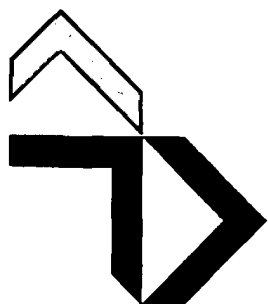


Cannon Strategic Holdings Limited

Financial Statements

For the financial period ended 31st December 2018



Company Number 11269526



Contents

Directors' Report	2
Statement of Directors' Responsibilities in the Respect of the Financial Statements	6
Independent auditors' report to the members of Cannon Strategic Holdings Limited	7
Cannon Strategic Holdings Limited Financial Statements	10
Notes to the Financial Statements	13



Corporate Governance

Directors' Report

Principal Activities

Cannon Strategic Holdings Limited ("Cannon" or the "Company") is a member of the Monument Re Group (the "Group") providing support to Group entities held in Luxembourg. Cannon is incorporated and managed in the United Kingdom.

The Company's immediate parent company is Monument Re Limited, which is Bermuda domiciled.

Accounting Records

The measures taken by the Directors to secure compliance with the Company's obligations to keep adequate accounting records are the use of appropriate systems, procedures and controls, and the employment of competent persons. The accounting records are kept at 1 King Street, London, United Kingdom, EC2V 8AU.

Accounting Period-End

The company was incorporated on 22nd March 2018. These financial statements are prepared for the first time for the financial period from 22nd March 2018 to 31st December 2018. No comparative information is available.

Going Concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Financial Statements have been compiled on a going concern basis.

Results and Dividends

Results for the financial period are set out in the Statement of Comprehensive Income below and show a loss before tax of €19.5k on ordinary activities during the financial period ended 31st December 2018. No dividends were paid to the shareholder during the financial period.

Business Review

In October 2018 completed the purchase of the Luxembourg insurance entity, Monument Assurance Luxembourg SA ("MAL").

For additional information on the Group structure, including reports from the Chairman, Chief Executive Officer as well as a summary of the Capital Management and Risk policies of the Group please refer to the Annual Report of Monument Re Limited.

Future Developments

Cannon will continue to support the Group activities in Luxembourg including the continued pursuit of further acquisitions and the integration of successful purchases into the Group structure.



Directors' Report Cont'd

Risk Management

The material risks addressed by the Company include:

- Credit Risk
- Liquidity Risk
- Operational Risk

No other risks are considered to be applicable to the Company.

Credit Risk

Credit risk is the risk of loss or other adverse impact on the Company arising from one party to a financial instrument failing to discharge an obligation. The credit risk exposures of the Company at 31st December 2018 are limited to cash deposited with banks.

The Company holds credit risk exposure against a single counterparty for Cash and Cash equivalents of €5.3k with a counterparty with a credit rating of A.

Liquidity Risk

Liquidity risk is the risk of loss or other adverse impact on the Group arising from insufficient liquidity being available to meet obligations as they fall due. The main liquidity risks facing the Company are obligations to 3rd party service providers. The Company has sufficient liquidity to meet its obligations as they fall due and has ongoing monitoring in place that is sufficient to ensure ongoing commitments are met.

Operational Risk

Operational risk is the risk of loss or other adverse impact on the Group arising from inadequate or failed internal processes, personnel or systems or external. Operational risks include, inter alia, outsourcing arrangements to external providers, information security, legal, compliance, regulatory, fraud and people risks. Given the simple nature of the Company's operations operational risk is limited to reporting and accounts payable.



Directors' Report Cont'd

Directors

The directors of the company who were in office during the financial period and up to the date of signing the financial statements were:

Director	Date Appointed	Resignation Date
Jonathan Yates	22 nd March 2018	
Alex Brogden	22 nd March 2018	23 rd April 2019
Kieran Hayes	22 nd March 2018	23 rd April 2019
Manfred Maske	22 nd March 2018	23 rd April 2019
Dermot Mannion	22 nd March 2018	27 th November 2018
Anthony Philip	25 th April 2019	

Events after the Period End

See Note 11 to the Financial Statements.

Political Donations

No political donations were made in the financial period covered in these financial statements.

Directors' Compliance Statement

The Directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations.

Disclosure of Information to Auditors

The Directors in office at the date of this report have each confirmed that as far as he/she is aware, there is no relevant audit information of which the Company's statutory auditors are unaware and he/she has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of all the relevant audit information and to establish that the Company's statutory auditors are aware of that information.



Directors' Report Cont'd

Auditors

A resolution concerning the appointment of the auditors, PricewaterhouseCoopers LLP., was confirmed at the Board Meeting held on 26th September 2019.

On behalf of the Board

Director

26th September 2019

JONATHAN YATES

Director

26th September 2019

ANTHONY PHILIP



Statement of Directors' Responsibilities in the Respect of the Financial Statements

The directors are responsible for preparing the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial 285 day period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.



Independent auditors' report to the members of Canon Strategic Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Canon Strategic Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the 285 day period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2018; Statement of Comprehensive Income, the Statement of Changes in Equity for the 285 day period then ended 31 December 2018; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in the Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Robert Cordock (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
26 September 2019



Cannon Strategic Holdings Limited Financial Statements

Statement of Comprehensive Income For the financial period ended 31st December 2018

	Notes	Period Ended 31st December 2018 €
Administrative expenses	3	(19,549)
Foreign exchange gains		<u>1</u>
Loss on ordinary activities before and after tax		<u>(19,548)</u>
Total comprehensive loss after tax		<u>(19,548)</u>

The notes on pages 13 to 18 form an integral part of the financial statements.

All the amounts above relate to continuing activities.

Cannon Strategic Holdings Limited Financial Statements Cont'd

Balance Sheet
31st December 2018

	Notes	Period Ended 31st December 2018 €
Assets		
Fixed Assets		
Investments in group undertakings		18,000,000
Current Assets		
Cash and cash equivalents		5,330
Total assets		18,005,330
Liabilities		
Creditors: amounts falling due within one year		
Amounts owed to group undertakings	6	22,878
Other creditors	6	2,000
Total liabilities		24,878
Capital and reserves		
Called up share capital	5	2
Share premium	5	17,999,998
Profit and loss account		(19,548)
Total equity		17,980,452
Total liabilities, capital and reserves		18,005,330

The notes on pages 13 to 18 form an integral part of the financial statements.

The financial statements on pages 10 to 18 were approved by the Board of Directors on 26th September 2018 and signed on its behalf by:

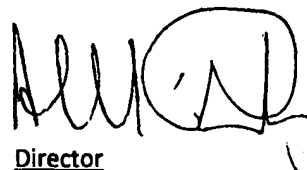


Director

26th September 2019

JONATHAN YATES

Cannon Strategic Holdings Limited - Company Number 11269526



Director

26th September 2019

ANTHONY PHILIP



Cannon Strategic Holdings Limited Financial Statements Cont'd

Statement of Changes in Equity

For the financial period ended 31st December 2018

	Called-up Share Capital €	Share Premium €	Profit and Loss Account €	Total Equity €
Balance at 22 nd March 2018	-	-	-	-
Loss for the financial period	-	-	(19,548)	(19,548)
Total comprehensive loss, net of tax	-	-	(19,548)	(19,548)
Proceeds from shares issued	2	17,999,998	-	18,000,000
Balance at 31st December 2018	2	17,999,998	(19,548)	17,980,452

The notes on pages 13 to 18 form an integral part of the financial statements.



Notes to the Financial Statements

1. General Information

Cannon Strategic Holdings Limited ("Cannon" or the "Company") was incorporated on the 22nd March 2018. Therefore, the period covered in these financial statements runs 22nd March 2018 to 31st December 2018.

Cannon is a member of the Monument Re Group (the "Group") providing support to Group entities held in Luxembourg. The company is a private company limited by shares and is incorporated in the United Kingdom and registered in England. The address of its registered office is 1 King Street, London, United Kingdom, EC2V 8AU.

The Company's immediate parent company is Monument Re Limited, which is Bermuda domiciled.

1.1. Statement of Compliance

The Financial Statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

2. Summary of Significant Accounting Policies

The significant accounting policies used in the preparation of the Financial Statements are set out below. These policies have been consistently applied, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

2.1. Basis of Presentation

The Financial Statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through profit and loss. The preparation of Financial Statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements, are disclosed in Critical Accounting Judgements and Estimation Uncertainty below.

Going Concern

When preparing Financial Statements, management performs an assessment of the Company's ability to continue as a going concern. An entity is a going concern unless management either intends to liquidate the entity, cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the date when the Financial Statements are authorised for issue. The Financial Statements are compiled on a going concern basis, unless management determines in their assessment applying the above criteria that such a basis of presentation would not be appropriate.

On these principles these accounts have been prepared on a going concern basis.



Notes to the Financial Statements Cont'd

Comparatives

These Financial Statements are prepared for the first time for the financial period ended December 31st 2018. Due to the Company's incorporation on 22nd March 2018 no comparative information is available.

Foreign Currency

Functional and Presentational Currency

The Company's presentational currency is Euro (EUR), denominated by the symbol "€", which is also the Company's functional currency.

Translation of Transactions and Balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial period foreign currency monetary items are translated to the functional currency using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are translated using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial period of monetary assets and liabilities denominated in foreign currencies are recognised in the Statements of Comprehensive Income.

Exemptions

Cannon has taken exemption from preparing a statement of cash flows as permitted by section 1.12 of FRS 102 as they are a company of Monument Re Limited and included in its consolidated financial statements which are publicly available. Cannon has also taken the exemption permitted by section 33.1A of FRS 102 not to disclose related party transactions with entities that are wholly owned subsidiaries of the Monument Re group.

2.2. Share Capital Presented as Equity

An equity instrument is a contract that references a residual interest in the net assets of an entity and for which there is (i) no contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity, potentially on unfavourable terms; or (ii) cannot be settled in a variable number of the entity's own equity instruments or other than by exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Equity shares are recognised when issued. Incremental costs directly attributable to the issue of new equity shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividend Recognition

A dividend distribution to the Company's shareholders is recognised as a liability in the period in which the dividends are declared.



Notes to the Financial Statements Cont'd

2.3. Cash and Cash Equivalents

Cash and cash equivalents includes cash-in-hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

2.4. Investments in Group Undertakings

Investment in a subsidiary company are measured at cost less impairment.

2.5. Critical Accounting Judgements and Estimation Uncertainty

In the application of the Company's accounting policies the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Estimates and judgements made in the process of preparing the Company's Financial Statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.



Notes to the Financial Statements Cont'd

3. Administrative Expenses

	Period Ended 31st December 2018 €
Service costs	10,000
Professional fees	8,894
Other office costs	655
Total administrative expenses	19,549

Audit fees of €3.9k have been included within professional fees.

4. Investments in Group Undertakings

In October 2018 completed the purchase of the Luxembourg insurance entity, Monument Assurance Luxembourg SA ("MAL").

The value of the investments was determined based on the embedded value of the subsidiaries. The embedded value is calculated by adding the present value of future profits to the net asset value of the subsidiary. The present value of future profits reflects projected future profits from in-force policies.

5. Equity Share Capital

	Period Ended 31st December 2018 €
Ordinary shares at £1 each	2
Share premium	17,999,998

As of 31st December 2018, there were 2 issued ordinary shares. There is a single class of ordinary shares and there are no restrictions on the distribution of dividends and the repayment of capital.

On incorporation, 22nd March 2018, 1 ordinary share was issued with a nominal value of £1.

On 24th October 2018, 1 ordinary share, with a nominal value of £1, was issued for £15.9m (€18.0m). The balance above the nominal value is shown in the share premium account.

Effective 10th January 2019, the Company redenominated its ordinary shares from GBP to EUR.



Notes to the Financial Statements Cont'd

6. Creditors: Amounts falling due within one year

	Period Ended 31st December 2018 €
Amounts owed to group undertakings	
Monument Re Limited	5,591
Knight Strategic Holdings Limited	17,288
Other creditors	
Other accruals	2,000
Total liabilities	24,878

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand. Trade and other creditors are payable at various dates in the three months after the end of the financial period in accordance with the creditors usual and customary credit terms.

7. Employees and Directors

Bridge had no employees and made no payments to Directors in the financial period ended 31st December 2018.

8. Tax

There were no tax expenses included in Other Comprehensive Income. There is no tax payable or receivable for the financial period. The company is not expected to make any future profits on which to realise any tax losses brought forward therefore no deferred tax asset has been recognised.

9. Controlling Parties

The immediate parent undertaking and the smallest group to consolidate these financial statements is Monument Re Limited. Copies of the Monument Re Limited consolidated financial statements can be obtained from the Company Secretary at Conyers Corporate Service (Bermuda) Limited, Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda.

The ultimate parent undertaking and the largest group to consolidate these financial statements is Monument Insurance Group Limited ("MIGL"). Copies of the MIGL consolidated financial statements can be obtained from the Company Secretary at Conyers Corporate Service (Bermuda) Limited, Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda.



Notes to the Financial Statements Cont'd

10. Related Parties

The company is a wholly-owned subsidiary within the Monument Re group and is included in the consolidated financial statements of Monument Re which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. The registered offices of Monument Re is Crown House, 4 Par-la-Ville Road, Hamilton, HM08, Bermuda.

Monument Assurance Luxembourg SA ("MAL") is a wholly owned subsidiary of Cannon, registered in Luxembourg. Cannon is the sole shareholder of MAL and the legal and beneficial owner of all 10,000 shares issued by MAL representing 100% of its share capital.

For the period ended 31st December 2018 MAL made a profit of €3.3m and held €18.8m in capital and reserves.

11. Events after the Reporting Date

Effective 10th January 2019, the Company redenominated its ordinary shares from GBP to EUR.

12. Approval of Financial Statements

The Financial Statements were approved by the Board of Directors on 26th September 2019.