Financial Statements

GeoVera Reinsurance, Ltd.
Years Ended December 31, 2023, and 2022
With Report of Independent Auditors

GeoVera Reinsurance, Ltd.

Financial Statements

Years Ended December 31, 2023 and 2022

Contents

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Report of Independent Auditors

The Board of Directors
GeoVera Reinsurance, Ltd.

Opinion

We have audited the financial statements of GeoVera Reinsurance, Ltd. (the Company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of operations and comprehensive income, changes in shareholder's equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the 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. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the incurred losses and loss adjustment expenses, net of reinsurance and the cumulative paid losses and loss adjustment expenses, net of reinsurance for the years ending 2022 and prior and the average annual percentage payout of incurred claims by age disclosed on Note 5 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Financial Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Ernst + Young Ltd.

Grand Cayman, Cayman Islands
April 26, 2024

GeoVera Reinsurance, Ltd.

Balance Sheets

(Expressed in United States Dollars)

		2023		2022
Assets				
Cash and cash equivalents (Note 3)	$	46,782,480	$	42,307,808
Short term investments (Note 3)		-		2,531,902
Fixed maturities (Note 3)		20,520,778		19,719,364
Funds withheld		135,377,184		104,671,326
Reinsurance balances receivable (Note 4)		20,601,510		18,311,677
Deferred acquisition costs		42,828,182		29,881,897
Accrued interest		125,474		70,488
Receivable for securities sold		128,746		470
Prepaid expenses		28,534		24,767
Total assets	$	**266,392,888**	$	**217,519,699**
Liabilities				
Outstanding losses and loss expenses (Note 5)	$	38,100,914	$	39,325,723
Unearned premiums and fees		126,026,835		88,521,194
Accounts payable and accrued expenses		136,920		129,613
Total liabilities	$	164,264,669	$	127,976,530
Shareholder's equity				
Share capital (Note 7)	$	50,000	$	50,000
Additional paid in capital (Note 7)		76,050,000		76,050,000
Retained earnings		57,459,748		18,334,078
Dividends		(31,199,707)		(3,992,681)
Accumulated other comprehensive loss		(231,822)		(898,228)
Total shareholder's equity	$	102,128,219	$	89,543,169
Total liabilities and shareholder's equity	$	**266,392,888**	$	**217,519,699**

See accompanying notes.

GeoVera Reinsurance, Ltd.

Statements of Operations and Comprehensive Income

(Expressed in United States Dollars)

	Year Ended December 31, 2023	2022
Underwriting Income		
Premiums assumed	$ 166,680,295	$ 110,441,504
Change in unearned premium	(37,424,264)	2,376,371
Premiums earned	129,256,031	112,817,875
Ceded premium	-	(319,166)
Underwriting fees assumed	1,568,797	2,259,808
Total underwriting income	130,824,828	114,758,517
Underwriting Expenses		
Losses and loss expenses incurred (Note 5)	(22,444,099)	(31,282,136)
Acquisition costs	(74,232,195)	(59,177,971)
Total underwriting expenses	(96,676,294)	(90,460,107)
Net underwriting income	34,148,534	24,298,410
General and administrative expenses	(405,583)	(1,426,463)
Interest expense	(307,291)	(57,292)
Sale of insurance renewal rights (Note 9)	-	(1,087)
Other income	2,132,917	-
Impairment of investments	-	(206,983)
Net investment income (Note 3)	3,739,407	1,257,766
Net realized investment loss (Note 3)	(182,314)	(66,798)
Net income	39,125,670	23,797,553
Other comprehensive income		
Unrealized gains on securities:		
Unrealized holding gain / (loss) arising during year	484,092	(943,307)
Less: Reclassification of adjustment for gains included in net income	182,314	66,798
Other comprehensive income / (loss)	666,406	(876,509)
Comprehensive income	$ 39,792,076	$ 22,921,044

See accompanying notes.

GeoVera Reinsurance, Ltd.

Statements of Changes in Shareholder's Equity

(Expressed in United States Dollars, except share information)

	Year Ended December 31, 2023	2022
Share capital		
Common shares, $1.00 par value, 200,000 authorized		
50,000 issued and paid		
Balance, beginning of year	$ 50,000	$ 50,000
Movement in year	-	-
Balance, end of year	50,000	50,000
Additional paid in capital		
Balance, beginning of year	76,050,000	76,050,000
Movement in year	-	-
Balance, end of year	76,050,000	76,050,000
Retained earnings		
Retained earnings/(deficit), beginning of year	18,334,078	(5,463,475)
Current period earnings	39,125,670	23,797,553
Retained earnings, end of year	57,459,748	18,334,078
Dividends		
Balance, beginning of year	(3,992,681)	-
Movement in year	(27,207,026)	(3,992,681)
Balance, end of year	(31,199,707)	(3,992,681)
Accumulated other comprehensive income / (loss)		
Accumulated other comprehensive loss, beginning of year	(898,228)	(21,720)
Net unrealized gains / (losses) arising in year	666,406	(876,508)
Accumulated other comprehensive loss, end of year	(231,822)	(898,228)
Total shareholder's equity	$ 102,128,219	$ 89,543,169

See accompanying notes.

GeoVera Reinsurance, Ltd.

Statements of Cash Flows

(Expressed in United States Dollars)

	Year Ended December 31, 2023	2022
Operating activities		
Net income for the year	$ 39,125,670	23,797,553
Adjustment to reconcile net income to net cash provided by operating activities:		
Amortization of premium on fixed maturity investments	(405,280)	(46,150)
Realized loss on disposal of investments	182,314	66,798
Impairment in investments	-	206,983
Changes in operating assets and liabilities		
Funds withheld	(30,705,858)	(1,462,446)
Reinsurance balances receivable	(2,289,833)	3,579,357
Reinsurance recoverable	-	3,000,000
Deferred acquisition costs	(12,946,285)	807,965
Accrued interest	(54,986)	(22,643)
Accounts receivable for securities sold	(128,276)	32,150
Deferred reinsurance (net of brokerage)	-	319,166
Prepaid expenses	(3,766)	-
Outstanding losses and loss expenses	(1,224,809)	4,315,739
Unearned premium	37,505,641	(3,290,983)
Accounts payable and accrued expenses	7,307	24,445
Cash flows provided by operating activities	29,061,839	31,327,935
Investing activities		
Purchase of investments	(27,714,425)	(53,484,545)
Proceeds from sales of investments	11,969,984	43,147,709
Proceeds from maturities of investments	17,618,000	1,450,000
Proceeds from paydowns of investments	496,300	1,033,973
Proceeds from calls of investments	250,000	1,117,151
Cash flows provided by / (used in) investing activities	2,619,859	(6,735,712)

GeoVera Reinsurance, Ltd.

Statements of Cash Flows (continued)

(Expressed in United States Dollars)

	Year Ended December 31,	
	2023	**2022**
Financing activities		
Dividends paid to shareholders	(27,207,026)	(3,992,681)
Cash flows used in financing activities	(27,207,026)	(3,992,681)
Net increase in cash and cash equivalents	4,474,672	20,599,542
Cash and cash equivalents, beginning of period	42,307,808	21,708,266
Cash and cash equivalents, end of period	$ 46,782,480	$ 42,307,808

See accompanying notes.

GeoVera Reinsurance, Ltd.

Notes to Financial Statements
(Expressed in United States Dollars)

December 31, 2023 and 2022

1. General

GeoVera Reinsurance, Ltd. (the Company) was incorporated under the laws of the Cayman Islands on December 10, 2013. The Company was licensed, effective March 1, 2014, as a Class B(iii) insurer under the Insurance Act, 2010 of the Cayman Islands.

The Company has also established a branch in Bermuda (the Bermuda Branch). The Bermuda Branch is licensed as a Class 3A insurer under the Insurance Act, 1978 of Bermuda and related regulations (the Act).

The Company is a wholly owned subsidiary of GeoVera (Bermuda) Holdings, Ltd, a company incorporated in Bermuda (the Parent). The Parent is a wholly-owned subsidiary of GeoVera Insurance Group Holdings, Ltd. (the Ultimate Parent), a company incorporated in the Cayman Islands. The Ultimate Parent and its subsidiaries are owned by GeoVera Investment Group, Ltd. (GeoVera Investment), a company which was organized in 2012 by affiliates of Flexpoint Fund II (Cayman), L.P. for purposes of acquiring the Ultimate Parent.

The Company commenced its insurance business effective March 1, 2014. From that date, the Company assumed a 60% quota share participation in the net retained liability of each of three affiliated companies domiciled in the United States of America; GeoVera Insurance Company, Coastal Select Insurance Company and GeoVera Specialty Insurance Company (the ceding companies). Effective October 1, 2020, the Company reduced its quota share participation from 60% to 50%. There were no changes to the quota share participation in the years ended December 31, 2023 or December 31, 2022.

Premiums assumed are net of common account reinsurance. These companies underwrite admitted and non-admitted catastrophe exposed coverages in the homeowners market and admitted residential earthquake coverages in the United States of America.

The Company purchases outward reinsurance protection by entering into an all perils excess of loss reinsurance contract. Effective March 1, 2021, the Company purchased annual aggregate excess of loss reinsurance contracts which limited its loss exposure per occurrence and in the aggregate, to a 30% share of $10,000,000 excess of $15,000,000, and a 100% share of $3,000,000 excess of $175,000,000. This coverage was not renewed at March 1, 2022. The existence of this reinsurance protection does not relieve the Company of its obligations to the ceding companies.

2. Significant Accounting Policies

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The preparation of these financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The following are the significant accounting policies adopted by the Company:

Premiums Assumed, Reinsurance Ceded, Underwriting Fees and Related Expenses

Premiums and underwriting fees assumed are recorded on the accruals basis and are recognized on a pro-rata basis over the terms of the underlying policies with the unearned portion deferred in the balance sheet. In the normal course of business, the Company purchases per-occurrence excess of loss reinsurance to limit its net exposure to catastrophic and other events.

Reinsurance premiums incurred and benefits provided are accounted for on basis consistent with those used in accounting for the underlying policies issued and the terms of the reinsurance contracts. Acquisition costs consist of ceding commissions allowed in connection with the quota share agreements. These costs are deferred and amortized over the period in which the related premiums are earned.

Deferred acquisition costs are limited to the amount that will remain after deducting from unearned premiums the related costs that will be incurred as premiums are earned and the estimated losses and loss adjustment expenses. A premium deficiency is recognized if the sum of anticipated losses and loss adjustment expenses, unamortized acquisition costs and maintenance costs exceed the recorded unearned premium. The Company does not consider anticipated investment income in determining whether a premium deficiency exists. A premium deficiency is recognized by charging any unamortized acquisition costs to expense to the extent required in order to eliminate the deficiency. If the premium deficiency exceeds unamortized acquisition costs then a liability is accrued for the excess deficiency. No premium deficiency charges were recorded by the Company for the periods presented herein.

Outstanding Losses and Loss Adjustment Expenses

Outstanding losses and loss adjustment expenses paid are recorded when advised by the ceding companies.

2. Significant Accounting Policies (continued)

Outstanding Losses and Loss Adjustment Expenses (continued)

The outstanding losses and loss adjustment expenses comprise estimates of the ultimate cost of losses reported by the ceding companies, including an estimate of the cost of losses incurred but not reported (IBNR).

The liability estimated by the ceding companies is based on individual claims, case reserves and other estimates reported by policyholders as well as management estimates of ultimate losses and loss adjustment expenses. Inherent in the estimates of ultimate losses and loss adjustment expenses are expected trends in claims severity and frequency and other factors which could vary significantly as claims are settled.

The ceding companies' estimates of ultimate losses and loss adjustment expenses are based in part upon the estimation of claims resulting from natural disasters such as hurricanes and earthquakes. Estimation by management of the ultimate losses and loss adjustment expenses resulting from catastrophic events is inherently difficult because of the potential severity of property catastrophe claims. Therefore, the ceding companies use both proprietary and commercially available models, as well as historic claims experience, for purposes of providing an estimate of ultimate losses and loss adjustment expenses. Insurance liabilities are reported before the effects of reinsurance. Paid and unpaid losses and loss adjustment expenses covered under reinsurance contracts, but not yet collected from reinsurers, are recorded as reinsurance recoverable.

Amounts recoverable from reinsurers are estimated in a manner consistent with the associated claim liability. It is the Company's policy to report amounts recoverable from reinsurers net of any allowance for collectability. For other difficult estimates of ultimate losses and loss adjustment expenses, the ceding companies, in addition to using loss development methods based on paid and reported losses, utilize historical severity data which may be immature and subject to significant variation. For these estimates, industry data may also be utilized. Ultimate losses and loss adjustment expenses may vary materially from the amounts provided in the financial statements. Estimates of unpaid losses and loss adjustment expenses are reviewed regularly and, as experience develops and new information becomes known, the liabilities are adjusted as necessary. Such adjustments, if any, are reflected in the statement of operations and comprehensive income in the period in which they become known and are accounted for as changes in estimates. The Company does not discount its liability for unpaid losses and loss adjustment expenses.

2. Significant Accounting Policies (continued)

Investments and Investment Income

Investments in fixed maturity securities are classified as available for sale and are carried at fair value with any unrealized gains and losses included in accumulated other comprehensive income as a separate component of shareholder's equity. Fair value is based on quoted market prices. The cost of fixed maturity securities is adjusted for amortization of premiums and accretion of discounts. Realized gains and losses on fixed maturity securities are recognized in net income using the First In, First Out ("Fifo"). Interest income on fixed maturity securities is accrued to the balance sheet dates. Where the Company identifies securities where the fair value is below its amortized cost basis, a review is performed to determine whether the decline has resulted from a credit loss or other factors.

The Company records impairment relating to credit losses through an allowance for credit losses. However, this allowance is limited by the amount that the fair value is less than the amortized cost basis. Impairment that has not been recorded through an allowance for credit losses is recorded through other comprehensive income. Impairment is assessed at an individual security level. In assessing whether a credit loss exists, the Company compares the present value of cash flows expected to be collected from the security with the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis of the security, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than amortized cost basis. Credit losses on an impaired security will then continue to be measured using the Company's best estimate of present value of expected future cash flows.

The factors considered in determining whether a credit loss exists include, among others, the extent to which the fair value is less than the amortized cost basis, adverse conditions specifically related to the security, an industry, or geographic area e.g. changes in the financial condition of the issuer of the security, the payment structure of the security and the likelihood of the issuer being able to make payments that increase in the future, failure of the issuer of the security to make scheduled interest or principal payments and any changes to the ratings of the security by a rating agency. If the Company has the intent to sell or it is more likely than not that the Company will be required to sell before recovery of amortized cost basis, any allowance for credit losses will be written off and the amortized cost basis written down to the security's fair value at the reporting date with any incremental impairment reported in earnings. There was no impairment to investments recognized in 2023 (2022: $206,983).

2. Significant Accounting Policies (continued)

Investments and Investment Income (continued)

Short term investments are carried at cost, which the Company considers an approximation of fair value due to their short maturity. The Company's short term investments at December 31, 2023 and 2022, consist primarily of fixed maturity securities with original maturities of one year or less.

Investment in equity securities, with readily determinable fair values, are measured at fair value at the time of purchase, with subsequent changes in fair value included in net investment income on the statements of operations and comprehensive income.

Funds withheld accounts

Funds withheld accounts have been established by the three ceding insurers on behalf of the Company for their benefit to replace the collateral trust accounts previously held. The ceding insurers have custody over the funds withheld accounts and may require the Company to contribute additional funding to ensure the balances in the accounts are sufficient to cover the Company's insurance obligations relating to policies ceded to the Company in order to meet US State regulatory requirements for the ceding companies. The underlying investments in the accounts are at fair value and are considered Level 1 and Level 2 and their carrying value approximates fair value. Funds withheld assets are financial assets measured at amortized cost. Effective January 1, 2023 as per ASU 2016-13, the Company records allowance for credit losses through a valuation account – allowance for credit losses. The Company uses this account to deduct credit losses from amortized cost basis of the financial asset in order to present the net amount expected to be collected on the financial asset. The Company also reports in net income, as a credit loss expense, the amount necessary to adjust the allowance for credit losses for current estimate of expected credit losses on the financial asset. When developing estimate of expected credit losses, the Company considers available information relevant to assessing collectability of cash flows. This information may include internal information, external information, or a combination of both relating to past events, current conditions, and reasonable and supportable forecasts. The Company considers a variety of risks that affect collectability including; credit risk of the ceding insurers, any contractual coverage disputes between the ceding insurers and the Company and other non-contractual, non-coverage issues such as reinsurance billings and allocations. There was no credit loss allowance to funds withheld accounts recognized in 2023.

Cash and cash equivalents

The Company considers all cash on hand, investments in money market funds and fixed-term securities with an original maturity of ninety days or less when purchased as equivalent to cash.

2. Significant Accounting Policies (continued)

Statement of Cash Flows

Functional and Presentation Currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the functional currency). This is the US Dollar, reflecting the denomination of the Company's assets and being the currency in which the Company's expenses are incurred. The financial statements are therefore presented in US Dollars, which is the Company's functional and presentation currency.

The cash amount shown on the statement of cash flows is the net amount reported in the statement of financial position as cash and cash equivalents. The indirect method has been applied in the preparation of the statement of cash flows.

Recently Adopted Accounting Standards

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments.* The amendments in this update significantly changed the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model. The update also provided for recording credit losses on available-for-sale debt securities through an allowance account. For nonpublic entities, the amendments were effective for annual periods beginning after December 15, 2022. This update makes changes to the accounting for credit-related impairment of available for sale (AFS) debt securities by eliminating other-than-temporary impairment charges which is now reflected as a valuation allowance for credit losses on those securities. The Company adopted this accounting standard effective January 1, 2023. The adoption of ASU 2016-13 did not have a material impact on the Company's financial statements and disclosures.

In November 2018, the FASB issued ASU 2018-19, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*. This update deferred the implementation date of the new credit loss standard for non-public entities by one year, and clarified that operating lease receivables are not within its scope. The amendments were effective upon adoption of the amendments in ASU 2016-13. The adoption of ASU 2018-19 did not have a material impact on the Company's financial statements and disclosures.

2. Significant Accounting Policies (continued)

Recently Adopted Accounting Standards (continued)

In May 2019, the FASB issued ASU 2019-05, *Financial Instruments—Credit Losses (Topic 326): Targeted Transition Relief*. This update provided transition relief by providing entities with an alternative to irrevocably elect the fair value option for eligible financial assets measured at amortized cost upon adoption of the credit losses standard. The amendments were effective upon adoption of the amendments in ASU 2016-13. The adoption of ASU 2019-05 did not have a material impact on the Company's financial statements and disclosures.

In November 2019, the FASB issued ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*. This update was issued to clarify the new credit impairment guidance in Accounting Standards Codification ("ASC") 326 based on implementation issues raised by stakeholders.

The amendments were effective upon adoption of the amendments in ASU 2016-13. The adoption of ASU 2019-11 did not have a material impact on the Company's financial statements and disclosures.

Recently Issued Accounting Standards – Not Yet Adopted

The Company has determined that all other recently issued accounting pronouncements do not apply to its operations.

(Expressed in United States Dollars)

3. Investments

The amortized cost, allowance for credit losses, fair value and related gross unrealized gains and losses of investments in debt securities as at December 31, 2023 and 2022, are as follows:

December 31, 2023	Amortized Cost	Allowance for credit losses	Unrealized Gains	Unrealized Losses	Fair Value
Fixed maturity securities					
U.S. government agency obligations	$ 2,824,738	$ -	$ -	$ (165,357)	$ 2,659,381
U.S. government bonds	4,996,361	-	65,221		5,061,582
State and municipal bonds	15,000	-	-	(711)	14,289
Mortgage/asset-backed securities:					
Commercial	21,200	-	-	(212)	20,988
U.S. government corporations and agencies	431,284	-	-	(36,317)	394,967
Other	3,175,282	-	14,947	-	3,190,229
Corporate bonds and notes	9,288,737	-	-	(109,395)	9,179,342
Total fixed maturities	20,752,602	-	80,168	(311,992)	20,520,778
Short term investments	-	-	-	-	-
	$ 20,752,602	$ -	$ 80,168	$ (311,992)	$ 20,520,778

December 31, 2022	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Fixed maturity securities				
U.S. government agency obligations	$ 2,824,651	$ -	$ (268,835)	$ 2,555,816
U.S. government bonds	7,338,113	-	(213,269)	7,124,844
State and municipal bonds	66,083	-	(1,339)	64,744
Supranational bonds	71,885	-	-	71,885
Mortgage/asset-backed securities:				
Commercial	248,292	-	(3,024)	245,268
U.S. government corporations and agencies	2,208,242	40	(104,884)	2,103,398
Other	200,055	-	(4,572)	195,483
Corporate bonds and notes	7,660,272	-	(302,346)	7,357,926
Total fixed maturities	20,617,593	40	(898,269)	19,719,364
Short term investments	2,531,902	-	-	2,531,902
	$ 23,149,495	$ 40	$ (898,269)	$ 22,251,266

3. Investments (continued)

The Company's estimates of fair value for financial assets and financial liabilities are based on the framework provided by ASC 820, *Fair Value Measurements and Disclosures*. The framework is based on the inputs used in valuation and gives the highest priority to unadjusted quoted prices in active markets and requires that observable inputs be used in the valuations when available. The disclosure of fair value estimates in the ASC 820 hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of the hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect significant market assumptions. The three levels of the hierarchy are as follows:

Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets that the Company has the ability to access.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.

Level 3 Valuations based on models where significant inputs are not observable. The unobservable inputs reflect the Company's own assumptions about the assumptions that market participants would use.

When available, the Company uses quoted market prices to determine fair value of available for sale securities and classifies such items in Level 1 of the fair value hierarchy. Examples include certain U.S. government securities.

For fixed maturities traded over the counter, the Company generally determines fair value utilizing quoted prices for recent trading activity of assets with similar characteristics to the fixed maturity being valued. Fixed maturities priced using such method are generally classified in Level 2 of the fair value hierarchy. However, when less liquidity exists for a fixed maturity, a quoted price is stale, or prices from independent sources vary, the fixed maturity is classified in Level 3 of the fair value hierarchy.

(Expressed in United States Dollars)

3. Investments (continued)

In cases where a quoted market price is not available, the Company estimates the fair value of the instrument using an independent pricing source, which may utilize proprietary model based valuation techniques. The Company classifies such fair value measurements in Level 3 of the fair value hierarchy.

The following tables present the Company's fixed maturity, available for sale investments measured at fair value on a recurring basis by fair value hierarchy levels applicable to the fair value measurements, as of December 31, 2023 and 2022:

	Level 1	Level 2	Level 3	Total
December 31, 2023				
U.S. government agency obligations	$ -	$ 2,659,381	$ -	$ 2,659,381
U.S. government bonds	-	5,061,582	-	5,061,582
State and municipal bonds	-	14,289	-	14,289
Mortgage/asset-backed securities:				
Commercial	-	20,988	-	20,988
U.S. government corporations and agencies	-	394,967	-	394,967
Other	-	3,190,229	-	3,190,229
Corporate bonds and notes	-	9,179,342	-	9,179,342
Total fixed maturity securities	-	20,520,778	-	20,520,778
Short term investments	-	-	-	-
Total investments	$ -	$ 20,520,778	$ -	$ 20,520,778

(Expressed in United States Dollars)

3. Investments (continued)

	Level 1	Level 2	Level 3	Total
December 31, 2022				
U.S. government agency obligations	$ -	$ 2,555,816	$ -	$ 2,555,816
U.S. government bonds	-	7,124,844	-	7,124,844
State and municipal bonds	-	64,744	-	64,744
Supranational bonds	-	71,885	-	71,885
Mortgage/asset-backed securities:				
Commercial	-	245,268	-	245,268
U.S. government corporations and agencies	-	2,009,474	93,924	2,103,398
Other	-	195,483	-	195,483
Corporate bonds and notes	-	7,357,926	-	7,357,926
Total fixed maturity securities	-	19,625,440	93,924	19,719,364
Short term investments	-	2,531,902	-	2,531,902
Total investments	$ -	$ 22,157,342	$ 93,924	$ 22,251,266

The Company's policy is to recognize transfers between fair value levels as of the end of the reporting period. There were no transfers between Level 1 and Level 2 financial instruments for the years ended December 31, 2023 or 2022, and no transfers out of Level 3. There were no purchases of Level 3 securities during the year ended December 31, 2023. During the years ended December 31, 2023 and 2022, there were sales and maturities of Level 3 securities of $94,352 and $41,547 respectively.

For fixed-maturity investments and short term investments held on December 31, 2023, the contractual maturity distributions are as follows:

	Amortized cost	Fair value
Less than 1 year	$ 2,914,830	$ 2,880,060
From 1 to 5 years	14,210,005	14,034,535
From 5 to 10 years	38,174	35,948
Over 10 years	414,311	380,006
Asset backed/mortgage backed securities	3,175,282	3,190,229
	$ 20,752,602	$ 20,520,778

(Expressed in United States Dollars)

3. Investments (continued)

For fixed-maturity investments held on December 31, 2022, the contractual maturity distributions are as follows:

	Amortized cost	Fair value
Less than 1 year	$ 6,064,425	$ 6,045,838
From 1 to 5 years	14,162,429	13,427,598
From 5 to 10 years	266,051	233,680
Asset backed/mortgage backed securities	2,656,589	2,544,150
	$ 23,149,494	$ 22,251,266

Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

As at December 31, 2023 and 2022, the Company held 64 and 67 fixed maturity securities in unrealized loss positions totaling $311,992 and $898,269, respectively. Amortized cost and fair value of these securities in unrealized loss positions as of December 31, 2023, were $10,180,839 and $9,828,817, respectively, and as of December 31, 2022, were $16,161,229 and $15,262,960, respectively. These securities have been reviewed and no impairments to investments were deemed necessary to be recognized in the Statements of Operations and Comprehensive Income in the current year (2022: $206,983).

The components of net investment income for the years ended December 31, 2023, and 2022 were as follows:

	2023	2022
Interest on investments	$ 886,669	$ 394,986
Interest on cash and cash equivalents	451,169	26,776
Interest on funds withheld	2,474,160	886,461
Investment expenses	(72,591)	(50,457)
Total net investment income	$ 3,739,407	$ 1,257,766

The Company had previously established insurance trusts for the benefit of the ceding companies to provide collateral in respect of its net obligations to those companies under its reinsurance contracts. In January 2019, the ceding companies and the Company agreed to move to a funds withheld basis for accounting for net premiums due to the Company. The Company's obligations to the ceding companies are effectively secured by the funds withheld accounts.

(Expressed in United States Dollars)

3. Investments (continued)

The Company receives interest credited on the funds withheld balances at a rate of 1.2% per annum for the first 3 months of the year, further increased to 2.5% per annum for the rest of the year. (2022: 0.6% per annum). During the years ended December 31, 2023 and 2022, the interest credited to the Company by the ceding companies totaled $2,474,160 and $886,461, respectively.

4. Reinsurance Balances Receivable

Reinsurance balances receivable represent the net amount of written premiums less ceding commissions and paid losses receivable under the reinsurance agreements with affiliated companies, less cash received to date.

5. Outstanding Losses and Loss Adjustment Expenses

The summary of changes in outstanding losses and loss expenses for the years ended December 31, 2023 and 2022 are as follows:

	2023	2022
Gross balance at beginning of year	$ 39,325,915	$ 35,009,984
Less: Reinsurance recoverable	-	(3,000,000)
Net balance at beginning of year	39,325,915	32,009,984
Incurred losses and loss adjustment expenses related to:		
Current year	30,056,611	35,810,482
Prior years	(7,612,512)	(4,528,161)
Total incurred	22,444,099	31,282,321
Paid losses and loss adjustment expenses related to:		
Current year	7,398,960	13,702,934
Prior years	16,270,140	10,263,456
Total paid	23,669,100	23,966,390
Net balance at end of year	38,100,914	39,325,915
Add: Reinsurance recoverable	-	-
Gross balance at end of year	$ 38,100,914	$ 39,325,915

5. Outstanding Losses and Loss Adjustment Expenses (continued)

Current period incurred losses represent losses incurred in respect of the business written under the quota share agreement, including an estimate for the cost of losses in respect of events that have occurred but have not yet been reported to the Company.

The Company had favorable development of $7,612,512 in the reserve for prior year losses and loss adjustment expenses during the year ended December 31, 2023, primarily resulting from reduced estimates of ultimate losses and loss adjustment expenses related to catastrophe claims and non-catastrophe claims from accident years 2018, 2019, 2020, 2021 and 2022. The Company had favorable development of $4,528,161 in the reserve for prior year losses and loss adjustment expenses during the year ended December 31, 2022, primarily resulting from reduced estimates of ultimate losses and loss adjustment expenses related to catastrophe claims from accident year 2018 and attritional claims from accident years 2020 and 2021.

The Company compiles and aggregates its claims data by grouping the claims according to the year in which the claim occurred ("accident year") when analyzing claim payment and emergence patterns and trends over time. For the purposes of defining claims frequency, the number of reported claims is by loss occurrence and includes claims that do not result in a liability or payment associated with them.

The Company separates its catastrophe claim experience from its non-catastrophe (Non-CAT) claim experience when analyzing losses and loss adjustment expense (LAE) incurred and paid development and claim count triangles, as there are distinct differences in the development patterns, claim count emergence, and methods of IBNR projection. As such, the following tables show the split between the Company's historical catastrophe and Non-CAT incurred and cumulative paid losses and LAE development, net of reinsurance, as well as IBNR loss reserves and the number of reported claims on an aggregate basis as of December 31, 2023, for each of the previous eight accident years.

The information provided herein about incurred and paid accident year claims development for the years ended December 31, 2022, and prior is presented as unaudited supplementary information.

5. Outstanding Losses and Loss Adjustment Expenses (continued)

Catastrophe Incurred Losses and ALAE

Accident Year	Years Ended December 31, Unaudited 2016	2017	2018	2019	2020	2021	2022	2023	As of December 31, 2023 IBNR	Cumulative number of reported claims
	(in 000's, except claims counts)									
2016	$ 19,459	$ 20,659	$ 18,859	$ 18,499	$ 18,499	$ 18,499	$ 18,499	$ 18,445	$ 40	3,773
2017		42,540	40,552	41,036	41,174	40,759	40,729	40,711	39	18,097
2018			30,976	34,822	35,181	35,185	33,687	32,679	121	5,855
2019				32,130	34,332	34,466	34,466	34,196	167	6,399
2020					54,213	65,115	65,491	62,744	1,638	20,705
2021						26,693	26,658	26,145	1,771	16,559
2022							20,769	19,211	712	2,292
2023								9,282	5,784	350
Total								$ 243,413		

* Includes development on reported claims

Catastrophe Cumulative Paid Losses and ALAE

Accident Year	Years Ended December 31, Unaudited 2016	2017	2018	2019	2020	2021	2022	2023
	(in 000's)							
2016	$ 11,882	$ 17,910	$ 17,910	$ 18,211	$ 18,334	$ 18,405	$ 18,404	$ 18,404
2017		39,820	39,820	40,522	40,675	40,724	40,711	40,672
2018		24,519	24,519	34,399	35,404	35,557	32,408	32,470
2019				20,939	30,717	33,194	33,793	33,952
2020					34,190	55,984	60,262	60,280
2021							24,376	21,884
2022							6,941	17,502
2023								1,231
Total								**$ 226,395**
Catastrophe outstanding liabilities for unpaid losses and ALAE prior to 2016								76
Total outstanding liabilities for unpaid losses and ALAE								**$ 17,094**

5. Outstanding Losses and Loss Adjustment Expenses (continued)

Accident Year	Non-CAT Incurred Losses and ALAE — Years Ended December 31, Unaudited: 2016	2017	2018	2019	2020	2021	2022	2023	As of December 31, 2023: IBNR	Cumulative number of reported claims
	(in 000's, except claims counts)									
2016	$ 21,804	$ 22,614	$ 21,924	$ 21,452	$ 21,476	$ 21,476	$ 21,424	$ 21,255	$ 1	3,280
2017		33,528	33,162	33,198	33,798	33,798	33,729	33,519	63	4,690
2018			32,074	32,828	32,108	32,108	31,823	31,403	94	4,942
2019				34,897	30,775	29,575	29,575	29,145	84	4,157
2020					31,001	30,317	29,479	28,321	259	3,959
2021						15,805	14,529	14,373	773	2,635
2022							14,277	14,843	1,119	1,490
2023								20,775	11,137	741
Total								**$ 193,634**		

Accident Year	Non-CAT Cumulative Paid Losses and ALAE - Unaudited — Years Ended December 31, Unaudited: 2016	2017	2018	2019	2020	2021	2022	2023
	(in 000's)							
2016	$ 12,571	$ 18,375	$ 19,789	$ 20,462	$ 20,928	$ 21,022	$ 21,105	$ 21,194
2017		19,385	27,329	30,126	32,270	33,026	33,211	33,254
2018			19,584	27,365	30,148	30,939	31,250	31,287
2019				17,814	25,027	27,532	28,404	28,962
2020					17,756	25,048	27,309	27,840
2021						8,441	12,159	13,255
2022							5,996	11,680
2023								6,168
Total								**$ 173,640**
Non-CAT outstanding liabilities for unpaid losses and ALAE prior to 2016								629
Total outstanding liabilities for unpaid losses and ALAE								**$ 20,623**

5. Outstanding Losses and Loss Adjustment Expenses (continued)

The following table represents a reconciliation of claims development to the aggregate carrying amount of the liability for unpaid losses and loss adjustment expenses.

		2023
		(in thousands)
Net outstanding liabilities		
Catastrophe	$	17,094
Non–CAT		20,623
Total liability for unpaid losses and LAE		37,717
Reinsurance recoverable on unpaid claims		
Catastrophe		-
CAT-related recoverable unallocated claims adjustment expenses		-
Total reinsurance recoverable on unpaid claims		-
Unallocated claims adjustment expenses, net of reinsurance		384
Total liability for unpaid losses and LAE, net of reinsurance	$	38,101

The following table presents the average annual percentage payout of incurred claims by age, net of reinsurance, as of December 31, 2023, and is presented as required supplementary information, which is unaudited.

	Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance							
	Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**
Catastrophe	60.2%	94.3%	97.1%	100%	99.5%	99.7%	99.8%	99.8%
Non-CAT	53.8%	84.7%	93.7%	97.4%	99.0%	99.2%	99.3%	99.7%

6. Concentrations of Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of investments, funds withheld cash and reinsurance balances. The investment portfolio is managed following standards of diversification with restrictions on the allowable holdings of a single issue or issuer. The Company believes that there are no significant concentrations of credit risk associated with its investments other than concentrations in government and government-sponsored enterprises.

6. Concentrations of Risk (continued)

The Company did not have an aggregate investment in a single entity, other than the U.S. Government, in excess of 10% of the Company's shareholder's equity at December 31, 2023 and 2022. All of the fixed maturities held by the Company were rated as investment grade.

While the Company has managed its investment portfolio to avoid material concentrations of credit risk, there is no assurance that events in the financial markets will not adversely affect the value of the Company's investment portfolio.

All of the Company's reinsurance business is derived from the three ceding companies. Claims arising from unpredictable and severe catastrophic events could reduce the Company's earnings and shareholder's equity and limit its ability to enter to new reinsurance agreements. The Company's reinsurance operations expose it to claims arising out of unpredictable catastrophic events, such as hurricanes, earthquakes, windstorms and other severe events. The ceding companies use both proprietary and commercially available models for purposes of estimating exposure to loss under such events. These models utilize significant estimates and are inherently subject to uncertainty. Claims from catastrophic events could reduce earnings and cause substantial volatility in results of operations for any fiscal period, which could materially adversely affect the Company's financial condition, possibly to the extent of eliminating its shareholder's equity. The Company's ability to continue to provide cover under the reinsurance policies could also be materially adversely impacted as a result of corresponding reductions in its capital. Although the ceding companies and the Company purchase reinsurance based on its modeled risk profile to limit exposure to these types of events, one or more catastrophic or other events could result in claims that substantially exceed the limits of the Company's reinsurance coverage.

7. Share Capital and Additional Paid-In Capital

The Company was incorporated with authorized share capital of $200,000 divided into 200,000 common shares with a par value of $1.00 each. On incorporation, the Company issued 50,000 fully paid common shares of par value $1.00. Prior to commencing its insurance business effective March 1, 2014, the Company also received $82,250,000 of additional paid-in capital from its shareholder, and $10,000,000 was received in December 2017.

In July 2018 following a business plan change approved by CIMA in which the Company reduced its minimum capital worth requirements to $70,000,000, $14,000,000 surplus capital was returned to the Shareholder.

7. Share Capital and Additional Paid-In Capital (continued)

In October 2020 following a business plan change approved by CIMA, the Company's minimum net worth requirements were changed to a risk-based capital charge basis following the methodology contained in the Bermuda Solvency Capital Requirement model (BSCR) which drives minimum capital requirements of the Bermuda branch.

8. Dividends

The Company has filed a dividend and capital distribution policy with CIMA and is required to notify CIMA of distributions made in accordance with that policy. In October 2020 this policy was amended, such that no distributions will be made unless the shareholder's equity exceeds 125% of the minimum statutory capital and surplus indicated by the BSCR.

During the years ended December 31, 2023 and 2022, the Company paid dividends totaling $27,207,026 and $3,992,681, respectively, to its shareholder.

9. Related-Party Transactions

The Company reinsures, on a quota share basis, the business of the three ceding companies. The ceding companies and the Company are affiliated through common ownership. All of the insurance business written by the Company in the years ended December 31, 2023 and 2022, is transacted with the ceding companies. 100% of the funds withheld balances are held by affiliated companies. 100% of the reinsurance balances receivable is due from affiliated companies.

During the year ended December 31, 2022, the Company received $1,422,113 being a 50% share of the proceeds of the renewal rights of the Hawaii customer relationships sold by the affiliated companies GeoVera Insurance Company and Coastal Select Insurance Company. The Company also recognized a reduction of $1,087 during the year-ended December 31, 2022 as a result of a true up of the contingent gain on this sale.

10. Financial Instruments

Fair Value

The Company considers the carrying value of cash and cash equivalents, short term investments, equity investments, funds withheld, reinsurance balances receivable, prepaid expenses, accounts payable and accrued expenses to approximate their fair value.

10. Financial Instruments (continued)

Market Risk

Market risk is the risk that changes in interest rates will affect the positions held by the Company. The Company is exposed to market risk on its money market funds, short term investments, equity investments and fixed maturity securities which are carried at estimated fair market values. Specifically, a risk exists that the ultimate selling price of the money market funds, short term investments, equity investments or fixed maturity securities may differ from their estimated fair market values as at the balance sheet date. The investment strategy of the money market funds is to generate as high a level of current income as is consistent with maintaining liquidity and stability of principal. Having reviewed the strategy of money market funds, management does not anticipate any material losses from this exposure. The Company maintains an investment policy that monitors and seeks to mitigate market risk on its portfolio of fixed maturity securities.

Credit Risk

The Company is a party to financial instruments with concentrations of credit risk in the normal course of business. Credit risk arises from the failure of the counterparty to perform according to the terms of a contract. The Company does not require collateral or other security to support financial instruments with credit risk and in the opinion of management, the risk of loss due to credit risk is not significant.

11. Statutory Requirements

The Company is subject to the respective insurance acts, laws, rules and regulations of the Cayman Islands and Bermuda.

Cayman Islands

The Company is regulated in the Cayman Islands by CIMA and has filed a business plan and dividend and capital distribution plan with CIMA. The business plan describes, amongst other things, the insurance business that the Company writes (as described in Note 1 above) and the Company may not participate in different business without first obtaining the permission of CIMA to change its business plan.

11. Statutory Requirements (continued)

The Company is required by the terms of its license to have at least $200,000 of issued share capital, and to maintain capital and surplus greater than a minimum statutory amount determined as a given fraction of net written premiums ("CIMA Prescribed Minimum Capital Requirement").

At December 31, 2023 and 2022, the Company was required to maintain CIMA Prescribed Minimum Capital Requirement of $7,337,802 and $6,499,935, respectively. The Company met the minimum solvency margin at December 31, 2023 and 2022.

The dividend and distribution policy, as amended in October 2020, provides for the following:

1. Management will maintain sufficient capital and surplus to be able to meet the higher of the CIMA Prescribed Minimum Capital Requirement for Class B (iii) Insurers and the risk-based capital requirements of the BMA's BSCR;

2. No distributions will be made unless the shareholder's equity exceeds 125% of the minimum statutory capital and surplus indicated by the BSCR.

Bermuda

The Company is required by its Class 3A license issued in respect of its Bermuda Branch to maintain capital and surplus greater than a minimum statutory amount determined as the greater of a percentage of outstanding losses or a given fraction of net written premiums. At December 31, 2023 and 2022, the Company was required to maintain a minimum statutory capital and surplus of approximately $25,302,044 and $16,866,226, respectively. The Company's actual statutory capital and surplus, as calculated in accordance with Bermuda regulations, at December 31, 2023 and 2022, was $59,271,503 and $59,636,504, respectively. The Company met the minimum solvency margin at December 31, 2023 and 2022.

In addition, the Company is required to maintain shareholder's equity at least equal to the target level indicated by the BSCR.

11. Statutory Requirements (continued)

Actual statutory capital and surplus, as calculated in accordance with Bermuda regulations, at December 31, 2023 and 2022, is equivalent to that determined on a GAAP basis, specifically $102,128,219 and $89,543,168, respectively.

The Company is also required to maintain a minimum liquidity ratio whereby the value of its relevant assets is not less than 75% of the amount of its relevant liabilities. Relevant assets comprise cash and cash equivalents, investments, accrued interest, accounts receivable and reinsurance balances receivable.

At December 31, 2023 and 2022, the Company was required to maintain relevant assets of $123,198,502 and $95,982,397, respectively, being at least 75% of relevant liabilities. At December 31, 2023 and 2022, relevant assets were approximately $223,536,172 and $187,613,034, respectively, and the minimum liquidity ratios were therefore met.

In addition, the Company is required to maintain shareholder’s equity at least equal to the target level indicated by the BSCR. At December 31, 2023, shareholder’s equity of $101.1M exceeded the target capital requirement indicated by the BSCR of approximately $25.3M.

Under the Act, the Company is not permitted to reduce its statutory capital by an amount equal to 15% or more its statutory capital at the beginning of the year without first obtaining the approval of the Bermuda Monetary Authority (BMA).

The Company has also represented to the BMA that it will maintain shareholder’s equity equal to approximately two aggregate limit losses (currently, $24,000,000).

12. Taxation

There is presently no taxation imposed by the Government of the Cayman Islands on income, premiums or capital gains. The Company has received an undertaking from the Governor in Cabinet in the Cayman Islands that in the event of such taxes being imposed, the Company will be exempted from taxation until May 19, 2035.

Under current Bermuda law the Company is not required to pay any taxes in Bermuda on either income or capital gains. The Company has received an undertaking from the Minister of Finance in Bermuda that in the event of such taxes being imposed, the Company will be exempted from taxation until March 31, 2035.

The Company bears United Kingdom Corporation taxation at a rate of 21% determined on a percentage of the United Kingdom-based directors' fees and meeting costs.

Management is required to determine whether a tax position is more likely than not to be sustained upon examination by the applicable taxing authority based on the technical merits of the position. Management has evaluated all tax positions and does not consider the Company to be engaged in trade or business in any jurisdiction other than the Cayman Islands and therefore is not subject to income taxes. If the Company should be considered to be engaged in a trade or business in a jurisdiction outside of the Cayman Islands, it could be subject to income taxes.

Management does not believe there are any tax positions taken by the Company that are subject to uncertainty and as a result, no provisions have been made in these financial statements. The Company reports interest and penalties, if any, in the statement of operations within operating expenses. For the period ending December 31, 2023, no interest or penalties were recognized.

13. Subsequent Events

Subsequent to December 31, 2023, it was proposed that Flexpoint Fund II (Cayman) Ltd. effect a sale of GeoVera Investment, resulting in a change in control of the Company. This sale is subject to all regulatory approvals, including those in the Cayman Islands and Bermuda. There are no additional events that have occurred between December 31, 2023, and April 26, 2024, the date the financial statements were available to be issued, that require additional disclosure in these financial statements