

**Dhandho Holdings Corp.
and Subsidiaries
Consolidated Balance Sheets**

| | First quarter March 31, 2015 (Unaudited) |
|---|---|
| ASSETS | |
| <i>Stonetrust Holding Company and Stonetrust Management LLC:</i> | |
| Investment in bonds | \$ 46,164,498 |
| Investments in common stock | 40,010,240 |
| Cash and short term investments | 30,201,915 |
| Investment income due and accrued | 389,160 |
| Premiums receivable | 24,499,743 |
| Amounts recoverable from reinsurers on unpaid losses | 3,276,023 |
| Amounts receivable from reinsurer on paid losses | 37,388 |
| Deferred tax asset | 2,095,728 |
| Property and equipment, net | 7,863,390 |
| Income taxes receivable | 1,718,816 |
| Debt issuance cost | 116,359 |
| Deferred policy acquisition cost | 1,885,997 |
| Intangible assets | 8,577,731 |
| Other assets | 1,508,185 |
| | <u>168,345,173</u> |
| <i>Dhandho Holdings Corp.:</i> | |
| Investments in common stock | 38,538,417 |
| Other Investments | 2,100,000 |
| Cash and short-term investments | 55,923,002 |
| Property and equipment, net | 48,970 |
| Deposits | 4,109 |
| | <u>96,614,498</u> |
| Total Assets | <u><u>\$ 264,959,671</u></u> |
| LIABILITIES AND CAPITAL | |
| <i>Stonetrust Holding Company and Stonetrust Management LLC:</i> | |
| Losses and loss adjustment expenses payable | \$ 56,227,152 |
| Commissions payable | 1,337,686 |
| Other expenses, excluding taxes, licenses and fees | 1,286,680 |
| Taxes, licenses and fees, excluding federal income taxes | 3,296,890 |
| Unearned premiums | 28,426,531 |
| Advance premiums | 363,664 |
| Remittances and items not allocated | 83,787 |
| Payable for securities | 4,286,241 |
| Security deposits | 2,110,167 |
| Surplus note | 4,000,000 |
| Derivative - interest rate swap | 165,354 |
| Amounts payable under loss portfolio | 35,707 |
| Dividend Payable | 618,887 |
| Other accrued liabilities | 18,863 |
| | <u>102,257,609</u> |
| <i>Dhandho Holdings Corp.:</i> | |
| Accounts Payable | 95,604 |
| Accrued Vacations | 7,810 |
| Intercompany payable DHL | 10,992 |
| Other taxes payable | 1,374 |
| Deferred tax liability | 327,762 |
| Deferred lease payable | 283 |
| Other accrued liabilities | 1,845 |
| | <u>445,670</u> |
| Total liabilities | <u>102,703,279</u> |
| CAPITAL | |
| Common Stock | 153,478,990 |
| Accumulated other comprehensive income, net of taxes | 8,936,916 |
| Retained earnings | (159,514) |
| Total Capital | <u>162,256,392</u> |
| Total Liabilities and Capital | <u><u>\$ 264,959,671</u></u> |

**Dhandho Holdings Corp.
and Subsidiaries
Consolidated Statement of Operations**

| | First Quarter March 31, 2015 (Unaudited) |
|---|---|
| Revenues: | |
| <i>Stonetrust Holding Company and Stonetrust Management LLC:</i> | |
| Premiums earned | \$ 14,745,028 |
| Rental income | 101,105 |
| Net realized capital losses | (360) |
| Net investment income | 122,111 |
| Interest income | 192 |
| Miscellaneous income | 85,138 |
| | <u>15,053,214</u> |
| <i>Dhandho Holdings Corp.:</i> | |
| Interest and dividend income | 13,114 |
| | <u>13,114</u> |
| Total Revenues | <u>15,066,328</u> |
| Costs and Expenses: | |
| <i>Stonetrust Holding Company and Stonetrust Management LLC:</i> | |
| Losses and loss adjustment expenses incurred | 9,954,060 |
| Other underwriting expenses incurred | 4,901,906 |
| Depreciation and amortization | 130,981 |
| Interest expense | 63,600 |
| Bad debt expense | 109,892 |
| Other expenses | 854 |
| | <u>15,161,293</u> |
| <i>Dhandho Holdings Corp.:</i> | |
| Legal fees | 10,686 |
| Payroll & related | 111,673 |
| Travel | 11,007 |
| Audit and Accounting fees | 43,285 |
| Subscription expense | 11,582 |
| Supplies expense | 615 |
| Rent | 8,242 |
| Expense assets under \$500 | 9,705 |
| Sales tax | 789 |
| Repair and maintenance | 3,435 |
| Postage and shipping | 962 |
| Depreciation and amortization | 1,763 |
| Recruiting | 4,948 |
| Phone and internet | 1,027 |
| Other taxes | 1,311 |
| Other fees | 2,293 |
| Other expenses | 2,240 |
| | <u>225,563</u> |
| Total expenses | <u>15,386,856</u> |
| Earnings before income taxes | (320,528) |
| Income tax expense (benefit) | (383,139) |
| Net earnings (loss) | <u><u>\$ 62,611</u></u> |