

**NUCLEUS LIFE AG**

**FINANCIAL STATEMENT 2024**

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## 1. Financial Statements 2024 - Annual Report

On July 18<sup>th</sup>, 2024, Shareholders' Meeting resolved to change the operational currency from Swiss Francs to Euro, and to amend the own bylaws introducing the new currency. Following this decision, this Financial Statement is drafted in Euro, and Nucleus Life Ag will draft future financial statements in Euro.

Following this change, all the items of Assets and Liability were converted into Euros at 1 October 2024 and the equity positions were converted using the historical exchange rate from 18 July 2024. The effect from currency translation of EUR -780.000 was recorded as exchange rate fluctuation reserve in the Equity.

On 28 March 2024, the Supervisory Authority approved the new Product Oversight Guidelines and, in the following weeks, the Management developed three new products designed in accordance with the Company's positioning strategy in the European insurance market, i.e. offer high value-added services first of all in the niche of VHNWI target. The commercial and market strategy of your Company is confirmed and the goal remains to become a boutique of excellence with "bespoke" insurance services.

FMA is checking the documentation produced to authorise the start of the sale of the new products.

To support the Company's activity in this area, not only Law Firms specialized in the countries where the new products will be offered have been called, but also some of the Primary Financial Advisors and Actuaries expert in the validation of the calculations produced.

Waiting to reopen the new business as planned, in 2024 Nucleus Life AG continued the reorganization plan launched in 2023 and improved the internal staff with a new full-time senior resource, as well as launching the important restructuring project of its ICT system.

This project, in particular, has provided for the selection of a new IT provider, with great experience in the sector, to develop the new back office and front-end infrastructures, which will allow, among other things, to automate a series of activities, make the processes of issuing and managing contracts more efficient, improve the relationship with intermediaries, customers and other parties involved, as well as ensuring a more adequate quality of data.

The investment planned in the Business Plan for the next medium term is very important and in 2024 it amounted to more than EUR 200.000.

About operation, in 2024 despite the suspension of the new business, the claims for surrenders by the policyholders has dropped very significantly compared to 2023 (EUR 39.619.619 vs. CHF 144,030,505 in 2023) due to the important rationalization of the portfolio launched in 2023 to increase the profitability margin in the short term, in addition to minimise other management and compliance risks for the company. More specifically, five policies were taken out by a single policyholder and considered high-risk from the point of view of SPG rules, for a total value of approximately EUR 20 million.

The Investments for the account and risk of life policyholders amounted now to EUR 101.742.225 (CHF 114,936,454 in 2023)

With reference to the legal disputes, in the 2023 Annual Report it was already highlighted that a favorable judgement by the Liechtenstein Court in August 2023 had ordered the CARICIV Foundation to refund Nucleus Life EUR 452.239 at the end of a first instance lawsuit. In February 2024, the Princely Court of Appeal allowed an appeal against the first instance brought by the Foundation, set aside the contested

judgement and referred the case back to the Court of first instance for further proceedings and a new decision.

It is the opinion of the Management, according also to the detailed motivation of the two sentences and the meeting hold with CARICIV Foundation, that there is high probability that the legal expenses will be recovered, even if the legal opinions of external law firms do not issue any forecast or probability on the final judgement.

The Management is also of the opinion that there are accounting standards applied in Europe that would allow to register the credit due to temporal judgement compensation in the financial statements; in particular there is a principle concerning the possibility to insert in the financial statement, although subject to strong prudential criteria. On the other hand, the rules of the local GAAP in Liechtenstein require stronger criteria to file this kind of credit in the Balance sheet.

Despite these favorable cases, however, the Board of Directors decided do not include the credit in the Financial Statement 2024, waiting prudently to complete the entire judicial procedure.

The Income Statement, instead, in the item "Other income from ordinary activities" in "non-technical account", includes EUR 241.205 which refers to the profits obtained because of the currency exchange of the bank cash deposits due the make up the Financial Statement from Swiss Francs into Euros.

As for the consultancy services reported in the Income Statement, the Company continued its action to improve the efficiency of consultancy services and saving of related expenses and in fact, even in 2024 these expenses dropped compared to previous years.

This item also includes expenses related to the Key Functions and, in this regard, we point out that on November the Risk Manager Falko Loy, who had resigned from his position due to professional commitments, was replaced with Markus Brugger, who in turn left the position of Actuary to Marcin Krzykowski, a professional with great experience and currently working as Principal at Milliman, actuarial consulting Firm.

In the context of the administrative expenses not linked to internal activities, it should be pointed out the EUR 74.957 relating to two extraordinary Audits commissioned by the FMA to PWC and Grant Thornton which involved all Liechtenstein insurance companies and financial institutions to verify the correct compliance with the AIA-FATCA and SPG regulations. In addition to these expenses, there were other EUR 7.191 are related to specific consultancy in the field of compliance with the DORA Directive, that the Company intended to incur voluntarily to comply with the new regulations entered into force in early 2025.

In summary, the Company is in the final phase of restructuring planned in 2022 and committed to the Management Team of Nucleus Life that, in 2024, wanted to complete the process of organizational renewal, rationalization of expenses, renewal of its ICT infrastructure, progressive digitization of procedures, adaptation of the new product catalog to the most recent European regulations, renewal of the network of intermediaries, before restarting the sales activity subject to the approval expected by FMA.

All these efforts have not been compensated by the revenues that only the new business can guarantee, but by a day-by-day management of charges and expenses, the right allocation of the resources and the maximization of any revenue available.

This is therefore the goal for 2025: to reopen commercial activities and collect premiums according to the ambitious Business Plan established for the relaunch of the Company.

Nucleus Life is ready and the year-end performances of the Solvency indices also prove its solidity: SCR= 232,3%; MCR= 256,1%.

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Dear Shareholders, in thanking you for the trust you have given us, and in consideration of what is expressed in this Annual Report, we propose to approve the Financial Statements for the year 2024 that we have submitted to you and that present a Loss of EUR 357.218 before all kind of taxes (EUR 435.595 after application of taxes).

In conclusion, with reference to the 2025 financial year, it should be noted that the Board of Directors focused and point out the parent Company the need to have a shorter shareholdership chain, compliant to the liking of the Supervisory Body and adequate to EIOPA requirements. Actually, the compliance of shareholdership structure is one of the requirements could have impact on the license continuity and sales authorisation.

The Board of Directors of Nucleus Life AG has already proposed a solution which has been forwarded to the Nucleus Management SA as administrator of Nucleus Holding II SCSp, for the best action to be taken.

Vaduz, 2 April 2025

The Board of Directors  
*The Chairman*

  
**Fausto M. Ventriglia**

## **2. Board of Directors**

Fausto Maria Ventriglia

Ekaterina Shashkovskaya'-Virkus

Moritz Blasy

## **3. Management Board**

Fausto Maria Ventriglia CEO

Ermanno Grassi COO (appointed)

## **4. Auditor**

Grant Thornton AG, Schaan

## 5. FINANCIAL STATEMENT 2024

### 5.1. BALANCE SHEET

ASSETS	Notes	31/12/2024	31/12/2023
		EUR	CHF
<b>A Intangible Assets</b>			
IV. Other intangible assets	6.3.1.	105.995	1.556
		<b>105.995</b>	<b>1.556</b>
<b>B Investments</b>			
1. Equities, other fixed-income securities and units in investment funds	6.3.2.	34.068	30.897
2. Debt securities and other fixed-income securities	6.3.3.	10.000.000	10.497.160
3. Deposit with banks	6.3.4.	222.634	206.983
		<b>10.256.702</b>	<b>10.735.040</b>
<b>C Investments for the account and risk of holders of life insurance policies</b>			
	6.3.5.	<b>101.742.225</b>	<b>114.936.454</b>
<b>D Other receivables</b>			
I. Credits from insurance business			
1. against policyholders			
c) against other policyholders		167.858	0
II. Receivable other accounts			
1. against other debtors		21.148	13.552
		<b>189.006</b>	<b>13.552</b>
<b>E Other assets</b>			
I. Fixed assets	6.3.6.	1.097	2.059
II. Current balances at banks, postal cheque balances	6.3.4	2.115.291	2.701.043
		<b>2.116.387</b>	<b>2.703.102</b>
<b>F Deferred items</b>			
I. Accrued interest and rents		720.795	528.380
II. Deferred claims not yet due from the insurance contract relationship	6.3.7.	101.524	195.602
III. Other deferred income		45.800	4.615
		<b>868.119</b>	<b>728.596</b>
<b>Total ACTIVES</b>		<b>115.278.434</b>	<b>129.118.301</b>

EQUITY AND LIABILITIES		31/12/2024	31/12/2023
	Notes	EUR	CHF
<b>A Equity</b>			
I. Paid-in Capital			
1. Subscribed Capital	6.3.8.	13.211.425	12.827.000
II. Organisation funds		3.501.905	3.400.000
III. Capital reserve		5.112.689	4.963.910
IV. Retained earnings			
1. Legal reserve		82.398	80.000
2. Exchange rate fluctuation reserves		-780.488	0
V. Loss carries forward		-8.887.348	-9.225.623
VI. Annual Profit/Loss		-435.595	596.897
		<b>11.804.988</b>	<b>12.642.184</b>
<b>B Subordinated liabilities</b>		<b>982.500</b>	<b>913.430</b>
<b>C Technical provisions</b>			
I. Actuarial reserves			
1. Gross amount		20.825	18.941
2. of wich: share of reinsurers		-14.293	-13.109
		<b>6.532</b>	<b>5.831</b>
II. Provision for claims not yet settled		9.979.720	0
		<b>9.986.252</b>	<b>0</b>
<b>D Technical provisions for life insurance contracts, provided that the investment risk is borne by the policyholders</b>	6.3.9.	<b>91.636.797</b>	<b>111.685.365</b>
<b>E Other provisions</b>			
I. Tax provisions		24.716	23.186
II. Other provisions	6.3.10.	0	300.000
		<b>24.716</b>	<b>323.186</b>
<b>F Other liabilities</b>			
I. Liabilities from direct insurance business			
1. to other creditors	6.3.11.	127.893	3.255.753
II. Liabilities to banks		114	0
III. Other liabilities			
1. Tax liabilities		334.700	97.780
2. Social security liabilities		5.847	12.067
3. Othe liabilities to other creditors		269.769	110.929
		<b>738.323</b>	<b>3.476.529</b>
<b>G Deferred items</b>		<b>104.859</b>	<b>71.775</b>
<b>Total EQUITY AND LIABILITIES</b>		<b>115.278.434</b>	<b>129.118.301</b>



## 5.2. Actuarial report on technical provisions.

### Actuarial confirmation of Nucleus Life AG at 31.12.2024

Pursuant to Article 41 paragraph 2 b) first part VersAG as actuary responsible pursuant to art. 41 para. 1 VersAG, I confirm that the actuarial reserves, the unearned premiums and the claims reserves have been calculated in accordance with the provisions in force in this regard and with basic actuarial principles:

1. Unearned premiums of EUR 0
2. Actuarial reserves of EUR 6.532 net of reinsurance)
3. Provisions for unsettled insurance claims (incl. incurred but not reported claim [IBNR]) of EUR 9.979.720
4. Reserve for life insurance contracts where the investment risk is borne by the insurance policyholders of EUR 91.636.797
5. equalization reserve of EUR 0

Nucleus Life AG did not assume inwards reinsurance business.

Vaduz, 6 April 2025



Marcin Krzykowski (since 01.11.2024)  
(Not yet FMA approved Appointed Actuary)

### 5.3. INCOME STATEMENT

		31/12/2024	31/12/2023
	<u>Notes</u>	<u>EUR</u>	<u>CHF</u>
<b>I</b>	<b><u>Technical account for life insurance</u></b>		
<b>1</b>	<b>Earned premiums for own account</b>		
a)	Gross written premiums	6.4.1. 0	20.591.209
b)	Ceded reinsurance premiums	6.4.2. -52.778	-50.376
		<b>-52.778</b>	<b>20.540.832</b>
<b>2</b>	<b>Income from investments</b>	<b>229.827</b>	<b>129.008</b>
<b>3</b>	<b>Unrealised gain on investments</b>	6.4.3. <b>19.350.389</b>	<b>14.929.750</b>
<b>4</b>	<b>Other technical income for own account</b>		
a)	Insurance and administration fees	-41.778	213.531
		<b>-41.778</b>	<b>213.531</b>
<b>5</b>	<b>Expenses for insured claims for own account</b>		
a)	Payments for insurance claims		
aa)	Gross amount	-39.619.619	-144.030.505
bb)	Share of reinsurers	134.795	0
		<b>-39.484.824</b>	<b>-144.030.505</b>
<b>6</b>	<b>Changes in other technical provisions</b>		
a)	Changes in the premium provisions		
aa)	Gross amount	-17.537	-9.535
bb)	Share of reinsurers	327	-5.071
b)	Changes in other technical provisions	25.440.048	130.994.572
		<b>25.422.838</b>	<b>130.979.966</b>
<b>7</b>	<b>Expenses for own account insurance operation</b>		
a)	Acquisition expenses	-653.408	-864.911
b)	Administrative expenses	-2.335.112	-1.964.395
		6.4.4. <b>-2.998.520</b>	<b>-2.829.306</b>

<b>8</b>	<b>Capital investment expenses</b>		
a)	Interest expenses	-174.846	-149.150
b)	Depreciation and amortisation of investments	-	-17.936
		<b>-174.846</b>	<b>-167.086</b>
<b>9</b>	<b>Unrealised investment losses</b>	<b>-2.918.980</b>	<b>-19.242.214</b>
<b>10</b>	<b>Result of the technical account for life insurance</b>	<b>-658.673</b>	<b>523.978</b>
<b>II <u>Non-technical account</u></b>			
	Result of the technical account for life insurance	-658.673	523.978
1	Other income from ordinary activities	560.932	240.683
2	Other expenses arising from ordinary activities	-259.477	-255.421
<b>3</b>	<b>Profit from ordinary activities</b>	<b>-357.218</b>	<b>509.240</b>
4	Extraordinary income	6.4.5. 0	154.430
5	Extraordinary expenses	6.4.6. 0	-34.653
<b>6</b>	<b>Extraordinary result</b>	<b>0</b>	<b>119.777</b>
7	Taxes on income	-1.924	-23.186
8	Other taxes	-76.453	-8.935
<b>9</b>	<b>Annual Profit/Loss</b>	<b>- 435.595</b>	<b>596.897</b>

## 6. NOTES TO THE 2024 ANNUAL REPORT

### 6.1. Generals

The company was founded on 25 November 2004 and was authorized by the Liechtenstein Financial Market Authority (FMA) on 25 January 2005 to manage life insurance policies in Classes I and III.

Nucleus Holding II Scps, 19 Rue Eugene Ruppert L-2453 Luxembourg holds 98.83% of the Company, while 1.17% is held by IRC Finance AG, Reinacherstrasse 129, 4053 Basel (Switzerland).

### 6.2. Accounting policies

#### 6.2.1. Generals

The annual accounts are based on the principles of the "Liechtenstein Law of Persons and Companies" (PGR) and the Act on the Supervision of Insurance Undertakings (Insurance Supervision Act; VersAG) and the order issued for this purpose (Ordinance on the supervision of insurers; Versav) in the versions currently in force. The annual Financial Statements of Nucleus Life AG have been drawn up on the basis of business continuity values.

#### 6.2.2. Date of Financial Statements reference

Insurance companies in the Principality of Liechtenstein are required by law to draw up their financial statements by 31 December.

#### 6.2.3. Conversion of foreign currency

Given that after the amendment of the bylaws in July 2024, the functional currency used by the Company in the preparation of the Financial Statement is the Euro, balances, receivables, pro-rata interests, liabilities, securities and technical provisions, etc., denominated in foreign currency, shall be converted at the Financial Statements date using the exchange rates at the balance sheet date. Any currency differences are recognised in the profit (loss) for the period. The following exchange rates were used in the year under review:

EUR	CHF	USD	CAD	SEK	GBP	NOK	Balance sheet date
1.000	0.9385	1.0355	1.4893	11.4416	0.8268	11.7606	2024-12

#### 6.2.4. Fixed and Intangible assets

Fixed and Intangible assets are recognised at cost, net of amortisation decreasing according to their estimated residual maturity. The duration is between one and five years. Low value fixed assets are fully depreciated in the year of acquisition.

#### 6.2.5. Investments

Own investments are valued at the lower of cost or market. Any measurement adjustments shall be reported under "Impairment income" or under "Amortisation of investments".

#### 6.2.6. Investments for policyholders at risk

Investments for the account and risk of policyholders are valued at fair value at the

Financial Statements date. In the case of quoted investments, the market value shall be applied to the Financial Statements date or, if the date is not a stock exchange date, to the market value of the last open exchange day before that day.

Unquoted investments are valued at the value of the custodian bank. If such valuation is not available, the net asset value or other documents and information shall be used for the valuation. If no balance sheet is available, an asset is valued at zero. Any valuation adjustments shall be reported under "Unrealised gains or losses on investments".

### 6.3. NOTES ON THE BALANCE SHEET

#### ASSETS

##### 6.3.1 Other intangible assets

Licenses and software in use are recorded at cost net of annual amortisation and considering their degree of use.

Investment balance 31.12.2024	Amount in CHF per 01.01.2024	Amortisa- tion CHF Q1- Q3/2024	Amount in EUR per 30.09.2024	In/Out	Amortisa- tion EUR Q4/2024	Amount in EUR per 31.12.2024
<b>Intangible Assets</b>						
License and Software	1.556	467	1.160	105.000	166	105.994
<b>Total</b>	<b>1.556</b>	<b>467</b>	<b>1.160</b>	<b>105.000</b>	<b>166</b>	<b>105.994</b>

##### 6.3.2 Shares, other non-interest-bearing securities, investment fund shares

This item includes excess shares in mutual funds relating to investments for the account and risk of policyholders. These are measured at acquisition cost or present market value if lower. The current value at 31.12.2024 is EUR 34.068.

##### 6.3.3 Debt securities and other fixed-income securities

Bonds and other fixed-income securities are valued at cost or, in the event of impairment, at their fair value. The amount is EUR 10.000.000.

##### 6.3.4 Bank deposits and current accounts with banks

At 31 December 2024, deposits with banks for investment purposes amounted to EUR 222.634, while ordinary current accounts amounted to EUR 2.115.291.

##### 6.3.5. Investments on behalf and risk of policyholders

These investments are linked to unit-linked insurance where policyholders decide the form of investment and asset management. At the Financial Statements date, the fair value of investments for policyholders' account and risk amounted to EUR 101.742.225.

##### 6.3.6. Property, plant and Equipment.

Investment balance 31.12.2024	Amount in CHF per 01.01.2024	Deprecia- tion and amortisa- tion CHF Q1-Q3 2024	Amount in EUR per 30.09.2024	In/out	Amortisa- tion EUR Q4/2024	Amount in EUR per 31.12.2024
<b>Fixed assets</b>						
Licenses and Software	2.059	772	1.371	0	274	1.097
<b>Total</b>	<b>2.059</b>	<b>772</b>	<b>1.371</b>	<b>0</b>	<b>274</b>	<b>1.097</b>

#### **6.3.7. Deferred credit not yet due under Insurance coverage.**

These are the fees due for the capital management activity related to ongoing insurance contracts carried out in the last quarter of the year. The net value of this item in Q4 2024 was EUR 101.524 and was included in the 2024 Annual Report, according to the accounting method already adopted in the financial year 2023.

### **EQUITY AND LIABILITIES**

#### **6.3.8 Capital**

The company was founded on 25 November 2004 with a share capital of CHF 5,000,000 divided into 5,000 registered shares of CHF 1,000 each.

In September 2021 and July 2022, capital increases were made through contributions in kind by issuing a total of 6,847 new shares with a nominal value of CHF 1,000 each, with an increase in paid-up capital to CHF 12,827,000 and capital reserves to CHF 4,963,910.

At the Financial Statements date, 12.827 registered shares were issued with a nominal value of EUR 1.029,97 each for a total of EUR 13.211.425. The share capital shall be fully paid up.

#### **6.3.9 Technical provisions for life insurance contracts to the extent that the investment risk is borne by policyholders**

Technical provisions relating to contracts in which the investment risk is borne by policyholders correspond to the value of the active contracts as at 31 December 2024. The value consists of the capital invested minus the cost charges and amounts to EUR 91.636.797 and it has recorded in section D) of "Equity and Liabilities" list.

As for the value of investment related to policies expired due to surrenders, death of insured persons or for other reasons whose assets have not yet been liquidated or transferred to policyholders or beneficiaries as of 31 December 2024, is not included in the section D) or in section F) "Other Liabilities" as in 2023 Annual Report.

This amount has instead been included more properly in a special item "Technical provisions/Provision for claims not yet settled" in the section C) of "Equity and Liabilities" list, and amounts to EUR 9.699.512 (CHF 3,255,753 in 2023)

#### **6.3.10 Other provisions**

Despite a favorable judgment of the Court of Liechtenstein which in 2023 has decreed that CARICIV Foundation must refund to Nucleus Life EUR 452.239, as already decided in 2023, no credit is included in the Financial Statement 2024 waiting prudently to complete the entire judicial procedure.

Due to this potential receivable and the fact that the Company at the end of 2024 has no other relevant legal disputes pending, it is not considered necessary to include further provisions for this matter. (see also § 6.5.6).

#### **6.3.11 Other liabilities**

Other liabilities from insurance to other creditors are relating to additional premiums paid by active policyholders to custodian banks, but not invested by virtue of the temporary commercial suspension voluntarily decided by the Company on 17 March 2022. About the big difference of values of this item between the 2023 and 2024 version, please refer to 6.3.9.

## 6.4 NOTES TO THE INCOME STATEMENT

### 6.4.1 Gross written premiums

	Gross Premium 2024 EUR	Gross Premium 2023 CHF
Gross written premiums - Single premiums	0	20'591'209
Gross written premiums – Additional premiums	0	0
Gross written premiums – Regular premiums	0	0
<b>Total</b>	<b>0</b>	<b>20'591'209</b>

### Country breakdown of premium income in 2024

Country	Gross Premium 2024 EUR	Gross Premium 2023 CHF
Sweden	0	20'071'255
United Arab Emirates	0	519'954
<b>Total</b>	<b>0</b>	<b>20'591'209</b>

### 6.4.2. Reinsurance fees

In 2024 premiums to the reinsurer amount to EUR 52.778.

### 6.4.3. Unrealised gain on investments

In 2024, the unrealized gain on investments amounted to EUR 19.350.389, compared to CHF 14.929.750 in 2023.

### 6.4.4. Expenses on own account insurance operations

The expenses for the exercise of insurance on own account equal to EUR 2.988.520 concern:

#### a) Underwriting costs

Ongoing fees include insurance intermediaries' fees of EUR 653.408 (previous year CHF 864.911).

#### b) Administrative expenses:

	2024 EUR	2023 CHF
<b>Total</b>	<b>2.335'685</b>	<b>1'964'395</b>
Salaries/Board expenses	405'561	346'047
Social security	56'518	44'074
Advisoring eq. to Salaries (Full Time equivalent managers)	308.328	267.568
Office and commercial expenses	88'219	43'021
ICT effort	186'655	105'025
Consulting/Key functions services	942.427	1'009'965
Audit AIA-FATCA and SPG law	74.957	0
Company levies and fees (FMA, LVV)	222'868	130'900
Other expenses	49'579	17'794

The administrative expenses include EUR 74.957 relating to two Audits commissioned by the FMA to Price Waterhouse Cooper and Grant Thornton which involved all the Liechtenstein insurance companies to verify the correct compliance with the AIA-FATCA and SPG regulations.

In addition to these expenses, there were those related to specific consultancy in the field of Risk management and compliance with the DORA Directive, for EUR 7.191 that the Company intended to incur voluntarily to comply with the new regulations issued during 2024.

In Consulting Services are included all the Key Functions costs, some advisors (collaborators ICT, Market, etc. not yet hired), technical providers and the Legal Advisor Schurti Partners Law Firm. It has to be pointed out that the total cash-out paid in 2024 to the Schurti Partners amounts to 347.147,57 EUR.

As for the item "Company levies and fees", they include a penalty imposed by the FMA in September for CHF 51,000, due to a series of irregularities and deficiencies in contrast with the SPG rules, committed by the former Management and emerged following two different Audits conducted in December 2021 and February 2022. In the last quarter, the Company took steps to eliminate errors in its database, as required by the Supervisory Authority, and approved a new policy and management actions aimed at avoiding new similar irregularities in the future.

#### **6.4.4. Extraordinary income**

There was no extraordinary income in 2024.

#### **6.4.6 Extraordinary expenses**

There were no extraordinary expenses in 2024

### **6.5 Other details**

#### **6.5.1. Organisation**

An average of 2.80 employees (1.80 previous year) were employed in the year under review. At 31 December 2024, there were 4 employees (full-time equivalent 2.8). These figures do not include advisors or external consultants, currently 4 senior managers full time equivalent.

#### **6.5.2. Remuneration of the Board of Directors and Governance Bodies**

In the year under review, the members of the Board of Directors received a total compensation of EUR 138.917 (previous year CHF 109,147). The right to choose pursuant to Article 1092 n. 9 lit. d PGR was exercised in relation to the remuneration of the Management.

#### **6.5.3. Transactions with Related Parties**

There is a perpetual not refundable loan subscribed by Nucleus Management Sarl for an amount of EUR 1.000.000 with a yearly rate of 3.5%. In the year 2024 rate expense amounted to EUR 35.842.

The Photonike Capital SA Special Issue Nucleus-II 1.50% Note 2030 no.0004-2020-MIC-R2030-20 are zero coupon bonds issued in kind as part of capital increases. The issued value of these bonds is EUR 10'000'000. In the year under review the underlying interest rate was 1,5%, i.e. EUR 157.865.

In the reference year 2024, IRC Finance AG received EUR 348.553 in commissions for brokerage activities. The relationship with IRC Finance AG was terminated by the will



of the counterparty, continuing only the ordinary management of the existing portfolio.

#### **6.5.4. Shareholding**

98.83% of the shares in Nucleus Life AG are held by Nucleus Holding II ScSp, Luxembourg, and 1.17% by IRC Finance AG, Basel.

#### **6.5.5. Auditors fees**

For the financial year 2024, the expenses for the services rendered by the Independent Auditors also for the External Auditor activity were as follows:

- Audit of the financial statements	CHF 68.700
- Other audit and confirmation services*	CHF 76.800
- Tax consultancy services	CHF 0
- Other services	CHF 0

(\* fees for statutory and regulatory audit mandates (supervisory audit, audit in accordance with art. 367 PGR, AML-Audit)

#### **6.5.6 Contingent liabilities**

As mentioned above, the risk of a potential liability, mainly related to the legal dispute with the CARICIV Foundation has been greatly defined by the Liechtenstein Court in judgments in which the Foundation was ordered to refund Nucleus Life EUR 452.239. Due to this potential receivable and the fact that the Company at the end of 2024 has no other relevant legal disputes pending, it is not considered necessary to include further provisions for this matter.

#### **6.5.7 Business continuity and events after the balance sheet date.**

In March 2022, Nucleus Life AG voluntarily decided to freeze any further development of its business activities until the compliance to EIOPA POG rules will be completed. After obtaining the approval of the POG Guidelines on March 28th 2024 by the FMA, the Company in the following months submitted to the same the POG products of three new products designed for the markets of Liechtenstein, Italy and Sweden and then opened a discussion with the Authority for their approval.

By the first half of 2025, this stage is expected to be concluded and the Company will therefore be able to reopen the distribution of its products and improve the catalogue with new offers for the German market.

The Board of Directors therefore considers the continuation of Nucleus Life AG to be possible for the foreseeable future.

Liquidity available from internal resources is sufficient for the current year and for twelve months after the balance sheet date.