2023

Annual Report Movestic Livförsäkring AB

movestic

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CEO's comments

A changing world

The year began with exceptionally high inflation, fast rising interest rates, a dropping stock market and a news feed characterised by geopolitical uncertainty. Would 2023 become yet another year of crisis? With hindsight, it is clear that at least the worst financial crisis scenarios did not become reality, and that the economy is approaching something that could be described as a soft landing. At the same time, the world around us is changing at a faster pace than ever before and the level of uncertainty is still high. Both organisations and individuals are told to be prepared and we must get used to reevaluating established truths and assumptions.

Also in our industry, i.e., the pension and insurance sector, we must be ready to develop, change, and take advantage of new opportunities. We are seeing new technology, new market entrants, new partnerships, and new behavioural patterns.

For Movestic, 2023 became something of a new start. Not only because we changed CEO in the autumn, but also because we have completed several major transformation processes, which the Company has put a lot of effort into over the last few years. We now have a modern, efficient insurance platform that enables us to scale up our operation, whilst continuing to provide our customers and partners with premium insurance products, high levels of service, and simple administration.

The business year

The market for occupational pension has changed dramatically over the last few years. People are increasingly realising how important occupational pension is for their future retirement and the interest in these products has grown among both customers and financial actors wanting to offer them. More digitalisation and new regulations have made it easier for savers to view and understand their pension savings. They have also made it much simpler to transfer occupational pension policies. The transfer activity on the occupational pension market remains high, and in 2023 more customers than ever before decided to move their occupational pensions to Movestic.

In 2023, the premium volume within the unit-linked segment increased by 24 percent compared to the previous year. Early in 2024, we received

confirmation that our efforts to improve our occupational pension offering have been well received, when one of our biggest partners named Movestic as Unit-linked Insurance Company of the Year for the second year in a row.

Within custody account products, our premium volume decreased from the previous year, mainly due to the current market situation, although our market share, which has grown significantly in the last three years, remained strong. Together with our current partners we are still experiencing a high demand and we will keep establishing new partnerships in 2024.

The total assets under management increased by 18.5 percent, to 56 billion SEK, in 2023. A positive net customer cashflow and a favourable trend on the world's stock markets, in particular towards the end of the year, contributed to this development. When combined with the positive investment result from the Company's own assets, the favourable development of the assets under management led to an increase in the overall result from the previous year.

Next level pensions

The Swedish pension market has historically been based on collective solutions and assumptions regarding how people live, work, and retire. But our society has changed; not only do we live longer, we also change jobs more frequently and switch between being employed and self-employed or freelancing more frequently. The trend towards more personalised retirement choices continued during the year. To enable this, the pension system must become more flexible overall. As an example, we would welcome the more flexible rules around the collection of occupational pensions which have been announced by political sources.

Our ambition is to give our customers more freedom and greater flexibility as they gradually stop working and start collecting their pension. The pension age is individual, and many people choose to keep working part-time. In a survey carried out by us and Kantar during the year, six of ten Swedes stated that they would like to leave the workforce gradually.

Earlier surveys have shown that qualified advice is vital, both to achieve a well-planned exit from working life and to feel safer when approaching retirement. Movestic offers all its customers advisory services, either through our partners, or where this is not available, from our own pension advisers.

To help our customers to plan their retirement, we have also developed a digital service where customers can plan, start withdrawing, and change how they receive their occupational pension. Payments can be made as a fixed monthly amount, or the total can be spread over a certain number of years. In 2023, around seven out of every ten customers used this service to start withdrawing their pension.

Sustainable saving for retirement

As an active player on the financial market, we have an important role to play when it comes to steering capital towards more sustainable business activities and promoting sustainable saving products to our customers.

As part of the Chesnara Group, Movestic has adopted the Group's ambition to achieve a climate neutral operation by 2050. During the year, a lot of work has been put into analysing the current situation and exploring the path to reach this goal.

Our customers tell us that they feel it is important to save sustainably, but also that it is difficult to understand and know what is sustainable and how to save sustainably. For this reason, and to make it easier for our customers to save sustainably, we have introduced a new consolidated Sustainability Score which considers different external independent sustainability certifications and calculates them into an overall score.

Sustainability informs all parts of our operation and in addition to goals targeted at reducing our climate impact, our long-term strategic sustainability goals also include social goals which concern the long-term financial security of our customers and the need to create a working life that is sustainable in the longer term, for both our customers and employees.

Our company culture is our competitive advantage

Finally, our company culture and employees are and will remain one of our most important success factors, and a key competitive advantage. We have managed to maintain our positive company culture and one of my most important tasks as the new CEO will be to nurture and advance the knowledge and competency which exists within the Company, and to retain the genuine commitment among our people.

Sara Lindberg,
CEO

Board of Directors' Report

Introduction

The Board of Directors and the CEO of Movestic Livförsäkring AB, corp. ID 516401-6718, hereby submit the annual report for 2023, the company's twenty-third financial year. Seat of the Board: Stockholm

Organisation and operation

Movestic Livförsäkring AB ("Movestic" or "the Company") offers a comprehensive range of savings and insurance products. Within the saving and pension segment, the Company offers unit-linked and custody account products, with focus on occupational pension plans, private and company-owned endowment insurance, and private pension plans. The risk insurance segment includes life, accident, and health insurance. Since July 2009, Movestic has been a wholly owned subsidiary of the British firm Chesnara plc (Corp. ID 4947166), which has its registered office in Preston, England.

The Company's wholly owned subsidiary, Movestic Fonder AB is a fund company and responsible for the management of seven funds within Movestic's offering.

In December 2023, Sara Lindberg took up the position of CEO, after acting as interim CEO since August 2023, when the previous CEO, Linnéa Echorcheville, left her positions as CEO and board member. The board of directors did not change in any other way.

Employees

In 2023, Movestic employed on average 120 (123) persons. Female employees made up 53 (53) percent and the average age of all employees was 44 (43) years. The proportion of women on the management team was 55 (55) percent, and 43 (43) percent of the board members were female.

Important events during the year

The year featured a number of events of international concern, which led to geopolitical uncertainty in many parts of the world. The macroeconomic situation was characterised by rising interest rates and inflation. Stock market trends were generally positive.

During 2023, Movestic continued to improve its offerings within both the unit-linked and custody account segments. The transfer activity on the market remained high due to new regulations that have come into force, in addition to further digitalisation, increased transparency, and simplified processes. Movestic has continued to develop its offering for example by extending its use of digital processing and establishing new partnerships.

The Company has continued its efforts to streamline its processes and increase the use of automation. New customer demands and a greater digitalisation on the market overall have also caused Movestic to intensify its efforts to create services that are easier and more efficient for customers and partners to use. Movestic has a clear focus on sustainability and at the end of 2023, 132 of 155 funds on its fund platform were classified as either Article 8 or Article 9 funds according to the classification used in the EU Sustainable Finance Disclosure Regulation (SFDR).

Risks and risk management

Movestic is continuously working to identify, assess and mitigate the risks that arise within its operations and due to external factors. The Company has a well-established process, however we live in a fast-changing world, which is why the Company puts a lot of effort into ensuring that the risk management system remains appropriate for its business activities and situation.

During the year, Movestic kept focusing on IT security in the light of Russia's ongoing war in Ukraine. The reason is that this situation has led to an increased cyber threat towards Sweden as a country, which also increases the threat to Movestic, despite not being directed specifically towards the Company. Movestic has carried on with its annual safety and penetration tests, which have contributed to further improvement and strengthening of its IT security and resilience. Due to the increased threat of terrorism in Sweden, Movestic improved its structure around crises management and continuity planning, to ensure it is well prepared in case of a crisis. During the year, the Company also increased its focus on sustainability risks.

Movestic's risk management framework includes policy documents, strategies, processes, and routines for detecting, evaluating, monitoring, managing, and reporting of any risks to which Movestic is, or may become, exposed. The final responsibility for ensuring that Movestic has an effective risk management system in place rests with the Board of Directors. The Audit and Risk Committee helps the Board of Directors to review Movestic's financial reports, internal controls, and risk management system.

To ensure effective risk management and internal control within the Company, a governance system based on three lines of defence has been put in place.

The first line of defence consists of the CEO, the business and operational managers, and their personnel. Each member of the first line of defence is responsible for the risks that arise, or could arise, within their departments or areas of responsibility.

The second line of defence consists of the independent control functions, i.e. the Risk Management, Compliance and Actuarial functions. In addition to training and supporting the first line of defence in the detection and management of risks, the second line of defence is also responsible for independent monitoring of the risks to which the Company is exposed and its compliance, and for quantification, measurement, and management of these risks. The Actuarial function also ensures that all capital requirement calculations meet internal and external regulations.

The third line of defence is the Internal Audit function, an independent function that reports direct to Movestic's Board of Directors. The responsibility of this function is to review and evaluate the Company's governance system and internal controls, and to, based on its findings, issue recommendations for possible improvements.

Information on the risks to the Company and how these are managed can be found in Note 2.

Regulations

Solvency II

The Solvency II Directive is a risk-based supervisory system for insurance and reinsurance undertakings in the EU, which has been implemented in Swedish law. Solvency II includes valuation rules for calculations of solvency ratio and capital requirements. The capital requirement calculations are risk-based and take into account the risks to which the Company is exposed. Solvency II also includes rules for governance and supervision of insurance undertakings and requirements for reporting and disclosure of information.

The Company's Solvency Capital Requirement is calculated according to the standard formula and determines the amount of capital Movestic needs to hold to cover its risks.

During the year, the Company has been reporting according to the quantitative reporting requirements and worked to consistently implement the findings from the Own Risk and Solvency Assessment (ORSA) in its business planning activities. The Company has also prepared a Solvency and Financial Position Report (SFCR) and a Regular Supervisory Report (RSR). The SFCR is published on the Company's website, www.movestic.se

During the year, the Company's board of directors played a part in the solvency efforts by challenging the risk management system as a whole, the assumptions made, the calculations carried out, as well as the findings from the ORSA.

As early as when the Solvency II Directive was adopted in 2009, it was decided that a review of the Solvency II regulations should be carried out, and this commenced in 2020. In September 2021, the Commission presented a legislative package with proposed amendments to the Solvency II regulations. The package also included proposals for a new directive on recovery and resolution for insurance undertakings. In December 2023, EU legislators agreed on a series of changes to the Solvency II Directive and on a new directive for recovery and resolution for insurance undertakings in the EU. These changes are expected to take effect in the summer of 2026.

IT and cyber security

Movestic has implemented EIOPA's Guidelines on Information and Communication Technology (ICT) Security and Governance, which came into force in 2021. The EU Commission has now adopted a new regulatory framework, the Digital Operational Resilience Act (DORA), which should be applied from January 17, 2025. DORA is designed to improve the ability of all companies in the banking and finance sector, which includes Movestic, to withstand cyberthreats and the risks associated with information security. Among other things, the regulation requires all companies to which it applies to have in place a risk management framework and an incident management plan, containing detailed information on what constitutes a cyberattack, actions to be taken by employees, and how to restore the operation in case of an attack. Companies must have in place appropriate security measures for their digital infrastructure, which should include encryption, authentication, access controls, verification trails, surveillance systems, event management systems, and incident management plans. DORA and the Guidelines on ICT Security and Governance overlap to some extent, however DORA contains more detailed rules, as well as requirements for areas not covered by the Guidelines on ICT Security and Governance. Movestic has commenced the work to implement DORA, which will continue throughout the coming year.

Financial reporting

The accounting standard for insurance undertakings, IFRS 17, takes effect from the financial year of 2023 and replaces the previous standard, IFRS4, Insurance Contracts. This standard will only be implemented for listed groups and therefore does not affect the Company's local reporting. The standard will, however, be implemented by the parent company, Chesnara, and Movestic has spent 2023 working intensively to prepare for IFRS17 and assess its impact on the Company's group reporting.

Sustainability reporting

Movestic prepares a Sustainability Report in accordance with the Swedish Annual Accounts Act 6, chapter 10§. In November 2022, the EU adopted a new directive on sustainability reporting, the Corporate Sustainability Reporting Directive (CSRD), which will replace the current directive on non-financial reporting (Non-Financial Reporting Directive, NFRD). CSRD will be implemented in Swedish legislation through amendments in the Swedish Annual Accounts Act and the Swedish Act on Annual Accounts in Insurance Companies and will be complemented by a directly applicable EU regulation. The rules will become applicable in three steps, where the companies covered by the first step must apply the regulation from the financial year 2025. Movestic falls within the threshold for SME (small and medium-sized companies). According to the Legal council referral and opinion from mid-March 2024, non-listed SME are not covered by the CSRD regulations which means that Movestic is not covered. However, Movestic continues its sustainability work within the reporting area both internally and as part of the Chesnara group.

In March 2021, the EU regulation on sustainability-related disclosure (Sustainable Finance Disclosures Regulation, SFRD) came into force. This regulation sets out which sustainability data financial market participants must disclose to its customers. In 2023, Movestic continued its work to implement the new rules in its processes and information provision.

Pillar II – Global Minimum Tax

The Global Minimum Tax (GMT) is a regulatory framework, designed to prevent large multinational companies from moving profits to countries with lower tax rates. It was introduced by the OECD, and the EU member states adopted a directive for implementing it at the end of 2022. This directive was implemented in Swedish law in mid-December 2023, as Law no. 2023:875 on Top-Up Tax, which applies from January 1, 2024.

Expected future developments

The life insurance industry is going through a major transformation. New regulations and new technology (e.g. AI) will create new opportunities, but also lead to higher customer demand for accessibility, information, and personalised products and services. Movestic will keep working to increase the use of automation, streamline its processes, and improve its administrative efficiency.

Sustainability is an integrated part of the operation and efforts are being stepped up as the rest of the world puts more emphasis on these matters.

Financial overview

The favourable trend on the investment markets in combination with positive net flows within both the custody account and unit-linked operations led to an increase in the assets under management, which on the balance day amounted to MSEK 55.883 (47.177). Income from investment contracts amounted to MSEK 422.9 (426.6).

The Company's risk insurance operation reported a negative result, mainly due to the size of the portfolio. The claims development remained favourable, which is mostly due to run-off of technical reserves from earlier years. The gross premium income is slightly lower than for the previous year, at MSEK 142.0 (151.1).

Movestic's own investments have benefited from rising interest rates and generated a positive yield for the year. The Company's pre-tax result amounted to MSEK 81.2 (29.7), which is higher than the previous year's, mostly due to the favourable development of assets under management and the positive return from the Company's own assets. As per the end of the year, the capital base according to the Solvency II directive amounted to MSEK 2.196 and the capital requirement amounted to MSEK 1.494.

Proposed appropriation of profits

SEK	2023
At the disposal of the general meeting of shareholders:	
Profit brought forward	848 769 421
Profit/loss for the year	81 167 997
Totalt	**929 937 418**
The Board of Directors proposes to:	
Pay to shareholders as dividends	100 000 000
Carry forward to new account	829 937 418

Board of Directors' statement about the proposed distribution of profits

The proposal regarding distribution of profits has been prepared in accordance with the rules on protection of the Company's restricted equity and the precautionary principle, as set out in the Swedish Companies Act, chapter 18, §4. The Board of Directors has taken into account 1) the required size of the equity based on the nature, scope and risks of the operation, and 2) the Company's consolidation requirements, liquidity, and general position.

The Company's financial position does not give reason to believe anything other than that it can be expected to meet its commitments, both in the short and long term. The Board of Directors' view is that the Company's own funds are adequate considering the scope of the operation and the risks to which it is exposed.

Sustainability report

The Sustainability Report is the legally required sustainability report for Movestic Livförsäkring and Movestic Fonder and meets the legal obligations according to the Swedish Annual Reports Act, chapter 6, on sustainability reports. More detailed information on Movestic Livförsäkring's sustainability work is available on www.movestic.se.

The financial sector, of which Movestic is part, has an important role to play in the transition to a more sustainable society. Movestic's sustainability efforts are designed to ensure that both the Company's own operation and the operations of its partners are carried out in a socially, ethically, and environmentally sustainable manner. Movestic's sustainability efforts are divided into three categories:

- Responsible investments with focus on long-term societal sustainability
- Financial security for our customers, now and in the future
- A long-term sustainable working life for employees and customers

Sustainability risks

Sustainability risks are a part of Movestic's risk management framework. This framework includes policy documents, strategies, processes, and routines for detecting, evaluating, monitoring, managing, and reporting of any sustainability risks to which Movestic is, or may become, exposed. The final responsibility for ensuring that Movestic has an effective risk management system in place rests with the Board of Directors. The Audit and Risk Committee helps the Board of Directors to review Movestic's internal controls and risk management system.

Compliance and corruption are important risk areas for Movestic. The Company works proactively to prevent corruption and to identify potential conflicts of interest. Compliance also monitors sustainability risks, which relates to for example the way in which we manage personal data. To safeguard the personal integrity of our customers by managing the data they have entrusted us with in a responsible way is a natural part of Movestic's administrative work.

Governance and sustainability

Governance

UN Global Compact, the UN Sustainable Development Goals, Movestic's policies and instructions, as well as statutory regulations provide the governing framework for Movestic's sustainability efforts.

As an insurance undertaking, Movestic is under the supervision of the Swedish Financial Supervisory Authority and its activities are regulated by an extensive framework of EU-wide and Swedish legislation. The EU strategy for financing the transition to a sustainable economy includes rules regarding accounting, reporting, and disclosure of sustainability-related information. Movestic works systematically to meet the requirements of both existing and new legislation, via policies, instructions, routines, and other processes.

The Board of Directors is responsible for assessing the impact of sustainability matters on risks and business opportunities, and for establishing guidelines for Movestic's conduct in society. The strategic direction for Movestic's sustainability efforts, including long and short term goals, is determined by Movestic's Management Team and adopted by the Board. Movestic's Sustainability Policy and its Code of Conduct for Partners are established by the CEO to facilitate the ongoing work to influence partners over time.

To assist the Management Team, Movestic has set up a Sustainability Forum, which is a committee that reports to the Management Team and acts as an advisory, driving, and executive body in relation to the Company's sustainability efforts.

Sustainability is an integrated part of Movestic's regular business planning processes, as well as its follow-ups of business and action plans. The day-to-day work is carried out by personnel within

Framework for the sustainability work

Movestic's operations, aided by different steering documents, which include a Sustainability Policy, a Code of Conduct for Partners and Suppliers, an Anti-fraud Policy, a Whistleblowing Policy, a Work Environment Policy, a Risk Management Policy, an Investment Risk Management Policy, and an Ethics Policy.

Movestic's Code of Conduct for Partners and Suppliers came into force in 2023. This Code of Conduct helps Movestic to manage any environmental, social, and financial impacts that may arise in its value chain of suppliers and business partners, which include for example fund companies and custodian institutions.

An important part of Movestic's ongoing sustainability efforts is membership in organisations and participation in networks, industry associations, and interest groups, where sustainability issues can be discussed, as this helps us to improve our approach to sustainability. Movestic has joined the UN initiative Global Compact and supports its 10 principles on human rights, workers' rights, the environment, and anti-corruption. Movestic has also signed the Principles for Responsible investment, PRI.

The company´s sustainability work also takes place in collaboration with other parts of the Chesnara Group with the framework of a group-wide sustainability program. During the year, Movestic, as part of the chesnara Group, also joined the ambition of a climate-neutral operation in 2050.

Sustainability efforts

Movestic has a strategic sustainability framework with the following overall goal: *To help our customers to make proactive decisions, which both strengthen their own economy and contribute to a more sustainable society.*

The framework is divided into three focus areas: Responsible investments, Financial security, and A long-term sustainable working life, where each focus area has its own strategic sustainability goals. The framework ensures that sustainability is an integrated part of Movestic's customer offering and governs the sustainability efforts.

Short-term goals and metrics are established annually, based on the framework and the long-term strategic goals.

Movestic's offering

Movestic offers occupational pension plans and long-term savings products in the shape of unit-linked products and custody accounts, as well as insurance products related to life and health, such as sickness and accident insurance, and life insurance.

Responsible investments and financial security

Movestic strives to provide greater capital flows to organisations that work responsibly towards a more sustainable society. This is achieved by offering customers the option to save in funds with sustainability focus on the Company's Fund Platform. 85 per cent of the funds that are available on Movestic's Fund Platform are categorised as so called Article 8 or Article 9 funds according to the classification used in the EU Sustainable Finance Disclosure Regulation (SFDR). These categories consist of funds that promote environmental or social objectives through their investments, or which have sustainable investments as an objective. Movestic monitors the fund companies' sustainability efforts on an ongoing basis and tries to influence and encourage them by providing suggestions for how they can improve.

Any pension advice provided by Movestic includes information on sustainability and the customers' sustainability preferences are taken into account when funds are selected. Another important part of the advice is to guide the customer towards an appropriate risk level in their savings, to ensure that they achieve a sufficiently large pension to sustain them in their future retirement.

Long-term sustainable working life

According to studies by the Swedish Social Insurance Agency - Försäkringskassan, stress related illnesses currently cause over half of all longer term sick leaves. The signals are often present at an early stage, and may include changes in motivation, irritability, or physical symptoms. Movestic's health insurance product, MåVäl, gives policyholders the opportunity to get help early, so that they can avoid (long-term) sick leave and ill-health.

Personal and social conditions

Movestic offers a hybrid working model, which means that employees work in the office three days a week and can choose to work remotely two days a week. Movestic takes active steps to promote the wellbeing of its employees, to reduce the risk of sick leave and prevent ill-health. Customers and employees are treated with respect and Movestic promotes equality and diversity.
Movestic also helps its employees to achieve a long-term sustainable working life by offering continuous skills development. A Company objective is that one fifth of all personnel who leave their positions should choose to remain within Movestic.

Direct and indirect climate impact

The climate impact from Movestic's own activities, which include office work, mainly in Stockholm, is low and presented in the table below. All business trips are climate compensated and the Company works at the same time to reduce the climate impact from business trips by advocating digital meetings and choosing train travel rather than flying. The Company also takes responsibility for its indirect impacts, e.g. by working to achieve net zero greenhouse gas emissions from assets under management by 2050.

GHG emission disclosure

	2023		2022	
Direct and indirect emissions of greenhouse gases according to the GHG Protocol	**Emissions, tonnes CO2e**	**Share of total emissions, %**	**Emissions, tonnes CO2e**	**Share of total emissions, %**
Scope				
Scope 1				
Direct emissions from owned real estate, vehicles or machinery	N/A	0	N/A	0
Scope 2				
Energy use (location based)	0,3	2%	0,3	2%
Scope 3				
Business travel	18,3	98%	11,9	98%
Total emissions scope 1, 2 and 3	**18,6**	**100%**	**12,2**	**100%**

Energy use

Consumption	2023	2022*	2021
Electricity, kWh	66 775	59 000	119 984

*From 2022, the actual energy consumption is reported. Energy consumption for previous years was calculated by the property owner.

Financial reports

Five-year summary

Amount in MSEK	2023	2022	2021	2020	2019
Result					
Premiums earned, net of reinsurance, non-life operation	10,5	11,1	11,2	17,3	19,3
Premiums earned, net of reinsurance, life operation	81,7	87,1	83,8	99,2	88,6
	92,3	**98,1**	**95,0**	**116,6**	**107,9**
Income from investment agreements	422,9	426,6	555,1	498,9	501,8
Investment income, net in the insurance operation	15,4	-11,7	2,6	-8,7	2,3
Claims incurred, net of reinsurance, non-life operation	-2,3	7,3	21,4	18,0	-13,6
Claims incurred, net of reinsurance, life operation	-40,7	-19,0	-54,3	-29,3	-20,8
	-43,0	**-11,7**	**-32,9**	**-11,2**	**-34,4**
Technical result of the non-life insurance operation	5,2	10,1	16,8	21,8	-17,4
Technical result of the life insurance operation	55,0	93,2	136,4	171,9	185,4
Profit/loss for the year	**81,2**	**29,7**	**131,9**	**218,4**	**141,7**
Financial position					
Investment assets, valued at actual value	684,2	532,7	821,1	465,3	876,6
Investment assets for which the policyholder bears the risk	55 882,9	47 176,5	53 399,3	40 705,3	40 000,6
Technical provisions, net of reinsurance	375,3	399,7	444,9	484,5	546,5
Technical provisions for which the policyholder bears the risk	55 880,1	47 175,7	53 399,5	40 704,6	39 985,2
Net asset value	1 062,8	1 131,7	1 140,0	1 073,1	930,7
-of which deferred tax	-	–	–	–	–
Capital base for the Company[1]	2 196	2 166,0	2 825,0	2 503,3	2 844,2
-of which Tier 1 capital	2 196	2 166,0	2 825,0	2 503,3	2 844,2
-of which Tier 2 capital	–	–	–	–	–
Minimum Own Funds requirement for the Company[1]	421,0	365,0	483,2	360,0	459,1
Solvency capital requirement for the Company[1]	1 494,0	1 331,1	1 933,0	1 584,0	1 836,0

[1] Calculated according to the rules under Solvency II. These came into force on the 01-01-2016.
[2] Direct return and total return were calculated in accordance with the regulations of the Swedish Financial Supervisory Authority.

KEY RATIOS	2023	2022	2021	2020	2019
Non-life insurance operation					
Claims ratio, %	21,4	-65,9	-190,6	-104,0	70,5
Operating expenses ratio, %	99,6	107,3	141,2	78,0	119,6
Combined ratio, %[3]	121,0	41,4	-49,4	-26,0	190,1
Life insurance operation					
Management cost ratio, %	0,8	0,7	0,8	0,8	0,9
Asset management [2]					
Direct return, %	0,1	0,0	0,7	0,0	0,0
Total return, %	2,7	-5,3	10,1	0,7	4,6
Financial position					
Consolidation, %	1 151,9	1 153,1	1 199,8	920,7	862,2

Income Statement

Amounts in KSEK

TECHNICAL ACCOUNT OF THE NON-LIFE INSURANCE OPERATION	**Note**	**2023**	**2022**
Premiums written (net of reinsurance)			
Premiums written (gross)	3	11 033	12 959
Premiums for ceded reinsurance		-482	-778
Changes in Provisions for unearned premiums and unexpired risks		-22	-1 106
Reinsurers' share of changes in Provisions for unearned premiums and unexpired risks		-1	-10
		10 527	**11 065**
Allocated investment returns transferred to technical account	5	5 434	3 646
Other technical income	6	1 929	1 955
Claims incurred (net of reinsurance)			
Claims incurred and paid	7		
Gross		-19 912	-17 006
Reinsurers' share		2 030	2 533
Changes in Provisions for claims outstanding			
Gross		19 216	25 370
Reinsurers' share		-3 586	-3 608
		-2 252	**7 289**
Operating expenses	8	-10 484	-13 827
Technical result of the non-life insurance operation		**5 154**	**10 128**

TECHNICAL ACCOUNT OF THE LIFE INSURANCE OPERATION	**Note**	**2023**	**2022**
Premiums written (net of reinsurance)			
Premiums written (gross)	3	142 134	158 942
Premium tax		-10 635	-14 663
Premiums for ceded reinsurance		-49 760	-57 208
		81 739	**87 070**
Other technical income (net of reinsurance)	6	236 856	104 033
Investment income	10	1 327	4 559
Unrealised gains from investments	11	11 836	1 673
Income from investment contracts	4	422 942	426 626
Claims incurred (net of reinsurance)			
Claims incurred and paid	7		
Gross		-79 283	-75 962
Reinsurers' share		30 170	28 137
Changes in Provisions for claims outstanding			
Gross		6 824	86 049
Reinsurers' share		1 563	-57 201
		-40 727	**-18 976**
Changes in other technical provisions (net of reinsurance)			
Technical provisions for life insurance			
Gross		29	-5 013
Reinsurers' share		-269	10
		-240	**-5 003**
Operating expenses	8	-415 696	-380 385
Other technical expenses (net of reinsurance)	9	-239 914	-108 454
Investments, costs	10	-2 742	-2 118
Unrealised losses from investments	11	-413	-15 856
Technical result of the life insurance operation		**54 969**	**93 170**

NON-TECHNICAL ACCOUNT	**Note**	**2023**	**2022**
Technical result of the non-life insurance operation		5 154	10 128
Technical result of the life insurance operation		54 969	93 170
Investment income	10	12 041	0
Investments, costs	10	-19 577	-47 957
Unrealised losses from investments	11	0	-20 023
Unrealised gains from investments	11	44 315	0
Allocated investment returns transferred to the non-life operation	5	-5 434	-3 646
Impairment subsidiaries	12	-10 400	-1 912
Result before appropriations and tax		**81 067**	**29 759**
Result before tax		**81 067**	**29 759**
Tax on the year's result	13	0	-49
Deferred tax		100	-30
Profit/loss for the year		**81 167**	**29 680**
Total reported result			
Profit/loss for the year, according to income statement		81 167	29 680
Total comprehensive income for the year		**81 167**	**29 680**

Performance Analysis - Life insurance operation

		Direct insurance, Swedish risks						
Amounts in KSEK	**Total**	**Unit-linked**	**Fee-based traditional Insurance**	**Health Insurance**	**Premium exemption**	**Individual traditional Insurance**	**Group life & TGL**	**Direct Insurance of foreign risks**
Technical account for the life Insurance operation								
Premium income (net of reinsurance), note 1	81 739	3 438	895	24 402	4 514	19 781	28 745	-35
Investment income	1 327	1 327	–	–	–	–	–	–
Unrealised gains from investments	11 836	71	–	8 767	2 162	180	639	17
Other technical income	236 856	99 597	137 260	–	–	–	–	–
Income from investment contracts	422 942	377 304	45 638	0	–	–	–	–
Claims incurred (net of reinsurance), note 2	-40 727	-1 773	-172	-4 770	-4 067	-5 148	-24 735	-61
Changes in other technical provisions (net of reinsurance)	-240	–	–	432	18	-183	-507	–
Operating expenses	-415 696	-304 326	-52 852	-30 093	-6 675	-12 058	-9 659	-34
Other technical expenses (net of reinsurance)	-239 914	-102 479	-137 231	-204	–	–	–	–
Investment charges	-2 742	-10	–	-2 191	-540	–	–	–
Unrealised losses from investments	-413	-413	–	–	–	–	–	–
Technical result for the life Insurance operation	**54 969**	**72 735**	**-6 463**	**-3 657**	**-4 588**	**2 573**	**-5 518**	**-112**
Technical provisions, gross								
Life Insurance provisions	24 534	–	–	6 577	562	9 867	7 528	–
Claims outstanding	325 203	5	–	230 879	71 310	8 640	12 897	1 471
	349 737	**5**	**–**	**237 456**	**71 873**	**18 507**	**20 425**	**1 471**
Technical provisions for life Insurances for which the policyholder bears the risk, gross								
Conditional dividends	16 442 254	–	16 442 254	–	–	–	–	–
Unit-linked commitments	39 440 682	39 440 682	–	–	–	–	–	–
	55 882 936	**39 440 682**	**16 442 254**	**–**	**–**	**–**	**–**	**–**

Performance Analysis - Life insurance operation (cont.)

		Direct insurance, Swedish risks						
Amounts in KSEK	**Total**	**Unit-linked**	**Fee-based traditional Insurance**	**Health Insurance**	**Premium exemption**	**Individual traditional Insurance**	**Group life & TGL**	**Direct Insurance of foreign risks**
Reinsurers' share of technical provisions								
Life Insurance provisions	7 763	–	–	2 453	318	4 721	270	–
Claims outstanding	183 491	3	–	130 245	45 034	5 536	1 516	1 157
	191 254	**3**	**–**	**132 699**	**45 352**	**10 258**	**1 785**	**1 157**
Note 1 Premiums earned (net of reinsurance)								
Premiums written, gross	131 499	3 782	930	46 241	10 398	37 936	32 154	59
Premiums for ceded reinsurance	-49 760	-344	-35	-21 840	-5 884	-18 155	-3 409	-93
	81 739	**3 438**	**895**	**24 402**	**4 514**	**19 781**	**28 745**	**-35**
Note 2 Claims Incurred (net of reinsurance)								
Claims Incurred and paid								
Gross	-79 283	-4 154	-172	-27 469	-7 938	-10 427	-29 095	-28
Reinsurers' share	30 170	2 504	–	13 991	4 643	4 970	4 062	–
Changes to claims outstanding								
Gross	6 824	-279	–	11 544	-4 328	-764	798	-148
Reinsurers' share	1 563	157	–	-2 836	3 555	1 073	-501	115
	-40 727	**-1 773**	**-172**	**-4 770**	**-4 067**	**-5 148**	**-24 735**	**-61**

Foreign risks relate entirely to Norway.

Performance Analysis - Non-life insurance operation

	Direct insurance, Swedish risks
Amounts in KSEK	**Sickness and accident**
Technical account for the non-life Insurance operation	
Premiums earned (net of reinsurance) note 1	10 527
Allocated investment returns transferred from the financial account	5 434
Other technical income	1 929
Claims Incurred (net of reinsurance) note 2	-2 252
Operating expenses	-10 484
Other technical expenses	–
Technical result of the non-life Insurance operation	**5 154**
Technical provisions, gross	
Provisions for unearned premiums and unexpired risks	2 993
Provisions for claims outstanding	236 291
	239 284
Reinsurers' share of technical provisions	
Provisions for unearned premiums and unexpired risks	83
Provisions for claims outstanding	31 061
	31 144
Note 1 Premiums earned (net of reinsurance)	
Premiums written, gross	11 033
Premiums for ceded reinsurance	-482
Changes in Provisions for unearned premiums and unexpired risks	-22
Reinsurers' share of changes in Provisions for unearned premiums and unexpired risks	-1
	10 527
Note 2 Claims Incurred (net of reinsurance)	
Claims Incurred and paid	
Gross	-19 912
Reinsurers' share	2 030
Changes in Provisions for claims outstanding	
Gross	19 216
Reinsurers' share	-3 586
	-2 252

Balance Sheet Assets

Amounts in KSEK	Note	2023-12-31	2022-12-31
Intangible assets			
Other intangible assets	14	119 881	116 168
		119 881	**116 168**
Investment assets			
Investments in group companies and associated companies			
Shares and participations in group companies	15	15 200	12 100
Other financial investment assets			
Bonds and other interest-bearing securities	16	663 778	516 458
Other financial investment assets	17	5 229	4 118
		684 208	**532 676**
Investments for the benefit of life policyholders, for which the policyholder bears the risk			
Assets with conditional dividends		16 464 017	12 326 509
Unit-linked assets		39 418 919	34 849 998
	18	**55 882 936**	**47 176 507**
Reinsurers' share of technical provisions			
Provisions for unearned premiums and unexpired risks	19	83	84
Life insurance provisions	20	7 763	8 032
Claims outstanding	21	214 552	216 637
		222 397	**224 753**

Amounts in KSEK	Note	2023-12-31	2022-12-31
Receivables			
Receivables, direct insurance	22	30 275	39 557
Deferred tax asset	13	469	369
Other receivables	23	12 920	15 673
		43 665	**55 599**
Other assets			
Tangible assets	24	1 784	2 316
Cash and bank		231 324	332 716
		233 108	**335 032**
Pre-paid expenses and accrued income			
Deferred acquisition costs	25	674 602	688 751
Other pre-paid expenses and accrued income	26	71 918	64 174
		746 520	**752 925**
TOTAL ASSETS		**57 932 714**	**49 193 659**

Balance Sheet Equity, provisions and liabilities

Amounts in KSEK	Note	2023-12-31	2022-12-31
Equity			
Share capital		13 000	13 000
Fund for development costs		119 881	116 110
Profit brought forward		848 769	972 861
Net profit for the year		81 167	29 680
		1 062 818	**1 131 651**
Technical provisions (gross)			
Unearned premiums and unexpired risks	19	2 993	3 582
Life insurance provisions	20	24 534	24 564
Claims outstanding	21	570 211	596 330
		597 738	**624 476**
Technical provisions for life insurances for which the policyholder bears the risk (gross)	28		
Conditional dividend		16 464 017	12 326 509
Unit-linked commitments		39 416 093	34 849 192
		55 880 110	**47 175 702**
Other provisions	29		
Provisions for pensions and similar commitments		6 706	5 569
Provisions for taxes		199 378	43 761
Other provisions		1 508	1 617
		207 592	**50 947**
Liabilities			
Liabilities, direct insurance	30	33 028	19 794
Liabilities, reinsurance		16 808	6 151
Other liabilities	31	100 457	145 492
		150 293	**171 437**
Accrued expenses and deferred income			
Reinsurers' share of deferred acquisition costs		1 487	1 613
Other accrued expenses and deferred income	32	32 676	37 833
		34 163	**39 446**
TOTAL EQUITY, PROVISIONS AND LIABILITIES		**57 932 714**	**49 193 659**

Statement of changes in equity

	Restricted equity		Non-restricted equity		Total equity
Amounts in KSEK	Share capital	Fund for development costs	Profit brought forward	Profit/loss for the year	
Opening balance 2022-01-01	**13 000**	**108 496**	**886 595**	**131 881**	**1 139 971**
Distribution of profit	–	–	131 881	-131 881	–
-Dividends	–	–	-38 000	–	-38 000
Provision for the year	–	7 614	-7 614	–	–
Profit/loss for the year	–	–	–	29 680	29 680
Closing balance 2022-12-31	**13 000**	**116 110**	**972 861**	**29 680**	**1 131 651**
Opening balance 2023-01-01	**13 000**	**116 110**	**972 861**	**29 680**	**1 131 651**
Distribution of profit	–	–	29 680	-29 680	–
-Dividends	–	–	-150 000	–	-150 000
Provision for the year	–	3 771	-3 771	–	–
Profit/loss for the year	–	–	–	81 167	81 167
Closing balance 2023-12-31	**13 000**	**119 881**	**848 769**	**81 167**	**1 062 818**

As per 31st of December 2023, the number of shares in Movestic Livförsäkring AB was 13,000 (13,000), with a quota value of 1,000 SEK. All shares carry one vote.

Notes

All amounts in **KSEK** unless otherwise stated.

NOTE 1 – VALUATION AND IMPORTANT ACCOUNTING PRINCIPLES

Company information
The annual report for Movestic Livförsäkring AB, 516401-6718, relates to the financial year of 1 January–31 December 2023. The Company's address is Tegnergatan 2a, 103 99 Stockholm, Sweden. Movestic is a wholly owned subsidiary of Chesnara plc, Preston, UK (company no 4947166). Chesnara plc UK is the parent company for the group in which Movestic Livförsäkring is a subsidiary and prepares the annual report for the group.

This annual report was approved for publication by the Board of Directors on March 21, 2024.

Standards and regulations
This annual report has been prepared in accordance with the Swedish Accounts Act for Insurance Companies (1995:1560, ÅRFL), regulations and general advice regarding annual reports for insurance companies and occupational pension providers from the Swedish Financial Supervisory Authority (FFFS 2019:23) and the recommendation from the Swedish Financial Reporting Board (Rådet för finansiell rapportering), RFR 2, Reporting for legal entities. Movestic Livförsäkring applies the so called 'IFRS limited by law'; an international accounting standard approved for application in combination with certain limitations specified in RFR 2 and FFFS 2019:23, including amendments. This means that all EU approved IFRS rules and statements have been applied as far as is possible within the framework of Swedish law and with consideration to the connection between accounting and taxation. The Company is a wholly owned subsidiary of Chesnara Plc, which is based in the UK. Chesnara plc UK is the parent company for the group in which Movestic Livförsäkring is a subsidiary and prepares the annual report for the group.

Information regarding the preparation of financial reports
Assets and liabilities are reported at their acquisition value, except in the case of financial assets and liabilities, which are reported at their fair value. As a rule, gross values of assets and liabilities are used in the report. However, net values are shown where there is a legal right to set off assets and liabilities, and these are to be wound up together or at the same time.
The Company's functional currency is SEK, and financial reports are presented in SEK, rounded to the nearest thousand (KSEK) unless otherwise stated.
Assets and liabilities in foreign currencies are reported at closing day rate. Transactions in foreign currencies are converted to the functional currency at the exchange rate that applied on the day of the transaction.

Important assumptions and judgements that affect the accounting
When financial reports are prepared it is assumed that the board of directors and company management make assumptions and judgements that affect the application of the accounting principles and the reported values of assets, liabilities, revenues, and costs. All estimates and assumptions are reviewed on an ongoing basis and based on e.g. historical data, knowledge of the industry, and other factors deemed important at each point in time.
Assumptions that have had a significant impact on the financial reports for this financial year are commented on below.

Classification of insurance contracts and investment agreements
Insurance contracts, which are issued by the Company in its role of insurance provider according to the rules of the Swedish Accounts Act for Insurance Companies, are reported and classified as insurance contracts.
The Company Management has determined that all its non-life policies should be classified as insurance contracts. To ensure the information provided is as complete as possible, the Company has chosen to report the deposition and insurance components separately, and to report the former as an investment agreement.

Movestic's management team regularly evaluates the business model used to manage financial assets. The business model determines how financial assets and liabilities are classified, which is described in the section Classification and reporting of financial assets and liabilities.

Technical provisions
The provision for outstanding claims is calculated using generally accepted statistical and actuarial methods, as well as individual estimates of specific claims. The calculations are based on economic assumptions regarding interest rates and inflation, as well as actuarial assumptions regarding e.g. mortality and morbidity.
Any differences between the estimated and actual future claims payments will result in a run-off profit/loss, which will be reported in the following year. See note for information regarding changes in outstanding claims for this year.

Pre-paid acquisition costs
Pre-paid acquisition costs are amortised based on the expected lifetime of the contracts. Should the assumptions regarding expected lifetimes be adjusted or the depreciation schedule change, this may have an impact on the result in the shape of an impairment.

Financial assets and liabilities
Business model determines classification.
For valuation of financial assets for which there is no observable market price, the valuation models described under *Classification and reporting of financial assets and liabilities* are used.

New and amended standards and interpretations that have come into force and new standards that have not yet come into force

IFRS 17, Insurance Contracts
IFRS 17, Insurance Contracts came in force for the financial year of 2023 and replaced the previous standard IFRS 4. Movestic does not apply IFRS 17 as a legal entity but follows accounting of insurance contracts according to FFFS 2019:23. In group reporting to parent company Chesnara, Movestic has implemented the new standard.

IFRS 9, Financial Instruments
IFRS 9, Financial Instruments came into force in 2018, but with the offer of a temporary exclusion for insurance undertakings until January 1, 2023, when IFRS17, Insurance Contracts took effect. Reclassification of the Company's financial assets and liabilities according to the methods for classification and measuring set out in IFRS 9 has shown that the new standard does not lead to any changes in the reporting compared to the previous standard.

IAS 1, Presentation of financial statements
The amended disclosure requirements in IAS 1 had to be applied no later than for the financial year of 2023 and are designed to improve the provision of information in financial reports. This amendment includes the requirement that financial statements contain important information

regarding accounting principles and that unimportant information must not be used to hide important information. Movestic's accounting principles follow the new requirements in IAS 1.

IAS12, Income tax
In connection with the entry into force of BEPS Pillar II, updates have been made to IAS 12 – Income tax. The updates concern; a mandatory temporary exemption from the recognition of deferred tax positions and disclosure requirements in financial statements for taxes arising from income taxes from the implementation of the BEPS Pillar II legislation, in particular before its effective date.

Current accounting principles
Reporting of insurance contracts
Insurance contracts entered into by the Company in its role as insurance provider, as defined in the Swedish Insurance Business Act, are recognised and classified as insurance contracts. The definition of an insurance contract is a 'contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder.'

All insurance contracts between Movestic Livförsäkring and customers that do not carry significant insurance risk are classified as investment contracts and reported as financial instruments in accordance with IFRS9. Financial Instruments. Payments into and out of the customers' saved capital and any net changes in the value of the associated investment assets are recognised directly on the balance sheet.

Contracts that carry a significant insurance risk are classified as insurance contracts and reported on the income statement. The insurance components of contracts relating to unit-linked or custody account products, such as survivor's benefit and repayment cover, are recognised separately from the financial component, and reported as insurance contracts to provide complete financial information.

Financial assets and liabilities – classification and reporting
Sales and acquisitions of financial instruments are reported on the day of the transaction. A financial instrument is removed from the balance sheet when the right to receive cash flows from the instrument in question has expired or been transferred together with more or less all risks and rights connected with its ownership.
Financial assets and liabilities are classified according to IFRS9, Financial Instruments, as described below. The classification of financial assets and liabilities mirrors the internal reporting and monitoring within the Company.

Fair value on the income statement
A financial asset or liability is valued at its fair value on the income statement if it is held according to a business model where internal monitoring, evaluation and reporting to persons in leading positions is based on the asset's fair value, or where the asset does not meet the criteria for being reported at amortised cost or fair value through other comprehensive income. All Movestic's financial investment assets belong to the category that is reported at fair value on the income statement, including investment assets for which the policyholder carries the investment risk.

Amortised cost
This category covers cash and bank balances, as well as other receivables. The business model for assets in this category involves realisation of the assets' cash flows by receipt of contractual cash flows, consisting only of principal and interest on the outstanding principal. No credit loss provision is reported, as this is not deemed to be important.

Financial liabilities
A financial liability is reported when there is a contractual obligation to deliver cash.
Liabilities corresponding to underwriting commitments are included in the reporting category 'liabilities valued at their fair value on the income statement'.
Other liabilities are recognised at their amortised cost, where the reported value is a reasonable estimate of the fair value.
Methods for determination of fair value

Financial instruments listed on an active market
The majority of the Company's financial instruments are recognised at their fair value, based on prices listed on an active market where transactions take place with sufficient frequency and volume to provide up-to-date price information. The buying rate does not include transaction costs, e.g. brokerage or currency conversion charges related to sales or acquisitions. Assets traded on an active listed market are classified as Level 1 in the valuation hierarchy for fair value, as they meet the requirements for being measured at fair value via prices listed on an active market for the instrument concerned.

Financial instruments not listed on an active market
The valuation techniques used for instruments not traded on an active market are initially based on the underlying company's private holdings or raising of capital, which is public information. For currently traded unlisted assets, the valuation is based on trading volumes from matching orders on secondary markets. As far as possible, the valuation techniques are based on market data, where all important inputs required to carry out the fair value valuation are observable. These assets belong to Level 2 in the valuation hierarchy for fair value. In situations where one or more important inputs are not based on observable market information, models that market participants would use to calculate a price are used and assets classified as Level 3 in the valuation hierarchy.
.
Investment assets for which the life insurance holder carries the investment risk
This category consists of investment assets for which the policyholders carry the investment risk, and assets are reported on the lines 'assets for conditional dividends' (custody accounts) and 'unit-linked assets'. The assets are reported at their fair value. The fair values are based on listed market prices on the balance day, which are set to the latest price paid, or on prices from secondary markets, which are primarily based on data on the unlisted company's raising of capital, and secondly on matching orders from the secondary market. Unlisted assets are only present within the Company's custody account operation. Any change in value that occurs is reported at its net value on the Income statement, as these changes in value belong wholly to the policyholders.

Liquid assets
Liquid assets consist of cash and bank balances.

Deferred acquisition costs
Commission costs relating to new sales, extensions of contracted premiums, and premium commissions are reported as deferred acquisition costs. These costs are capitalised on the balance sheet with depreciation and amortisation corresponding to the future earnings from the agreements to which they pertain. The depreciation time for products with ongoing deposits within private pension and endowment insurance is 10–14 years, depending on the type of product and year of purchase, whilst products with one-off deposits have a depreciation time of 5 years. For policies taken out in 2011 or later, a flat depreciation period of 10 years is applied for private pension plans and endowment insurance. For occupational pension plans, the depreciation period is 17 years.
The reported value of the capitalised acquisition costs is reassessed on each balance day, based on expected future earnings. The assessment follows a risk-based approach, and the capitalised assets are depreciated when the future profit margin is deemed too low, or if the profit margin per

product underwriting year differs from the profit margin of the portfolio as a whole. The depreciation is recognised through operating expenses on the income statement.

Technical provisions
The provision for outstanding claims includes expected claims payments and claims handling costs for all reported claims and for claims which have not yet been reported, so called IBNR-provision. The provision is calculated using statistical methods and individual estimates of specific claims, often through a combination of both. The calculation is based on a conservative analysis of the known but outstanding claims, as well as an estimation of size, number, and time of not yet reported claims. This estimation is based on historic reporting patterns.

Technical provisions for life insurance contracts for which the policyholder carries the risk
Provisions for which the policyholders carry the investment risk in the unit-linked operation consist of the sum of the actual value of units allocated to existing policies and monies which have been paid in, but not yet invested in fund units. Provisions for life insurance contracts for which the policyholders carry the investment risk and where the assets have been invested in a custody account consist of the sum of the actual value of the assets. The actual values are based on listed market prices on the balance day, which are set to the latest price paid. Provisions for custody accounts are classified as 'assets with conditional dividends'.

Premiums written
A premium is the payment an insurance company receives from a policyholder to accept the transfer of insurance risk. For non-life insurance, the premiums written are reported at the point in time when the first of the following events occur: the first premium is due, or the insurance policy comes into force. For life insurance, the premiums written are reported according to the cash principle, i.e. when they are paid.

Premiums earned
Premiums earned is that part of the premiums written which applies to the reporting period. The portion of the premiums written from insurance contracts that apply to time periods after the closing day is allocated to the premium reserve on the balance sheet.

Income from investment contracts
Income from investment contracts is reported as and when the contracted commitments are performed according to a five-step model, and as the services are provided to the contract holders, which takes place at regular intervals during the lifetime of the agreements.

The following are reported as income from investment contracts:
- Fees related to unit-link insurance and custody accounts, and
- Fund rebates

In the unit-linked operation, fees are deducted from the customers' investment contracts to cover the costs of administration, claims handling, asset management, etc. Fees deducted as a result of Movestic Livförsäkring meeting its commitments are debited on a monthly basis and consist of both fixed and variable fees, both of which are based on the value of the managed assets. The fees are recognised and adjusted on an ongoing basis, as and when Movestic Livförsäkring meets its commitments. As per the closing day, there are no outstanding claims or liabilities related to these fees.

Movestic Livförsäkring receives fund rebates from fund companies, based on the value of assets under management. These fund rebates are recognised and adjusted monthly after determination of the basis of the calculations. Fund rebates benefiting the policyholder are reported net against fund rebates received.

Other fees, including transfer fees and fees relating to lapses, are recognised as the services are provided. Since April 2021, fees relating to transfers and lapses consist only of a fixed administration fee. Fees are debited through redemption of the policyholders' units.

Insurance claims
The total claims paid for the period include both those claims paid during the period and changes to provisions for outstanding claims. Insurance claims include, apart from payments made, also costs for claims handling.

Investment income from the insurance operation
The total investment income for non-life insurance is reported in the non-technical result. Part of the investment income is transferred from the result of the asset management to the technical result for the non-life insurance operation. The non-life insurance operation is allocated an investment income amounting to the average of the incoming and outgoing technical provisions for the non-life operation, net of reinsurance. The interest rate is set to the return on medium-term government bonds, with account taken to the insurance operation's cashflows for the period. No transfer to the technical result is carried out in the event of negative interest rates.

Remunerations to employees
The Company secures pension benefits for employees in accordance with laws and agreements.

Charges relating to fee-based pension plans, for which the Company's commitment is limited to the charges it has agreed to pay, are reported as a cost on the income statement for the period to which they relate.

Commitments regarding retirement and family pensions for employees born in 1971 or earlier are safeguarded through insurance with FPK, unless otherwise agreed. This is a benefit-based scheme that includes a number of employers. As the Swedish Pension Obligations Vesting Act must be applied for the cost to be tax deductible, the rules about benefit-based schemes in IAS 19 do not have to be applied for a legal entity. Instead a simplified rule can be applied, which states that companies should report benefit-based schemes as fee-based schemes, where a pension premium has been paid to an insurance undertaking, friendly society, or similar. The scheme is therefore reported as a cost and charged to the result for the period to which it relates

Tax
The Company's operation is subject to yield tax and income tax.

Income tax
Yield generated from the Company's risk products are subject to income tax. Income tax consists of actual tax and deferred tax. Tax is recognised on the income statement, except where the underlying transaction is recognised directly in equity, when the associated tax effect is recognised under equity.
Actual tax includes tax which should be paid or received for the current year as well as adjustments of actual tax for previous periods. Deferred tax is calculated according to the balance-method, based on temporary differences between reported and taxable values of assets and liabilities. The amounts are calculated based on how temporary variations are expected to even out through the application of tax rates and taxation rules which have been decided or announced as per the closing day. Deferred tax claims for deductible temporary variations and deductions for losses are only shown if it is probable that they will lead to reduced tax payments in the future.

Yield tax
For assets managed on behalf of policyholders, the Company pays a flat-rate yield tax, based on standard calculations of the yield from net assets. For financial year 2023, the company has changed its principle for yield tax and comparative figures have been recalculated. The cost relating to yield tax is reported under "other technical cost" and the fees charged to cover the tax cost is reported under 'other technical income".

Note 2 – Risks and risk management

Risk management is a natural part of running any insurance operation. As a result of its activities within risk insurance, unit-linked and custody account products with focus on occupational pensions, private and company-owned endowment policies, and private pension plans, Movestic is mainly exposed to financial risks, insurance risks, operational risks, IT risks, and strategic risks.

To ensure effective risk management and internal control within the Company, an organisational structure based on three lines of defence has been put in place.

The first line of defence consists of the CEO, the business and operational managers, and their personnel. Each member of the first line of defence is responsible for the risks that arise, or could arise, within their departments or areas of responsibility. They are also responsible for the actions put in place to manage these risks. The first line of defence is also responsible for reporting any incidents to the second line of defence.

The second line of defence consists of the independent control functions, i.e. the Risk Management, Compliance and Actuarial functions. In addition to being responsible for monitoring, reviewing and reporting, the second line of defence is also responsible for providing advice and support to the first line of defence regarding e.g. risk management. The second line of defence also supports the CEO and the Board of Directors in their work to ensure that the Company has in place an effective risk management system.

The third line of defence is the Internal Audit function, an independent function that reports direct to Movestic's Board of Directors.

Risk management organisation
The final responsibility for making sure the Company has an effective risk management system in place rests with its Board of Directors. The Board has appointed an Audit and Risk Committee, tasked with helping it to review Movestic's financial reports, internal controls, and risk management system. The risk management system consists of policy documents, strategies, processes and routines for identifying, evaluating, monitoring, handling and reporting risks to which the company is or may become exposed. An Own Risk and Solvency Assessment is carried out annually and whenever the Company's risk profile alters significantly. The Board determines, based on current regulations, a framework for Movestic's risk management activities, via internal rules set out in different steering documents. The Company's CEO is responsible for making sure that all steering documents are implemented in the operation and for providing more detailed instructions. The steering documents are updated and adopted on an annual basis.

The role of the *Risk Management function* is to assist the Board, CEO and other employees and departments in their efforts to maintain an effective risk management system, and this function is responsible for updating and improving the Company's risk management system on an ongoing basis. The Risk Management function monitors the Company's risk profile and acts to prevent excessive risk taking. This function reports direct to the CEO and informs both the Board of Directors and the CEO on the status of the Company's risk management system and risk situation. The function also issues recommendations to the Board and the CEO regarding any changes or improvements required to ensure compliance with all laws and regulations related to the Company's handling of risks. The function works according to a set plan, which is updated and adopted on an annual basis.

The *Compliance function* is a reviewing, reporting and advisory function, which as part of the governance system ensures the Company follows applicable legislation, regulations, good business practice and standards, as well as all internal rules relating to the licenced operation. This function shall also help the operation to identify and evaluate significant risks of non-compliance. The Compliance Function is independent of, and objective in relation to, the business operation, and therefore reports direct to the CEO. The function prepares reports for both the CEO and Board of Directors and works according to a set structure and a policy describing its mandates, areas of responsibility and reporting duties. The function works according to a set plan, which is based on the Company's operations and risks of non-compliance in different areas, and which is updated and adopted on an annual basis.

The main responsibility of the *Actuarial function* is to consolidate the technical provisions and ensure that these meet the current requirement of the Solvency II Directive. The Actuarial function also contributes to the Company's Risk Management system and advises its CEO and Board of Directors on actuarial matters. The Actuarial function reports to the CRO, but also has direct and independent lines of reporting to both the CEO and Board of Directors. The function works according to a set plan, which is updated and adopted on an annual basis.

The *Internal Audit function* is an independent auditing function that reports direct to Movestic's Board of Directors. Its task is to review and assess the Company's systems for governance, risk management and internal control, and to recommend improvements within these areas. The Internal Audit function is outsourced to an external part and regulated through a service contract. The function works according to a set plan, which is updated and adopted on an annual basis.

Financial risks
Financial risks include market, liquidity, concentration, credit and opposite party risks. The Board of Directors of Movestic Livförsäkring annually adopts a Policy for the management of investment risks, which sets out the direction and targets for the investments, limits per instrument, and decisionmaking rights for investment activities. In addition to the abovementioned policy, Movestic has set up an Investment Committee, as a subcommittee of the Board of Directors. This committee is tasked with making decisions regarding the Company's own financial assets.

Market risk
Market risk is the risk that changes to interest rates, exchange rates or share prices have a negative effect on the market value of the Company's assets.

Below is a sensitivity analysis for market risk:

Risk element, MSEK	Exposure	Risk parameter	Change	Effect on result	Effect on equity
Interest-bearing assets	663,8	Changed interest rates	10%	1,3	1,0
Currencies	15,2	Changed exchange rates	10%	0,0	0,0

The impacts of the exposure to market risks have been calculated as the change in the actual values of exposed assets in case of a change in the underlying market risk components. Current tax has been taken into account in the assessment of impact on the operational result and own assets.

Movestic's own assets, including assets intended to cover its technical commitments, are managed according to the investment mandates set by the Board of Directors. The Company invests its own assets in liquid assets, which are traded on regulated markets and mostly invests in interest funds and other interest-bearing securities. The investment mandates reflect the two parts of the portfolio, where the first corresponds to technical provisions and is invested with a high degree of caution and duration-matched to limit the interest risk. The second part consists of all other assets and may be invested with a slightly higher risk exposure.

For the unit-linked operation, the future earnings from fees for the management of customers' assets are important. Movestic Livförsäkring is exposed to the risk that future earnings decrease as a result of interest rate fluctuations or a general downturn on the stock or currency market.

Liquidity risk
Liquidity risk is the risk that Movestic Livförsäkring is unable to fulfil its payment commitments by the due dates, without a significant increase in the costs for obtaining funds.

Movestic Livförsäkring's exposure to liquidity risk is limited, as insurance premiums are collected in advance, and major claim payments are usually known long before they become due. To reduce the remaining liquidity risk, the Company's cash flows are analysed on an ongoing basis, and the Risk Management function regularly checks how quickly the Company's assets could be realised. The majority of the Company's assets are invested in securities that can be sold on a second-hand market at short notice, without any effect on the price. Investments are made in listed securities with good liquidity levels, why the liquidity risk is deemed to be limited.

The financial liabilities are met by the Company's financial assets, and by the reinsurers' share of the technical liabilities, which can all be turned into liquid assets at short notice

Financial liabilities, MSEK	< 1 year	> 1 years
Provisions for policies for which the policyholders carry the investment risk	1 246	54 635
Technical provisions	106	464
Liabilities, direct insurance	33	0
Liabilities, reinsurance	17	0
Other liabilities	71	30
	1 472	**55 129**

Concentration risk
The concentration risk is the risk arising as a result of a lack of diversification in the asset portfolio, or significant exposure to an individual issuer or group of affiliated issuers of securities. The Company assesses its exposure on a regular basis and monitors all limits. For this reason, the Company's exposure to concentration risk is deemed to be limited.

Credit and counterparty risk
Credit and counterparty risk is the risk that an counterparty is unable to fulfil its commitments to Movestic Livförsäkring. The main exposure is towards financial institutions and relates to assets held in deposit accounts with banks. The credit risk for these financial assets is deemed to be low.

Claims against policyholders carry a limited credit risk, as non-payment leads to cancellation of the insurance policy and the Company's responsibility towards the customer therefore ends.

The greatest exposure to credit risk relates to reinsurers, both through reinsurance claims and through reinsurers' share of outstanding claims. The Company's Reinsurance Policy states that agreements can only be entered into with external reinsurers with a credit rating of A or higher from Standard & Poor's. The creditworthiness of the reinsurers is reviewed regularly to ensure that the desired reinsurance cover is maintained.

A risk of credit loss also exists in relation to insurance brokers. This could happen in situations where the Company has an outstanding cancellation debt or legal cancellation liability, and an intermediary goes bankrupt.

The table below shows the credit and market risks to which the Company is exposed, allocated per credit rating from Standard & Poor'.

Credit exposure, MSEK	2023	2022
Investments		
Bonds and other interest-bearing securities[1]	663,8	516,5
Receivables, direct insurance		
Intermediaries	0,1	0,0
Receivables reinsurers (including reinsurer´s share of technical provisions)		
Reinsurers, credit rating AA-	222,4	224,8
Cash and bank		
Counterparty with credit rating A+	159,9	175,1
Counterparty with credit rating A	71,4	157,6

[1] Pertains to holdings in investment fund

Insurance risks
Life insurance risks are risks that arise as a result of undertakings to insure the life and health of individual persons. Examples of such risks are the risk of sickness and disability, mortality risk, risks relating to operating expenses, cancellation risks, underwriting risks, and risks relating to the establishment of a reserve.

- *Mortality risks* are the risks that the survival times of the Company's policyholders do not meet its expectations.
- *The sickness and disability risk* is the risk that the rate of disability and sickness among the policyholders is greater than expected.
- *The risk related to operating expenses* is the risk that the Company's assumptions for operating costs do not cover its actual costs for running the operation in the longer term.
- *The cancellation risk* is the risk that terminations, lapses or outgoing transfers have a negative effect on the Company's earnings. The Company has taken out reinsurance to reduce the financial impact of cancellations.
- *Underwriting risk* is the risk of losses due to incorrect pricing, incorrect reinsurance cover or irregular variations in the frequency and/or size of insurance claims.
- *The reserve-related risk* is the risk that the Company does not have sufficient reserves to cover the payments of claims made.

Within the risk insurance operation, the Company is mainly exposed to the risk of increased mortality, disability or sickness from the insurance policies provided to groups and individuals. These risks are managed through reinsurance, by analysing the results per insurance segment and settlement outcomes, and by ensuring the correct pricing of risks. In 2023 the Company had reinsurance cover for insurance risks in the shape of a quota share agreement, with retention of on average 64,8%, as well as a catastrophe reinsurance agreement. The reinsurance program also includes financial reinsurance, which also covers commissions for the unit-linked operation until the end of 2019.

Within the unit-linked and custody account operation, the main insurance risks relate to unfavourable movements within the customer portfolio, such as lapses and transfers of policies, and the risk that customers stop paying the premiums relating to their contracts. To some extent, this risk is reduced by the fees charged to customers who lapse or transfer their assets, and to distributors that terminate contracts prematurely. The cancellation risk is mitigated to some extent by reinsurance.

Concentration risk in the insurance portfolio
The concentration risk within the portfolio is the risk that the Company's risk exposure is not sufficiently diversified. This may occur in a situation where the risk exposure is concentrated to for example a small number of policyholders or a single contractual area. The concentration risk in the portfolio as a whole is deemed to be limited, as the Company's portfolio is well diversified. The Company uses reinsurance to further reduce the concentration risk.

Concentration of Insurance risk

Benefits assured KSEK	Before reinsurance	After reinsurance
0-250	4%	7%
250-500	43%	55%
500-750	5%	4%
750-1000	12%	10%
Over 1 000	35%	23%
Total	100%	100%

The table illustrates how the capital at risk varies for different amounts.

Sensitivity analysis for insurance risk
The claims costs provided in the table relate to changes in the provisions for outstanding claims and claims reserve. Higher claims costs have a direct impact on the Company's result and may occur as a result of unfavourable changes in the insurance portfolio, as illustrated in the table below. The technical provisions are also exposed to the risk of changes in the discount rate, mainly in relation to the sickness and premium waiver components. The table shows the impact on the Company's results of changes in the discount rate. Reinsurance is used to reduce the impact on the results.

Sensitivity analysis, KSEK	Pre-tax profit	Shareholders equity
5% increase in loss ratio	-17 783	-14 120
100bp decrease in discount rate	-6 626	-5 261

Claims cost trend
The tables below show, per claims year, how the estimated claims costs changed as our knowledge about the claims increased. For each year in the period shown, i.e. 2018–2023, the claims cost developed positively compared to our initial estimates.

Claims cost development	2018	2019	2020	2021	2022	2023
Gross in MSEK per claims year						
Estimated final claims cost						
At the close of the claims year	327,7	218,2	183,7	145,2	107,0	124,6
One year later	214,6	156,7	146,0	112,9	96,3	
Two years later	210,0	133,2	110,7	111,6		
Three years later	202,9	123,3	93,0			
Four years later	184,2	123,4				
Five years later	178,7					
Current estimate of total claims cost	178,7	123,4	93,0	111,6	96,3	124,6
Cumulative payments	-124,4	-97,8	-65,0	-53,1	-51,7	-33,9
Current provisions	54,3	25,6	28,1	58,5	44,7	90,7
Provisions for previous claims years						268,5
Total provisions						570,2

Net in MSEK per claims year	2018	2019	2020	2021	2022	2023
Estimated final claims cost						
At the close of the claims year	107,7	107,4	118,7	80,0	68,1	74,7
One year later	117,0	60,2	91,1	75,1	63,2	
Two years later	112,2	52,6	70,4	69,4		
Three years later	106,2	47,3	61,8			
Four years later	94,0	47,2				
Five years later	92,5					
Current estimate of total claims cost	92,5	47,2	61,8	69,4	63,2	74,7
Cumulative payments	-55,5	-37,0	-45,3	-37,7	-39,0	-23,0
Current provisions	37,0	10,2	16,5	31,7	24,2	51,7
Provisions for previous claims years						184,4
Total provisions						355,7

Operational risks
Operational risk is defined as the risk of losses due to non-productive or failed internal processes, human error or failing systems. Reputational risks and legal risks, which could be caused by inadequate processes or human error are also included in operational risks. The operation is responsible for handling operational risks and the Risk Management function is responsible for continuous monitoring, evaluation and reporting of operational risks. The assessment and monitoring of operational risks take the form of self-assessments, carried out in cooperation with managers and co-workers. Assessments are carried out at least once a year, with follow-ups as needed. Risks deemed to be particularly high are discussed and challenged on a quarterly basis, initially by the management team of the respective departments, thereafter by Movestic's leadership team. The Risk Management function is involved in all assessments.

Operational risks are evaluated by estimation of the probability that an adverse event occurs as a result of a specific risk, and the potential consequences of such an event. Any identified risks can then be managed with supportive measures from the Risk Management function, which can assist in the introduction of improved routines, processes and collaborations.

The overall risk exposure is reported to the Company's CEO and Board of Directors on a regular basis.

Strategic risk
The strategic risk can be explained as risks connected to the Company's strategic aims and goals, and includes structural risk factors. This risk is very important to the Company and its Board of Directors and concerns the whole of the operation rather than individual departments or units. As strategic risk is a natural part of any operation, it is accepted that it cannot be completely eliminated, however Movestic's intention is to always reduce the strategic risk as far as possible.

The strategic risk category also includes sustainability risks, which have become increasingly important over the last few years. There is a growing focus on risks related to climate change, both from a compliance and business perspective. For this reason, Movestic must work strategically to manage these risks. Other risk areas of importance to Movestic are compliance and corruption. Compliance also involves a sustainability risk which relates to the handling of personal data. Secure and correct handling of personal data is a critical issue for all businesses managing large data volumes and an absolute requirement if we are to retain our trust capital. A sustainable environment and a sustainable society are important focus areas for Movestic, and the Company is working hard to fulfil its responsibility to contribute to a sound and responsible future. This includes the responsibilities to be a sustainable employer and to provide insurance products and investment opportunities that are long-term sustainable.

The Risk Management function evaluates the strategic risks to which the Company is exposed on an ongoing basis, in collaboration with concerned business and operational managers. Strategic risks are measured, monitored, and reported according to the same principles as operational risks, but using an approach which is specially adapted to this particular risk category. Strategic risks are re-evaluated at least once a year and follow-ups performed as needed. As for all other risks, strategic risks deemed to be particularly high are discussed and challenged at least once a quarter by Movestic's management team, under the guidance of the Risk Management function.

IT risk
As a result of technological developments and the increased need for digitalisation, IT is also considered an area requiring special risk considerations. IT risks include the risk of so called cyber-attacks, as well as general data security and potential negative impacts on the Company's IT infrastructure. There are also risks concerning data protection and handling of personal data. This issue has a high priority for Movestic, as personal integrity is critical for the trust industry in which the Company operates.

Due to the central role of IT and the need for a well-functioning infrastructure, Movestic strives to minimise this type of risk. Since the introduction of the Guidelines on Information and Communication Technology Security and Governance in 2021, Movestic has in addition to the preparation and updating of relevant plans, strategies, and policies, also put in place a specific Information Security function. The aim is to support the Board of Directors and Movestic's Information Security Forum on matters relating to data security and security risks.

Solvency risk
Solvency risk is the risk that the Company does not meet its solvency requirements, which include both regulatory requirements and other adopted target levels. The Company's solvency situation is monitored continuously, and all known risks relating to solvency are documented and communicated to the Board. Previous forecasts of the Company's solvency situation are used to identify potential future solvency risks, so that appropriate action can be taken as needed.

Note 3 - Premiums written

Total	2023	2022
Direct insurance, Sweden	153 201	171 899
Direct insurance, rest of the EEA	-35	1
	153 167	**171 900**

Life insurance operation	2023	2022
Individual insurance	113 389	123 783
Group insurance	28 745	35 160
	142 134	**158 942**

All premiums related to risk insurance and are paid in installments.

Note 4 -Revenue from contracts with customer

	2023	2022
Policy based fees		
Administration fees	147 652	150 396
Transfer fees	2 094	1 866
Fund rebates	279 993	277 217
	429 739	**429 479**

Total income from investment contract KSEK 429 739 (429 479).

Note 5 - Allocated investment returns transferred from the finance operation to the non-life operation

	2023	2022
Transferred investment income	2,55%	1,57%

The transferred investment income has been calculated based on the average of the non-life insurance operation's in and outgoing technical provisions, net of reinsurance. The interest is set to the average annual value of 90-day treasury bills.

Note 6 - Other technical income

	2023	2022
Yield tax withdrawn	236 856	104 033
Other technical income	1 929	1 955
	238 785	**105 988**

Note 7 - Claims incurred

	2023			2022		
Claims incurred, non-life insurance operation	**Gross**	**Ceded**	**Net**	**Gross**	**Ceded**	**Net**
Claims paid	-16 419	2 030	-14 389	-15 287	2 533	-12 754
Claims handling costs	-3 492	–	-3 492	-1 720	–	-1 720
	-19 912	**2 030**	**-17 882**	**-17 006**	**2 533**	**-14 473**

	2023			2022		
Claims incurred, life insurance operation	**Gross**	**Ceded**	**Net**	**Gross**	**Ceded**	**Net**
Claims paid	-73 184	30 170	-43 013	-70 653	28 137	-42 516
Claims handling costs	-6 100	–	-6 100	-5 309	–	-5 309
	-79 283	**30 170**	**-49 113**	**-75 962**	**28 137**	**-47 825**

Note 8 - Operating expenses

Non-life insurance operation	2023	2022
Acquisition costs	-4 155	-8 401
Administrative costs	-8 598	-10 356
Commission and profit share from ceded reinsurance	2 269	4 930
	-10 484	**-13 827**

Life insurance operation	2023	2022
Acquisition costs	-274 369	-246 864
Changes in Pre-paid acquisition costs	-13 965	-23 126
Administrative costs	-140 994	-138 787
Commission and profit share from ceded reinsurance	13 632	28 392
	-415 696	**-380 385**
Claims handling costs [1]	-9 592	-6 495
Total operating expenses	**-435 772**	**-400 707**

Total cost per type of expense	2023	2022
Personnel costs	-152 103	-142 206
Costs of premises	-8 891	-8 931
Depreciations	-27 475	-23 030
Other [2]	-247 303	-226 538
	-435 772	**-400 707**

Fees and remunerations to auditors	2023	2022
Ernst and Young AB		
Auditing fees	-1 408	-1 366
	-1 408	**-1 366**

Auditing contract' relates to the auditor's remuneration for carrying out the auditing tasks required by law. This includes reviewing the annual report and financial reporting, the management of the Board of Directors and the CEO, and fees for auditing advice given in relation to the auditing contract. Auditing tasks outside the auditing contract relates to other types of quality assurance services.

[1] Claims handling costs are included in Claims paid on the Income Statement, see note 7
[2] 'Other' includes commission costs, commissions and profit shares from reinsurers, auditing fees and other

Note 9 - Other technical costs

	2023	2022
Yield tax payable	236 856	104 033
Other technical costs	3 058	4 421
	239 914	**108 454**

Note 10 - Investment income, life insurance operation

	2023	2022
Income		
Interest income	12 041	1 523
Realised gains		
Shares and participations	1 327	–
Exchange-rate gains	–	3 035
	13 368	**4 559**

	2023	2022
Costs		
Interest costs	-6 941	-9 921
Realised losses		
Bonds and other interest-bearing securities	-15 378	-38 066
Shares and participations	–	-2 088
	-22 319	**-50 075**

Investment income not related to income from assets covered by the policyholders' beneficiary rights are included in the non-technical report.

Note 11 - Unrealised gains and losses from investments

	2023	2022
Value increases		
Shares and participations	74	1 673
Bonds and other interest-bearing securities	56 077	–
	56 151	**1 673**
Value decreases		
Bonds and other interest-bearing securities	–	-35 879
Exchange rate losses	-413	–
	-413	**-35 879**

Note 12 - Impairment subisdiaries

	2023	2022
Impairment of subsidaries [1]	-10 400	-1 912

[1] Impairment due to liquidation of Movestic Fund Managment in 2022 and a write down corresponding to capital injection during 2023 from Movestic Liv to Movestic Fonder.

Note 13 - Tax on the year's result

Yield tax	**2023**	**2022**
Yield tax for the year	-236 856	-104 033

Tax on profit/loss for the year		
Current tax		
Tax cost for the period	–	–
Tax relating to earlier periods	–	-49
	–	**-49**
Deferred tax		
Deferred tax relating to temporary variations	100	-30
	100	**-30**

The effective tax on the company's result before tax differs from the nominal tax rate due to the following entries:

	2023	2022
Profit/loss for the year before tax	81 067	29 759
- of which business subjected to yield tax	66 272	88 358
- of which business subjected to income tax	14 795	-58 601
Profit/loss for income tax purposes	14 795	-58 601
Tax based on a nominal tax rate	-3 048	12 072
Non-taxable income	–	49
Non-tax deductible costs	-335	-416
Impairment, subsidiary	-2 142	-394
Adjustment net interest deduction	–	-919
Tax loss carryforward not activated	5 526	-10 391
Tax relating to previous periods	–	-49
Deferred tax	100	-30
Reported tax cost	**100**	**-79**

Total tax losses not activated amounts to SEK 33 555 (60 378).

Reported tax assets and liabilities	**2023**	**2022**
Current tax assets	469	369
All changes in deferred tax assets for the year have been reported on the income statement		

Applied tax rates		
Tax rates for calculation of income tax	20,6%	20,6%
Yield tax on pension funds, pension plans	15,0%	15,0%
Yield tax on pension funds, asset insurance	30,0%	30,0%
Average government borrowing rate for tax purposes, pension plans	1,46%	0,50%
Government borrowing rate for tax purposes, asset insurance	2,94%	1,51%

Note 14 - Other intangible assets

	2023	2022
Accumulated acquisition value		
Opening acquisition value	368 245	338 314
Purchases	30 054	29 930
Closing acquisition value	**398 299**	**368 245**
Accumulated amortization according to plan		
Opening amortizations	-252 076	-229 818
Depreciation	-26 342	-22 258
Closing accumulated amortizations and depreciations	**-278 418**	**-252 076**
Closing net value	**119 881**	**116 168**

Note 15 - Investments in group companies and associated companies

					2023	2022
	Corp.ID	Seat of the board	Number	Share of equity, %	Book value	Book value
Shares in group companies						
Movestic Fonder AB*	556760-8780	Stockholm	1 400	100	15 200	12 100
					15 200	**12 100**

*Movestic Fonder AB changed name from Movestic Kapitalförvaltning in December 2022

Note 16 - Bonds and other interest-bearing securities

	2023-12-31		2022-12-31	
	Acquisition value	Actual value	Acquisition value	Actual value
Securities issued by:				
The Swedish Government	345 510	344 452	406 250	379 822
Other issuers	303 032	319 326	150 993	136 636
	648 542	**663 778**	**557 243**	**516 458**

The item 'bonds and other interest-bearing securities' includes assets in interest-bearing securities and holdings in investment funds, where more than 50% of the holding consists of interest-bearing assets.

Note 17 - Other financial investment assets

	2023-12-31		2022-12-31	
	Acquisition value	Actual value	Acquisition value	Actual value
Company-owned endowment policies	4 630	5 229	3 904	4 118
	4 630	**5 229**	**3 904**	**4 118**

Company-owned endowment policies to cover our direct pension commitments.

Note 18 - Assets covered by the policyholders' beneficiary rights

	2023-12-31	2022-12-31
Interest-bearing securities [1]	339 037	345 292
Investment assets for which the policyholders bear the investment risk [2]	55 882 936	47 176 507
	56 221 973	**47 521 799**

[1] Assets corresponding to the sum of best estimation of future cash flows according to FRL 2010:2043 incl SFS 2015:700, 5 chapter §§6,7 and 9-12, and a risk margin in accordance with §13.
[2] Assets corresponding to participations in such funds that are associated with the policy, and which the policyholder or the person insured selects from time to time.

Note 19 - Provisions for unearned premiums and unexpired risks

	2023-12-31			2022-12-31		
	Gross	Ceded	Net	Gross	Ceded	Net
Opening balance	3 582	-84	3 498	3 088	-94	2 994
Change unexpired risks [1]	-611	–	-611	-611	–	-611
Change to provisions	22	1	23	1 106	10	1 115
Closing balance	**2 993**	**-83**	**2 910**	**3 582**	**-84**	**3 498**

[1] A provision for unexpired risks set aside in 2021 for the remaning contract period linked to a claims preventing service that was not used to its expected extent. The provision is regulated against payment to contracting party.

Note 20 - Life insurance provisions

	2023-12-31			2022-12-31		
	Gross	**Ceded**	**Net**	**Gross**	**Ceded**	**Net**
Opening balance	24 564	-8 032	16 532	19 551	-8 022	11 529
Change to provisions	-29	269	240	5 013	-10	5 003
Closing balance	**24 534**	**-7 763**	**16 772**	**24 564**	**-8 032**	**16 532**

Note 21 - Outstanding claims

	2023-12-31			2022-12-31		
	Gross	**Ceded**	**Net**	**Gross**	**Ceded**	**Net**
Opening balance	596 330	-216 637	379 693	707 780	-277 408	430 372
Exchange rate changes	-79	62	-18	-31	-38	-69
Change to provisions	-26 040	2 023	-24 016	-111 419	60 808	-50 611
Closing balance	**570 211**	**-214 552**	**355 659**	**596 330**	**-216 637**	**379 693**
Specification, closing balance						
Non-life insurance operation						
Reported but not settled claims (RBNS)	117 899	-17 530	100 368	134 169	-20 554	113 614
Incurred but not reported claims (IBNR)	118 392	-13 530	104 862	121 338	-14 092	107 245
	236 291	**-31 061**	**205 230**	**255 507**	**-34 647**	**220 860**
Life insurance operation						
Reported but not settled claims (RBNS)	255 006	-144 296	110 710	245 137	-133 573	111 563
Incurred but not reported claims (IBNR)	78 914	-39 194	39 719	95 687	-48 417	47 270
	333 920	**-183 491**	**150 429**	**340 823**	**-181 990**	**158 833**
Total outstanding claims	**570 211**	**-214 552**	**355 659**	**596 330**	**-216 637**	**379 693**

Note 22 - Receivables, direct insurance

	2023-12-31	2022-12-31
Receivables, policyholders	30 215	39 517
Receivables, intermediaries	60	40
Closing balance	**30 275**	**39 557**

Note 23 - Other receivables

	2023-12-31	2022-12-31
Other receivables	12 920	15 673
of which receivables, goup companies	*3 529*	*796*
Closing balance	**12 920**	**15 673**

Note 24 - Tangible fixed assets

	2023-12-31	2022-12-31
Accumulated acquisition value		
Opening acquisition value	12 613	11 855
Purchases	601	758
Closing acquisition value	**13 214**	**12 613**
Accumulated depreciation according to plan		
Opening depreciation	-10 296	-9 097
Depreciation for the year	-1 134	-1 201
Closing depreciation according to plan	**-11 430**	**-10 296**
Closing net value	**1 784**	**2 316**

Note 25 - Deferred acquisition costs

	2023-12-31	2022-12-31
Opening acquisition cost	2 025 323	1 924 600
Activation for the year	111 772	100 723
Closing acquisition cost	**2 137 095**	**2 025 323**
Opening amortization	-1 338 813	-1 214 964
Amortization for the year	-125 737	-123 850
Closing amortization and depreciation	**-1 464 551**	**-1 338 813**
Closing net value, investment contracts	**672 544**	**686 509**

For products with underwriting year 2012 or later, both regular and single premiums, have a flat amortization period of 10 years for private pension and 5 years for endowment insurance. For products with underwriting years prior to 2012, the amortization period is 10-14 years depending on type of product. For occupational pension plans, the amortization period is 17 years.

Deferred acquisition costs, insurance operation

	2023-12-31	2022-12-31
Closing net value, insurance operation	2 058	2 241
Total closing net value	**674 602**	**688 751**

Note 26 - Other deferred costs and accrued income

	2023-12-31	2022-12-31
Accrued income from investment contracts	12 775	9 557
Other deferred costs	59 143	54 617
Closing balance	**71 918**	**64 174**

Note 27 - Appropriation of profit

SEK 929 936 418 is at the disposal of the general meeting of shareholders. The Board of Directors proposes to distribute SEK 100 000 000 as dividend to the shareholders and that SEK 829 936 418 is carried forward to new account.

Note 28 - Technical provisions for life insurance policies for which the policyholders bear the risk, gross

Conditional dividends

	2023-12-31	2022-12-31
Opening balance	12 326 509	12 098 137
Payments received	5 195 952	6 888 496
Payments made	-2 395 023	-1 674 559
Value change, including dividends	1 504 648	-4 898 619
Other changes	-168 068	-86 946
Closing balance	**16 464 017**	**12 326 509**

The conditional dividends relate to custody account commitments.

Unit-linked

	2023-12-31	2022-12-31
Opening balance	34 849 192	41 301 363
Payments received	4 552 689	3 660 765
Payments made	-3 926 245	-3 961 822
Value change, including dividends	4 142 293	-5 963 874
Other changes	-201 836	-187 240
Closing balance	**39 416 093**	**34 849 192**

Of the total number of unit-linked contracts and contracts with conditional dividends, KSEK 59 654 (72 036) was uninvested as per the 2023-12-31. These have been reduced by management and risk fees amounting to KSEK 174 684 (189 627).

Note 29 - Other provisions

Provisions for pensions and similar commitments

	2023-12-31	2022-12-31
Endowment policies [1]	5 230	4 118
Special payroll tax [1]	1 476	1 451
Tax liabilites	199 378	43 761
Other provisions	1 508	1 617
Closing balance	**207 592**	**50 947**

[1] Provision relates to company-owned endowment insurance, intended to guarantee direct pension commitments.

Note 30 - Liabilities, direct insurance

	2023-12-31	2022-12-31
Liabilities, policyholders	24 720	10 866
Liabilities, intermediaries	8 308	8 928
	33 028	**19 794**

Note 31 - Other liabilities

	2023-12-31	2022-12-31
Liabilities, VAT	149	496
Debts to suppliers	18 321	18 339
Employees' taxes (PAYE)	14 048	12 728
Other interest-bearing liabilities	59 059	106 094
Premium taxes	4 545	4 286
Other liabilities	4 335	3 549
	100 457	**145 492**

Other interest-bearing liabilities KSEK 59 059 (106 094), consist entirely of liabilities to reinsurers in connection with financial reinsurance.

Note 32 - Other accrued costs and deferred income

	2023-12-31	2022-12-31
Accrued personnel costs	24 685	29 874
Accrued commission costs	5 748	4 167
Other accrued costs	2 244	3 792
	32 676	**37 833**

Note 33 - Contingent liabilities

Any obligation for costs linked to the liquidation of funds in Sicave within the subsidiary Movestic Fund management. Movestic Fund management was liquidated in 2022 but closure of funds in Sicav remains. The company has undertaken payment responsibility for any costs connected to the closing of funds in Sicaven.

Note 34 - Average number of employees, salaries and remunerations

	2023			2022		
Average number of employees	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Sweden	57	63	120	58	65	123

	2023			2022		
Gender distribution of the Company management	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**
Board of Directors	4	3	7	4	3	7
Other leading positions	5	7	12	5	6	11
Total	**9**	**10**	**19**	**9**	**9**	**18**

Salaries, other remunerations and social security contributions	**2023**	**2022**
Board of Directors and CEO	4 243	6 305
Other employees	84 348	76 980
Total	**88 591**	**83 285**
Social security contributions	58 238	57 584
of which pension contributions	21 850	23 178

Information on salaries, remunerations and other benefits

Salaries and remunerations
Company or Chesnara group employees receive no remuneration for being a member of the Board. The remuneration to the CEO and other persons in leading positions consists of a basic salary, other benefits and pension. The CEO also receives variable remuneration.

Variable remuneration
Variable remuneration refers to remuneration, the amount or size of which is not determined in advance. From January 1, 2022, the CEO is the only person in the Company to receive variable remuneration. Variable remuneration is paid as salary. No variable remuneration is settled using the Company's or parent company's own capital instruments.
Variable remunerations earned by employees who were entitled to a variable salary component before January 1, 2022, and which have been deferred according to the Company's Remuneration Policy, will be paid in accordance with previous agreements. In connection with the change of CEO in 2023, the forms for the variable remuneration to the CEO changed. The new CEO will be covered by the Chesnara Group´s long term incentive program. The change has been decided by the Company´s board of directors and will come into effect in 2024. No variable remuneration has been paid to the interim CEO in 2023.

Pensions
The previous CEO has a pension entitlement corresponding to 30 percent of their pensionable salary and for the interim and new CEO the corresponding agreement according to current collective agreement. Other persons in the Company management have pension entitlements according to current collective agreements.

Commitments regarding retirement and family pensions for employees born in 1971 or earlier are safeguarded through a policy with FPK (a Pension Fund for the Insurance Industry). This is a sparebased scheme that includes a number of employers. As the Swedish Pension Obligations Vesting Act must be applied for the cost to be tax deductible, the rules about benefit-based schemes in
IAS 19 do not have to be applied for a legal person. Instead a simplified rule can be applied, which states that companies should report benefit-based schemes as fee-based schemes, where a pension premium has been paid to an insurance undertaking, friendly society, or similar. All the employers involved are jointly responsible for financing the scheme in its entirety. This means that they all also share the tangible risk associated with the scheme.

The latest available information from the FPK comes from the published part-year report for the first half of 2023. According to this, the collective level of consolidation amounted to 139 (145) percent, calculated based on distributable assets relative to commitments to policyholders. Assets under management amounted to MSEK 17.4 (16.9). The number of employers connected to the scheme was 95 and the number of insured persons was 22,000 as per December 31, 2022.

This year, the fees paid by the Company for this scheme amounted to KSEK 4,821 (5,197). The fees for 2024 are expected to be in line with fees for 2023.

No information is available about potential future surpluses or deficits within this scheme, or whether these may have an impact on the fees for future years.

Final payment
If the Company terminates the employment of the CEO, the CEO is entitled to a salary for a notice period of no less than 6 months and no more than 12 months.

Remuneration policy
The Remuneration Policy adopted by the Company's Board of Directors is designed to ensure that all remunerations to employees of the Company are compliant with applicable regulations, and that they are consistent with and promote sound and effective risk management. It also states that the Company must offer the remuneration levels and terms and conditions of employment required to recruit and retain co-workers with the competency and capacity needed to deliver the Company's goals.

Decisions about remuneration to the CEO, as well as goals and levels for variable remuneration, are made by the Board of Directors. The Board also determines whether any targets set for variable remuneration have been achieved. The CEO of Chesnara is responsible for preparing decisions on remuneration. Where required, matters can be referred to the Remuneration Committee of the parent company, Chesnara plc. The Board may decide that no variable remuneration is due.

Where the remuneration consists of both a fixed and a variable component, the proportion between the components shall be balanced in such a way that the variable portion does not exceed 60% of the total fixed income. The Company's Board of Directors can allow exceptions to this rule.

The previous CEO has a long-term incentive program, made up of two parts. The first part is the development of the Company's EcV (Economic Value) and cash generation. The underlying amount is adjusted for any capital injections and the variable remuneration is limited to certain maximum amounts. The calculation models take into account the fact that the result is affected by the main risks to which the operation is exposed. The second part is based on target-related performance at company, department and individual level, where both financial and non-financial criteria are considered. In 2023 the incentive program in its current form expired when the new CEO took office. The new CEO will instead be covered by the Chesnara group´s long-term incentive program. The change has been decided by the Company´s board of Dorectors and will come into effect in 2024.

Risk assessment
The risk assessment is based on the premise that the remuneration system should promote sound and effective risk management within the Company, and not encourage excessive risk taking or counteract the Company's long-term interests. The Company must strive to ensure that the total remunerations do not jeopardise its ability to return a positive consolidated result over an economic cycle. The Company's remuneration policy is based on long-term thinking and limited risk-taking. Taking into account the criteria set in the remuneration policy, as well as the routines and control activities implemented by the Company, the current assessment is that the design of the renumeration system does not result in any material risks

Not 34 - Average number of employees, salaries and remunerations (cont.)

Remuneration to holders of leading positions 2023

	CEO [1]	Other holders of leading positions	Chariman of the board	Other board members	Total
Salaries/director's fees	5 274	15 981	–	350	21 604
Variable remuneration	-1 529	–	–	–	-1 529
- of which provisions for variable renumeration 2023	–	–	–	–	–
Benefits	148	817	–	–	966
Pension contributions	1 429	5 205	–	–	6 634
Social contributions	1 100	5 907	–	–	7 007
	6 422	**27 910**	**–**	**350**	**34 682**

Remuneration to holders of leading positions 2022

	CEO [1]	Other holders of leading positions	Chariman of the board	Other board members	Total
Salaries/director's fees	4 036	13 347	–	350	17 733
Variable remuneration	1 780	-1 832	–	–	-52
- of which provisions for variable renumeration 2022	2 269	–	–	–	2 269
Benefits	139	496	–	–	635
Pension contributions	1 213	4 101	–	–	5 315
Social contributions	2 122	4 854	–	–	6 976
	9 290	**20 966**	**–**	**350**	**30 607**

[1] Salary of Acting CEO for the period 20230815-20231231 is included in Salaries/director's fees

Remunerations and benefits relating to 2023 and 2022, distributed between the categories persons in leading positions, employees who could affect the Company's risk level, and other employees are detailed below.

Registered remunerations 2023

	Average no of employees	Salaries/ director's fees	Variable remu-neration [1]	Benefits	Pension contri-butions	Social contri-butions	Total
Holders of leading positions	10	21 604	-1 529	966	6 634	7 007	34 682
Employees who could affect the Company's risk level [2]	2	2 214	–	33	598	841	3 687
Other employees	108	63 661	–	1 642	14 617	28 540	108 461
Total	**120**	**87 479**	**-1 529**	**2 641**	**21 850**	**36 388**	**146 829**

Registered remunerations 2022

	Average no of employees	Salaries/ director's fees	Variable remu-neration [1]	Benefits	Pension contri-butions	Social contri-butions	Total
Holders of leading positions	8	17 733	-52	635	5 315	6 976	30 607
Employees who could affect the Company's risk level [2]	2	2 102	–	32	555	795	3 483
Other employees	113	63 853	-2 589	1 572	17 309	26 635	106 779
Total	**123**	**83 686**	**-2 641**	**2 239**	**23 178**	**34 406**	**140 869**

[1] The variable remuneration consists entirely of variable remuneration paid in cash.
[2] Employees who could affect the Company's risk level relates to persons employed in positions with the potential to affect the Company's risk levels in the course of their duties.

Changes in liabilities for variable remuneration

	2023	2022
Opening balance	6 585	14 269
Remuneration earned during the year	–	2 269
Paid remunerations, earned in previous years	-2 546	-5 050
Adjusted unpaid earned remunerations	-1 529	-4 904
Closing balance	2 509	6 585
-of which deferred remunerations	2 509	4 316

Note 35 - Categories of financial assets and liabilities and their actual values

	Financial assets reported at actual value in the income statement		
	Financial assets with contractual cashflows SPPI[1]	**Other financial assets[2]**	**Total**
Financial assets per the 2023-12-31			
Bonds and other interest-bearing securities	–	663 778	663 778
Assets for conditional dividends	–	16 464 017	16 464 017
Unit-linked assets	–	39 418 919	39 418 919
Other financial investment assets	–	5 229	5 229
Receivables, direct insurance	30 275	–	30 275
Other receivables	12 920	–	12 920
Cash and bank	231 324	–	231 324
Accrued income	59 143	–	59 143
Total	**333 662**	**56 551 944**	**56 885 606**

	Financial assets reported at actual value in the income statement		
	Financial assets with contractual cashflows SPPI[1]	**Other financial assets[2]**	**Total**
Financial assets per the 2022-12-31			
Bonds and other interest-bearing securities	–	516 458	516 458
Assets for conditional dividends	–	12 326 509	12 326 509
Unit-linked assets	–	34 849 998	34 849 998
Other financial investment assets	–	4 118	4 118
Receivables, direct insurance	39 557	–	39 557
Other receivables	15 673	–	15 673
Cash and bank	332 716	–	332 716
Accrued income	54 617	–	54 617
Total	**442 562**	**47 697 083**	**48 139 645**

Financial assets per the 2023-12-31	**Level 1**	**Level 2**	**Level 3**	**Total**
Bonds and other interest-bearing securities	663 778	–	–	663 778
Assets for conditional dividends	15 919 407	–	544 610	16 464 017
Unit-linked assets	39 418 919	–	–	39 418 919
Other financial investment assets	5 229	–	–	5 229
Total	**56 007 334**	**–**	**544 610**	**56 551 944**

Financial assets per the 2022-12-31	**Level 1**	**Level 2**	**Level 3**	**Total**
Bonds and other interest-bearing securities	516 458	–	–	516 458
Assets for conditional dividends	11 888 029	–	438 480	12 326 509
Unit-linked assets	34 849 998	–	–	34 849 998
Other financial investment assets	4 118	–	–	4 118
Total	**47 258 603**	**–**	**438 480**	**47 697 083**

[1] Concerns financial assets included in a business model aimed at collecting contractual cash flows and contractual terms that on set dates result in cash flows only relating to payment of interests and principal on principal amounts outstanding. Valued at amortised cost.
[2] Other financial assets, not included in the category financial assets with contractual cash flows. These assets are reported at actual value in the income statement.

Note 35 - Categories of financial assets and liabilities and their actual values (cont.)

Financial liabilities as per the 2023-12-31	Financial liabilities reported at actual value in the income statement	Other financial liabilities	Reported value	Actual value
Conditional dividends	16 464 017	–	16 464 017	16 464 017
Unit-linked contracts	39 416 093	–	39 416 093	39 416 093
Liabilities, direct insurance	–	33 028	33 028	33 028
Liabilities, reinsurance	–	16 808	16 808	16 808
Other liabilities	–	100 457	100 457	100 457
Accrued costs	–	32 676	32 676	32 676
Total	**55 880 110**	**182 969**	**56 063 079**	**56 063 079**

Financial liabilities as per the 2022-12-31	Financial liabilities reported at actual value in the income statement	Other financial liabilities	Reported value	Actual value
Conditional dividends	12 326 509	–	12 326 509	12 326 509
Unit-linked contracts	34 849 192	–	34 849 192	34 849 192
Liabilities, direct insurance	–	19 794	19 794	19 794
Liabilities, reinsurance	–	6 151	6 151	6 151
Other liabilities	–	145 492	145 492	145 492
Accrued costs	–	37 833	37 833	37 833
Total	**47 175 702**	**209 271**	**47 384 973**	**47 384 973**

Financial liabilities as per the 2023-12-31	Level 1	Level 2	Level 3	Total
Conditional dividends	16 464 017	–	–	16 464 017
Unit-linked contracts	39 416 093	–	–	39 416 093
Total	**55 880 110**	**–**	**–**	**55 880 110**

Financial liabilities as per the 2022-12-31	Level 1	Level 2	Level 3	Total
Conditional dividends	12 326 509	–	–	12 326 509
Unit-linked contracts	34 849 192	–	–	34 849 192
Total	**47 175 702**	**–**	**–**	**47 175 702**

Financial assets and liabilities - valuation
For valuation purposes, each holding is classified as one of three valuation levels.

Level 1
Valued at listed rates on an active market.

Level 2
Values are calculated using valuation methods. All important input data required for the valuation are based on observable market information.

Level 3
Values are calculated based on assumptions and assessments. Some important input data required for the valuation are not based on observable market information.

Offsetting of financial instruments
Movestic Livförsäkring AB has not entered into any derivative contracts.

Not 36 - Leasing

	2023	2022
Current leasing agreements		
within one year	10 030	7 045
more than one year, but within five years	3 426	8 123
more than five years	-	-
The total leasing cost for the year amounted to KSEK 9 291 (9 717)		

Note 37 - Information on affiliated companies

Affiliated companies
Affiliated companies are defined as all companies within the Chesnara Group and key personnel in leading positions within the Company. Associated companies are also defined as affiliates.

Internal pricing
The pricing methods used for transactions involving affiliated companies are based on actual cost or market price. The prices of services sold to or purchased from the subsidiary Movestic Fonder AB are based on actual cost.

Transactions between Movestic Livförsäkring AB and affiliated companies
Service purchases of MSEK 4.1 (5.7) relate to an annual management fee payable to the parent company.

The Company has entered into agreements with its subsidiary, Movestic Fonder AB, concerning rental of office premises and sales of administrative services, MSEK 1.3 (1.6) in 2023. During the year Movestic Fonder AB received MSEK 13.5 in capital contributions. No group contributions were paid in 2023.

No other transactions involving key persons in leading positions occurred than those specified in Note 34.

Overview of transactions with affiliated companies

	Year	Sales of services to affiliated companies	Purchases of services from affiliated companies	Group contributions	Income from investment contract	Other	Claims on affiliates as per December 31	Debts to affiliates as per December 31
Parent company								
Chesnara plc	2022	–	5 733	–	–	–	–	–
Chesnara plc	2023	–	4 067	–	–	–	–	–
Subsidiaries								
Movestic Fonder AB	2022	1 620	–	–	–	–	796	–
Movestic Fonder AB	2023	1 307	–	–	–	–	3 529	–

Note 38 - Events after the closing day

No important events after closing day

STOCKHOLM, STOCKHOLM, THE 22ND OF MARCH 2024

David Brand
Chairman of the board

Steve Murray

David Rimmington

Eamonn Flanagan

Marita Odélius

Karin Bergstein

Sara Lindberg
CEO

Our Auditor´s Report was submitted on the 26 of March 2024

Ernst & Young AB
(Signature on the Swedish original)

Daniel Eriksson
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Movestic Livförsäkring AB, org nr 516401-6718

Report on the annual accounts

Opinions

We have audited the annual accounts of Movestic Livförsäkring AB except for the statutory sustainability report on pages 8-11 for the year 2023.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Insurance Companies and present fairly, in all material respects, the financial position of the company as of 31 December 2023, and its financial performance for the year then ended in accordance with the Annual Accounts Act for Insurance Companies.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Our opinions do not cover the statutory sustainability report on pages 8-11. The statutory administration report is consistent with the other parts of the annual accounts.

Our opinions in this report on the annual accounts are consistent with the content of the additional report that has been submitted to the company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Measurement of technical provisions

Disclosures on technical provisions are presented in note 1 Valuation and accounting principles, note 2 Risks and risk management and note 21 Outstanding claims.

Description

As of December 31, 2023, technical provisions amounted to 570 211 KSEK.

Technical provisions are to cover the expected future payments for all incurred claim, including claims not yet reported to the company, called provision for IBNR. The technical provisions are calculated using statistical methods and through individual assessment of specific claims. The provision for the future commitments is calculated using actuarial methods. Measurement of technical provisions has been considered a key audit matter due to the size of the balance sheet item and as the valuation requires management to make estimate and assumptions.

How our audit addressed this key audit matter

As part of our audit we have assessed the company's governance and internal control related to the provisioning process. Moreover, we have assessed the appropriateness in methods and assumptions used and have made an independent analysis of the technical provisions. We have performed our audit procedures on technical provisions with the support of our internal actuaries.

Furthermore, we have reviewed the disclosures on technical provisions and management's assessments presented in the financial reports.

Measurement of deferred acquisition costs

Disclosures on deferred acquisition costs are presented in note 1 Valuation and accounting principles, note 2 Important assumptions and judgements that affect the accounting and note 24 Deferred acquisition costs.

Description

As of December 31, 2023, deferred acquisition costs amounted to 672 544 KSEK.

The balance sheet item consists of capitalized expenditures related to insurance- and investment contracts. The expenditures are to be depreciated over the period estimated to generate a profit margin which at least covers the acquisition costs. The depreciation schedule should take expected annulments into consideration. An impairment test is performed annually on homogeneous insurance contracts to assess whether the conditions for capitalization are met. Measurement of deferred acquisition costs has been considered a key audit matter due to the size of the balance sheet item and as the valuation requires management to make estimate and assumptions.

How our audit addressed this key audit matter

As part of our audit we have assessed the company's plan for how capitalized acquisition costs will be covered by future profits and the impairment test that has been performed.

The review has consisted of an assessment of the appropriateness of the methods and assumptions that has been used. We have performed our audit procedures on deferred acquisition costs with the support of our internal actuaries. We have checked that allowed costs in accordance with the Annual Accounts Act for Insurance Companies have been capitalized.

Furthermore, we have reviewed the disclosures on deferred acquisition costs and management's assessments presented in the financial reports.

Other Information than the annual accounts

This document also contains other information than the annual accounts and is found on pages 3-4 och 8-11. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Movestic Livförsäkring AB for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

The auditor´s opinion regarding the statutory sustainability report

The Board of Directors is responsible for the statutory sustainability report on pages 8-11, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor´s opinion regarding the statutory sustainability report.* This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Ernst & Young AB, Hamngatan 26, 111 47 Stockholm, was appointed auditor of Movestic Livförsäkring by the general meeting of the shareholders on the 7 June 2023 and has been the company's auditor since the 8 May 2019.

Stockholm 26 March 2024
Ernst & Young AB

Daniel Eriksson
Authorized Public Accountant

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