

A man in a dark suit and green tie is walking from left to right across a cobblestone plaza. In the background, there is a large, classical building with many white columns. The image has a motion blur effect, suggesting he is walking quickly. The sky is overcast. There are some orange traffic cones and a black railing in the mid-ground.

Financial statements

Contents

Financial statements

27	Independent Auditor's Report
28	Consolidated Balance Sheets
29	Consolidated Statements of Operations
30	Consolidated Statements of Comprehensive Income (Loss)
31	Consolidated Statements of Shareholder's Equity
32	Consolidated Statements of Cash Flows

Notes to the Consolidated Financial Statements

34	1. General
35	2. Business Combinations
37	3. Significant Accounting
47	4. Investments
55	5. Derivative Instruments
59	6. Fair Value Measurement
66	7. VIEs
67	8. Income Taxes
71	9. Reinsurance
72	10. Future Policy Benefits and Other Policyholder Liabilities
74	11. Policyholder Account Balances
76	12. Separate Accounts
76	13. Market Risk Benefits
77	14. VOBA and DAC
78	15. Commitments and Contingencies
79	16. Regulatory
80	17. Related Parties
81	18. Long-Term Debt
85	19. Goodwill
85	20. Subsequent Events
86	Disclaimer

Independent Auditor's Report

To the Audit Committee of the Board of Directors and Shareholder of Resolution Life Group Holdings Ltd.

Opinion

We have audited the consolidated financial statements of Resolution Life Group Holdings Ltd. and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2025 (successor) and December 31, 2024 (predecessor), and the related consolidated statements of operations, comprehensive income (loss), shareholder's equity and cash flows for the periods from October 30, 2025 to December 31, 2025 (successor), January 1, 2025 to October 29, 2025 (predecessor), and for the year ended December 31, 2024 (predecessor) and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 (successor) and 2024 (predecessor), and the results of its operations and its cash flows for the periods from October 30, 2025 to December 31, 2025 (successor), January 1, 2025 to October 29, 2025 (predecessor), and for the year ended December 31, 2024 (predecessor), in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Company was acquired on October 30, 2025. The transaction was accounted for as a business combination and the Company's basis of assets and liabilities were adjusted to their estimated fair values as of the acquisition date. As a result, the Company's basis of assets and liabilities (and certain related revenue and costs associated with such assets and liabilities such as depreciation and amortization) are not comparable between predecessor and successor periods. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Deloitte.

Deloitte & Touche LLP

30 Rockefeller Plaza
41st Floor
New York, NY 10112
USA

www.deloitte.com

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Deloitte & Touche LLP

April 30, 2026

Financial statements

Consolidated Balance Sheets

December 31, 2025 (Successor) and 2024 (Predecessor)

The accompanying notes are an integral part of these consolidated financial statements.

	December 31, 2025 (Successor)	December 31, 2024 (Predecessor)
Assets		
Investments:		
Fixed maturity securities, available-for-sale, at fair value (net of allowance for credit losses of \$0 and \$7,782), respectively (amortized cost of \$27,835,383 and \$29,747,346, respectively)	\$ 27,643,554	\$ 30,276,028
Fixed maturity securities, fair value option	196,183	307,492
Equity securities	100,539	6,673,488
Equity investment in Acenda, at fair value	1,828,000	–
Investment funds	1,538,626	3,915,950
Mortgage loans, net	4,352,365	4,621,972
Policy loans, net	1,865,882	2,230,958
Short-term investments	1,804,848	2,456,512
Derivative assets	829,616	708,977
Other invested assets	82,850	103,365
Total investments	40,242,463	51,294,742
Cash and cash equivalents	2,841,241	3,167,667
Receivables for securities	674,162	212,550
Accrued investment income	300,967	322,696
Premiums receivable, net	602,161	752,648
Funds withheld asset	26,542,985	18,937,911
Reinsurance recoverable, net	2,731,904	3,070,694
Value of business acquired and deferred acquisition costs	7,920,827	9,747,787
Goodwill	5,473,962	506,531
Deferred tax asset	353,829	81,348
Other assets	508,486	452,090
Assets of investments consolidated within funds withheld	1,129,488	–
Separate account assets	1,688,328	1,679,424
Total Assets	\$ 91,010,803	\$ 90,226,088

	December 31, 2025 (Successor)	December 31, 2024 (Predecessor)
Liabilities and Equity		
Future policy benefits and other policyholder liabilities	\$ 30,244,255	\$ 29,641,348
Policyholder account balances	39,198,453	43,993,093
Market risk benefit liabilities, at fair value	805,523	–
Reinsurance payable	733,874	784,165
Long-term debt	3,986,065	2,548,567
Derivative liabilities	878,665	471,864
Deferred tax liability	337,835	932,881
Accrued expenses and other liabilities	1,957,638	1,911,624
Liabilities of investments consolidated within funds withheld	1,129,488	–
Separate account liabilities	1,688,328	1,679,424
Total Liabilities	\$ 80,960,124	\$ 81,962,966
Commitments and Contingencies (Note 15)		
Shareholder's Equity		
Common stock, \$1.00 par value, 10,000 and 10,000 shares authorized, issued and outstanding, respectively	\$ 10	\$ 10
Additional paid in capital	10,196,990	7,644,984
Retained earnings (deficit)	(204,400)	314,659
Accumulated other comprehensive income (loss)	58,079	60,233
Total Resolution Life Group Holdings Ltd. ("RLGH Ltd.") Shareholder's Equity	10,050,679	8,019,886
Noncontrolling interest	–	243,236
Total Shareholder's Equity	10,050,679	8,263,122
Total Liabilities and Shareholder's Equity	\$ 91,010,803	\$ 90,226,088

Financial statements continued

Consolidated Statements of Operations

For the Period Ended December 31, 2025 (Successor),
Period Ended October 29, 2025 (Predecessor) and
Year Ended December 31, 2024 (Predecessor)

The accompanying notes are an integral part of these consolidated financial statements.

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Revenues			
Premiums	\$ 93,521	\$ 2,747,701	\$ 1,589,272
Fee income	301,705	1,474,799	1,723,201
Net investment income	595,687	3,740,745	4,260,009
Investment related gains (losses), net	(442,803)	964,193	829,093
Total revenues	\$ 548,110	\$ 8,927,438	\$ 8,401,575
Benefits and Expenses			
Policyholder benefits	362,748	5,012,779	4,142,366
Remeasurement (gains) losses	(2,322)	–	–
Total policyholder benefits	360,426	5,012,779	4,142,366
Change in the fair value of market risk benefits, net	(29,240)		
Interest sensitive contract benefits	237,783	1,819,780	1,969,353
Amortization of value of business acquired and deferred acquisition costs	76,202	647,228	757,734
Other operating expenses	151,518	995,680	1,237,559
Total benefits and expenses	796,689	8,475,467	8,107,012
Income (Loss) before income tax	\$ (248,579)	\$ 451,971	\$ 294,563
Income tax expense (benefit)			
Current tax	6,938	17,271	(9,558)
Deferred tax	(51,117)	90,476	208,860
Total income tax expense (benefit)	\$ (44,179)	\$ 107,747	\$ 199,302
Net income (loss)	(204,400)	344,224	95,261
Less: Net income (loss) attributable to noncontrolling interests	–	4,683	25,946
Net income (loss) attributable to RLGH Ltd. shareholder	\$ (204,400)	\$ 339,541	\$ 69,315

Financial statements continued

Consolidated Statements of Comprehensive Income (Loss)

For the Period Ended December 31, 2025 (Successor),
Period Ended October 29, 2025 (Predecessor) and
Year Ended December 31, 2024 (Predecessor)

The accompanying notes are an integral part of these consolidated financial statements.

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Net Income (Loss)	(204,400)	344,224	95,261
Other Comprehensive Income (Loss)			
Change in unrealized gains (losses) on investments and hedging activities	(194,394)	724,104	(1,058,756)
Policy reserves and value of business acquired adjustment	52,639	(178,149)	437,170
Change in the discount rates used to measure certain long-duration insurance contracts	199,338	–	–
Change in the fair value of market risk benefits attributable to own credit risk	(802)	–	–
Foreign currency translation and other adjustments	4,308	(78,426)	(123,512)
Other comprehensive income (loss), before income tax	\$ 61,089	\$ 467,529	\$ (745,098)
Tax expense (benefit) related to other comprehensive income (loss)	3,010	(13,403)	(1,607)
Other comprehensive income (loss), net of income tax	\$ 58,079	\$ 480,932	\$ (743,491)
Total other comprehensive income (loss) attributable to RLGH Ltd. shareholder	\$ 58,079	\$ 480,932	\$ (743,491)
Total comprehensive income (loss)	\$ (146,321)	\$ 825,156	\$ (648,230)
Less: comprehensive income (loss) attributable to noncontrolling interests	–	4,683	25,946
Total comprehensive income (loss) attributable to RLGH Ltd. shareholder	\$ (146,321)	\$ 820,473	\$ (674,176)

Financial statements continued

Consolidated Statements of Shareholder's Equity

For the Period Ended December 31, 2025 (Successor),
Period Ended October 29, 2025 (Predecessor) and
Year Ended December 31, 2024 (Predecessor)

The accompanying notes are an integral part of these consolidated financial statements.

(\$ in thousands, except par value and share value amounts)	Common Shares		Additional Paid-in Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Total RLGH Ltd. Shareholder's Equity	Noncontrolling interest	Total Shareholder's Equity
	Shares	Amount						
Balance, January 1, 2024 (Predecessor)	8,500	9	6,882,885	395,343	803,724	8,081,961	711,967	8,793,928
Issuance of capital stock	1,500	1	762,099	–	–	762,100	–	762,100
Dividends paid	–	–	–	(150,000)	–	(150,000)	–	(150,000)
Net income	–	–	–	69,316	–	69,316	25,946	95,262
Other comprehensive income (loss)	–	–	–	–	(743,491)	(734,491)	–	(743,491)
Changes in equity of noncontrolling interest	–	–	–	–	–	–	(494,677)	(494,677)
Balance, December 31, 2024 (Predecessor)	10,000	10	7,644,984	314,659	60,233	8,019,886	243,236	8,263,122
Dividends paid	–	–	–	(170,000)	–	(170,000)	–	(170,000)
Net income	–	–	–	339,541	–	339,541	4,683	344,224
Other comprehensive loss	–	–	–	–	480,932	480,932	–	480,932
Changes in equity of noncontrolling interest	–	–	–	–	–	–	(74,356)	(74,356)
Balance, October 29, 2025 (Predecessor)	10,000	10	7,644,984	484,200	541,165	8,670,359	173,563	8,843,922
Balance, October 30, 2025 (Successor)	10,000	10	10,786,990	–	–	10,787,000	177,770	10,964,770
Equity adjustment for deconsolidation of subsidiary	–	–	(590,000)	–	–	(590,000)	–	(590,000)
Net income	–	–	–	(204,400)	–	(204,400)	–	(204,400)
Other comprehensive income/(loss)	–	–	–	–	58,079	58,079	–	58,079
Changes in equity of noncontrolling interest	–	–	–	–	–	–	(177,770)	(177,770)
Balance, December 31, 2025 (Successor)	10,000	10	10,196,990	(204,400)	58,079	10,050,679	–	10,050,679

Financial statements continued

Consolidated Statements of Cash Flows

For the Period Ended December 31, 2025 (Successor),
Period Ended October 29, 2025 (Predecessor) and
Year Ended December 31, 2024 (Predecessor)

The accompanying notes are an integral part of these consolidated financial statements.

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Cash flows from operating activities			
Net income (loss)	\$ (204,400)	\$ 344,224	\$ 95,262
<i>Adjustments to reconcile net income (loss) to net cash provided by operating activities:</i>			
Change in deferred acquisition costs and VOBA	60,580	178,037	622,580
Amortization/accretion of net investment premium and discount	(33,637)	(254,813)	(340,747)
Net investment related (gain) loss, net	451,851	(978,010)	(882,376)
(Income) loss from equity method investments, net of dividends or distributions	(28,684)	(209,527)	(38,896)
Change in fixed maturities, fair value option investments	1,288	6,337	12,555
<i>Changes in assets and liabilities</i>			
Change related to modified coinsurance agreements	(93,478)	871,655	767,263
Change in accrued investment income	(19,799)	(69,238)	(37,329)
Change in other assets and liabilities	318,777	(373,000)	488,999
Change in reserves	(2,837)	4,143,736	1,242,191
Change in the fair value of market risk benefits in earnings, net	(29,240)	–	–
Effect of foreign currency on operating activities	(34,511)	(802,165)	(84,838)
Net cash (used in) provided by operating activities	\$ 385,910	\$ 2,857,236	\$ 1,844,664
Cash flows from investing activities			
Proceeds from sales, maturities and repayment of:			
Fixed maturities, available-for-sale	1,673,620	12,123,071	11,198,534
Fixed maturities, fair value option	3,520	94,931	29,436
Equity securities	19,569	2,572,266	4,855,055
Purchases of:			
Fixed maturities, available-for-sale	(1,919,422)	(15,042,831)	(12,829,264)
Fixed maturities, fair value option	–	(226,587)	(65,202)
Equity securities	–	(2,867,898)	(3,841,086)
Net purchases, sales, maturities of other investments	(872,492)	1,459,308	(1,753,417)
Deconsolidation of subsidiary cash	(1,708,026)	–	–
Effect of foreign currency on investing activities	(966)	451,458	84,734
Net cash provided by (used in) investing activities	(\$ 2,804,197)	(\$ 1,436,292)	(\$ 2,321,210)

Financial statements continued

Consolidated Statements of Cash Flows

continued

For the Period Ended December 31, 2025 (Successor),
Period Ended October 29, 2025 (Predecessor) and
Year Ended December 31, 2024 (Predecessor)

The accompanying notes are an integral part of these consolidated financial statements.

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Cash flows from financing activities			
Issuance of common stock	–	–	1
Capital contributions	–	–	762,099
Dividends paid on common stock	–	(170,000)	(150,000)
Proceeds from Short-term and Long-term debt	1,000,000	2,208,111	500,000
Repayment of Short-term and Long-term debt	(250,000)	(1,245,000)	(523,104)
Net funds received/(paid) on policyholder account balances	(162,056)	(723,321)	(307,885)
Contributions from (distributions to) consolidated investment entities	–	(74,356)	(494,677)
Effect of foreign currency on financing activities	–	423	(5,752)
Net cash provided from financing activities	587,944	(4,143)	(219,318)
Foreign currency effect on cash, cash equivalents and restricted cash	1,989	85,126	(152,790)
Net increase/(decrease) in cash, cash equivalents and restricted cash	(1,828,354)	1,501,928	(848,653)
Cash, cash equivalents and restricted cash, beginning of period	\$ 4,669,595	\$ 3,167,667	\$ 4,016,320
Cash, cash equivalents and restricted cash, end of period	\$ 2,841,241	\$ 4,669,595	\$ 3,167,667
Supplemental schedule of cash flow information			
Net cash paid (received) for:			
Interest	\$ 24,216	\$ 131,911	\$ 151,776
Non-cash transactions			
Deconsolidation of investment in subsidiary	\$ 2,372,000	\$ –	\$ –
Initial equity investment in Acenda	\$ (1,782,000)	\$ –	\$ –
Equity adjustment for deconsolidation of subsidiary	\$ (590,000)	\$ –	\$ –
Ceding commission on reinsurance agreements	\$ –	\$ –	\$ 830,430
Insurance liabilities assumed on reinsurance agreements	\$ –	\$ (10,242,704)	\$ 746,436
Assets ceded through reinsurance agreements on a funds withheld basis	\$ –	\$ 7,770,853	\$ –

Notes to the Consolidated Financial Statements

(\$ in thousands)

1. General

Resolution Life Group Holdings Ltd. (individually referred to as “RLGH Ltd.” or together with its subsidiaries referred to as the “Company”) was formed on May 11, 2017 in Bermuda and, following the transaction with Nippon Life Insurance Company (“Nippon Life”) described in Note 2, is a wholly owned subsidiary of Nippon Life. The Company’s purpose is to consolidate in-force life insurance companies and portfolios in mature markets globally (including by way of reinsurance).

RLGH Ltd.’s subsidiaries are primarily Resolution Re Ltd. (“RRL”), Resolution Life U.S. Holdings Ltd (“RLUSH”), and prior to the Acenda Joint Venture transaction described in Note 2, Resolution Life NOHC Pty Ltd (“NOHC”).

RRL was incorporated as a Bermuda exempted company in 2017. RRL is a wholesale provider of reinsurance and other risk transfer solutions to both third parties and affiliates.

The subsidiary of NOHC was, prior to the Acenda joint venture transaction described in Note 2, primarily Resolution Life Australia Pty Ltd (“RLA”). On June 30, 2020, NOHC acquired AMP Financial Services Holding Ltd (“AMP”). RLA’s main operating subsidiary is Resolution Life Australasia Limited (“RLAL”). In the second quarter of 2022, the Company completed the acquisition of AMP’s minority equity interest in NOHC.

In January 2021, RLUSH (through its wholly owned Colorado life insurance subsidiary, Resolution Life Colorado, Inc. (“RLCO”)) acquired the in-force individual life insurance and legacy nonretirement annuity business of Voya Financial, Inc. RLUSH’s primary subsidiary is Security Life of Denver Insurance Company (“SLD”).

On October 2, 2023, Resolution Life Group Holdings L.P. (“Resolution LP”) and Rome Holdco L.P. (“Blackstone”) completed a transaction pursuant to which the Resolution LP contributed 7,201 common shares issued and outstanding of the Company and its respective direct and indirect subsidiaries, to a newly-formed Bermuda domiciled New Partnership. Blackstone ISG Investment Associates – R (BMU) Ltd. (Bermuda) served as the general partner of the New Partnership and Blackstone ISG-I Advisors LLC as the investment manager for the assets supporting insurance business of the New Partnership’s subsidiaries.

On December 11, 2024 it was announced that Nippon Life agreed to acquire 100% of the Company. On October 30, 2025 Nippon Life consolidated its ownership interest by paying \$8.4 billion to acquire the remaining shares from Blackstone ISG Investment Partners – R (BMU) L.P. that it did not previously hold indirectly through such entity, valuing Resolution Life at \$10.8 billion.

Basis of Presentation

The Company’s consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“US GAAP”). The principal accounting policies applied in the preparation of these consolidated financial statements are set out below and in Note 3.

Upon the completion of the Nippon Life acquisition, the Company established a new accounting basis, applying push-down accounting to reflect the Company’s assets and liabilities at fair value as of the acquisition date, and recognizing goodwill for any excess of the purchase price over the fair value of net assets assumed by Nippon Life in the acquisition. Refer to Note 2 “Business

Combinations” for more detail. Push-down accounting results in a Predecessor and Successor presentation as defined below.

Predecessor: The year ended December 31, 2024 and the period from January 1, 2025 through October 29, 2025 reflect the historical basis of accounting of RLGH Ltd. that existed prior to the acquisition. These periods are referred to as “Year ended December 31, 2024 (Predecessor)” and “Period ended October 29, 2025 (Predecessor).”

Successor: The period from October 30, 2025 through December 31, 2025 is referred to as the “Period ended December 31, 2025 (Successor).”

Business Combinations

The Company uses the acquisition method of accounting for all business combination transactions, and accordingly, recognizes the fair values of assets acquired, liabilities assumed and any noncontrolling interests in the consolidated financial statements. The allocation of fair values may be subject to adjustment after the initial allocation for up to a one-year period as more information becomes available relative to the fair values as of the acquisition date. As of the date these financial statements were available for issuance, there were no such changes made. The consolidated financial statements include the results of operations of any acquired company since the acquisition date.

Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries as well as partnerships and joint ventures in which the Company has control and variable interest entities (“VIE”) for which the Company is the primary beneficiary. The Company also consolidates VIEs when substantially all of the VIEs’ activities are conducted on our behalf. Intercompany accounts and transactions have been eliminated.

Use of Estimates

The consolidated financial statements are prepared in accordance with US GAAP, which requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual experience could materially differ from these estimates and assumptions. The Company’s principal estimates impact:

- Fair value of investments
- Impairment of investments and valuation allowances
- Valuation of derivatives, including embedded derivatives
- Value of business acquired (“VOBA”) and deferred acquisition costs (“DAC”)
- Goodwill
- Reserves for future policy benefit and policyholder account balances
- Market risk benefit assets and liabilities
- Valuation allowances on deferred tax assets
- Provisions and contingencies; and
- Equity investment in Acenda, at fair value.

Notes to the Consolidated Financial Statements continued

2. Business Combinations

Nippon Life Transaction

On October 30, 2025, the Company completed a Master Transaction Agreement (“MTA”) with Nippon Life Insurance Company (“Nippon Life”), pursuant to which Nippon Life acquired 10,000 issued and outstanding common shares of the Company and its direct and indirect subsidiaries from Blackstone ISG Investment Partners – R (BMU) L.P. (“Blackstone LP”), the Company’s former corporate parent. As a result of the transaction, Nippon Life became the sole owner of 100% of the Company’s outstanding share capital.

Prior to the transaction, Nippon Life held a 22.1% stake in the Company via its limited partnership interest in Blackstone LP. In exchange for the transfer of the shares of RLGH Ltd., Nippon Life paid cash consideration of \$8.4 billion, reflecting a base purchase price of \$10.6 billion less the value of Nippon Life’s pre-existing indirect ownership interest. The base purchase price was subject to certain adjustments which totaled \$187 million, resulting in total purchase consideration of \$10.8 billion recognized as part of the transaction.

The Company elected pushdown accounting, resulting in the use of Nippon Life’s basis of accounting that reflects the fair value of the Company’s assets and liabilities as of the acquisition date. The application of push-down accounting resulted in the recognition of goodwill and identifiable intangible assets, including value of business acquired (“VOBA”). VOBA represents the estimated fair value of future net cash flows from in-force life insurance contracts as of the acquisition date and is being amortized over the useful life of underlying contracts, which can range from 10 to 50 years depending on the block of business.

Goodwill of \$5.8 billion was recognized, representing the excess of the purchase price over the fair value of net assets acquired. Goodwill is primarily attributable to anticipated scale, skill sets, operational synergies, and other benefits expected to be realized from the acquisition. Goodwill is not expected to be deductible for U.S. federal income tax purposes. The goodwill calculation is in the table below.

Consideration	
Purchase price	10,787,000
Assets	
Investments:	
Fixed maturity securities, available-for-sale, at fair value	34,153,169
Fixed maturity securities, fair value option	201,967
Equity securities	8,089,994
Investment funds	3,415,801
Mortgage loans, net	4,600,153
Policy loans, net	1,988,816
Short-term investments, net	1,883,201
Derivative assets	1,161,075
Other invested assets	97,606
Total investments	55,591,782
Cash and cash equivalents	4,669,595
Receivables for securities sold	762,051
Accrued investment income	377,600
Funds withheld asset	26,550,249
Premiums receivable, net	914,733
Reinsurance recoverable, net	4,152,639
Value of business acquired and deferred acquisition costs	8,892,679
Deferred tax asset	322,991
Other assets	809,950
Separate account assets	1,696,963
Assets of investments consolidated within funds withheld assets	1,032,947
Total assets acquired	\$ 105,774,179
Liabilities	
Future policy benefits and other policyholder liabilities	40,942,279
Policyholder account balances	47,536,825
Reinsurance payable	957,546
Market risk benefit liabilities, at fair value	833,961
Long-term debt	3,467,518
Derivative liabilities	951,388
Deferred tax liability	887,310
Accrued expenses and other liabilities	2,262,578
Separate account liabilities	1,696,963
Liabilities of investments consolidated within funds withheld assets	1,032,947
Total liabilities acquired	100,569,315
Total identifiable net assets	5,204,865
Fair value of non-controlling interest	177,770
Goodwill	5,759,905
Total consideration transferred	\$ 10,787,000

Notes to the Consolidated Financial Statements continued**Acenda Joint Venture**

On October 31, 2025, following Nippon Life's acquisition of the Company and pursuant to the MTA, the Company and Nippon Life entered into a joint venture combining Nippon Life's existing Australasian business, Nippon Life Insurance Australia and New Zealand Limited ("NLIANZ"), formerly known as MLC Limited, with the Company's Australasian subsidiary, RLA, to form Acenda, a new primary life insurance carrier in the Australasian market.

Under the terms of the MTA, Nippon Life contributed 100% of NLIANZ's equity interests to NOHC, which was previously indirectly wholly owned by the Company and was the intermediate parent of RLA, in exchange for newly issued class N shares of NOHC. As a result, Nippon Life acquired a 51% controlling interest in NOHC, while the Company's indirect ownership was diluted to 49%. The dual-class share structure temporarily entitles the Company to higher dividend rights through "equalization dividends", until the contractually agreed upon valuation differences between RLA and NLIANZ are fully resolved.

Upon completion of this transaction, the Company ceased to control NOHC, as Nippon Life obtained a majority voting and economic interest and the ability to direct the activities that most significantly impact NOHC's economic performance. Consequently, the Company deconsolidated RLA as of the Acenda joint venture formation date.

As part of the deconsolidation, the net assets of RLA and related noncontrolling interest were derecognized from the Company's consolidated financial statements at their carrying value and the Company's 49% retained interest in the newly formed joint venture was recognized at fair value, in accordance with the Company's election of the fair value option under ASC 825. Given that RLGH, NOHC, and NLIANZ were under common control of Nippon Life at the time of the transaction, the deconsolidation was accounted for as a transaction between entities under common control. As such, the difference between the carrying value of RLA's net assets and the fair value of the Company's 49% joint venture interest, amounting to \$590 million, was recorded as an adjustment to additional paid-in capital.

Following deconsolidation, the Company's 49% retained interest in Acenda (via NOHC) meets the criteria for significant influence as set forth in ASC 323 and therefore qualifies for equity method accounting. Pursuant to ASC 825, the Company elected the fair value option for measuring its equity method investment at the transaction date. The fair value option was elected as management believes measurement at fair value best represents the economics of the investment and provides the most relevant information to users of the financial statements. The investment was initially recognized at fair value, and subsequent changes in fair value are recognized in the Company's Consolidated Statements of Operations as part of Investment related gains (losses), net.

Measurement period

The Company's measurement period remains available for up to one year from the acquisition date. If, within that period, the Company identifies new information that relates to facts and circumstances that existed as of the acquisition date and that would have affected the amounts recognized as of that date, Management will record measurement period adjustments. Any such adjustments would be recognized retrospectively as of the acquisition date.

Notes to the Consolidated Financial Statements continued

3. Significant Accounting

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, amounts due from banks, and certain money market securities, held in the ordinary course of business with maturities of three months or less. Cash and cash equivalents are stated at fair value.

Restricted Cash

Restricted cash consists of cash and cash equivalents (i) held in funds in trust as part of funds withheld and modified coinsurance (“modco”) agreements to secure reserves and liabilities, (ii) amounts posted as collateral for derivative contracts and (iii) cash balances for comfort trusts, and is presented within cash and cash equivalents on the face of the Consolidated Balance Sheets. Refer to Note 15 Commitments and Contingencies for more detail.

Investments

Fixed maturity securities include bonds, asset-backed securities (“ABS”), residential mortgage-backed securities (“RMBS”) and commercial mortgage-backed securities (“CMBS”). Fixed maturity securities are designated as available-for-sale (“AFS”) except those accounted for using the fair value option (“FVO”), as they may be sold prior to their contractual maturity, and are carried at fair value. Unrealized gains and losses on AFS securities are reflected in accumulated other comprehensive income (loss) (“AOCI”) on the Consolidated Balance Sheets.

Fair value option securities are stated at estimated fair value and include investments for which the fair value option has been elected and investments that are actively purchased and sold (“Actively traded securities”). Actively traded securities principally include U.S. Treasury securities and U.S. Government authorities’ and agencies’ securities. Changes in estimated fair value of these securities are included in Investment related gains (losses), net, on the Consolidated Statements of Operations.

Equity securities include perpetual preferred stock, non-redeemable preferred stock and common stock investments. Equity investments are accounted for at fair value. Changes in estimated fair value of these securities are included in Investment related gains (losses), net, on the Consolidated Statements of Operations.

The Company has elected the FVO to measure its 49% equity interest in Acenda. The fair value of the Company’s investment in Acenda is determined using an income approach based on discounted projected cash flows. The investment is denominated in Australian dollars and translated to U.S. dollars at the spot exchange rate as of each measurement date, with changes in fair value, including the effects of foreign currency translation, recognized in the Company’s Consolidated Statements of Operations as part of Investment related gains (losses), net in the period in which they occur.

Distributions received from Acenda are classified in the Consolidated Statements of Cash Flows using the nature of the distribution approach. Distributions representing a return on investment are classified as operating activities, while distributions representing a return of investment are classified as investing activities.

Investment funds include certain non-fixed income, alternative investments in the form of limited partnerships or similar legal structures (investment funds) and include investments in real estate, real assets, credit, equity and natural resources. For the year ended December 31, 2024, the Company engaged in a non-cash investing transaction where it exchanged approximately \$230 million in investment fund interests for fixed maturities securities from the same issuer. Also during 2024 an investment trust was deconsolidated due to the Company’s ownership interest falling below 50%. As a result, equity securities of approximately \$654 million were derecognized and an investment in investment fund of \$677 million was recognized.

Investment funds can meet the definition of a VIE, an entity that does not have sufficient equity to finance its activities without additional financial support, or in which the equity investors, as a group, do not have the characteristics typically afforded to common shareholders. The VIEs were formed to make investments, including co-investments alongside other investors, in private equity, infrastructure, real estate and credit assets. In certain instances, the Company holds both the power to direct the most significant activities of the entity, as well as an economic interest in the entity and, as such, is deemed to be the primary beneficiary or consolidator of the entity. The determination of the VIE’s primary beneficiary requires an evaluation of the contractual and implied rights and obligations associated with each party’s relationship with or involvement in the entity, an estimate of the entity’s expected losses and expected residual returns and the allocation of such estimates to each party involved in the entity. For VIEs where the Company is the primary beneficiary but does not have 100% ownership, the proportionate share of equity and net income are attributable to noncontrolling interest.

Additionally, we evaluate whether certain entities are required to be consolidated under the voting interest entity (“VOE”) guidance when control is obtained through voting rights. As of December 31, 2025 (Successor) and 2024 (Predecessor) no investment funds were consolidated under the VOE guidance.

For unconsolidated investment funds, the Company uses the equity method of accounting, elects the FVO or uses fund net asset value (“NAV”) as a practical expedient for fair value. For equity method investments, the Company records its proportionate share of investment fund income within Net investment income on the Consolidated Statements of Operations which are on a lag of no longer than three months. Where the NAV as practical expedient option has been elected, the change in the fair value is reflected in Net investment income on the Consolidated Statements of Operations.

The Company records purchases and sales of fixed maturities and equity securities, excluding private placements, on a trade date basis, with any unsettled trades recorded in Receivable for securities or Accrued expenses and other liabilities on the Consolidated Balance Sheets. Purchases and sales of private placements are recorded on the closing date.

Policy loans represent loans the Company issues to policyholders in return for a claim on the policyholder’s account value. Policy loans are reported at the unpaid principal balance. Interest income is recorded as earned using the contract interest rate and is reported in Net investment income on the Consolidated Statements of Operations.

Short-term investments include securities and certain money market funds with remaining maturities of one year or less, but greater than three months, at the time of purchase and are stated at estimated fair value or amortized cost, which approximates fair value.

Notes to the Consolidated Financial Statements continued

Other invested assets is comprised of Federal Home Loan Bank of Topeka (“FHLB”) common stock. The Company is a member of the FHLB system and is required to own a certain amount of FHLB stock based on the level of borrowings and other factors. FHLB stock is carried at cost and classified as a restricted security until redeemed by the respective regional FHLBs.

Investment Income and Investment Realized Gains and Losses

Investment income from fixed maturity securities primarily consists of interest and is recognized on an accrual basis using the effective yield method giving effect to amortization of premium and accretion of discount. Included within fixed maturities are loan-backed securities, including RMBS, CMBS and ABS. Amortization of the premium or discount from the purchase of these securities considers the estimated timing and amount of prepayments of the underlying loans. Actual prepayment experience is periodically reviewed and effective yields are recalculated when differences arise between the prepayments originally anticipated and the actual prepayments received and currently anticipated. Prepayment assumptions for single-class and multi-class mortgage-backed securities (“MBS”) and ABS are estimated by management using inputs obtained from third-party specialists, including broker-dealers, and based on management’s knowledge of the current market. For prepayment-sensitive securities such as interest-only and principal-only strips, inverse floaters and credit-sensitive MBS and ABS securities, which represent beneficial interests in securitized financial assets that are not of high credit quality or that have been credit impaired, the effective yield is recalculated on a prospective basis. For all other MBS and ABS, the effective yield is recalculated on a retrospective basis.

Accrual of income from fixed maturities is suspended when the timing and amount of cash flows expected to be received is not reasonably estimable. It is the Company’s policy to cease to carry accrued interest on debt securities that are over 90 days delinquent or where collection of interest is improbable and commercial mortgage loans in default if deemed uncollectible or over 180 days past due.

Recognition of investment income from investment funds is delayed due to the availability of the related financial statements, which are generally obtained from the partnerships’ general partners. As a result, our private equity investments are on a three-month lag and our hedge funds are on a one-month lag.

Investment related gains (losses), net, include gains and losses on investment sales and impairments and reserves due to expected credit losses. Realized capital gains and losses on investment sales, including principal payments, are determined on a first in first out (“FIFO”) basis. Changes in the fair value of freestanding derivative instruments, which do not receive accounting hedge treatment, are reflected in Investment related gains (losses), net.

Portfolio Monitoring

The Company has a comprehensive portfolio monitoring process to identify and evaluate each fixed maturity security whose fair value may be less than its carrying value. In determining when a decline in fair value below amortized cost of a fixed maturity security is a credit loss, we evaluate available information, both positive and negative, in reaching our conclusions.

The Company’s portfolio monitoring process includes a quarterly review of all securities to identify instances where the fair value of a security compared to its amortized cost is below established thresholds. The process also includes the monitoring of other impairment indicators such as ratings, ratings downgrades and payment defaults.

For each fixed maturity security in an unrealized loss position, the Company assesses whether management with the appropriate authority has made the decision to sell or whether it is more likely than not the Company will be required to sell the security before recovery of the amortized cost basis for reasons such as liquidity, contractual or regulatory purposes. If a security meets any of these criteria, a credit loss is recognized to fair value through earnings in the current period. We calculate the allowance for credit losses of fixed maturity securities based on the present value of our best estimate of cash flows expected to be collected, discounted using the effective interest rate implicit in the security at the date of acquisition. When estimating future cash flows, we analyze the strength of the issuer’s balance sheet, its debt obligations and near-term funding arrangements, cash flow and liquidity, the profitability of its core businesses, the availability of marketable assets which could be sold to increase liquidity, its industry fundamentals and regulatory environment, and its access to capital markets.

Changes in the allowance for credit losses are recorded in Investment related gains (losses), net. Losses are charged against the allowance when the Company believes the uncollectability of a fixed maturity security is confirmed or when either of the criteria regarding intent or requirement to sell is met. Accrued interest receivable on fixed maturity securities is excluded from the estimate of credit losses.

As of December 31, 2025 (Successor) and 2024 (Predecessor), with respect to the fixed maturity securities for which an allowance for credit losses was recognized, we do not intend to sell these securities, and it is not more likely than not that we will be required to sell these securities before recovery of our estimated value.

Notes to the Consolidated Financial Statements continued**Mortgage Loans**

Mortgage loans consists of commercial mortgage loans (“CMLs”) and residential mortgage loans (“RMLs”). They are acquired at fair value and are carried at amortized cost using the effective interest rate method. Mortgage loans currently held by the Company are diversified by property type and geographic area throughout the United States. Mortgage loans are considered impaired when it is determined that the Company will not collect amounts due according to the terms of the original loan agreement. The Company assesses the impairment of loans individually for all loans in the portfolio. The Company estimates the fair value of the underlying collateral received from third-party investment managers generally based on discounted cash flow analyses. The Company estimates an allowance for loan and lease losses (“ALLL”) representing potential credit losses embedded in the mortgage loan portfolio. In determining the ALLL, the Company estimates expected lifetime credit loss based on pooling mortgage loans that share similar risk characteristics, such as property type, location, and consumer credit score. For mortgage loans with dissimilar loan characteristics, which include loans with significant declines in credit quality, the Company will individually evaluate the loan for credit loss.

Mortgage loans are generally held for investment and are carried at amortized cost less an allowance for expected credit losses. Interest income is accrued on the principal amount of the loan based on the loan’s contractual interest rate. Prepayment penalties are recognized as investment income when received. For mortgage loans on which collection of interest income is uncertain, we discontinue the accrual of interest and recognize it in the period when an interest payment is received. We typically do not resume the accrual of interest on mortgage loans on non-accrual status until there are significant improvements in the underlying financial condition of the borrower. We consider a loan to be delinquent if full payment is not received in accordance with the contractual terms of the loan.

Although all available and applicable factors are considered in our analysis, loan-to-value and debt service coverage ratios are the most critical factors in determining impairment. We estimate an allowance for credit losses that we expect to incur over the life of our mortgage loans using a probability of default method. For each loan, we estimate the probability that the loan will default before its maturity (probability of default) and the amount of the loss if the loan defaults (loss given default). These two factors result in an expected loss percentage that is applied to the amortized cost of each loan to determine the expected credit loss. We measure losses on defaults of our mortgage loans as the excess amortized cost of the mortgage loan over the fair value of the underlying collateral in the event that we foreclose on the loan or over the expected future cash flows of the loan if we retain the mortgage loan until payoff. We do not purchase mortgage loans with existing credit impairments.

In estimating the probability of default, we consider historical experience, current market conditions, and reasonable and supportable forecasts about the future market conditions. We utilize our historical loan experience in combination with a large third-party industry database for a period of time that aligns with the average life of our loans based on the maturity dates of the loans and prepayment experience. Our model utilizes an industry database of the historical loss experience based on our actual portfolio characteristics such as loan-to-value, debt service coverage, collateral type, geography, and late payment history. In addition, because we actively manage our portfolio, we may extend the term of a loan in certain situations and will accordingly

extend the maturity date in the estimate of probability of default. In estimating the loss given default, we primarily consider the type and value of collateral and secondarily the expected liquidation costs and time to recovery.

The primary market factors that we consider in our forecast of future market conditions are gross domestic product, unemployment rates, interest rates, inflation, commercial real estate values, household formation, and retail sales. We also forecast certain loan specific factors such as growth in the fair value and net operating income of collateral by property type. We include our estimate of these factors over a two-year period and for the remainder of the loans’ estimated lives, adjusted for estimated prepayments. Past the two-year forecast period, we revert to the historical assumptions ratably by the end of the fifth year of the loan after which we utilize only historical assumptions. Write offs and impairments of individual loans are based on the facts and circumstances of each impaired loan, which can be based on fair value of collateral less cost to sell or expected refinance amount.

We utilize various scenarios to estimate our allowance for expected losses ranging from a base case scenario that reflects normal market conditions to a severe case scenario that reflects adverse market conditions. We will adjust our allowance each period to utilize the scenario or weighting of the scenarios that best reflects our view of current market conditions. Additions, reductions and write offs to our allowance for credit losses on mortgage loans are reported as a component of net realized investment gains (losses), net.

We have elected to present accrued interest receivable separately in accrued investment income on the Consolidated Balance Sheets. We have also elected the practical expedient to exclude the accrued interest receivable from the amortized cost balance used to calculate the allowance for expected credit losses, as we have a policy to write off such balances in a timely manner, when they become 90 days past due or are deemed uncollectible. Any write-off of accrued interest is recorded through a reversal of Net investment income on the Consolidated Statements of Income.

Derivatives

Derivatives are financial instruments whose values are derived from interest rates, foreign exchange rates, financial indices, values of securities or commodities, credit spreads, market volatility, expected returns, and liquidity. Values can also be affected by changes in estimates and assumptions, including those related to counterparty behavior and non-performance risk (“NPR”) used in valuation models. Derivative financial instruments generally used by the Company include swaps, forwards, futures and options and may be exchange-traded or contracted in the over-the-counter (“OTC”) market. Certain of the Company’s OTC derivatives are cleared and settled through central clearing counterparties, while others are bilateral contracts between two counterparties. Derivative positions are carried at fair value, generally by obtaining quoted market prices or through the use of valuation models.

Derivatives are used to manage the interest rate and currency characteristics of assets or liabilities. Additionally, derivatives may be used to seek to reduce exposure to interest rate and foreign currency risks associated with assets held or expected to be purchased or sold, and liabilities incurred or expected to be incurred. Equity index options are used to hedge against changes in the value of the benefit contained in indexed universal life products.

Notes to the Consolidated Financial Statements continued

As discussed in detail below and in Note 5, all realized and unrealized changes in fair value of derivatives are recorded in current earnings, with the exception of derivatives in which hedge accounting has been elected. Cash flows from derivatives are reported in the operating, investing or financing activities sections in the Consolidated Statements of Cash Flows based on the nature and purpose of the derivative. Derivatives are recorded either as assets, within derivative assets, or as liabilities, within derivative liabilities, except for embedded derivatives which are recorded with the associated host contract.

To qualify for hedge accounting treatment, a derivative must be highly effective in mitigating the designated risk of the hedged item. Effectiveness of the hedge is formally assessed at inception and throughout the life of the hedging relationship. The Company formally documents at inception all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. This process includes linking all derivatives designated as hedges to specific assets and liabilities on the balance sheet or to specific firm commitments or forecasted transactions.

When a derivative is designated as a cash flow hedge and is determined to be highly effective, changes in its fair value are recorded in AOCI until earnings are affected by the variability of cash flows being hedged (e.g., when periodic settlements on a variable-rate asset or liability are recorded in earnings). At that time, the related portion of deferred gains or losses on the derivative instrument is reclassified and reported in the Consolidated Statements of Operations line item associated with the hedged item.

When hedge accounting is discontinued because the hedged item no longer meets the definition of a firm commitment, or because it is probable that the forecasted transaction will not occur by the end of the specified time period, the derivative will continue to be carried on the balance sheet at its fair value, with changes in fair value recognized currently in Investment related gains (losses), net. Any asset or liability that was recorded pursuant to recognition of the firm commitment is removed from the balance sheet and recognized currently in Investment related gains (losses), net. Gains and losses that were in AOCI pursuant to the hedge of a forecasted transaction are recognized immediately in Investment related gains (losses), net.

If a derivative does not qualify for hedge accounting, all changes in its fair value, including net receipts and payments, are included in Investment related gains (losses), net, without considering changes in the fair value of the economically associated assets or liabilities.

An embedded derivative is a derivative instrument that is embedded in another contract, the 'host contract'. If it is determined that the characteristics of the embedded derivative are not clearly related to the host contract and a separate instrument with the same terms would qualify as a derivative instrument, it is bifurcated from the host contract and accounted for separately, unless the fair value option is elected for the host contract. The Company holds a variety of embedded derivatives that are described further within the sections below. Embedded derivatives are carried on the Consolidated Balance Sheets at fair value in the same line item as the host contract. The changes in fair values of the embedded derivatives described below are recorded through various line items within the Consolidated Statement of Operations.

Funds Withheld Assets

Funds withheld by ceding companies, including those withheld under modco contracts, consist mainly of amounts retained by the ceding company for business written on a funds withheld basis. Funds withheld assets are assets that would normally be paid to the Company but are withheld by the cedant to reduce the potential credit risk of the reinsurer.

Funds withheld assets represent the receivable for the amounts withheld in accordance with the reinsurance agreement in which the Company acts as the reinsurer. While the assets in modco trusts are legally owned by the ceding company, the assets are legally segregated from the general accounts of the cedants and all economic rights and obligations on the assets accrue to the Company. The Company periodically settles interest accruing to those assets and investment gains, as defined by the terms of the agreements. The underlying agreements contain embedded derivatives as defined by the ASC 815, Derivatives and Hedging, and as a result the carrying value of the funds withheld assets and liabilities are equal to the fair value of the underlying assets. The change in the fair value of the embedded derivatives related to the change in unrealized gain or loss on the underlying securities is recorded in Investment related gains (losses), net, on the Consolidated Statements of Operations.

Reinsurance

Reinsurance accounting is applied to both business ceded and assumed where the risk transfer provisions of ASC 944-40 Accounting and Reporting for Reinsurance of Short-Duration and Long-Duration Contracts have been met. To meet risk transfer requirements, a long-duration reinsurance contract must transfer mortality or morbidity risks and subject the reinsurer to a reasonable possibility of a significant loss due to insurance risk. Those contracts that do not meet risk transfer requirements are accounted for using deposit accounting. The fair value of the consideration received for business assumed which meets risk transfer requirements is included in Premiums on the Consolidated Statements of Operations. Changes to assumed reserves, interest credited and benefits paid are presented net in the policyholder benefits line on the Consolidated Statements of Operations. With respect to ceded reinsurance, the Company values reinsurance recoverables on reported claims at the time the underlying claim is recognized in accordance with contract terms. For future policy benefits, the Company estimates the amount of reinsurance recoverables based on the terms of the reinsurance contracts and historical reinsurance recovery information. The reinsurance recoverables are based on what the Company believes are reasonable estimates and the balance is reported as an asset in the Consolidated Balance Sheets. The ultimate amount of the reinsurance recoverable is not known until all claims are settled.

Reinsurance contracts do not relieve the Company from its obligations to policyholders, and failure of reinsurers to honor their obligations could result in losses to the Company; consequently, credit loss allowances are established for amounts deemed uncollectible. Premiums, fees and policyholder benefits and claims include amounts assumed under reinsurance agreements and are net of reinsurance ceded. Amounts received from reinsurers for policy administration are reported in Other operating expenses on the Consolidated Statements of Operations.

Notes to the Consolidated Financial Statements continued**Value of Business Acquired and Deferred Acquisition Costs**

VOBA represents the excess of book value over the estimated fair value of acquired insurance, annuity, and investment-type contracts in force at the acquisition date. For certain acquired blocks of business, the estimated fair value of the in-force contract obligations exceeded the book value of assumed in-force insurance policy liabilities, resulting in negative VOBA, which is presented separately from VOBA as an additional insurance liability included in other policy related balances. The estimated fair value of the acquired obligations is based on projections, by each block of business, of future policy and contract charges, premiums, mortality and morbidity, separate account performance, surrenders, expenses, investment returns, nonperformance risk adjustment and other factors. Actual experience on the purchased business may vary from these projections.

VOBA is amortized over the estimated lives of contracts, predominantly in proportion to actual and expected gross profits, and is included in Amortization of value of business acquired and deferred acquisition costs on the Consolidated Statements of Operations. VOBA is reviewed quarterly for loss recognition to ensure that the unamortized balance is recoverable from future earnings from the business. The carrying amount of VOBA is adjusted for the effects of unrealized and realized gains and losses on debt securities classified as AFS if the VOBA amortization is based on revenues or profits. As of December 31, 2025 (Successor) and 2024 (Predecessor), the Company was not required to establish any additional liabilities as a result of premium deficiency testing.

Negative VOBA is amortized over the policy period in proportion to the approximate consumption of losses included in the liability usually expressed in terms of insurance in-force or account value. Negative VOBA is not adjusted for the effects of unrealized gains and losses on debt securities classified as AFS. Such amortization is recorded as an offset in Policyholder benefits line on the Consolidated Statements of Operations.

The Company incurs costs, generally, in connection with renewal insurance business. Costs that are related directly to the successful issuance or renewal of insurance contracts are capitalized as DAC. Such costs include incremental direct costs of contract acquisition, such as commissions, the portion of an employee's total compensation and benefits related to time spent underwriting or processing the issuance of new and renewal insurance business only with respect to actual policies acquired or renewed; and any other essential direct costs that would not have been incurred had a policy not been acquired or renewed.

All other acquisition related costs, including those related to general advertising and solicitation, market research, agent training, product development, and underwriting efforts, as well as all indirect costs, are expensed as incurred.

DAC is amortized on a constant level basis over the expected term of the related contracts, and contracts are grouped in a manner consistent with the determination of the associated liability, where such consistency is required. The metric used for the constant level basis depends upon the underlying contract type.

The constant level bases used for amortization are projected using mortality, morbidity, and lapse assumptions that are based on the Company's experience, industry data, and other factors and are consistent with those used for the liability for future policy benefits. If those projected assumptions change in future periods, they will be reflected in the cohort level amortization basis at that time. Experience variances, due to differing mortality and lapse experience than expected, are recognized in the current period, and in no instance shall DAC increase relative to prior recorded amounts. Amortization of DAC is included in the line Amortization of value of business acquired and deferred acquisition costs in the Consolidated Statements of Operations.

Where the fair value of the consideration received for reinsurance transactions does not equal the liabilities reinsured, the difference is recognized on the Consolidated Balance Sheets as either a cost of reinsurance ("COR") asset or as a deferred profit liability ("DPL"). The consideration received is calculated as the fair value of any assets received, inclusive of any ceding commission paid or payable less the insurance liabilities reinsured. COR is recognized with VOBA as a separate line of the Consolidated Balance Sheet and DPL is included within the applicable reserves balance to which it relates.

The key assumptions used in the calculation of the amortization of these balances are reviewed quarterly and updated if actual experience or other evidence suggests that current assumptions should be revised. In addition, the Company formally reviews assumptions annually as part of the assumptions review process. The effects of changes in assumptions are recorded in net income in the period in which the changes are made.

Goodwill

The Company recognizes the excess of the purchase price, plus the fair value of any noncontrolling interest in the acquiree, over the fair value of identifiable net assets acquired as goodwill. Goodwill is not amortized, but is reviewed for impairment annually and more frequently if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. For the periods ended December 31, 2025 (Successor) and October 29, 2025 (Predecessor) there was no impairment. Refer to Note 19. Goodwill for the period-on-period roll-forward.

Notes to the Consolidated Financial Statements continued**Assets and Liabilities of Investments Consolidated within FWH**

Through certain funds withheld and modco arrangements, the Company has economic interests in VIEs whereby 100% of each VIE's variability is absorbed by the Company. Refer to Note 3 Significant Accounting Policies for additional information on Funds Withheld Assets. Consistent with other funds withheld and modco arrangements, these investments are reported on the ceding companies' balance sheets; however, the Company has concluded that it is the primary beneficiary of these VIEs and, consequently, consolidates these VIEs.

The investments and obligations of these consolidated VIEs are presented as Assets and Liabilities of investments consolidated within funds withheld on the Consolidated Balance Sheets. The Assets of investments consolidated within funds withheld represent the underlying investments held by the consolidated VIE. The Liabilities of investments consolidated within funds withheld assets represent notes issued by the VIE to the cedant (collateralized by the cash flows of the VIE's investments). The assets and liabilities of the VIEs are presented gross on the Consolidated Balance Sheets as the Company does not have a right of setoff. The Company has elected the Fair value option to measure the carrying value of both the assets and liabilities of the VIEs. Changes in fair value of, and interest on, the assets and liabilities of these consolidated VIEs are presented within Investment related gains (losses), net in the Consolidated Statements of Operations.

Separate Account Assets and Liabilities

The Company offered traditional variable annuity contracts through its separate accounts for which investment income and investment gains and losses accrue directly to the policyholder. Separate account assets and liabilities generally represent funds maintained to meet specific investment objectives of contract owners or participants who bear all of the investment risk. The assets of each account are legally segregated and are not subject to claims that arise out of any other business of the Company.

Separate account assets supporting these variable options under variable life and annuity contracts are invested, as designated by the policyholder, in shares of selected mutual funds. All net investment experience, positive or negative, is attributed to the policyholder's account balance and presented in Separate account liabilities on the Consolidated Balance Sheets.

The Company also offered variable annuity contracts with general and separate account options where the Company contractually guarantees to the policyholder a return of no less than total deposits made to the contract less any partial withdrawals ("return of net deposits"). In certain of these variable annuity contracts, the Company also contractually guarantees to the policyholder a return of no less than (1) total deposits made to the contract less any partial withdrawals plus a minimum return ("minimum return"); and/or (2) the highest contract value on a specified date adjusted for any withdrawals ("contract value"). These guarantees include benefits that are payable in the event of death, annuitization or at specified dates during the accumulation period and withdrawal and income benefits payable during specified periods, and qualify as Market risk benefits.

The Company also issued annuity contracts with and without market value adjusted investment options, which provide for a return of principal plus a fixed rate of return if held to maturity, or alternatively, a "market adjusted value" if surrendered prior to maturity or if funds are allocated to other investment options. The market value adjustment may result in a gain or loss to the Company, depending on crediting rates or an indexed rate at surrender, as applicable.

The assets supporting the variable portion of both traditional variable annuities and certain variable contracts with guarantees are carried at fair value and reported as Separate account assets with an equivalent amount reported as Separate account liabilities. Amounts assessed against the policyholders for mortality, administration, and other services are included within revenue in Fee income in the Consolidated Statements of Operations and changes in liabilities for minimum guarantees are included in Change in the fair value of market risk benefits, net in the Consolidated Statements of Operations, see below for further discussion over these liabilities in Market Risk Benefits.

For those guarantees of benefits that are payable in the event of death, the net amount at risk is generally defined as the current guaranteed minimum death benefit in excess of current account balance at the balance sheet date. The Company's primary risk exposures for these contracts relates to actual deviations from, or changes to, the assumptions used in the original pricing of these products, including fixed income and equity market returns, contract lapses and contract holder mortality.

For guarantees of benefits that are payable at annuitization, the net amount at risk is generally defined as the present value of the minimum guaranteed annuity payments available to the contract holder determined in accordance with the terms of the contract, in excess of the current policyholder account balance. The Company's primary risk exposures for these contracts relates to actual deviations from, or changes to, the assumptions used in the original pricing of these products, including fixed income and equity market returns, contract lapses and policyholder mortality.

For guarantees of benefits that are payable at withdrawal, the net amount at risk is generally defined as the present value of the minimum guaranteed withdrawal payments available to the policyholder determined in accordance with the terms of the contract in excess of the current policyholder account balance. The Company's primary risk exposures for these contracts relates to actual deviations from, or changes to the assumptions used in the original pricing of these products, including equity market returns, interest rates, market volatility or policyholder behavior used in the original pricing of these products.

Notes to the Consolidated Financial Statements continued**Future Policy Benefits and Other Policyholder Liabilities**

The Company's insurance contracts include life insurance and single premium immediate annuities with significant mortality risk. Life insurance and disability income insurance include both individual and group contracts, classified as either long-duration or short duration.

A liability for future policy benefits, which is the present value of estimated future policy benefits to be paid to or on behalf of policyholders and certain related expenses less the present value of estimated future net premiums to be collected from policyholders, is accrued as premium revenue is recognized.

For traditional life and limited-payment contracts that are either non-participating or are participating yet do not meet the contribution principle, contracts are grouped into cohorts by contract type and issue date range. Given the acquisitive business model of the Company, much of the business is assumed to have an issue date consistent with its acquisition date, with cohorts of no longer than twelve months established thereafter for acquisitions that continue to issue contracts. The liability is estimated using current assumptions that include discount rate, mortality, morbidity, lapses, and expenses. These current assumptions are based upon judgments that consider the Company's historical experience, industry data, and other factors. With the exception of the expense assumption, the Company reviews its future cash flow assumptions quarterly and updates the net premium ratio used to calculate the liability.

The Company reviews all assumptions at least annually, and more frequently if evidence suggests. During the period ended December 31, 2025 (Successor), no assumption changes were made as the assumptions used at the time of acquisition were representative of Management's view of the underlying business and remained appropriate for use.

Each quarter, the Company updates its estimate of cash flows expected over the entire life of a group of contracts using actual historical experience and current cash flow assumptions. These updated cash flows are used to calculate the revised net premiums and net premium ratio, discounted at the original contract issuance discount rate. This amount is then compared to the carrying amount of the liability as of that same date, before the updating of cash flow estimates, to determine the current period change in liability estimate. This current period change in the liability is recognized as Remeasurement gains (losses) as a separate component of the Total policyholder benefits in the Consolidated Statements of Operations. In subsequent periods, the revised net premiums are used to measure the liability for future policy benefits, subject to further revisions.

For traditional life and limited-payment contracts that are either non-participating or are participating yet do not meet the contribution principle, the discount rate assumptions use a forward rate yield curve that is derived based on upper medium grade (low credit risk) fixed income instruments for each of the currencies in which business has been issued. The Company uses one or more external indices of corporate credit issues as its proxy for these instruments. The discount rate assumption is updated quarterly and used to remeasure the liability at the reporting date, with the resulting change in the discount rate reflected in other comprehensive income. For liability cash flows between two market observable points on the yield curve, the Company interpolates the effective yield using a Monotone Convex interpolation method, similar to that used by the United States Treasury Department. For liability cash flows that are projected beyond the last market-observable point on the yield curve, the Company grades to an assumed long-term rate for upper medium grade (low credit risk) fixed income instruments.

For the periods ended October 29, 2025 (Predecessor) and December 31, 2024 (Predecessor) profit or losses generated within RLAL's participating funds were allocated between shareholders and participating policyholders in accordance with the Australia Life Insurance Act 1995. Profits or losses allocated to participating policyholders were recognized as a change in Policyholder benefits in the Consolidated Statements of Operations. Profits or losses allocated to shareholders were recognized as they are earned in the Consolidated Statements of Operations.

The Company holds additional liabilities for its no lapse and secondary guarantees (associated with universal life). The liability is defined as current benefit ratio multiplied by cumulative assessments less, cumulative excess payments, both including accreted interest. The liability is not allowed to be less than zero. The benefit ratio is defined as the present value of total expected benefit payments in excess of the policyholder account balance over the life of the contract divided by the present value of total expected assessments over the life of the contract. The interest rate used in determination of the benefit ratio as well as the determination of the liability is the contract rate used in determining policyholders' account balances. When assumptions are updated, or when the actual contract rate differs from expectation in the current period, the benefit ratio and the liability are remeasured, with the resulting gain or loss reflected in total benefits expense.

The Company also recognizes a shadow reserve adjustment for the additional insurance liabilities when unrealized gains and losses are not included in the investment margin while calculating the present value of expected assessments for the benefit ratios. Shadow reserve adjustments are recognized in other comprehensive income.

Policy liabilities are established for unpaid claims, to meet the estimated future obligations of policies in-force and in claims-paying status. Changes in policy and contract claims are recorded in policyholder benefits in the Consolidated Statements of Operations.

Contract claim liabilities are computed applying discount rate assumptions that use a forward rate yield curve that is derived based on upper medium grade (low credit risk) fixed income instruments for each of the currencies in which business has been issued as well as mortality, morbidity, and other key assumptions as of the reporting date. Mortality, morbidity, and other key assumptions are based on the Company's initial determination of best estimate expected experience without provisions for adverse deviation. Liabilities are held for policies with a known claims-paying event as well as an estimate of policies for which a claims-paying event has been incurred but not yet reported.

Other policy-related balances include policy and contract claims, premiums received in advance, unearned revenue liabilities, obligations assumed under structured settlement assignments, policyholder dividends due and unpaid, and policyholder dividends left on deposit.

Policy liabilities and accruals are based on the various estimates discussed above. Although the adequacy of these amounts cannot be assured, the Company believes that policy liabilities and accruals will be sufficient to meet future obligations of policies in-force. The amount of liabilities and accruals, however, could be revised if the estimates discussed above are revised.

Notes to the Consolidated Financial Statements continued**Policyholders' Account Balances**

Policyholders' account balances represent interest-bearing liabilities arising from the acquisition, reinsurance, or sale of products such as participating investment contracts, fixed annuities, universal life-type contracts and also includes retained asset balances, which represent the death benefit on a life insurance contract that the policyholder has elected to keep on deposit with the Company. Policyholders' account balances for investment accounts in which the policyholder participates in the performance of the block are the sum of amount credited to the policyholder (cumulative deposits received and interest credited to the contracts less cumulative contract benefits, surrenders, withdrawals and contract charges for mortality or administrative expenses), and an allowance for certain amounts not yet credited, which is in effect the policyholders' share of assets in excess of the those amounts already credited to the policyholder.

Policyholders' account balances for fixed indexed and equity indexed universal life policies with returns linked to the performance of a specified market index are equal to the sum of the fair value of the embedded derivatives and the host (or guaranteed) component over the policyholder account balance. The change in the fair value of the embedded derivative is linked to the performance of the specified market index. The host value is established as of the date of acquisition, and is equal to the account value, plus the value of the unexpired options at the date of acquisition, less the embedded derivative, and accreted over the policy's life at a constant rate of interest. The change in the fair value of the fixed indexed annuity and equity indexed universal life contracts' embedded derivatives are recorded in Interest sensitive contract benefits in the Consolidated Statements of Operations with the exception of fair value movements due to changes in own credit risk which are recorded in the Consolidated Statements of Comprehensive Income.

Market Risk Benefits

The calculation of Market Risk Benefits relies upon actuarial assumptions (e.g. mortality, lapse, guarantee utilization rates) as macroeconomic inputs (e.g. interest rates, equity returns, and the correlation thereof), and instrument-specific credit risk. The calculation itself, estimated as the present value of future Market Risk Benefits less the present value of attributed fees (if any) is performed under the Fair Value guidance, which requires use of risk-neutral scenarios as well as the incorporation of a risk margin related to the uncertainty of certain material assumptions. The Company reviews all assumptions at least annually, and more frequently if evidence suggests. During the period ended December 31, 2025 (Successor), no assumption changes were made as the assumptions used at the time of acquisition were representative of Management's view of the underlying business and remained appropriate for use.

Recognition of Premium Revenues and Fees, and Related Policyholders' Benefits

Life insurance and disability income products consist principally of products whereby the premiums and benefits are fixed by the Company. Premiums from these products are recognized as revenue when due from policyholders. Surrenders on traditional life and death benefits are reflected in policyholder benefits.

Immediate annuities with significant mortality risk provide insurance protection over a period that extends beyond the period during which premiums are collected. Premiums from these products are recognized as revenue when received at the inception of the contract. Benefits and expenses are recognized in relation to premiums. Interest-sensitive life contracts, such as universal life and single premium life, are insurance contracts whose terms are not fixed and guaranteed. The terms that may be changed include premiums paid by the policyholder, interest credited to the policyholder account balance and contract charges assessed against the policyholder account balance. Premiums from these contracts are reported as policyholder account balances. Fee income from policyholders consist of fees assessed against the policyholder account balance for the cost of insurance (mortality risk), contract administration and surrender of the policy prior to contractually specified dates. These charges are recognized as revenue when assessed against the policyholder account balance. Policyholder benefits include life-contingent benefit payments in excess of the policyholder account balance.

Contracts that do not subject the Company to significant risk arising from mortality or morbidity are referred to as investment contracts. Consideration received for such contracts is reported as policyholder account balance deposits. Policy fees for investment contracts consist of fees assessed against the contract holder account balance for maintenance, administration and surrender of the contract prior to contractually specified dates and are recognized when assessed against the policyholder account balance.

Other Assets, Accrued Expenses and Other Liabilities

Other assets consist of receivables from affiliates, accounts receivable, guaranteed premium rate benefits, current income taxes receivable, intangibles, property, plant and equipment and right of use lease assets. Accrued expenses and other liabilities consist primarily of accrued expenses, current income taxes payable, deferred purchase consideration, commissions payable, derivative collateral liabilities, lease liabilities and payables resulting from purchases of securities that had not yet been settled at the balance sheet date.

Notes to the Consolidated Financial Statements continued**Foreign Exchange**

Monetary assets and liabilities denominated in a currency other than the functional currency of the Company's subsidiaries in which those monetary assets and liabilities reside are revalued into such subsidiary's functional currency at the prevailing exchange rate on the balance sheet date. Revenues and expenses denominated in a currency other than the functional currency of the Company's subsidiaries, are valued at the exchange rate on the date on which the underlying revenue or expense transaction occurred. The net effect of these revaluation adjustments are recognized in the Company's Consolidated Statements of Operations as part of Other operating expenses and the amount for the period-ended December 31, 2025 (Successor), period-ended October 29, 2025 (Predecessor) and year-ended December 31, 2024 (Predecessor) were \$23.8 million, \$37.9 million and \$(40.5) million, respectively.

The Company's functional currency is the U.S. dollar. Certain of the Company's subsidiaries have a functional currency other than the U.S. dollar. Assets and liabilities of foreign operations whose functional currency is not the U.S. dollar are translated into the Company's U.S. dollar reporting currency at prevailing balance sheet-date exchange rates, while revenue and expenses of such foreign operations are translated into the Company's U.S. dollar functional currency at annual average exchange rates during the year. The net effect of these translation adjustments, as well as any gains or losses on intercompany balances for which settlement is not planned or anticipated in the foreseeable future is included in the Company's Consolidated Balance Sheet as currency translation adjustments and reflected within accumulated other comprehensive income (loss).

Income Taxes

The Company's income taxes are provided for using the asset and liability method under which deferred tax assets and liabilities are recognized for temporary differences between the financial statement and income tax bases of assets and liabilities.

The Company's deferred tax assets and liabilities resulting from temporary differences between financial reporting and tax bases of assets and liabilities are measured at the balance sheet date using enacted tax rates expected to apply to taxable income in the years the temporary differences are expected to reverse. Deferred tax assets represent the tax benefit of future deductible temporary differences, net operating loss carryforwards and tax credit carryforwards. The Company evaluates and tests the recoverability of its deferred tax assets. Deferred tax assets are reduced by a valuation allowance if, based on the weight of evidence, it is more likely than not that some portion, or all, of the deferred tax assets will not be realized.

In evaluating the need for a valuation allowance, the Company considers many factors, including: (i) the nature, frequency and severity of book income or losses in recent years; (ii) the nature and character of the deferred tax assets and liabilities; (iii) the nature and character of income by life and non-life subgroups; (iv) the recent cumulative book income (loss) position after adjustment for permanent differences; (v) taxable income in prior carryback years; (vi) projected future taxable income, exclusive of reversing temporary differences and carryforwards; (vii) projected future reversals of existing temporary differences; (viii) the length of time carryforwards can be utilized; (ix) prudent and feasible tax planning strategies the Company would employ to avoid a tax benefit from expiring unused; and (x) tax rules that would impact the utilization of the deferred tax assets. In establishing unrecognized tax benefits, the Company determines whether a tax position is more likely than not to be sustained under examination by the appropriate taxing authority.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Reclassifications

Certain amounts in the prior years' consolidated financial statements and related footnotes thereto have been reclassified to conform to the current year presentation. These reclassifications had no impact on Net Income (Loss) or Total Shareholder's Equity.

Notes to the Consolidated Financial Statements continued

Recently Issued Accounting Standards

The Company have reviewed all Accounting Standards Updates issued by the Financial Accounting Standards Board to evaluate future impact on the financial statements of RLGH. The impact of those pronouncements deemed applicable to RLGH is outlined below.

Accounting Standards Codification (ASC)	Description	Date of Adoption	Impact on Financial Statements
ASU 2023-09 Improvements to Income Tax Disclosures	This update requires entities to provide additional information primarily related to the effective tax rate reconciliation.	January 1, 2025	The prospective adoption of this pronouncement did not have an impact on the Company's consolidated financial statements but resulted in expanded disclosures in Note 8 – Income Taxes to the Consolidated financial statements.
ASC 944 "Financial Services – Insurance"	<p>This update revises key elements of the measurement model used to estimate the liability for future policy benefits for traditional and limited-payment contracts as well as disclosure requirements. These key elements are:</p> <ul style="list-style-type: none"> • The cash flow assumptions used to measure the liability for future policy benefits are required to be updated at least annually, which differs to the current 'locked-in' approach, and no longer allows a provision for adverse deviation. The remeasurement of the liability due to the update of assumptions is required to be recognized in net income. • The discount rate used to measure the liability for future policy benefits is required to be discounted using an upper-medium grade fixed-income instrument yield that reflects the characteristics of the liability, rather than the invested assets that supports the liability. The discount rate is required to be updated quarterly with the impact to the benefit liability being recognized in other comprehensive income. • Simplification of the amortization of deferred acquisition costs and other balances amortized in proportion to premiums, gross profits or gross premiums, requiring such balances to be amortized on a constant level basis over the expected life of the contract. Deferred costs are not subject to impairment testing but instead will be amortized as long as the related contracts remain outstanding. • Extensive additional disclosures of the liability for future policy benefits, policyholder account balances and deferred acquisition costs. This includes disaggregated rollforwards of these balances and information about significant inputs, judgements, assumptions and methods used in their measurement. 	October 30, 2025	<p>The Company prospectively adopted this pronouncement effective from Day 1 of the Successor accounting period i.e. October 30, 2025.</p> <p>The adoption impact on accounting policy is outlined in the preceding sections of this note and the updated disclosures are evident in Notes 10, 11, 12, and 13 to these financial statements.</p>
ASU 2024-03 Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)	The ASU requires additional disclosure of the nature of expenses included in the income statement in response to requests from investors for more information about an entity's expenses. The new standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as well as disclosures about selling expenses.	January 1, 2027	The Company is currently evaluating the impact on the consolidated financial statements prior to implementation date.
ASU 2025-09 Derivatives and Hedging (Topic 815): Hedge Accounting Improvements	<p>The ASU targets five areas for change in hedge accounting model:</p> <ol style="list-style-type: none"> 1. Similar risk assessment for cash flow hedges 2. Hedging interest payments on choose-your-rate debt 3. Cash flow hedges of nonfinancial forecasted transactions 4. Net written options as hedging instruments 5. Foreign currency-denominated debt designated as a hedging instrument and a hedged item 	January 1, 2027	The Company is currently evaluating the impact on the consolidated financial statements prior to implementation date.

Notes to the Consolidated Financial Statements continued

4. Investments

The amortized cost, gross unrealized gains, gross unrealized losses, fair value and allowance for credit losses for AFS investments by asset type as of December 31, 2025 (Successor) and 2024 (Predecessor) were as follows:

December 31, 2025 (Successor) (\$ in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Fixed maturity securities – AFS					
U.S. government and agencies	\$ 1,704,766	\$ 17	\$ (54,949)	\$ –	\$ 1,649,834
U.S. municipal	395,432	700	(6,417)	–	389,715
Foreign government	1,257,260	3,558	(22,055)	–	1,238,763
Corporate	14,427,274	43,244	(133,906)	–	14,336,612
Asset-backed securities	6,156,979	9,387	(7,272)	–	6,159,094
Residential mortgage-backed securities	786,529	1,523	(13,471)	–	774,581
Commercial mortgage-backed securities	3,107,144	8,846	(21,035)	–	3,094,955
Total fixed maturity securities – AFS	\$ 27,835,384	\$ 67,275	\$ (259,105)	\$ –	\$ 27,643,554
December 31, 2024 (Predecessor)					
(\$ in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Fair Value
Fixed maturity securities – AFS					
U.S. government and agencies	\$ 1,348,112	\$ 4,891	\$ (90,837)	\$ –	\$ 1,262,166
U.S. municipal	231,731	9,338	(667)	–	240,402
Foreign government	1,535,239	33,779	(33,792)	–	1,535,226
Corporate	15,764,350	707,446	(156,899)	(3,917)	16,310,980
Asset-backed securities	5,720,357	98,054	(8,129)	–	5,810,282
Residential mortgage-backed securities	1,858,808	31,102	(53,306)	(682)	1,835,922
Commercial mortgage-backed securities	3,272,774	52,662	(58,333)	(3,183)	3,263,920
Other	15,975	1,486	(330)	–	17,130
Total fixed maturity securities – AFS	\$ 29,747,346	\$ 938,758	\$ (402,293)	\$ (7,782)	\$ 30,276,028

Notes to the Consolidated Financial Statements continued

The changes in unrealized gains and losses and cumulative translation adjustment included in accumulated other comprehensive income (loss) ("AOCI") were as follows for the period ended December 31, 2025 (Successor), period ended October 29, 2025 and year ended December 31, 2024 (Predecessor):

(\$ in thousands)	Net Unrealized Gain (Losses) on Investments	Cumulative Translation Adjustment	Net Unrealized Gains (Losses) on Hedging Activities	Future Policy Benefits, Policyholders' Account balances and VOBA	Accumulated Other Comprehensive Income (Loss)
Balance, January 1, 2024 (Predecessor)	\$ 1,329,072	\$ 97,358	\$ (26,505)	\$ (596,200)	\$ 803,725
Net investment gains and losses on investments arising during the period	(941,266)	–	(57,018)	–	(998,284)
Reclassification adjustment for gains and losses included in net income	(101,955)	–	41,483	–	(60,472)
Impact of net unrealized investment gains and losses on future policy benefits and policyholder's account balances	–	–	–	437,170	437,170
Deferred income tax (expense) benefit	170,747	–	7,350	(89,384)	88,173
Effect of foreign currency translation on consolidation	–	(123,512)	–	–	(123,512)
Tax valuation allowance	(87,107)	–	–	–	(87,107)
Balance, December 31, 2024 (Predecessor)	\$ 369,491	\$ (26,154)	\$ (34,690)	\$ (248,414)	60,233
Net investment gains and losses on investments	695,919	–	52,316	–	748,235
Reclassification adjustment for gains and losses included in net income	15,669	–	7,043	–	22,712
Impact of net unrealized investment gains and losses on future policy benefits, policyholder's account balances, and VOBA	–	–	–	(178,149)	(178,149)
Deferred income tax (expense) benefit	(82,695)	450	(10,986)	38,439	(54,792)
Effect of foreign currency translation on consolidation	–	(78,426)	–	–	(78,426)
Tax valuation allowance	21,352	–	–	–	21,352
Balance, October 29, 2025 (Predecessor)	\$ 1,019,736	\$ (104,130)	\$ 13,683	\$ (388,124)	\$ 541,165
Balance, October 30, 2025 (Successor)	–	1	–	–	
Net investment gains and losses on investments arising during the period	(181,005)	–	(3,690)	–	(184,695)
Reclassification adjustment for gains and losses included in net income	(9,699)	–	–	–	(9,699)
Impact of net unrealized investment gains and losses on future policy benefits, policyholder's account balances, and VOBA	–	–	–	52,639	52,639
Change in the discount rates used to measure certain long-duration insurance contracts	–	–	–	199,339	199,339
Change in the fair value of market risk benefits attributable to own credit risk	–	–	–	(802)	(802)
Deferred income tax (expense) benefit	10,676	–	775	(14,461)	(3,010)
Effect of foreign currency translation on consolidation	–	4,308	–	–	4,308
Balance, December 31, 2025 (Successor)	\$ (180,028)	\$ 4,307	\$ (2,915)	\$ 236,715	\$ 58,079

Notes to the Consolidated Financial Statements continued

Unrealized Investment Losses

The following table presents available-for-sale fixed maturities in an unrealized loss position, including securities pledged, for which an allowance for credit losses has not been recorded by market sector and duration as of December 31, 2025 (Successor) and 2024 (Predecessor):

December 31, 2025 (Successor) (\$ in thousands)	Less than 12 months			Greater than 12 months			Fair Value	Gross Unrealized Losses	Number of securities	
	Fair Value	Gross Unrealized Losses	Number of securities	Fair Value	Gross Unrealized Losses	Number of securities				
Fixed maturity										
U.S. Government and	\$ 1,624,145	\$ (54,949)	44	\$ –	\$ –	–	\$ 1,624,145	\$ (54,949)	44	
U.S. municipal	351,029	(6,417)	209	–	–	–	351,029	(6,417)	209	
Foreign government	921,663	(22,055)	88	–	–	–	921,663	(22,055)	88	
Corporate	8,628,100	(133,906)	1,957	–	–	–	8,628,100	(133,906)	1,957	
Asset-backed securities	3,042,902	(7,272)	248	–	–	–	3,042,902	(7,272)	248	
Residential mortgage-backed securities	524,848	(13,471)	167	–	–	–	524,848	(13,471)	167	
Commercial mortgage-backed securities	1,697,344	(21,035)	391	–	–	–	1,697,344	(21,035)	391	
Total fixed maturity securities	\$ 16,790,031	\$ (259,105)	3,104	\$ –	\$ –	–	\$ 16,790,031	\$ (259,105)	3,104	

December 31, 2024 (Predecessor) (\$ in thousands)	Less than 12 months			Greater than 12 months			Fair Value	Gross Unrealized Losses	Number of securities	
	Fair Value	Gross Unrealized Losses	Number of securities	Fair Value	Gross Unrealized Losses	Number of securities				
Fixed maturity										
U.S. Government and agencies	\$ 892,978	\$ (90,836)	55	\$ 26	\$ (1)	1	\$ 893,004	\$ (90,837)	56	
U.S. municipal	26,831	(316)	24	2,696	(352)	1	29,527	(668)	25	
Foreign government	692,055	(33,494)	212	2,788	(299)	7	694,843	(33,793)	219	
Corporate	3,700,079	(150,886)	1,135	68,934	(6,013)	26	3,769,013	(156,899)	1,161	
Asset-backed	859,465	(7,503)	141	18,256	(626)	3	877,721	(8,129)	144	
Residential mortgage-backed securities	584,089	(52,735)	237	12,637	(570)	32	596,726	(53,305)	269	
Commercial mortgage-backed securities	954,436	(52,664)	264	105,254	(5,669)	33	1,059,690	(58,333)	297	
Other mortgages	4,625	(330)	4	–	–	–	\$ 4,625	\$ (330)	4	
Total fixed maturity securities	\$ 7,714,558	\$ (388,764)	2,072	\$ 210,591	\$ (13,530)	103	\$ 7,925,149	\$ (402,294)	2,175	

As at December 31, 2025 (Successor) the Company did not recognize an allowance for credit losses on securities in an unrealized loss position included in the tables above. Based on a qualitative and quantitative review of the issuers of the securities, the Company believes the decline in fair value is largely due to recent market volatility and is not indicative of credit losses. The issuers continue to make timely principal and interest payments. For all securities in an unrealized loss position, the Company expects to recover the amortized cost based on management's estimate of the amount and timing of cash flows to be collected. The Company does not intend to sell nor does it expect that it will be required to sell these securities prior to recovering its amortized cost.

Notes to the Consolidated Financial Statements continued

Allowance for Credit Losses

In determining when a decline in fair value below amortized cost of a fixed maturity security represents a credit loss, we evaluate the following factors:

- Whether we expect to recover the entire amortized cost basis of the security
- Whether we intend to sell the security or will be required to sell the security before the recovery of its amortized cost basis
- Whether the security is current as to principal and interest payments
- The significance of the decline in value
- Current and future business prospects and trends of earnings
- The valuation of the security's underlying collateral
- Relevant industry conditions and trends relative to their historical cycles
- Market conditions
- Rating agency and governmental actions
- Bid and offering prices and the level of trading activity
- Adverse changes in estimated cash flows for securitized investments
- Changes in fair value subsequent to the balance sheet date
- Any other key measures for the related security

While determining whether a credit loss exists is a judgmental area, we utilize a formal, well-defined, and disciplined process to monitor and evaluate our fixed income investment portfolio, supported by issuer specific research and documentation as of the end of each period. The process results in a thorough evaluation of problem investments and the recording of credit losses on a timely basis for investments determined to have a credit loss. We calculate the allowance for credit losses of fixed maturity securities based on the present value of our best estimate of cash flows expected to be collected, discounted using the effective interest rate implicit in the security at the date of acquisition. When estimating future cash flows, we analyze the strength of the issuer's balance sheet, its debt obligations and near-term funding arrangements, cash flow and liquidity, the profitability of its core businesses, the availability of marketable assets which could be sold to increase liquidity, its industry fundamentals and regulatory environment, and its access to capital markets. As of December 31, 2025 (Successor), with respect to the fixed maturity securities for which an allowance for credit losses was recognized, we do not intend to sell these securities, and it is not more likely than not that we will be required to sell these securities before recovery of our estimated value.

Scheduled Maturities

The scheduled maturities for fixed maturity securities AFS as of December 31, 2025 (Successor) were as follows:

(\$ in thousands)	Amortized Cost	Fair Value
Fixed maturity securities – AFS		
Due within one year	\$ 64,822	\$ 65,996
Due after one year through five years	2,817,063	2,828,573
Due after five years through ten years	3,374,555	3,377,962
Due after ten years	11,528,291	11,342,392
Subtotal	17,784,731	17,614,924
Structured securities (ABS, RMBS, CMBS)	10,050,653	10,028,630
Total fixed maturities – AFS	\$ 27,835,384	\$ 27,643,554

Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations. Asset-backed, commercial mortgage-backed and residential mortgage-backed securities are shown separately in the table above, as they do not have a single maturity date.

Mortgage Loans

Mortgage and other loan receivables consist of the following as of December 31, 2025 (Successor) and 2024 (Predecessor), respectively:

(\$ in thousands)	December 31, 2025 (Successor)	December 31, 2024 (Predecessor)
Commercial mortgage loans	\$ 2,490,605	\$ 2,583,815
Residential mortgage loans	1,900,235	2,072,933
Total mortgage and other loan receivables	\$ 4,390,840	\$ 4,656,748
Allowance for credit losses	(38,476)	(34,776)
Total mortgage and other loan receivables, net of allowance for credit losses	\$ 4,352,365	\$ 4,621,972

Notes to the Consolidated Financial Statements continued

The following tables present commercial mortgage loans by year of origination and Loan-to-value (LTV) ratio as of the dates indicated. The information is updated as of December 31, 2025 (Successor) and 2024 (Predecessor), respectively.

As of December 31, 2025 (Successor)
Loan-to-Value Ratios
(\$ in thousands)

Year of origination	0-50%	51-60%	61-70%	71-80%	>80%	>100%	Total
2025	\$ 35,602	\$ 104,312	\$ 56,131	\$ –	\$ 2	\$ –	\$ 196,047
2024	65,564	163,331	205,918	8,290	–	–	443,103
2023	72,154	97,883	44,444	74,672	–	–	289,153
2022	164,579	67,772	43,114	83,449	78,902	–	437,816
2021 and prior	792,952	171,948	71,449	55,537	32,600	–	1,124,486
Total	\$ 1,130,851	\$ 605,246	\$ 421,056	\$ 221,948	\$ 111,504	\$ –	\$ 2,490,605

December 31, 2024 (Predecessor)
Loan-to-Value Ratios
(\$ in thousands)

Year of origination	0-50%	51-60%	61-70%	71-80%	>80%	>100%	Total
2024	\$ 167,550	\$ 173,175	\$ 51,820	\$ 8,322	\$ –	\$ –	\$ 400,867
2023	103,726	153,407	71,097	9,510	–	–	337,740
2022	226,747	151,121	74,366	17,749	–	–	469,983
2021	7,022	82,840	51,604	–	–	–	141,466
2020 and prior	453,765	551,233	190,775	8,545	29,441	–	1,233,759
Total	\$ 958,810	\$ 1,111,776	\$ 439,662	\$ 44,126	\$ 29,441	\$ –	\$ 2,583,815

The following tables present commercial mortgage loans by year of origination and Debt service coverage (DSC) ratio as of the dates indicated. The information is updated as of December 31, 2025 (Successor) and 2024 (Predecessor).

As of December 31, 2025 (Successor)
Debt Service Coverage Ratios
(\$ in thousands)

Year of origination	>1.5x	>1.25x-1.5x	>1.0x-1.25x	<1.0x	CMLs secured by land or construction loans	Total
2025	\$ 99,760	\$ 50,567	\$ 42,871	\$ 2,846	\$ –	\$ 196,044
2024	94,594	53,114	264,476	30,920	–	443,104
2023	72,154	17,204	199,796	2	–	289,156
2022	242,936	115,978	28,881	50,020	–	437,815
2021 and prior	929,916	150,224	29,589	14,757	–	1,124,486
Total	\$ 1,439,360	\$ 387,087	\$ 565,613	\$ 98,545	\$ –	\$ 2,490,605

As of December 31, 2024 (Predecessor)
Debt Service Coverage Ratios
(\$ in thousands)

Year of origination	>1.5x	>1.25x-1.5x	>1.0x-1.25x	<1.0x	CMLs secured by land or construction loans	Total
2024	\$ 205,872	\$ 51,900	\$ 143,095	\$ –	\$ –	\$ 400,867
2023	199,976	42,202	33,571	61,990	–	337,739
2022	242,415	84,508	12,160	130,901	–	469,984
2021	58,100	26,268	2,816	54,282	–	141,466
2020 and prior	1,017,851	94,549	101,170	20,190	–	1,233,760
Total	\$ 1,724,214	\$ 299,427	\$ 292,812	\$ 267,363	\$ –	\$ 2,583,815

The amortized cost of residential mortgage loans by credit quality indicator and vintage year was as follows as of December 31, 2025 (Successor).

(\$ in thousands)	December 31, 2025 (Successor)	% of Total	December 31, 2024 (Predecessor)	% of Total
Performing indicators:				
Performing	\$ 1,850,399	97%	\$ 2,029,060	98%
Non-performing ¹	49,836	3%	43,873	2%
Total	\$ 1,900,235	100%	\$ 2,072,933	100%

¹ Non-performing includes residential mortgage loans that are 60 days or greater past due.

Notes to the Consolidated Financial Statements continued

The following tables present the mortgage loans by year of origination and geography as of the dates indicated. The information is updated as of December 31, 2025 (Successor) and 2024 (Predecessor), respectively.

As of December 31, 2025 (Successor) Year of origination	U.S. Territory										Total
	Pacific	South Atlantic	Middle Atlantic	West South Central	Mountain	East North Central	New England	West North Central	East South Central	Australia	
2025	\$ 102,278	\$ 69,862	\$ 84,336	\$ 31,264	\$ 1,469	\$ 42,246	\$ 21,211	\$ 9,694	\$ 11,420	\$ –	\$ 373,780
2024	17,769	184,440	224,359	131,363	161,873	263,302	31,054	22,678	72,580	–	1,109,418
2023	82,559	338,328	279,678	77,885	116,890	125,095	33,436	64,288	120,998	–	1,239,157
2022	121,060	164,068	35,472	67,305	49,607	60,689	3,051	2,056	7,847	–	511,155
2021 and prior	392,013	322,909	120,880	48,431	159,939	73,390	26,467	3,985	9,320	–	1,157,334
Total	\$ 715,679	\$ 1,079,607	\$ 744,725	\$ 356,248	\$ 489,778	\$ 564,722	\$ 115,219	\$ 102,701	\$ 222,165	\$ –	\$ 4,390,840

As of December 31, 2024 (Predecessor) Year of origination	U.S. Territory										Total
	Pacific	South Atlantic	Middle Atlantic	West South Central	Mountain	East North Central	New England	West North Central	East South Central	Australia	
2024	\$ 17,700	\$ 177,209	\$ 224,577	\$ 97,449	\$ 159,203	\$ 213,876	\$ 33,557	\$ 21,336	\$ 74,078	\$ 246,085	\$ 1,265,070
2023	88,185	368,847	295,897	127,313	116,374	136,526	39,617	74,375	157,146	18,699	1,422,979
2022	117,976	163,997	36,022	103,614	49,081	48,170	3,304	19,753	8,765	–	550,682
2021	28,193	54,909	13,980	40,309	16,533	4,499	–	16,062	–	–	174,485
2020 and prior	401,624	310,179	136,900	59,395	151,745	122,247	26,917	18,713	15,812	–	1,243,532
Total	\$ 653,678	\$ 1,075,141	\$ 707,376	\$ 428,080	\$ 492,936	\$ 525,318	\$ 103,395	\$ 150,239	\$ 255,801	\$ 264,784	\$ 4,656,748

The following tables present the mortgage loans by year of origination and property type as of the dates indicated. The information is updated as of December 31, 2025 (Successor) and 2024 (Predecessor), respectively.

As of December 31, 2025 (Successor) Year of origination	U.S. Territory							Mixed use	Total
	Retail	Industrial	Apartments	Office	Hotel/Motel	Other			
2025	\$ 123,663	\$ 23,020	\$ 177,732	\$ 49,362	\$ –	\$ –	\$ –	\$ 373,777	
2024	–	230,940	779,378	–	–	77,071	22,029	1,109,418	
2023	–	169,007	997,995	–	–	72,154	–	1,239,156	
2022	38,806	138,183	230,503	29,014	–	74,648	–	511,154	
2021 and prior	257,142	225,534	502,095	132,854	28,164	4,653	6,893	1,157,335	
Total	\$ 419,611	\$ 786,684	\$ 2,687,703	\$ 211,230	\$ 28,164	\$ 228,526	\$ 28,922	\$ 4,390,840	

As of December 31, 2024 (Predecessor) Year of origination	U.S. Territory							Mixed use	Total
	Retail	Industrial	Apartments	Office	Hotel/Motel	Other			
2024	\$ –	\$ 142,420	\$ 967,921	\$ 8,322	\$ –	\$ 124,605	\$ 21,800	\$ 1,265,068	
2023	–	209,014	1,132,488	–	–	81,476	–	1,422,978	
2022	37,824	138,057	273,123	28,684	–	72,995	–	550,683	
2021	22,151	29,527	96,323	26,485	–	–	–	174,486	
2020 and prior	306,807	225,215	503,594	156,753	39,609	4,606	6,949	1,243,533	
Total	\$ 366,782	\$ 744,233	\$ 2,973,449	\$ 220,244	\$ 39,609	\$ 283,682	\$ 28,749	\$ 4,656,748	

Notes to the Consolidated Financial Statements continued

The following table summarizes the activity in the allowance for losses for mortgage loans as of December 31, 2025 (Successor) and 2024 (Predecessor):

December 31, 2025 (Successor)	Commercial mortgage loans	Residential mortgage loans	Total
Allowance for credit losses, balance at January 1, 2024	\$ (5,166)	\$ (13,786)	\$ (18,952)
Credit losses on mortgage loans for which credit losses were not previously recorded	(4,481)	(9,568)	(14,049)
Increase (decrease) on mortgage loans with allowance recorded in previous period	(3,922)	2,147	(1,775)
Allowance for credit losses, balance at December 31, 2024	\$ (13,569)	\$ (21,207)	\$ (34,776)
Allowance for credit losses, balance at January 1, 2025	\$ (13,569)	\$ (21,207)	\$ (34,776)
Credit losses on mortgage loans for which credit losses were not previously recorded	(565)	(2,536)	(3,101)
Increase (decrease) on mortgage loans with allowance recorded in previous period	3,529	(1,716)	1,813
Recoveries of amounts previously written off	\$ 791	\$ –	791
Allowance for credit losses, balance at October 29, 2025	\$ (9,814)	\$ (25,459)	\$ (35,273)
Allowance for credit losses, balance at October 30, 2025	\$ –	\$ –	\$ –
Credit losses on mortgage loans for which credit losses were not previously recorded	(8,833)	(29,643)	(38,476)
Allowance for credit losses, balance at December 31, 2025	\$ (8,833)	\$ (29,643)	\$ (38,476)

The following table presents past due mortgage loans as of December 31, 2025 (Successor):

	December 31, 2025 (Successor)			December 31, 2024 (Successor)		
	Commercial mortgage loans	Residential mortgage loans	Total	Commercial mortgage loans	Residential mortgage loans	Total
Delinquency						
Current	\$ 2,489,795	\$ 1,844,106	\$ 4,333,901	\$ 2,557,223	\$ 2,016,103	\$ 4,573,326
30-59 days past due	–	6,293	6,293	–	12,439	12,437
60-89 days past due	–	835	835	–	5,936	5,936
Greater than 90 days past due ¹	810	49,001	49,811	26,592	38,457	65,049
Total	\$ 2,490,605	\$ 1,900,235	\$ 4,390,840	\$ 2,583,815	\$ 2,072,933	\$ 4,656,748

¹ Represents loans in non-accrual status.

Investment Funds

The investment fund portfolio consists of funds that employ various strategies and include investments in real estate, real assets, credit, equity and natural resources. Investment funds can meet the definition of VIEs, which are discussed further in Note 7 – Variable Interest Entities.

The following table presents the carrying value by ownership percentage of investment funds as of December 31, 2025 (Successor) and 2024 (Predecessor):

(\$ in thousands)	December 31, 2025 (Successor)		December 31, 2024 (Predecessor)	
	Carrying Value	Maximum Loss Exposure	Carrying Value	Maximum Loss Exposure
Ownership percentage				
50%-99%	\$ 281	\$ 281	\$ 1,363	\$ 1,363
3%-49%	771,741	771,741	2,802,270	2,802,270
Less than 3%	766,605	766,605	1,159,093	1,159,093
Equity method investment funds	\$ 1,538,627	\$ 1,538,627	\$ 3,962,726	\$ 3,962,726

Net Investment Income

Net investment income for the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Fixed maturity securities, available for sale	\$ 265,160	\$ 1,693,262	\$ 1,848,154
Fixed maturity securities, fair value option	1,542	37,010	15,414
Equity securities	921	174,546	231,634
Investment funds	41,283	310,248	604,485
Short-term investments and cash equivalents	22,082	203,729	235,099
Commercial mortgage loans	25,126	136,030	165,468
Residential mortgage loans	21,753	126,128	111,817
Derivatives	(1,542)	(10,965)	(10,264)
Funds withheld assets	231,377	1,131,787	1,148,718
Policy Loans	20,022	93,159	117,492
Other invested assets	3,109	2,977	1,839
Investment expenses	(35,146)	(157,166)	(209,847)
Net investment income	\$ 595,687	\$ 3,740,745	\$ 4,260,009

Notes to the Consolidated Financial Statements continued

Investment Related Gains (Losses), Net

Investment related gains (losses) for the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Fixed maturity securities, available for sale	\$ 11,448	\$ 39,273	\$ 186,722
Fixed maturity securities, fair value option			
Net gains (losses) on sales and disposals	–	(12)	(58)
Change in estimated fair value	(1,288)	(7,043)	(12,555)
Equity securities			
Net gains (losses) on sales and disposals	4,407	223,739	276,441
Change in estimated fair value	(4,263)	555,422	140,424
Equity investment in Acenda, at fair value	46,000	–	–
Investment funds	–	(75,906)	466,716
Short-term investments	649	(11,590)	2,295
Commercial mortgage loans	(9,125)	(7,757)	(8,328)
Residential mortgage loans	(30,137)	(11,294)	29,202
Derivatives			
Derivatives – Investment related gains (losses)	(357,533)	(329,833)	17,250
Funds withheld assets			
Realized gains (losses) on trading activity	3,830	40,755	452,746
Change in embedded derivative	(109,562)	548,440	(721,762)
Investment property	–	–	–
Other investment assets	4,084	–	–
Investment related gains (losses), net	\$ (442,803)	\$ 964,193	\$ 829,093

Proceeds from sales of fixed maturities and gross realized investment gains and losses for the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Fixed maturity securities, available for sale			
Proceeds from sales	\$ 1,437,020	\$ 11,366,553	\$ 9,899,473
Gross investment gains from sales	14,373	221,483	288,216
Gross investment losses from sales	(2,786)	(169,640)	(93,904)

Notes to the Consolidated Financial Statements continued

5. Derivative Instruments

The Company is exposed to various risks relating to its ongoing business operations, including interest rate, foreign currency exchange rate, credit and equity market. The Company uses a variety of derivative instruments to manage risks, primarily interest rate, foreign currency, equity and market volatility. See Note 2 – Significant Accounting Policies for a description of the Company's accounting policies for derivatives and Note 6 – Fair Value for information about the fair value hierarchy for derivatives.

Interest Rate Contracts

The Company uses forward starting interest rate swaps to reduce its future reinvestment risk. Under the terms of these swaps, the Company agrees to exchange the difference between a fixed and a floating interest rate calculated on a notional amount at a specified future date.

Interest rate swaps and interest rate swaptions are used by the Company to reduce risks from changes in interest rates, manage interest rate exposures arising from mismatches between assets and liabilities and to hedge against changes in their values it owns or anticipates acquiring or selling.

Swaps may be attributed to specific assets or liabilities or to a portfolio of assets or liabilities. Under interest rate swaps, the Company agrees with counterparties to exchange, at specified intervals, the difference between fixed-rate and floating-rate interest amounts calculated by reference to an agreed upon notional principal amount.

Foreign Exchange Contracts

Currency derivatives, including currency swaps and forwards, are used by the Company to reduce risks from changes in currency exchange rates with respect to investments denominated in foreign currencies that the Company either holds or intends to acquire or sell.

Under currency forwards, the Company agrees with counterparties to deliver a specified amount of an identified currency at a specified future date. Typically, the price is agreed upon at the time of the contract and payment for such a contract is made at the specified future date. The Company executes forward sales of the hedged currency in exchange for the relevant base currency at a specified exchange rate. The maturities of these forwards correspond with the future maturities of non-based currency denominated investments and policyholder liabilities.

Under currency swaps, the Company agrees with counterparties to exchange, at specified intervals, the difference between one currency and another at an exchange rate and calculated by reference to an agreed principal amount. Generally, the principal amount of each currency is exchanged at the beginning and termination of the currency swap by each party.

Equity Contracts

Equity derivatives, including options and variance swaps, are used by the Company in its investment portfolio from time-to-time to either assume equity risk or hedge its equity exposure. The fair value of the Company's equity derivatives is determined using market-based prices from pricing vendors.

The Company uses options to hedge against changes in the value of the benefit contained in the indexed universal life products and indexed annuities. The Company pays an upfront premium to purchase these options. The Company utilizes these options in non-qualifying hedging relationships.

Under call options, the contract gives the right, but not an obligation, to exercise the option to obtain shares at a fixed price before the expiry date of the option

Under equity index options, the contract gives the holder the right, but not the obligation, to buy or sell the value of an underlying equity index at the stated exercise price before the expiry date of the option. The options are used to provide additional exposure to the index while also providing downside protection.

Portfolio Asset Swap

Asset swaps are derivative contracts used by the Company to reduce the risks of mismatch between the asset and liability cash flows. Under asset swaps, the Company agrees with counterparties to exchange the cash flows from a predefined asset portfolio in exchange for another pre-defined cash flow schedule, in the same or different currency.

Notes to the Consolidated Financial Statements continued

Other Derivative Contracts

Other derivatives, including inflation index swap and credit default swap, are used by the Company in its investment portfolio from time-to-time to hedge against inflation risk or to take advantage of current or expected future market conditions.

Forward bond purchase commitments are used by the Company to hedge against the variability in the purchase price of securities. With forward bond purchase commitments, the forward price is agreed upon at the time of the contract and payment for such contract is made at the future specified settlement date of the securities.

The Company enters into purchased credit default swaps to hedge against credit-related changes in the value of its investments. The Company sells credit default swaps to assume additional credit risk by synthetically creating a credit investment by pairing the swaps with highly-rated securities.

The table below provides a summary of the gross notional amount and fair value of derivative contracts, excluding embedded derivatives and associated reinsurance recoverables. The fair value amounts below represent the value of derivative contracts prior to taking into account the netting effects of master netting agreements and cash collateral.

(\$ in thousands)	December 31, 2025 (Successor)			December 31, 2024 (Predecessor)		
	Notional	Gross Fair Value		Notional	Gross Fair Value	
		Assets	Liabilities		Assets	Liabilities
Derivatives Designated as Hedging Instruments						
Interest rate swap agreements ¹	\$ 2,000,000	\$ 35,214	\$ (2,593)	\$ 2,000,000	\$ 16,756	\$ (34,998)
Foreign currency forwards ¹	–	–	–	194,922	–	(7,343)
Total derivatives designated as hedging instruments	\$ 2,000,000	\$ 35,214	\$ (2,593)	\$ 2,194,922	\$ 16,756	\$ (42,341)
Derivatives Not Designated as Hedging Instruments						
Foreign currency forwards ¹	\$ 5,646,566	\$ 4,243	\$ (16,675)	\$ 11,165,648	\$ 13	\$ (182,448)
Foreign currency swaps ¹	436,926	7,248	(1,822)	56,131	4,520	–
Interest rate swaptions ¹	4,702,452	139,180	(19,926)	52,043	–	–
Interest rate swaps ¹	15,916,636	67,307	(65,340)	19,052,139	13,459	(181,059)
Bond forwards ¹	3,133,747	–	(164,505)	–	–	–
Portfolio swaps ¹	4,657,343	2,372	(517,121)	–	–	–
Equity contracts ¹	3,178,433	561,576	(90,683)	4,715,676	669,663	(59,259)
Guaranteed premium rate benefits ⁴	–	–	–	39,456,000	52,596	–
Other derivative contracts ¹	421,006	12,477	–	323,855	4,567	(6,757)
Embedded derivatives						
Funds withheld assets ²	–	–	(118,440)	–	318,137	(11,394)
Equity indexed universal life contracts ³	–	–	(487,869)	–	–	(427,615)
Equity indexed annuity contracts ³	–	–	(610,731)	–	–	(854,375)
GMWB/GMWBL ³	–	–	–	–	–	(677)
Total derivatives not designated as hedging instruments	\$ 38,093,109	\$ 794,403	\$ (2,093,112)	\$ 74,821,492	\$ 1,062,955	\$ (1,723,584)
Total Derivatives	\$ 40,093,109	\$ 829,616	\$ (2,095,705)	\$ 77,016,414	\$ 1,079,711	\$ (1,765,925)

¹ Included in Derivative assets and Derivative liabilities on the Consolidated Balance Sheets.

² Included in Funds withheld assets on the Consolidated Balance Sheets.

³ Included in Policyholder account balances on the Consolidated Balance Sheets.

⁴ Included in Other assets on the Consolidated Balance Sheets.

Notes to the Consolidated Financial Statements continued

Derivative Instruments Designated as Hedging Instruments

Cash Flow Hedges – Interest rate swaps are used to convert floating-rate interest payments to fixed-rate interest payments to reduce exposure to interest rate changes.

The following is a summary of the gains (losses) related to cash flow hedges:

(\$ in thousands) Derivative Instruments	Statement of Changes in Shareholder's Equity line	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Foreign currency forward	Accumulated other comprehensive income (loss)	–	–	(9,059)
Interest rate swaps	Accumulated other comprehensive income (loss)	\$ (3,690)	\$ 52,316	\$ (6,477)

Derivative Instruments Not Designated as Hedging Instruments

The cumulative net gains (losses) in the Consolidated Statements of Operations for changes in the fair value of derivative instruments and the location of any gains or losses in the Consolidated Statements of Operations line for the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands) Derivative Instruments	Statement of Operations line	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Foreign currency forwards	Investment related gains (losses), net	\$ (91,508)	\$ (39,076)	\$ (251,504)
Foreign currency swaps	Investment related gains (losses), net	5,524	(1,949)	3,658
Interest rate swaps	Net investment income	(1,542)	(10,965)	
Interest rate swaps	Investment related gains (losses), net	(83,273)	(58,180)	(48,107)
Interest rate forwards	Investment related gains (losses), net	–	32,030	(55,994)
Equity contracts	Investment related gains (losses), net	(53,113)	199,831	249,478
Other derivative contracts	Investment related gains (losses), net	1,639	(78,526)	27,657
Bond forwards	Investment related gains (losses), net	(46,925)	(91,644)	–
Portfolio swaps	Investment related gains (losses), net	(75,493)	(382,789)	–
Swaptions	Investment related gains (losses), net	(14,385)	(550)	92,061
Guaranteed premium rate benefits	Other operating expenses	–	(13,063)	775
		\$ (359,076)	\$ (444,881)	\$ 18,024

As of December 31, 2025 (Successor), the Company was owed \$266.3 million in relation to margin calls in connection with the interest rate swaps. As of December 31, 2024 (Predecessor), the Company was owed \$50.3 million, for cash it is required to post in relation to margin calls in connection with the interest rate swaps. These amounts are included within other liabilities or other assets on the Consolidated Balance Sheets.

Notes to the Consolidated Financial Statements continued

Embedded Derivatives

The change in the value of the embedded derivatives recorded within Consolidated Statements of Operations for the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands)		Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Derivative Instruments	Statement of Operations Line			
Derivatives embedded in life and annuity contracts:				
Fixed indexed annuity contracts	Policyholder benefits	\$ –	\$ –	\$ 96,050
Fixed indexed annuity contracts	Interest sensitive contract benefits	317	(35,717)	–
Fixed indexed annuity contracts	Policyholder benefits	–	–	1,248
Equity indexed universal life contracts	Interest sensitive contract benefits	20,703	(74,392)	(77,630)
GMWB/GMWBL	Policyholder benefits	–	495	2,994
Change in embedded on funds withheld assets	Investment related gains (losses), net	(109,562)	519,053	(721,762)
		\$ (88,542)	\$ 409,439	\$ (699,100)

Credit Risk

We may be exposed to credit-related losses in the event of counterparty nonperformance on derivative financial instruments. Generally, the current credit exposure of our derivative contracts is the fair value at the reporting date less any collateral received from the counterparty.

We manage credit risk related to over-the-counter derivatives by entering into transactions with creditworthy counterparties. Where possible, we maintain collateral arrangements and use master netting agreements that provide for a single net payment from one counterparty to another at each due date and upon termination. We have also established counterparty exposure limits, where possible, in order to evaluate if there is sufficient collateral to support the net exposure.

Collateral arrangements typically require the posting of collateral in connection with its derivative instruments. Collateral agreements often contain posting thresholds, some of which may vary depending on the posting party's financial strength ratings. Additionally, a decrease in our financial strength rating to a specified level can result in settlement of the derivative position.

The estimated fair value of our net derivative and other financial assets and liabilities after the application of master netting agreements and collateral were as follows:

(\$ in thousands)	Gross amounts not offset on the Consolidated Balance Sheets				Net amount after securities collateral
	Gross amount recognized ¹	Collateral (received)/pledged	Net amount	Off-balance sheet securities collateral ²	
December 31, 2025					
Derivative assets	\$ 829,616	\$ (629,824)	\$ 199,792	\$ (146,880)	\$ 52,912
Derivative liabilities	\$ (878,665)	\$ 163,889	\$ (714,776)	\$ –	\$ (714,776)
December 31, 2024					
Derivative assets	\$ 708,977	\$ (569,066)	\$ 139,911	\$ –	\$ 139,911
Derivative liabilities	\$ (471,864)	\$ 273,536	\$ (162,964)	\$ –	\$ (162,964)

¹ The gross amounts of recognized derivative assets and derivative liabilities are reported on the Consolidated Balance Sheets. As of December 31, 2025 and 2024, amounts not subject to master netting or similar agreements were immaterial.

² For non-cash collateral received, we do not recognize the collateral on our Balance Sheet unless the obligor (transferor) has defaulted under the terms of the secured contract and is no longer entitled to redeem the pledged asset. Amounts do not include any excess of collateral pledged or received.

Notes to the Consolidated Financial Statements continued

6. Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy for inputs used in determining fair value maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. Assets and liabilities recorded on the Consolidated Balance Sheets at fair value are categorized in the fair value hierarchy based on the observability of inputs to the valuation techniques as follows:

- Level 1** Assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Company can access.
- Level 2** Assets and liabilities whose values are based on the following:
- (a) Quoted prices for similar assets or liabilities in active markets;
 - (b) Quoted prices for identical or similar assets or liabilities in markets that are not active; or
 - (c) Valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.
- Level 3** Assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Unobservable inputs reflect the Company's estimates of the assumptions that market participants would use in valuing the assets and liabilities.

Net Asset Value (NAV) – Investment funds are typically measured using NAV as a practical expedient in determining fair value and are not classified in the fair value hierarchy. Our carrying value reflects our pro rata ownership percentage as indicated by NAV in the investment fund financial statements, which we may adjust if we determine NAV is not calculated consistent with investment company fair value principles. The underlying investments of the investment funds may have significant unobservable inputs, which may include but are not limited to, comparable multiples and weighted average cost of capital rates applied in valuation models or a discounted cash flow model.

The availability of observable inputs varies by instrument. In situations where fair value is based on internally developed pricing models or inputs that are unobservable in the market, the determination of fair value requires more judgment. The degree of judgment exercised by the Company in determining fair value is typically greatest for instruments categorized in Level 3. In many instances, valuation inputs used to measure fair value fall into different levels of the fair value hierarchy. The category level in the fair value hierarchy is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company uses prices and inputs that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments.

The Company is responsible for the determination of fair value and the supporting assumptions and methodologies. The Company gains assurance that assets and liabilities are appropriately valued through the execution of various processes and controls designed to ensure the overall reasonableness and consistent application of valuation methodologies, including inputs and assumptions, and compliance with accounting standards. For fair values received from third parties or internally estimated, the Company's processes and controls are designed to ensure that the valuation methodologies are appropriate and consistently applied, the inputs and assumptions are reasonable and consistent with the objective of determining fair value, and the fair values are accurately recorded. For example, the Company assesses the reasonableness of individual fair values provided by investment managers which, when compared to fair values received from third party valuation service providers or derived from internal models, exceed certain thresholds. The Company performs procedures to understand and assess the methodologies, processes and controls of valuation service providers.

Notes to the Consolidated Financial Statements continued

The Company's assets and liabilities measured at fair value on a recurring basis as of December 31, 2025 (Successor) and 2024 (Predecessor) were as follows:

December 31, 2025 (Successor) (\$ in thousands)	Level 1	Level 2	Level 3	NAV	Total
Fixed maturity securities, available for sale					
U.S. government and agencies	\$ 227,884	\$ 1,421,950	\$ –	\$ –	\$ 1,649,834
U.S. municipal	–	389,715	–	–	389,715
Foreign government	–	1,238,763	–	–	1,238,763
Corporate	–	12,563,295	1,773,317	–	14,336,612
Asset-backed securities	–	2,107,989	4,051,105	–	6,159,094
Residential mortgage-backed securities	–	772,581	2,000	–	774,581
Commercial mortgage-backed securities	–	3,094,955	–	–	3,094,955
Total fixed maturity securities, available for sale	\$ 227,884	\$ 21,589,248	\$ 5,826,422	\$ –	\$ 27,643,554
Fixed maturity securities, fair value option	\$ –	\$ 90,462	\$ 105,721	–	\$ 196,183
Equity securities	–	93,022	7,517	–	100,539
Equity investment in Acenda, at fair value	–	–	1,828,000	–	1,828,000
Investment funds ¹	–	–	–	766,605	766,605
Short-term investments ²	1,114,157	579,008	–	–	1,693,165
Derivative assets	36	223,829	605,752	–	829,616
Cash and cash equivalents	2,841,241	–	–	–	2,841,241
Embedded derivatives on funds withheld assets	–	(9,063)	(109,377)	–	(118,440)
Guaranteed premium rate benefits	–	–	39,533	–	39,533
Separate account assets	1,687,195	1,133	–	–	1,688,328
Assets of investments consolidated within funds	–	–	1,129,488	–	1,129,488
Total assets measured at fair value	\$ 5,870,513	\$ 22,567,639	\$ 9,433,056	\$ 766,605	\$ 38,637,812
Liabilities					
Market risk benefit liabilities	\$ –	\$ –	\$ 805,523	–	\$ 805,523
Policyholder account balances	–	–	–	–	–
Fixed indexed annuity contracts	–	–	610,731	–	610,731
Equity indexed universal life contracts	–	–	487,869	–	487,869
Derivative liabilities	25	162,812	715,828	–	878,665
Liabilities of investments consolidated within	–	–	1,129,488	1,129,488	–
Total liabilities measured at fair value	\$ 25	\$ 162,812	\$ 3,749,439	\$ –	\$ 3,912,276

¹ Investment funds accounted for under the equity method of accounting are not included in this table. Investment funds on the Consolidated Balance Sheets include those accounted for under the equity method, as well as the fair value and NAV funds as seen in the table above.

² Short-term investments as presented in the tables above differ from the amounts presented on the Balance Sheets because certain short-term investments are not measured at estimated fair value on a recurring basis.

December 31, 2024 (Predecessor) (\$ in thousands)	Level 1	Level 2	Level 3	NAV	Total
Fixed maturity securities, available for sale					
U.S. government and agencies	\$ 193,420	\$ 1,068,746	\$ –	\$ –	\$ 1,262,166
U.S. municipal	–	240,401	–	–	240,401
Foreign government	–	1,535,226	–	–	1,535,226
Corporate	–	12,388,594	3,922,385	–	16,310,979
Asset-backed securities	–	2,697,912	3,112,370	–	5,810,282
Residential mortgage-backed securities	–	1,835,923	–	–	1,835,923
Commercial mortgage-backed securities	–	3,263,920	–	–	3,263,920
Other mortgages	–	17,131	–	–	17,131
Total fixed maturity securities, available for sale	\$ 193,420	\$ 23,047,853	\$ 7,034,755	\$ –	\$ 30,276,028
Fixed maturity securities, fair value option	\$ –	\$ 100,733	\$ 206,758	\$ –	\$ 307,492
Equity securities	5,440,028	104,924	1,128,536	–	6,673,488
Investment funds ¹	–	–	867	3,309,540	3,310,407
Short-term investments ²	1,193,964	1,195,077	67,471	–	2,456,512
Derivative assets	1,796	299,893	407,288	–	708,977
Cash and cash equivalents	2,415,986	751,681	–	–	3,167,667
Embedded derivatives on funds withheld assets	–	–	318,137	–	318,137
Guaranteed premium rate benefits	–	–	52,596	–	52,596
Separate account assets	1,677,812	1,612	–	–	1,679,424
Total assets measured at fair value	\$ 10,923,006	\$ 25,501,773	\$ 9,216,408	\$ 3,309,540	\$ 48,950,728
Liabilities					
GMWB/GMWBL	\$ –	\$ –	\$ 677	\$ –	\$ 677
Policyholder account balances	–	–	–	–	–
Fixed indexed annuity contracts	–	–	854,375	–	854,375
Equity indexed universal life contracts	–	–	427,615	–	427,615
Derivative liabilities	26,273	445,591	–	–	471,864
Embedded derivatives on funds withheld assets	–	11,394	–	–	11,394
Total liabilities measured at fair value	\$ 26,273	\$ 456,985	\$ 1,282,667	\$ –	\$ 1,765,925

¹ Investment funds accounted for under the equity method of accounting are not included in this table. Investment funds on the Consolidated Balance Sheets include those accounted for under the equity method, as well as the fair value and NAV funds as seen in the table above.

² Short-term investments as presented in the tables above differ from the amounts presented on the Balance Sheets because certain short-term investments are not measured at estimated fair value on a recurring basis.

Notes to the Consolidated Financial Statements continued**Fair Value Valuation Methods**

We used the following valuation methods and assumptions to estimate fair value:

U.S. Government and agencies, municipalities: Fair value is determined using third-party commercial pricing services, with the primary inputs being U.S. Treasury yield curves, trades of comparable securities, credit spreads off benchmark yields and issuer ratings.

U.S. corporate public securities, foreign corporate public securities and foreign governments: Fair value is determined using third-party commercial pricing services, with the primary inputs being benchmark yields, trades of comparable securities, issuer ratings, bids and credit spreads off benchmark yields.

U.S. corporate private securities and foreign corporate private securities: Fair values are determined using a matrix and analytics-based pricing model. The model incorporates the current level of risk-free interest rates, current corporate credit spreads, credit quality of the issuer and cash flow characteristics of the security. The model also considers a liquidity spread, the value of any collateral, the capital structure of the issuer, the presence of guarantees, and prices and quotes for comparably rated publicly traded securities.

RMBS, CMBS and ABS: Fair value is determined using third-party commercial pricing services, with the primary inputs being credit spreads off benchmark yields, prepayment speed assumptions, current and forecasted loss severity, debt service coverage ratios, collateral type, payment priority within tranche and the vintage of the loans underlying the security.

Fair values of privately placed bonds are determined primarily using a matrix-based pricing model and are generally classified as Level 2 assets. The model considers the current level of risk-free interest rates, current corporate spreads, the credit quality of the issuer and cash flow characteristics of the security. Also considered are factors such as the net worth of the borrower, the value of collateral, the capital structure of the borrower, the presence of guarantees and the Company's evaluation of the borrower's ability to compete in its relevant market. Using this data, the model generates estimated market values, which the Company considers reflective of the fair value of each privately placed bond.

Derivative assets and derivative liabilities

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices (current bid price or current offer price). The fair value of financial instruments not traded in an active market (e.g. over-the-counter derivatives) is determined using valuation techniques. Valuation techniques include net present value techniques, option pricing models, discounted cash flow methods and comparison to quoted market prices or dealer quotes for similar instruments. The models use a number of inputs, including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying instruments. Some derivative contracts are significantly cash collateralized, thereby minimizing both counterparty risk and Company's own non-performance risk.

Equity securities

Fair values of publicly traded equity securities are based on quoted market prices. The Company values other equity securities, typically private equities or equity securities not traded on an exchange, based on other sources, such as commercial pricing services or brokers.

With respect to the Company's equity interest in Acenda, fair value is determined using an income approach based on discounted projected cash flows. The investment is denominated in Australian dollars and translated to U.S. dollars at the spot exchange rate as of each measurement date, with changes in fair value, including the effects of foreign currency translation, recognized in the Company's Consolidated Statements of Operations as part of Investment related gains (losses), net in the period in which they occur. The investment is classified as Level 3 in the fair value hierarchy as the valuation relies primarily on unobservable inputs.

Short-term investments

The fair value of unlisted debt securities are priced using interest rate yields obtainable on comparable listed investments.

Funds withheld assets and liabilities (embedded derivative)

The Company estimates the fair value of the embedded derivative based on the fair value of the underlying assets supporting the funds withheld receivable under the modco agreements.

Cash and cash equivalents, including restricted cash

The carrying amount for cash and cash equivalents equals fair value, which has been determined based on quoted market prices.

Notes to the Consolidated Financial Statements continued**Separate account assets and liabilities**

The assets and liabilities held in separate accounts are reported at the fair values of the underlying investments in the separate accounts. The underlying investments include mutual funds, short-term investments, cash and fixed maturities.

Guaranteed premium rate benefits

The Company estimates the fair value of the guaranteed premium rate benefits derivative using the income approach. The income approach is applied using the valuation technique of a discounted cash flow analysis. As such, the guaranteed premium rate benefits derivative is accounted for as a freestanding derivative instrument.

Market risk benefits

The Company records reserves for variable annuity contracts and fixed indexed annuity contracts containing GMWBL and GMWB riders. The guarantee is an embedded derivative and is required to be accounted for separately from the host variable annuity contract. The fair value of the obligation is calculated based on actuarial and capital market assumptions related to the projected cash flows, including benefits and related contract charges, over the anticipated life of the related contracts. The cash flow estimates are produced by using stochastic techniques under a variety of market return scenarios and other market implied assumptions.

Policyholder account balances – Embedded derivatives

The index-crediting feature in the Company's indexed annuity and life contracts is an embedded derivative that is required to be accounted for separately from the host contract. The fair value of the obligation is calculated based on actuarial and capital market assumptions related to the projected cash flows, including benefits and related contract charges, over the anticipated life of the related contracts for fixed indexed annuities and over the current indexed term for indexed life contracts. The cash flow estimates are produced by market implied assumptions.

The discount rate used to determine the fair value of the Company's GMWBL, GMWB, indexed annuity and life contracts, embedded derivative liabilities and the stand-alone derivative includes an adjustment to reflect the risk that these obligations will not be fulfilled ("nonperformance risk"). The nonperformance risk adjustment incorporates both Company-specific and external observable data.

Notes to the Consolidated Financial Statements continued

Level 3 Fair Value Measurements

The change in fair value measurement of assets and liabilities categorized within Level 3 of the fair value hierarchy during the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

Period Ended December 31, 2025 (Successor) (\$ in thousands)	Beginning Balance	Transfers to Level 3	Transfers out of Level 3	Purchases	Investment related gains/(losses) included in		Issues	Settlements	Ending Balance
					Net income	OCI			
Assets									
Corporate fixed income maturities	\$ 1,382,778	\$ 273,999	\$ (59,492)	\$ 435,819	\$ 9,274	\$ (14,289)	\$ –	\$ (254,772)	\$ 1,773,317
Asset-backed securities	4,106,260	–	(249,621)	313,988	(1,747)	(260)	–	(117,514)	4,051,106
Residential mortgage-backed securities	–	–	–	2,000	–	–	–	–	2,000
Commercial mortgage-backed securities	28,860	–	(28,860)	–	–	–	–	–	–
Fixed maturities, fair value option	322,473	–	(215,320)	–	(26)	–	–	(1,406)	105,721
Equity investment in Acenda, at fair value	–	–	–	1,782,000	46,000	–	–	–	1,828,000
Investment in common stock	7,704	–	–	–	–	(187)	–	–	7,517
Embedded derivative on funds withheld	–	–	–	–	(109,377)	–	–	–	(109,377)
Derivative assets	670,468	–	–	14,761	4,845	–	–	(84,331)	605,752
Guaranteed premium rate benefits	39,533	–	–	–	–	–	–	–	39,533
Assets of investments consolidated within funds withheld	1,032,947	–	–	118,122	\$ 15,297	–	–	\$ (36,878)	1,129,488
Total Level 3 assets	\$ 7,591,023	\$ 273,999	\$ (553,293)	\$ 2,666,690	\$ 35,725	\$ (14,736)	\$ –	\$ (494,901)	\$ 9,433,057
Liabilities									
Market risk benefit liabilities	\$ 833,961	\$ –	\$ –	\$ –	\$ (29,240)	\$ 802	\$ –	\$ –	\$ 805,523
Embedded derivatives									
Fixed indexed annuity contracts	\$ 611,048	\$ –	\$ –	\$ –	\$ (317)	\$ –	\$ –	\$ –	\$ 610,731
Equity indexed life contracts	508,572	–	–	–	5,673	–	20,040	(46,416)	487,869
Derivative liabilities	586,455	–	–	9,019	120,355	–	–	–	715,828
Liabilities of investments consolidated within funds withheld	1,032,947	–	–	118,122	15,297	–	–	(36,878)	1,129,488
Total Level 3 liabilities	\$ 3,572,983	\$ –	\$ –	\$ 127,141	\$ 111,768	\$ 802	\$ 20,040	\$ (83,294)	\$ 3,749,439

Notes to the Consolidated Financial Statements continued

Period Ended October 29, 2025 (Predecessor) (\$ in thousands)	Beginning Balance	Transfers to Level 3	Transfers out of Level 3	Purchases	Investment related gains/(losses) included in		Issues	Settlements	Ending Balance
					Net income	OCI			
Assets									
Fixed income securities, available for sale	\$ 3,922,385	\$ 2,340	\$ (385,509)	\$ 1,255,841	\$ (122,907)	\$ 157,323	\$ –	\$ (505,177)	\$ 4,324,296
Asset-backed securities	3,112,370	82,971	–	1,523,444	2,179	15,969	–	(726,443)	4,010,490
Commercial mortgage-backed securities	–	–	–	28,861	–	(1)	–	–	28,860
Fixed maturities, fair value option	206,757	–	(15,590)	229,095	(12,040)	1,001	–	(86,750)	322,473
Equity securities	1,128,535	–	–	26,802	2,753	–	–	(333,540)	824,550
Embedded derivative on funds withheld	318,137	–	–	–	514,650	–	–	–	832,787
Derivative assets	562,913	439	–	74,092	189,803	–	–	(156,780)	670,467
Guaranteed premium rate benefits	52,596	–	–	–	(13,063)	–	–	–	39,533
Assets of investments consolidated within funds withheld	–	719,630	–	322,420	41,442	–	–	(50,545)	1,032,947
Total Level 3 assets	\$ 9,371,164	\$ 805,380	\$ (401,099)	\$ 3,472,199	\$ 602,817	\$ 174,292	\$ –	\$ (1,938,350)	\$ 12,086,403
Liabilities									
Embedded derivatives									
Fixed indexed annuity contracts	\$ 854,375	\$ –	\$ –	\$ –	\$ 43,152	\$ –	\$ –	\$ –	\$ 897,527
Equity indexed life contracts	427,615	–	–	–	194,995	–	82,642	(196,679)	508,573
Derivative liabilities	–	–	95,866	5,566	491,402	–	–	(6,379)	586,455
Liabilities of investments consolidated within funds withheld	–	719,630	–	322,420	41,442	–	–	(50,545)	1,032,947
Total Level 3 liabilities	\$ 1,281,990	\$ 719,630	\$ 95,866	\$ 327,986	\$ 770,991	\$ –	\$ 82,642	\$ (253,603)	\$ 3,025,502

Notes to the Consolidated Financial Statements continued

Year Ended December 31, 2024 (Predecessor) (\$ in thousands)	Beginning Balance	Transfers to Level 3	Transfers out of Level 3	Purchases	Investment related gains/(losses) included in		Issues	Settlements	Ending Balance
					Net income	OCI			
Assets									
Corporate fixed income maturities	\$ 1,715,203	\$ 7,135	\$ (68,206)	\$ 2,597,160	\$ 247,228	\$ (186,611)	\$ –	\$ (389,524)	\$ 3,922,385
Asset-backed securities	1,706,972	–	(6,515)	1,675,440	1,313	48,244	30,466	(343,550)	3,112,370
Residential mortgage-backed securities	1	–	–	–	–	–	–	–	1
Investment funds	–	–	–	–	–	–	867	–	867
Fixed maturities, fair value option	155,939	–	–	2,632	(3,855)	–	62,780	(10,739)	206,757
Equity securities	614,777	–	–	386,738	210,034	(83,031)	5,821	(5,803)	1,128,536
Short-term investments	–	–	–	–	67,471	–	–	–	67,471
Embedded derivative on funds withheld assets	1,037,665	–	–	–	(719,528)	–	–	–	318,137
Derivative assets	326,609	–	–	75,925	188,739	–	–	(183,986)	407,287
Guaranteed premium rate benefits	57,979	–	–	–	775	–	–	(6,159)	52,595
Total Level 3 assets	\$ 5,615,145	\$ 7,135	\$ (74,721)	\$ 4,737,895	\$ (7,823)	\$ (221,398)	\$ 99,934	\$ (939,761)	\$ 9,216,406
Liabilities									
Fixed indexed annuity contracts	\$ 951,639	\$ –	\$ –	\$ –	\$ (97,218)	\$ –	\$ 1,359	\$ (1,405)	\$ 854,375
Equity indexed life contracts	349,985	–	–	–	154,116	–	214,021	(290,507)	427,615
GMWB/GMWBL	3,671	–	–	–	(4,126)	–	1,131	–	676
Total Level 3 liabilities	\$ 1,305,295	\$ –	\$ –	\$ –	\$ 52,772	\$ –	\$ 216,511	\$ (291,912)	\$ 1,282,666

Transfers Between Levels

Overall, transfers into and out of Level 3 are attributable to a change in the observability of inputs. Assets and liabilities are transferred into Level 3 when a significant input cannot be corroborated with market observable data. This occurs when market activity decreases significantly and underlying inputs cannot be observed, current prices are not available, and when there are significant variances in quoted prices, thereby affecting transparency. Assets and liabilities are transferred out of Level 3 when circumstances change such that a significant input can be corroborated with market observable data. This may be due to a significant increase in market activity, a specific event, or one or more significant inputs becoming observable.

Notes to the Consolidated Financial Statements continued

Significant Unobservable Inputs

Significant unobservable inputs occur when the Company could not obtain or corroborate the quantitative detail of the inputs. This applies to certain fixed maturity securities, equity securities, investment funds, investment property and funds withheld assets. Additional significant unobservable inputs are described below.

(\$ in thousands)	Fair Value	Valuation Technique	Unobservable Input
Derivatives embedded in life and annuity contracts			
Equity Indexed universal life	\$ (487,869)	Option Pricing Technique	Lapse rates Mortality rates Partial withdrawal rates Base lapse rates
Fixed indexed annuities	(610,731)	Option Pricing Technique	GLWB utilization
Market risk benefits			
Guaranteed minimum benefits on variable annuities	\$ (18,250)	Option Pricing Technique	Lapse rates
Guaranteed minimum withdrawal benefits on fixed indexed annuities	\$ (787,273)	Option Pricing Technique	Mortality rates Partial withdrawal rates Base lapse rates GLWB utilization

The table above also excludes underlying quantitative inputs related to liabilities held for the Company's guaranteed withdrawal benefits. The development of these liabilities generally involve actuarially-determined models and could result in the Company reporting significantly higher or lower fair value measurements for these Level 3 investments.

AFS securities: For certain fixed maturity securities, a discounted cash flow approach is used to calculate fair value. The discounted cash flows are not internally developed but provided by third-party asset managers and pricing services. These models can include significant unobservable inputs, including but not limited to, discount rates, credit assumptions, prepayment speeds, and structural assumptions.

7. VIEs

The Company has invested in legal entities that are VIEs. The VIEs were formed to make investments, including co-investments alongside other investors, in private equity, infrastructure, real estate and credit assets. In certain instances, the Company holds both the power to direct the most significant activities of the entity, as well as an economic interest in the entity and, as such, is deemed to be the primary beneficiary or consolidator of the entity. The determination of the VIE's primary beneficiary requires an evaluation of the contractual and implied rights and obligations associated with each party's relationship with or involvement in the entity, an estimate of the entity's expected losses and expected residual returns and the allocation of such estimates to each party involved in the entity. For VIEs where the Company is the primary beneficiary but does not have 100% ownership, the proportionate share of equity and net income are attributable to noncontrolling interest.

Consolidated VIEs

Creditors or beneficial interest holders of VIEs where the Company is the primary beneficiary have no recourse to the general credit of the Company, as the Company's obligation to the VIEs is limited to the amount of its committed investment.

The following table presents the total assets and total liabilities relating to investment related VIEs for which the Company has concluded that it is the primary beneficiary and which are consolidated at:

December 31, 2025 (Successor) (\$ in thousands)	Carrying Value	Total Assets	Total Liabilities
Residential mortgage loans	\$ 1,870,593	\$ 1,870,593	\$ –
Assets/(Liabilities) of investments consolidated within funds withheld	–	1,129,488	(1,129,488)
Fixed maturity securities, FVO	106,103	106,103	–
Fixed maturity securities, AFS	3,838,228	3,838,228	–
Derivative assets	48,594	48,594	–
Derivative liabilities	(684,528)	–	(684,528)
Total Consolidated VIEs	\$ 5,178,990	\$ 6,996,723	\$ (1,817,733)
December 31, 2024 (Predecessor) (\$ in thousands)	Carrying Value	Total Assets	Total
Investment funds	\$ 388,684	\$ 391,006	\$ (2,322)
Fixed maturity securities, FVO	190,755	190,755	–
Total Consolidated VIEs	\$ 579,439	\$ 581,761	\$ (2,322)

Notes to the Consolidated Financial Statements continued

Non-consolidated VIEs

The carrying amount and maximum exposure to loss relating to VIEs in which the Company holds a significant variable interest but is not the primary beneficiary and which have not been consolidated were as follows at:

(\$ in thousands)	Balance Sheet Line	December 31, 2025 (Successor)	
		Carrying Value	Maximum Loss Exposure
Equity investment in Acenda, at fair value	Equity investment in Acenda, at fair value	\$ 1,828,000	\$ 1,828,000
Other investments	Investment funds	1,538,626	1,538,626
Residual debt tranches	Fixed maturity securities, FVO	5,055	5,055
Total non-consolidated VIEs		\$ 3,371,681	\$ 3,371,681
(\$ in thousands)	Balance Sheet Line	December 31, 2024 (Predecessor)	
		Carrying Value	Maximum Loss Exposure
Other investments	Investment funds	\$ 3,915,950	\$ 3,915,950
Residual debt tranches	Fixed maturity securities, FVO	46,776	46,776
Total non-consolidated VIEs		\$ 3,962,726	\$ 3,962,726

The Company also has unconsolidated VIEs disclosed separately within the fixed maturity securities – AFS line item comprised of structured securities (asset-backed/RMBS/CMBS). The Company also has unconsolidated indirect variable interests in funds withheld that are not disclosed in the above table. The maximum exposure to loss relating to fixed maturity securities AFS is equal to the carrying amounts of these securities. There are no arrangements which would require the Company to provide financial support to the VIEs in excess of the committed capital investment. The Company has not provided financial or other support during the year to the VIEs that it was not previously contractually required to provide.

8. Income Taxes

The Company has subsidiaries with operations in Bermuda, the United States, Singapore, United Kingdom, Canada and Switzerland, and income tax filing requirements arise in these jurisdictions. In the period-ended October 29, 2025 (Predecessor), the Company also had subsidiaries with operations in Australia, New Zealand and Taiwan, and income tax filing requirements also arose in those jurisdictions.

The following is a summary of the Company's income (loss) before taxes allocated between domestic and foreign operations:

(\$ in thousands)	Period-ended December 31, 2025 (Successor)	Period-ended October 29, 2025 (Predecessor)	Year-ended December 31, 2024 (Predecessor)
Domestic (Bermuda) ¹	\$ (258,812)	\$ (246,872)	\$ (311,000)
Foreign ¹	10,233	698,843	605,563
Income (loss) before taxes	\$ (248,579)	\$ 451,971	\$ 294,563

¹ In 2025, in conjunction with the prospective adoption of ASU 2023-09 and the January 1, 2025, effective date of the CIT, the Company revised its presentation to disclose income (loss) before taxes disaggregated between Bermuda and foreign jurisdictions. Prior period amounts have been conformed to the current year presentation for comparability.

The following is a summary of the Company's income tax benefit (expense) allocated between domestic and foreign operations:

(\$ in thousands)	December 31, 2025 (Successor)	October 29, 2025 (Predecessor)
Current income tax benefit (expense)		
Federal (Bermuda) ¹	\$ –	\$ –
Foreign	6,938	17,271
Total current income tax benefit (expense)	\$ 6,938	\$ 17,271
Deferred income tax benefit (expense)		
Federal (Bermuda) ¹	\$ (49,219)	\$ (47,960)
Foreign	(1,898)	138,436
Total deferred income tax benefit (expense)	\$ (51,117)	\$ 90,476
Total income tax expense (benefit)	\$ (44,179)	\$ 107,747

¹ All Bermuda income taxes are levied by the Government of Bermuda and are considered federal income taxes in the context of FASB ASC 740, Income Taxes. As none of the parishes of Bermuda impose an income tax, the Company has not incurred any Bermuda state income tax benefit (expense).

Deferred income taxes are calculated to account for the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Notes to the Consolidated Financial Statements continued

Significant components of the Company's deferred tax assets and liabilities as of December 31, 2025 (Successor) and December 31, 2024 (Predecessor) were as follows:

(\$ in thousands)	December 31, 2025 (Successor)	December 31, 2024 (Predecessor)
Deferred tax assets		
Policyholder reserves	\$ –	\$ 97,561
Net operating loss carryforward	696,862	1,128,302
Net unrealized investment losses	620,131	779,830
Other	366,001	126,436
Gross deferred tax assets	\$ 1,682,994	\$ 2,132,129
Valuation allowance adjustment	(401,852)	(486,158)
Total Deferred tax assets	\$ 1,281,142	\$ 1,645,971
Deferred tax liabilities		
Net unrealized investment gains	\$ (37,024)	\$ (199,144)
VOBA and DAC	(873,387)	(1,557,801)
Policyholder reserves	(299,180)	(549,701)
Premium and claims accruals	–	(177,248)
Intangible assets	(23,250)	–
Other	(32,307)	(11,946)
Total Deferred tax liabilities	\$ (1,265,148)	\$ (2,495,840)
Net deferred tax assets (liabilities)	\$ 15,994	\$ (849,869)

The Company does not believe it has any uncertain tax positions that would be material to its financial condition, results of income, or cash flows. Therefore, the Company did not record a liability for unrecognized tax contingencies/benefits as of December 31, 2025 (Successor) and December 31, 2024 (Predecessor). As of December 31, 2025 (Successor), there were no uncertain tax positions for which management believes it is reasonably possible that the total amounts of tax contingencies will significantly increase within 12 months of the reporting date. No material amounts have been accrued for interest or penalties.

The Company evaluates the recoverability of deferred tax assets and establishes a valuation allowance if necessary to reduce the deferred tax asset to an amount that is more likely than not expected to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), the Company had total valuation allowances of \$401.8 million and \$486.2 million, respectively. As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), \$401.8 million and \$214.2 million, respectively, of this valuation allowance was allocated to continuing operations and \$277.2 million and \$271.9 million, respectively, was allocated to Other comprehensive income (loss) related to realized and unrealized capital losses.

From January 1, 2025, RLGH Ltd and its Bermuda subsidiaries are subject to the Bermuda Corporate Income Tax, which is levied at 15%. For periods prior to January 1, 2025, the entities were not required to pay any taxes in Bermuda on income or capital gains. The Bermuda corporate income tax regime permits certain tax reliefs which give rise to deductible temporary differences and provides for certain taxable income items to be brought into account over time, giving rise to taxable temporary differences. As of December 31, 2025 the deferred tax asset in relation to these deductible temporary differences was \$492.1 million, and the deferred tax liability in relation to these taxable temporary differences was \$109 million. Taxable and deductible temporary differences also arise for the Company resulting from the purchase accounting applied on the Blackstone transaction and on the Nippon Life acquisition. As of December 31, 2025, the net deferred tax liability arising from the purchase accounting was \$23.2 million.

In December 2025, the Bermuda Government introduced certain tax credits which are available to Bermuda companies in relation to certain types of local expenditure and on the meeting of certain criteria. The current estimate is that Resolution Life Services Bermuda Limited will be eligible to claim approximately \$3 million in relation to the substance-based credit. The credit is accounted for as a reduction to expenses and is itself subject to the Bermuda corporate income tax at 15%.

The US book minimum tax ("CAMT") applies to the US domestic entities for tax years commencing after December 31, 2022. The CAMT would apply only if the net income in the consolidated accounts of the Company reaches \$1 billion per annum averaged over the previous three years, and certain safe harbours are available. The CAMT has not yet applied due to a combination of the threshold and safe harbours, and further it is expected that a safe harbour will apply for 2025. It is also noted however that the legislation is being supplemented by regulations and guidance, and uncertainty remains.

Notes to the Consolidated Financial Statements continued

A reconciliation of the 2025 income tax expense (benefit) after the adoption of ASU 2023-09 is as follows:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)		Period Ended October 29, 2025 (Predecessor)	
	\$	%	\$	%
Profit (loss) before tax	(248,579)		451,971	
Tax attributable to policyholders' returns	–		(186,578)	
Profit (loss) before tax attributable to shareholders' profits	\$ (248,579)		\$ 265,393	
Expected income tax benefit (expense) at Bermuda statutory	(37,264)	15%	39,806	15%
Other nontaxable or nondeductible items				
Expenses not deductible for tax purposes	1,699	(1)%	6,215	2%
Other nontaxable income	6,900	(3)%	(3,526)	(1)%
Other	(4,913)	2%	–	–%
Foreign tax effects				
US				
Change in valuation allowance	(1,664)	1%	(185,782)	(70)%
Difference in foreign tax rates	1,077	–%	19,856	7%
Expenses not deductible for tax purposes	352	–%	1,898	1%
State income tax	963	–%	1,679	1%
Australia				
Income tax expense attributable to policyholders	–	–%	186,578	70%
Difference in foreign tax rates	–	–%	39,832	15%
Expenses not deductible for tax purposes	–	–%	6,779	3%
Income not taxable for tax purposes	–	–%	(5,959)	(2)%
Creditable foreign taxes	–	–%	–	–%
Other	–	–%	11,001	4%
Other foreign jurisdictions	–	–%	781	0%
Effect of changes in tax laws or rates enacted in the current period				
Tax credits				
Creditable foreign taxes	(11,329)	5%	(17,739)	7%
Other adjustments	–			
Prior period adjustment	–	–%	9,330	4%
Other	–	–%	(3,002)	(1)%
Income tax expense (benefit) and effective tax rate	(44,179)	18%	107,747	24%
Shareholder's effective tax rate		18%		(30)%

A reconciliation of the 2024 income tax expense (benefit) as presented in the 2024 financial statements, prior to the adoption of ASU 2023-09, is as follows:

(\$ in thousands)	Year Ended December 31, 2024 (Predecessor)
Profit (loss) before tax	\$ 294,563
Tax attributable to policyholders' returns	205,038
Profit (loss) before tax attributable to stockholders' profits	\$ 89,525
<i>Reconciling items</i>	
Difference in foreign tax rates	29.7%
Expenses not deductible for tax purposes	3.5%
Capital loss write-off	13.2%
Other non-assessable income	(9.8)%
NOHC tax consolidation election	–%
Concessional tax treatment of investment income	0.9%
Tax attributable to policyholders returns	69.6%
Tax law changes	–%
Tax valuation allowance	(37.9)%
Dividends received deduction	–%
Other tax reconciliations	(4.3)%
Effective tax rate	64.9%
Shareholder's effective tax rate	(15.4)%

Notes to the Consolidated Financial Statements continued

The Company's expected income tax benefit (expense) shown in the table above was computed on pre-tax income (loss) at the weighted average tax rate calculated as the sum of the pre-tax income (loss) in each jurisdiction multiplied by that jurisdiction's applicable statutory tax rate in effect for the relevant period.

The Company's net operating loss carryforwards of \$1.3 billion primarily relate to US ordinary losses, which can be carried forward to offset against 80% of ordinary income, and Bermuda tax losses, which can be carried forward against 80% of Bermuda taxable profits. In each case the losses have no expiry.

Many jurisdictions have enacted legislation to apply a global minimum tax rate of 15% to multinational businesses, in line with the Model Rules (the Pillar 2 rules) agreed by the Organisation for Economic Co-operation and Development (OECD). The Pillar 2 rules apply either directly or indirectly to all the jurisdictions in which Resolution Life operates during 2025. From October 31, 2025, Nippon Life will apply the Pillar 2 rules to those Resolution Life jurisdictions which have not implemented a qualifying domestic top-up tax. No material top-up taxes are expected to arise for the periods to December 31, 2025 (Successor), October 30, 2025 (Predecessor) and December 31, 2024 (Predecessor).

The 2021 tax year is the earliest year subject to examination by the major tax jurisdictions under the statute of limitations (with limited exceptions).

The Company made the following net tax payments (net of refunds) in 2025 after the adoption of ASU 2023-09:

(\$ in thousands)	December 31, 2025 (Successor)	October 29, 2025 (Predecessor)
Federal (Bermuda)	\$ –	\$ –
Foreign		
US	1,869	13,218
Australia	–	30,524
Other	–	1,933
Total net payment (refund) of income taxes	\$ 1,869	\$ 45,675

The Company made net tax payments in 2024 of \$74 million.

Notes to the Consolidated Financial Statements continued

9. Reinsurance

The Company has agreements that provide for reinsurance of certain policy-related risks. Under the agreements, premiums, contract charges, interest credited to policyholder funds, policy benefits and substantially all expenses are reinsured. The Company purchases reinsurance to limit aggregate and single losses on large risks.

The Company also assumes risk through reinsurance treaties with third parties on a modified coinsurance and funds withheld basis. The assets held by the cedents supporting these contracts are held in trust and do not form part of their general accounts.

Collectability of reinsurance balances are evaluated by monitoring ratings and evaluating the financial strength of its reinsurers. Large counterparty exposure risk is mitigated by requiring collateral in various forms including funds withheld accounts. As of December 31, 2025 (Successor) and 2024 (Predecessor), approximately 98% respectively, of the Company's reinsurance recoverables are due from counterparties rated A- or better by Standard & Poor's ("S&P"). As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), the allowance for credit losses was nil.

The effects of reinsurance on premiums earned and fee income from policyholders for period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Premiums and fee income			
Direct	\$ 95,402	\$ 1,275,984	\$ 1,501,962
Reinsurance assumed	480,479	3,793,278	3,122,840
Reinsurance ceded	(180,655)	(916,881)	(1,312,329)
Total premiums and fee income, net of reinsurance	\$ 395,226	\$ 4,152,381	\$ 3,312,473

The effects of reinsurance on changes in policyholder liabilities, return credited to policyholders' account balances and policyholder benefits for the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Future policy and other policy benefits			
Direct	\$ 164,976	\$ 2,549,610	\$ 3,120,232
Reinsurance assumed	571,448	4,973,849	3,883,543
Reinsurance ceded	(138,215)	(690,900)	(892,056)
Total future policy and other policy benefits, net of reinsurance	\$ 598,209	\$ 6,832,559	\$ 6,111,719

Reinsurance typically provides for recapture rights on the part of the ceding company for certain events of default. Additionally, some agreements require us to place assets in trust accounts for the benefit of the ceding entity.

The Company is party to coinsurance with funds withheld treaties with external reinsurers under which risk on certain universal life and fixed annuity products is transferred. No portion of the assets constituting the consideration has been transferred to the reinsurer. The agreements were structured to finance reserves on certain universal life and fixed annuity products, in exchange for a fee based on those reserves. The profit to the reinsurers expected on the treaties is returned through an experience refund. The Company has determined that these agreements do not fulfill the requirements of risk transfer under generally accepted accounting principles and are accounted for on a deposit method of accounting. As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor) the Company had modified coinsurance payables, net of \$4.2 billion and \$4.1 billion, respectively, related to these respective treaties.

To the extent that the retrocessionaires are unable to meet their obligations, the Company remains liable to its reinsured for the portion reinsured. Consequently, provisions are made for receivables on reinsurance contracts which are deemed uncollectible. To minimize its exposure to significant losses from reinsurer insolvencies, the Company periodically reviews actual and anticipated experience compared to the aforementioned assumptions used to establish assets and liabilities relating to ceded and assumed reinsurance and evaluates the financial strength of counterparties to its reinsurance agreements using criteria similar to that evaluated in the security impairment process.

Notes to the Consolidated Financial Statements continued

10. Future Policy Benefits and Other Policyholder Liabilities

The following table reflects the reconciliation of the components of policy liabilities to the Future policy benefits and other policyholder liabilities line reported in the Consolidated Balance Sheets as of December 31, 2025 (Successor):

(\$ in thousands)	December 31, 2025 (Successor)
Future policy benefits	\$ 18,332,737
Outstanding claims payable	373,060
Additional liability established in lieu of negative VOBA	734,100
Additional liability for no lapse and secondary guarantees	10,575,220
Future policy benefits – Other	229,138
Total Future policy benefits and other policyholder liabilities	\$ 30,244,255

The following table reflects the changes in the Present Value of Expected Net premiums for the period-ended December 31, 2025 (Successor):

December 31, 2025 (Successor) (\$ in thousands)	U.S.	Bermuda	Total
Balance, beginning of period	\$ 5,706,465	\$ 750,774	\$ 6,457,239
Beginning balance at original discount rate	5,706,465	750,774	6,457,239
Effect of changes in cash flow assumptions	–	–	–
Effect of actual variances from expected experience	19,574	(9,103)	10,471
Adjusted beginning of period balance	\$ 5,726,039	\$ 741,671	\$ 6,467,710
Issuances	–	–	–
Interest accrual	37,795	1,117	38,912
Net premiums collected	(113,176)	(19,571)	(132,747)
Ending balance at original discount rate	\$ 5,650,658	\$ 723,217	\$ 6,373,875
Foreign exchange impact	–	2,443	2,443
Effect of changes in discount rate assumptions	(13,313)	(8,504)	(21,817)
Balance, end of period	\$ 5,637,345	\$ 717,156	\$ 6,354,501

The following table reflects the changes in Present Value of Expected Policy Benefits for the period-ended December 31, 2025 (Successor):

December 31, 2025 (Successor) (\$ in thousands)	U.S.	Bermuda	Total
Balance, beginning of period	\$ 9,541,056	\$ 14,087,496	\$ 23,628,552
Beginning balance at original discount rate	9,540,993	14,087,496	23,628,489
Effect of changes in cash flow assumptions	2,820	(3)	2,817
Effect of actual variances from expected experience	19,574	1,091	20,665
Adjusted beginning of period balance	\$ 9,563,387	\$ 14,088,584	\$ 23,651,971
Issuances	–	–	–
Interest accrual	63,130	63,150	126,280
Benefit payments	(183,433)	(223,044)	(406,477)
Ending balance at original discount rate	\$ 9,443,084	\$ 13,928,690	\$ 23,371,774
Foreign exchange impact	–	102,466	102,466
Effect of changes in discount rate assumptions	(30,214)	(191,290)	(221,504)
Balance, end of period	\$ 9,412,870	\$ 13,839,866	\$ 23,252,736
Effect of capping NPR	\$ –	\$ –	\$ –
Net liability for future policy benefits, end of period	\$ 3,775,524	\$ 13,122,709	\$ 16,898,223
Less: Related reinsurance recoverable	(1,761)	(27,008)	(28,769)
Net liability for future policyholder benefits after reinsurance recoverable	\$ 3,773,763	\$ 13,095,701	\$ 16,869,464

The following table provides the amount of undiscounted and discounted expected gross premiums and expected future benefits and expenses for nonparticipating traditional and limited-payment contracts:

December 31, 2025 (Successor) (\$ in thousands)	Undiscounted	Discounted (at current discount rate)
U.S.		
Expected future gross premiums	\$ 12,120,320	\$ 7,869,755
Expected future benefits and expenses	15,278,281	9,412,869
Bermuda		
Expected future gross premiums	\$ 1,310,245	\$ 1,170,899
Expected future benefits and expenses	23,900,954	13,816,795

Notes to the Consolidated Financial Statements continued

The following table presents the amount of revenue and interest recognized in the income statement:

(\$ in thousands)	December 31, 2025	December 31, 2025
	(Successor) Gross premiums	(Successor) Interest expense
U.S.	\$ 157,784	\$ 25,334
Bermuda	32,504	62,033
Total	\$ 190,288	\$ 87,367

The following table provides the weighted-average interest rates for the liability for future policy benefits:

December 31, 2025 (Successor) Percentages	U.S.	Bermuda
Weighted-average interest rate, original discount rate	4.04%	2.84%
Weighted-average interest rate, current discount rate	3.87%	2.83%

The following table provides the weighted-average durations of the liability for future policy benefits, in years:

	December 31, 2025 (Successor)
U.S.	7.6
Bermuda	10.1

The following table provides the balances and changes in the additional insurance liabilities related to universal life that are in addition to the account balance, including annuitization benefits and death or other insurance benefits for the period-ended December 31, 2025 (Successor):

December 31, 2025 (Successor) (\$ in thousands)	U.S.	Bermuda	Total
Balance, beginning of year	\$ 4,250,000	\$ 6,300,000	\$ 10,550,000
Beginning balance before shadow reserve adjustments	4,250,000	6,300,000	\$ 10,550,000
Effect of changes in cash flow assumptions	–	–	–
Effect of actual variances from expected experience	–	–	–
Adjusted beginning of year balance	\$ 4,250,000	\$ 6,300,000	\$ 10,550,000
Issuances	–	–	–
Interest accrual	28,363	45,939	74,302
Assessments collected	58,625	61,974	120,599
Benefit payments	(73,464)	(85,933)	(159,397)
Ending balance before shadow reserve adjustments	\$ 4,263,524	\$ 6,321,980	\$ 10,585,504
Effect of shadow reserve adjustments	(10,285)	–	(10,285)
Balance, end of year	\$ 4,253,239	\$ 6,321,980	\$ 10,575,219
Less: Reinsurance recoverable, end of year	2,383,791	5,477,841	7,861,632
Net additional liability, after reinsurance recoverable	\$ 1,869,448	\$ 844,139	\$ 2,713,587

The following table provides the amount of gross assessments recognized for the additional liability for annuitization, death or other insurance benefits recognized in the consolidated income statement:

(\$ in thousands)	December 31, 2025	December 31, 2025
	(Successor) Gross assessments	(Successor) Interest expense
U.S.	\$ 65,150	\$ 28,363
Bermuda	61,974	45,939
Total	\$ 127,124	\$ 74,302

The following table provides the weighted-average durations of the additional insurance liabilities, in years:

	December 31, 2025 (Successor)
U.S.	12.3
Bermuda	13.1

The following table provides the weighted-average interest rates for the additional insurance liabilities:

	December 31, 2025 (Successor)
U.S.	
Interest accretion rate	4.08%
Current discount rate	4.08%
Bermuda	
Interest accretion rate	4.45%
Current discount rate	4.45%

Notes to the Consolidated Financial Statements continued

11. Policyholder Account Balances

The following table presents the balances and changes in Policyholder contract deposits account balances for the period ended December 31, 2025 (Successor):

December 31, 2025 (Successor) (\$ in thousands)	U.S.	Bermuda	Total
Policyholder Account Balance, beginning of year	\$ 18,978,727	\$ 14,548,101	\$ 33,526,828
Issuances	–	–	–
Premiums received	181,729	689,989	871,718
Policy charges	(215,873)	(78,489)	(294,362)
Surrenders and withdrawals	(96,010)	(341,459)	(437,469)
Benefit payments	(62,177)	–	(62,177)
Net transfers from (to) separate account	6,132	–	6,132
Interest credited	154,020	34,559	188,579
Other	–	(57,096)	(57,096)
Policyholder Account Balance, end of year	\$ 18,946,548	\$ 14,795,605	\$ 33,742,153
Reconciling item	3,297,021	2,159,279	5,456,300
Policyholder contract deposits	\$ 22,243,569	\$ 16,954,884	\$ 39,198,453
Weighted average crediting rate	4.1%	2.5%	3.39%
Net amount at risk	\$ 137,010,125	\$ 30,452,675	\$ 167,462,800
Cash surrender value	\$ 18,485,000	\$ 14,992,380	\$ 33,477,380

Notes to the Consolidated Financial Statements continued

The following table presents Policyholder contract deposits account balance by range of guaranteed minimum crediting rates and the related range of difference, in basis points, between rates being credited to policyholders and the respective guaranteed minimums:

December 31, 2025 (Successor) (\$ in thousands)	Range of Guaranteed Minimum Credited Rate	At Guaranteed Minimum	1 Basis Point – 50 Basis Points Above	51 Basis Point – 150 Basis Points Above	Greater than 150 Basis Points Above	Total
U.S	less than 2%	\$ 400	\$ 1,710	\$ 21,923	\$ 484,162	\$ 508,195
	2-4%	2,542,698	605,688	509,325	250,284	3,907,995
	4-6%	10,577,764	611,544	260,679	–	11,449,987
	greater than 6%	–	–	–	–	–
	Total	\$ 13,120,862	\$ 1,218,942	\$ 791,927	\$ 734,446	\$ 15,866,177
Percentage of total		83%	8%	5%	5%	–
Bermuda	less than 2%	\$ 3,679,681	\$ –	\$ 21,509	\$ –	\$ 3,701,190
	2-4%	1,233,954	–	1,368,395	–	2,602,349
	4-6%	175,329	–	432,415	–	607,744
	greater than 6%	–	–	–	–	–
	Total	\$ 5,088,964	\$ –	\$ 1,822,319	\$ –	\$ 6,911,283
Percentage of total		74%	–%	26%	–%	–
Total	less than 2%	\$ 3,680,081	\$ 1,710	\$ 43,432	\$ 484,162	\$ 4,209,385
	2-4%	3,776,652	605,688	1,877,719	250,284	6,510,343
	4-6%	10,753,093	611,544	693,094	–	12,057,731
	greater than 6%	–	–	–	–	–
	Total	\$ 18,209,826	\$ 1,218,942	\$ 2,614,245	\$ 734,446	\$ 22,777,459
Percentage of total		80%	5%	11%	3%	

Notes to the Consolidated Financial Statements continued

12. Separate Accounts

The following table presents the aggregate fair value of assets, by major investment asset category, supporting separate accounts:

(\$ in thousands)	December 31, 2025 (Successor)
Equity securities (including mutual funds)	\$ 1,584,880
Cash and cash equivalents	103,448
Total	\$ 1,688,328

The following table presents the amount of gains and losses recognized on assets transferred to separate accounts:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)
Gains	\$ 13,984
Losses	(913)
Net	\$ 13,071

The following table presents the balances of and changes in separate account liabilities for the period ended December 31, 2025 (Successor):

December 31, 2025 (Successor) (\$ in thousands)	U.S.	Total
Separate Account Liabilities		
Total Opening Balance	\$ 1,696,963	\$ 1,696,963
Benefit payments	(93)	(93)
Investment performance	8,824	8,824
Net transfers from (to) separate account	(201)	(201)
Other charges	(412)	(412)
Policy charges	(8,898)	(8,898)
Premiums and deposits	4,531	4,531
Surrenders and withdrawals	(12,386)	(12,386)
Separate Account Liabilities	\$ 1,688,328	\$ 1,688,328

13. Market Risk Benefits

The following table presents the balances and changes in net market risk benefits for the period-ended December 31, 2025 (Successor):

December 31, 2025 (Successor) (\$ in thousands)	U.S.	Bermuda	Total
Balance, beginning of period	\$ (18,803)	\$ (815,158)	\$ (833,961)
Balance, beginning of period, before effect of changes in the instrument-specific credit risk	(18,803)	(815,158)	(833,961)
Interest accrual	–	(6,569)	(6,569)
Benefit payments	(1)	868	867
Effect of changes in interest rates	1,502	1,664	3,166
Effect of changes in equity markets	(146)	35,457	35,311
Actual policyholder behavior difference from expected behavior	–	(3,534)	(3,534)
Balance, end of year, before effect of changes in the instrument-specific credit risk	\$ (17,448)	\$ (787,272)	\$ (804,720)
Effect of changes in the instrument-specific credit risk	(802)	–	(802)
Balance, end of year	\$ (18,250)	\$ (787,272)	\$ (805,523)
Less: Reinsurance recoverable, end of year	–	–	–
Balance, end of year, net of reinsurance	\$ (18,250)	\$ (787,272)	\$ (805,523)
Net amount at risk	\$ 100,217	\$ 1,649,351	\$ 1,749,568
Weighted-average attained age of contract holders	79.7	71.7	–

The following table reconciles market risk benefits by amounts in an asset position and amounts in a liability position to the market risk benefit amounts in the Consolidated Balance Sheets as of December 31, 2025 (Successor):

December 31, 2025 (Successor) (\$ in thousands)	Asset	Liability	Net Liability
U.S.	\$ –	\$ 18,250	\$ 18,250
Bermuda	–	787,273	787,273
Balance, end of year	\$ –	\$ 805,523	\$ 805,523

Notes to the Consolidated Financial Statements continued

14. VOBA and DAC

The following reflects the changes to the VOBA and DAC assets during the period ended December 31, 2025 (Successor), period ended October 29, 2025 (Predecessor) and year ended December 31, 2024 (Predecessor):

(\$ in thousands)	Period Ended December 31, 2025 (Successor)		Period Ended October 29, 2025 (Predecessor)		Year Ended December 31, 2024 (Predecessor)	
	VOBA	DAC	VOBA	DAC	VOBA	DAC
Balance, beginning of period	\$ 8,892,679	\$ –	\$ 9,604,847	\$ 142,940	\$ 10,269,518	\$ 13,117
Deconsolidation of subsidiary	(953,440)	–	–	–	–	–
Additions	–	15,369	344,956	98,720	(9,455)	32,422
Cost of reinsurance	–	–	–	2,288,628	–	26,437
DAC capitalization	–	–	–	78,375	–	85,750
Interest accretion	37,531	–	282,967	–	344,163	–
Amortized to expense during the year	(113,263)	(218)	(835,002)	(95,193)	(1,091,332)	(14,381)
Unlocking	–	–	–	–	3,816	–
Adjustment for unrealized investment losses during the period	42,146	–	(100,818)	–	187,475	–
Effect of foreign currency translation	29	(8)	52,842	(372)	(99,338)	(405)
Balance, end of period	\$ 7,905,682	\$ 15,143	\$ 9,349,792	\$ 2,513,098	\$ 9,604,847	\$ 142,940

The expected amortization of VOBA for the next five years and thereafter is as follows:

(\$ in thousands)	Expected Amortization (\$)
2026	302,361
2027	331,420
2028	327,392
2029	315,698
2030 and thereafter	6,628,812

Notes to the Consolidated Financial Statements continued

15. Commitments and Contingencies

Commitments

SLD became a member of the Federal Home Loan Bank of Topeka ("FHLB") in 2021. Membership allows SLD access to the FHLB's financial services, including the ability to obtain loans and to issue funding agreements as an alternative source of liquidity that are collateralized by qualifying mortgage related assets, agency securities or U.S. Treasury securities. Borrowings under this facility are subject to the FHLB's discretion and require the availability of qualifying assets at RLUSH. As of December 31, 2025 (Successor), SLD had an estimated maximum borrowing capacity of \$12.7 billion under the FHLB facility. SLD is required to pledge collateral to back funding agreements issued to the FHLB. As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), SLD had \$1,847 million and \$2,239 million, respectively, in non-putable funding agreements which are included in Policyholder account balances on the Consolidated Balance Sheets. As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), assets with a market value of approximately \$3,164 million and \$3,536 million, respectively, collateralized the FHLB funding agreements. Assets pledged to FHLB are primarily included in Fixed maturities, available-for-sale, at fair value on the Consolidated Balance Sheets.

As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), RLUSH had off-balance sheet commitments to acquire mortgage loans and private placement investments of \$1,130 million and \$1,072 million, respectively. RLUSH had off-balance sheet commitments to fund limited partnerships investments of \$846.7 million and \$579.0 million as of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), respectively.

RRL has commitments to make investments, primarily capital contributions to investment funds of \$522.6 million and \$241.3 million as of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), respectively. These commitments will be funded from the funds withheld assets over the next three years but could become due any time upon counterparty request due to market conditions and other factors.

Regulation and Compliance

As with many financial services companies, the Company's subsidiaries periodically receive information and formal requests for information from various governmental agencies and self-regulatory organizations in connection with examinations, inquiries, investigations and audits of the products and practices of the Company or the financial services industry. Some of the investigations, examinations, audits and inquiries could result in regulatory action against the Company. The potential outcome of such regulatory action is difficult to predict, but could subject the Company to adverse consequences, including, but not limited to, additional payments to beneficiaries, settlement payments, penalties, fines and other financial liability, and changes to the Company's policies and procedures. The potential economic consequences cannot be predicted, but management does not believe that the outcome of any such action will have a material adverse effect on the Company's financial position. It is the practice of the Company to cooperate fully in these matters.

Litigation

In the ordinary course of business, the Company deals with claims, assessments, litigation and regulatory matters which may have an adverse financial and/or reputational impact on the Company. As of the date these financial statements were available for issuance, no matters requiring disclosure have been identified.

Pledged or Restricted Assets

The Company has restricted cash and restricted cash equivalents, which has been pledged as part of the derivative arrangements, or secured as part of modified coinsurance arrangements or comfort trusts and which are shown within the Cash and cash equivalents line.

The Company has restricted investments, shown within the fixed maturity securities, equity securities and investment funds lines, which have been secured as part of modified coinsurance arrangements.

The carrying value of the restricted assets as of December 31, 2025 (Successor) and 2024 (Predecessor) were as follows:

(\$ in thousands)	December 31, 2025 (Successor)	December 31, 2024 (Predecessor)
Fixed maturities	\$ 6,763,828	\$ 4,999,185
Short-term investments	21,322	-
Equity securities	26,595	27,613
Comfort trust		
Fixed maturities	10,972,849	11,630,683
Equity securities	581	1,252
Investment funds	529,319	452,195
Cash and cash equivalents	799,444	244,462
Other investments	1,608,394	1,731,484
Other investments	158,336	181,084
Cash and cash equivalents	358,720	324,744
Total	\$ 21,239,388	\$ 19,592,702

Notes to the Consolidated Financial Statements continued

16. Regulatory

The funding of the cash dividends and operating expenses of the Company is primarily provided by cash dividends from the Company's operating subsidiaries. The statutory capital and surplus, or net assets, of the Company's insurance subsidiaries are subject to regulatory restrictions except to the extent that dividends are allowed to be paid in a given year without prior regulatory approval. Dividends exceeding these limitations can generally be made subject to regulatory approval.

Bermuda

Under the Insurance Act 1978, as amended (Bermuda Insurance Act), RLGH Ltd. is subject to capital requirements calculated using the Bermuda Solvency and Capital Requirement ("BSCR") model, which is a standardized statutory risk-based capital model used to measure the risk associated with RLGH Ltd.'s assets, liabilities, and premiums. The same basis of calculation is applied to all of the assets and liabilities of the Company, regardless of the territory in which the business has been written. RLGH Ltd.'s required statutory economic capital and surplus under the BSCR model is referred to as the enhanced capital requirement ("ECR"). RLGH Ltd. is required to calculate and submit confirmation of compliance with the ECR to the Bermuda Monetary Authority ("BMA") annually. In addition, RLGH Ltd. is required to calculate a further solvency measure typically based on the Bermudan statutory accounts, referred to as the minimum solvency margin ("MSM") and confirm compliance annually.

Following receipt of the submission of RLGH Ltd.'s statutory and BSCR reporting the BMA has the authority to impose additional capital requirements (capital add-ons) if it deems necessary. As of December 31, 2025 (Successor), RLGH Ltd. is in compliance with all regulatory capital requirements.

RRL is licensed by the BMA as a Class E insurer and is subject to the Bermuda Insurance Act and regulations promulgated thereunder. In accordance with BMA regulations, RRL is required to submit quarterly filing with the BMA. As of December 31, 2025 (Successor) and December 31, 2024 (Predecessor), RRL's Statutory Capital and Surplus was \$3.5 billion and \$2.6 billion, and the Company has met all minimum regulatory requirements. The BMA has granted the Company a modification in which the Company is not required to record the effect of DIG B36 and is permitted to record the fixed income securities within the funds withheld receivable at amortized cost in the unconsolidated Statutory Financial Statements. For the year-ended December 31, 2025 and year ended December 31, 2024, the effect of this modification on the Company's Statutory Capital and Surplus was \$(714) million and (\$0.4) billion. For the period ended December 31, 2025 and year ended December 31, 2024, the statutory net income (loss) was \$(331) million and \$423.0 million, respectively.

USA

SLD and RLCO prepare their statutory-basis financial statements in conformity with accounting practices prescribed or permitted by the State of Colorado Division of Insurance. SLDI and RRII prepare their statutory-basis financial statements in conformity with accounting practices prescribed or permitted by the State of Arizona Department of Insurance and Financial Institutions. MULIC prepare their statutory-basis financial statements in conformity with the State of Indiana Department of Insurance. The statutory-basis financial statements are prepared in conformity with the National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual, subject to any deviations prescribed or permitted by the aforementioned state departments. Statutory accounting practices differ from GAAP primarily since they require establishing life insurance reserves based on different actuarial assumptions, and valuing certain investments at amortized cost. Statutory accounting practices do not give recognition to purchase accounting adjustments. Permitted statutory accounting practices encompass all accounting practices not so prescribed.

SLD's, SLDI's, RRII's, MULIC's and RLCO's statutory net income (loss) for the year ended December 31, 2025 (Successor) were \$150.5 million, \$54.6 million, \$99.1 million, \$4.9 million and \$(9.8) million, respectively. SLD's, SLDI's, RRII's, MULIC's and RLCO's statutory capital and surplus was \$1.4 billion, \$104.6 million, \$237.1 million, \$178.5 million and \$1.4 billion as of December 31, 2025 (Successor), respectively.

SLD's, SLDI's, RRII's, MULIC's and RLCO's statutory net loss for the year ended December 31, 2024 (Predecessor) were \$29.7 million, \$85.9 million, \$11.4 million, \$9.0 million and \$14.6 million, respectively. SLD's, SLDI's, RRII's, MULIC's and RLCO's statutory capital and surplus was \$1.3 billion, \$146.3 million, \$281.2 million, \$173.7 million and \$1.4 billion as of December 31, 2024 (Predecessor), respectively.

Notes to the Consolidated Financial Statements continued

17. Related Parties

(i) Reinsurance transactions with Nippon Life

The Company has two in-force reinsurance treaties with subsidiaries of Nippon Life. The balances associated with these agreements in the Company's financial statements are as follows:

(\$ in thousands)	As of December 31, 2025 (Successor)	As of December 31, 2024 (Predecessor)	Period ended December 31, 2025 (Successor)	Period ended October 29, 2025 (Predecessor)	Period ended December 31, 2024 (Predecessor)
Balance Sheet					
Policyholder account balances	\$ 4,118,575	\$ 1,996,511	\$ –	\$ –	\$ –
Premium receivable	\$ 87,773	\$ 59,118	\$ –	\$ –	\$ –
Reinsurance payable	\$ 5,492	\$ 2,778	\$ –	\$ –	\$ –
Statement of Operations					
Interest sensitive contract benefits	\$ –	\$ –	\$ 9,849	\$ 27,359	\$ 9,254

(ii) Balances outstanding to Acenda/NLIANZ/RLA/NOHC

The Company has two loan facilities outstanding with Acenda for A\$75 million and A\$145 million. The total balance payable, including accrued interest, was A221.9 million (\$148.7 million) as of December 31, 2025, and is included in Accrued expenses and other liabilities on the Consolidated Balance Sheets. The interest expense recognized with respect to the loan facilities was \$1.3 million for the period ended December 31, 2025 and is included in Other operating expenses in the Consolidated Statements of Operations.

(iii) ProductLife servicing with Nippon Life

The Company entered into licensing agreements to provide Nippon Life with access to internally-generated software. Total income of \$3 million and \$0.3 million was recognized for the periods ending October 29, 2025 (Predecessor) and December 31, 2025 (Successor), respectively.

(iv) Management loans

During the period, the Company provided loans to certain members of management totalling \$77.9 million. The loans were provided interest-free and were repaid during the year.

(v) Investment management fees

The Company has an agreement with Nissay Asset Management Corporation, an affiliate of Nippon Life, to provide investment management services with respect to certain investments. For the period ended December 31, 2025 (Successor) and October 29, 2025 (Predecessor), \$0 million and \$3.5 million of fees were expensed in relation to this agreement, respectively. As of December 31, 2025 (Successor) a nil amount was payable in relation to this agreement.

The Company has an agreement with Voya Investment Management Co. LLC, an affiliate of Voya Financial, Inc., to provide investment management services with respect to certain investments. For the period ended October 29, 2025 (Predecessor), and year ended December 31, 2024 (Predecessor), \$17.8 million and \$27 million of fees were expensed in relation to this agreement, respectively. As of December 31, 2024 (Predecessor), \$11.63 million was payable to Voya Investment Management Co. LLC in relation to this agreement. Following the completion of the Nippon Life MTA, Voya ceased to be a related party to the Company.

The Company has an agreement with Blackstone ISG-I Advisors LLC to serve as investment manager for a portion of its investment portfolios. For the period ended October 29, 2025 (Predecessor) and year ended December 31, 2024 (Predecessor), \$71.1 million and \$70.1 million of fees were expensed in relation to this agreement, respectively. As of December 31, 2024 (Predecessor) \$35.6 million was payable to Blackstone ISG-I Advisors LLC in relation to this agreement. Following the completion of the Nippon Life MTA, Blackstone ceased to be a related party to the Company.

Intercompany receivable and payable balances are evaluated on an individual company basis. Intercompany balances are generally settled quarterly.

Notes to the Consolidated Financial Statements continued

18. Long-Term Debt

The table below presents the Company's Long-term debt as of December 31, for the years indicated as follows:

(\$ in thousands)	Type of Debt	Issue Date	Maturity Date	Principal Balance	Interest Rate		Outstanding Balance	
					2025 (Successor)	2024 (Predecessor)	2025 (Successor)	2024 (Predecessor)
RLAL ²	Subordinated	December 9, 2020	December 9, 2035	\$ 186,986	–%	7.72%	\$ –	\$ 186,986
RLUSH	Surplus Note	April 1, 2021	January 1, 2036	\$ 123,000	5.00%	5.00%	123,000	123,000
RLGH FB	Senior unsecured debt (Monarch I)	December 21, 2021	* ¹	\$ 1,500,000	* ¹	* ¹	750,000	997,262
RLGH FB	Senior unsecured debt (Monarch II)	September 12, 2023	September 12, 2028	\$ 750,000	5.27%	6.19%	750,000	746,479
RLGH FB	Tier 2 Notes (Atlas)	July 17, 2024	July 17, 2031	\$ 500,000	8.25%	8.25%	569,263	494,840
RLGH FB	Tier 2 Notes (Admiral)	July 2, 2025	July 2, 2035	\$ 750,000	6.75%	–%	805,205	–
RLGH FB	Ancillary Tier 1 Notes (Copper)	November 19, 2025	* ³	\$ 750,000	6.88%	–%	739,628	–
RLGH FB	Tier 3 Term loan (Zebra)	December 10, 2025	*December 10, 2030	\$ 250,000	5.47%	–%	248,954	–
Total Long-term debt							\$ 3,986,050	\$ 2,548,567

1 Monarch I maturity date and interest rate differs between Tranche 1 and Tranche 2. See below note for details.

2 The RLAL debt was de-consolidated on October 30, 2025 following the Company's acquisition by Nippon Life and deconsolidation of RLA.

3 The Ancillary Tier 1 Notes have a perpetual maturity. See more detail in 'RLGH FB – Copper' paragraph below.

The Company's Interest expense on Long-term debt for the period ended December 31, 2025, period ended October 29, 2025, and year ended December 31, 2024:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
RLAL Subordinated notes*	\$ –	\$ 24,647	\$ 21,404
RLUSH Surplus note	1,025	5,125	6,150
RLGH FB Bridge facility (Argus)	–	3,948	–
RLGH FB Senior unsecured debt (Monarch I)	7,240	49,309	91,776
RLGH FB Senior unsecured debt (Monarch II)	6,085	39,602	52,587
RLGH FB Tier 2 Notes (Atlas)	6,875	34,375	18,792
RLGH FB Tier 2 Notes (Admiral)	8,438	16,734	–
RLGH FB Ancillary Tier 1 Notes (Copper)	6,016	–	–
RLGH FB Tier 3 Term loan (Zebra)	620	–	–
Total Interest expense on Long-term debt	\$ 36,299	\$ 173,740	\$ 190,709

*The RLAL debt was de-consolidated on October 30, 2025 following the Company's acquisition by Nippon Life and deconsolidation of RLA.

Notes to the Consolidated Financial Statements continued

Financing and underwriting costs associated with the below facilities have been deferred and are presented net in Long-term debt on the Consolidated Balance Sheets. These costs will be amortized over the duration of the applicable borrowing. The table below presents the Company's unamortized financing and underwriting costs, and the amortization expense incurred for the periods and years indicated as follows:

(\$ in thousands)	Unamortized Debt Issuance Costs		Amortization expense		
	Period Ended December 31, 2025 (Successor)	Year Ended December 31, 2024 (Predecessor)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
RLGH FB Senior unsecured debt (Monarch I)	\$ –	\$ 2,738	\$ –	\$ 1,314	\$ 1,581
RLGH FB Senior unsecured debt (Monarch II)	–	3,521	–	782	940
RLGH FB Tier 2 Notes (Atlas)	–	5,160	–	657	361
RLGH FB Tier 2 Notes (Admiral)	–	–	–	236	–
RLGH FB Ancillary Tier 1 Notes (Copper)	10,372	–	173	–	–
RLGH FB Tier 3 Term loan (Zebra)	1,046	–	12	–	–
RLGH FB Revolving credit facility (Monarch III)	2,450	–	48	–	–

(\$ in thousands)	Unamortized Premium		Amortization of Premium		
	Period Ended December 31, 2025 (Successor)	Year Ended December 31, 2024 (Predecessor)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
RLGH FB Tier 2 Notes (Atlas)	\$ 69,263	\$ –	\$ 2,087	\$ –	\$ –
RLGH FB Tier 2 Notes (Admiral)	55,205	–	970	–	–

Notes to the Consolidated Financial Statements continued**RLAL Subordinated notes**

The subordinated notes had an optional early redemption at December 9, 2025, which was subject to APRA approval. The subordinated notes bore interest equal to the Bank Bill Swap rate (“BBSW”) plus 3.3%. The BBSW was 4.42% as of 2024 (Predecessor). The RLAL Subordinated notes were derecognized following the deconsolidation of RLAL.

RLUSH Surplus notes

RLUSH through its indirect subsidiaries issued one surplus note. The principal is payable at maturity and interest is payable semiannually on January 1 and July 1. Payments of interest and principal on these surplus notes may be made only with the prior approval of the insurance department of the State of Colorado.

RLGH FB Senior unsecured debt – Monarch I

The Company entered into a facility arrangement (“RLGH FB Facility”) for \$1.5 billion and a revolving credit facility of \$500 million. The revolving credit facility of \$500 million was closed on September 12, 2023 and replaced by the new facility arrangement revolving credit facility. The RLGH FB Facility agreement originally consisted of two tranches with a principal amount of \$750 million per tranche. The first tranche had an attached interest rate of the secured overnight financing rate (“SOFR”) plus 1.3%. \$500 million the principle balance was repaid on September 27, 2024 and the remaining \$250 million was repaid in December 2025. The second tranche has an attached rate of SOFR plus 1.1% and a maturity of December 2026. SOFR as of December 31, 2025 (Successor) and December 31, 2024 (Predecessor) was 3.87% and 4.49%, respectively. No principal payments are due until maturity for the second tranche.

RLGH FB Senior unsecured debt – Monarch II

The Company entered into a facility arrangement (“New Facility”) for \$750 million and a revolving credit facility of \$750 million, of which \$750 million still remains undrawn as of December 31, 2025 (Successor). The New Facility has an attached interest rate of SOFR plus 1.4%, with a maturity of September 2028. SOFR as of December 31, 2025 (Successor) and December 31, 2024 (Predecessor) was 3.87% and 4.49%, respectively. No principal payments are due until maturity.

RLGH FB – Atlas

On July 17, 2024, RLGH Finance Bermuda Ltd. issued \$500 million of 8.25% Tier 2 notes due 2031 (the “Notes”), which Notes are guaranteed by the Company. The Notes qualify as Tier 2 regulatory capital under applicable Bermuda regulations. The Notes are admitted to trading on the International Securities Market of the London Stock Exchange.

RLGH FB – Admiral

On July 2, 2025, RLGH Finance Bermuda Ltd. issued \$750 million of 6.75% Tier 2 notes due 2035 (the “Notes”), which Notes are guaranteed by the Company. The Notes qualify as Tier 2 regulatory capital under applicable Bermuda regulations. The Notes are admitted to trading on the International Securities Market of the London Stock Exchange. Debt proceeds were received net of the \$300 million that was applied towards repayment of the bridge loan financing facility with, among others, HSBC Bank PLC.

RLGH FB – Copper

On November 17, 2025 RLGH Finance Bermuda Ltd. issued \$750 million of 6.875% Ancillary Tier 1 notes (the “Notes”), which Notes are guaranteed by the Company. The Notes are perpetual and non-callable prior to May 19, 2032. The initial interest rate will be reset on November 19, 2032 and every five years thereafter, subject to a floor of 6.875% and certain other conditions. The Notes qualify as Tier 1 regulatory capital and were at issuance assigned an instrument rating of Baa3 by Moody’s and BBB by Fitch. The Notes are admitted to trading on the International Securities Market of the London Stock Exchange.

RLGH FB Tier 3 Term loan – Zebra

On December 10, 2025 RLGH Finance Bermuda Ltd. entered into a \$250 million term loan. The loan has an attached interest rate of the secured overnight financing rate (“SOFR”) plus 1.6%, with a maturity of December 10, 2030.

RLGH FB- Bridge Facility – Argus

On April 2, 2025, RLGH Finance Bermuda Ltd. signed a \$750 million bridge loan financing facility, \$300 million was utilized and fully repaid on July 2, 2025.

Principal Repayments

The principal repayments for the next five years is as follows:

(\$ in thousands)	
2026	\$ 750,000
2027	\$ –
2028	\$ 750,000
2029	\$ –
2030	\$ 250,000

Notes to the Consolidated Financial Statements continued**Credit Facility**

The Company uses credit facilities to provide collateral required primarily under its affiliated reinsurance transactions with captive insurance subsidiaries and for the issuance of letters of credit for its reinsurance programs. The Company also has revolving credit facilities that provide contingent liquidity with the ability to draw, repay, and re-draw funds as needed on standard industry terms.

Information on the credit facilities as of December 31, 2025 (Successor) and December 31, 2024 (Predecessor) were as follows:

December 31, 2025 (Successor)								
(\$ in thousands) Borrower(s)	Type of facility ¹	Secured/ Unsecured	Committed/ Uncommitted	Expiration	Currency	Maximum Borrowing Capacity	Utilization	Unused Commitment
RLUSH/SLD	RCF	Unsecured	Committed	January 4, 2046	USD	3,000,000	2,302,015	697,985
RLUSH/SLD	RCF	Unsecured	Committed	December 31, 2026	USD	600,000	526,031	73,969
RLUSH/SLD	LoC	Unsecured	Committed	August 1, 2026	USD	200,000	200,000	–
RRL	LoC	Unsecured	Committed	September 28, 2028	CHF	300,000	84,000	216,000
RRL	LoC	Unsecured	Committed	March 31, 2029	USD	450,000	–	450,000
RRL	LoC	Unsecured	Committed	April 14, 2029	JPY	13,400,000	–	13,400,000
RRL	LoC	Unsecured	Committed	March 15, 2029	GBP	97,500	97,500	–
RRL	LoC	Unsecured	Committed	May 21, 2030	USD	50,000	–	50,000
RLGH FB	RCF	Unsecured	Committed	November 26, 2030	USD	1,000,000	–	1,000,000,000

¹ Revolving Credit Facility ("RCF"); Letters of Credit ("LoC").

December 31, 2024 (Predecessor)								
(\$ in thousands) Borrower(s)	Type of facility ¹	Secured/ Unsecured	Committed/ Uncommitted	Expiration	Currency	Maximum Borrowing Capacity	Utilization	Unused Commitment
RLUSH/SLD	LOC	Unsecured	Committed	August 1, 2026	USD	200,000	200,000	–
RRL	LOC	Unsecured	Committed	September 28, 2028	CHF	300,000	100,000	200,000
RRL	LOC	Unsecured	Committed	March 31, 2029	USD	450,000	–	450,000
RRL	LOC	Unsecured	Committed	April 14, 2029	JPY	13,900,000	–	13,900,000
RLGH FB	RCF	Unsecured	Committed	September 12, 2028	USD	750,000	–	750,000
NOHC	RCF	Unsecured	Committed	December 16, 2027	AUD	100,000	–	100,000
RRL	LOC	Unsecured	Committed	March 29, 2029	GBP	127,500	127,500	–
NOHC	LOC	Unsecured	Committed	August 3, 2026	NZD	170,000	–	170,000

¹ Revolving Credit Facility ("RCF"); Letters of Credit ("LoC"); Reserve Financing Arrangement ("RFA").

Notes to the Consolidated Financial Statements continued

19. Goodwill

The changes in the carrying amount of goodwill for the period ended December 31, 2025, period ended October 29, 2025 and year ended December 31, 2024 were as follows:

(\$ in thousands)	Period Ended December 31, 2025 (Successor)	Period Ended October 29, 2025 (Predecessor)	Year Ended December 31, 2024 (Predecessor)
Goodwill, beginning of period	\$ 5,759,905	\$ 506,531	\$ 520,677
Effect of foreign currency translation	–	10,026	(14,146)
Deconsolidation of subsidiary	(285,943)	–	–
Goodwill, end of period	\$ 5,473,962	\$ 516,557	\$ 506,531

20. Subsequent Events

The Company has evaluated subsequent events for recognition or disclosure through April 30, 2026, date these financial statements were available for issuance.

There were no material events that occurred subsequent to December 31, 2025.

Disclaimer

This document, together with the content referred to therein (the “Document”), is intended to provide stakeholders in the Resolution Life group of entities (“Resolution Life Group”) with a high-level overview of the business, activities and aspirations of the group known as Resolution Life Group and is strictly for informational purposes only. The Document comprises the audited consolidated financial statements of Resolution Life Group Holdings Ltd. and, for additional context, background to, and an operational and financial review of, Resolution Life Group (“RLGH Ltd”).

Accordingly, this Document is not intended by Resolution Life Group Services Ltd, RLGH Ltd or any of their representatives or affiliates to be a financial promotion, marketing communication or equivalent to form the basis of any investment decision. It does not constitute or form part of, and should not be construed as: (i) an offer, solicitation or invitation to subscribe for, sell or issue, underwrite or otherwise acquire any securities or financial instruments, nor shall it, or the fact of its communication, form the basis of, or be relied upon in connection with, or act as any inducement to enter into any contract or commitment whatsoever with respect to such securities or financial instruments; or (ii) any form of financial opinion, recommendation or investment advice with respect to any securities or financial instruments. Any document which is of the type referred to in limbs (i) and (ii) shall be entirely separate from this Document and would, in any event, only be communicated to and directed at the following persons: (1) in the United Kingdom, (a) persons falling within Article 49(2)(a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”), or (b) persons who qualify as “investment professionals” within the meaning of Article 19(5) of the Order or (c) persons who qualify as “investment professionals” within the meaning of Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001, as amended, or (d) any other persons to whom it may otherwise lawfully be communicated, (2) in the United States, persons who are “accredited investors” as defined in Regulation D under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder and “qualified purchasers” as defined in (the “Securities Act”) the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder, (3) non-US persons outside the United States, in compliance with Regulation S under the Securities Act, and/or (4) persons outside the UK only where permitted by applicable law. Any person who does not know whether they meet the above criteria should not act upon or engage with any such separate document.

Statements in this Document are made as of April 30, 2026, unless otherwise stated, and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after this date. Certain information contained herein may have been obtained from published sources prepared by other parties. While such sources are believed to be reliable for the purposes used herein, none of Resolution Life Group

or its respective affiliates or any of their respective managers, directors, officers, employees, members, partners or shareholders assumes any responsibility for the accuracy or completeness of such information.

Neither Resolution Life Group nor any of its affiliates makes any representation warranty or assurance, express or implied, as to the future performance of Resolution Life Group. No reliance may be placed for any purpose whatsoever on the information contained in this Document, or any other material discussed or comments made to any interested party, or on its completeness, accuracy or fairness.

Although care has been taken to ensure that the facts stated in this Document are accurate, and that the opinions expressed are fair and reasonable, other than where indicated (including the audited consolidated financial statements of RLGH Ltd the contents of this Document have not been audited or verified by an independent party, or by Resolution Life Group or any of its advisors. Accordingly, no representation or warranty, express or implied, is made or given by or on behalf of Resolution Life Group as to the accuracy, completeness or fairness of the information or opinions contained in this Document or any written or oral communication transmitted to any interested party. Resolution Life Group does not accept any liability whatsoever for any loss howsoever arising from any use of this Document or its contents or otherwise arising in connection therewith. No person is under any obligation to update, complete, revise or keep current the information contained in this Document.

Certain statements in this Document may be forward-looking. These statements concern, or may affect, future matters and include matters that are not facts. They are subject to a number of risks and uncertainties that might cause actual results and outcomes to differ materially from expectations outlined in these forward-looking statements. Each recipient is cautioned not to rely on these forward-looking statements, which speak only as of the date hereof. Resolution Life Group undertakes no obligation to revise or update any forward-looking statement contained within this Document, regardless of whether those statements are affected as a result of new information, further events or otherwise. The materials in this Document include estimates and projections which are hypothetical for illustrative purpose only and are, therefore, inherently subject to a variety of risks and uncertainties that neither guarantee nor predict or project future outcomes. It is up to any recipient of this Document to make its own assessment of the validity of such forward-looking statements and no liability is accepted by the Resolution Life Group or any of its affiliates in respect of the achievement of such forward-looking statements. In considering any historic information contained in this Document, recipients should bear in mind that past or projected activities and outcomes are not necessarily indicative of future outcomes and there can be no assurance that the Resolution Life Group will achieve comparable outcomes or that Resolution Life Group’s anticipated financial and operating results, if any, will be met.

Resolution Life

investor.relations@resolutionlife.com

Resolution Life Group Holdings Ltd.
Wessex House
Second Floor
45 Reid Street
Hamilton, HM 11
Bermuda

