Financial Statements of

GREENLIGHT REINSURANCE, LTD.

December 31, 2023 and 2022

GREENLIGHT REINSURANCE, LTD.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Greenlight Reinsurance, Ltd.

Opinion

We have audited the financial statements of Greenlight Reinsurance, Ltd., a wholly owned subsidiary of Greenlight Capital Re, Ltd. (the "Company"), which comprise the balance sheet as of December 31, 2023 and 2022, and the related statements of operations, shareholders' equity, and cash flows, for each of the two years in the period ended December 31, 2023, and the related notes to the financial statements (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 as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Solasglas Investments, LP, an equity method investment of the Company, as of December 31, 2023 and 2022, and for each of the two years in period ended December 31, 2023. The Company's investment in Solasglas Investments, LP as of December 31, 2023 and 2022 was $233.5 million and 149.7 million, respectively, and its equity in net income of Solasglas Investments, LP was $26.8 million and $48.2 million for the years ended December 31, 2023 and 2022. The financial statements of Solasglas Investments, LP were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Solasglas Investments, LP, is based solely on the report of the other auditors.

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.

Other Matter

The financial statements of the Company as of and for the year ended December 31, 2021 were audited by other auditors who expressed an unmodified opinion on those statements on March 8, 2022.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Loss and loss adjustment expense reserves - Refer to Notes 2 and 7 to the financial statements

Critical Audit Matter Description

The Company's estimate of loss and loss adjustment expense reserves is derived using expected trends in claim severity and frequency and other factors that may vary significantly as claims are settled. The estimate is sensitive to significant assumptions, including the initial expected loss ratio and loss development factors. The estimate is also sensitive to the selection of actuarial methods and weighting of these methods applied to project the ultimate losses, the estimation of ultimate reserves associated with catastrophic events, and other factors. Further, not all catastrophic events can be modeled using traditional actuarial methodologies, which increases the degree of judgment needed in estimating loss reserves for such events.

Auditing the Company's methods, assumptions and best estimate of the cost of the ultimate settlement and administration of claims represented by the incurred but not reported ("IBNR") claims included in recorded Loss and loss adjustment expense reserves involved especially subjective auditor judgment and an increased extent of effort, including the involvement of our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to loss and loss adjustment expense reserves included the following, among others

- We tested the effectiveness of controls over the valuation of the recorded loss and loss adjustment expense reserves, including the review and approval process that management has in place for significant actuarial methods and assumptions used and the approval of management's best estimate of loss and loss adjustment expense reserves.

- We tested the completeness and accuracy of the underlying data that served as the basis for the Company's actuarial analysis, including historical claims data, to test the reasonableness of key inputs to the actuarial estimate.

- With the assistance of our actuarial specialists:
  - We independently developed an estimate of the reserves for selected contracts, compared our estimates to those booked by the Company, and evaluated the differences.
  - We evaluated the Company's methodologies against recognized actuarial practices for the remaining contracts. We also evaluated the assumptions used by the Company using our industry knowledge and experience and other analytical procedures.
  - We compared the results of the quarterly reserve studies prepared by independent external actuaries to management's best estimate and evaluated the differences.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the incurred and paid claims development information for years preceding the most recent reporting period and the historical average annual percentage payout of incurred claims by age in Note 7 to the financial statements be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Financial Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

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 from 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 from 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.

Deloitte & Touche LLP

March 8, 2024

GREENLIGHT REINSURANCE, LTD.
BALANCE SHEETS

December 31, 2023 and 2022
(expressed in thousands of U.S. dollars, except per share and share amounts)

	December 31, 2023	December 31, 2022
Assets		
Investments		
Investment in related party investment fund, at fair value	$ 233,494	$ 149,704
Other investments	71,143	62,225
Total investments	304,637	211,929
Cash and cash equivalents	35,167	18,617
Restricted cash and cash equivalents	581,174	657,148
Reinsurance balances receivable (net of allowance for expected credit losses of \$0.9 million and \$0.4 million)	482,243	404,159
Loss and loss adjustment expenses recoverable (net of allowance for expected credit losses of \$0.5 million and \$0.3 million)	17,756	12,614
Deferred acquisition costs	74,572	80,208
Unearned premiums ceded	9,174	12,086
Due from affiliated companies	4,489	865
Other assets	2,444	2,754
Total assets	$ 1,511,656	$ 1,400,380
Liabilities and equity		
Liabilities		
Loss and loss adjustment expense reserves	597,410	509,977
Unearned premium reserves	272,179	275,605
Reinsurance balances payable	42,077	80,759
Funds withheld	17,290	21,964
Other liabilities	8,625	5,239
Due to affiliated companies	2,587	29,096
Total liabilities	940,168	922,640
Commitments and Contingencies (Note 14)		
Shareholder's equity		
Ordinary share capital (par value \$0.10; authorized, 10,000; issued and outstanding, 1,001 (2022: 1,001)	—	—
Additional paid-in capital	455,855	447,571
Retained earnings	115,633	30,169
Total shareholder's equity	571,488	477,740
Total liabilities and equity	$ 1,511,656	$ 1,400,380

The accompanying Notes to the Financial Statements are an integral part of the Financial Statements.

GREENLIGHT REINSURANCE, LTD.
STATEMENTS OF OPERATIONS

For the years ended December 31, 2023, 2022, and 2021
(expressed in thousands of U.S. dollars)

	2023	2022	2021
Revenues			
Gross premiums written	$ 569,571	$ 507,870	$ 505,583
Gross premiums ceded	(28,594)	(23,618)	(64)
Net premiums written	540,977	484,252	505,519
Change in net unearned premium reserves	(8,791)	(56,251)	(21,534)
Net premiums earned	532,186	428,001	483,985
Income from investment in related party investment fund (net of related party expenses of $7,203, $8,548 and $5,079, respectively)	26,793	48,227	16,789
Net investment income	33,926	13,423	17,796
Foreign exchange gains (losses)	8,933	(4,260)	(1,141)
Other income (expense), net	4,832	(3,523)	139
Total revenues	606,670	481,868	517,568
Expenses			
Net loss and loss adjustment expenses incurred	331,750	284,520	335,945
Acquisition costs	160,940	139,184	134,263
General and administrative expenses	27,961	19,157	19,793
Deposit interest expense	555	6,717	11,655
Total expenses	521,206	449,578	501,656
Net income	$ 85,464	$ 32,290	$ 15,912

The accompanying Notes to the Financial Statements are an integral part of the Financial Statements.

GREENLIGHT REINSURANCE, LTD.
STATEMENTS OF SHAREHOLDER'S EQUITY

For the years ended December 31, 2023, 2022, and 2021
(expressed in thousands of U.S. dollars)

	2023	2022	2021
Ordinary share capital			
Balance - beginning of period	$ —	$ —	$ —
Change in share capital	—	—	—
Balance - end of period	—	—	—
Additional paid-in capital			
Balance - beginning of period	447,571	507,696	511,696
Additional paid in capital received	16,600	—	—
Additional paid in capital returned	(8,316)	(60,125)	(4,000)
Balance - end of period	455,855	447,571	507,696
Retained earnings (deficit)			
Balance - beginning of period	30,169	(2,121)	(18,033)
Net income	85,464	32,290	15,912
Balance - end of period	115,633	30,169	(2,121)
Total shareholder's equity	$ 571,488	$ 477,740	$ 505,575

The accompanying Notes to the Financial Statements are an integral part of the Financial Statements.

GREENLIGHT REINSURANCE, LTD.
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2023, 2022, and 2021
(expressed in thousands of U.S. dollars)

	2023	2022	2021
Cash flows from operating activities			
Net income	$ 85,464	$ 32,290	$ 15,912
Adjustments to reconcile net income or loss to net cash provided by (used in) operating activities:			
Income from investments in related party investment fund	(26,793)	(48,227)	(16,789)
Net realized and unrealized losses (gains) on other investments	(1,723)	(9,666)	(19,521)
Current expected credit losses recognized on reinsurance assets	724	282	—
Net change in:			
Reinsurance balances receivable	(78,583)	(78,097)	(57,974)
Loss and loss adjustment expenses recoverable	(5,367)	(640)	7,145
Deferred acquisition costs	5,636	(20,061)	(12,739)
Unearned premiums ceded	2,912	(12,044)	(42)
Due from (to) affiliated companies	(30,133)	2,732	1,938
Loss and loss adjustment expense reserves	87,433	18,947	24,162
Unearned premium reserves	(3,426)	69,909	21,866
Reinsurance balances payable	(38,682)	4,436	(3,770)
Funds withheld	(4,674)	18,143	(2,959)
Other items, net	3,573	672	78
Net cash provided by (used in) operating activities	(3,639)	(21,324)	(42,693)
Cash flows from investing activities			
Proceeds from redemptions from related party investment fund	73,997	125,366	110,535
Contributions to related party investment fund	(130,994)	(55,127)	(114,605)
Purchases of investments	(7,056)	(7,039)	(4,626)
Net cash provided by (used in) investing activities	(64,053)	63,200	(8,696)
Cash flows from financing activities			
Proceeds from additional paid-in capital from Parent	16,600	—	—
Return of additional paid-in capital to Parent	(8,316)	(31,725)	(4,000)
Net cash used in financing activities	8,284	(31,725)	(4,000)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	(16)	13	—
Decrease in cash, cash equivalents and restricted cash	(59,424)	10,164	(55,389)
Cash, cash equivalents and restricted cash at beginning of the period	675,765	665,601	720,990
Cash, cash equivalents and restricted cash at end of the period	$ 616,341	$ 675,765	$ 665,601

The accompanying Notes to the Financial Statements are
an integral part of the Financial Statements.

GREENLIGHT REINSURANCE, LTD.
NOTES TO THE FINANCIAL STATEMENTS

Years ended December 31, 2023, 2022, and 2021

1. ORGANIZATION AND BASIS OF PRESENTATION

Organization

Greenlight Reinsurance, Ltd. (the “Company”) was incorporated as an exempted company under the Companies Act of the Cayman Islands on July 13, 2004 and has a Class “D” insurer license issued in accordance with the terms of The Insurance Act, 2010 (as amended) and underlying regulations thereto (the “Act”), and is subject to regulation by the Cayman Islands Monetary Authority (“CIMA”). Greenlight Re commenced underwriting in April 2006.

The Company is a wholly-owned subsidiary of Greenlight Capital Re, Ltd. (the “Parent”). The Parent’s ordinary shares are listed on the Nasdaq Global Select Market under the symbol “GLRE”.

Additionally, through Syndicate 3456, Greenlight Re provides a (re)insurance platform to its growing portfolio of insurtech partnerships. Domiciled in the U.K. since 2022, Syndicate 3456 is authorized to underwrite under the Lloyd’s syndicate-in-a-box model. Greenlight Re Corporate Member Ltd. (“GCM”), domiciled in the U.K., is a corporate member that became a wholly-owned subsidiary of the Parent in 2023 and provides underwriting capacity for various Lloyd’s syndicates, including Syndicate 3456.

Basis of Presentation

These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current financial statements. The Company has reported separately the foreign exchange gains (losses) from “*Other income*” in the statements of operations. This resulted in no change to the previously reported total revenues or net income. The Company has also included the foreign exchange gains (losses) as part of the net change in working capital in the statements of cash flows. Further, the Company combined “Other assets, excluding depreciation” and “Other liabilities” and presented the sum as “Other items, net” in the statements of cash flows. These changes in presentation in the statements of cash flows have resulted in no change to the previously reported net cash provided by (used in) operating activities.

Tabular dollar amounts are in thousands, with the exception of per share amounts or otherwise noted. All amounts are reported in U.S. dollars.

2. SIGNIFICANT ACCOUNTING POLICIES

The Company’s significant accounting policies are as follows:

Use of Estimates

The preparation of 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 revenue and expenses during the period. Actual results could differ from these estimates.

The Company’s principal estimates include:

- loss and loss adjustment expense reserves;
- premiums written and earned and related premium receivable, net of expected credit losses;
- reinsurance recoverable on unpaid losses and loss adjustment expenses, including expected credit losses; and
- valuation of investments, including impairments.

Investments

Investment in related party investment fund

The Company records its investment in the related party investment fund based on fair value using the net asset value practical expedient, with the Company's share of the fund's net income (loss) reported as "*Income (loss) from investment in related party investment fund*" in the statements of operations.

Other investments

The Company's other investments include short-term investments and private investments and unlisted equity securities without readily determinable fair values.

Short-term investments are measured at amortized cost, which approximates fair value. These include certificate of deposit and other financial instruments with original maturities greater than three months but less than one year.

The Company measures its private investments and unlisted equity securities without readily determinable fair values at cost less impairment (if any), plus or minus observable price changes from identical or similar investments of the same issuers (the "measurement alternative"), with such changes recognized in"*Net investment income (loss)*" in the statements of operations. The Company considers the need for impairment on a by-investment basis based on certain indicators. Under the measurement alternative, the Company makes two types of valuation adjustments:

- When the Company observes an orderly transaction of an investee's identical or similar equity securities, the Company adjusts the carrying value based on the observable price as of the transaction date. Once the Company records such an adjustment, the investment is considered an "asset measured at fair value on a nonrecurring basis."
- If the Company determines that the investment is impaired and the fair value is less than its carrying value, it writes down the investment to its fair value. Once the Company records such an adjustment, the investment is considered an "asset measured at fair value on a nonrecurring basis."

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and short-term, highly liquid investments and certificates of deposit with original maturity dates of three months or less. Restricted cash and cash equivalents are presented separately in the balance sheets.

Premium Revenue Recognition

The Company writes excess of loss contracts and quota share contracts, and estimates the ultimate premiums for the contract period. The Company bases these estimates on actuarial pricing models and information received from ceding companies. For excess of loss contracts, the Company writes the total ultimate estimated premiums at the contract's inception. For quota share contracts, the Company writes premiums in the same periods in which the underlying insurance contracts are written, based on cession statements from cedents. The Company typically receives these statements monthly or quarterly, depending on the terms specified in each contract. For any reporting lag, the Company estimates premiums written based on the portion of the estimated ultimate premiums relating to the risks bound during the lag period.

For multi-year contracts, reinsurance premiums are recorded at the inception of the contract based on management's best estimate of total premiums to be received. Premiums are recognized on an annual basis for multi-year contracts where the cedants have the ability to unilaterally commute or cancel coverage within the term of the contract.

Management regularly reviews premium estimates. Such review includes the Company's experience with the ceding companies, managing general underwriters, familiarity with each market, the timing of the reported information, a comparison of reported premiums to expected ultimate premiums along with a review of the aging and collection of premiums. Management evaluates the appropriateness of the premium estimates on the basis of these reviews and records any adjustments to these estimates in the period in which they are determined. Changes in premium estimates, including premium receivable on both excess of loss and quota share contracts, are not unusual and may result in significant adjustments in any period. A portion of amounts included in "Reinsurance balances receivable" in the Company's balance sheets represent estimated premiums written, net of commissions and brokerage, that are not currently due based on the terms of the underlying contracts. Additional premiums due on a contract with no remaining coverage period are earned in full when written.

Certain contracts allow for reinstatement premiums in the event of a loss. Reinstatement premiums are written and earned when a triggering loss event occurs.

Premiums written are generally recognized as earned over the contract period in proportion to the risk covered. Unearned premiums represent the unexpired portion of reinsurance provided.

Reinsurance Premiums Ceded

The Company reduces the risk of future losses on business assumed by reinsuring certain risks and exposures with other reinsurers (referred to as "retrocessionaires"). The Company remains liable to the extent that any retrocessionaire fails to meet its obligations and to the extent the Company does not hold sufficient security for its unpaid obligations.

Ceded premiums are written during the period in which the risks incept and the associated expense is recognized over the contract period in proportion to the protection provided. Unearned premiums ceded represent the unexpired portion of reinsurance obtained.

Acquisition Costs

Policy acquisition costs vary with, and are directly related to, the successful production of new and renewal business, and consist principally of commissions, taxes and brokerage expenses. The Company presents acquisition costs incurred on reinsurance assumed net of commissions earned on reinsurance ceded. However, if the sum of a contract's expected losses and loss expenses and deferred acquisition costs exceeds associated unearned premiums and expected investment income, a premium deficiency is determined to exist. In this event, the Company writes off deferred acquisition costs to the extent necessary to eliminate the premium deficiency. If the premium deficiency exceeds deferred acquisition costs the Company accrues a liability for the deficiency. The Company did not recognize any premium deficiency adjustments during the periods presented.

Policy acquisition costs also include profit commissions, which the Company recognized on a basis consistent with its estimate of losses and loss expenses.

Loss and Loss Adjustment Expense Reserves and Recoverable

The Company's loss and loss adjustment expense reserves ("LAE") are composed of:

- case reserves for loss and LAE resulting from claims notified to the Company by its clients; and
- reserves for estimated loss and LAE incurred by insureds and reinsureds but not yet reported to the insurer or reinsurer ("IBNR"), including unknown future developments on loss and LAE that are known to the insurer or reinsurer.

The Company estimates these reserves based on reports from ceding companies, industry data and historical experience analyzed using standard actuarial and statistical techniques.

The analysis includes assessing currently available data, predictions of future developments, estimates of future trends and other factors. These estimates are reviewed by the Company's reserving committee at least quarterly and adjusted as necessary.

The final settlement of losses may vary, perhaps materially, from the reserves recorded. The Company recognizes all adjustments to the estimates in the period they are determined. U.S. GAAP does not permit establishing loss reserves, which include case reserves and IBNR loss reserves, until the occurrence of an event that may give rise to a claim. As a result, only loss reserves applicable to losses incurred up to the reporting date are established. There is no allowance for the establishment of loss reserves to account for expected future loss events.

The "Loss and loss adjustment expenses recoverable" in the Company's balance sheets represents the amounts due from retrocessionaires for unpaid loss and LAE on retrocession agreements. Ceded IBNR recoverable amounts are estimated based on the Company's actuarial estimates. These estimates are reviewed periodically and adjusted when deemed necessary. The Company may be unable to recover the loss and LAE recoverable amounts due as a result of the retrocessionaires' inability to pay. The Company regularly evaluates the financial condition of its retrocessionaires and calculates an allowance for expected credit losses (see "*Reinsurance Assets*" below).

For losses stemming from exposure to natural perils, loss reserves are generally established based on loss payments and case reserves reported by clients when, and if, received. Estimates for IBNR losses are added to the case reserves as the Company deems appropriate. To establish catastrophe IBNR loss estimates, the Company uses estimates communicated by ceding companies, industry data and information, knowledge of the business written and management's judgment.

For contracts without significant exposure to-natural perils, initial reserves for each contract are determined based on a combination of (i) the pricing analysis performed prior to binding the contract; (ii) the underwriter's detailed knowledge of the cedent, its operations and future business plans; and (iii) the professional judgment and recommendation of the Chief Actuary. In the pricing analysis, the Company utilizes information from the client and industry data. This information typically includes, but is not limited to, data related to premiums, losses, exposure, business mix, industry performance, and associated trends covering as much history as deemed appropriate. The level of detail within the data obtained varies greatly depending on the underlying contract, line of business, client, and coverage provided. In all cases, the Company requests each client to provide data for each reporting period, which, depending on the contract, could be on a monthly or quarterly basis. The terms and conditions of each contract specify the data reporting requirements.

Generally, the Company obtains regular updates of premium and loss-related information for the current and historical periods, and utilizes them to update the initially expected loss ratio. There may be a lag between (i) claims being reported by the underlying insured to the Company's cedent and (ii) claims being reported by the Company's cedent to the Company. This lag may impact the Company's loss reserve estimates. Client reports have pre-determined due dates (for example, fifteen days after each month end). The timing of the reporting requirements is designed so that the Company receives premium and loss information as soon as practicable once the client has closed its books. Accordingly, there should be a short lag in such reporting. Additionally, most contracts that have the potential for large single event losses have provisions that such loss notifications are provided to the Company immediately upon the occurrence of an event.

Once the updated information is received, the Company uses various standard actuarial methods for its quarterly analysis. Such methods typically include the following:

- ***Paid loss development method:*** Ultimate losses are estimated by calculating past paid loss development factors and applying them to exposure periods with further expected paid loss development. This method assumes that losses are paid in a consistent pattern. It provides an objective test of reported loss projections because paid losses contain no reserve estimates.
- ***Reported loss development method:*** Ultimate losses are estimated by calculating past reported loss development factors and applying them to exposure periods with further expected reported loss development. This method incorporates changes in payments and case reserves.
- ***Expected loss ratio method:*** Ultimate losses are estimated by multiplying earned premiums by an expected loss ratio. The expected loss ratio is often determined using industry data, historical company data, past pricing or reserving analysis performed, and actuarial judgment. This method is typically used for lines of business and contracts where there are no (or insignificant) historical losses or where past loss experience is not considered applicable to the current period.
- ***Bornhuetter-Ferguson paid loss method:*** Ultimate losses are estimated by modifying expected loss ratios to the extent losses paid to date differ from what would have been expected based upon the selected paid loss development pattern. This method avoids some distortions that could result from a large development factor being applied to a small base of paid losses to calculate ultimate losses.
- ***Bornhuetter-Ferguson reported loss method:*** Ultimate losses are estimated by modifying expected loss ratios to the extent losses reported to date differ from what would have been expected based upon the selected reported loss development pattern. This method avoids some distortions that could result from a large development factor being applied to a small base of reported losses to calculate ultimate losses.
- ***Frequency / Severity method:*** Ultimate losses are estimated by multiplying the ultimate number of claims (i.e., the frequency multiplied by the exposure base) by the estimated average cost per claim (i.e., the severity). This approach enables trends and patterns in the rates of claims emergence (i.e., reporting) and settlement (i.e., closure) and the average cost of claims to be analyzed separately.

In addition, the Company may supplement its analysis with other reserving methodologies that it deems relevant to specific contracts.

For each contract, the Company utilizes reserving methodologies it considers appropriate to calculate a best estimate of reserves. Whether the Company uses a single methodology or a combination depends upon the portfolio segment being analyzed and the actuary's judgment. The Company's reserving methodology does not require a fixed weighting of the various methods used. Certain methods are considered more appropriate than others depending on the type, structure, age, maturity and duration of the expected losses on the contract. For example, the Bornhuetter-Ferguson reported loss method might be more appropriate than a paid loss development method for relatively new contracts that have experienced little paid loss development.

The Company's gross aggregate reserves are the sum of the best estimate reserves of all portfolio exposures. Generally, IBNR loss reserves are calculated by estimating the ultimate incurred losses and subtracting cumulative paid claims and case reserves. Each quarter, the Company's Reserving Committee, led by the Chief Actuary, meets to assess the adequacy of our loss reserves based on the reserve analysis and recommendations prepared by the Company's reserving department.

The Company does not typically experience material claims processing backlogs, although such backlogs may occur following a major catastrophic event. At December 31, 2023 and 2022, the Company did not have a material backlog in its claims processing.

The Company did not make any significant changes to the actuarial methodology or assumptions relating to its loss and loss adjustment expense reserves for the years presented in the financial statements.

Reinsurance Assets

The Company calculates an allowance for expected credit losses for its reinsurance balances receivable and loss and LAE recoverable by applying a Probability of Default ("PD") / Loss Given Default ("LGD") model. The PD / LGD approach considers the Company's collectibility history on its reinsurance assets and representative external loss history. In calculating the probability of default, the Company also considers the estimated duration of its reinsurance assets.

The Company evaluates each counterparty's creditworthiness based on credit ratings that independent agencies assign to the counterparty. The Company manages its credit risk in its reinsurance assets by transacting only with insurers and reinsurers that it considers financially sound. Credit ratings of the counterparties are forward-looking and consider various economic scenarios. The Company's evaluation of the required allowance for reinsurance balances receivable and loss and LAE recoverable considers the current economic environment as well as potential macroeconomic developments.

For its retrocessional counterparties that are unrated, the Company may hold collateral in the form of funds withheld, trust accounts, or irrevocable letters of credit. In evaluating credit risk associated with reinsurance balances receivable, the Company considers its right to offset loss obligations against premiums receivable. The Company regularly evaluates its net credit exposure to assess the ability of cedents and retrocessionaires to honor their respective obligations.

Deposit Assets and Liabilities

The Company applies deposit accounting to reinsurance contracts that do not transfer sufficient insurance risk to merit reinsurance accounting. Under deposit accounting, the Company recognizes an asset or liability based on its paid or received consideration. The deposit asset or liability balance is subsequently adjusted using the interest method with the corresponding income and expense recorded in the Company's statements of operations under "Other income (expense)" and "Deposit interest expense", respectively. The Company records deposit assets and liabilities in its balance sheets in "Reinsurance balances receivable" and "Reinsurance balances payable," respectively. At December 31, 2023, deposit assets and liabilities were nil and $5.2 million, respectively (December 31, 2022: nil and $10.7 million, respectively).

Net investment income (loss)

The Company records interest income and interest expense on an accrual basis.

Any realized and unrealized gains or losses from other investments are determined on the basis of the specific identification method (by reference to cost or amortized cost, as appropriate). Additionally, net investment income (loss) includes realized and unrealized gains (losses) on derivative instruments.

Other Income (Expense), net

In connection with the Company's participation interest in Lloyd's syndicates, the Lloyd's syndicates invest a portion of the premiums withheld in investment funds and fixed-maturity securities. The Company records its share of income (or expense) from these assets as other income (expense) as reported by the syndicates on a quarterly lag basis due to the timing of the availability of these quarterly financial reports.

Foreign Exchange

The reporting and functional currency of the Company and all its significant subsidiaries is the U.S. dollar. The Company records foreign currency transactions at the exchange rates in effect on the transaction date. Monetary assets and liabilities in foreign currencies are converted at the exchange rate in effect at the balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies are carried at their historical exchange rates.

Other Assets

The Company's other assets consist primarily of prepaid expenses and right-of-use lease assets.

Other Liabilities

The Company's other liabilities consist primarily of accruals for legal and other professional fees, employee bonuses and severances, and lease liabilities.

Comprehensive Income (Loss)

The Company has no comprehensive income or loss other than the net income or loss disclosed in the statements of operations.

Taxation

Under current Cayman Islands law, no corporate entity, including the Company, is obligated to pay taxes in the Cayman Islands on either income or capital gains. The Company has an undertaking from the Governor-in-Cabinet of the Cayman Islands, pursuant to the provisions of the Tax Concessions Act, as amended, that, in the event that the Cayman Islands enacts any legislation that imposes a tax on profits, income, gains or appreciations, or any tax in the nature of estate duty or inheritance tax, such tax will not be applicable to the Company before February 1, 2025.

Recent Accounting Pronouncements

Recently Issued Accounting Standards Not Yet Adopted

There are none that would be relevant and material to the Company.

Recently Issued Accounting Standards Adopted

There are none that would be relevant and material to the Company.

3. INVESTMENT IN RELATED PARTY INVESTMENT FUND

The Company has entered into the Second Amended and Restated Exempted Limited Partnership Agreement (the "SILP LPA") of Solasglas Investments, LP ("SILP"), with DME Advisors II, LLC ("DME II"), as General Partner, Greenlight Re, and Greenlight Reinsurance Ireland, Designated Activity Company ("GRIL"), (together, the "GLRE Limited Partners"). SILP has entered into a SILP investment advisory agreement ("IAA") with DME Advisors. LP ("DME Advisors"), pursuant to which DME Advisors is the investment manager for SILP. DME II and DME Advisors are related to the Company, and each is an affiliate of David Einhorn, Chairman of the Company's Board of Directors (the "Chairman").

At December 31, 2023, the SILP LPA included the following proviso: "The Investment Portfolio of each Partner will not exceed the product of (a) such Partner's surplus (Greenlight Re Surplus or GRIL Surplus, as the case may be) multiplied by (b) the Investment Cap (60%), and the General Partner will designate any portion of a Partner's Investment Portfolio as Designated Securities to effectuate such limit."

The Company has concluded that SILP qualifies as a variable interest entity ("VIE") under U.S. GAAP. In assessing its interest in SILP, the Company noted the following:

- DME II serves as SILP's general partner and has the power to appoint the investment manager. The Company does not have the power to appoint, change or replace the investment manager or the general partner except "for cause." Neither of the GLRE Limited Partners can participate in the investment decisions of SILP as long as SILP adheres to the investment guidelines provided within the SILP LPA. For these reasons, the GLRE Limited Partners are not considered to have substantive participating rights or kick-out rights.

- DME II holds an interest in excess of 10% of SILP's net assets, which the Company considers to represent an obligation to absorb losses and a right to receive benefits of SILP that are significant to SILP.

Consequently, the Company has concluded that DME II's interests, not the Company's, meet both the "power" and "benefits" criteria associated with VIE accounting guidance. Therefore DME II is SILP's primary beneficiary. The Company presents its investment in SILP in its balance sheets in the caption "Investment in related party investment fund."

The Company's maximum exposure to loss relating to SILP is limited to the net asset value of the Company's investment in SILP. At December 31, 2023, the net asset value of the Company's investment in SILP was $233.5 million (December 31, 2022: $149.7 million), representing 65.6% (December 31, 2022: 58.2%) of SILP's total net assets. DME II and GRIL held the remaining 34.4% (December 31, 2022: 41.8%) of SILP's total net assets. The investment in SILP is recorded at the Company's share of the net asset value of SILP as reported by SILP's third-party administrator. The Company can redeem its assets from SILP for operational purposes by providing three business days' notice to DME II. At December 31, 2023, the majority of SILP's long investments were composed of cash and publicly-traded equity securities, which could be readily liquidated to meet the Company's redemption requests.

The Company's share of the change in the net asset value of SILP for the years ended December 31, 2023, 2022, and 2021 was $26.8 million, $48.2 million, and $16.8 million, respectively, and shown in the caption "Income (loss) from investment in related party investment fund" in the Company's statements of operations.

At December 31, 2023, the Company's investment in SILP exceeded 10% of the Company's total shareholder's equity, with a fair value of $233.5 million (December 31, 2022: $149.7 million) representing 40.9% (December 31, 2022: 31.3%) of total shareholder's equity.

The summarized financial statements of SILP are presented below.

Summarized Statements of Financial Condition of Solasglas Investments, LP

	December 31, 2023	December 31, 2022
Assets		
Investments, at fair value	$ 453,358	$ 304,806
Derivative contracts, at fair value	11,167	17,547
Due from brokers	121,754	109,169
Interest and dividends receivable	1,143	527
Total assets	587,422	432,049
Liabilities and partners' capital		
Liabilities		
Investments sold short, at fair value	(197,571)	(159,382)
Derivative contracts, at fair value	(12,917)	(12,443)
Capital withdrawals payable	(1,000)	(75)
Due to brokers	(17,398)	(2,050)
Interest and dividends payable	(2,315)	(760)
Accrued expenses and other liabilities	(247)	(159)
Total liabilities	(231,448)	(174,869)
Partners' capital	**$ 355,974**	**$ 257,180**
The Company's share of Partners' Capital	**$ 233,494**	**$ 149,704**

Summarized Statements of Operations of Solasglas Investments, LP

	Year ended December 31		
	2023	**2022**	**2021**
Investment income			
Dividend income (net of withholding taxes)	$ 1,869	$ 1,586	$ 641
Interest income	9,211	2,390	228
Total Investment income	11,080	3,976	869
Expenses			
Management fee	(4,766)	(3,580)	(3,492)
Interest	(6,969)	(1,950)	(1,055)
Dividends	(2,802)	(1,374)	(1,147)
Professional fees and other	(1,750)	(988)	(1,221)
Total expenses	(16,287)	(7,892)	(6,915)
Net investment income (loss)	(5,207)	(3,916)	(6,046)
Realized and change in unrealized gains (losses)			
Net realized gain (loss)	(1,394)	75,172	(3,420)
Net change in unrealized appreciation	55,279	11,886	35,482
Net gain (loss) on investment transactions	53,885	87,058	32,062
Net increase in Partners' capital (1)	$ 48,678	$ 83,142	$ 26,016
The Company's share of the increase in Partners' capital	**$ 26,793**	**$ 48,227**	**$ 16,789**

[1] The net increase in Partners' capital is net of management fees and performance allocation presented below:

	Year ended December 31		
	2023	**2022**	**2021**
Management fees	$ 4,766	$ 3,580	$ 3,492
Performance allocation	3,188	6,094	2,010
Total	$ 7,954	$ 9,674	$ 5,502

See Note 13 for further details on management fees and performance allocation.

4. OTHER INVESTMENTS

Portfolio

The Company's other investments consist of the following:

- Private investments, unlisted equities, and debt and convertible debt instruments, which consist primarily of Innovations-related investments supporting technology innovators in the (re)insurance market.

At December 31, 2023, the breakdown of the Company's other investments was as follows:

	Cost	Unrealized gains	Unrealized losses	Accrued interest	Fair value / carrying value
Private investments and unlisted equities	$ 26,336	$ 49,318	$ (6,647)	$ —	$ 69,007
Debt and convertible debt securities	2,499	—	(499)	136	2,136
Total other investments	$ 28,835	$ 49,318	$ (7,146)	$ 136	$ 71,143

At December 31, 2022, the breakdown of the Company's other investments was as follows:

	Cost	Unrealized gains	Unrealized losses	Fair value / carrying value
Private investments and unlisted equities	$ 20,779	$ 42,461	$ (2,815)	$ 60,425
Debt and convertible debt securities	1,800	—	—	1,800
Total other investments	$ 22,579	$ 42,461	$ (2,815)	$ 62,225

The following table presents the carrying values of the private investments and unlisted equity securities carried under the measurement alternative at December 31, 2023, 2022, and 2021, and the related adjustments recorded during the years then ended.

	Year ended December 31		
	2023	2022	2021
Carrying value [1]	$ 69,007	$ 60,425	$ 45,185
Upward carrying value changes [2]	$ 7,089	$ 11,277	$ 20,814
Downward carrying value changes and impairment [3]	$ (4,900)	$ (1,073)	$ (500)

(1) The period-end carrying values reflect cumulative purchases and sales in addition to upward and downward carrying value changes.
(2) The cumulative upward carrying value changes from inception to December 31, 2023, totaled $49.8 million.
(3) The cumulative downward carrying value changes and impairments from inception to December 31, 2023, totaled $7.0 million.

Net investment income

The following table summarizes the change in unrealized gains (losses) and the realized gains (losses) for the Company's other investments, which are included in "*Net investment income*" in the statements of operations (see Note 11):

	Year ended December 31		
	2023	2022	2021
Gross realized gains	$ 7	$ —	$ —
Gross realized losses	(811)	—	—
Net realized gains (losses)	$ (804)	$ —	$ —
Change in unrealized gains	2,527	9,666	19,521
Net realized and unrealized gains on other investments	$ 1,723	$ 9,666	$ 19,521

5. RESTRICTED CASH AND CASH EQUIVALENTS

The following table shows the breakdown of the Company's restricted cash and cash equivalents, along with a reconciliation of the total cash, cash equivalents, and restricted cash reported in the statements of cash flows:

Restricted cash and cash equivalents	December 31, 2023	December 31, 2022
Cash securing trust accounts	$ 289,718	$ 452,497
Cash securing letters of credit issued	291,456	204,651
Total restricted cash and cash equivalents	581,174	657,148
Cash and cash equivalents	35,167	18,617
Total cash, cash equivalents, and restricted cash	$ 616,341	$ 675,765

Where the Company operates as a non-admitted carrier in certain foreign jurisdictions, regulatory trust accounts and letters of credit are issued to cedents.

6. FAIR VALUE MEASUREMENTS

Fair Value Hierarchy

The fair value of a financial instrument is the amount that would be received in an asset sale or paid to transfer a liability in an orderly transaction between unaffiliated market participants. Assets and liabilities measured at fair value are categorized based on the extent to which the inputs are observable in the market. The categorization of financial instruments within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. The hierarchy is prioritized into three levels (with Level 3 being the lowest) defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities that the entity has the ability to access.
- Level 2: Observable inputs other than prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated with observable market data.
- Level 3: Unobservable inputs supported by little or no market activity and significant to the fair value of the assets and liabilities. The term "unobservable inputs" includes certain pricing models, discounted cash flow methodologies, and similar techniques.

There have been no material change in the Company's valuation techniques, nor have there been any transfers between Level 1 and Level 2, or Level 2 and Level 3 for the years presented in these financial statements.

Assets measured at fair value on a nonrecurring basis

At December 31, 2023, the Company held $60.7 million (2022: $53.6 million), of private investments and unlisted equities measured at fair value on a nonrecurring basis. At December 31, 2023, the Company held $8.3 million (2022: $6.9 million) of private investments and unlisted equities measured at cost. The Company classifies these investments as Level 3 within the fair value hierarchy.

The following table summarizes the periods between the most recent fair value measurement dates and December 31, 2023, for the private and unlisted equities measured at fair value on a nonrecurring basis:

	Less than 6 months	6 to 12 months	Over 1 year	Total
Fair values measured on a nonrecurring basis	$ 25,838	$ 1,361	$ 33,490	$ 60,689

Financial Instruments Disclosed, But Not Carried, at Fair Value

The carrying value of debt and convertible debt securities within "*Other Investments*" (see "Private investments and unlisted equity securities without readily determinable fair values" above) and certificates of deposit with original maturities of one year or less approximates their fair values. The Company classifies these assets as Level 2 within the fair value hierarchy.

7. LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES

The Company's loss and LAE reserves were composed of the following:

	December 31, 2023	December 31, 2022
Case reserves	$ 178,305	$ 176,248
IBNR	419,105	333,729
Total	$ 597,410	$ 509,977

Reserve Roll-forward

The following provides a summary of changes in outstanding loss and LAE reserves for all lines of business:

Consolidated	2023	2022	2021
Gross balance at January 1	$ 509,977	$ 491,030	$ 466,868
Less: Losses recoverable	(12,614)	(11,990)	(19,135)
Net balance at January 1	497,363	479,040	447,733
Incurred losses related to:			
Current year	314,222	287,431	343,418
Prior years	17,528	(2,911)	(7,473)
Total incurred	331,750	284,520	335,945
Paid losses related to:			
Current year	(70,551)	(72,885)	(127,155)
Prior years	(185,225)	(184,187)	(176,475)
Total paid	(255,776)	(257,072)	(303,630)
Foreign currency revaluation	6,317	(9,125)	(1,008)
Net balance at December 31	579,654	497,363	479,040
Add: Losses recoverable (see Note 8)	17,756	12,614	11,990
Gross balance at December 31	$ 597,410	$ 509,977	$ 491,030

Prior Year Reserve Development

Year ended December 31, 2023

During the year ended December 31, 2023, the Company experienced $17.5 million in net adverse development on prior year loss and LAE reserves. This was comprised of $38.1 million of reserve strengthening on casualty, workers' compensation and auto classes of business due to current economic and social inflation trends (various underwriting years); homeowners business due to the deterioration in the CAT loss estimate relating to Winter Storm Elliott (2022 underwriting year), coupled with a final claim settlement on a professional liability contract (2008 underwriting year). This was partially offset by $20.6 million favorable loss development from property catastrophe events and better than expected loss emergence for mortgage, marine and energy, and specialty contracts from underwriting years 2020-2022.

See the loss development tables by lines of business below under "Disclosure about Short-Duration Contracts" for more information on prior year loss reserve development.

Year ended December 31, 2022

During the year ended December 31, 2022, the Company experienced $2.9 million in net favorable development on prior year loss and LAE reserves. This was driven by favorable loss development primarily due to $17.0 million from various pre-2021 underwriting years property catastrophe events, including COVID-19, and better-than-expected loss emergence for mortgage business (from 2017-2020 underwriting years). This was partially offset by $13.6 million of reserve strengthening on motor, health, casualty, professional liability, and workers' compensation contracts from underwriting years 2014-2021, coupled with higher claim settlements on certain general liability contracts fro 2015-2016 underwriting years.

Year ended December 31, 2021

During the year ended December 31, 2021, the Company experienced $7.5 million in net favorable development on prior year loss and LAE reserves. This was driven by favorable loss development primarily from $24.0 million better-than-expected loss emergence for motor, mortgage, and various specialty contracts (including crop, space, and marine and energy) from underwriting years 32-15-2018, coupled with a multi-line contract that incepted in 2019. This was partially offset by $18.5 million adverse loss development primarily due to reserve strengthening on multi-line casualty, general liability, and workers'compensation contracts from underwriting years 2014-2019.

Disclosures about Short-Duration Contracts

The Company's loss development tables presented below have been disaggregated by lines of business for the years ended from December 31, 2014, through 2023.

For purposes of the loss development tables, the property business has been further disaggregated into "Property" and "Motor - Physical Damage." The casualty category has been disaggregated into "General Liability," "Motor Liability," "Professional Liability," and "Workers' Compensation." Contracts that cover more than one line of business, including Lloyd's business, are grouped as "Multi-line." Other specialty business, including aviation, crop, cyber, and energy, which are individually insignificant to the Company's overall business, have been grouped as "Other." As the Company's accident and health business has become immaterial in recent years, the Company has grouped accident and health business with "Other" during 2023. Additionally, the Company has elected to present the loss development table for "Marine" separately from "Other" due to its growth in 2023. As a result, the historical incurred and paid claims development presented in the tables below differ from those disclosed in previously issued financial statements. Conforming changes were also made to the table above presenting the changes in the outstanding loss and loss adjustment expense reserves for health claims as part of the "Consolidated" table for the years ended December 31, 2022, and 2021. The amounts shown in "*Net loss and loss adjustment expenses incurred*" in the statements of operations and the allocation between "Current year" and "Prior years" are unaffected by these revisions.

For each category, the following tables present the incurred and paid claims development at December 31, 2023, net of retrocession, and the total of incurred but not reported liabilities plus expected development on reported claims included within the net incurred claims amount.

The tables below present incurred and paid claims development for the years ended December 31, 2014 to 2022. They are presented as unaudited supplementary information. Totals may not sum due to rounding.

Multiline

Accident year	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$ 5,658	$ 4,930	$ 4,527	$ 5,660	$ 5,824	$ 5,244	$ 5,773	$ 6,266	$ 6,336	$ 6,846	$ 986
2015		28,416	28,938	32,579	31,993	30,233	31,532	34,469	36,804	37,793	5,223
2016			55,782	61,662	59,661	60,160	61,785	67,653	70,510	73,777	13,365
2017				77,011	75,241	80,868	82,019	85,446	87,002	91,341	16,180
2018					56,301	52,141	54,632	54,621	54,955	57,174	7,617
2019						48,576	51,895	50,663	48,899	50,447	8,081
2020							63,513	61,041	58,273	55,867	7,518
2021								84,413	80,745	81,380	25,716
2022									132,765	134,163	81,496
2023										95,211	70,788
									Total	$683,999	$ 236,970

Multiline

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ 82	$ 687	$ 1,069	$ 2,793	$ 3,436	$ 3,700	$ 4,567	$ 4,790	$ 5,196	$ 5,860
2015		49	2,964	9,499	15,145	18,124	23,870	26,587	29,943	32,571
2016			5,736	14,633	25,678	32,030	42,173	48,754	55,563	60,411
2017				9,567	26,667	38,200	51,745	61,458	68,471	75,160
2018					7,468	23,436	33,618	40,254	44,321	49,557
2019						11,547	26,787	33,436	39,110	42,366
2020							17,583	30,936	42,401	48,349
2021								13,766	33,107	55,664
2022									17,862	52,667
2023										24,423
									Total	447,028
	All outstanding liabilities before 2014, net of reinsurance									5
	Liabilities for claims and claims adjustment expenses, net of reinsurance (Multiline)									$236,975

General Liability

Accident year	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$ 1,238	$ 1,229	$ 1,174	$ 1,033	$ 1,355	$ 1,000	$ 1,000	$ 3,606	$ 1,144	$ 1,124	$ 147
2015		1,699	1,690	1,756	1,979	2,152	2,190	2,294	1,866	1,962	340
2016			6,203	6,514	7,124	7,867	8,095	8,444	9,389	9,706	94
2017				5,313	6,403	7,257	8,327	9,834	7,379	9,926	2,505
2018					2,322	2,859	3,366	4,031	3,364	4,332	1,477
2019						957	966	988	591	778	460
2020							1,775	1,776	1,633	1,544	1,018
2021								4,712	11,621	4,308	3,743
2022									14,891	18,326	16,373
2023										58,363	56,520
									Total	$ 110,369	$ 82,677

General Liability

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ 18	$ 146	$ 413	$ 548	$ 492	$ 762	$ 473	$ 1,014	$ 1,066	$ 977
2015		69	293	532	551	929	949	1,434	1,697	1,622
2016			122	1,589	3,273	4,673	6,111	6,567	9,193	9,612
2017				136	1,412	2,817	4,321	5,643	7,340	7,421
2018					165	1,286	1,960	2,475	2,365	2,855
2019						26	206	286	267	318
2020							67	67	122	526
2021								—	102	565
2022									408	1,953
2023										1,843
									Total	27,693
	All outstanding liabilities before 2014, net of reinsurance									22
	Liabilities for claims and claims adjustment expenses, net of reinsurance (General Liability)									$ 82,698

Motor Casualty

Accident year	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$ 77,813	$ 77,175	$ 78,578	$ 78,153	$ 78,169	$ 78,278	$ 78,230	$ 78,286	$ 78,229	$ 78,199	$ 25
2015		99,681	101,424	100,889	103,404	104,914	103,993	99,555	99,663	99,234	2
2016			127,326	130,114	132,997	140,506	137,660	137,987	138,015	138,491	479
2017				144,946	146,562	155,203	151,635	151,978	151,758	152,498	101
2018					108,274	119,187	110,079	109,408	109,421	109,414	298
2019						125,240	138,541	136,516	138,397	137,290	583
2020							90,808	89,710	87,440	85,200	1,672
2021								95,283	98,623	92,600	4,783
2022									21,773	31,167	4,630
2023										10,671	8,509
									Total	$ 934,763	$ 21,081

Motor Casualty

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ 42,042	$ 71,668	$ 74,446	$ 78,068	$ 78,127	$ 78,172	$ 78,172	$ 78,175	$ 78,175	$ 78,175
2015		63,113	97,136	99,866	100,012	100,096	99,074	99,196	99,219	99,232
2016			74,973	121,205	131,049	140,400	137,508	137,902	137,972	138,012
2017				91,036	137,506	152,125	150,560	151,451	151,652	152,397
2018					56,189	109,624	108,451	108,935	109,117	109,116
2019						57,300	122,382	134,371	136,093	136,707
2020							34,508	76,894	81,871	83,528
2021								49,841	81,941	87,817
2022									19,034	26,537
2023										2,162
									Total	913,682
									All outstanding liabilities before 2014, net of reinsurance	13
									Liabilities for claims and claims adjustment expenses, net of reinsurance (Motor Casualty)	$ 21,093

Motor Property

Accident year	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$16,203	$16,145	$16,343	$16,302	$16,308	$16,303	$16,316	$16,317	$16,316	$ 16,294	$ 1
2015		17,448	17,840	18,221	18,460	18,557	18,442	18,177	17,967	17,913	5
2016			21,081	21,397	22,036	23,056	22,592	22,634	22,656	22,656	40
2017				31,713	31,792	34,010	32,843	32,987	32,967	32,975	7
2018					31,620	34,388	33,057	31,901	31,974	31,982	4
2019						31,610	35,124	35,778	35,393	35,393	82
2020							21,794	21,193	21,020	20,828	164
2021								23,868	26,926	25,952	490
2022									3,645	5,379	323
2023										2,017	1,538
									Total	$211,390	$ 2,655

Motor Property

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ 8,931	$ 15,068	$ 15,787	$ 16,273	$ 16,278	$ 16,293	$ 16,293	$ 16,294	$ 16,294	$ 16,294
2015		11,019	17,486	17,871	17,948	17,984	17,890	17,904	17,906	17,907
2016			12,743	20,467	21,712	22,829	22,535	22,598	22,609	22,616
2017				18,933	31,243	33,416	32,800	32,943	32,956	32,968
2018					16,617	31,595	31,674	31,896	31,969	31,978
2019						14,656	31,633	34,739	35,164	35,311
2020							8,733	18,987	20,041	20,664
2021								13,181	24,316	25,461
2022									2,689	5,056
2023										479
									Total	208,734
	All outstanding liabilities before 2014, net of reinsurance									3
	Liabilities for claims and claims adjustment expenses, net of reinsurance (Motor Property)									$ 2,658

Property

Accident year	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$41,690	$45,135	$46,830	$47,070	$46,860	$47,017	$46,984	$46,938	$46,916	$ 46,742	$ 83
2015		27,690	30,171	31,536	30,737	30,398	30,337	30,266	30,310	30,205	109
2016			25,269	25,389	23,209	22,680	22,507	22,496	22,551	22,556	192
2017				78,327	74,595	65,410	65,637	65,602	64,969	64,786	934
2018					26,898	28,778	23,323	22,667	22,102	21,677	2,264
2019						22,143	14,639	14,052	12,250	12,489	1,570
2020							29,591	25,443	21,788	21,534	4,255
2021								23,198	23,456	19,944	5,147
2022									40,552	45,082	5,764
2023										68,914	35,095
									Total	$353,928	$ 55,412

Property

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ 20,228	$ 40,170	$ 43,625	$ 45,196	$ 46,287	$ 46,508	$ 46,605	$ 46,622	$ 46,658	$ 46,659
2015		12,935	25,379	28,723	29,680	29,881	29,978	30,000	30,094	30,096
2016			9,896	17,891	20,590	21,560	21,886	22,215	22,303	22,364
2017				43,069	54,291	61,388	62,340	63,443	63,510	63,852
2018					4,558	14,637	17,182	17,859	18,845	19,412
2019						4,051	6,969	8,369	9,857	10,919
2020							6,118	11,496	15,325	17,279
2021								4,951	12,558	14,797
2022									18,443	39,318
2023										33,819
									Total	298,516
					All outstanding liabilities before 2014, net of reinsurance					142
			Liabilities for claims and claims adjustment expenses, net of reinsurance (Property)							$ 55,555

Professional Liability

Accident year	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$18,479	$17,903	$17,869	$20,327	$21,291	$21,605	$21,353	$20,807	$20,805	$ 20,608	$ 665
2015		18,115	18,105	20,614	21,973	22,167	21,468	21,296	22,158	21,234	1,185
2016			13,624	16,730	17,118	16,715	16,522	16,981	17,808	18,267	3,801
2017				10,254	9,906	9,728	9,950	10,334	11,207	12,360	2,888
2018					4,477	4,464	4,584	5,181	6,176	6,744	1,531
2019						586	611	762	922	922	209
2020							66	62	62	62	62
2021								158	165	150	150
2022									472	381	381
2023										13,314	12,950
									Total	$ 94,043	$ 23,824

Professional Liability

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ 1,314	$ 5,226	$ 9,333	$ 13,619	$ 15,806	$ 15,819	$ 19,298	$ 19,260	$ 19,841	$ 19,944
2015		1,141	3,223	8,716	11,584	12,419	17,099	18,594	19,601	20,048
2016			334	2,139	4,811	7,748	10,416	11,518	13,554	14,465
2017				225	1,429	3,070	4,848	5,818	8,340	9,472
2018					241	1,140	1,970	3,222	4,568	5,212
2019						145	266	544	658	713
2020							—	—	—	—
2021								—	—	—
2022									—	—
2023										365
									Total	70,219
	All outstanding liabilities before 2014, net of reinsurance									228
	Liabilities for claims and claims adjustment expenses, net of reinsurance (Professional Liability)									$ 24,052

Workers' Compensation

Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	December 31, 2023 Total IBNR plus expected development on reported claims
	Incurred claims and allocated claim adjustment expenses, net of reinsurance — For the years ended December 31,										
	(Unaudited - Supplementary Information)										
2014	$ —	$ —	$ —	$ 3	$ —	$ —	$ —	$ 160	$ —	$ —	$ —
2015		1,014	1,010	948	950	951	919	919	889	889	14
2016			4,342	4,274	4,266	3,975	3,778	3,716	3,646	3,645	63
2017				10,817	10,281	9,538	8,997	8,693	8,894	8,894	262
2018					13,298	13,187	12,740	12,246	12,514	12,578	418
2019						22,903	23,287	22,589	23,924	25,278	3,286
2020							44,845	40,826	43,633	47,359	9,757
2021								64,679	63,394	68,073	14,223
2022									33,288	33,279	16,687
2023										12,872	10,934
									Total	$212,867	$ 55,643

Workers' Compensation

Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance — For the years ended December 31,									
	(Unaudited - Supplementary Information)									
2014	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
2015		28	251	564	688	777	832	851	870	875
2016			613	1,920	2,782	3,274	3,459	3,521	3,565	3,583
2017				2,028	5,356	7,399	7,969	8,344	8,516	8,631
2018					4,213	8,321	10,609	11,642	11,945	12,161
2019						5,473	13,587	17,642	20,135	21,993
2020							11,288	23,463	32,108	37,601
2021								23,210	42,854	53,850
2022									9,066	16,592
2023										1,938
									Total	157,224
									All outstanding liabilities before 2014, net of reinsurance	—
									Liabilities for claims and claims adjustment expenses, net of reinsurance (Workers' Compensation)	$ 55,643

Financial Lines

Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	December 31, 2023 Total IBNR plus expected development on reported claims
	Incurred claims and allocated claim adjustment expenses, net of reinsurance										
	For the years ended December 31,										
	(Unaudited - Supplementary Information)										
2014	$ 500	$ 503	$ 580	$ 806	$ 1,396	$ 2,363	$ 2,528	$ 1,968	$ 2,259	$ 2,295	$ 15
2015		1,947	2,206	3,025	3,010	3,121	3,087	3,034	3,035	2,919	101
2016			4,820	6,670	6,289	7,470	7,470	6,694	6,676	6,663	190
2017				9,006	5,865	6,277	8,339	6,789	6,068	6,139	83
2018					4,069	4,429	6,646	4,838	4,775	4,605	351
2019						7,712	12,305	10,514	8,143	7,859	1,625
2020							18,481	19,830	16,706	16,559	5,663
2021								17,548	16,254	14,313	9,180
2022									23,973	22,189	17,637
2023										34,346	31,170
									Total	$ 117,885	$ 66,015

Financial Lines

Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	(Unaudited - Supplementary Information)									
2014	$ 90	$ 347	$ 429	$ 587	$ 1,210	$ 2,279	$ 2,483	$ 1,896	$ 2,216	$ 2,279
2015		223	851	1,399	1,974	2,487	2,661	2,755	2,825	2,818
2016			1,193	2,426	4,716	6,353	6,293	6,309	6,437	6,473
2017				187	2,894	4,579	5,560	5,659	5,969	6,056
2018					671	3,931	3,655	3,807	4,207	4,253
2019						2,949	3,977	4,729	6,093	6,235
2020							2,745	5,057	9,165	10,896
2021								500	2,196	5,133
2022									820	4,552
2023										3,176
									Total	51,870
					All outstanding liabilities before 2014, net of reinsurance					—
				Liabilities for claims and claims adjustment expenses, net of reinsurance (Other)						$ 66,015

Marine

Accident year	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
2015		—	—	—	—	—	—	—	—	—	—
2016			—	—	—	—	—	—	—	—	—
2017				—	—	—	—	—	—	—	—
2018					381	374	361	180	180	180	—
2019						197	153	12	93	93	38
2020							404	1	56	56	3
2021								2,037	1,536	1,630	697
2022									5,017	3,628	1,641
2023										4,927	3,401
									Total	$10,514	$ 5,779

Marine

Accident year	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
2015		—	—	—	—	—	—	—	—	—
2016			—	—	—	—	—	—	—	—
2017				—	—	—	—	—	—	—
2018					—	180	180	180	180	180
2019						—	12	12	56	56
2020							1	1	53	53
2021								45	148	933
2022									519	1,988
2023										1,525
									Total	4,736
					All outstanding liabilities before 2014, net of reinsurance					—
			Liabilities for claims and claims adjustment expenses, net of reinsurance (Other)							$ 5,779

Other

	Incurred claims and allocated claim adjustment expenses, net of reinsurance										December 31, 2023
	For the years ended December 31,										Total IBNR plus expected development on reported claims
Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
	(Unaudited - Supplementary Information)										
2014	$ 787	$ 653	$ 650	$ 682	$ 444	$ 479	$ 476	$ 673	$ 477	$ 415	$ 1
2015		8,066	8,064	8,921	8,624	8,619	8,661	8,620	8,578	8,524	28
2016			32,370	34,924	35,838	35,915	35,884	35,750	35,763	35,708	222
2017				47,707	48,351	48,412	48,715	48,706	48,735	48,720	290
2018					58,478	62,720	62,132	61,900	61,769	61,761	206
2019						37,423	37,957	37,162	37,171	36,158	786
2020							40,531	38,105	39,433	37,990	606
2021								33,706	30,497	33,510	5,101
2022									14,845	10,520	3,962
2023										14,243	13,422
									Total	$287,549	$ 24,623

Other

	Cumulative paid claims and allocated claim adjustment expenses, net of reinsurance									
	For the years ended December 31,									
Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	(Unaudited - Supplementary Information)									
2014	$ 250	$ 405	$ 381	$ 380	$ 414	$ 414	$ 414	$ 414	$ 414	$ 414
2015		1,461	6,329	8,564	8,436	8,431	8,458	8,464	8,486	8,496
2016			15,618	33,572	35,075	35,105	35,256	35,308	35,432	35,486
2017				24,130	45,242	47,966	48,101	48,188	48,379	48,430
2018					35,161	60,142	61,120	61,045	61,133	61,556
2019						17,905	33,269	34,065	34,511	35,372
2020							15,485	36,870	37,160	37,383
2021								21,088	27,862	28,409
2022									4,240	6,558
2023										821
									Total	262,926
					All outstanding liabilities before 2014, net of reinsurance					—
				Liabilities for claims and claims adjustment expenses, net of reinsurance (Other)						$ 24,623

For incurred and paid claims denominated in currencies other than U.S. dollars, the above tables are presented using the foreign exchange rate in effect at the current year-end date. As a result, all prior year information has been restated to reflect December 31, 2023, foreign exchange rates. This treatment prevents changes in foreign currency exchange rates from distorting the claims development between the years presented.

For assumed contracts the Company does not generally receive claims information by accident year from the ceding insurers, but instead receives claims information by the treaty year of the contract. Claims reported by the ceding insurer to the

Company may have the covered losses occurring in an accident year other than the treaty year. Some incurred and paid claims have been allocated to the accident years for the loss development tables based on the proportion of premiums earned for each contract during such accident year.

For example, a one-year quota-share reinsurance treaty incepting on October 1, 2020 (with underlying policies each having a one-year duration), would have a 24-month period over which the premiums would be earned. Therefore, claims would be allocated to accident years 2020, 2021 and 2022 based on the proportion of the premiums earned during each accident year. For illustration of this contract, any claims reported during 2020 would be allocated to the 2020 accident year. For losses reported during 2021, the claims would be allocated between 2020 and 2021 based on the percentage of premiums earned during 2020 and 2021. Similarly, for losses reported during 2022 and thereafter, the losses would be allocated to the 2020, 2021 and 2022 accident years based on the proportion of premiums earned during each of those years. However, natural catastrophes and certain other large losses are addressed separately and are assigned to the accident year in which they occurred.

The reconciliation of the net incurred and paid claims development tables to the liability for claims and claim adjustment expenses in the balance sheet is as follows:

	December 31, 2023
Net outstanding liabilities	
Multiline	$ 236,975
General Liability	82,698
Motor Casualty	21,093
Motor Property	2,658
Property	55,555
Professional Liability	24,052
Workers' Compensation	55,643
Financial Lines	66,015
Marine	5,779
Other	24,623
Liabilities for claims and claims adjustment expenses, net of reinsurance	575,091
Add: Reinsurance recoverable on unpaid claims	17,756
Add: Unallocated claims adjustment expenses	4,076
Add: Allowance for credit losses	487
Total gross liabilities for unpaid claims and claim adjustment expense	$ 597,410

The average historical annual percentage payout of net incurred claims (excluding health) at December 31, 2023, is as follows:

Years	1	2	3	4	5	6	7	8	9	10
	(Unaudited - Supplementary Information)									
Multiline	11.9 %	18.4 %	15.6 %	11.3 %	9.8 %	9.7 %	8.7 %	7.9 %	4.7 %	2.0 %
General Liability	4.7 %	13.6 %	13.0 %	12.5 %	18.3 %	27.5 %	6.9 %	3.0 %	0.4 %	0.1 %
Motor Casualty	46.4 %	37.4 %	8.2 %	3.9 %	1.8 %	1.0 %	0.8 %	0.5 %	— %	— %
Motor Property	50.2 %	43.5 %	5.2 %	1.0 %	0.1 %	— %	— %	— %	— %	— %
Property	49.3 %	34.3 %	8.1 %	3.1 %	2.7 %	0.8 %	1.0 %	0.5 %	0.1 %	0.1 %
Professional Liability	4.1 %	14.1 %	21.3 %	18.7 %	12.9 %	11.1 %	8.8 %	3.9 %	4.1 %	1.0 %
Workers' Compensation	30.9 %	35.2 %	20.4 %	9.2 %	3.0 %	0.9 %	0.2 %	0.2 %	— %	— %
Financial Lines	18.6 %	33.8 %	23.5 %	12.0 %	4.1 %	3.7 %	1.7 %	1.5 %	1.1 %	— %
Marine	3.5 %	14.1 %	17.6 %	2.1 %	23.6 %	5.0 %	34.1 %	— %	— %	— %
Other	22.7 %	29.1 %	2.7 %	9.3 %	7.7 %	7.1 %	7.1 %	6.9 %	7.4 %	— %

The historical annual percentage payout pattern for health claims is excluded from the table above because health claims have short settlement periods and including it would skew the results presented.

As a reinsurance entity, the Company generally does not receive detailed claims frequency information or claims counts from ceding insurers and third-party claim handlers. Due to the nature of the reinsurance contracts, the underlying insured reports claims to the insurer who cedes losses to the Company. The Company is contractually obligated to reimburse the ceding insurer for its share of the losses. While the Company has the right to conduct audits of the ceding insurer's claims files, the insurer is generally not obligated to provide a detailed listing of claims counts or other claims frequency information. Therefore it is impracticable for the Company to present the cumulative number of reported claims by accident year.

8. RETROCESSION

From time to time, the Company purchases retrocessional coverage for one or more of the following reasons: to manage its overall exposure, reduce its net liability on individual risks, obtain additional underwriting capacity and balance its underwriting portfolio. The Company records loss and loss adjustment expenses recoverable from retrocessionaires as assets.

The following table provides a breakdown of ceded reinsurance:

	Year ended December 31		
	2023	**2022**	**2021**
Gross ceded premiums	$ 28,594	$ 23,618	$ 64
Earned ceded premiums	$ 31,505	$ 11,573	$ 23
Loss and loss adjustment expenses ceded	$ (18,007)	$ (4,246)	$ 12

Retrocession contracts do not relieve the Company from its obligations to its cedents. Failure of retrocessionaires to honor their obligations could result in losses to the Company. The following table shows a breakdown of losses recoverable on a gross and net of collateral basis:

	December 31, 2023		December 31, 2022	
	Gross	**Net of Collateral(1)**	**Gross**	**Net of Collateral(1)**
A- or better by A.M. Best	$ 18	$ 18	$ 5	$ —
Not rated	18,225	2,970	12,870	3,652
Total before provision	18,243	$ 2,988	$ 12,875	$ 3,652
Provision for credit losses	(487)		(261)	
Total loss and loss adjustment expenses recoverable, net	$ 17,756		$ 12,614	

(1) Collateral is in the form of cash, letters of credit, funds withheld, and/or cash collateral held in trust accounts. This excludes any excess collateral in order to disclose the aggregate net exposure for each retrocessionaire.

At December 31, 2023, we had 2 reinsurers (2022: 2) that accounted for 10% or more each of the total loss and loss adjustment expenses recoverable, net, for an aggregate gross amount of $12.5 million (2022: $6.1 million).

9. CREDIT FACILITIES

At December 31, 2023, the Company had the following letter of credit ("LOC") facilities:

	Capacity	**LOCs issued**	**Termination Date**
Citibank Europe plc ("Citi LOC")[1]	289,000	276,756	August 20, 2024
CIBC Bank USA ("CIBC LOC")	200,000	13,903	December 21, 2024
	$ 489,000	$ 290,659	

1) Includes $14.0 million of uncommitted capacity.

The above LOCs issued are cash collateralized (see Note 5). The LOC facilities are subject to various customary affirmative, negative and financial covenants. At December 31, 2023, the Company was in compliance with all LOC facilities covenants.

Citi LOC

The Citi LOC Facility automatically renews each year unless terminated by either party subject to a 120 days notice prior to termination date.

CIBC LOC

On December 21, 2023, through a subsidiary, the Company entered into a credit agreement with CIBC Bank USA for a $200.0 million committed LOC facility (the "CIBC LOC Facility"), with a $30.0 million sublimit for unsecured LOCs (the "CIBC Revolving Credit Facility"). Loans made under the CIBC Revolving Credit Facility, solely for supporting unsecured LOCs, will accrue interest at a rate of base rate plus 2.5% per annum in the event that the beneficiary draws down on an unsecured LOC and the Company does not provide cash collateral within the stipulated period. The CIBC LOC Facility is subject to an automatic extension of one year without prior written notice by the Company. The CIBC Revolving Credit Facility expires after one year.

10. SHARE CAPITAL

The holders of all ordinary shares are entitled to share equally in dividends declared by the Board of Directors. In the event of a winding-up or dissolution of the Company, the ordinary shareholders share equally and ratably in the Company's assets after payment of all debts and liabilities and after the liquidation of any issued and outstanding preferred shares. The Board of Directors is authorized to establish the rights and restrictions for preferred shares as they deem appropriate.

The Amended and Restated Memorandum and Articles of Association provides that the holders of ordinary shares generally are entitled to one vote per share.

Additional paid-in capital includes the premium per share paid by the subscribing shareholder for ordinary shares which have a par value of $0.10 each.

11. NET INVESTMENT INCOME

The following table provides a breakdown of net investment income:

	Year ended December 31		
	2023	**2022**	**2021**
Interest and dividend income, net of withholding taxes and other expenses	$ 32,203	$ 3,757	$ (1,725)
Net realized and unrealized gains on other investments (see Note 4)	1,723	9,666	19,521
Net investment-related income	33,926	13,423	17,796
Share of SILP's net income (see Note 3)	26,793	48,227	16,789
Total investment income	$ 60,719	$ 61,650	$ 34,585

12. INCOME TAXES

The Company intends to conduct all of its operations in a manner that will not cause it to be treated as engaging in a trade or business within the United States and will not cause it to be subject to current U.S. federal income taxation on its net income. However, because there are no definitive standards provided by the Internal Revenue Code, regulations or court decisions as to the specific activities that constitute "engaged in the conduct of a trade or business within the United States", and as any such determination is essentially factual in nature, there can be no assurance that the IRS will not successfully assert that the Company is engaged in a trade or business within the U.S.

13. RELATED PARTY TRANSACTIONS

Investment Advisory Agreement

Each of DME, DME II, and DME Advisors is an affiliate of the Company's Chairman (David Einhorn) and, therefore, is a related party to the Company.

The Company has entered into the SILP LPA (as described in Note 3 of the financial statements). DME II receives a performance allocation equal to (with capitalized terms having the meaning provided under the SILP LPA) (a) 10% of the portion of the Positive Performance Change for each limited partner's capital account that is less than or equal to the positive balance in such limited partner's Carryforward Account, plus (b) 20% of the portion of the Positive Performance Change for each limited partner's capital account that exceeds the positive balance in such limited partner's Carryforward Account. The Carryforward Account for the Company includes the amount of investment losses to be recouped including any loss generated on the assets invested in SILP, subject to adjustments for redemptions. The loss carry forward provision in the SILP LPA allows DME II to earn a reduced performance allocation of 10% of profits in years subsequent to any year in which SILP has incurred a loss, until all losses are recouped and an additional amount equal to 150% of the loss is earned.

In accordance with the SILP LPA, DME Advisors constructs a levered investment portfolio as agreed by the Company (the "Investment Portfolio" as defined in the SILP LPA). On September 1, 2018, SILP entered into the IAA with DME Advisors, which entitles DME Advisors to a monthly management fee equal to 0.125% (1.5% on an annual basis) of each limited partner's Investment Portfolio. The IAA has an initial term ending on August 31, 2023, subject to an automatic extension for successive three-year terms.

For a detailed breakdown of management fees and performance compensation for the years ended December 31, 2023, 2022, and 2021, refer to Note 3.

Pursuant to the SILP LPA and the IAA, the Company has agreed to indemnify DME, DME II, and DME Advisors for any expense, loss, liability, or damage arising out of any claim asserted or threatened in connection with DME Advisors serving as the Company's or SILP's investment advisor. The Company will reimburse DME, DME II, and DME Advisors for reasonable costs and expenses of investigating and defending such claims, provided such claims were not caused due to gross negligence, breach of contract, or misrepresentation by DME, DME II or DME Advisors. The Company incurred no indemnification amounts during the periods presented.

Green Brick Partners, Inc.

David Einhorn also serves as the Chairman of the Board of Directors of Green Brick Partners, Inc. ("GRBK"), a publicly-traded company. At December 31, 2023, SILP, along with certain affiliates of DME Advisors, collectively owned 27.1% of the issued and outstanding common shares of GRBK. Under applicable securities laws, DME Advisors may sometimes be limited in its ability to trade GRBK shares held in SILP. At December 31, 2023, SILP held 2.7 million shares of GRBK.

Collateral Assets Investment Management Agreement

Effective January 1, 2019, the Company (and its affiliates) entered into a collateral assets investment management agreement (the "CMA") with DME Advisors, pursuant to which DME Advisors manages certain assets of the Company that are not subject to the SILP LPA and are held by the Company to provide collateral required by the cedents in the form of trust accounts and letters of credit. In accordance with the CMA, DME Advisors receives no fees and is required to comply with the collateral investment guidelines. The CMA can be terminated by any of the parties upon 30 days' prior written notice to the other parties.

Separation Agreement with CEO

On November 3, 2023, the Company entered into a Deed of Settlement and Release ("Separation Agreement") with the CEO (Mr. Simon Burton) pursuant to which Mr. Burton's employment with the Company would terminate by mutual consent, including resignation from the Board of Directors, effective as of December 31, 2023. The following is a summary of the material financial terms of the Separation Agreement:

- $2.4 million cash severance payable over 18 months and $0.3 million salary continuance to April 30, 2024 (these have been accrued and included in "*Other liabilities*" in the balance sheets at December 31, 2023);

- Accelerated vesting for Mr. Burton's remaining 235,936 service restricted shares and modified vesting condition for Mr. Burton's remaining 532,035 performance restricted shares in which the service condition is no longer a requirement for vesting (the related share-based compensation charge is recorded at the Parent level)**;** and
- $1.6 million grant date fair value of performance restricted shares to be granted by the Parent in March 2024.

As a result of the above Separation Agreement, for the year ended December 31, 2023, the Company recognized a total charge of $2.8 million, excluding share-based compensation at the Parent level, which is included in "*General and administrative expenses*" in the statements of operations.

Transactions with Affiliated Companies

The amounts due from (to) affiliated companies as reported in the consolidated balance sheets include amount due from (to) the Parent and affiliates.

Amount due from (to) Parent

At December 31, 2023 the Company had $0.2 million due from Parent. At December 31, 2022, the Company owed $28.4 million to the Parent for the return of additional paid-in capital declared but unpaid and was non-interest bearing, unsecured and is repayable on demand.

Amount due from (to) affiliates

At December 31, 2023, and 2022, the amounts due (to) affiliated companies were non-interest bearing, unsecured and repayable on demand.

Retrocession agreements with affiliates

The Company has entered into quota share retrocession agreements with GRIL and GCM whereby the Company assumes a quota share portion of certain specified reinsurance contracts written by GRIL and GCM. For the year ended December 31, 2023, the Company assumed $66.0 million (2022: $190.4 million, 2021: $144.6 million) of written premiums from GRIL and $154.2 million (2022: nil, 2021: nil) of written premiums from GCM.

The Company also provides an aggregate stop loss reinsurance protection to GRIL. For the year ended December 31, 2023, GRIL ceded $0.7 million (2022: $0.9 million, 2021: $1.2 million) of written premiums relating to this aggregate stop loss contract to the Company. During the year ended December 31, 2023, there were no losses incurred on the aggregate stop loss contract (2022: nil, 2021: nil).

At December 31, 2023, included in the caption "Reinsurance Balances Receivable" on the Company's balance sheet was $141.7 million (December 31, 2022: $168.0 million) net receivable from GRIL on the above mentioned retrocession agreements; $103.1 million (December 31, 2022: nil) net receivable from GCM, and $22.1 million (December 31, 2022: $36.9 million) of funds provided by the Company to GRIL to support certain reinsurance contracts with Lloyd's syndicates. See Note 14.

14. COMMITMENTS AND CONTINGENCIES

a) Concentration of Credit Risk

Cash and cash equivalents

The Company monitors its concentration of credit risk with financial institutions and limits acceptable counterparties based on current rating, outlook and other relevant factors.

Investments

The Company's credit risk exposure to private debt and convertible debt securities within its "*Other investments*" are immaterial (see Note 4).

Reinsurance balances receivable, net

The following table shows the breakdown of reinsurance balances receivable:

	December 31, 2023			December 31, 2022		
		Amount	%		Amount	%
Funds withheld:						
Funds held by third party cedants		50,076	10.4 %		45,350	11.2 %
Funds held by GCM		103,916	21.5		—	—
Funds held by GRIL		107,048	22.2		150,011	37.1
Funds at Lloyd's [(1)]		65,756	13.6		72,330	17.9
Premium receivable:						
Premium receivable from third parties	$	119,562	24.8	$	114,143	28.2
Premiums receivable from GRIL	$	34,626	7.2	$	17,976	4.5
Profit commission receivable		2,113	0.4		4,705	1.2
Total before provision		483,097	100.1		404,515	100.1
Provision for expected credit losses		(854)	(0.1)		(356)	(0.1)
Reinsurance balances receivable, net	$	482,243	100.0 %	$	404,159	100.0 %

[(1)] Including $22.1 million for GRIL (December 31, 2022: $36.9 million) - see Note 13.

The Company has posted deposits at Loyd's to support underwriting capacity for certain syndicates, including Syndicate 3456 (see Note 1). Lloyd's has a credit rating of "A" (Excellent) from A.M. Best.

Premiums receivable includes a significant portion of estimated premiums not yet due. Brokers and other intermediaries are responsible for collecting premiums from customer on the Company's behalf. The Company monitors its concentration of credit risks from brokers The following table shows the brokers and their subsidiaries that generated more than 10% of the Company's premiums.

Year ended December 31,	Broker		Amount	%
2023				
	Guy Carpenter (Marsh)	$	60,754	10.7 %
				10.7 %
2022				
	BMS Group	$	51,575	10.2 %
	Aon Benfield	$	77,673	15.3 %
				25.5 %
2021				
	Guy Carpenter (Marsh)	$	140,984	27.9 %
	Aon Benfield		71,399	14.1
				42.0 %

The diversity in the Company's client base limits credit risk associated with premiums receivable and funds (premiums) held by cedents. Further, under the reinsurance contracts the Company has contractual rights to offset premium balances receivable and funds held by cedants against corresponding payments for losses and loss expenses.

Loss and loss adjustment expenses recoverable, net

The Company regularly evaluates its net credit exposure to the retrocessionaires and their abilities to honor their respective obligations. See Note 8 for analysis of concentration of credit risk relating to retrocessionaires.

b) Lease Obligations

The Company operates under a non-cancelable operating lease agreement. The Company's weighted-average remaining operating lease term is approximately 2.2 years at December 31, 2023.

As the lease contract generally does not provide an implicit discount rate, the Company used the weighted-average discount rate of 6.0% to determine the present value of lease payments. This discount rate represents the Company's incremental borrowing rate for a term similar to that of the associated lease based on information available at the commencement date. The Company has made an accounting policy election not to include renewal, termination, or purchase options that are not reasonably certain of exercise when determining the borrowing term.

At December 31, 2023, the right-of-use asset and lease liability relating to the operating lease was $1.3 million and $1.3 million, respectively (2022: $1.7 million and $1.7 million, respectively). For the year ended December 31, 2023, the Company recognized operating lease expense of $0.5 million (2022: $0.1 million, 2021: $0.3 million).

At December 31, 2023, the commitment for operating lease liabilities for future annual periods was as follows:

Year ending December 31,		**Amount**
2024	$	553
2025		570
2026		289
Total lease payments		1,412
Less Imputed Interest		(111)
Present value of lease liabilities	$	1,301

c) Litigation

From time to time, in the ordinary course of business, the Company may be involved in formal and informal dispute resolution procedures, which may include arbitration or litigation. The outcomes of these procedures determine the rights and obligations under the Company's reinsurance contracts and other contractual agreements. In some disputes, the Company may seek to enforce its rights under an agreement or collect funds owed. In other matters, the Company may resist attempts by others to collect funds or enforce alleged rights. While the Company cannot predict the outcome of legal disputes with certainty, the Company does not believe that any existing dispute, when finally resolved, will have a material adverse effect on the Company's business, financial condition, or operating results.

15. STATUTORY REQUIREMENTS

The Company's reinsurance operations are subject to insurance laws and regulations in the Cayman Islands. These regulations include certain restrictions on the amount of dividends or other distribution, such as loans or cash advances, available to shareholders without prior approval of the respective regulatory authorities.

The statutory capital and surplus and required minimum statutory capital and surplus of the Company is detailed below:

At December 31,		**2023**		**2022**
Statutory capital and surplus	$	569,044	$	474,985
Required statutory capital surplus		256,586		226,507
Excess statutory capital	$	312,458	$	248,478

The Company is subject to the Cayman Islands' Insurance (Capital and Solvency) (Classes B, C, and D Insurers) Regulations, (2018 Revision) (the "Insurance Regulations"). Under these Insurance Regulations, the Company is required to maintain minimum statutory capital and surplus equal to the greater of: a) the Minimum Capital Requirement of $50.0 million and b) the Prescribed Capital Requirement ("PCR") as defined in the Insurance Regulations.

The Company is not required to prepare statutory financial statements for filing with CIMA. There were no material differences between the Company's GAAP capital, surplus, and net income and its statutory capital, surplus, and net income at December 31, 2023 and 2022, and for the years then ended.

Any dividends declared and paid from the Company to its parent requires CIMA's approval. During the year ended December 31, 2023, $8.3 million of dividends (2022: $60.1 million, 2021: $4.0 million) were declared or paid by the Company to its parent. The dividends were approved by CIMA and resulted in the return of additional share capital from the Company. The dividends were provided primarily to allow the parent to repurchase and repay its Convertible Notes. At December 31, 2023, $312.5 million (2022: $248.5 million) of the Company's capital and surplus was available for distribution as dividends.