ORANGE CAPITAL RE DAC

Report of the Directors and Financial Statements

Registered Number: 699826

For the financial year ended 31 December 2024

ORANGE CAPITAL RE DAC

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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ORANGE CAPITAL RE DAC

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS
John Magee
Robert Frewen
Davina Saint

SECRETARY AND REGISTERED OFFICE
Marsh Management Services (Dublin) Limited
Ground Floor, Charlotte House, Charlemont Street,
Dublin 2, Ireland

AUDITORS
Forvis Mazars
Chartered Accountants and Statutory Audit Firm
Block 3, Harcourt Centre
Harcourt Road, Dublin 2

SOLICITORS
Walkers (Ireland) LLP, The Exchange,
George's Dock, IFSC, Dublin 1, D01 W3P9

ADMINISTRATOR
Marsh Management Services (Dublin) Limited
Ground Floor, Charlotte House, Charlemont Street, Dublin 2, Ireland

BANKER, CUSTODIAN AND INDENTURE TRUSTEE
The Bank of New York Mellon
160 Queen Victoria Street, London
EC4V 4LA, England

CEDING REINSURER
NN RE (Netherlands) N.V.
Prinses Beatrixlaan 35
2595 AK The Hague
The Netherlands

LISTING AGENT
Walkers Listing Services (Bermuda) Ltd
Park Place, 55 Par-la-Ville road,
Third Floor, Hamilton HM11
Bermuda

CLAIMS REVIEWER & LOSS RESERVE SPECIALIST
Towers Watson (Bermuda) Ltd
Wellesley House
90 Pitts Bay Road
Pembroke HM 08
Bermuda

ORANGE CAPITAL RE DAC

REPORT OF THE DIRECTORS

The Directors submit their report together with the audited financial statements for the financial year ended 31 December 2024.

1. INCORPORATION AND COMMENCEMENT TO TRADE

Orange Capital Re DAC (the "Company") was incorporated in Ireland on 8 July 2021. The Company commenced trading on 30 December 2021.

2. RESULTS

The results for the financial year are outlined on pages 14 – 35.

3. PRINCIPAL ACTIVITIES

Orange Capital Re DAC, a designated activity company incorporated on 8 July 2021 in Ireland and authorized by the Central Bank of Ireland as a special purpose vehicle under the European Union (Insurance and Reinsurance) Regulations 2015, whose registered office is Ground Floor, Charlotte House, Charlemont Street, Dublin 2, Ireland. The Company was set up as a multi-issuance vehicle to issue a series of notes covering various perils in specific territories. Its principal activity is to place risks associated with windstorm and severe thunderstorms. Risks covered by individual issuances are described in the following paragraphs.

The notes issued by the Company are with limited recourse to certain assets of the Company. Noteholders will only have recourse to the Collateral Account and Collateral Payment Account relating to the Notes. In addition to the windstorm and severe thunderstorm perils associated with the Retrocession Agreements, investors in the notes issued by the Company ("the Noteholders") are exposed to the credit risk of NN RE (Netherlands) N.V. (as Ceding Reinsurer), and The Bank of New York Mellon (as Indenture Trustee).

2021-1 Issuance

On 30 December 2021, the Company issued 2021-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes due 17 January 2025 with an optional extended redemption date of 17 January 2028, covering windstorm and severe thunderstorms in Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten). The Series 2021-1 Class A notes were redeemed in full on the scheduled maturity date.

Risk is assumed by the Company for the 2021-1 issuance under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2022 until 31 December 2024. The Company passes these risks on to investors through the issuance of variable rate notes.

The 2021-1 notes were listed on the Bermuda Stock Exchange up until maturity.

3. PRINCIPAL ACTIVITIES (Continued)

2023-1 Issuance
On 30 November 2023, the Company issued 2023-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes due 8 January 2027 with an optional extended redemption date of 8 January 2030, covering windstorm and severe thunderstorms in Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten).
Risk is assumed by the Company for the 2023-1 issuance under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2024 until 31 December 2026. The Company passes these risks on to investors through the issuance of variable rate notes.
The 2023-1 notes are listed on the Bermuda Stock Exchange.

2024-1 Issuance
On 13 November 2024, the Company issued 2024-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes due 17 January 2029 with an optional extended redemption date of 5 January 2032, covering windstorm and severe thunderstorms in Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten).
Risk is assumed by the Company for the 2024-1 issuance under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2025 until 31 December 2028. The Company passes these risks on to investors through the issuance of variable rate notes.
The 2024-1 notes are listed on the Bermuda Stock Exchange.

4. REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The funding of the running costs of the Company is provided for by NN RE (Netherlands) N.V. through the Retrocession Agreements. During the year, the Company received €1,105,229 (2023: €1,429,278) of gross expense reimbursement from NN RE (Netherlands) N.V. to fund the operating costs of the Company. The Directors expect that present activities will continue subject to the terms of the existing Retrocession Agreements with NN RE (Netherlands) N.V.

5. SAFEKEEPING OF INVESTMENTS IN FINANCIAL ASSETS

Concerning the Principal At-Risk Variable Rate Notes issued by the Company, all the proceeds paid to the Company were placed in a collateral account maintained with the Indenture Trustee (The Bank of New York Mellon). All funds in the collateral account were used to purchase unsecured debt securities (the "EBRD Notes") issued by the European Bank for Reconstruction and Development (EBRD) pursuant to its existing Global Medium Term Note Program. The Bank of New York Mellon is also the custodian and holds the investments as custodian for the Indenture Trustee.

6. PRINCIPAL RISKS AND UNCERTAINTIES

The key risks of the Company and the methods in place to manage and control these risks are set out in Note 19 on pages 31 to 34 of these financial statements.

7. HOLDING COMPANY

The ultimate holding company is Walkers Ireland Shareholding Services Limited, which holds the shares in trust for one or more charitable organisations.

8. EVENTS AFTER REPORTING YEAR

On 17 January 2025, the Company fully redeemed the 2021-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes.

No other significant events have occurred since the reporting year.

9. DIRECTORS

The current Directors are as follows:

John Magee
Robert Frewen
Davina Saint

10. DIVIDENDS

The Directors do not recommend the payment of a dividend.

11. INTERESTS OF DIRECTORS AND SECRETARY

At the beginning and end of the financial year the Directors and Secretary had no interests in the share capital, in debentures or in loan stock of the Company.

12. RESEARCH AND DEVELOPMENT

The Company did not engage in any research and development activity during the year.

13. POLITICAL DONATIONS

The Electoral Act, 1997 as amended by the Electoral (Amendment) (Political Funding) Act, 2012 requires companies to disclose all political donations over €200 in aggregate made during the financial year. The Directors on enquiry have satisfied themselves that no such donation in excess of this amount has been made by the Company.

REPORT OF THE DIRECTORS (Continued)

14. ACCOUNTING RECORDS

The Directors have appointed Marsh Management Services (Dublin) Limited in order to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014. The accounting records of the Company are maintained at Ground Floor, Charlotte House, Charlemont Street, Dublin 2, Ireland.

15. AUDIT INFORMATION

In accordance with Section 332 of Companies Act, 2014, the Directors who held office at the date of the approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

16. AUDITORS

Forvis Mazars, Chartered Accountants and Statutory Audit Firm were appointed statutory auditors on 25 January 2023 and has expressed their willingness to continue in office as auditors in accordance with section 383 (2) of the Companies Act 2014.

On behalf of the Board of Directors

John Magee
Director

Robert Frewen
Director

Date: 28 March 2025

ORANGE CAPITAL RE DAC

Statement of Directors' responsibilities in respect of the Directors' Report and the financial statements

The Directors are responsible for preparing the Director's Report and financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Financial Reporting Standard 103 'Insurance Contracts'.

Under company law the directors must not approve the Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and its profit for that year. In preparing the Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that its financial statements comply with the Companies Act 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Companies Act 2014.

The Directors confirm to the best of their knowledge that they have complied with the above requirements in preparing the financial statements.

On behalf of the Board of Directors

John Magee
Director

Robert Frewen
Director

Date: 28 March 2025

forvis mazars

Independent auditor's report to the members of Orange Capital Re DAC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Orange Capital Re DAC ('the Company'), for the year ended 31 December 2024, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows, and notes to the Company financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, European Union (Insurance Undertakings: Financial Statements) Regulations 2015, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and FRS 103 "Insurance Contracts".

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024, and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 and FRS 103; and
- have been properly prepared in accordance with the requirements of the Irish Companies Act 2014 and European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. 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 independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), applied as required for the types of entity determined to be appropriate in the circumstances. We have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the director's assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- An assessment of the reasonableness of management's going concern assessment including discussions/enquiries with management and review of the financial performance and financial position of the Company at the year-end date for indicators of any going concern uncertainties;
- Review of the terms of the relevant contracts underpinning the structure of the Company specifically in respect to the maturity date of the Company's debt securities issued and extension clauses;

- Evaluation of the limited recourse nature of the Company's debt securities issued;
- Confirmation with management that no event occurred post period end which would result in an event payment under the terms of the Retrocession Agreements in place; and
- Evaluation on the sufficiency of disclosures in the financial statements pertaining to the going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We summarise below the key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and, where relevant, key observations arising from those procedures.

Key audit matter – Event risk	**How the matter was addressed**
The Company is, in accordance with the terms of the Retrocession Agreements, obligated to make payments following the occurrence of a covered event resulting in an event payment. As a result of the Retrocession Agreements, the Company and holders of the notes issued by the Company are at risk in the event that the covered event occurs in the covered area during the risk period as set out in the Retrocession Agreements. If, during the risk period, there is one or more covered events that result in an event payment under the Retrocession Agreements, investors in the notes could lose all or a portion of their investment. We considered the likelihood that covered events that would require an event payment have not been recognised in the financial statements to be a key audit matter due to the material impact that such events would have on the financial position of the Company.	We addressed the risk through the following procedures: ▪ Confirmed independently with the Ceding Reinsurer that there have been no covered events during the year that would require an event payment under the Retrocession Agreements between the Company and the Ceding Reinsurer; ▪ Confirmed independently with the Claims Reviewer and Loss Reserve Specialist that it is not aware of any such event notice during the year; and ▪ Assessed the appropriateness of the related disclosures in the financial statements. Based on the procedures performed, we did not identify any events which would result in an event payment.

Refer to Note 2(o) on page 23 for the relevant accounting policy, and to Note 17 (Debt securities issued) and Note 19 (Event risk) on page 30 and page 32, respectively, for the relevant note disclosures.	

Our application of materiality

We apply the concept of materiality in planning and performing the audit and in evaluating the impact of misstatements, if any. Materiality is an expression of the relative significance or importance of a matter in the context of the financial statements. Misstatements in the financial statements are material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken based on the financial statements.

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall materiality	€3,451,029
How we determined it	1.5% of total assets
Rationale for benchmark applied	In determining our materiality, we considered those financial metrics which we believed to be relevant and concluded that total assets was the most relevant benchmark. We applied this benchmark because in our view this is the metric against which the recurring performance of the Company is commonly measured by its primary users.
Performance materiality	€2,588,272 Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. Performance materiality was determined at 75%, by taking into account factors such as: ▪ It is not an initial audit engagement; ▪ Assessment of the control environment; and ▪ The volume and nature of the entity’s transactions.
Reporting threshold	We agreed with those charged with governance that we would report to them misstatements identified during our audit above €103,531 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Overview of the scope of the audit

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the Company, its environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Report of the Directors and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the Company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the Companies Act 2014, corruption and fraud, and we considered the extent to which non-compliance might have a direct effect on the determination of material amounts and disclosures in the financial statements. We also considered the other applicable laws and regulations including Central Bank of Ireland regulatory requirements.

In identifying and assessing risks of material misstatement in respect to irregularities including non-compliance with laws and regulations, our procedures included but were not limited to:

- Obtaining an understanding of the legal and regulatory framework applicable to the Company, the industry in which it operates;
- Inquiry of those charged with governance and management as to whether the Company is in compliance with laws and regulations, and discussing the policies and procedures in place regarding compliance with laws and regulations;
- Inspecting correspondence with the Central Bank of Ireland;
- Reviewing minutes of Board of director meetings;
- Discussing amongst the engagement team the identified laws and regulations, and remaining alert to any indications of non-compliance; and
- Focusing on areas of laws and regulations that could reasonably be expected to have a direct effect on the determination of material amounts and disclosures in the financial statements such as Companies Act 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

Our procedures in relation to fraud included but were not limited to:

- Making inquiries of those charged with governance and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud such as opportunities for fraudulent manipulation of financial statements;
- Inquiries with those involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments;

- Testing the appropriateness of journal entries;
- Assessing for any evidence of management bias through judgements and estimates; and
- Reviewing for evidence of any significant one-off or unusual transactions.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities. The risks of material misstatement that had the greatest effect on our audit, including fraud, are discussed under "Key audit matters" within this report.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation of the Board of Directors, we were appointed by the Company on 25 January 2023 to audit the financial statements for the period ending 31 December 2022 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments is 3 years.

The non-audit services prohibited by IAASA's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the Board of Directors we are required to provide in accordance with ISA (Ireland) 260.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Tuohy
for and on behalf of Forvis Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2
Date: 2 April 2025

ORANGE CAPITAL RE DAC

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	Notes	Financial year ended 31 December 2024 €	Financial year ended 31 December 2023 €
Gross premium written	3	9,644,354	4,237,854
Unearned premium	4	(1,343,063)	(1,641,917)
Net earned premium income		8,301,291	2,595,937
Interest income	5	5,362,373	2,414,320
Other income	6	1,323,974	1,153,724
Net income		14,987,638	6,163,981
Administrative expenses	7	(1,322,974)	(1,152,724)
Interest expense	8	(13,663,664)	(5,010,257)
Total expenses		(14,986,638)	(6,162,981)
Profit on ordinary activities before tax		1,000	1,000
Tax charge on profit of ordinary activities	11	(250)	(250)
Profit on ordinary activities after taxation		750	750
Attributable to:			
Equity holders of the Company		750	750
Total comprehensive income for the year		750	750

The accompanying notes on pages 18 to 35 form an integral part of these financial statements.

On behalf of the Board of Directors

John Magee
Director

Robert Frewen
Director

Date: 28 March 2025

ORANGE CAPITAL RE DAC

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

ASSETS	Notes	2024	2023
		€	€
Loans and receivables	12	225,015,205	150,288,886
Other receivables and prepayments	15	26,095	6,165
Premium receivable	14	3,247,896	2,208,833
Interest receivable	5	1,305,340	895,197
Cash and cash equivalents	13	474,078	474,154
TOTAL ASSETS		230,068,614	153,873,235
EQUITY AND LIABILITIES			
Called up share capital (presented as equity)	16	2	2
Retained earnings		2,250	1,500
TOTAL EQUITY		2,252	1,502
LIABILITIES			
Debt securities issued	17	225,015,205	150,288,886
Interest payable to noteholders	8	3,210,174	1,462,114
Unearned premium	4	1,343,063	1,641,917
Other accruals and deferred income	18	497,920	478,816
TOTAL LIABILITIES		230,066,362	153,871,733
TOTAL EQUITY AND LIABILITIES		230,068,614	153,873,235

The accompanying notes on pages 18 to 35 form an integral part of these financial statements.

On behalf of the Board of Directors

John Magee
Director

Robert Frewen
Director

Date: 28 March 2025

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

	Share Capital €	Retained Earnings €	Total Equity €
Opening balance as at 1 January 2024	2	1,500	1,502
Share capital issued	-	-	-
Total comprehensive income for the year	-	750	750
Closing balance as at 31 December 2024	**2**	**2,250**	**2,252**

	Share Capital €	Retained Earnings €	Total Equity €
Opening balance as at 1 January 2023	2	750	752
Share capital issued	-	-	-
Total comprehensive income for the year	-	750	750
Closing balance as at 31 December 2023	**2**	**1,500**	**1,502**

ORANGE CAPITAL RE DAC

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

	Financial year ended 31 December 2024 €	Financial year ended 31 December 2023 €
Cash flows from operating activities		
Profit on ordinary activities before tax	1,000	1,000
Adjustments for:		
Interest income	(5,362,372)	(2,414,320)
Interest expense	13,663,664	5,010,257
	8,302,292	2,596,937
Working capital adjustments:		
(Increase)/decrease in other receivables	(19,930)	72,977
Increase in premium receivable	(1,039,063)	(1,581,916)
(Decrease)/increase in unearned premium	(298,854)	1,529,584
Increase in other accruals and deferred income	19,104	399,425
Cash generated from operations	6,963,549	3,017,007
Interest paid	(12,189,285)	(4,548,601)
Interest received	5,225,910	2,004,998
Tax paid	(250)	(500)
Net cash (outflow)/inflow from operating activities	(76)	472,904
Cash flows from investing activities		
Investment in financial assets	(75,000,000)	(75,000,000)
Net cash flow used in investing activities	(75,000,000)	(75,000,000)
Cash flows from financing activities		
Amount received from issuing variable rate notes	75,000,000	75,000,000
Net cash flow from financing activities	75,000,000	75,000,000
Net (decrease)/increase in cash and cash equivalents	(76)	472,904
Cash and cash equivalents at beginning of the year	474,154	1,250
Cash and cash equivalents at end of the year	474,078	474,154

1. GENERAL INFORMATION

Orange Capital Re DAC, a designated activity company incorporated on 8 July 2021 in Ireland and authorized by the Central Bank of Ireland as a special purpose vehicle under the European Union (Insurance and Reinsurance) Regulations 2015, whose registered office is Ground Floor, Charlotte House, Charlemont Street, Dublin 2, Ireland. The Company was set up as a multi-issuance vehicle to issue a series of notes covering various perils in specific territories. Its principal activity is to place risks associated with windstorm and severe thunderstorms. Risks covered by individual issuances are described in the following paragraphs.

The notes issued by the Company are with limited recourse to certain assets of the Company. Noteholders will only have recourse to the Collateral Account relating to the Notes. In addition to the windstorm and severe thunderstorm perils associated with the Retrocession Agreements, investors in the notes issued by the Company ("the Noteholders") are exposed to the credit risk of NN RE (Netherlands) N.V. (as Ceding Reinsurer), and The Bank of New York Mellon (as Indenture Trustee).

<u>2021-1 Issuance</u>
On 30 December 2021, the Company issued 2021-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes due 17 January 2025 with an optional extended redemption date of 17 January 2028, covering windstorm and severe thunderstorms in Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten). The Series 2021-1 Class A notes were redeemed in full on the scheduled maturity date.

Risk is assumed by the Company for the 2021-1 issuance under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2022 until 31 December 2024. The Company passes these risks on to investors through the issuance of variable rate notes.

The 2021-1 notes were listed on the Bermuda Stock Exchange up until maturity.

<u>2023-1 Issuance</u>
On 30 November 2023, the Company issued 2023-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes due 8 January 2027 with an optional extended redemption date of 8 January 2030, covering windstorm and severe thunderstorms in Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten).

Risk is assumed by the Company for the 2023-1 issuance under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2024 until 31 December 2026. The Company passes these risks on to investors through the issuance of variable rate notes.

The 2023-1 notes are listed on the Bermuda Stock Exchange.

1. GENERAL INFORMATION (Continued)

2024-1 Issuance
On 13 November 2024, the Company issued 2024-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes due 17 January 2029 with an optional extended redemption date of 5 January 2032, covering windstorm and severe thunderstorms in Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten).

Risk is assumed by the Company for the 2024-1 issuance under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2025 until 31 December 2028. The Company passes these risks on to investors through the issuance of variable rate notes.

The 2024-1 notes are listed on the Bermuda Stock Exchange.

2. SIGNIFICANT ACCOUNTING POLICIES

a) *Basis of preparation of the Financial Statements*

Statement of compliance
The financial statements have been prepared in accordance with the provisions of the Companies Act 2014, and all regulations to be construed as one with the Act. The financial statements for the financial year ended 31 December 2024 have been prepared in accordance with the Company's accounting policies under Financial Reporting Standard 102 ("FRS 102") "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Financial Reporting Standard 103 ("FRS 103") "Insurance Contracts" issued by the Financial Reporting Council being applicable in the UK and Republic of Ireland, amended where necessary in order to comply with the Companies Act 2014, and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015.

Going concern
The financial statements for the financial year ending 31 December 2024 have been prepared on a going concern basis. The Directors are satisfied that the Company is a going concern and that it is appropriate for the financial statements to be prepared on such basis.

b) *Basis of measurement*

The financial statements have been prepared under the historical cost convention.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) ***Key accounting estimates and judgements***

The preparation of the financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. At the statement of financial position date there are no assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

d) ***Interest income***

Interest income is recognised using the effective interest rate method in line with the contractual terms of the underlying financial assets. Interest income is reported in the statement of comprehensive income.

e) ***Administration expenses and expense reimbursement***

The funding of the running costs of the Company is provided by the Ceding Reinsurer under the Retrocession Agreements. These costs and the related income are accounted for on an accruals basis.

f) ***Insurance contract classification***

Reinsurance risk is transferred to the Company when the Company agrees to compensate the Ceding Reinsurer if a specified uncertain future event (other than a change in financial variable) adversely affects the Ceding Reinsurer. Any contracts not meeting the definition of a reinsurance contract, are classified as investment contracts or derivative contracts as appropriate.

g) ***Premiums on insurance contracts***

Net earned premium income is calculated as gross premium written less unearned premium. Gross written premium reflects business incepted during the year in accordance with the terms of the Retrocession Agreement with NN RE (Netherlands) N.V.. Unearned premium is the portion of premium written in the year that relate to insurance cover after the year end.

h) ***Taxation***

The Company is an Irish registered company and is structured to qualify as a securitisation company under Section 110 of the Taxes Consolidation Act, 1997. The Company generates minimal net income for Irish corporation tax purposes which is liable to Irish corporation tax at 25%.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) *Interest expense*

Interest expense is recognised on an effective interest basis in accordance with the contractual terms of the underlying financial liabilities. Interest expense is reported in the statement of comprehensive income.

j) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates, the Company's functional currency. The financial statements are prepared in Euro (€), which is the Company's functional and presentation currency.

Foreign currency transactions are recorded initially at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities at the end of the financial year denominated in foreign currencies are translated in Euro at the exchange rates prevailing at the end of the accounting year with resulting profits and losses recorded in the statement of comprehensive income for the year.

Monetary assets are money held and amounts to be received in money; all other assets are non-monetary assets.

k) *Provisions*

A provision is recognised when the Company has a present, legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

l) *Financial instruments*

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company accounts for its financial instruments in accordance with the recognition and measurement principles of IAS 39, as permitted by FRS 102.

When financial instruments are recognised initially, they are measured at fair value. The Company classifies its financial instruments as follows:
- Financial assets are classified as loans and receivables
- Debt securities issued are classified as financial liabilities at amortised cost

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) ***Financial instruments (continued)***

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments. Loans and receivables are initially recognised at fair value – which is the cash consideration to originate or purchase the loan including any transaction costs – and measured subsequently at amortised cost. Interest on loans and receivables is included in the statement of comprehensive income using the effective interest rate. In the case of impairment, the impairment loss is reported as a deduction from the carrying value of the loan and recognised in the income statement as 'Loan impairment charges'.

Recognition of financial assets

Purchases and sales of financial assets are recognised on the trade date, the date on which the Company commits to purchase or sell the financial asset. Financial instruments are initially recognised at fair value. Changes in value of financial assets are subsequently measured at amortised cost.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to the cash flows on that financial asset are cancelled, expire or are transferred to another party, or if the Company retains the contractual rights but enters into a contract under which the relevant cash flows must be duly paid under a 'pass-through arrangement'.

Impairment of assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial assets, the estimated future cash flows of the investment have been impacted.

Financial liabilities

Financial liabilities are initially recognised at fair value, being their issue proceeds (fair value of consideration received).

Financial liabilities are subsequently measured at amortised cost.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) ***Financial instruments (continued)***

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

m) ***Cash and cash equivalents***

Cash and cash equivalents include deposits held at call with banks and other short term highly liquid investments with a maturity of three months or less at the date of purchase. Cash equivalents are carried at amortised cost, which approximates fair value.

n) ***Share capital***

Called up share capital is classified as equity in the statement of financial position.

o) ***Recognition of liabilities under reinsurance contracts***

Following the occurrence of one or more potential Covered Events, the Ceding Reinsurer may give written notices (an Event Notice and a Proof of Loss Claim) to the Company, the Claims Reviewer and the Indenture Trustee requesting that the Claims Reviewer provide a Claims Reviewer Report with respect to such potential Covered Event.

Pursuant to the Claims Reviewer Agreement, the Company shall cause the Claims Reviewer to, after receipt of written notices, issue a report (each, a "Claims Reviewer Report") to the Company, the indenture trustee and the Ceding Reinsurer.

Concurrently, the corresponding liability relating to notes issued to noteholders will be derecognised, in accordance with the derecognition of financial liabilities accounting policy, as described elsewhere in the Accounting Policy disclosure note to the financial statements.

With regards redemption of EBRD notes, to be undertaken concurrent with the above processes, the accounting policy will mirror the recognition and derecognition of financial assets, as described elsewhere in the Accounting Policy disclosure note to the financial statements.

3. GROSS PREMIUM WRITTEN

	Financial year ended 31 December 2024 €	Financial year ended 31 December 2023 €
(a) Analysis of gross premium written		
Reinsurance	9,644,354	4,237,854
(b) Analysis of gross premium written, net premium earned		
Gross premium written	9,644,354	4,237,854
Net earned reinsurance premium income	8,301,291	2,595,937

For Series 2021-1, the second annual risk period ran from 1 January 2023 to 31 December 2023, and the third annual risk period ran from 1 January 2024 to 31 December 2024. The risk premium spreads for the second and third annual risk periods were 3.37% and 3.32%, respectively. The non-risk premium spread is 0.50%.

For Series 2023-1, the first annual risk period ran from 1 January 2024 to 31 December 2024 and the second annual risk period runs from 1 January 2025 to 31 December 2025. The risk premium spreads for the first and second annual risk periods are 7.50% and 7.81%, respectively. The pre-risk premium spread was 0.50%.

For Series 2024-1, the pre-risk period premium spread was 0.50%. The risk premium spread for the risk period 1 January 2025 to 31 December 2025 is 6.00%.

4. UNEARNED PREMIUM	Financial year ended 31 December 2024	Financial year ended 31 December 2023
	€	€
Unearned premium	1,343,063	1,641,917
	1,343,063	1,641,917

5. INTEREST INCOME	Financial year ended 31 December 2024	Financial year ended 31 December 2023
	€	€
Interest income on EBRD notes	5,636,054	2,687,753
Amortisation of ERBD note premium	(273,681)	(273,433)
	5,362,373	2,414,320

As at 31 December 2024, interest receivable amounts to €1,305,340 (2023: €895,197).

6. OTHER INCOME	Financial year ended 31 December 2024	Financial year ended 31 December 2023
	€	€
Gross expense reimbursement	1,322,974	1,152,724
Fee income	1,000	1,000
	1,323,974	1,153,724

Under the agreements in place, the Company is entitled to €1,000 of fee income every year, plus gross expense reimbursement to fund the ongoing expenses of the Company.

7. ADMINISTRATIVE EXPENSES

	Financial year ended 31 December 2024	Financial year ended 31 December 2023
	€	€
Initial set up fees	258,479	366,205
Corporate service provider fees	30,938	23,500
Director fees	12,000	12,000
Audit and tax fees	31,826	17,220
Other fees and expenses	989,731	733,799
	1,322,974	1,152,724

8. INTEREST EXPENSE

	Financial year ended 31 December 2024	Financial year ended 31 December 2023
	€	€
Interest expense on debt securities issued	13,937,345	5,283,690
Amortisation of premium on note issued	(273,681)	(273,433)
	13,663,664	5,010,257

As at 31 December 2024, interest payable to Noteholders amounts to €3,210,174 (2023: €1,462,114).

9. EMPLOYEES AND REMUNERATION

The Company has no employees, and incurred no payroll costs in 2024 (2023: €nil). Administration services are provided under a service level agreement with Marsh Management Services (Dublin) Limited.

10. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	Financial year ended 31 December 2024 €	Financial year ended 31 December 2023 €
The profit on ordinary activities before taxation is arrived at after charging:		
Audit of individual accounts (ex. VAT)	22,000	16,500
Taxation compliance services (ex. VAT)	1,850	1,850
	23,850	18,350
Emoluments:		
Directors' remuneration		
For services as Directors	12,000	12,000

11. TAXATION ON ORDINARY ACTIVITIES

	Financial year ended 31 December 2024 €	Financial year ended 31 December 2023 €
Profit on ordinary activities before taxation		
Corporation tax @ 25%	1,000	1,000
Tax charge for the year	250	250

12. LOANS AND RECEIVABLES

	As at 31 December 2024 €	As at 31 December 2023 €
ERBD Notes	225,015,205	150,288,886
	225,015,205	150,288,886

12. LOANS AND RECEIVABLES (continued)

The Company has used the proceeds from the issue of the Variable Rate Notes to purchase EBRD Notes, which are deposited in the applicable collateral account. Following the purchase of the EBRD Notes and until one business day prior to the applicable redemption date, each collateral account is expected to contain only the applicable EBRD Notes unless such EBRD Notes are redeemed early. When the EBRD Notes are redeemed, the cash proceeds of such redemption will be deposited in the applicable collateral account and may be invested in the applicable Money Market Funds. The EBRD Notes accrue interest based on a 3 month Euribor rate and were redeemed on 16 January 2025 for Series 2021-1 Class A Principal-at-Risk Variable Rate Notes. The EBRD Notes accrue interest based on a 3 month Euribor rate -0.32% spread and are expected to mature on 7 January 2027 for the Series 2023-1 Class A Principal-at-Risk Variable Rate Notes. The EBRD Notes accrue interest based on a 3 month Euribor rate -0.05% spread and are expected to mature on 4 January 2032 for the Series 2024-1 Class A Principal-at-Risk Variable Rate Notes.

Movement in the financial year:

	As at 31 December 2024 €	As at 31 December 2023 €
Balance at the beginning of the year	150,288,886	75,562,319
Purchase of EBRD Notes	75,000,000	75,000,000
Amortisation of EBRD note premium	(273,681)	(273,433)
Amortised cost as end of year	225,015,205	150,288,886

The financial assets are collateral for the Notes issued by the Company. In the event there is no claim during any annual risk period, any funds made available through their disposal will be used to repay the principal and accrued interest of the Notes. In the event of a claim, the reinsured will take priority over the noteholders with regards to the payment of the redemption of the collateral for the Notes.

13. CASH AND CASH EQUIVALENTS

	As at 31 December 2024 €	As at 31 December 2023 €
Cash held at BNY Mellon	474,078	474,154
	474,078	474,154

14. PREMIUM RECEIVABLE

	As at 31 December 2024 €	As at 31 December 2023 €
Premium receivable	3,247,896	2,208,833
Total premium receivable	3,247,896	2,208,833

15. OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December 2024 €	As at 31 December 2023 €
Gross expense reimbursement	19,335	-
Prepaid expenses	3,760	4,165
Fee income receivable	3,000	2,000
Total other receivables and prepayments	26,095	6,165

Other receivables and prepayments are due within 12 months from financial year end.

16. CALLED UP SHARE CAPITAL (PRESENTED AS EQUITY)

	As at 31 December 2024 €	As at 31 December 2023 €
Authorised share capital		
5,000 ordinary shares of €1.00 each	5,000	5,000
Issued share capital		
2 ordinary shares of €1.00 each	2	2

17. DEBT SECURITIES ISSUED

	As at 31 December 2024 €	As at 31 December 2023 €
Series 2021 – 1 Class A Principle At-Risk Variable Rate Notes maturing 17 January 2025 (notional amount was €75m)	75,015,205	75,288,886
Series 2023 – 1 Class A Principle At-Risk Variable Rate Notes maturing 8 January 2027 (notional amount was €75m)	75,000,000	75,000,000
Series 2024 – 1 Class A Principle At-Risk Variable Rate Notes maturing 17 January 2029 (notional amount was €75m)	75,000,000	-
	225,015,205	150,288,886

The Series 2021-1 notes were initially issued at a premium of 101.115%, with issuance value of €75,836,250. During the financial year ended 31 December 2024 €273,682 (2023: €273,433) of note issuance premium was amortised, with the value of the notes in issue being €75,015,205 as at 31 December 2024 (2023: 75,288,886). Both the 2023-1 and 2024-1 notes were issued at par and as such are not subject to any such amortisation treatment.

	As at 31 December 2024 €	As at 31 December 2023 €
Debt securities issued at the beginning of the year	75,288,886	75,562,319
Amortisation of note issuance premium	(273,681)	(273,433)
Debt securities issued at the end of the year	75,015,205	75,288,886

Due to the limited recourse nature of the Variable Rate Notes, the repayment of the principal and accrued interest of the notes is dependent upon funds being available to meet such liabilities as they fall due. If the Company has insufficient funds available for the purpose of redeeming the principal outstanding on any class of notes in full or interest thereon, such amounts shall not be payable to the Noteholders - see Note 19, event risk. Interest on the Variable Rate Notes is equal to the risk premium received plus permitted investment yield. If one or more covered events requiring an event payment under the retrocession agreements occurs, the notes will be derecognised to the extent of the value of the claim made in relation to the covered event(s).

18. OTHER ACCRUALS AND DEFERRED INCOME

	As at 31 December 2024	As at 31 December 2023
	€	€
Deferred income for operating expenses	-	198,411
Accrued expenses	497,920	280,405
	497,920	478,816

Other accruals and deferred income are due within 12 months from financial year end.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Strategy in using financial instruments

As stated in the Report of the Directors, the principal activity of the Company is limited to placing risks associated with windstorm and severe thunderstorms in Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten). Risk is assumed for the Series 2021-1 by the Company under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2022 until 31 December 2024. Risk is also assumed for the Series 2023-1 by the Company under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2024 until 31 December 2026. Risk is also assumed for the Series 2024-1 by the Company under a Retrocession Agreement with NN RE (Netherlands) N.V. for the period 1 January 2025 until 31 December 2028. The Company passes these risks on to investors through the issuance of variable rate notes, listed on the Bermuda Stock Exchange.

The financial liabilities provided the funding to purchase the Company's investment in EBRD notes. Financial assets and liabilities represent the majority of the assets and liabilities of the Company.

The strategies used by the Company in achieving its objectives regarding the use of its loans and receivables and financial liabilities were set when the Company entered into the transactions. The Company has attempted to match the properties of its financial liabilities to its assets to avoid the risk generated by mismatches of investment performance against its obligations.

The key risks of the Company are set out in the offering circular, offering circular supplement and transaction documents. The financial risks the Company is exposed to include market risk (interest rate risk and currency risk), event risk, credit risk and liquidity risk. All of the risks of the Company are ultimately borne by the Noteholders. The Directors seek to assess, monitor and manage any potential adverse risks on the Company's financial performance by appropriate methods as discussed below.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Interest rate risk

Interest rate risk is the risk that fair value of the future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company primarily finances its operations through the issuance of Variable Rate Notes upon which interest is payable. The Company receives income under the Retrocession Agreement and EBRD Notes sufficient to cover interest due on the loan notes. Accordingly, the Directors believe that the Company is not exposed to interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company's material assets and liabilities are denominated in Euro. Consequently, the Directors believe that there is no material currency risk to the Company.

Event risk

The Company has issued Variable Rate Notes in order to obtain funds to support its obligations under the Retrocession Agreement to make certain payments to NN RE (Netherlands) N.V. As a result of the Retrocession Agreement the Company and holders of the Notes issued by the Company are at risk in the event that a windstorm or severe thunderstorm across Belgium, and The Netherlands (excluding Aruba, Bonaire, Curaçao, Saba, Sint Eustatius and Sint Maarten) which occurs during the risk period, has a model loss exceeding the event attachment points or the event reset attachment points. The Company will be required to make payments to NN RE (Netherlands) N.V., in the event that a windstorm or severe thunderstorm that has a loss as set forth in a Notice of Loss Payment exceeding the Event Attachment Level or the Event Reset Attachment Level.

If during the risk period for the Notes there is one or more covered events resulting in principal reductions with respect to the notes, investors in the Notes could lose all or a portion of their investment. The total Variable Rate Notes in issue at 31 December 2024 was €225,000,000 (2023: €150,000,000) (Note 17).

No covered events that require an event payment occurred during the year.

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. At the balance sheet date, financial assets exposed to credit risk include cash at bank, premium receivable and loans and receivables. These assets are detailed in Notes 12, 13 and 14. It is the opinion of the Company that the carrying amounts of these financial assets represent the maximum credit risk exposure at the balance sheet date.

Credit rating of Counterparties

Asset	Counterparty	Rating 2024	Rating 2023
Loans and receivables	EBRD	Aaa (Moody's)	Aaa (Moody's)
Cash at bank	Bank of New York Mellon	Aa1 (Moody's)	Aa2 (Moody's)
Premium receivable	NN RE (Netherlands) N.V.	A+ (S&P)	A+ (S&P)

The Company's exposure and the credit ratings of its counterparties are regularly monitored by the board. No financial assets are past due nor impaired.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. All substantial risks and rewards associated with the Company's financial assets and liabilities are ultimately borne by the Noteholders.

The Company's obligations under the Notes are matched with the receipts of accrued interest and proceeds from the redemption of financial assets. The table below discloses the undiscounted contractual cash flows of the financial liabilities.

Financial liabilities As at 31 December 2024	Less than 1 month €	Between 1 and 3 months €	Between 3 and 12 months €	Between 1 and 5 years €	Total €
Interest payable to noteholders	2,889,724	-	320,450	-	3,210,174
Unearned premium	130,563	-	1,212,500	-	1,343,063
Accrued expenses	-	-	497,920	-	497,920
Debt securities issued	76,237,415	2,271,750	10,222,875	176,248,219	264,980,259
	79,257,702	2,271,750	12,253,745	176,248,219	270,031,416

19. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial liabilities As at 31 December 2023	Less than 1 month €	Between 1 and 3 months €	Between 3 and 12 months €	Between 1 and 5 years €	Total €
Interest payable to noteholders	-	1,462,114	-	-	1,462,114
Unearned premium	-	1,641,917	-	-	1,641,917
Accrued expenses	-	478,816	-	-	478,816
Debt securities issued	415,000	830,000	3,735,000	155,152,917	160,132,917
	415,000	4,412,847	3,735,000	155,152,917	163,715,764

Variable Rate Notes

The Company's only sources of funds for repayment of the Outstanding Principal Amount of the Variable Rate Notes will be: (i) the principal amount of the EBRD Notes in the applicable Collateral Account, if any; and (ii) the net proceeds of the liquidation of any applicable Money Market Funds (net of any applicable withholding taxes and fees) in respect of the Negative Index Payments which have been invested therein (if any) and if an EBRD Put Event occurs which results in a redemption of the applicable EBRD Notes, in which case unless such EBRD Put Event has occurred prior to the Payment Date immediately prior to the applicable Redemption Date, the net proceeds of the liquidation of any Money Market Funds (net of any applicable withholding).

Payment of the Outstanding Principal Amount of the Notes is effectively subordinated to the obligations of the Company to the Ceding Reinsurer under the Retrocession Agreement.

The Company's sole sources of funds for payment of interest on the Notes will be: (i) the Periodic Payments received from the Ceding Reinsurer under the applicable Retrocession Agreement relating to the payment of interest to the holders of the Notes; and (ii) the applicable Permitted Investment Yield, if any. The Permitted Investment Yield is an amount equal to the actual investment earnings on the amounts invested in the Permitted Investments which have not been previously distributed.

In the event of the failure of the Ceding Reinsurer to make Periodic Payments when due under the applicable Retrocession Agreement, the Company would likely be unable to make full payment of interest on the Outstanding Principal Amount of the Notes.

20. ULTIMATE PARENT UNDERTAKING

The ultimate controlling party is Walkers Ireland Shareholding Services Limited, who hold all the shares of the Company in trust.

21. RELATED PARTY TRANSACTIONS

During the year the Company incurred fees relating to the management services provided by Marsh Management Services (Dublin) amounting to €30,938 (2023: €23,500), all of which was paid during the financial year (2023: Nil). John Magee is an employee of Marsh Management Services (Dublin) Limited. John Magee did not receive any remuneration in respect to his Directorship. All such expenses were settled within the financial year. Director remuneration is disclosed in Note 10.

Walkers Ireland Shareholding Services Limited acts as a share trustee which gives them the authority to influence the Company's governance by changing the board of directors however they must refrain from interfering in the Company's business activities and do not have powers to dispose of the shares, other than by way of a transfer to another share trustee company.

22. CAPITAL MANAGEMENT

The Company is not subject to externally imposed capital requirements. The Company was initially financed by €2 equity. Any subsequent transactions entered into by the Company are designed to enable the Company to pay its liabilities as they fall due.

23. CONTINGENT LIABILITIES AND COMMITMENTS

There are neither contingent liabilities nor commitments as at 31 December 2024.

24. EVENTS AFTER THE REPORTING YEAR

On 17 January 2025, the Company fully redeemed the 2021-1 Class A €75,000,000 Principal At-Risk Variable Rate Notes.

No other significant events have occurred since the reporting year.

25. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 March 2025.