2022
Weighted average no. of shares issued	167,798	162,408
Weighted average no. of own shares	10,201	1,158
Weighted average no. of outstanding shares	157,597	161,250
Earnings per share (Basic and Diluted)	37.32	11.09



## Financial statements

### Statement of financial position

Note	USD	Consolidated		Parent Company	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		<b>ASSETS</b>			
		<b>Non-current assets</b>			
		<b>Financial assets</b>			
11	Investments in subsidiaries	0	0	2,891,406	2,998,301
12	Other investments	356,920,259	341,991,516	356,116,975	340,639,078
		<b>356,920,259</b>	<b>341,991,516</b>	<b>359,008,381</b>	<b>343,637,379</b>
	<b>Total non-current assets</b>	<b>356,920,259</b>	<b>341,991,516</b>	<b>359,008,381</b>	<b>343,637,379</b>
		<b>Current assets</b>			
		<b>Receivables</b>			
	Prepayments	29,576	14,657,033	24,562	13,808,935
		<b>29,576</b>	<b>14,657,033</b>	<b>24,562</b>	<b>13,808,935</b>
		<b>Financial assets</b>			
12	Other investments	4,936,925	32,623,714	4,936,925	32,623,714
		<b>4,936,925</b>	<b>32,623,714</b>	<b>4,936,925</b>	<b>32,623,714</b>
	Cash and cash equivalents	11,401,026	2,872,731	10,621,631	2,022,428
	<b>Total current assets</b>	<b>16,367,527</b>	<b>50,153,479</b>	<b>15,583,118</b>	<b>48,455,078</b>
	<b>TOTAL ASSETS</b>	<b>373,287,786</b>	<b>392,144,995</b>	<b>374,591,499</b>	<b>392,092,456</b>



## Financial statements

### Statement of financial position

Note	USD	Consolidated		Parent Company	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		<b>EQUITY AND LIABILITIES</b>			
		<b>Equity</b>			
8	Contributed capital	99,460,162	95,612,994	99,460,162	95,612,994
8	Retained earnings	268,129,877	291,884,607	268,129,877	291,884,607
	<b>Total equity</b>	<b>367,590,039</b>	<b>387,497,601</b>	<b>367,590,039</b>	<b>387,497,601</b>
		<b>Current liabilities</b>			
	Other payables	5,697,747	4,647,394	5,401,460	4,594,856
	Payables to Group entities	0	0	1,600,000	0
		5,697,747	4,647,394	7,001,460	4,594,856
	<b>Total liabilities</b>	<b>5,697,747</b>	<b>4,647,394</b>	<b>7,001,460</b>	<b>4,594,856</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>373,287,786</b>	<b>392,144,995</b>	<b>374,591,499</b>	<b>392,092,456</b>

- 1 Accounting policies
- 2 Critical accounting judgements, estimates, assumptions and uncertainties
- 3 Segment disclosures
- 9 Contingencies
- 10 Related parties
- 13 Events after the balance sheet date



## Financial statements

### Statement of changes in equity

#### Consolidated

USD	Contributed capital	Retained earnings	Reserve for net revaluation under the equity method	Total
Equity at 1 October 2022	95,272,702	289,641,874	0	384,914,576
Comprehensive income for the period	0	1,787,460	0	1,787,460
Capital increase	340,292	1,324,487	0	1,664,779
Redemptions and gain/loss on own shares	0	-869,214	0	-869,214
<b>Equity at 31 December 2022</b>	<b>95,612,994</b>	<b>291,884,607</b>	<b>0</b>	<b>387,497,601</b>
Equity at 1 January 2023	95,612,994	291,884,607		387,497,601
Comprehensive income for the period	0	5,881,133	0	5,881,133
Capital increase	3,847,168	13,401,315	0	17,248,483
Redemptions and gain/loss on own shares	0	-43,037,178	0	-43,037,178
<b>Equity at 31 December 2023</b>	<b>99,460,162</b>	<b>268,129,877</b>	<b>0</b>	<b>367,590,039</b>

#### Parent Company

USD	Contributed capital	Retained earnings	Reserve for net revaluation under the equity method	Total
Equity at 1 October 2022	95,272,702	289,628,553	13,321	384,914,576
Comprehensive income for the period	0	1,800,781	-13,321	1,787,460
Capital increase	340,292	1,324,487	0	1,664,779
Redemptions and gain/loss on own shares	0	-869,214	0	-869,214
<b>Equity at 31 December 2022</b>	<b>95,612,994</b>	<b>291,884,607</b>	<b>0</b>	<b>387,497,601</b>
Equity at 1 January 2023	95,612,994	291,884,607	0	387,497,601
Comprehensive income for the period	0	5,881,133	0	5,881,133
Capital increase	3,847,168	13,401,315	0	17,248,483
Redemptions and gain/loss on own shares	0	-43,037,178	0	-43,037,178
<b>Equity at 31 December 2023</b>	<b>99,460,162</b>	<b>268,129,877</b>	<b>0</b>	<b>367,590,039</b>



## Financial statements

### Statement of cash flows

USD	Consolidated		Parent Company	
	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022
Profit for the year	5,881,133	1,787,460	5,881,133	1,787,460
Change in current liabilities	1,050,352	-2,422,005	2,406,605	-2,401,425
Change in receivables	14,627,456	5,684,836	13,784,374	5,255,911
Unrealised financial income	-13,009,236	-2,991,958	-12,902,343	-2,976,938
<b>Cash flow from operating activities</b>	<b>8,549,705</b>	<b>2,058,333</b>	<b>9,169,768</b>	<b>1,665,008</b>
Purchase of financial assets	-164,060,617	-55,117,386	-163,884,603	-54,730,605
Premium payments	-35,738,000	-8,219,968	-35,604,019	-8,183,111
Sales and maturities	225,565,902	49,486,829	224,706,752	49,486,829
<b>Cash flow from investing activities</b>	<b>25,767,285</b>	<b>-13,850,525</b>	<b>25,218,130</b>	<b>-13,426,887</b>
Proceeds from capital increases	17,248,483	1,664,779	17,248,483	1,664,779
Redemption of shareholders	-43,401,368	-1,011,977	-44,559,448	-1,011,977
Resale of treasury shares	364,190	142,763	1,522,270	142,763
<b>Cash flow from financing activities</b>	<b>-25,788,695</b>	<b>795,565</b>	<b>-25,788,695</b>	<b>795,565</b>
<b>Net cash flows from operating, investing and financing activities</b>	<b>8,528,295</b>	<b>-10,996,628</b>	<b>8,599,203</b>	<b>-10,966,314</b>
<b>Cash and cash equivalents at 1 January 2023/1 October 2022</b>	<b>2,872,731</b>	<b>13,869,359</b>	<b>2,022,428</b>	<b>12,988,742</b>
<b>Cash and cash equivalents at 31 December 2023/2022</b>	<b>11,401,026</b>	<b>2,872,731</b>	<b>10,621,631</b>	<b>2,022,428</b>
<b>Additional information on operational cash flows from interest and dividends</b>				
Interest paid	0	0	0	0
Interest received	1,523,302	356,358	1,495,312	356,358
Dividend received	0	0	0	0





## Financial statements

### Notes to the financial statements

#### 1 Material accounting policy information

Ress Life Investments A/S is a public limited company registered in Denmark.

The consolidated financial statements and the parent financial statements of Ress Life Investments A/S for the period 1 January - 31 December 2023 have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

At the annual general meeting the 5 January 2023 it was decided to change the reporting period from 1 October – 30 September to 1 January – 31 December. Since the Parent Company has changed its financial year, there will be a 3-month sub-period from 1 October 2022 – 31 December 2022, hence the amounts presented in the comparable figures are not fully comparable to the new 12-month period.

#### Basis of preparation

The consolidated financial statements and the parent financial statements have been presented in United States Dollars (USD), rounded to the nearest whole USD.

The accounting policies set out below have been applied consistently in respect of the financial year and to comparative figures.

#### Changes to the accounting policies

There have been no changes to the accounting policies in the financial year.

However, the Group has adopted the amendments to IAS 1 *Presentation of Financial Statements* & Amendments to Practice Statement 2 *Making Materiality Judgements*, whereby the following information only contains such information that Management finds material.

#### Going concern statement

In connection with the financial reporting, the Board of Directors and Management assessed whether the presentation of the annual report under the going concern assumption is well-founded. The Board of Directors and Management have concluded that no such factors exist at the balance sheet date as could raise doubt about the Group's ability to continue as a going concern at least until the next balance sheet date. The conclusion drawn is based on knowledge of the Group, the estimated outlook and the uncertainties and risks identified in this respect (described in the Director's report and note 12) as well as an examination of budgets, including the expected developments in liquidity, capital base, etc., existing credit facilities, including contractual and expected maturity periods, as well as other terms. Thus, it is deemed appropriate, reasonable and well-founded to base the financial reporting on the going concern assumption.

#### Determination of functional currency

The functional currency is the currency used in the primary financial environment in which the reporting entity operates. Transactions denominated in currencies other than the functional currency are foreign currency transactions.

If indicators of the primary economic environment are mixed, then Management uses its judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. Management considers the USD as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions.



## Financial statements

### Notes to the financial statements

#### 1 Material accounting policy information – continued

##### Determination of functional currency – continued

The USD is the currency in which the Group measures its performance and reports its results, as well as the currency in which it receives subscriptions from its investors. This determination also considers the competitive environment in which the Fund is compared.

##### Foreign currency translation

On initial recognition, foreign currency transactions are translated to the functional currency at the exchange rates at the transaction date. Foreign exchange differences arising between the rate at the transaction date and the rate at the date of payment are recognised in profit or loss as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated to the functional currency at the exchange rates at the date of the statement of financial position.

The difference between the exchange rates at the end of the reporting period and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised in profit or loss as financial income or financial expenses.

##### New accounting standards effective from 1 January 2024

New and amended standards and interpretations that are issued, but not yet effective, up to the date of the issuance of the Group's consolidated financial statements will not have a material impact on the Group's consolidated financial statements.

##### Principles of consolidation

The Parent Company and its subsidiary Direct Life Capital K/S are consolidated in the Group financial statements. The consolidated financial statements are prepared in accordance with the Parent Company's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows related to transactions between the Group are eliminated upon consolidation.

### *Income statement and statement of comprehensive income*

#### Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, financial liabilities and transactions in foreign currencies.

Fair value adjustments are recognised in profit or loss as value adjustments of financial assets under financial income/expenses in the financial year in which the adjustment occurs.

Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

#### Tax on profit/loss for the year

The Group is exempt from corporate taxes in Denmark in accordance with the Danish tax rules for Investment Companies as the taxation occurs with the investors instead. Therefore, the Group has no recognition of corporate tax, but immaterial amounts may be recorded in the financial statements in terms of withholding taxes.



## Financial statements

### Notes to the financial statements

#### 1 Material accounting policy information – continued

##### *Statement of financial position*

###### **Other investments**

The Group classifies its investments in securities and life insurance policy contracts as financial assets at fair value through profit or loss. These financial assets are classified by Management at fair value through profit and loss at inception.

Financial assets/other investments are measured at fair value through profit and loss in line with the Group's business model and documented investment strategy.

The Group's policy requires the AIF-Manager and Management to evaluate the information about these financial assets on a fair value basis. Assets in this category are classified as non-current assets as they are not expected to be realised within 12 months of the balance sheet date.

Regular purchases and sales of life insurance policy contracts are recognised at the trade date — the date at which the Group commits to purchase or sell the investment. Financial assets at fair value through profit and loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income.

Subsequent to initial recognition, all financial assets at fair value through profit and loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets are presented in the statement of comprehensive income within "other financial income or expenses" in the period in which they arise.

Fair value adjustments of the life insurance policy investments consist of adjustments based on actuary assumptions on life expectancies (mortality assumptions) and discount rates.

###### **Other Investments (Short-term)**

Short-term other investments comprise listed bonds which are measured at their fair value and are classified as level 1 investments in the fair value hierarchy. Such bonds are held short-term for liquidity management purposes.

###### **Classification of financial instruments**

Shares are considered equity instruments, due to the nature of the instruments, even though the issuer is obligated to redeem shares upon the request of the shareholder, as per the Articles of Association. This is assessed due to the instruments having the following characteristics:

- It entitles the shareholder to a pro rata share of the Group net assets.
- The shares are subordinate to all other classes of instruments.
- All shares have same identical features.
- There is no other obligation than the redemption to deliver cash or another financial asset to another entity, which is potentially unfavourable for the Group.
- The expected cash flows for the shares are based on the fair value of net assets.

Additionally, the Group has no other financial instruments or contract that has total cash flows based substantially on the profit and loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Group. As well as the Group has no other financial instrument or contract that has the effect of substantially restricting or fixing the residual return to the equity instrument holder.



## Financial statements

### Notes to the financial statements

#### 1 Material accounting policy information – continued

##### Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the share premium.

##### Current liabilities

Other payables are measured at amortised cost. Interest-bearing loans are initially measured at the fair value of the proceeds received net of issue costs associated with the borrowing. Subsequently, liabilities are measured at amortised cost using the effective interest method if the time-value of money is significant.

##### Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of financial assets is shown separately in cash flows from investing activities.

Cash and cash equivalents comprise cash and short-term marketable securities (maturing in less than three months at the time of acquisition) which are subject to an insignificant risk of changes in value.

Cash flows from operating activities are calculated according to the indirect method as the profit/loss after tax adjusted for non-cash operating items, changes in working capital and interest income and expenses.

Cash flows from investing activities include payments in connection with purchase and sale of financial asset investments.

Cash flows from financing activities include changes in the size or composition of share capital and related costs, borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

#### 2 Critical accounting judgements, estimates, assumptions and uncertainties

The consolidated financial statements and the parent financial statements are prepared based on certain special assumptions that result in the use of accounting estimates. These estimates are made by management in accordance with accounting policies and based on historical experience and assumptions that management considers reasonable and realistic, however, unexpected future events or circumstances may arise, just as others may arrive at other estimates.

The areas that involve a higher degree of assessments or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements and the parent financial statements, are listed below. When preparing the consolidated annual report, management makes a number of accounting assessments that form the basis for the presentation, recognition and measurement of the Group's assets and liabilities.



## Financial statements

### Notes to the financial statements

#### 2 Critical accounting judgements, estimates, assumptions and uncertainties – continued

The most significant estimates made by Management in connection with the recognition and measurement of these assets and liabilities, and the significant estimates of uncertainties associated with the preparation of the consolidated report, is measurement of fair value of investments in life insurance policies. The fair value measurement is described in note 12.

#### 3 Segment disclosures

The Group only operates in the market of acquiring US life insurance contracts. Management has assessed that the acquired life insurance contracts is representing one activity, due to the nature of the life insurance contracts. The geographical locations are confined to the US.

Based on the above the operating segment will be corresponding to that of the statement of comprehensive income.

#### 4 Staff costs

USD	Consolidated		Parent Company	
	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022
Wages and salaries	92,408	20,338	92,408	20,338
Other social security costs	9,449	555	9,449	555
	<b>101,857</b>	<b>20,892</b>	<b>101,857</b>	<b>20,892</b>
<b>Remuneration:</b>				
Board of Directors, ordinary	57,238	6,370	57,238	6,370
Executive Board, ordinary	44,619	14,522	44,619	14,522
Total remuneration to key management	<b>101,857</b>	<b>20,892</b>	<b>101,857</b>	<b>20,892</b>
Average number of employees	1	1	1	1

The Group's CEO is the Group's only employee. No one in the Group's management or significant risk takers, which includes the Group's director, has variable remuneration. Disclosure of Board of Directors and Executive Board remuneration is available at <https://www.resscapi.com/fund/fund-documentation/>, to which reference is made.

The Fund Manager, RessCapital AB has 10 employees. Out of the total salaries, USD 1,116 thousand (11.2 SEK million) can be allocated to fixed salary and USD 149 thousand (SEK 1.5 million) has been allocated to variable salary. The total salary sum allocated to the Management amounts to USD 309 thousand (SEK 3.1 million) and to employees with significant influence on the risk profile USD 717 thousand (SEK 7.2 million).



## Financial statements

### Notes to the financial statements

#### 5 Other operating costs

USD	Consolidated		Parent Company	
	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022
Accounting and audit	366,580	81,558	336,189	75,274
Company and share related costs including insurances	681,753	69,243	680,872	69,194
Company legal fees	386,659	16,978	364,913	12,846
Policy legal fees	336,662	108,232	336,662	108,232
Policy Management and custody	1,031,884	-255,138	685,081	-257,224
Depository fees	297,927	74,646	297,927	74,646
Management fees	5,699,576	1,443,166	5,699,576	1,443,166
	<b>8,801,041</b>	<b>1,538,684</b>	<b>8,401,220</b>	<b>1,526,134</b>

#### Remuneration of the Group's Statutory Auditors comprise:

Statutory audit	52,819	36,867	46,333	27,224
Other audit and assurance-related services	6,394	5,161	6,394	5,379
Tax and VAT assistance	0	0	0	0
Non-audit services	16,013	11,929	16,013	6,624
	<b>75,226</b>	<b>53,957</b>	<b>68,739</b>	<b>39,226</b>

Non-audit services provided by the auditors comprise of actuarial services.

#### 6 Financial income

USD	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022
Fair value adjustments of other investments	13,282,121	2,981,958	13,016,271	2,991,958
Exchange rate adjustments	71,372	47,468	39,921	46,807
Interest received	197,722	73,316	197,722	62,686
Other financial income*	1,297,590	293,672	1,297,590	293,675
	<b>14,848,806</b>	<b>3,396,414</b>	<b>14,551,504</b>	<b>3,395,126</b>

\*Other financial income consists of return deriving from matured treasury bills.

#### 7 Financial expenses

USD	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022
Exchange rate adjustments	64,775	45,714	60,400	45,617
Interest paid	0	0	0	0
	<b>64,775</b>	<b>45,714</b>	<b>60,400</b>	<b>45,617</b>



## Financial statements

### Notes to the financial statements

#### 8 Equity

	<u>USD</u>	
Contributed capital at 1 January 2023 comprises: 162,661 shares, equivalent to USD		95,612,994
	<b>Retained earnings</b>	<b>Contributed capital</b>
27 February 2023, issue of capital, 208 shares	385,975	112,664
31 March 2023, issue of capital, 5,236 shares	9,779,609	2,780,052
27 April 2023, issue of capital, 166 shares	308,033	90,264
30 May 2023, issue of capital, 1,250 shares	2,311,721	686,317
30 June 2023, issue of capital, 333 shares	618,977	177,872
	<b>13,401,315</b>	<b>3,847,168</b>
		<b>99,460,162</b>
The contributed capital at 31 December 2023 comprises: 169,854 shares, equivalent to USD		<b>99,460,162</b>

	<b>Number of shares</b>		<b>% of total shares</b>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Treasury shares at 1 January/1 October	1,137	769	0.7 %	0.5 %
Bought in the financial year	18,523	962	10.9 %	0.6 %
Sold in the financial year	-635	-594	-0.4 %	-0.4 %
<b>Treasury shares at 31 December</b>	<b>19,025</b>	<b>1,137</b>	<b>11.2 %</b>	<b>0.7 %</b>

Nominal value of treasury shares is EUR 500 per share.

	<u>31 Dec 2023</u>	<u>31 Dec 2022</u>
Value of treasury shares as of the balance date		
Net asset value (NAV)	2,437	2,399
Number of shares	19,025	1,137
<b>Value of treasury shares</b>	<b>46,363,925</b>	<b>2,727,663</b>

Value is calculated as NAV \* Number of shares

	<u>2023</u>	<u>2022</u>
<b>Earnings per share</b>		
Comprehensive income for the period	5,881,133	1,787,460
Weighted average no. of shares issued	167,798	162,408
Weighted average no. of own shares	10,201	1,158
Weighted average no. of outstanding shares	157,597	161,250
<b>Earnings per share (basic and diluted)*</b>	<b>37.32</b>	<b>11.09</b>

\*The Basic and Diluted Earnings per Share are identical. There have not been any items of income or expense of a dilutive nature in the current or preceding periods. No instruments on the balance sheet dates presented had a dilutive effect on the current shareholders, and there have been no transactions subsequent to the balance sheet date, which dilutes the current shareholders. Furthermore, there are no instruments in issue which could have a dilutive effect in the future, but currently do not have a dilutive effect.

#### 9 Contingencies, etc.

Neither the Group or the Parent Company have any contractual obligations or contingent liabilities.



## Financial statements

### Notes to the financial statements

#### 10 Related parties

Res Life Investments A/S' related parties include:

<u>Name of related party</u>	<u>Nature of transactions</u>
Resscapital AB	AIF Management and performance fees
Board of Directors	Board remuneration
Executive Board	Remuneration
Direct Life Capital K/S	Group internal transfers

Transactions with related parties comprise:

USD	<u>Consolidated</u>		<u>Parent Company</u>	
	<u>1 Jan 2023 – 31 Dec 2023</u>	<u>1 Oct 2022 – 31 Dec 2022</u>	<u>1 Jan 2023 – 31 Dec 2023</u>	<u>1 Oct 2022 – 31 Dec 2022</u>
Resscapital AB	5,716,894	1,443,166	5,716,894	1,443,166
Board of Directors	57,421	14,001	57,421	14,001
Executive Board	44,437	6,891	44,437	6,891
Direct Life Capital K/S	0	0	1,600,000	0
	<b>5,818,752</b>	<b>1,454,931</b>	<b>7,418,752</b>	<b>1,454,931</b>

Outstanding balances are as of 31 December 2023:

USD	<u>Consolidated</u>	<u>Parent company</u>
	<u>31 Dec 2023</u>	<u>31 Dec 2023</u>
Resscapital AB	-464,641	-464,641
Board of Directors	-58,657	-58,657
Executive Board	0	0
Direct Life Capital K/S	0	-1,600,000
	<b>-523,298</b>	<b>-2,123,298</b>

Transactions with related parties are carried out on market terms and governed by underlying contracts. Outstanding balances at year-end comprise regular trade payables and accruals that fall due in the subsequent accounting period. Such balances are unsecured in nature and settled on a cash basis.

Neither the Group nor the Parent Company have issued any guarantees to any related party, nor have these issued any guarantees to the Group or the Parent Company.

Remuneration of the Executive Board and Board of Directors is disclosed in note 4.

Shareholders of the Parent Company holding more than 5% of the share capital at the balance sheet date:

	<u>Home of registered office</u>	<u>Owner and voting rights % of total</u>
Volvo Personvagnars Pensionsstiftelse	Gothenburg, Sweden	8.8%





## Financial statements

### Notes to the financial statements

#### 11 Investments in subsidiaries

	<u>31 Dec 2023</u>	<u>31 Dec 2022</u>
Cost on 1 January 2023/1 October 2022	3,000,000	3,000,000
Additions	0	0
<b>Cost on 31 December</b>	<b>3,000,000</b>	<b>3,000,000</b>
Revaluations on 1 January 2023/October 2022	-1,699	13,321
Net profit/(loss) for the year	-106,894	-15,020
<b>Revaluations on 31 December 2023/2022</b>	<b>-108,593</b>	<b>-1,699</b>
<b>Carrying amount on 31 December 2023/2022</b>	<b><u>2,891,406</u></b>	<b><u>2,998,301</u></b>

<b>Subsidiaries</b>	<u>Home of registered office</u>	<u>Ownership</u>
Direct Life Capital K/S	Copenhagen, Denmark	100%

#### 12 Other investments

##### Foreign exchange risks

The shares are denominated in EUR. The functional currency is USD, and the underlying assets are USD based. Accordingly, the value of the shares is likely to fluctuate with any fluctuations in the exchange rate between USD and EUR. If the value of EUR depreciates against USD, the EUR price of the shares will appreciate. In addition, there is a currency risk depending on the local functional currency for each shareholder.

##### Interest rate risks

Due to its investing and financing activities, Res Life Investments A/S, is to a limited extent exposed to interest rate risks related to fluctuations in interest levels in the USA, the Eurozone and Denmark.

The interest rate exposure is mainly relating to investments in short term treasury bills with a maturity date under 1 year. Due to the nature of the treasury bills the discrepancy between the interest yields on the treasury bills and the markets fluctuations is assessed as limited.

Further, the Group, is exposed to interest rate changes on balances with banks. Overall, the interest rate risks are limited in the Group due to the nature of the investments and financial positions.

##### Tax risks

For the Group, an investment in the life insurance contracts involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Group holds life insurance contracts, or changes in tax treaties negotiated by those countries, could adversely affect the returns to its shareholders. Each shareholder is strongly urged to consult its own tax advisers regarding their tax implications of investing and holding life insurance contracts.

##### Fair value measurement

The life insurance contracts, and other investments are valued using the 'Fair value' concept in connection with certain disclosure requirements and for recognition of financial instruments. Direct investments in life insurance contracts are measured at level 3, and investments in other life insurance policy funds are measured at level 2.



## Financial statements

### Notes to the financial statements

#### 12 Other investments – continued

##### Fair value measurement – continued

‘Fair value’ is the price that would be received by selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk. The valuation approach used in relation to the life insurance contracts is based on discounted probability weighted cash flows. The valuation approach incorporates all the factors that market participants would consider in pricing a transaction, such as cash flows (premiums and death benefits), discount rates and life expectancies (mortality assumptions).

The probabilities are based on applying the life expectancy (LE) to a mortality table in order that the mortality factor (the ultimate factor) applicable to the given insured can be derived from the table itself. The approach to the mortality distribution is based on the use of the most recent VBT tables (currently 2015 Valuation Basic Table created by the Society of Actuaries from North America). The LE is one of the most important variables in pricing policies in the life insurance policy market and the valuation of life insurance policy contracts is heavily dependent on LE information. Upon purchase of the assets, LE reports are obtained from at least two underwriters.

LE reports are medical opinions from specialised medical underwriters, based on the latest medical records or other relevant information. The Alternative Investment Fund Manager is using a conservative approach, selecting the most conservative LE report in most cases.

The fair value of the life insurance contracts is sensitive to the choice of discount rates. Discount rates are determined at the level of sub-groups of the life insurance portfolio. The sub-groups are based on the face value of policies and the credit rating of insurance carriers. The discount rates of each sub-group result from the Internal Rate of Return (“IRR”) for each policy in the sub-group, at purchase. A parameterisation of the discount rates for each sub-group is based on an exponential moving average considering changes in IRRs when new acquisitions are made within the respective sub-group. Under this methodology, the discount rate in each sub-group is recalibrated whenever a policy that falls into the sub-group is acquired. The average IRR of the sub-groups used for the fair value measurements as of 31 December 2023 was 11.0 %.

All assets and liabilities measured at fair value, or in respect of which the fair value is disclosed, are classified based on the fair value hierarchy, see below:

- Level 1: Value in an active market for similar assets/liabilities
- Level 2: Value based on recognised valuation methods based on observable market information
- Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

The determination of what constitutes ‘observable’ requires judgement by the Group. Management of the Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

The following method and assumptions were used to estimate the fair values. The Group primarily invests directly in the life insurance policies. The fair value measurement of the investments is estimated on an individual basis based on several factors such as premium payments and changes in these updates of life expectancy, changes in discount rates and general “mark-to-market” adjustments.



## Financial statements

### Notes to the financial statements

#### 12 Other investments – continued

##### Fair value measurement – continued

Investments in other life insurance policy funds are investments that are valued based on NAV statements received from Saffery Champness Fund Services Limited.

The following table analyses within the fair value hierarchy the Group's financial assets measured at fair value. All fair value measurements disclosed are recurring fair value measurements.

USD	Consolidated		Parent Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Level 1	4,936,925	32,623,714	4,936,925	32,623,714
Level 2	6,716	8,126	6,716	8,126
Level 3	356,913,543	341,983,390	356,110,259	340,630,952
	<b>361,857,184</b>	<b>374,615,230</b>	<b>361,053,900</b>	<b>373,262,792</b>

The carrying amount is equal to fair value for all financial assets and financial liabilities.

There have been no transfers between the levels in the fair value hierarchy this year.

Climate related risks and factors have been assessed to not have had an impact on the fair value in 2023 or 2022.

The fair value of receivables, prepayments, cash, payables and other current liabilities approximate their carrying amounts due to the short-term maturities of these instruments. The Group's own credit risk has not been considered.

For instruments with recurring Level 3 fair value measurements, the carrying value has been specified in below table:

USD	Consolidated		Parent Company	
	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022	1 Jan 2023 – 31 Dec 2023	1 Oct 2022 – 31 Dec 2022
Opening balance	341,983,390	303,220,268	340,630,952	302,291,468
Additions	18,432,997	37,337,826	18,256,983	36,951,045
Sales and maturities	-52,251,492	-9,786,601	-51,392,343	-9,786,601
Premium payments	35,738,000	8,219,968	35,604,019	8,183,111
Fair value adjustment*	13,010,648	2,991,929	13,010,648	2,991,929
<b>Closing balance</b>	<b>356,913,543</b>	<b>341,983,390</b>	<b>356,110,259</b>	<b>340,630,952</b>

\*Realized performance from maturities and sales, aging effect and changes in discount rates

The discount rates applied in determining the fair value of the life insurance contracts range from 10.46% - 11.50% (2022: 10.32% - 11.35%).



## Financial statements

### Notes to the financial statements

#### 12 Other investments – continued

##### Credit and counterparty risks

There is a credit risk in respect of the life insurance policy investments as recognised under "Other investments". There is no guarantee that the insurance companies will meet their obligations to make payment on maturity claims. The credit risk is mitigated by limiting the exposure to any single insurance company, and by only buying policies issued by insurers that meet the rating requirements.

The life insurance policy investments are made with over 60 different life insurance companies, and are presented on a Group level, due to all life insurance policy investments are integrated in Res Life Investments. The fair values are distributed on AM Best Ratings as below:

	31 December 2023			31 December 2022		
	Policies	Fair value	Weight % of NAV	Policies	Fair value	Weight % of NAV
A++	37	39,357,192	10.7%	43	41,702,813	10.8%
A+	240	140,417,373	38.2%	236	135,080,379	34.9%
A	218	153,704,500	41.8%	215	141,836,285	36.6%
A-	4	965,948	0.3%	8	5,677,975	1.5%
B++	17	16,362,258	4.5%	15	12,501,016	3.2%
B-	6	4,583,866	1.2%	6	3,479,503	0.9%
C++	9	1,522,406	0.4%	9	1,705,419	0.4%
<b>Total</b>	<b>531</b>	<b>356,913,543</b>	<b>97.1%</b>	<b>532</b>	<b>341,983,390</b>	<b>88.3%</b>

##### Concentration risk

The following tables set forth concentration risks, divided into the face value of the life insurance policy investments in gender, age group, life expectancy estimates ("LE") and spreads of face value of the individual contracts:

	31 December 2023			31 December 2022		
	Policies	Face value	Weight %	Policies	Face value	Weight %
<i>Gender:</i>						
Female	101	197,173,344	14.0%	104	218,213,319	15.2%
Male	377	883,346,060	62.9%	373	889,892,851	61.8%
Joint	53	322,860,128	23.0%	55	331,045,773	23.0%

##### *Age group:*

	31 December 2023			31 December 2022		
	Policies	Face value	Weight %	Policies	Face value	Weight %
<65	40	124,840,157	8.9%	42	128,206,157	8.9%
65-69	68	172,259,296	12.3%	63	170,987,696	11.9%
70-74	98	278,241,870	19.8%	95	303,027,128	21.1%
75-79	102	285,170,314	20.3%	113	273,528,996	19.0%
80-84	89	195,964,764	14.0%	83	215,947,124	15.0%
85-89	64	155,213,962	11.1%	72	183,781,977	12.8%
90-94	50	159,001,995	11.3%	48	136,385,651	9.5%
95<	20	32,687,175	2.3%	16	27,287,175	1.9%



## Financial statements

### Notes to the financial statements

#### 12 Other investments – continued

##### Concentration risk – continued

	<u>Policies</u>	<u>Face value</u>	<u>Weight %</u>	<u>Policies</u>	<u>Face value</u>	<u>Weight %</u>
<i>Life Expectancy estimate:</i>						
	<b>31 December 2023</b>			<b>31 December 2022</b>		
< 2	17	24,782,743	1.8%	13	15,417,933	1.1%
2-3	54	87,918,008	6.3%	46	72,269,851	5.0%
4-5	82	196,928,975	14.0%	78	185,672,418	12.9%
6-7	67	156,329,655	11.1%	73	152,349,309	10.6%
8-9	65	179,613,437	12.8%	67	192,988,000	13.4%
10-11	54	129,744,993	9.2%	54	155,923,837	10.8%
12-15	90	214,189,554	15.3%	92	230,618,388	16.0%
16-	102	413,872,167	29.5%	109	433,912,167	30.2%

##### *Spreads of face value for the individual contracts:*

	<b>31 December 2023</b>			<b>31 December 2022</b>		
100,000-250,000	35	6,950,000	0.5%	31	6,230,000	0.4%
250,001-500,000	65	28,748,108	2.0%	71	31,696,638	2.2%
500,001-1,000,000	154	142,445,730	10.2%	143	131,211,730	9.1%
1,000,001-2,000,000	100	180,181,285	12.8%	100	177,781,285	12.4%
2,000,001-3,000,000	51	138,144,377	9.8%	53	143,244,198	10.0%
3,000,001-5,000,000	62	279,933,330	19.9%	69	314,183,330	21.8%
5,000,001-10,000,000	52	421,551,760	30.0%	53	429,379,780	29.8%
10,000,001-15,000,000	5	62,144,785	4.4%	5	62,144,785	4.3%
15,000,001-	7	143,280,157	10.2%	7	143,280,157	10.0%

### Sensitivity analysis

The sensitivity of the valuation results to changes in assumptions is illustrated by introducing changes to one specific assumption at a time and comparing the result before and after the change.

A sensitivity analysis is made based on the following scenarios:

- Discount rate sensitivity
- Mortality sensitivity

No sensitivity analysis is presented in relation to cash flows as cash inflows consist of death benefits fixed at policy inception and cash outflows consist of scheduled premium payments.



## Financial statements

### Notes to the financial statements

#### 12 Other investments – continued

##### Sensitivity analysis – continued

##### Discount rate sensitivity

The discount rate sensitivity analysis has been performed using a set of fixed discount rates across the portfolio for the Group.

USD	31 December 2023				31 December 2022			
	10%	12%	14%	16%	10%	12%	14%	16%
Discount rate	10%	12%	14%	16%	10%	12%	14%	16%
Value of portfolio	386m	335m	295m	263m	360m	309m	269m	236m
% of tot. face amt.	27.2%	23.6%	20.8%	18.5%	24.8%	21.3%	18.5%	16.3%
Impact in profit and loss (and equity)	29m	-22m	-62m	-94m	18m	-33m	-73m	-106m

##### Mortality sensitivity

An extension for life expectancies in the portfolio corresponds to negative impact of the life insurance policy investments. Vice versa a reduction in life expectancies corresponds to a positive impact. The mortality sensitivity has been performed based upon an increment/reduction of one month on the entire portfolio for the Group.

USD	31 December 2023	31 December 2022
Impact of face value	5,543,448	5,565,806
Percentage of increment	0.39%	0.38%

#### 13 Events after the balance sheet date

There are no events after the balance sheet date materially affecting the annual report.



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Supplementary report regarding Sustainable Finance Disclosure Regulation

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: Ress Life Investments A/S

Legal entity identifier: 549300IMFROMW4KZKU

Environmental and/or social characteristics

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Did this financial product have a sustainable investment objective?**

Yes	No
<input type="checkbox"/> It made sustainable investments with an environmental objective: ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul>	<input type="checkbox"/> It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul>
<input type="checkbox"/> It made sustainable investments with a social objective: ___%	<input checked="" type="checkbox"/> It promoted E/S characteristics, but did not make any sustainable investments



**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

Ress Life Investments worked with responsible investments through two strategies, 1) exclusion and 2) impact, with a specific focus on promoting social characteristics.

**Exclusion:** Ress Life Investments refrained from investing in life insurance policies issued by life insurance companies lacking economic activities that contribute to social characteristics. Additionally, the fund avoided investing in life insurance policies from companies engaged in violations of international norms and conventions, particularly the

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Supplementary report regarding Sustainable Finance Disclosure Regulation

UN Global Compact and OECD guidelines for multinational companies regarding the environment, human rights, working conditions, and business ethics.

Impact: Res Life Investments only invested through counterparties registered and authorized according to state legislation in the state where the transaction took place. Res Life Investments premiered business with service providers supporting enhanced transparency in the secondary market for US life insurance policies.

Regarding social characteristics, life insurance policies were purchased from US households that no longer required coverage. Res Life Investments therefore enabled individual households to receive compensation for an unneeded insurance policy, for which premiums have been paid over many years. Hence, Res Life Investments only promoted social characteristics and worked with responsible investments through the two defined strategies. The social characteristics promoted by this financial product for the period were met. During the period, four screenings of the portfolio have been conducted. Res Life Investments did not consider environmental characteristics. Furthermore, the fund did not use a reference benchmark.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● **How did the sustainability indicators perform?**

- Res Life Investments used the following sustainability indicators:
- Number of companies that contribute to social cohesion: 100%
  - Number of companies that do not contribute to social cohesion: 0%
  - Number of companies that follow international norms and conventions: 100 %
  - Number of companies that violate international norms and conventions: 0%

About 6% of the value of the portfolio were missing sufficient data. Hence, the numbers above only covered 94% of the portfolio value.

● **...and compared to previous periods?**

	2023	2022
No. of companies that contributed to social cohesion	100%	100%
No. of companies that did not contribute to social cohesion	0%	0%
No. of companies that followed international norms and conventions	100%	100%
No. of companies that violated international norms and conventions	0%	0%

No third party auditing has been made for the period.



**How did this financial product consider principal adverse impacts on sustainability factors?**

Res Life Investments did not consider principal adverse impacts on sustainability factors.



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Supplementary report regarding Sustainable Finance Disclosure Regulation



What were the top investments of this financial product?

The list includes the investments constituting the greatest proportion of investments of the financial product during the reference period.

2023			2022 H2			
Top investments	Sector	% Assets	Top investments	Sector	% Assets	Country
Treasury Bill 2023-09	Money Market	3.52%	Treasury Bill 2023-01	Money Market	3.80%	US
Life Insurance Policy 1	Life Insurance	3.43%	Life Insurance Policy 1	Life Insurance	2.80%	US
Treasury Bill 2023-07	Money Market	2.72%	Treasury Bill 2023-02	Money Market	2.50%	US
Life Insurance Policy 2	Life Insurance	2.55%	Treasury Bill 2023-02	Money Market	2.00%	US
Treasury Bill 2023-08	Money Market	2.55%	Life Insurance Policy 2	Life Insurance	1.90%	US
Life Insurance Policy 3	Life Insurance	1.69%	Life Insurance Policy 3	Life Insurance	1.20%	US
Life Insurance Policy 4	Life Insurance	1.37%	Life Insurance Policy 4	Life Insurance	1.10%	US
Life Insurance Policy 5	Life Insurance	1.31%	Life Insurance Policy 5	Life Insurance	1.00%	US
Life Insurance Policy 6	Life Insurance	1.23%	Life Insurance Policy 6	Life Insurance	1.00%	US
Life Insurance Policy 7	Life Insurance	1.19%	Life Insurance Policy 7	Life Insurance	1.00%	US
Life Insurance Policy 8	Life Insurance	1.15%	Life Insurance Policy 8	Life Insurance	1.00%	US
Life Insurance Policy 9	Life Insurance	1.09%	Life Insurance Policy 9	Life Insurance	0.90%	US
Life Insurance Policy 10	Life Insurance	1.08%	Life Insurance Policy 10	Life Insurance	0.90%	US
Life Insurance Policy 11	Life Insurance	1.05%	Life Insurance Policy 11	Life Insurance	0.90%	US
Life Insurance Policy 12	Life Insurance	1.01%	Life Insurance Policy 12	Life Insurance	0.90%	US

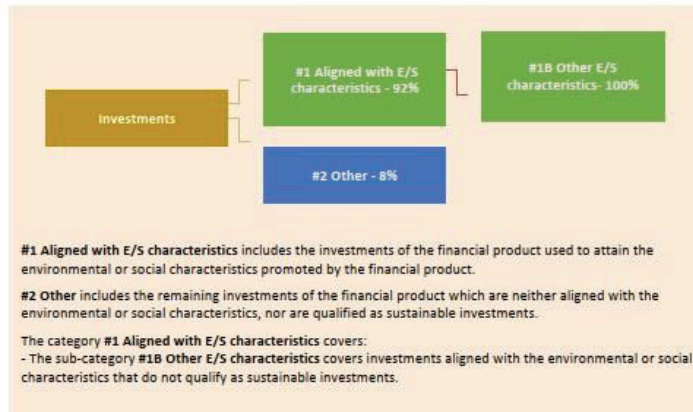


What was the proportion of sustainability-related investments?

For the reference period, the proportion of sustainability-related investments in Res Life Investments amounted to 92%, and 8% for US Treasury Bills and cash deposits.

What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



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Financial statements

Appendix to the financial statements

Supplementary report regarding Sustainable Finance Disclosure Regulation

**In which economic sectors were the investments made?**

Top investments	Sector	% Assets	Country
US Life Insurance Policies	Life Insurance	92%	US
US Treasury Bills	Money Market	5%	US
Cash	Bank Account	3%	US/DK



**What investments were included under “#2 Other”, what was their purpose and were there any minimum environmental or social safeguards?**

The allocation of US Treasury bills and cash was included under this category and served the purpose to cover premiums for life insurance policies and associated costs, as well as it ensured the ability to meet potential redemptions from investors. There were no minimum environmental or social safeguards for US Treasury bills and cash.



**What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

All investments met the social characteristics and followed the exclusion criteria and impact threshold. No actions were thus necessary.



**How did this financial product perform compared to the reference benchmark?**

No reference benchmark exists for the financial product.

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.



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