



Audit report

To the Shareholder of
FWU Life Insurance Lux S.A.

Report on the audit of the annual accounts

Disclaimer of opinion

We do not express an opinion on the accompanying annual accounts of FWU Life Insurance Lux S.A. (the "Company"). Because of the significance of the matters described in the "Basis for disclaimer of opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these annual accounts.

Our disclaimer of opinion is consistent with our additional report to the Audit Committee or equivalent.

We were engaged to audit the annual accounts of the Company, which comprise:

- the balance sheet as at 31 December 2023;
 - the profit and loss account for the year then ended; and
 - the notes to the annual accounts, which include a summary of significant accounting policies.
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Basis for disclaimer of opinion

The Company was subject to an on – site inspection as from 11 March 2024 from the Commissariat aux Assurances (the "CAA"), who is the competent supervisory authority for the insurance sector in the Grand Duchy of Luxembourg. On 25 March 2024, the CAA issued a letter to the Company indicating significant deficiencies identified in the adequacy of the technical provisions and requesting Management to address the significant deficiencies identified and to provide a revised liquidity plan of the Company after having implemented the requested changes on the valuation of the technical provisions and solvency position. Subsequent communications have confirmed the matters raised by the CAA in their initial letter.

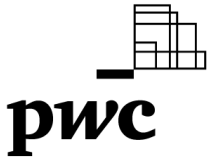
As of the date of our audit report, Management is still in the process of addressing the significant deficiencies raised by the CAA as a result of their on – site inspection. Considering that Management has not yet implemented all the requests from CAA, we are unable to determine whether the Company is in compliance with laws and regulations.

In addition the deficiencies noted have also an impact on the opening balances of the technical provisions and the impact has not been accounted for in the 2023 annual accounts.

Because Management has not yet addressed the deficiencies noted on the valuation of the technical provisions and solvency position, we have not been provided with the necessary information allowing us to assess the adequacy of the technical provision and solvency position. Management has also not yet updated the liquidity plan as requested by the CAA. As we have not obtained this information from Management, we are unable to assess the Company's ability to continue as a going concern, and are unable to determine whether any adjustments to the balance sheet and profit and loss account would have been necessary.

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Furthermore, the Board of Directors decided on 28 June 2024 via different written resolutions that:

- the Company was put in voluntary pause of writing any new business in Europe,
- the receivables from FWU Factoring GmbH and FWU AG will not be collected during 2024, and,
- the liquidity plan of the Company presents a risk of insolvency.

Additionally, Management did not provide us with the necessary information requested during the audit, as summarised below:

- Notes to the annual accounts for the year ended as at 31 December 2023 approved by the Board of Directors, which reconciles to the balance sheet and profit and loss account approved by the Board of Directors on 28 June 2024;
- Underlying information supporting the balance sheet and profit and loss account for the year ended as at 31 December 2023 approved by the Board of Directors on 28 June 2024;
- Directors' report for the year ended as at 31 December 2023;
- Representation Letter requested by us for the statutory audit of the annual accounts of the Company for the year ended as at 31 December 2023.

As a result of these matters, and their pervasive impact, we were unable to determine whether any adjustments might have been found necessary in respect of the balance sheet and profit and loss account for the year.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period.

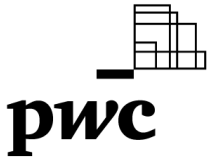
Except for the matter(s) described in the "Basis for disclaimer of opinion" section, we have determined that there are no other key audit matters to be communicated in our report.

Responsibilities of the Board of Directors and those charged with governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.



Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the annual accounts

Our responsibility is to conduct an audit of the Company’s annual accounts in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession and with International Standards on Auditing as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF) and to issue an audit report. However, because of the matters described in the “Basis for disclaimer of opinion” section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these annual accounts.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

Report on other legal and regulatory requirements

We have been appointed as “Réviseur d’Entreprises Agréé” by the General Meeting of the Shareholders on 31 March 2023 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 3 years.

Because we have not obtained the directors’ report, we are not able to determine if the directors’ report, which is the responsibility of the Board of Directors, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 19 July 2024

A handwritten signature in blue ink, appearing to read 'C. Schaus', is written over a light blue horizontal line.

Christiane Schaus