

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of Meanwhile Insurance Bitcoin (Bermuda) Limited

### **Opinion on the Statutory Financial Statements**

We have audited the statutory financial statements of Meanwhile Insurance Bitcoin (Bermuda) Limited, (the "Company"), which comprise the statutory balance sheet and statutory statement of capital and surplus as of December 31, 2024, and the related statutory statement of income for the year then ended, including the related notes (collectively referred to as the "statutory financial statements").

### **Unmodified opinion on regulatory basis of accounting**

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

### **Adverse opinion on U.S. generally accepted accounting principles**

In our opinion, because of the significance of the matter discussed in the Basis for adverse opinion on U.S. generally accepted accounting principles section of our report, the statutory financial statements do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of the Company as of December 31, 2024, or the results of its operations for the year then ended.

### **Basis for opinions**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the statutory 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 audit opinions.

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

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

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

### **Emphasis of Matter - evolving regulatory requirements**

We draw attention to the fact that the Bermuda Monetary Authority has not yet formally finalized or published specific year-end reporting requirements for the Class IILT license class under which the Company operates. The Company has prepared these statutory financial statements based on its understanding of current regulatory expectations. Future clarification of these requirements may necessitate changes to the format or content of subsequent financial reporting. Our opinion is not modified in respect of this matter.

### **Other Matter**

As this is the first time that Meanwhile Insurance Bitcoin (Bermuda) Limited has required an audit, the corresponding figures and comparative statutory financial statements are unaudited.

### **Independence**

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the statutory financial statements in the United Kingdom, including the Financial Reporting Council's (FRC's) Ethical Standard and the ethical requirements of the Chartered Professional Accountants of Bermuda Rules of Professional Conduct (CPA Bermuda Rules) that are relevant to our audit of the statutory financial statements in Bermuda. We have fulfilled our other ethical responsibilities in accordance with the FRC's Ethical Standard and the ethical requirements of the CPA Bermuda Rules.

### **Responsibilities of management and those charged with governance for the statutory financial statements**

Management is responsible for the preparation and fair presentation of the statutory financial statements in accordance with accounting principles in conformity with accounting practices prescribed or permitted by the Legislation, and for such internal control as management determines is necessary to enable the preparation of statutory financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the statutory financial statements, management is 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. Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the statutory financial statements**

Our objectives are to obtain reasonable assurance about whether the statutory financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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 statutory financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the statutory financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statutory financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the statutory financial statements, including the disclosures, and whether the statutory financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the statutory financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



N Newman (Senior Statutory Auditor)  
for and on behalf of  
Harris & Trotter LLP

Chartered Accountants & Statutory Auditors  
101 New Cavendish Street  
London  
W1W 6XH  
Date: 1 April 2025