

April 29, 2024

Report of Independent Auditors

To the Board of Directors of Radiant Ltd.

Opinions

We have audited the accompanying condensed financial statements of Radiant Ltd. (the “Company”), which comprise the condensed balance sheets and condensed statements of capital and surplus as of December 31, 2023 and 2022, and the related condensed statements of income for the years then ended, including the related notes (collectively referred to as the “condensed financial statements”).

Unmodified opinion on regulatory basis of accounting

In our opinion, the accompanying condensed financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations for the years then ended in accordance with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to condensed general purpose financial Statements (the “Legislation”).

Adverse opinion on U.S. generally accepted accounting principles

In our opinion, because of the significance of the matter discussed in the *Basis for adverse opinion on U.S. generally accepted accounting principles* section of our report, the accompanying condensed financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2023 and 2022, or the results of its operations for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the *Auditors’ responsibilities for the audit of the condensed 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for adverse opinion on U.S. generally accepted accounting principles

As described in Note 3 to the condensed financial statements, the condensed financial statements are prepared by the Company on the basis of the financial reporting provisions of the Legislation, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Bermuda Monetary Authority.

The effects on the condensed financial statements of the variances between the regulatory basis of accounting described in Note 3 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of management for the condensed financial statements

Management is responsible for the preparation and fair presentation of the condensed financial statements in accordance with the financial reporting provisions of the Legislation. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the condensed financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the condensed 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 the condensed financial statements are available to be issued.

Auditors' responsibilities for the audit of the condensed financial statements

Our objectives are to obtain reasonable assurance about whether the condensed financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 US 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 judgement made by a reasonable user based on the condensed financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the condensed 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 condensed financial statements.
- Obtain an understanding of internal controls 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 condensed financial statements.
- Conclude whether, in our judgement, 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.

Grant Thornton (Bermuda) Limited

Grant Thornton (Bermuda) Limited
Chartered Professional Accountants
Hamilton, Bermuda

CONDENSED CONSOLIDATED BALANCE SHEET

Radian Ltd.
As at
expressed in

December 31, 2023
United States Dollars

LINE No.		2023	2022
1.	CASH AND CASH EQUIVALENTS	5,402,454	7,219,321
2.	QUOTED INVESTMENTS:		
(a)	Bonds and Debentures		
	i. Held to maturity	-	-
	ii. Other	-	-
(b)	Total Bonds and Debentures	-	-
(c)	Equities		
	i. Common stocks	-	-
	ii. Preferred stocks	-	-
	iii. Mutual funds	-	-
(d)	Total equities	-	-
(e)	Other quoted investments	-	-
(f)	Total quoted investments	-	-
3.	UNQUOTED INVESTMENTS:		
(a)	Bonds and Debentures		
	i. Held to maturity	-	-
	ii. Other	-	-
(b)	Total Bonds and Debentures	-	-
(c)	Equities		
	i. Common stocks	-	-
	ii. Preferred stocks	-	-
	iii. Mutual funds	-	-
(d)	Total equities	-	-
(e)	Other unquoted investments	-	-
(f)	Total unquoted investments	-	-
4.	INVESTMENTS IN AND ADVANCES TO AFFILIATES		
(a)	Unregulated entities that conduct ancillary services	-	-
(b)	Unregulated non-financial operating entities	-	-
(c)	Unregulated financial operating entities	-	-
(d)	Regulated non-insurance financial operating entities	-	-
(e)	Regulated insurance financial operating entities	-	-
(f)	Total investments in affiliates	-	-
(g)	Advances to affiliates	-	-
(h)	Total investments in and advances to affiliates	-	-
5.	INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE:		
(a)	First liens	-	-
(b)	Other than first liens	-	-
(c)	Total investments in mortgage loans on real estate	-	-
6.	POLICY LOANS	-	-
7.	REAL ESTATE:		
(a)	Occupied by the company (less encumbrances)	-	-
(b)	Other properties (less encumbrances)	-	-
(c)	Total real estate	-	-
8.	COLLATERAL LOANS	-	-
9.	INVESTMENT INCOME DUE AND ACCRUED	32,237	20,635
10.	ACCOUNTS AND PREMIUMS RECEIVABLE:		
(a)	In course of collection	-	-
(b)	Deferred - not yet due	-	-
(c)	Receivables from retrocessional contracts	-	-
(d)	Total accounts and premiums receivable	-	-
11.	REINSURANCE BALANCES RECEIVABLE:		
(a)	Foreign affiliates	-	-
(b)	Domestic affiliates	-	-
(c)	Pools & associations	-	-
(d)	All other insurers	-	-
(e)	Total reinsurance balance receivable	-	-
12.	FUNDS HELD BY CEDING REINSURERS	16,033,438	-

CONDENSED CONSOLIDATED BALANCE SHEET

Radiant Ltd.
As at
expressed in

December 31, 2023
United States Dollars

LINE No.		2023	2022
13.	SUNDRY ASSETS:		
(a)	Derivative instruments	-	-
(b)	Segregated accounts companies - long-term business - variable annuities	-	-
(c)	Segregated accounts companies - long-term business - other	-	-
(d)	Segregated accounts companies - general business	-	-
(e)	Deposit assets	-	-
(f)	Deferred acquisition costs	-	-
(g)	Net receivables for investments sold	-	-
(h)	Deferred Tax Asset	377,336	72,811
(i)	Income Tax Recoverable	-	2,473,834
(j)	Prepayments	-	-
(k)	Total sundry assets	377,336	2,546,645
14.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS		
(a)	Letters of credit	-	-
(b)	Guarantees	-	-
(c)	Other instruments	-	-
(e)	Total letters of credit, guarantees and other instruments	-	-
15.	TOTAL	21,845,465	9,786,601
	TOTAL INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS		
16.	UNEARNED PREMIUM RESERVE		
(a)	Gross unearned premium reserves	6,093,553	300,000
(b)	Less: Ceded unearned premium reserve		
	i. Foreign affiliates	-	-
	ii. Domestic affiliates	-	-
	iii. Pools & associations	-	-
	iv. All other insurers	-	-
(c)	Total ceded unearned premium reserve	-	-
(d)	Net unearned premium reserve	6,093,553	300,000
17.	LOSS AND LOSS EXPENSE PROVISIONS:		
(a)	Gross loss and loss expense provisions	1,495,703	3,000,000
(b)	Less : Reinsurance recoverable balance		
	i. Foreign affiliates	-	-
	ii. Domestic affiliates	-	-
	iii. Pools & associations	-	-
	iv. All other reinsurers	-	-
(c)	Total reinsurance recoverable balance	-	-
(d)	Net loss and loss expense provisions	1,495,703	3,000,000
18.	OTHER GENERAL BUSINESS INSURANCE RESERVES	-	-
19.	TOTAL GENERAL BUSINESS INSURANCE RESERVES	7,589,256	3,300,000
	LONG-TERM BUSINESS INSURANCE RESERVES		
20.	RESERVE FOR REPORTED CLAIMS	-	-
21.	RESERVE FOR UNREPORTED CLAIMS	-	-
22.	POLICY RESERVES - LIFE	-	-
23.	POLICY RESERVES - ACCIDENT AND HEALTH	-	-
24.	POLICYHOLDERS' FUNDS ON DEPOSIT	-	-
25.	LIABILITY FOR FUTURE POLICYHOLDERS' DIVIDENDS	-	-
26.	OTHER LONG-TERM BUSINESS INSURANCE RESERVES	-	-

CONDENSED CONSOLIDATED BALANCE SHEET

Radiant Ltd.
As at
expressed in

December 31, 2023
United States Dollars

LINE No.		2023	2022
27.	TOTAL LONG-TERM BUSINESS INSURANCE RESERVES		
(a)	Total Gross Long-Term Business Insurance Reserves	-	-
(b)	Less: Reinsurance recoverable balance on long-term business		
	(i) Foreign Affiliates	-	-
	(ii) Domestic Affiliates	-	-
	(iii) Pools and Associations	-	-
	(iv) All Other Insurers	-	-
(c)	Total Reinsurance Recoverable Balance	-	-
(d)	Total Net Long-Term Business Insurance Reserves	-	-
	OTHER LIABILITIES		
28.	INSURANCE AND REINSURANCE BALANCES PAYABLE	1,804,297	3,293,819
29.	COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE	-	-
30.	LOANS AND NOTES PAYABLE	-	-
31.	(a) INCOME TAXES PAYABLE	27,825	-
	(b) DEFERRED INCOME TAXES	-	-
32.	AMOUNTS DUE TO AFFILIATES	2,702,965	4,713
33.	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	33,648	33,431
34.	FUNDS HELD UNDER REINSURANCE CONTRACTS:	-	-
35.	DIVIDENDS PAYABLE	-	-
36.	SUNDRY LIABILITIES:		
(a)	Derivative instruments	-	-
(b)	Segregated accounts companies	-	-
(c)	Deposit liabilities	-	-
(d)	Net payable for investments purchased	-	-
(e)	Other sundry liabilities (specify)	-	-
(f)	Other sundry liabilities (specify)	-	-
(g)	Other sundry liabilities (specify)	-	-
(h)	Total sundry liabilities	-	-
37.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS:		
(a)	Letters of credit	-	-
(b)	Guarantees	-	-
(c)	Other instruments	-	-
(d)	Total letters of credit, guarantees and other instruments	-	-
38.	TOTAL OTHER LIABILITIES	4,568,735	3,331,963
39.	TOTAL INSURANCE RESERVES AND OTHER LIABILITIES	12,157,991	6,631,963
	CAPITAL AND SURPLUS		
40.	TOTAL CAPITAL AND SURPLUS	9,687,474	3,154,638
41.	TOTAL	21,845,465	9,786,601
		TRUE	TRUE

CONDENSED CONSOLIDATED STATEMENT OF INCOME

Radiant Ltd.
As at
expressed in

December 31, 2023
United States Dollars

LINE No.		2023	2022
	GENERAL BUSINESS UNDERWRITING INCOME		
1.	GROSS PREMIUMS WRITTEN		
	(a) Direct gross premiums written	14,624,528	7,388,504
	(b) Assumed gross premiums written	-	-
	(c) Total gross premiums written	14,624,528	7,388,504
2.	REINSURANCE PREMIUMS CEDED	-	-
3.	NET PREMIUMS WRITTEN	14,624,528	7,388,504
4.	INCREASE (DECREASE) IN UNEARNED PREMIUMS	(5,793,553)	1,272,055
5.	NET PREMIUMS EARNED	8,830,975	8,660,559
6.	OTHER INSURANCE INCOME	-	-
7.	TOTAL GENERAL BUSINESS UNDERWRITING INCOME	8,830,975	8,660,559
	GENERAL BUSINESS UNDERWRITING EXPENSES		
8.	NET LOSSES INCURRED AND NET LOSS EXPENSES INCURRED	300,000	11,838,504
9.	COMMISSIONS AND BROKERAGE	-	-
10.	TOTAL GENERAL BUSINESS UNDERWRITING EXPENSES	300,000	11,838,504
11.	NET UNDERWRITING PROFIT (LOSS) - GENERAL BUSINESS	8,530,975	(3,177,945)
	LONG-TERM BUSINESS INCOME		
12.	GROSS PREMIUMS AND OTHER CONSIDERATIONS:		
	(a) Direct gross premiums and other considerations	-	-
	(b) Assumed gross premiums and other considerations	-	-
	(c) Total gross premiums and other considerations	-	-
13.	PREMIUMS CEDED	-	-
14.	NET PREMIUMS AND OTHER CONSIDERATIONS:		
	(a) Life	-	-
	(b) Annuities	-	-
	(c) Accident and health	-	-
	(d) Total net premiums and other considerations	-	-
15.	OTHER INSURANCE INCOME	-	-
16.	TOTAL LONG-TERM BUSINESS INCOME	-	-
	LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES		
17.	CLAIMS - LIFE	-	-
18.	POLICYHOLDERS' DIVIDENDS	-	-
19.	SURRENDERS	-	-
20.	MATURITIES	-	-
21.	ANNUITIES	-	-
22.	ACCIDENT AND HEALTH BENEFITS	-	-
23.	COMMISSIONS	-	-
24.	OTHER	-	-
25.	TOTAL LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES	-	-
26.	INCREASE (DECREASE) IN POLICY RESERVES (ACTUARIAL LIABILITIES):		
	(a) Life	-	-
	(b) Annuities	-	-
	(c) Accident and health	-	-
	(d) Total increase (decrease) in policy reserves	-	-

CONDENSED CONSOLIDATED STATEMENT OF INCOME

Radiant Ltd.
As at
expressed in

December 31, 2023
United States Dollars

LINE No.	2023	2022
27. TOTAL LONG-TERM BUSINESS EXPENSES	-	-
28. NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS	-	-
29. COMBINED NET UNDERWRITING RESULTS BEFORE THE UNDERNOTED ITEMS	<u>8,530,975</u>	<u>(3,177,945)</u>
UNDERNOTED ITEMS		
30. COMBINED OPERATING EXPENSE		
(a) General and administration	104,728	128,627
(b) Personnel cost	-	-
(c) Other	-	-
(d) Total combined operating expenses	<u>104,728</u>	<u>128,627</u>
31. COMBINED INVESTMENT INCOME - NET	<u>303,723</u>	<u>120,180</u>
32. COMBINED OTHER INCOME (DEDUCTIONS)	-	-
33. COMBINED INCOME BEFORE TAXES	<u>8,729,970</u>	<u>(3,186,392)</u>
34. COMBINED INCOME TAXES (IF APPLICABLE):		
(a) Current	2,501,659	(1,047,049)
(b) Deferred	(304,525)	63,804
(c) Total	<u>2,197,134</u>	<u>(983,245)</u>
35. COMBINED INCOME BEFORE REALIZED GAINS (LOSSES)	6,532,836	(2,203,147)
36. COMBINED REALIZED GAINS (LOSSES)	-	-
37. COMBINED INTEREST CHARGES	-	-
38. NET INCOME	<u>6,532,836</u>	<u>(2,203,147)</u>

CONDENSED CONSOLIDATED STATEMENT OF CAPITAL AND SURPLUS

Radiant Ltd.
As at
expressed in

December 31, 2023
United States Dollars

LINE No.		2023	2022
1.	CAPITAL:		
(a)	Capital Stock		
	(i) Common Shares	120,000	120,000
	authorized	120,000	
	value	\$ 1,000	
	fully paid	120,000	
		shares of par	each issued and
			shares
	(ii)		
	(A) Preferred shares:	-	-
	authorized		
	value		
	fully paid		
		shares of par	each issued and
			shares
	aggregate liquidation value for –		
	2023		
	2022		
	(B) Preferred shares issued by a subsidiary:	-	-
	authorized		
	value		
	fully paid		
		shares of par	each issued and
			shares
	aggregate liquidation value for –		
	2023		
	2022		
	(iii) Treasury Shares	-	-
	repurchased		
	value		
		shares of par	each issued
(b)	Contributed surplus	1,755,100	1,755,100
(c)	Any other fixed capital		
	(i) Hybrid capital instruments	-	-
	(ii) Guarantees and others	-	-
	(iii) Total any other fixed capital	-	-
(d)	Total Capital	1,875,100	1,875,100
2.	SURPLUS:		
(a)	Surplus - Beginning of Year	1,279,538	3,482,685
(b)	Add: Income for the year	6,532,836	(2,203,147)
(c)	Less: Dividends paid and payable	-	-
(d)	Add (Deduct) change in unrealized appreciation (depreciation) of investments	-	-
(e)	Add (Deduct) change in any other surplus	-	-
(f)	Surplus - End of Year	7,812,374	1,279,538
3.	MINORITY INTEREST	-	-
4.	TOTAL CAPITAL AND SURPLUS	9,687,474	3,154,638

Schedule X

RADIANT LTD.

NOTES TO CONDENSED GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2023

Matters to be set forth in a General Note to the Financial Statements

1. Radiant Ltd. (the "Company") was incorporated as an exempted company on July 19, 2011, under the laws of Bermuda. Effective July 10, 2013, the Company was registered as a Class 3A insurer under the Insurance Act 1978, amendments thereto and related regulations.

The Company is wholly owned by Radiant Holdings Corporation (RHC), a Delaware, U.S. corporation. RHC is wholly owned by Gemini Financial Holding Corporation (GFHC), a Delaware, U.S. corporation. GFHC is wholly owned by Pisces Financial Holdings, LLC (Pisces), a Delaware limited liability company. Pisces is wholly owned by Starwood LLC (Starwood), a Delaware limited liability company. Starwood is a Delaware limited liability company whose majority owner is Dennis McGill.

2. The Company provides property catastrophe excess of loss reinsurance and reinstatement premium protection reinsurance on a fully collateralized basis to Olympus Insurance Company ("Olympus"), an affiliated primary insurance company writing Homeowners and Dwelling Property business in Florida, U.S.A.

For the 2023/2024 policy year, a Bermuda segregated account at Artex SAC Limited has been used in the reinsurance arrangements. Olympus has entered into a Property Quota Share Reinsurance Contract with Artex SAC Limited, in respect of its Gemini Re 6 Segregated Account ("Artex SAC") and the Company has entered into an Underlying Catastrophe Excess of Loss Retrocession Reinsurance Contract with Artex SAC. Artex SAC has the same ultimate ownership as the Company and Olympus.

Artex SAC retains \$0 of Ultimate Net Loss arising from Loss Occurrences under the Underlying Reinsurance Contract between Artex SAC and Olympus. Radiant is then liable for the amount by which the Ultimate Net Loss exceeds Artex SAC's Retention but the liability of Radiant shall not exceed \$16,033,438 as respects any one Loss Occurrence deemed payable under the Underlying Reinsurance Contract nor shall it exceed \$16,033,438 as respects all loss or losses arising out of Loss Occurrences deemed payable under the Underlying Reinsurance Contract.

Further details of the 2023/2024 policy year coverage are as follows:

Layer	Olympus Retention	Contract's 100% per Occurrence Limit	Placement	Radiant's Per Occurrence Limit	Radiant's Aggregate Limit
Layer 1 (Pre-Paid)	\$6,000,000	\$9,000,000	65.5%	\$5,985,000	\$11,970,000
Layer 1 (Single-Shot)	\$6,000,000	\$9,000,000	6.0%	\$540,000	\$540,000
Layer 1 (Pre-Paid)	\$6,000,000	\$4,000,000	27.5%	\$1,100,000	\$2,200,000
Layer 2 (Single-Shot)	\$15,000,000	\$27,500,000	4.8125%	\$1,323,438	\$1,323,438
					\$16,033,438

No reinsurance was purchased for the renewal year beginning June 1, 2023.

For the 2022/2023 policy year, the Company provided the following reinsurance to Olympus:-

Section	Description of Reinsurance	Aggregate Limit
Section A – Property Catastrophe Excess of Loss	20% of \$1,500,000 per loss occurrence, in excess of a retention of \$6,000,000, and 20% of \$3,000,000 in the aggregate in respect of all loss occurrences	\$600,000
Section B – Second Event Property Catastrophe Excess of Loss	\$3,000,000 per loss occurrence, in excess of a retention of \$3,000,000, and \$3,000,000 in the aggregate in respect of all loss occurrences	\$3,000,000
Section C – Reinstatement Premium Protection – Continental Indemnity Company line under the first excess layer of the One-Year Catastrophe Contract	Maximum liability shall not exceed \$1,687,500	\$1,687,500
Section D – Reinstatement Premium Protection –the first, third and fourth excess layers of the One-Year Catastrophe Contract	Maximum liability shall not exceed \$3,101,004 (i.e., \$292,500 as respects the first excess layer, \$1,916,000 as respects the third excess layer and \$892,504 as respects the fourth excess layer	\$3,101,004
Section E – Reinstatement Premium Protection –the first excess layer of the Seven-Month Catastrophe Contract	Maximum liability shall not exceed \$3,750,000	\$3,750,000
Total Aggregate Limit		\$12,138,504

The Company has recorded net losses incurred and net loss expenses incurred up to its aggregate limit of \$12,138,504 for the 2022/2023 policy year.

No reinsurance was purchased for the renewal year beginning June 1, 2022.

3. These condensed financial statements have been prepared in accordance with generally accepted accounting principles in the U.S. adjusted for filters prescribed by Insurance Account Rules 2016 and Related Regulations and are not intended to be presented in conformity with generally accepted accounting principles.
4. The Insurer's significant accounting policies are as follows:
 - (a) Premiums

Premiums written are recorded on the accruals basis and are included in income on a pro-rata basis over the period the coverage is provided with the unearned portion deferred in the condensed statutory balance sheet. Reinsurance premiums ceded are similarly pro-rated over the period the coverage is provided with the unearned portion being deferred in the condensed statutory balance sheet net of unearned premiums. In the event that the aggregate limit is reached prior to the end of a policy period, any unearned portion of premium will be released to income immediately.

(b) Loss and loss expense provisions

Loss and loss expense provisions include a provision for losses incurred but not reported and are recorded as reported by the reinsured and are subsequently reviewed by an independent actuary at year end. Such liabilities are necessarily based on estimates and while the directors and management believe that the amounts are fairly stated, the ultimate liability may be in excess of, or less than, the amounts provided. The methods of making such estimates and for establishing the resulting provisions are continually reviewed and any adjustments resulting therefrom are reflected in the periods in which they become known.

(c) Cash and time deposits

The Company considers all cash on hand, money market funds, deposits with financial institutions that can be withdrawn without prior notice or penalty, and short-term deposits with an original maturity of ninety days or less as equivalent to cash.

5. (a) Premium: Refer to Note 4(a)

(b) Investment income

Investment income is recorded on an accrual basis and is presented net of interest expense.

(c) Commission income: N/A

6-14 N/A

15. See Matters to be set forth in a General Note to the Financial Statements, item 2 and see matters set forth in Notes to the Balance Sheet, note 4.

16. During 2024, a loan payable to an affiliated company, Gemini Financial Services Corporation, in the amount of \$2,700,000 was transferred to RHC. RHC made a capital contribution to the Company in the amount of \$2,675,000 with the Company paying \$25,000 to RHC.

17. Unless otherwise indicated, all information included in these condensed financial statements is as of December 31, 2023, and you should not assume that valuations of assets or other matters are current as of any later date.

Matters to be set forth in Notes to the Statement of Capital and Surplus

1(a) Capital Stock

		2023	2022
Authorized:			
120,000	Ordinary Shares of \$1 par value each	\$ 120,000	\$120,000
Issued and fully paid:			
120,000	Ordinary Shares of \$1 par value each	\$ 120,000	\$120,000

1(b) N/A

2(c) N/A

Matters to be set forth in Notes to the Balance Sheet

1. Cash and time deposits of \$4,965,217 (2022: \$6,955,360) are held in trust on behalf of Olympus as collateral for future liabilities.

2-8. N/A

9. Investment income accrued as at December 31, 2023 amounted to \$32,237 (2022: \$20,635).

10-11. N/A

12. Funds totaling \$16,033,438 (2022 - \$0) are held in trust on behalf of Olympus as collateral for future liabilities in an account owned by Artex SAC which the Company is linked to.

13. Effective July 19, 2011, the Company made an irrevocable election under Section 953(d) of the Internal Revenue Code of 1986, as amended, to treat the Company as a domestic insurance company for United States federal income tax purposes. As a result of the "domestic election" the Company will continue to be subject to U.S. taxation on its worldwide income as if it were a U.S. corporation. In connection with the Section 953(d) election the Company has also elected to be included in the consolidated tax return of GFHC and therefore all taxes accrued are due to the Parent for the Company's portion of the related consolidated tax.

The Company reports its liability and expense for income taxes under the requirements of accounting guidance issued by the Financial Accounting Standards Board related to accounting for income taxes. Deferred income taxes reflect the impact of temporary differences between the amounts of assets and liabilities recognized for financial reporting purposes and such amounts recognized for income tax purposes, measured by applying currently enacted laws. The Company measures its deferred tax items at an effective tax rate of 21%. Although realization is not assured, management believes it is more likely than not that the entire deferred federal income tax asset will be realized. The amount of the deferred federal income tax considered realizable could be reduced in the near term if estimates of future taxable income are reduced.

Temporary differences between generally accepted accounting principles in the U.S. and U.S. tax accounting exist for the reserve for losses and loss adjustment expenses, unearned premiums and net operating loss carried forward, resulting in a deferred tax asset of \$377,336 (2022: \$72,811). The deferred tax asset relating to the net operating loss carried forward amounts to \$169,957 (2022: \$176,253). A valuation allowance of \$115,851 (2022: \$115,851) has been established as based on the available evidence.

As at December 31, 2023, income tax payable amounted to \$27,825 (2022: income tax recoverable of \$2,473,834).

14. N/A

16. See Matters to be set forth in a General Note to the Financial Statements, item 4(a).

17. See Matters to be set forth in a General Note to the Financial Statements, item 4(b).

	2023	2022
Gross loss and loss expense provisions at beginning of year	3,000,000	154,518
Less: Reinsurance recoverable at beginning of year	-	-
Net loss and loss expense provisions at beginning of year	3,000,000	154,518
Current year	-	11,838,504
Prior years	300,000	-
Total net incurred losses and loss expenses	300,000	11,838,504
Net loss and loss expenses paid or payable related to:		
Current year	-	8,838,504
Prior years	1,804,297	154,518
Total losses and loss expenses paid or payable	1,807,297	8,993,022
Foreign exchange and other		
Net loss and loss expense provisions at end of year	1,495,703	3,000,000
Net loss and loss expense provisions at end of year	1,495,703	3,000,000

As a result of changes in estimates of insured events in prior years, the liability for losses and loss adjustment expenses increased by \$300,000 and \$Nil for the years ended December 31, 2023 and 2022, respectively. Assets restricted for reserves are disclosed in note 1 of Matters to be set forth in the Notes to the Balance Sheet.

20-27. N/A

28. The Company has losses payable to Olympus amounting to \$1,804,297 (2022: \$3,293,819) as of December 31, 2023.

29-30. N/A

31. See Matters to be set forth in Notes to the Balance Sheet, item 13.

32. Amounts due to affiliates totaling \$2,702,965 (2022: \$4,713) relate to a loan of \$2,700,000 due to an affiliate and expenses paid by an affiliate on behalf of the Company. The amounts are interest free with no fixed term of repayment.

33. Accounts payable and accrued liabilities of \$33,648 (2022: \$33,431) pertain to management, audit and actuarial fees.

34-37. N/A

Matters to be set forth in Notes to the Statement of Income

6-36. N/A