A POWERFUL FORCE FOR SUSTAINABLE WELLBEING

SEPTEMBER **2023**
SIX-MONTH REPORT

BELONG BLAC
Black Leaders & Allies for Change

ARGUS
Our Interest is You.

CONTENTS

POWERFUL STRATEGY

We see a future filled with opportunity. Opportunities to simplify, transform and grow our business into a powerful force for sustainable wellbeing, one connected community at a time.

SIMPLIFY

We unlock value by simplifying the challenges our customers and patients face.

Through our ever-improving digital integration, unleashing the power of our team to deliver best in class client experience.

TRANSFORM

We unlock value by positively transforming the markets, the categories and the lives of those we serve.

Through our agility and acumen, we unleash the power of our solutions and purpose to serve a rapidly changing world.

GROW

We unlock value by growing our existing business and growing our future horizons.

Through growing the markets, the lives and careers of those we collaborate with.

Nahida Mohamed, Vice President Strategic Initiatives Americas at the Leadership Summit 2022

SUSTAINABLE OPPORTUNITY

Responding to global trends facing our markets.

CHALLENGES

HEALTH TREATMENT COSTS

Healthcare cost inflation continues apace, driven by the costs of labour, supplies and medications. Innovative treatments can lead to better outcomes, but at a higher price.

BERMUDA'S HEALTH CHALLENGES

Bermuda has an aging population – this will lead to greater need for chronic disease management (such as diabetes) and long-term healthcare.

INCREASING RE-INSURANCE COSTS

Re-insurance pricing is rising in response to climate risks, and capacity is under pressure. This impacts property and casualty insurers with exposure to wind storm risk.

MEETING CUSTOMER EXPECTATIONS

Customers increasingly demand personalised, convenient and digital experiences. Justifying the related investment is more difficult for smaller insurers.

TECHNOLOGY AND PEOPLE

As technology advances, insurers need to keep pace via data analytics and automated processes. Talent pools need to be developed to enhance digital skills and capabilities.

OUR RESPONSES

HEALTHCARE SOLUTIONS

We have responded to healthcare cost inflation by integrating in-house purchasing (One Team Health) with local primary care providers (Island Health Services), and our insurance company. This helps us achieve cost savings from healthcare providers whilst maintaining quality of care.

THE BETTER HEALTH PARTNERSHIP

The Argus health ecosystem focuses on preventative care addressing diseases such as diabetes and hypertension early. In the longer term, that will benefit our customers as well as our financial returns.

REINSURANCE

Our underwriting record is also strong, based on long experience in our markets and effective data management. Argus' international businesses also help to diversify risk and make us a more attractive counterparty to reinsurers.

TECHNOLOGY INVESTMENT

We continue to optimise our operations and enhance customer experience through digitisation of processes - leveraging automation and integrations, building modular and scalable architectures, and replacing monolithic legacy systems.

INVESTMENT IN PEOPLE

We continue to invest in our talent while focusing on skills and capabilities needed to drive our strategic objectives. In the 2022/23 fiscal year we had an 80 percent group employee engagement score.

Alison Hill, CEO and Louis Millar, Head of Argus Wealth Management at the Leadership Summit 2022

MESSAGE TO OUR SHAREHOLDERS

Dear Shareholders,

The Argus Group continues to deliver attractive operational earnings. Our track record of excellence is built on our robust business model and the diligence and dedicated efforts of our talented team.

The Argus Group has evolved from a traditional insurance and financial services business to a well-rounded customer-led business that is creating integrated physical and financial solutions for our corporate and individual customers. This has resulted in robust and diverse sources of revenue and exciting opportunities for further growth.

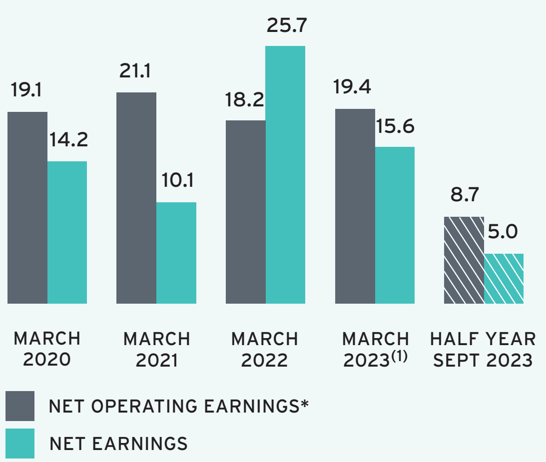
Operating earnings for the six months were $8.7 million compared to $10.2 million for the same period last year. Net income for the six months to September 2023, which includes certain non-recurring expenses illustrated below, was $5.0 million.

We remain focused on continuing to deliver attractive and sustainable returns for our investors. Shareholders' equity has grown at an annualised growth rate of 7.4 percent over the last 5 years to $154.2 million as of September 30, 2023. During this time, we have also returned $21.2 million to shareholders through dividends.

On April 1, 2023, the long-awaited new accounting standards of IFRS 9 and IFRS 17 came into effect. Implementation of these new accounting standards has a transitional impact on the reported equity and income for the year. These impacts are detailed in the financial statements within this report.

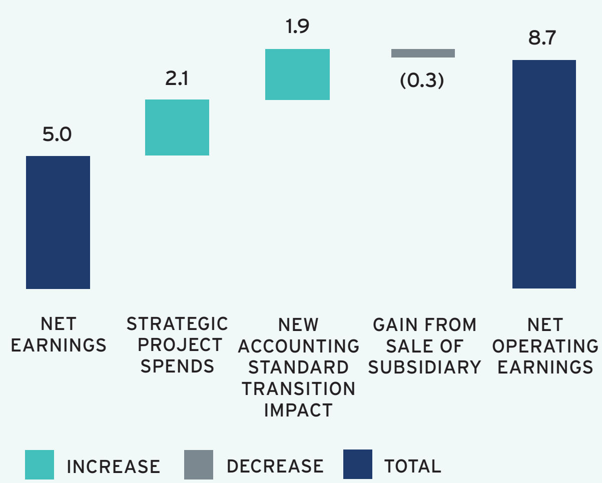
The accounting policies adopted by the Group under IFRS 9 and IFRS 17 are expected to significantly reduce the 'noise' in reported income caused by interest rate volatility and provide a clearer view of the underlying performance of the Group.

EARNINGS PERFORMANCE ($ MILLIONS)

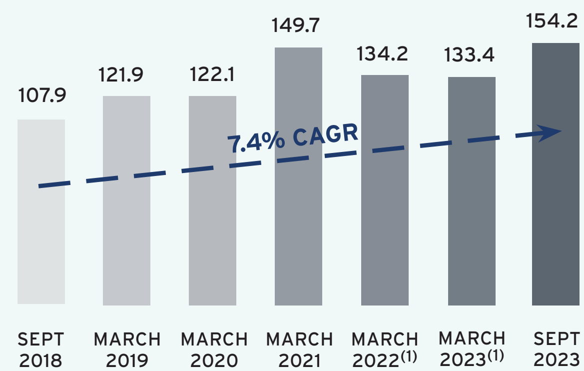


*Net Operating Earnings – refers to net earnings excluding the impact of external market factors and/or one-off events such as Change in fair value of investments and investment properties, gains from sale of business segments, non-core assets, asset impairments, strategic project spends, and one-time transitional impacts from adoption of new accounting standards.

OPERATING EARNINGS RECONCILIATION ($ MILLIONS)



SHAREHOLDERS' EQUITY ($ MILLIONS)



(1) Restated for IFRS 17

The key performance metrics for the period have remained strong. The strength in our insurance operations is reflected in the combined operating ratio – a key metric to track the overall performance of our underwriting operations. For the six months to September 30, 2023, the combined operating ratio for the insurance businesses was a healthy 83.7 percent[1], which is in line with expectations.

Insurance revenue for the six months to September 2023, increased by $7.5 million, or approximately 8.9 percent, compared to the same period last year. Our disciplined implementation of insurance premium rate increases, to respond to inflationary cost pressures, has been a major contributor to our continuing success.

(1) Combined Operating Ratio is calculated as sum of insurance service expenses, commission expense net of commission income, reinsurance costs, and operating expense divided by sum of insurance revenues and management fee income.

Claims activity across our insurance businesses has been in line with our expectations.

Our extensive reinsurance programme significantly reduces our exposure to large risk events and results in low volatility underwriting income, even when catastrophes occur. As a result the 2023 storms did not have a material net impact to our results.

Fee income, as shown in the chart below, has increased by $3.5 million, or 16.7 percent, compared to the same period last year. Our healthcare delivery and administrative businesses have been a key driver of this growth.

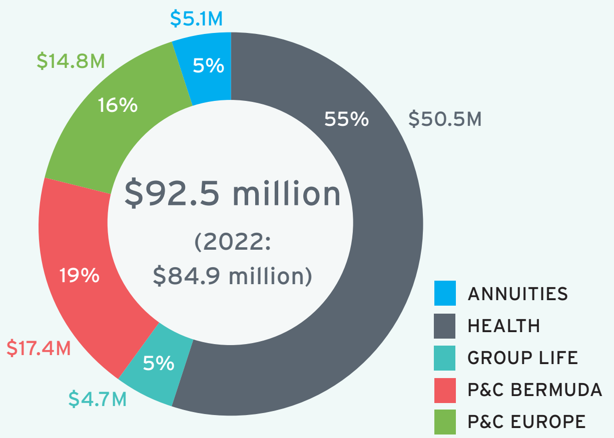
Operating cash flows have remained strong, with a net operating cash inflow for the six months of $22.4 million, compared to net inflow of $10.5 million over the same period last year.

The Argus Group continues to hold a high quality, diversified, global investment portfolio. 92 percent of the Group's investments are in fixed income bonds, of which 99 percent are classified as investment grade.

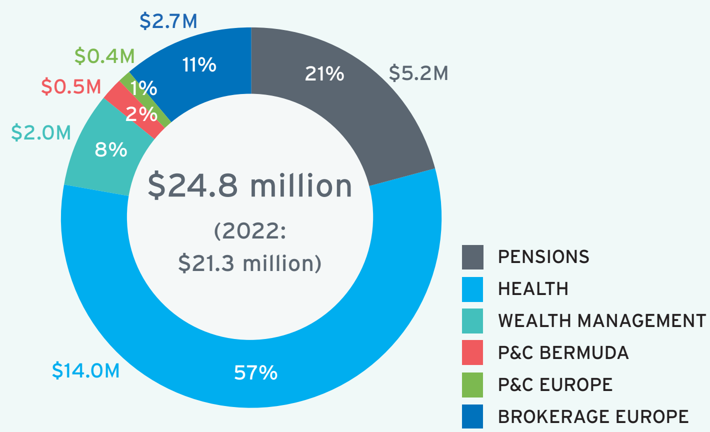
Excluding the one-off transitional impact of IFRS 9, the Group's investment portfolio generated a total loss of $3.5 million for the six months to September 30, 2023, $6.2 million of income reported through the income statement, and $9.7 million of other comprehensive losses.

Market interest rates increased during the six months resulting in unrealised losses in the value of our fixed income portfolio. We generally hold our fixed income investments to maturity therefore we anticipate these market-driven unrealised losses will unwind over the remaining period to maturity.

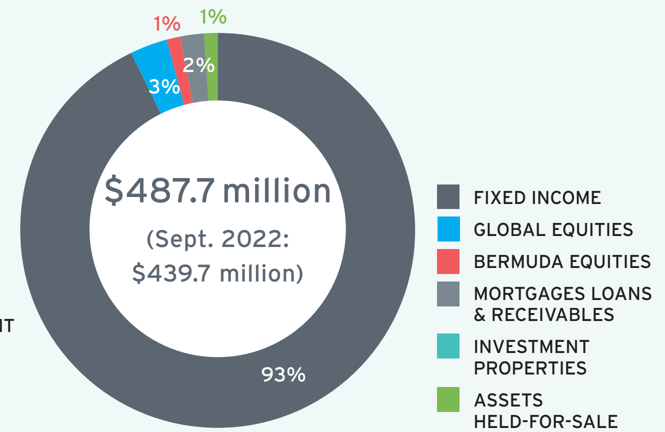
INSURANCE REVENUE ($ MILLIONS)



COMMISSION & FEE INCOME ($ MILLIONS)



INVESTMENT ASSETS AT 30 SEPT. 2023



The Argus Group's philosophy is to continually strive to deliver shareholder value, whilst ensuring that future liability payments are met, and strong capital levels are maintained. We act as careful and diligent stewards of policyholder and shareholder assets. We have a clear objective to maximise sustainable long-term, risk-adjusted returns via judicious underwriting, investing and capital allocation strategies without taking inappropriate levels of risk.

Sustainability is at the core of who we are and what we do. We are proud that sustainability has been ingrained in the Argus culture for many years and is a foundation of our brand purpose. We have published our second sustainability report, sharing the progress we have made as we further integrate sustainability across our organisation. Our sustainability reports can be found at www.argus.bm/sustainability.

Our capital exceeds regulatory requirements and internal targets, and we continue to seek opportunities to strategically deploy capital to optimise shareholder value.

Our focus is growth and sustainable profitability. Since March 2020 we have seen a strong improvement to our price-to-book ratio, whilst annualised shareholder returns (share price growth and dividends) over the last three years up to 30 September 2023 were 35 percent.

The Board has declared a dividend of twelve cents per share, payable on January 26, 2024, for shareholders of record on December 29, 2023. This results in a 9 percent increase in the dividend compared to the same period in the prior year.

We wish to remember our dear friend and colleague, Mr. David Pugh, who sadly passed away earlier this year. Our thoughts and prayers are with his family.

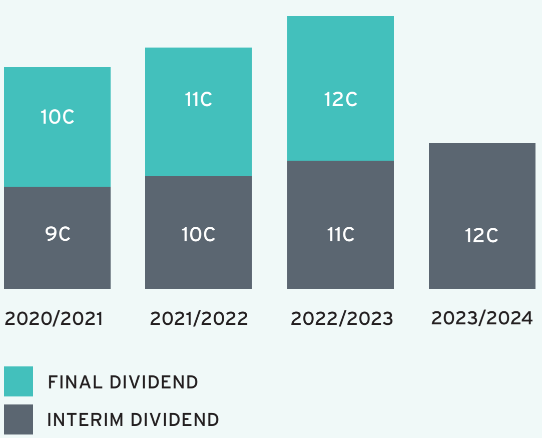
On behalf of the Board and Management we thank our shareholders and clients for their continued support and our staff for their steadfast commitment.

DAVID A. BROWN
CHAIR, ARGUS GROUP

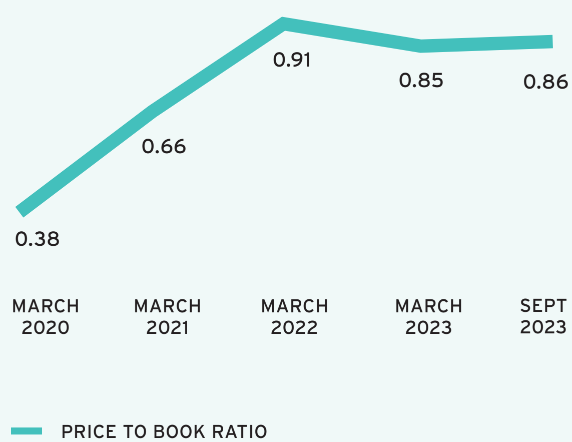
ALISON S. HILL
GROUP CEO

PETER J. DUNKERLEY
GROUP CFO

DIVIDENDS DECLARED



PRICE TO BOOK RATIO



"WE HAVE ONCE AGAIN MADE TANGIBLE AND MEANINGFUL PROGRESS."

DOING THE RIGHT THING, FOR ALL, ALWAYS

GOVERNANCE REPORT

OUR BOARD OF DIRECTORS

Our Directors are dedicated to promoting collaboration, sustainability and innovation throughout the Company. They are focussed on the goals of adding value for our shareholders and ensuring exceptional experiences for our customers and colleagues. They are committed to setting Argus apart as a leader in the industry.

DAVID A. BROWN, CPA, FCA
CHAIR

KEITH W. ABERCROMBY, BSC, FIA
INDEPENDENT DIRECTOR

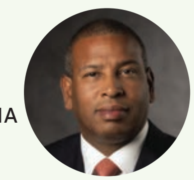
PETER R. BURNIM, MBA
INDEPENDENT DIRECTOR

TIMOTHY C. FARIES, BA, LLB, LLM
INDEPENDENT DIRECTOR
Chief Executive Officer,
Appleby Global Services and Partner,
Appleby (Bermuda) Limited

ALISON S. HILL, FCMA, CGMA
CHIEF EXECUTIVE OFFICER
Argus Group Holdings Limited

BARBARA J. MERRY, BA, ACA
INDEPENDENT DIRECTOR

CONSTANTINOS MIRANTHIS, MA, FIA
INDEPENDENT DIRECTOR



E. BARCLAY SIMMONS, LLB, MBA
INDEPENDENT DIRECTOR
Chairman and CEO, Rose Investment Limited

KIM R. WILKERSON, JP, CPCU
INDEPENDENT DIRECTOR
Senior Vice President, Regional Head of Claims, AXA XL Insurance

PAUL C. WOLLMANN, MBA, CPCU, ARE, ARM
INDEPENDENT DIRECTOR
President & Chief Underwriting Officer,
Essent Reinsurance Ltd.

OFFICERS & COMMITTEES

ARGUS GROUP HOLDINGS LIMITED

David A. Brown (Chair)
Keith W. Abercromby
Peter R. Burnim
Timothy C. Faries
Alison S. Hill
Barbara J. Merry
Constantinos Miranthis
E. Barclay Simmons
Kim R. Wilkerson
Paul C. Wollmann

OFFICERS

Chair – David A. Brown
Deputy Chair – Peter R. Burnim
Chief Executive Officer – Alison S. Hill
Chief Financial Officer – Peter J. Dunkerley
Chief Investment Officer – Simon Giffen
Company Secretary – Janice Fernandes
Assistant Secretary – Sasha Castle-Siddiq

BOARD COMMITTEES

AUDIT COMMITTEE

Keith W. Abercromby (Chair)
David A. Brown
Alison S. Hill
Constantinos Miranthis
Paul C. Wollmann

GOVERNANCE COMMITTEE

Timothy C. Faries (Chair)
Alison S. Hill
Barbara J. Merry

PEOPLE & COMPENSATION COMMITTEE

Kim R. Wilkerson (Chair)
David A. Brown
Peter R. Burnim
Alison S. Hill

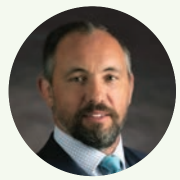
RISK COMMITTEE

E. Barclay Simmons (Chair)
Peter R. Burnim
Alison S. Hill
Barbara J. Merry
Constantinos Miranthis

OUR LEADERSHIP TEAM

In partnership with our Board of Directors, our Leadership team is focused on driving value for our shareholders while championing best-in-class experiences for our customers and colleagues. Our team combines experience with passion for our purpose, to propel us forward, becoming a powerful force for sustainable wellbeing.

ALISON HILL
CHIEF EXECUTIVE OFFICER



PETER DUNKERLEY
CHIEF FINANCIAL OFFICER
& DEPUTY CHIEF EXECUTIVE OFFICER

SIMON GIFFEN
CHIEF INVESTMENT OFFICER

TOM HEALY
GLOBAL DIRECTOR OF FINANCE

PETER LOZIER
CHIEF COMMERCIAL OFFICER
& GLOBAL HEAD OF HEALTH

ROBBIE MACDONALD
GROUP GENERAL COUNSEL

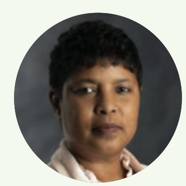
ONESIMUS NZABALINDA
CHIEF GLOBAL COMPLIANCE
& AUDIT OFFICER

TORY RICHARD
CHIEF INFORMATION OFFICER

HANNAH ROSS
CHIEF STRATEGY
& CAPITAL OFFICER

ALEX REYNOLDS
CHIEF CORPORATE DEVELOPMENT
& INVESTOR RELATIONS OFFICER

DAVID SIMONS
CHIEF EXPERIENCE OFFICER



SHEENA SMITH
CHIEF HUMAN CAPITAL
& CULTURE OFFICER

OUR PRINCIPAL OPERATING SUBSIDIARIES

BERMUDA

ARGUS INSURANCE COMPANY LIMITED

Paul C. Wollmann (Chair)
Peter J. Dunkerley
Alison S. Hill
Peter Lozier
Constantinos Miranthis

CENTURION INSURANCE SERVICES LIMITED

Barbara Merry (Chair)
Peter J. Dunkerley
Ryan Eve
Alison S. Hill
Kim R. Wilkerson

BERMUDA LIFE INSURANCE COMPANY LIMITED

Timothy C. Faries (Chair)
Peter J. Dunkerley
Alison S. Hill
Constantinos Miranthis
E. Barclay Simmons
Kim R. Wilkerson

ISLAND HEALTH SERVICES LTD.

David A. Brown (Chair)
Dr. Gerhard Boonstra
Peter J. Dunkerley
Alison S. Hill
Peter Lozier
Dr. Jeffrey MacLeod

I.H.S. LABORATORIES LIMITED

David A. Brown (Chair)
Peter J. Dunkerley
Alison S. Hill
Peter Lozier
Dr. Jeffrey MacLeod

ARGUS WEALTH MANAGEMENT LIMITED

Peter R. Burnim (Chair)
Peter J. Dunkerley
Alison S. Hill
Paul C. Wollman

CANADA

ONE TEAM HEALTH, INC.

Peter R. Burnim (Chair)
Peter J. Dunkerley
Alison S. Hill
Peter Lozier
Kim R. Wilkerson

OUR PRINCIPAL OPERATING SUBSIDIARIES

GIBRALTAR

ARGUS INSURANCE COMPANY (EUROPE) LIMITED

Keith W. Abercromby (Chair)
Peter R. Burnim
Peter J. Dunkerley
Alison S. Hill
Michael Macelli
Constantinos Miranthis
Hanno Vlok

WESTMED INSURANCE SERVICES LIMITED

Alison S. Hill (Chair)
Peter J. Dunkerley
Hanno Vlok

ARGUS GROUP HOLDINGS (EUROPE) LIMITED

Alison S. Hill (Chair)
Peter J. Dunkerley

MALTA

ANTES INSURANCE BROKERS LIMITED

Barbara J. Merry (Chair)
Peter J. Dunkerley
Alison S. Hill
Kevin Galea Pace
Lawrence Pavia
Kim R. Wilkerson*

** Subject to receipt of regulatory approval*

STRENGTH IN NUMBERS

FINANCIAL REPORT

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited in $ thousands)	Note	SEPTEMBER 30 2023	MARCH 31 2023 *Restated (1)*	APRIL 1 2022 *Restated (1)*
Assets				
Cash and short-term investments		**52,957**	41,587	55,849
Interest and dividends receivable		**3,311**	3,351	2,526
Assets held-for-sale		**3,645**	7,937	4,240
Investments	3	**481,695**	464,760	472,498
Receivable for investments sold		**365**	-	2,400
Trade and other receivables		**8,654**	8,466	6,747
Reinsurance contract assets		**22,007**	25,984	24,539
Other assets		**10,560**	11,412	10,969
Investment properties		**2,399**	2,399	2,774
Investment in associates		**2,993**	2,993	2,908
Property and equipment		**54,259**	53,392	54,073
Right-of-use assets		**2,581**	3,639	3,411
Intangible assets		**23,986**	24,553	25,875
TOTAL GENERAL FUND ASSETS		**669,412**	650,473	668,809
Segregated fund assets	9	**1,119,379**	1,128,406	1,203,738
TOTAL ASSETS		**1,788,791**	1,778,879	1,872,547

(unaudited in $ thousands)	Note	SEPTEMBER 30 2023	MARCH 31 2023 *Restated (1)*	APRIL 1 2022 *Restated (1)*
Liabilities				
Fee based payables		**12,575**	10,448	8,939
Liabilities held-for-sale		**-**	65	-
Taxes payable		**184**	295	216
Accounts payable and accrued liabilities		**31,855**	32,398	39,196
Lease liabilities		**2,932**	3,390	3,742
Insurance contract liabilities	6	**224,253**	223,983	232,745
Reinsurance contract liabilities		**332**	-	-
Investment contract liabilities		**240,284**	243,751	246,544
Post-employment benefit liability		**2,765**	2,790	3,271
TOTAL GENERAL FUND LIABILITIES		**515,180**	517,120	534,653
Segregated fund liabilities	9	**1,119,379**	1,128,406	1,203,738
TOTAL LIABILITIES		**1,634,559**	1,645,526	1,738,391
Equity				
Attributable to shareholders of the Company				
Share capital		**15,511**	15,419	15,472
Contributed surplus		**56,335**	55,595	54,915
Retained earnings		**88,958**	86,508	75,585
Accumulated other comprehensive loss	11	**(6,572)**	(24,169)	(11,816)
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		**154,232**	133,353	134,156
TOTAL EQUITY		**154,232**	133,353	134,156
TOTAL EQUITY AND LIABILITIES		**1,788,791**	1,778,879	1,872,547

Approved by the Board of Directors

David A. Brown
Chair

Alison S. Hill
Chief Executive Officer

(1) Restated for the adoption of IFRS 17. See Note 2.2.1 for details.

The accompanying notes form part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

For the six months ended September 30 (unaudited in $ thousands)	Note	2023	2022 Restated (1)
Insurance revenue		**92,453**	84,913
Insurance service expenses		**(63,786)**	(53,531)
Net expense from reinsurance contracts held		**(8,649)**	(9,682)
INSURANCE SERVICE RESULT		**20,018**	21,700
Investment income	3	**4,313**	4,377
Net finance expense from insurance contracts		**(2,666)**	(1,065)
Net finance income/(expense) from reinsurance contracts held		**154**	(150)
Movement in investment contract liabilities		**29**	-
NET FINANCIAL RESULT		**1,830**	3,162
Gain from the sale of subsidiary		**259**	-
Fee income from service contracts	10	**24,808**	21,252
Commission expenses		**(863)**	(767)
Other operating expenses		**(40,845)**	(36,003)
EARNINGS BEFORE INCOME TAXES		**5,207**	9,344
Income tax expense		**(174)**	(184)
NET EARNINGS FOR THE PERIOD		**5,033**	9,160
Attributable to:			
Shareholders of the Company		**5,033**	9,160
Earnings per share			
Basic	8	**0.23**	0.43
Fully diluted		**0.23**	0.43

(1) Restated for the adoption of IFRS 17. See Note 2.2.1 for details.

The accompanying notes form part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE OPERATIONS

For the six months ended September 30 (unaudited in $ thousands)	Note	2023	2022 *Restated* (1)
NET EARNINGS FOR THE PERIOD		**5,033**	9,160
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to net earnings:			
Post-employment medical benefit obligation remeasurement		**(6)**	459
Change in unrealised gains on equity investments		**370**	-
Items that are or may subsequently be reclassified to net earnings:			
Change in unrealised gains/(losses) on bond investments		**9,711**	(37,763)
Net finance expenses from insurance contracts		**7,740**	18,366
Change in unrealised losses on translating financial statements of foreign operations		**(218)**	(2,929)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**17,597**	(21,867)
COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		**22,630**	(12,707)
OTHER COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:			
Shareholders of the Company		**17,597**	(21,867)
		17,597	(21,867)
COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:			
Shareholders of the Company		**22,630**	(12,707)
		22,630	(12,707)

(1) Restated for the adoption of IFRS 17. See Note 2.2.1 for details.

The accompanying notes form part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended September 30 (unaudited in $ thousands)	Note	2023	2022 *Restated* (1)
Share Capital			
Authorised:			
25,000,000 common shares of $1.00 each (2022 – 25,000,000)		**25,000**	25,000
Issued and fully paid, beginning of period 22,813,487 shares (2022 – 22,638,867 shares)		**22,814**	22,639
Add: Shares issued under the dividend reinvestment plan 119,194 shares (2022 – 82,511 shares)		**119**	83
Deduct: Shares held in Treasury, at cost 1,294,519 shares (2022 – 1,253,270 shares)		**(7,422)**	(7,182)
BALANCE, NET OF SHARES HELD IN TREASURY, END OF PERIOD		**15,511**	15,540
Contributed Surplus			
Balance, beginning of period		**55,595**	54,915
Stock-based compensation expense		**140**	87
Treasury shares granted to employees		**15**	(428)
Shares issued under the dividend reinvestment plan		**585**	441
BALANCE, END OF PERIOD		**56,335**	55,015
Retained Earnings			
Balance at April 1, as previously reported		**113,904**	90,964
Adjustment on initial recognition of IFRS 17		**(27,396)**	(15,379)
Restated retained earnings balance at April 1		**86,508**	75,585
Net earnings for the period		**5,033**	9,160
Dividends		**(2,583)**	(2,354)
BALANCE, END OF PERIOD		**88,958**	82,391
Accumulated Other Comprehensive Loss			
Balance at April 1, as previously reported		**(43,655)**	(18,357)
Adjustment on initial recognition of IFRS 17		**19,486**	6,541
Restated accumulated other comprehensive loss balance at April 1		**(24,169)**	(11,816)
Other comprehensive income/(loss)		**17,597**	(21,867)
Balance, End of period		**(6,572)**	(33,683)
TOTAL ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		**154,232**	119,263
TOTAL EQUITY		**154,232**	119,263

(1) Restated for the adoption of IFRS 17. See Note 2.2.1 for details.

The accompanying notes form part of these condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended September 30 (unaudited in $ thousands)	Note	2023	2022 *Restated* (1)
OPERATING ACTIVITIES			
Earnings before income taxes		**5,207**	9,344
Adjustments to reconcile net earnings to cash basis			
Bad debt expense		**114**	518
Interest income		**(7,638)**	(6,187)
Dividend income		**(131)**	(129)
Investment income related to deposit administration pension plans		**1,178**	416
Net realised and unrealised losses on investments		**1,971**	1,250
Amortisation of mortgages and net premium of bonds		**(94)**	271
Net impairment losses on investments		**180**	-
Change in the fair value of contingent liability		**176**	208
Gain from the sale of subsidiary	12	**(259)**	-
Amortisation, depreciation and impairment		**3,473**	3,201
Expense on vesting of stock-based compensation		**140**	87
Interest expense on leases		**105**	96
		(785)	(269)
Change in operating balances			
Trade and other receivables		**(513)**	(354)
Reinsurance contract assets		**3,827**	(462)
Other assets		**867**	237
Fee based payables		**2,448**	1,227
Accounts payable and accrued liabilities		**(401)**	(2,103)
Insurance contract liabilities		**8,896**	1,417
Reinsurance contract liabilities		**332**	-
Investment contract liabilities		**(3,467)**	(3,565)
Post employment benefit liability		**(31)**	(2)
		11,958	(3,605)
Interest income received		**6,324**	5,069
Dividend income received		**131**	129
Income tax paid		**(408)**	(216)
CASH GENERATED FROM OPERATING ACTIVITIES		**22,427**	10,452

For the six months ended September 30 (unaudited in $ thousands)	Note	2023	2022 *Restated* (1)
INVESTING ACTIVITIES			
Purchase of investments		**(88,202)**	(78,272)
Sale, maturity and paydown of investments		**78,269**	74,319
Sale of subsidiary, net of cash disposed of	12	**4,418**	-
Purchase of property and equipment		**(2,756)**	(1,572)
CASH USED IN INVESTING ACTIVITIES		**(8,271)**	(5,525)
FINANCING ACTIVITIES			
Dividends paid to shareholders		**(1,889)**	(1,844)
Interest expense paid		**(105)**	(96)
Acquisition of shares held in Treasury		**-**	(584)
Principal elements of the lease payments		**(368)**	(354)
CASH USED IN FINANCING ACTIVITIES		**(2,362)**	(2,878)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND SHORT-TERM INVESTMENTS		**(424)**	(2,916)
NET INCREASE/(DECREASE) IN CASH AND SHORT-TERM INVESTMENTS		**11,370**	(867)
CASH AND SHORT-TERM INVESTMENTS, beginning of period		**41,587**	55,849
CASH AND SHORT-TERM INVESTMENTS, end of period		**52,957**	54,982

(1) Restated for the adoption of IFRS 17. See Note 2.2.1 for details.

The accompanying notes form part of these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2023

(Amounts in tables are expressed in thousands of Bermuda dollars, except for per share amounts and where otherwise stated)

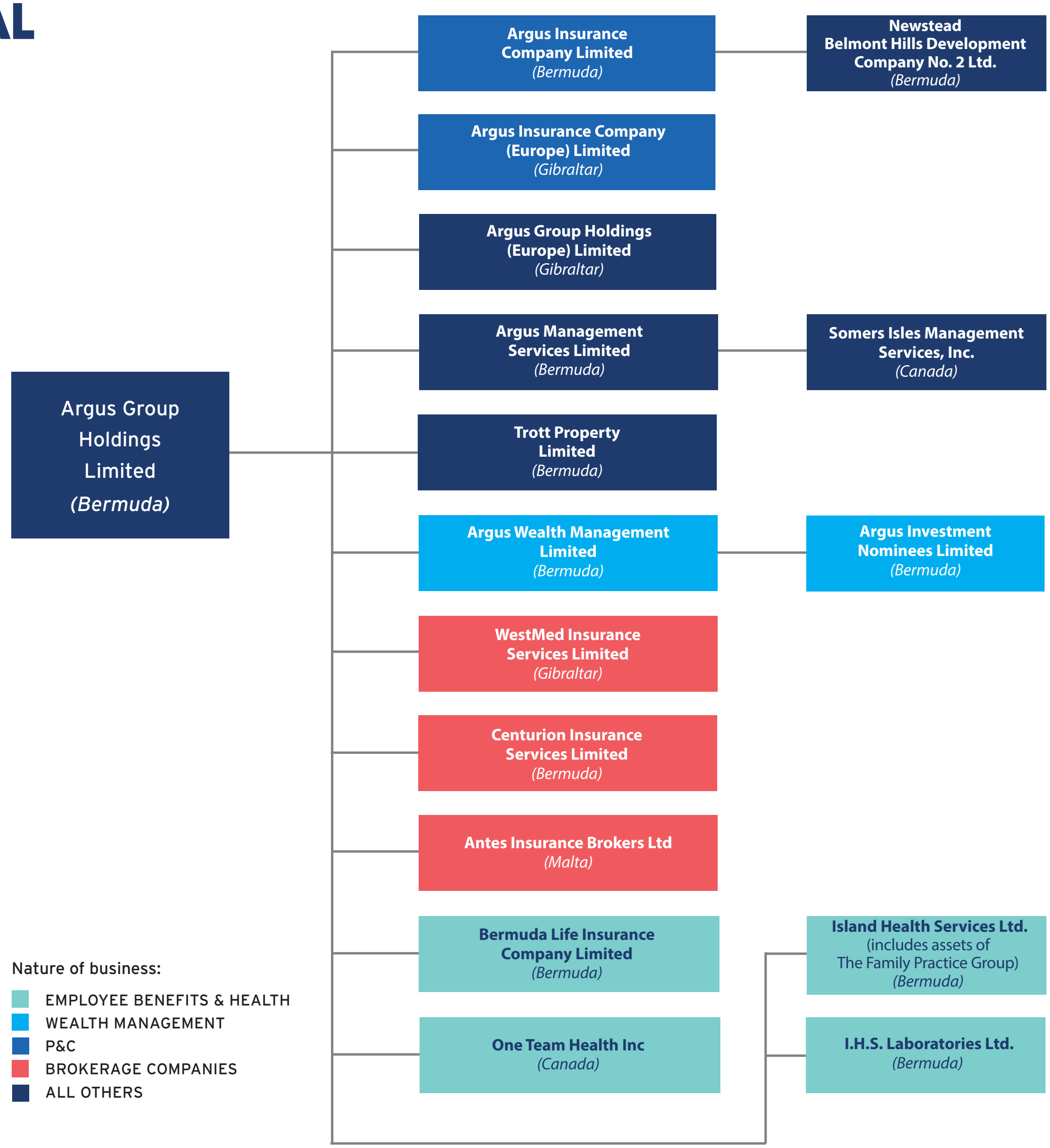
1 Operations

Argus Group Holdings Limited (the Company) was incorporated in Bermuda with limited liability on May 26, 2005, as a holding company and has its registered office at the Argus Building, 14 Wesley Street, Hamilton HM 11, Bermuda. The Company's shares are traded on the Bermuda Stock Exchange. At September 30, 2023, it had 1,403 shareholders; 80.2 percent of whom were Bermudian, holding 82.8 percent of the issued shares.

The Company and its subsidiaries (the Group) operates predominantly in Bermuda, Gibraltar, Malta and Canada underwriting life, health, property and casualty insurance (P&C). The Group also provides investment, savings and retirement products, administrative services and insurance broker services.

1.1 GROUP COMPOSITION

The table provides details of the significant subsidiaries as at September 30, 2023, which are directly and indirectly held by the Company.



2 Significant Accounting Policies

2.1 BASIS OF PRESENTATION

These unaudited consolidated interim financial statements have been prepared on a condensed basis in accordance with International Accounting Standard 34 (IAS 34), *Interim Financial Reporting* and do not include all of the information required for full annual financial statements.

All amounts are in Bermuda dollars, which is the Group's presentation currency and which are on par with United States (U.S.) Dollars. The Condensed Consolidated Balance Sheets are presented in order of decreasing liquidity.

These condensed consolidated interim financial statements follow the same accounting policies and methods of their application as our March 31, 2023, audited consolidated financial statements and should be read in conjunction with the latter, except for any changes discussed in Note 2.2.

2.2 NEW AND REVISED ACCOUNTING POLICIES AND STANDARDS

There are new standards and amendments to existing standards that are mandatory for the first time for financial periods beginning April 1, 2023, as discussed in the March 31, 2023, audited consolidated financial statements. Those new or revised standards with a material impact on the condensed consolidated interim financial statements of the Group are discussed below.

2.2.1 IFRS 17, INSURANCE CONTRACTS

Effective April 1, 2023, the Group adopted *IFRS 17, Insurance Contracts (IFRS 17)*, issued by the IASB in May 2017 as a replacement for *IFRS 4, Insurance Contracts*. IFRS 17 establishes the principles for the recognition, measurement, presentation, and disclosure of insurance contracts. The standard applies to all types of insurance contracts, including reinsurance contracts issued, reinsurance contracts held and investment contracts with discretionary participation features. IFRS 17 requires entities to measure groups of contracts at each reporting period using current estimates of fulfilment cash flows, which include all future cash flows associated with insurance contracts. The standard has been applied retrospectively unless impracticable to do so. This resulted in the restatement of certain comparative amounts.

2.2.1(a) INSURANCE CONTRACTS ISSUED

Insurance contracts are those contracts where the Group has accepted significant insurance risk from the policyholders by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholders. The Group aggregates Insurance contracts held into portfolios based on the underlying risk and the management of those risks.

All insurance contracts issued by the Group are measured using one of two models: the General Measurement Model (GMM), or the Premium Allocation Approach (PAA). The measurement model applied is dependent on the types of contracts written.

2.2.1(a)(i) INSURANCE CONTRACTS MEASURED UNDER THE GENERAL MEASUREMENT MODEL

The *GMM* requires insurance contracts to be measured using probability-weighted estimates of future cash flows, discounting, a risk adjustment for non-financial risk and contractual service margin (CSM). The CSM represents the unearned profit that will be recognised over the coverage period. The Group applies this measurement model to its annuity, individual life, and a subset of group long-term disability products.

On initial recognition, a group of GMM insurance contracts is measured as the total of the fulfilment cash flows (FCF), and the CSM. The FCF represents the current estimates of the future cash flows from premiums and pay out for claims and benefits, adjusted to reflect the timing of money and the associated financial and non-financial risks. The CSM on initial recognition of a group of insurance contracts is the total of the fulfilment cash flows, any cash flows arising at that date and any amount arising from the derecognition of any asset or liability recognised for insurance acquisition cash flows.

Subsequently the carrying value for a group of GMM insurance contracts is equal to the sum of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). The LRC comprises of the FCF related to services that will be provided under the contracts in future periods and any remaining CSM at the reporting date. The FCF is measured at the reporting date using current estimates of future cash flows, current discount rates and current estimates of the risk adjustment for non-financial risk. While the LIC includes the fulfilment cash flows for incurred claims and expenses that have not yet been paid, including claims incurred but not yet reported.

2.2.1(a)(ii) CONTRACTS MEASURED UNDER THE PREMIUM ALLOCATION APPROACH

The Group uses the PAA for measuring eligible group of insurance contracts with short duration and no significant variability in cashflows. This measurement model is applied to the property and casualty products, group health, group life, and a subset of group long term disability products for which the LRC would not differ materially from applying the GMM.

On initial recognition the LRC is measured as the premiums received at initial recognition; minus any insurance acquisition cash flows allocated to the group at that date and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for insurance acquisition cash flows. The Group has chosen not to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount for a group of PAA insurance contracts is equal to the sum of the LRC and the LIC. The LRC at initial recognition is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses and decreased by the amount recognised as insurance revenue for services provided and any additional insurance acquisition cash flows allocated after initial recognition. The Group will not apply discounting or interest accretion in measuring the LRC as it is expected that at the contract inception the period between payment by the policyholder of all or substantially all the premium, and the satisfaction of the insurer's corresponding obligation to provide insurance coverage will be one year or less. The LIC at subsequent period, includes the fulfillment cash flows for losses on claims and expenses that have not yet been paid, inclusive of claims incurred but not reported. The future cash flows are discounted (at current rates) unless they are expected to be paid in one year or less from the date the claims are incurred.

2.2.1(b) REINSURANCE CONTRACTS HELD

The Group uses reinsurance contracts in the normal course of business to mitigate its risk exposures to insurance contacts issued. Reinsurance contracts held are recognised from the later of the beginning of the coverage period and when the underlying insurance contract is initially recognised.

2.2.1(b)(i) REINSURANCE CONTRACTS MEASURED UNDER THE GENERAL MEASUREMENT MODEL

The measurement of reinsurance contracts held at initial recognition largely follow the assumptions applied to the measurement of insurance contracts issued at initial recognition. On initial recognition, the CSM for a group of reinsurance contracts held is measured as an amount equal to the sum of the total FCF, the amount derecognised at that date of any asset or liability previously recognised for cash flows related to the group, any cash flows arising at that date; and any income recognised in the consolidated statement of operations because of onerous underlying contracts at that date. The group measures the estimates of the present value of future cash flows using assumptions consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts issued, with an adjustment for any risk of non-performance by the reinsurer due to disputes or credit risk.

Subsequently, the carrying amount of a group of reinsurance contracts held is the sum of the asset for remaining coverage (ARC) and the asset for incurred claims (AIC). The ARC comprises of the fulfillment cash flows that relate to services that will be received under the contracts in future periods, and any remaining CSM at that date. While the AIC includes the fulfillment cash flows for recovery of losses on claims and expenses that have not yet been received, including for recovery of claims incurred but not yet reported.

The CSM of each group of reinsurance contract assets held is adjusted to reflect changes in future cash flows, including from new contracts, assumption changes, and the amounts recognised from services received in the reporting period.

2.2.1(b)(ii) REINSURANCE CONTRACTS MEASURED UNDER THE PREMIUM ALLOCATION APPROACH

On initial recognition the ARC for a group of reinsurance contract held is measured as the premium paid, adjusted for ceding commissions that are not contingent on claims and any amounts previously recognised for cash flows related to the group. If the underlying contract is onerous, a loss recovery component is created and used to adjust the ARC.

Subsequently, the carrying amount for each group of reinsurance contracts held at each reporting date is the sum of the ARC and the AIC. The ARC from initial recognition is increased by any premium paid and reduced by the amount recognised as cost of reinsurance for services provided. The AIC is measured consistent with the AIC for contracts measured under the GMM model.

2.2.1 (c) PRESENTATION

2.2.1(c)(i) INSURANCE CONTRACTS ISSUED AND REINSURANCE CONTRACTS HELD

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the Consolidated Balance Sheets. Any assets or liabilities for insurance acquisition cash flows recognised before the corresponding insurance contracts are recognised and included in the carrying amount of the related portfolios of contracts.

2.2.1(c)(ii) INSURANCE REVENUE

For contracts measured under the GMM, insurance revenue is recognised as service is provided. This represents the amounts relating to changes in the LRC which the Group expects to receive consideration, and is comprised of:

- claims and other insurance service expenses incurred in the period, measured at the amounts expected at the beginning of the year;
- changes in risk adjustment for non-financial risk relating to current services;
- amount of the CSM recognised in profit or loss; and
- other amounts, including premium experience adjustments.

For insurance contracts measured under the PAA, the Group recognises insurance revenue based on the passage of time over the coverage period for a group of contracts.

2.2.1(c)(iii) INSURANCE SERVICE EXPENSES

Insurance service expenses are recognised in the Consolidated Statements of Operations as they are incurred and includes incurred claims and other insurance service expenses, amortisation of insurance acquisition cash flows, losses and reversal of losses on onerous contracts and adjustments to liabilities for incurred claims.

2.2.1(c)(iv) NET INCOME/(EXPENSES) FROM REINSURANCE CONTRACTS HELD

The financial performance of groups of reinsurance contracts held is recognised on a net basis in net income/(expenses) from reinsurance contracts held. This represents the cost of reinsurance less recoveries from reinsurer. The cost of reinsurance is recognised as services are received from the reinsurer over the coverage period, while reinsurance recoveries are recognised as claims and other insurance service expenses are recovered, including reinsurance profit commission income.

2.2.1(c)(v) NET FINANCE INCOME OR EXPENSE FROM INSURANCE CONTRACTS AND REINSURANCE CONTRACT HELD

Net finance income or expense from insurance contracts and reinsurance contracts held are recognised as the carrying value for insurance and reinsurance contract changes as a result of a) the effect of the time value of money and changes in the time value of money; and b) the effect of financial risk and changes in financial risk.

2.2.1(c)(vi) INSURANCE CONTRACT RECEIVABLES AND PAYABLES

Insurance contract receivables and payables primarily consist of amounts owing from and to third party administrators intermediaries and creditors that are not directly attributable to a specific group of insurance or reinsurance contracts. Insurance contracts receivables are included in trade and other receivables on the condensed consolidated balance sheets. Insurance contract payables are presented in accounts payable and accrued liabilities on the condensed consolidated balance sheets.

2.2.1(d) IMPACT OF TRANSITION

The changes in accounting policies resulting from the adoption of IFRS 17 have been applied using a full retrospective approach, and where impracticable to do so a fair value approach has been applied. The Group as at April 1, 2022, recognised, measured, and presented each group of insurance and reinsurance contracts held as if IFRS 17 had always been applied. The effects of adopting IFRS 17 on the condensed consolidated financial statements on April 1, 2022, are presented in the condensed consolidated statement of changes in equity and not disclosure separately for each financial statement line and EPS.

The cumulative effect of the initial application of IFRS 17 was a reduction in net equity of $8.8 million as at April 1, 2022. Additionally, the comparative year has been restated resulting in a reduction to consolidated net earnings attributable to shareholder's equity of $12.0 million for the year ended March 31, 2023, and a cumulative decrease in shareholders' equity of $7.9 million these adjustments are presented in the consolidated statements of changes equity for the six months ended September 30, 2023 and 2022 as applicable.

The cumulative decrease to shareholders equity comprised of:

	MARCH 31 2023	APRIL 1 2022
Shareholders equity as previously reported	**141,263**	142,994
IFRS 17 adjustments:		
Discounting of provision for losses and loss adjustment expenses	**(638)**	(3,442)
Risk adjustments, net of release of IFRS 4 provision for adverse deviation	**(473)**	(152)
Contract service margin	**(6,799)**	(5,244)
TOTAL EQUITY ATTRIBUTABLE TO SHAREHOLDERS AS RESTATED	**133,353**	134,156

2.2.2 IFRS 9, FINANCIAL INSTRUMENTS

Effective April 1, 2023, the Group adopted *IFRS 9, Financial Instruments* (IFRS 9), issued by the IASB in July 2014, as a replacement for IAS 39, *Financial Instruments: Recognition and Measurement* (IAS 39). The Group holds several financial assets within its investment portfolios which were previously accounted for under IAS 39, these now require reclassification and remeasurement under IFRS 9.

The Group first recognises a financial asset based on its business model for managing the asset and the asset's contractual cash flow characteristics, which is based on its classification as (i) amortised cost (AC), (ii) fair value through other comprehensive income (FVOCI) or (iii) fair value through profit or loss (FVTPL). By default any financial asset that is not held in one of the three business models mentioned are measured at FVTPL. In the case of improved comparability, an election of matching the financial assets held under IFRS 9 to the corresponding financial liabilities recognised under IFRS 17 was made.

IFRS 9 also introduces a new impairment model for financial instruments not measured at FVTPL that requires the recognition of an expected losses at initial recognition of a financial instrument and the recognition of full lifetime expected losses if there is a Significant Increase in Credit Risk (SICR).

IFRS 9 reclassification of financial assets are accounted for prospectively, the impact of the transition is summarised below:

($ MILLIONS)		Financial Impact			
Prior Measurement (IAS 39)	Current Measurement (IFRS 9)	Net Income	Other Comprehensive Income	Total Return	Expected Credit Loss Allowance
FVOCI	FVOCI	-	-	-	**(100)**
FVOCI	AC	-	**17,900**	**17,900**	**(100)**
FVOCI	FVTPL	**(1,900)**	**1,900**	-	-
		(1,900)	**19,800**	**17,900**	**(200)**

2.3 SEASONALITY OF OPERATIONS

The Group underwrites a range of risks, some of which are subject to potential seasonal variation. The most material of these is the Group's exposure to North Atlantic hurricanes, which are largely concentrated in the second and third quarters of the fiscal year. In contrast, a majority of the insurance revenue in the lines of business impacted occurs during the first quarter of the fiscal year. If any catastrophic events do occur, it is likely that the Group will share some of the market's losses, net of reinsurance.

Details of the Group's recent exposures to these lines of business are disclosed in the March 31, 2023 annual report.

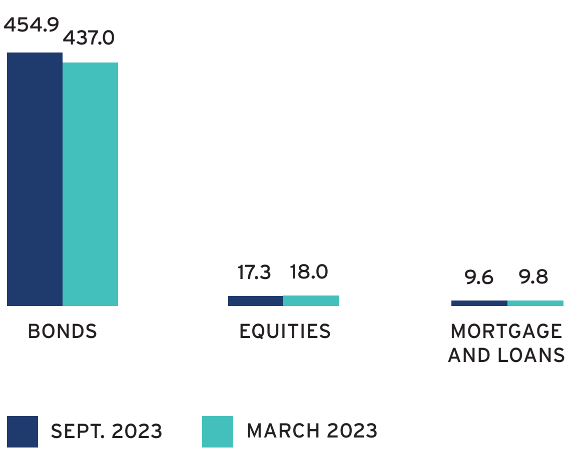
3 Investments

3.1 CARRYING VALUES AND ESTIMATED FAIR VALUES OF INVESTMENTS

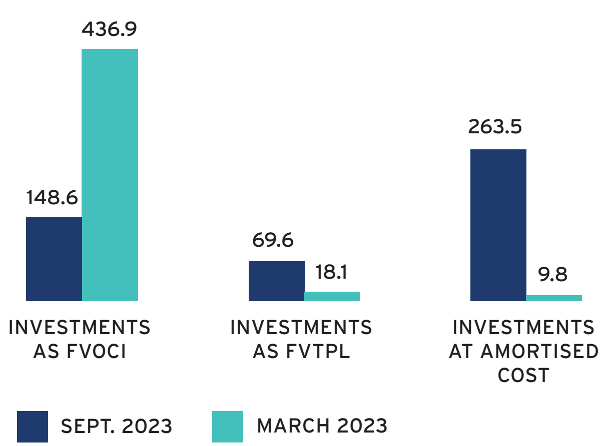
	SEPTEMBER 30, 2023		MARCH 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Investments at FVOCI (1)				
Bonds	**132,761**	**132,761**	420,181	420,181
Equities	**15,840**	**15,840**	16,712	16,712
	148,601	**148,601**	436,893	436,893
Investments at FVTPL (2)				
Bonds	**68,142**	**68,142**	16,821	16,821
Equities	**1,413**	**1,413**	1,290	1,290
	69,555	**69,555**	18,111	18,111
Investments at Amortised cost				
Bonds	**253,962**	**236,963**	-	-
Mortgages and loans	**9,536**	**9,945**	9,715	9,986
Policy loans	**41**	**41**	41	41
	263,539	**246,949**	9,756	10,027
TOTAL INVESTMENTS	**481,695**	**465,105**	464,760	465,031

(1) Fair value through Other Comprehensive Income (FVOCI)
(2) Fair value through profit or loss (FVTPL)

INVESTMENT COMPOSITION ($ MILLIONS)



INVESTMENT CLASSIFICATION ($ MILLIONS)



Included in Bonds at amortised cost are investments that support the investment contract liabilities associated with deposit administration pension plans of $237.0 million (March 31, 2023 – $234.4 million). These investments are maintained under a separate account to provide the policyholders certain protections from creditors of the Group.

INVESTMENTS THAT MEET THE SPPI CRITERION

The Group has investments of $442.3 million (March 31, 2023 – $440.3 million) that meet the SPPI criterion. This refers to bonds, mortgages and loans, and policy loans. The change in the fair value of these invested assets during the period is a gain of $10.1 million (March 31, 2023 – a loss of $23.5 million). In terms of credit quality of such assets (excluding mortgages and policy loan), 99 percent (March 31, 2023 – 98 percent) investments are above investment grade assets and the remaining 1 percent (March 31, 2023 – 2 percent) are below investment grade assets.

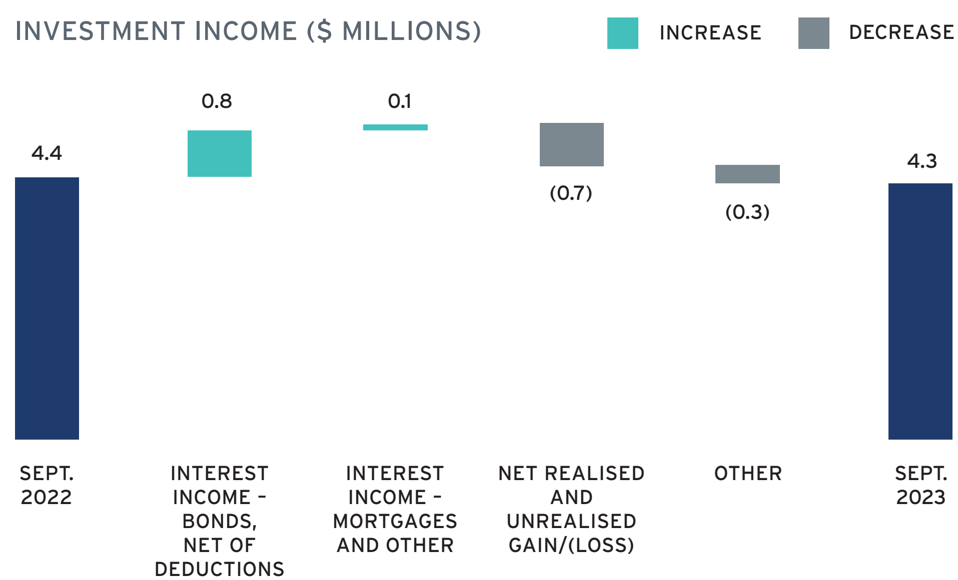
Investments with a carrying value of $22.4 million (March 31, 2023 – $24.5 million) do not have SPPI qualifying cash flows as at September 30, 2023. The change in the fair value of these invested assets during the period is a loss of $0.3 million (March 31, 2023 – a loss of $1.9 million). As a result of the Group adopting IFRS 9, a large proportion of the previously unrealised losses, was realised.

Equities with a carrying value of $1.4 million (March 31, 2023 – $1.3 million) do not meet the SPPI criterion as at September 30, 2023.

3.2 INVESTMENT INCOME

FOR THE SIX MONTHS ENDED SEPTEMBER 30	2023	2022
Interest income		
Bonds – at FVOCI	**2,654**	5,755
Bonds – at FVTPL	**629**	50
Bonds – at amortised cost	**3,695**	-
Mortgages and loans	**171**	101
Cash and other	**489**	281
	7,638	6,187
Dividend income		
Equities – at FVOCI	**131**	129
	131	129
Net realised and unrealised (losses)/gains on investments		
Bonds – available-for-sale	**-**	(2,225)
Bonds – at FVTPL	**(2,078)**	(790)
Bonds – at amortised cost	**(16)**	-
Equities – at FVTPL	**123**	(137)
Equities – available-for-sale	**-**	1,902
	(1,971)	(1,250)
Other		
Amortisation of mortgages and net premium on bonds	**94**	(271)
Rental income and other	**(45)**	206
Impairment losses on investments	**(180)**	-
Change in the fair value of contingent liability	**(176)**	(208)
	(307)	(273)
INVESTMENT INCOME BEFORE DEDUCTIONS	**5,491**	4,793
Deductions		
Investment income relating to Deposit administration pension plans	**(1,178)**	(416)
INVESTMENT INCOME	**4,313**	4,377

INVESTMENT INCOME ($ MILLIONS)



4 Fair Value Measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group determines the estimated fair value of each individual security utilising the highest level inputs available. Prices for the majority of the Group's investment portfolio are provided by a third-party investment accounting firm whose pricing processes and the controls thereon are subject to an annual audit on both the operation and the effectiveness of those controls. The audit reports are available to clients of the firm and the report is reviewed annually by Management. In accordance with their pricing policy, various reputable pricing sources are used, including broker-dealers and pricing vendors. The pricing sources use bid prices where available, otherwise indicative prices are quoted based on observable market trade data. The prices provided are compared to the investment managers' pricing.

The Group has not made adjustments to any pricing provided by independent pricing services or its third-party investment managers for either period ended September 30, 2023, and year ended March 31, 2023.

Level 1 investments are securities with quoted prices in active markets. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Group determines securities classified as Level 1 to include highly liquid U.S. treasuries, certain highly liquid short-term investments and quoted equity securities.

Level 2 investments are securities with quoted prices in active markets for similar assets or liabilities or securities valued using other valuation techniques for which all significant inputs are based on observable market data. Instruments included in Level 2 are valued via independent external sources using modelled or other valuation methods. Such methods are typically industry accepted standard and include:

- broker-dealer quotes;
- pricing models or matrix pricing;
- present values;
- future cash flows;
- yield curves;
- interest rates;
- prepayment speeds; and
- default rates.

Other similar quoted instruments or market transactions may be used.

The Group determines securities classified as Level 2 to include short-term and fixed maturity investments and certain derivatives such as:

- U.S. corporate bonds;
- Municipal, other government and agency bonds;
- Foreign corporate bonds;
- Mortgage/asset-backed securities;
- Bond and equity funds with listed underlying assets; and
- Derivatives, such as options, forward foreign exchange contracts, interest rate swaps and credit default swaps.

The fair value of investment properties was determined by external independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment properties annually. Fair value is based on market data from recent comparable transactions. These assets are classified as Level 2.

Fair value of the Investment contract liabilities (Deposit accounted annuity policies) is determined by using valuation techniques, such as discounted cash flow methods. A variety of factors are considered in the valuation techniques, including yield curve, credit spread and default assumptions, which have market observable inputs. Accordingly, Investment contract liabilities are classified under Level 2.

The carrying values of certain short-term assets and liabilities approximate fair value and are classified as Level 2.

The fair value of the majority of the investments for accounts of segregated fund holders is based on net asset values reported by third parties, such as investment managers and fund administrators. The fair value hierarchy of direct investments within investments for accounts of segregated fund holders, such as short-term securities, local equities and corporate debt securities, is determined according to valuation methodologies and inputs described above in the respective asset type sections.

The Group determines whether transfers have occurred between levels of the fair value hierarchy by re-assessing the categorisation at the end of each reporting period based on the lowest level input that is significant to the fair value measurement as a whole.

Level 3 investments are securities for which valuation techniques are not based on observable market data. The Group classifies unquoted/private equities as Level 3 assets as the valuation technique incorporates both observable and unobservable inputs. These investments may be subject to certain lock-up provisions. The type of underlying investments held by the investee, which form the basis of the net asset valuation, include assets such as private business ventures, to which the Group does not have access. The Group considers net asset value as a reasonable approximate of fair value.

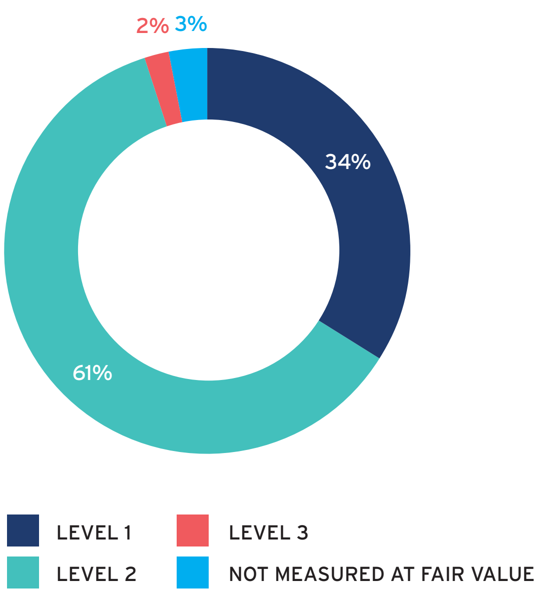
The Group has an established control framework with respect to the measurement of fair values. This includes an investment validation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Chief Financial Officer. The Group's investment validation process includes a review of price movements relative to the market. Any significant discrepancies are investigated and discussed with investment managers and a valuation specialist. The process also includes regular reviews of significant observable inputs and valuation adjustments. Significant valuation issues are reported to the Board of Directors.

4.1 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The following table presents fair value of the Group's assets and liabilities measured at fair value in the Condensed Consolidated Balance Sheets, categorised by level under the fair value hierarchy.

SEPTEMBER 30, 2023	Level 1	Level 2	Level 3	Total Fair Value
Cash and short-term investments	52,957	-	-	52,957
Interest and dividends receivable	-	3,311	-	3,311
Investments at FVOCI				
Bonds				
U.S. government	12,892	-	-	12,892
U.S. corporates	-	85,515	-	85,515
Municipal, other government and agency	-	26,570	-	26,570
Mortgage/asset-backed securities	-	7,784	-	7,784
Total bonds at FVOCI	12,892	119,869	-	132,761
Equities				
Global listed equities	13,192	-	-	13,192
Preferred stock	-	289	-	289
Private equity funds and unquoted equities	-	-	2,359	2,359
Total equities at FVOCI	13,192	289	2,359	15,840
TOTAL INVESTMENTS AT FVOCI	26,084	120,158	2,359	148,601
FVTPL				
Bonds				
U.S. government	18,151	-	-	18,151
U.S. corporates	-	18,409	-	18,409
Municipal, other government and agency	-	19,063	-	19,063
Foreign corporates	-	12,519	-	12,519
TOTAL BOND AT FVTPL	18,151	49,991	-	68,142
Equities				
Private equity funds and unquoted equities	-	-	1,413	1,413
TOTAL INVESTMENTS AT FVTPL	18,151	49,991	1,413	69,555
Investment properties	-	-	2,399	2,399
TOTAL ASSETS AT FAIR VALUE	97,192	173,460	6,171	276,823
Liabilities				
Investment contract liabilities	-	17	-	17
TOTAL LIABILITIES AT FAIR VALUE	-	17	-	17
SEGREGATED FUNDS	4,436	1,114,943	-	1,119,379

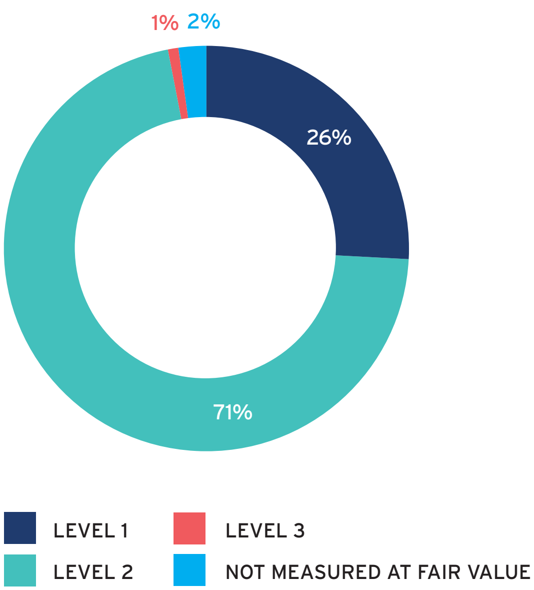
ASSET FAIR VALUE LEVELLING SEPTEMBER 2023



4.1 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE *continued*

MARCH 31, 2023	Level 1	Level 2	Level 3	Total Fair Value
Cash and short-term investments	41,587	-	-	41,587
Interest and dividends receivable	-	3,351	-	3,351
Available-for-sale investments				
Bonds				
U.S. government	62,374	-	-	62,374
U.S. corporates	-	223,535	-	223,535
Municipal, other government and agency	-	56,111	-	56,111
Foreign corporates	-	12,780	-	12,780
Mortgage/asset-backed securities	-	65,381	-	65,381
Total Available-for-sale bonds	62,374	357,807	-	420,181
Equities				
Global listed equities	13,988	-	-	13,988
Preferred stock	-	452	-	452
Private equity funds and unquoted equities	-	-	2,272	2,272
Total Available-for-sale equities	13,988	452	2,272	16,712
TOTAL AVAILABLE-FOR-SALE INVESTMENTS	76,362	358,259	2,272	436,893
FVTPL				
Bonds				
U.S. government	16,821	-	-	16,821
	16,821	-	-	16,821
FVTPL				
Equities				
Private equity funds and unquoted equities	-	-	1,290	1,290
TOTAL INVESTMENTS AT FVTPL	16,821	-	1,290	18,111
Investment properties	-	-	2,399	2,399
TOTAL ASSETS AT FAIR VALUE	134,770	361,610	5,961	502,341
LIABILITIES				
Investment contract liabilities	-	46	-	46
TOTAL LIABILITIES AT FAIR VALUE	-	46	-	46
SEGREGATED FUNDS	8,849	1,119,557	-	1,128,406

ASSET FAIR VALUE LEVELLING 2023



The following table provides a roll forward for the General fund assets measured at fair value for which significant unobservable inputs (Level 3) are used in the fair value measurement.

SEPTEMBER 30, 2023	At FVTPL Equities	At FVOCI Equities	Investment properties	Total
Balance, beginning of year	**1,290**	**2,272**	**2,399**	**5,961**
Included in Other comprehensive income	**123**	**87**	**-**	**210**
	1,413	**2,359**	**2,399**	**6,171**

MARCH 31, 2023	At FVTPL Equities	Available-for-sale Equities	Investment properties	Total
Balance, beginning of year	1,441	2,525	-	3,966
Included in Investment income	-	(399)	-	(399)
Included in Other comprehensive income	-	146	-	146
Transfer from level 2	-	-	2,399	2,399
Sales/Write Off	(151)	-	-	(151)
	1,290	2,272	2,399	5,961

4.2 ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE

For assets and liabilities not measured at fair value in the Condensed Consolidated Balance Sheets, the adjacent table discloses summarised fair value information categorised by the level in the preceding hierarchy, together with the related carrying values.

4.3 TRANSFERS OF ASSETS AND LIABILITIES WITHIN THE FAIR VALUE HIERARCHY

The Group's policy is to record transfers of assets and liabilities between levels at their fair values as at the end of each reporting period, consistent with the date of determination of fair value. Assets are transferred out of Level 1 when they are no longer transacted with sufficient frequency and volume in an active market. Conversely, assets are transferred from Level 2 to Level 1 when transaction volume and frequency are indicative of an active market. There were no transfers between Levels 1, 2 and 3 during the period ended September 30, 2023 (March 31, 2023 – investment properties valued at $2.4 million were transferred from level 2 to level 3).

SEPTEMBER 30, 2023	Level 1	Level 2	Level 3	Total Fair Value	Carrying Value
ASSETS					
Bonds	**236,963**	**-**	**-**	**236,963**	**253,962**
Mortgages and loans (1)	**-**	**9,945**	**-**	**9,945**	**9,536**
Policy loans	**-**	**41**	**-**	**41**	**41**
TOTAL ASSETS DISCLOSED AT FAIR VALUE	**236,963**	**9,986**	**-**	**246,949**	**263,539**
LIABILITIES					
Investment Contract liabilities (2)	**-**	**227,047**	**-**	**227,047**	**240,267**
TOTAL LIABILITIES DISCLOSED AT FAIR VALUE	**-**	**227,047**	**-**	**227,047**	**240,267**

MARCH 31, 2023	Level 1	Level 2	Level 3	Total Fair Value	Carrying Value
ASSETS					
Mortgages and loans (1)	-	9,986	-	9,986	9,715
Policy loans	-	41	-	41	41
TOTAL ASSETS DISCLOSED AT FAIR VALUE	-	10,027	-	10,027	9,756
LIABILITIES					
Investment Contract liabilities (2)	-	230,896	-	230,896	243,705
TOTAL LIABILITIES DISCLOSED AT FAIR VALUE	-	230,896	-	230,896	243,705

(1) Fair value of mortgages and loans is determined by discounting expected future cash flows using current market rates.
(2) Fair value of Investment contract liabilities is based on the following methods:

- Deposit administration pension plans – based on a discounted cash flow method. Factors considered in the valuation include current yield curve, plus appropriate spreads which have market observable inputs; and
- Self-funded group health policies – the carrying value approximates the fair value due to the short-term nature of these investment contract liabilities.

5 Operating Segments

Transactions between segments consists primarily of rental and internal financing agreements and insurance contracts. Inter-segment income has been omitted in the following table as immaterial.

5.1 RESULTS BY SEGMENT

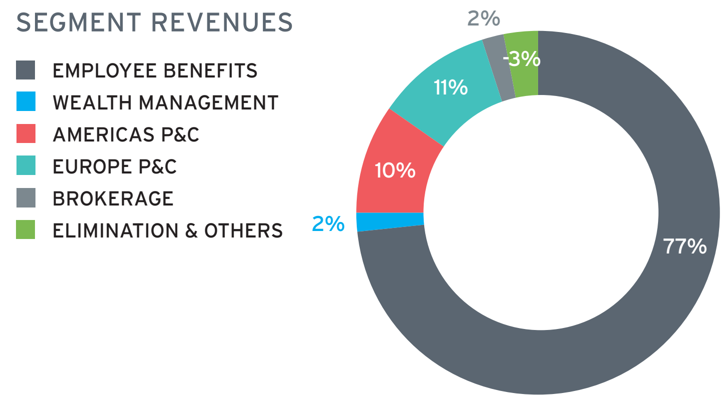
		AMERICAS				EUROPE			CORE		
FOR THE SIX MONTHS ENDED SEPTEMBER 30		Employee Benefits and Health	Wealth Management	Property and Casualty	**Total**	Property and Casualty	Brokerage Companies	**Total**	All other	Elimination	**Consolidated Total**
Insurance revenue	**2023**	**60,965**	**-**	**17,413**	**78,378**	**14,831**	**-**	**14,831**	**-**	**(756)**	**92,453**
	2022	56,253	-	16,952	73,205	12,277	-	12,277	-	(569)	84,913
Insurance service expenses	**2023**	**(48,733)**	**-**	**(6,528)**	**(55,261)**	**(10,044)**	**-**	**(10,044)**	**-**	**1,519**	**(63,786)**
	2022	(42,196)	-	(5,768)	(47,964)	(7,717)	-	(7,717)	-	2,150	(53,531)
Net expense from reinsurance contracts held	**2023**	**(406)**	**-**	**(6,708)**	**(7,114)**	**(1,438)**	**-**	**(1,438)**	**-**	**(97)**	**(8,649)**
	2022	(1,533)	-	(6,963)	(8,496)	(1,010)	-	(1,010)	-	(176)	(9,682)
Investment return	**2023**	**5,905**	**198**	**(194)**	**5,909**	**(1,456)**	**-**	**(1,456)**	**113**	**(253)**	**4,313**
	2022	5,295	83	(1,011)	4,367	263	1	264	(40)	(214)	4,377
Gain from sale of subsidiary	**2023**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,964)**	**3,223**	**259**
	2022	-	-	-	-	-	-	-	-	-	-
Fee income from service contracts	**2023**	**20,940**	**2,027**	**1,098**	**24,065**	**260**	**2,777**	**3,037**	**-**	**(2,294)**	**24,808**
	2022	17,939	2,099	1,126	21,164	282	2,702	2,984	-	(2,896)	21,252
Amortisation, depreciation and impairment	**2023**	**1,716**	**-**	**131**	**1,847**	**250**	**92**	**342**	**720**	**564**	**3,473**
	2022	1,681	-	121	1,802	228	80	308	431	660	3,201
Income tax expense	**2023**	**-**	**-**	**-**	**-**	**8**	**85**	**93**	**55**	**26**	**174**
	2022	(45)	-	-	(45)	62	151	213	16	-	184
Segment earnings/(loss) attributable to shareholders, after tax	**2023**	**16,582**	**212**	**3,106**	**19,900**	**(1,013)**	**201**	**(812)**	**(16,391)**	**2,336**	**5,033**
	2022	16,047	259	2,724	19,030	1,173	235	1,408	(10,061)	(1,217)	9,160

GEOGRAPHIC INFORMATION ON SEGMENT REVENUES:

FOR THE SIX MONTHS ENDED SEPTEMBER 30		Bermuda	Europe	Total
Segment revenues	**2023**	**98,210**	**14,974**	**113,184**
	2022	86,345	14,515	100,860

Management considers its external customers to be the individual policyholders and corporations. As such, the Group is not reliant on any individual customer.

SEGMENT REVENUES



5.2 ASSETS AND LIABILITIES BY SEGMENT

	AMERICAS					EUROPE			CORE		
	Employee Benefits and Health	Wealth Management	Property and Casualty	Disposal Groups	Total	Property and Casualty	Brokerage Companies	Total	All other	Elimination	Consolidated Total
SEPTEMBER 30, 2023:											
Total General Fund Assets	**509,700**	**110**	**59,356**	**3,645**	**572,811**	**53,268**	**17,051**	**70,319**	**157,696**	**(131,414)**	**669,412**
Segregated Fund Assets	**1,119,379**	**-**	**-**	**-**	**1,119,379**	**-**	**-**	**-**	**-**	**-**	**1,119,379**
Total General Fund Liabilities	**427,145**	**398**	**26,069**	**-**	**453,612**	**34,534**	**14,371**	**48,905**	**12,608**	**55**	**515,180**
Segregated Fund Liabilities	**1,119,379**	**-**	**-**	**-**	**1,119,379**	**-**	**-**	**-**	**-**	**-**	**1,119,379**
MARCH 31, 2023:											
Total General Fund Assets	487,947	687	49,717	7,937	546,288	52,178	14,923	67,101	174,618	(137,534)	650,473
Segregated Fund Assets	1,128,406	-	-	-	1,128,406	-	-	-	-	-	1,128,406
Total General Fund Liabilities	434,921	387	19,677	65	455,050	33,930	12,274	46,204	15,806	60	517,120
Segregated Fund Liabilities	1,128,406	-	-	-	1,128,406	-	-	-	-	-	1,128,406

6 Insurance Contract Liabilities

	SEPTEMBER 30, 2023			MARCH 31, 2023		
SEPTEMBER 30, 2023	PAA	GMM	Total	PAA	GMM	Total
Insurance contracts issued	**70,871**	**153,382**	**224,253**	64,992	158,991	223,983

Insurance contracts issued, measured under the GMM were as follows:

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023	Liabilities for Remaining Coverage	Liabilities for Incurred claims	Total
Opening insurance contract liabilities	**157,494**	**1,497**	**158,991**
Changes in consolidated statement of operations and OCI			
Insurance revenue			
Contracts under the full retrospective transition approach	**(91)**	**-**	**(91)**
Contracts under the fair value transition approach	**(4,714)**	**-**	**(4,714)**
Other contracts	**(293)**	**-**	**(293)**
TOTAL INSURANCE REVENUE	**(5,098)**	**-**	**(5,098)**
Insurance service expenses			
Incurred claims and other insurance service expenses	**-**	**4,347**	**4,347**
Adjustments to liabilities for incurred claims	**-**	**(238)**	**(238)**
TOTAL INSURANCE SERVICE EXPENSES	**-**	**4,109**	**4,109**
Investment components and premium refunds	**(3,052)**	**3,052**	**-**
TOTAL INSURANCE SERVICE RESULT	**(8,150)**	**7,161**	**(989)**
Net finance (income)/expenses from insurance contracts	**(5,599)**	**-**	**(5,599)**
TOTAL CHANGES IN CONSOLIDATED STATEMENT OF OPERATIONS AND OCI	**(13,749)**	**7,161**	**(6,588)**
Cash flows			
Premiums received	**8,267**	**-**	**8,267**
Claims and other insurance service expenses paid, including investment components	**-**	**(7,288)**	**(7,288)**
TOTAL CASH FLOWS	**8,267**	**(7,288)**	**979**
CLOSING INSURANCE CONTRACT LIABILITIES	**152,012**	**1,370**	**153,382**

6 INSURANCE CONTRACT LIABILITIES *continued*

FOR THE YEAR ENDED MARCH 31, 2023	Liabilities for Remaining Coverage	Liabilities for Incurred claims	Total
Opening insurance contract liabilities	172,353	1,025	173,378
Changes in consolidated statement of operations and OCI			
Insurance revenue			
Contracts under the full retrospective transition approach	(191)	-	(191)
Contracts under the fair value transition approach	(9,540)	-	(9,540)
Other contracts	(229)	-	(229)
TOTAL INSURANCE REVENUE	(9,960)	-	(9,960)
Insurance service expenses			
Incurred claims and other insurance service expenses	-	8,706	8,706
Adjustments to liabilities for incurred claims	-	598	598
TOTAL INSURANCE SERVICE EXPENSES	-	9,304	9,304
Investment components and premium refunds	(5,601)	5,601	-
TOTAL INSURANCE SERVICE RESULT	(15,561)	14,905	(656)
Net finance (income)/expenses from insurance contracts	(9,185)	-	(9,185)
TOTAL CHANGES IN CONSOLIDATED STATEMENT OF OPERATIONS AND OCI	(24,746)	14,905	(9,841)
Cash flows			
Premiums received	9,887	-	9,887
Claims and other insurance service expenses paid, including investment components	-	(14,433)	(14,433)
TOTAL CASH FLOWS	9,887	(14,433)	(4,546)
CLOSING INSURANCE CONTRACT LIABILITIES	157,494	1,497	158,991

7 Post-employment Benefit Liability

The Group operates a post-employment medical benefit plan in Bermuda, which provides medical benefits to eligible retired employees and their spouses. The amount of benefits provided depends on future cost escalation and the Company meeting the benefit payment obligation as it falls due. Actuarial valuation to determine the defined benefit obligation is performed quarterly.

The plan exposes the Group to actuarial risks, such as longevity risk, interest rate risk and healthcare cost inflation risks. Responsibility for governance of the plan lies with the Company. Risks are managed through plan design and eligibility changes, which limit the size and growth of the defined benefit obligation.

The movement in the defined benefit liability is as follows:

	For the six months ended September 30 2023	For the year ended March 31 2023
Balance, beginning of year	**2,790**	3,271
Movements during the period/year recognised in Operating expense:		
Current service cost	**2**	17
Interest cost on benefit liability	**73**	146
	75	163
Remeasurement during the period/year included in Other comprehensive income:		
Actuarial gain arising from experience adjustment	**6**	(466)
Benefit payments	**(106)**	(178)
BALANCE, END OF PERIOD/YEAR	**2,765**	2,790

As at September 30, 2023, the present value of the defined benefit obligation was comprised of $0.1 million (March 31, 2023 – $0.3 million) relating to active employees and $2.7 million (March 31, 2023 – $2.5 million) relating to members in retirement.

Components of the change in benefit liabilities year on year and other employee future benefit expense are as follows:

(i) Current service cost represents benefits earned in the current period. These are determined with reference to the current workforce eligible for benefits and the amount of benefits to which they will be entitled upon retirement, based on the provisions of the Group's benefit plan.

(ii) Interest cost on the benefit liability represents the increase in the liability that results from the passage of time.

(iii) Each quarter, the actuaries recalculate the benefit liability and compare it to that estimated as at the prior period end. Any differences resulting from changes in assumptions, or from plan experience being different from expectations of management at the previous year end, are considered actuarial gains or losses.

The significant actuarial assumptions in measuring the Group's accrued benefit liability are estimated as follows:

	SEPTEMBER 30 2023	MARCH 31 2023
Discount rate	**5.3%**	4.6%
Health care cost trend rate	**5.5%**	5.5%

8 Earnings Per Share

The following table reflects the net earnings/(loss) and share data used in the basic and diluted earnings per share computations:

FOR THE SIX MONTHS ENDED SEPTEMBER 30 (in 000's)	2023	2022
Net earnings for the period	**5,033**	9,160

FOR THE SIX MONTHS ENDED SEPTEMBER 30 (Number of shares)	2023	2022
Weighted average outstanding common shares	**21,542,416**	21,401,378
Common shares and common share equivalents	**21,638,162**	21,468,108

9 Segregated Funds and Separate Accounts

The assets for contracts held under the Segregated Funds are allocated to Separate Accounts as authorised by the Bermuda Life Insurance Company Limited (Separate Accounts) Consolidation and Amendment Act 1998.

Changes to Segregated Funds are as follows:

	For the six months ended September 30, 2023	For the year ended March 31, 2023
Additions to Segregated Funds		
Contributions and transfers	**68,852**	137,600
Return on investments	**(6,196)**	(70,500)
Segregated funds acquired	**-**	1,016
	62,656	68,116
Deductions from Segregated Funds		
Withdrawals, benefit payments and transfers to the General Fund	**66,072**	132,630
Operating expenses	**5,611**	10,818
	71,683	143,448
Net additions/(deductions) to Segregated Funds for the period	**(9,027)**	(75,332)
Segregated Funds, beginning of period	**1,128,406**	1,203,738
SEGREGATED FUNDS, END OF PERIOD/YEAR	**1,119,379**	1,128,406

10 Fee income from service contract

Commissions, management fees and other income recognised during the period are as follows:

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2023	Employee Benefits and Health	Wealth Management	Americas Property and Casualty	Europe Property and Casualty	Europe Brokerage Companies	Total
Fee income from service contracts						
pensions and policyholder administration	**19,258**	**-**	**-**	**-**	**-**	**19,258**
Investment management	**-**	**2,027**	**-**	**-**	**-**	**2,027**
Brokerage income	**-**	**-**	**544**	**202**	**2,777**	**3,523**
TOTAL FEE INCOME FROM SERVICE CONTRACTS	**19,258**	**2,027**	**544**	**202**	**2,777**	**24,808**

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2022	Employee Benefits and Health	Wealth Management	Americas Property and Casualty	Europe Property and Casualty	Europe Brokerage Companiesr	Total
Fee income from service contracts						
pensions and policyholder administration	15,712	-	-	-	-	15,712
Investment management	-	2,087	-	-	-	2,087
Brokerage income	-	-	510	241	2,702	3,453
TOTAL FEE INCOME FROM SERVICE CONTRACTS	15,712	2,087	510	241	2,702	21,252

11 Components of Accumulated Other Comprehensive Loss

	SEPTEMBER 30 2023	MARCH 31 2023
Remeasurement of post-employment medical benefit obligation	**(215)**	(209)
Equity investments at FVOCI	**370**	-
Bonds at FVOCI	**(28,208)**	(37,919)
Translation of financial statements of foreign operations	**(5,690)**	(5,472)
Finance expense from insurance contracts	**27,171**	19,431
NET ACCUMULATED OTHER COMPREHENSIVE LOSS	**(6,572)**	(24,169)

12 Disposal of subsidiaries

On May 19, 2023 the Group entered into an Amalgamation Agreement with a related party to sell NBHH (Keepsake) Limited. The sale was completed on May 25, 2023.

(a) Net cash inflow from sale of subsidiary

Proceeds from sale	**4,418**
Less: Cash and short-term investments	**-**
Net cash inflow	**4,418**

(b) Gain from sale of subsidiary

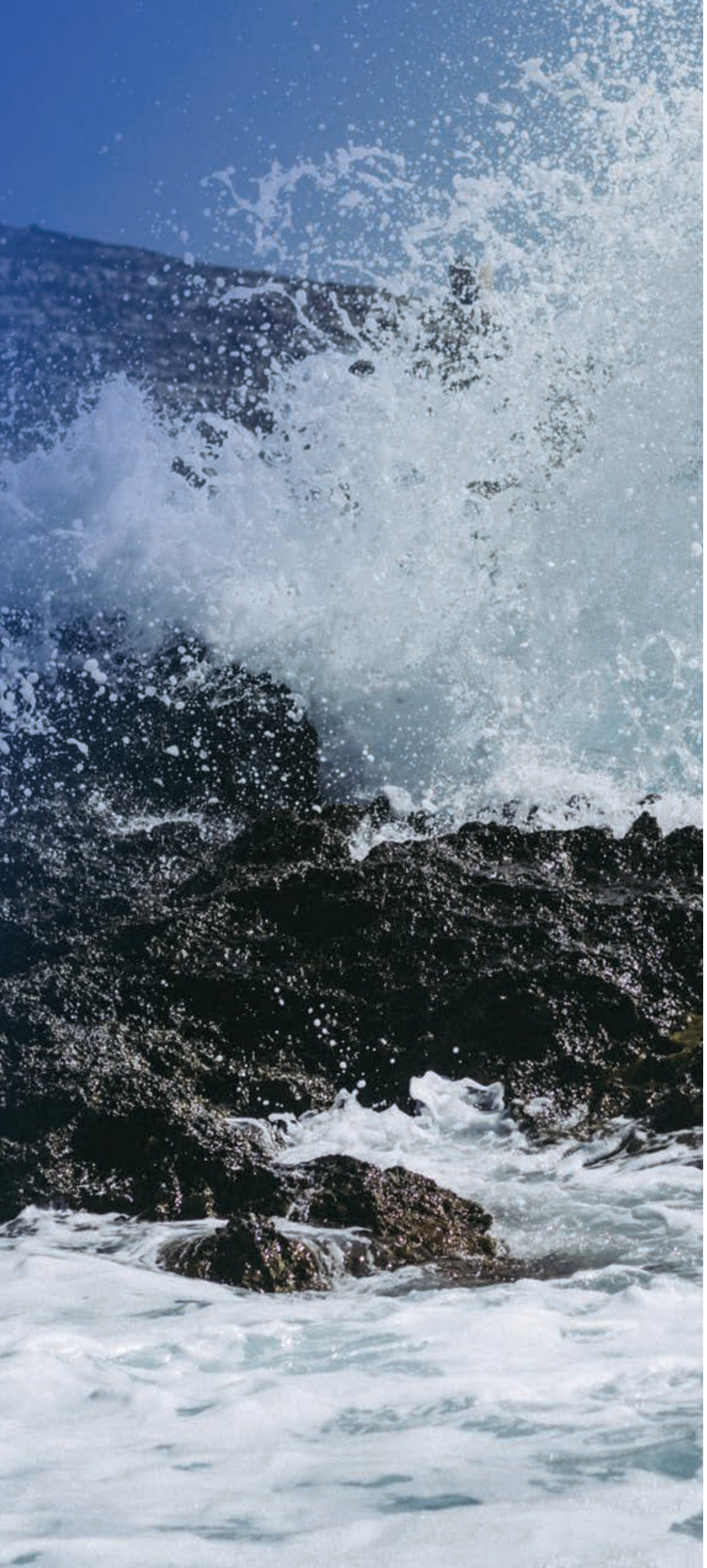
Proceeds from sale	**4,418**
Net assets disposed of on sale of subsidiary	**(4,159)**
Gain from the sale of subsidiary	**259**

13 Directors and Officers Holdings and Restricted Stock

At September 30, 2023 the Directors and Officers of the Company had combined interests totalling 158,294 shares out of 22,932,681 shares (2022 – 150,363 shares out of 22,721,378 shares) in issue on that date.

14 Subsequent Events

The Board has declared dividend of twelve cents per share, payable on January 26, 2024, for shareholders of record on December 29, 2023. This results in a 9 percent increase in the dividend compared to the same period in the prior year.



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Registered Office
The Argus Building, 14 Wesley Street,
Hamilton HM 11, Bermuda

Mailing Address
P.O. Box HM 1064, Hamilton HM EX, Bermuda

Customer Service Centre
T (441) 298-0888
insurance@argus.bm

argus.bm

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