

Pro-forma Impact of Certain Affiliated Reinsurance as of, and for, the Three Months Ended March 31, 2024

The following analysis presents information regarding the pro-forma notional attribution of capital and surplus, and income to Forethought Life Insurance Company (FLIC) as a result of certain funds withheld reinsurance arrangements with its Bermuda-domiciled reinsurance affiliates, Global Atlantic Re Limited (GA Re) and Global Atlantic Assurance Limited (GAAL). This information is provided for the single purpose of evaluating the financial position of FLIC in connection with a particular rating agency and should not be, and is not intended to be, used for any other regulatory, investment, or other purpose. This information is not prepared on the basis of generally accepted accounting principles, statutory accounting principles in the United States or Bermuda, nor any other comprehensive basis of accounting. This information should be considered together with the statutory filings of Global Atlantic Financial Group's insurance entities. In addition, the information presented below is unaudited.

Notional Attribution of GA Re and GAAL Capital and Surplus

The tables below include an allocation of statutory capital and surplus, pre-tax income and net income based on the following methodology:

- Any isolated capital is applied to the entity to which the capital relates to
- Surplus capital is allocated on a pro-rata basis based on total reserves (not withstanding that some isolated capital may already be associated with some reserves)
- Income is allocated based off the allocation of capital described above

Notional Capital Attribution*

FLIC - Funds Withheld Arrangement
Other Affiliate and External Reinsurance
Total GA Re and GAAL Capital and Surplus

March 31, 2024	
(Unaudited, in thousands)	
\$	956,862
	2,670,439
\$	<u>3,627,301</u>

Notional Income Attribution*

FLIC - Funds Withheld Arrangement Pre-Tax Operating Income
Other Affiliate and External Reinsurance Pre-Tax Operating Income
Total GA Re and GAAL Pre-Tax Operating Income

For the Three Months Ended March 31, 2024	
(Unaudited, in thousands)	
\$	45,416
	126,749
\$	<u>172,165</u>

FLIC - Funds Withheld Arrangement After-Tax Operating Income
Other Affiliate and External Reinsurance After-Tax Operating Income
Total GA Re and GAAL After-Tax Operating Income

\$	38,200
	106,611
\$	<u>144,811</u>

FLIC - Funds Withheld Arrangement Net Income
Other Affiliate and External Reinsurance Net Income
Total GA Re and GAAL Net Income

\$	36,888
	102,950
\$	<u>139,838</u>

Notional Attribution of Allocated Capital to Invested Assets

The below table further attributes the allocated capital and surplus to NAIC invested asset categories based on the proportional mix of the actual assets for GA Re and GAAL.

Invested Assets*

CMBS
RMBS
ABS
Corporate Bonds
US Government Bonds
Other Bonds
Funding Agreement
Common Stock
Mortgage
Preferred Stock
Cash
Short term
Derivatives
BA Assets
Total Allocated Surplus

March 31, 2024	
(Unaudited, in thousands)	
\$	74,540
	90,232
	68,129
	344,853
	139,798
	26,792
	-
	287
	119,129
	574
	86,213
	-
	-
	6,315
\$	<u>956,862</u>

Bonds by NAIC Category*

NAIC 1
NAIC 2
Investment grade
NAIC 3
NAIC 4
NAIC 5
NAIC 6
Below Investment Grade
Exempt Investments
Money Market Funds
Total Bonds

\$	392,567
	210,351
	<u>602,918</u>
	3,126
	2,903
	1,935
	74
	<u>8,039</u>
	133,386
	-
\$	<u>744,343</u>

Bonds by ASC 820 Fair Value Level*

Level 1
Level 2
Level 3
Total

\$	133,386
	591,604
	19,353
\$	<u>744,343</u>

Notional Allocation of Investment Income to Surplus Account

The below table shows a notional allocation of surplus net investment income to FLIC based on underlying returns.

Net Investment Income*

Bonds
Mortgages and Other Loans
Cash/Cash Equivalents
Gross
Expense
Total

For the Three Months Ended March 31, 2024	
(Unaudited, in thousands)	
\$	13,665
	2,676
	774
	<u>17,116</u>
	1,487
\$	<u>15,628</u>

Capital Gains and (Losses)*

Bonds
Mortgages and Other Loans
Equity Derivatives
Total

\$	(35)
	(175)
	-
\$	<u>(210)</u>

* Rounding differences may occur