



SFG Bermuda Ltd.
Power House
7 Par-La Ville Road,
Hamilton, HM 11

Attention: David Attaway

April 28, 2025

Reference: DCG/MP/cd 0.2134219.001

Subject: SFG Bermuda Ltd.

Dear Mr. Attaway,

We enclose the Statutory Financial Statements and the accompanying notes and our signed auditor's report thereon for SFG Bermuda Ltd. for the year ended December 31, 2024.

Please note that no changes should be made to the Statutory Financial Statements without our prior knowledge and agreement.

Very truly yours,

PricewaterhouseCoopers Ltd.

Chartered Professional Accountants

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April 28, 2025

Report of Independent Auditors

To the Board of Directors of SFG Bermuda Ltd.

Opinion

We have audited the accompanying statutory financial statements of SFG Bermuda Ltd. (the "Company"), which comprise the statutory balance sheet (Form 1SFS/Form 1ASFS*) and statutory statement of capital and surplus (Form 8SFS/Form 8ASFS*) as of December 31, 2024, and the related statutory statement of income (Form 2SFS/Form 2ASFS*) for the year then ended, including the related notes (collectively referred to as the "statutory financial statements").

[* Forms referenced refer to the respective statutory financial statement form references contained in the Legislation, as defined below. For the purposes of our audit the notes, reconciliations and other disclosures contained on those Forms form part of the notes to the statutory financial statements.]

In our opinion, the accompanying statutory financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and its operations for the year then ended in accordance with the financial reporting provisions of the Insurance Act 1978, the Insurance Account Rules 2016, and amendments thereto (the "Legislation").

Basis for opinion

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

Basis of accounting

We note that the statutory financial statements are prepared in accordance with the financial reporting provisions of the Legislation, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Bermuda Monetary Authority. As a result, the statutory financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of management for the statutory financial statements

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



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

Auditors' responsibilities for the audit of the statutory financial statements

Our objectives are to obtain reasonable assurance about whether the statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the statutory financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory 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 statutory 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 statutory financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Restriction on use

This report is intended solely for the information and use of the Board of Directors of SFG Bermuda Ltd. and the Bermuda Monetary Authority and is not intended to be and should not be used by anyone other than these specified parties.

Prue Whitehouse Coopers Ltd.

Chartered Professional Accountants

STATUTORY BALANCE SHEET
SFG Bermuda Ltd.

As at

31 December 2024
FORM 1SFS

Expressed in ['000s]

United States Dollars

LINE No.		2024 ('000s)	2023 ('000s)
1.	CASH AND CASH EQUIVALENTS	313,170	926
2.	QUOTED INVESTMENTS:		
(a)	Bonds and debentures		
i.	Held to maturity	-	-
ii.	Other	262,234	165,785
(b)	Total Bonds and Debentures	262,234	165,785
(c)	Equities		
i.	Common Stocks	-	-
ii.	Preferred Stocks	1,870	1,792
iii.	Mutual Funds	-	-
(d)	Total Equity Investments	1,870	1,792
(e)	Other Quoted Investments	-	-
(f)	Total Quoted Investments	264,104	167,577
3.	UNQUOTED INVESTMENTS:		
(a)	Bonds and debentures		
i.	Held to maturity	-	-
ii.	Other	-	-
(b)	Bonds and Debentures	-	-
(c)	Equities		
i.	Common Stocks	-	-
ii.	Preferred Stocks	-	-
iii.	Mutual Funds	-	-
(d)	Total Equity Investments	-	-
(e)	Other Unquoted Investments	-	-
(f)	Total Unquoted Investments	-	-
4.	INVESTMENTS IN AND ADVANCES TO AFFILIATES (EQUITY METHOD):		
(a)	Unregulated entities that conduct ancillary services	-	-
(b)	Unregulated non-financial operating entities	-	-
(c)	Unregulated financial operating entities	-	-
(d)	Regulated non-insurance financial operating entities	-	-
(e)	Regulated insurance financial operating entities	-	-
(f)	Total investments in affiliates (equity method)	-	-
(g)	Advances to affiliates	-	-
(h)	Total investments in and advances to affiliates (equity method)	-	-
5.	INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE:		
(a)	First Liens	-	-
(b)	Other than First Liens	-	-
(c)	Total Investments in Mortgage Loans on Real Estate	-	-
6.	POLICY LOANS	-	-
7.	REAL ESTATE:		
(a)	Occupied by the company (less encumbrances)	-	-
(b)	Other properties (less encumbrances)	-	-
(c)	Total real estate	-	-
8.	COLLATERAL LOANS	-	-
9.	INVESTMENT INCOME DUE AND ACCRUED	2,254	1,191
10.	ACCOUNTS AND PREMIUMS RECEIVABLE		
(a)	In course of collection	-	-
(b)	Deferred - not yet due	-	-
(c)	Receivables from retrocessional contracts	-	-
(d)	Total accounts and premiums receivable	-	-
11.	REINSURANCE BALANCES RECEIVABLE		
(a)	Foreign affiliates	31,153	-
(b)	Domestic affiliates	-	-
(c)	Pools & associations	-	-
(d)	All other insurers	-	-
(e)	Total reinsurance balances receivable	31,153	-
12.	FUNDS HELD BY CEDING REINSURERS	17,785,375	12,886,007

13.	SUNDRY ASSETS:		
(a)	Derivative instruments	-	-
(b)	Segregated accounts companies - long-term business - variable annuities	-	-
(c)	Segregated accounts companies - long-term business - others	-	-
(d)	Segregated accounts companies - general business	-	-
(e)	Deposit assets	-	-
(f)	Deferred acquisition costs	2,730,539	1,931,572
(g)	Net receivables for investments sold	-	-
(h)	Other Sundry Assets (Specify)	-	-
(i)	Other Sundry Assets (Specify)	-	-
(j)	Other Sundry Assets (Specify)	-	-
(k)	Total sundry assets	2,730,539	1,931,572
14.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS		
(a)	Letters of credit	-	-
(b)	Guarantees	-	-
(c)	Other instruments	-	-
(d)	Total letters of credit, guarantees and other instruments	-	-
15.	TOTAL	21,126,595	14,987,273
	INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS		
	INSURANCE RESERVES		
16.	UNEARNED PREMIUM RESERVE		
(a)	Gross unearned premium reserves	-	-
(b)	Less: Ceded unearned premium reserve		
	i. Foreign affiliates	-	-
	ii. Domestic affiliates	-	-
	iii. Pools & associations	-	-
	iv. All other insurers	-	-
(c)	Total ceded unearned premium reserve	-	-
(d)	Net unearned premium reserves	-	-
17.	LOSS AND LOSS EXPENSE PROVISIONS:		
(a)	Gross loss and loss expense provisions	-	-
(b)	Less : Reinsurance recoverable balance		
	i. Foreign affiliates	-	-
	ii. Domestic affiliates	-	-
	iii. Pools & associations	-	-
	iv. All other insurers	-	-
(c)	Total reinsurance recoverable balance	-	-
(d)	Net loss and loss expense provisions	-	-
18.	OTHER INSURANCE RESERVES	-	-
19.	TOTAL GENERAL BUSINESS - INSURANCE RESERVES	-	-
	LONG-TERM BUSINESS INSURANCE RESERVES		
20.	RESERVES FOR REPORTED CLAIMS	35,483	36,827
21.	RESERVES FOR UNREPORTED CLAIMS	-	-
22.	POLICY RESERVES - LIFE	-	-
23.	POLICY RESERVES - ACCIDENT AND HEALTH	-	-
24.	POLICYHOLDER'S FUNDS ON DEPOSIT	18,588,994	13,067,183
25.	LIABILITY FOR FUTURE POLICYHOLDER DIVIDENDS	-	-
26.	OTHER LONG-TERM BUSINESS INSURANCE RESERVES	715,921	602,930
27.	TOTAL LONG-TERM BUSINESS - INSURANCE RESERVES		
(a)	Total Gross Long-Term Business Insurance Reserves	19,340,398	13,706,940
(b)	Less: Reinsurance Recoverable Balance:		
	(i) Foreign Affiliates	-	-
	(ii) Domestic Affiliates	-	-
	(iii) Pools and Associations	-	-
	(iv) All Other Insurers	-	-
(c)	Total Reinsurance Recoverable Balance	-	-
(d)	Net Long-Term Business Insurance Reserves	19,340,398	13,706,940
	OTHER LIABILITIES		
28.	INSURANCE AND REINSURANCE BALANCES PAYABLE	-	17,768
29.	COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE	-	-
30.	LOANS AND NOTES PAYABLE	-	-

31.	(a) INCOME TAXES PAYABLE	11,757	(7,398)
	(b) DEFERRED INCOME TAXES	25,223	37,355
32.	AMOUNTS DUE TO AFFILIATES	-	-
33.	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	523	474
34.	FUNDS HELD UNDER REINSURANCE CONTRACTS	-	-
35.	DIVIDENDS PAYABLE	-	-
36.	SUNDRY LIABILITIES:		
(a)	Derivative instruments	-	-
(b)	Segregated accounts	-	-
(c)	Deposit liabilities	-	-
(d)	Net payable for investments purchased	-	-
(e)	Other sundry liabilities (specify)	-	-
(f)	Other sundry liabilities (specify)	-	-
(g)	Other sundry liabilities (specify)	-	-
(h)	Total sundry liabilities	-	-
37.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS		
(a)	Letters of credit	-	-
(b)	Guarantees	-	-
(c)	Other instruments	-	-
(d)	Total letters of credit, guarantees and other instruments	-	-
38.	TOTAL OTHER LIABILITIES	37,503	48,199
39.	TOTAL INSURANCE PROVISIONS AND OTHER LIABILITIES	19,377,901	13,755,139
	STATUTORY CAPITAL AND SURPLUS		
40.	TOTAL STATUTORY CAPITAL AND SURPLUS	1,748,694	1,232,134
41.	TOTAL	21,126,595	14,987,273
		TRUE	TRUE
	Difference	-	-
Notes to Form 1SFS			
Line 10	Collateralized balances	-	-
Line 11(e)	Collateralized balances	-	
Line 27(c)	Collateral placed in favor of the insurer	-	
Line 13	Sundry assets	-	-
Line 15	Encumbered assets for policyholder obligations		
	<u>Asset</u>		
	Cash	-	-
	Total quoted investments	-	-
	Total unquoted investments	-	-
	Funds held by ceding reinsurers	17,785,375	12,886,007
	Other asset types	-	-
	Total assets encumbered	17,785,375	12,886,007
Line 15	Encumbered assets not securing policyholder obligations		
	<u>Asset</u>		
	Cash	-	-
	Total quoted investments	-	-
	Total unquoted investments	-	-
	Other asset types	-	-
	Total assets encumbered	-	-
Line 36	Sundry liabilities	-	-
Line 37	Letters of Credit, Guarantees and other Instruments	-	-
	General Business		
Line 17	Reasons for the change in the net losses incurred and net loss expenses incurred related to prior years and indicate whether additional premiums or return premiums have been accrued as a result of the prior year effects.	0	

Line 17	Gross loss and loss expense provisions at beginning of year	-	-
	Less: Reinsurance recoverable at beginning of year	-	-
	Net loss and loss expense provisions at beginning of year	-	-
	Acquisition / Sale of loss reserves (net):	-	-
	Net losses incurred and net loss expenses incurred related to:		
	Current year	-	-
	Prior years	-	-
	Total net incurred losses & loss expenses	-	-
	Net losses and loss expenses paid or payable related to:		
	Current year	-	-
	Prior years	-	-
	Total losses and loss expenses paid or payable	-	-
	Foreign exchange and other	-	-
	Net loss and loss expense provisions at end of year	-	-
	Add: Reinsurance recoverable at end of year	-	-
	Gross loss and loss expense provisions at end of year	-	-
		TRUE	TRUE
	Difference	-	-

Long-Term Business

Line 27

CURRENT YEAR

	Insurance Contracts		Investment Contracts	
	Gross	Reinsurance	Gross	Reinsurance
Balance - Beginning of Year	13,706,940	-	-	-
Impact of Terminations	(1,325,181)	-	-	-
Impact of New Business	6,283,699	-	-	-
Normal Change in force	674,941	-	-	-
Management Actions and Changes in Assumptions	-	-	-	-
Impact of Foreign Exchange rate changes	-	-	-	-
Balance - End of Year	19,340,399	-	-	-

PRIOR YEAR

Balance - Beginning of Year	10,181,237	-	-	-
Impact of Terminations	(623,861)	-	-	-
Impact of New Business	3,870,142	-	-	-
Normal Change in force	279,422	-	-	-
Management Actions and Changes in Assumptions	-	-	-	-
Impact of Foreign Exchange rate changes	-	-	-	-
Balance - End of Year	13,706,940	-	-	-

STATUTORY STATEMENT OF INCOME

SFG Bermuda Ltd.

For the year ending
Expressed in ['000s]

December 31, 2024
United States Dollars

FORM 2SFS

LINE No.

2024

('000)

2023

('000)

GENERAL BUSINESS UNDERWRITING INCOME

1. GROSS PREMIUMS WRITTEN:

(a) Direct gross premiums written

(b) Assumed gross premiums written

(c) Total gross premiums written

2. REINSURANCE PREMIUMS CEDED

3. NET PREMIUMS WRITTEN

4. INCREASE (DECREASE) IN UNEARNED PREMIUMS

5. NET PREMIUMS EARNED

6. OTHER INSURANCE INCOME

7.

GENERAL BUSINESS UNDERWRITING EXPENSES

8. NET LOSSES INCURRED AND NET LOSS EXPENSES INCURRED

9. COMMISSIONS AND BROKERAGE

10.

11. NET UNDERWRITING PROFIT (LOSS) - GENERAL BUSINESS

LONG-TERM BUSINESS UNDERWRITING INCOME

12. GROSS PREMIUMS AND OTHER CONSIDERATIONS:

(a) Direct gross premiums and other considerations

(b) Assumed gross premiums and other considerations

(c) Total gross premiums and other considerations

13. PREMIUMS CEDED

14. NET PREMIUMS AND OTHER CONSIDERATIONS:

(a) Life

(b) Annuities

(c) Accident and health

(d) Total net premiums and other considerations

15. OTHER INSURANCE INCOME

16.

DEDUCTIONS

17. CLAIMS - LIFE

126,773

62,901

6,226,747

3,858,655

6,099,974

3,795,754

6,099,974

3,795,754

6,099,974

3,795,754

6,099,974

3,795,754

18.	POLICYHOLDERS' DIVIDENDS	-	-
19.	SURRENDERS	1,204,044	547,813
20.	MATURITIES		-
21.	ANNUITIES	120,899	-
22.	ACCIDENT AND HEALTH BENEFITS	-	-
23.	COMMISSIONS	-	-
24.	OTHER	-	-
25.		1,324,943	547,813
26.	INCREASE (DECREASE) IN POLICY RESERVES:		
	(a) Life	-	-
	(b) Annuities	5,413,503	3,506,010
	(c) Accident and health	-	-
	(d) Total increase (decrease) in policy reserves	5,413,503	3,506,010
27.		6,738,446	4,053,823
28.	NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS	(511,699)	(195,168)
29.	COMBINED NET UNDERWRITING PROFIT (LOSS) BEFORE THE UNDERNOTED ITEMS	(511,699)	(195,168)
	UNDERNOTED ITEMS		
30.	COMBINED OPERATING EXPENSES:		
	(a) General and administrative	28,472	20,620
	(b) Personnel Costs	-	-
	(c) Other	-	-
	(d) Total combined operating expenses	28,472	20,620
31.	COMBINED INVESTMENT INCOME - NET	798,190	401,531
32.	COMBINED OTHER INCOME (DEDUCTIONS)	(225,628)	(88,344)
33.	COMBINED INCOME BEFORE TAXES	32,391	97,399
34.	COMBINED INCOME TAXES (IF APPLICABLE):		
	(a) Current	19,155	-
	(b) Deferred	(12,132)	8,021
	(c) Total	7,023	8,021
35.	COMBINED INCOME BEFORE REALIZED GAINS (LOSSES)	25,368	89,378
36.	COMBINED REALIZED GAINS (LOSSES)	1,192	(60,892)
37.	COMBINED INTEREST CHARGES	-	-
38.	NET INCOME	26,560	28,486

STATUTORY STATEMENT OF CAPITAL AND SURPLUS

[Return to Index](#)

SFG Bermuda Ltd.

For the year ending

December 31, 2024

Expressed in ['000s]

United States Dollars

LINE No.

FORM 8SFS

2024
(000s)

2023
(000s)

1. STATUTORY CAPITAL

(a)

Capital stock

(i) Common shares

authorized

value

fully paid

250

\$ 1.000

250

shares of par
each issued and
shares

250

250

(ii) Preferred shares

authorized

value

fully paid

aggregate liquidation value for –

shares of par
each issued and
shares

-

-

2022

2021

(iii) Treasury shares

repurchased

value

shares of par
each issued

-

-

(b)

Contributed surplus

1,491,040

1,001,040

(c)

Any other fixed capital

(i) Hybrid capital instruments

(ii) Guarantees and others

(iii) Total any other fixed capital

-

-

-

-

-

-

(d)

Total Statutory Capital

1,491,290

1,001,290

2.

STATUTORY SURPLUS:

(a)

Statutory Surplus - Beginning of Year

230,844

202,358

(b)

Add: Income for Year

26,560

28,486

(c)

Less: Dividends paid and payable

-

-

(d)

Add (Deduct) change in unrealized appreciation (depreciation) of investments

-

-

(e)

Add (Deduct) change in non-admitted assets

-

-

(f)

Add (Deduct) change in appraisal of real estate

-

-

(g)

Add (Deduct) change in any other statutory capital

-

-

(h)

Statutory Surplus - End of Year

257,404

230,844

3.

MINORITY INTEREST

-

-

4.

TOTAL STATUTORY CAPITAL AND SURPLUS

1,748,694

1,232,134

Line 2g

Change in any other statutory capital

Line 4

Total Statutory Capital & Surplus

SCHEDULE OF RISK MANAGEMENT - FINANCIAL STATEMENT RECONCILIATION

SFG Bermuda Ltd.

For the year ending 31 December 2024
expressed in ['000s] United States Dollars

SCHEDULE V(g)

A reconciliation of amounts reported in total assets, total liabilities, net income, and capital and surplus comprised of any adjustments applied to the General Accepted Accounting Principles/International Financial Reporting Standards to Form 1SFS and from Form 1SFS to Form 4EBS

	Adjustment Description	Assets	Liabilities	Net Income	Capital and Surplus
	GAAP/IFRS Financial Statements	20,709,434	19,266,187	74,295	1,443,247
1	Prepaid Expenses	-	-	-	-
2	Goodwill	-	-	-	-
3	Intangible Assets	-	-	-	-
4	Section 6c exemptions	417,161	111,714	(47,735)	305,447
5	(Enter other adjustments from Financials Statements to Form 1SFS)	-	-	-	-
6	(Enter other adjustments from Financials Statements to Form 1SFS)	-	-	-	-
7	(Enter other adjustments from Financials Statements to Form 1SFS)	-	-	-	-
8	(Enter other adjustments from Financials Statements to Form 1SFS)	-	-	-	-
9	(Enter other adjustments from Financials Statements to Form 1SFS)	-	-	-	-
10	(Enter other adjustments from Financials Statements to Form 1SFS)	-	-	-	-
	Form 1SFS	21,126,595	19,377,901	26,560	1,748,694
		TRUE	TRUE		TRUE