

Pro-forma Impact of Certain Affiliated Reinsurance as of, and for, the Six Months Ended June 30, 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 (notwithstanding 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

June 30, 2024	
(Unaudited, in thousands)	
\$	962,322
	2,786,894
\$	<u>3,749,216</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 Six Months Ended June 30, 2024	
(Unaudited, in thousands)	
\$	78,135
	226,279
\$	<u>304,413</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

\$	67,376
	195,120
\$	<u>262,496</u>

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

\$	53,024
	153,557
\$	<u>206,580</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

June 30, 2024	
(Unaudited, in thousands)	
\$	74,003
	116,345
	77,082
	344,415
	88,630
	21,364
	-
	289
	189,193
	481
	44,940
	-
	-
	5,581
\$	<u>962,322</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

\$	422,275
	206,085
	<u>628,360</u>
	4,114
	3,681
	3,032
	72
	<u>10,900</u>
	82,578
	-
\$	<u>721,838</u>

Bonds by ASC 820 Fair Value Level*

Level 1
Level 2
Level 3
Total

\$	82,578
	609,448
	29,812
\$	<u>721,838</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 Six Months Ended June 30, 2024	
(Unaudited, in thousands)	
\$	9,200
	1,145
	780
	11,126
	752
\$	<u>10,373</u>

Capital Gains and (Losses)*

Bonds
Mortgages and Other Loans
Equity Derivatives
Total

\$	(831)
	(2,540)
	-
\$	<u>(3,371)</u>

* Rounding differences may occur