

# Financial review from our CFO

“Our financial position is strong: we have capital to deploy, and we have a great finance team of talented, hardworking people who are dedicated to doing the right thing.”

**Jonathan Moss**  
Chief Financial Officer



## Financial review from our CFO continued

**For details on our 2025 Investment read our Supplementary Information: YE 2025 Investments Overview**

**We had another successful year, raising funds, deploying capital in our chosen markets and proving our financial resilience amid macroeconomic uncertainty. With our acquisition by Nippon Life reinforcing our status as a safe and reliable partner for insurers, we are well positioned to keep supporting the life insurance industry over the long term.**

### Raising funds for growth amid strong investor interest

In our second year in the public debt capital markets, we raised \$1.5bn in listed debt. In July 2025, we issued \$750m Tier 2 notes with strong investor demand. Then, in November, with the support of more than 175 investors, we raised an additional \$750m in Tier 1 ancillary capital, in the first such transaction from Bermuda in the capital markets. The order book for the Tier 1 capital was ten times oversubscribed, reflecting the strength of our business model and investor confidence in our deal activity this year.

This fundraising has reinforced our financial flexibility and diversified our sources of high-quality capital. It also strengthens our Group solvency ratio, which under the Bermuda Solvency Capital Requirement is >230%, up from 215% in 2024. I was also pleased to see that, following the completion of our acquisition by Nippon Life, Moody's and Fitch upgraded all our rated entities across the Group, including our two core operating entities Resolution Re and Resolution Life US, to A2 (positive outlook) and A+, respectively.

### Investment portfolio well positioned to manage uncertainty

As a reinsurance company, the foundation for our investment philosophy is to ensure that our liabilities are covered at all times, so capital preservation is at the heart of everything we do. We are thoughtful, disciplined and selective in our asset choices, maintaining a well-diversified portfolio, supported by proactive risk management and close engagement with our asset managers.

Our investments remained resilient in 2025 in a mixed economic environment. Although public credit remained stable, market conditions were volatile in the first half of the year with the imposition of trade tariffs, which put us a little behind our planned rotation of assets. However, in the second half of the year activity in the private asset sector picked up, amid strong demand from investors. This enabled us to accelerate our investment rotation into higher-yielding asset classes. By year end we had mostly completed the rotation of the assets that were on our books at the end of 2024. Given recent scrutiny on private credit, we remain vigilant, but have seen no material signs of impairment with performance aligned to expectation.

### Steady operating performance

Turning to our insurance portfolio and our operations, we delivered a solid performance in 2025, with net cash generation of \$628bn and stable adjusted GAAP earnings of \$522m. Overall, our underwriting results were well balanced, though in the US, as in the prior year, we saw lapses in certain policy types, and mortality rates running slightly above expectations. We saw a reduction in our operating expenses following restructuring activity undertaken at the end of 2024.

# 1st of-its-kind

ancillary Tier 1 public issuance  
from Bermuda

## Financial review from our CFO continued

### Looking ahead

We enter 2026 with confidence. While we're mindful of the risks of policy uncertainty and geopolitical shifts, we remain cautiously optimistic about capital markets. Our financial position is strong; we have capital to deploy; and we have a great finance team of talented, hardworking people who are dedicated to doing the right thing. I know they will keep doing a fine job under my successor as CFO, Jeff Davies, who took over from me in March 2026. Jeff joined us from Legal & General where he served as Group CFO. After a transition period with Jeff, I will be retiring from my executive career with great thanks to Clive and the team at Resolution Life, with whom I've had the distinct privilege of working for nearly a decade.



**Jonathan Moss** Chief Financial Officer  
(until 2 March 2026)



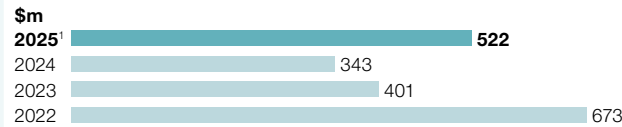
“I'm honoured to step into the role of CFO at this exciting moment for Resolution Life. I want to thank my predecessor for a thoughtful transition and for the strong financial foundation the team has built. Looking forward, I see significant opportunity to build on our momentum – enhancing our financial resilience, enabling strategic investments, and supporting the next phase of the Company's growth. I look forward to the year ahead and working with the team to contribute to the next chapter of our progress.”

**Jeff Davies** Chief Financial Officer  
(from 2 March 2026)

## Financial review from our CFO continued

### Adjusted operating earnings (pre-tax)

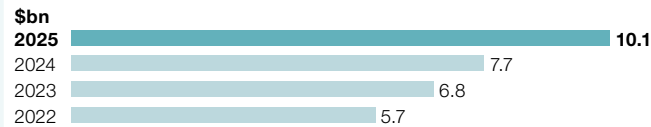
Adjusted operating earnings increased 52% to \$522m (2024: \$343m), primarily reflecting the earnings contribution from recently onboarded reinsurance transactions, favourable non-recurring items, and a reduction in expenses following restructuring activity undertaken at the end of 2024. This improvement was partly offset by higher-than-expected lapse experience within the Fixed Annuity portfolio and increased financing costs arising from new debt issued to support the growth of the business.



<sup>1</sup> Includes Resolution Life Australia Adjusted Earnings for the 10-month period prior to acquisition. Earnings for Resolution Life's 49% share of the Acenda Joint Venture are excluded from Adjusted Earnings for the 2-month period post-acquisition.

### Adjusted book value

On an adjusted basis, the Company continues to accrete shareholders' equity, with adjusted book value increasing to \$10.1bn (2024: \$7.7bn). This increase largely reflects the fair values recognised under Purchase GAAP accounting following the completion of the Nippon Life transaction on 30 October 2025.



### Insurance subsidiary companies' cash generation

Insurance subsidiary companies' cash generation is defined as the excess above target capital ratios and collateral requirements in each subsidiary.

Cash generation increased significantly to \$628m in 2025, up from \$112m in 2024, reflecting the scaling impact of new Resolution Re treaties, together with synergy benefits arising from the recent transactions. In the US business, cash generation was further supported by targeted balance sheet optimisation actions.

As expected, we continued to incur realised capital losses and higher required capital associated with asset portfolio repositioning. These actions are strategic, designed to rotate the portfolio toward higher-returning assets and improve long-term earnings quality.



<sup>1</sup> 2025 Cash Generation excludes contributions from Resolution Life Australia (RLA) for the 10-month period prior to acquisition, as well as Resolution Life's 49% share of the Acenda Joint Venture for the 2-month period following acquisition. Prior year Cash Generation includes RLA contributions and accordingly 2025 and prior-year figures are not directly comparable.

2025 Resolution Re Cash Generation presented for 31 December 2025 is an estimate, pending filing to the Bermuda Monetary Authority

### Group leverage ratio

The Company's definition of financial leverage is aligned with the Fitch Ratings Methodology and is calculated using its adjusted measure of book value. The Company maintains a target financial leverage range of 25%-30%, consistent with its target 'A' range financial strength rating. Financial leverage is actively managed given its impact on the Company's credit rating, funding costs and overall financial flexibility.

During the year, the Company successfully executed a \$750m Tier 2 bond issuance in July and a \$750m ancillary Tier 1 bond issuance in November. In addition, a \$250m Tier 3 Term Loan was issued in December, with the proceeds used to repay the senior debt facility due in December 2025.

The financial leverage ratio decreased to 23% (2024: 25%), primarily reflecting the increase in adjusted book value following the completion of the Nippon Life transaction, together with the issuance of the \$750m ancillary Tier 1 bond, which qualifies for equity credit under the Fitch methodology. This was partially offset by the issuance of the Tier 2 bond in July.



### Group Bermuda Solvency Capital Requirement (BSCR) ratio<sup>1</sup>

Company solvency capital is calculated in line with the requirements of the Bermuda insurance regulatory framework. We seek to maintain a strong Company solvency position, in line with our risk appetite.

The ratio presented is an estimate as of Q4 2025. The improvement reflects the net positive impact of the completion of the Nippon Life transaction coupled with the capital markets activity during the year.



### Solvency ratios

Local solvency ratios are presented in line with the regulatory regimes in territories in which each of our subsidiaries operate.

The ratios have remained very strong throughout the year, with all our businesses above target levels of capitalisation.

Solvency ratio	31 December 2025	31 December 2024	Target
Resolution Re BSCR <sup>1</sup>	199%	197%	>195%
USA RBC (RLCO)	438%	435%	>375%

<sup>1</sup> The BSCR ratio presented for 31 December 2025 is an estimate, pending submission of the annual solvency filing to the Bermuda Monetary Authority.

# Other financial information

## Borrowings

- In July 2025, we executed our second public debt issuance of \$750m Tier 2 listed notes from RLGH Finance Bermuda Ltd and guaranteed by Resolution Life Group Holdings Ltd
- In November 2025, we issued \$750m ancillary Tier 1 listed notes from RLGH Finance Bermuda Ltd, guaranteed by Resolution Life Group Holdings Ltd. The notes are perpetual and non-callable before 19 May 2032

As a result, we have the following regulatory capital and debt instruments outstanding:

## Regulatory capital

- \$123m Surplus Notes issued by Security Life of Denver Insurance Company with a legal maturity of 2036 and a first call in 2026
- \$500m Tier 2 instrument issued by RLGH Finance Bermuda Ltd with a legal maturity of 2031
- \$750m Tier 2 instrument issued by RLGH Finance Bermuda Ltd with a legal maturity of 2035
- \$750m Tier 1 instrument issued by RLGH Finance Bermuda Ltd. The notes are perpetual and non-callable before 19 May 2032
- \$250m Tier 3 term loan at RLGH Finance Bermuda Ltd maturing in December 2030

## Debt instruments

- \$750m senior unsecured term loan at RLGH Finance Bermuda Ltd maturing in December 2026
- \$750m senior unsecured term loan at RLGH Finance Bermuda Ltd maturing in September 2028
- \$750m committed revolving credit facility at RLGH Finance Bermuda Ltd maturing in December 2030 (undrawn as of 31 December 2025)
- \$250m committed revolving credit facility at RLGH Finance Bermuda Ltd maturing in December 2030 (undrawn as of 31 December 2025)

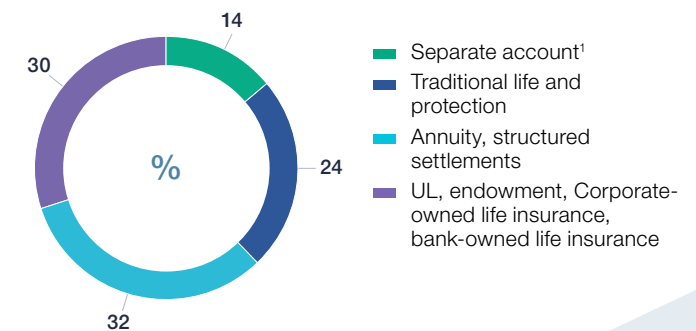
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## Our reserves

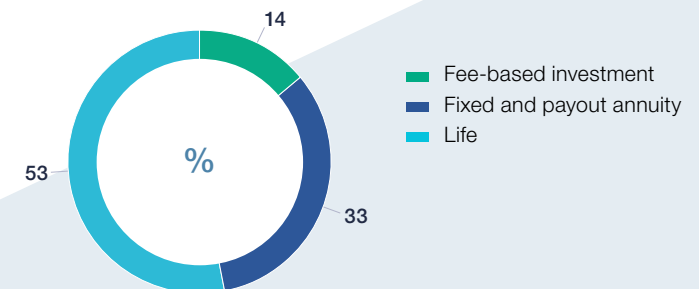
### Broad liability mix

Reserves by product type



### Diversified risk exposure

Reserves by risk exposure



<sup>1</sup> Assets under management includes c.\$10bn of separate account assets arising from modified coinsurance (modco) arrangements, which are not recorded on the balance sheet.