

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

ASSETS	Quarter Ended June 30, 2016 (Unaudited)
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	
Investments:	
Bonds - available-for-sale, at fair value	\$ 43,655,912
Preferred stocks - available-for-sale, at fair value	9,898,120
Common stocks - available-for-sale, at fair value	43,993,045
Cash and short term investments	19,216,603
Investment income due and accrued	557,294
Premiums receivable	21,389,093
Reinsurance receivables and recoverables	2,198,201
Deferred tax asset	2,834,033
Property and equipment, net	8,176,302
Income taxes receivable	1,913,511
Deferred policy acquisition costs	1,760,277
Other assets	1,502,763
	<u>157,095,154</u>
<i>Dhandho Holdings Corp.:</i>	
Investments in common stocks, available-for-sale, at fair value	31,472,181
Investments in bonds, available-for-sale, at fair value	185,760
Cash and short-term investments	19,553,629
Other investments	3,100,000
Other Receivables	2,859
Deferred Tax Asset	992,622
DTA Valuation Allowance	(614,459)
Property and equipment, net	19,532
Deposits	9,172
Intangible Assets	7,532,175
	<u>62,253,471</u>
<i>Dhandho India Private Limited:</i>	
Cash and short-term investments	60,691
Property and equipment, net	83,775
Deposits	5,916
	<u>150,382</u>
<i>CoverageHQ Agency LLC:</i>	
Cash and short-term investments	(0.07)
Property and equipment, net	19,704
	<u>19,704</u>
<i>CoverageHQ Holdings LLC:</i>	
Investments in common stocks, available-for-sale, at fair value	5,203,606
Cash and short-term investments	208,228
	<u>5,411,834</u>
<i>Dhandho Funds LLC:</i>	
Cash and short-term investments	9,863
Accounts Receivable	52,394
Property and equipment, net	48,453
	<u>110,709</u>
Total assets	<u><u>\$ 225,041,253</u></u>

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

	Quarter Ended June 30, 2016 (Unaudited)
LIABILITIES AND CAPITAL	
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	
Losses and loss adjustment expenses payable	\$ 65,863,743
Commissions payable	1,370,910
Taxes, licenses and fees, excluding federal income taxes	5,123,128
Unearned premiums	24,782,348
Advance premiums	544,655
Remittances and items not allocated	89,058
Security deposits	1,854,675
Payable for securities	2,586,120
Surplus note	4,000,000
Mortgage loan	1,929,124
Derivative - interest rate swap	283,655
Other expenses	122,779
Amounts payable under loss portfolio	14,626
	<u>108,564,821</u>
<i>Dhandho Holdings Corp.:</i>	
Accounts payable T. Dietrich	1,000,000
Accounts payable	66,521
Accrued vacations	33,038
Deferred lease payable	1,625
Other accrued liabilities	2,553
	<u>1,103,737</u>
<i>Dhandho India Private Limited:</i>	
Other taxes payable	<u>1,724</u>
<i>CoverageHQ Agency LLC:</i>	
Accounts Payable	<u>-</u>
<i>CoverageHQ Holdings LLC:</i>	
Deferred tax liabilities	<u>(45,284)</u>
<i>Dhandho Funds LLC:</i>	
Accounts Payable	18,473
Total liabilities	<u>109,643,471</u>
CAPITAL	
Common stock	151,978,990
Retained earnings	(22,695,422)
Current year earning (loss)	(2,671,022)
Treasury - Investment in DHL	(584,948)
Valuation DTA	72,295
Accumulated other comprehensive income, net of taxes	(10,702,111)
Total capital	<u>115,397,782</u>
Total liabilities and capital	<u><u>\$ 225,041,253</u></u>

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

	Quarter Ended June 30, 2016
Revenues:	
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	(Unaudited)
Premiums earned	\$ 27,559,441
Net investment income	1,360,932
Net realized capital gains (losses) on investments	561,405
Rental income	181,041
Other income	163,603
	<u>29,826,422</u>
<i>Dhandho Holdings Corp.:</i>	
Interest and dividend income	124,573
Net realized capital gains (losses)	8,526
Other income	115
	<u>133,214</u>
<i>Dhandho India Private Limited:</i>	
Other income	<u>-</u>
<i>CoverageHQ Agency LLC:</i>	
Other income	58
Interest Income	3
	<u>61</u>
<i>CoverageHQ Holdings LLC:</i>	
Net realized capital gains (losses)	264,561
Interest and dividend income	7,859
	<u>272,420</u>
<i>Dhandho Funds LLC:</i>	
Interest Income	1
Total Revenues	<u>30,232,118</u>
Costs and Expenses:	
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	
Losses and loss adjustment expenses	17,729,627
Other underwriting and operating expenses	10,447,653
Bad debt expense	495,592
Interest expense	173,165
Depreciation and Amortization	14,173
Loss on impairment of securities	2,011,789
	<u>30,871,999</u>
<i>Dhandho Holdings Corp.:</i>	
Legal fees	28,431
Payroll & related	324,459
Audit and accounting fees	90,096
Subscription expense	9,470
Recruiting	10,700
Travel	19,951

Expense assets under \$500	1,306
Rent	33,378
Other fees	2,000
Management fees to Dhandho GP	124,000
Repair and maintenance	872
Depreciation and amortization	240,279
Sales tax	1,000
Services expense	49,323
Phone and internet	8,005
Other taxes	15,225
Other expenses	27,472
	<u>985,967</u>
<i>Dhandho India Private Limited:</i>	
Payroll & related	71,316
Rent	6,245
Phone and Internet	2,209
Recruiting	149
Other fees	10,037
Other expenses	6,686
	<u>96,640</u>
<i>CoverageHQ Agency LLC:</i>	
Payroll & related	295,185
Advertising	22,101
Rent	5,067
Depreciation and amortization	1,890
Phone and internet	2,660
Other expenses	26,919
	<u>353,822</u>
<i>CoverageHQ Holdings LLC:</i>	
Legal fees	12,837
Other expenses	5,908
	<u>18,745</u>
<i>Dhandho Funds LLC:</i>	
Payroll & related	247,075
Subscription expense	172,318
Other fees	105,430
Rent	10,162
Depreciation and amortization	8,190
Travel	2,211
Phone and internet	3,176
Other expenses	31,654
	<u>580,216</u>
Total expenses	<u>32,907,389</u>
Earnings before income taxes	(2,675,271)
Income tax expense (benefit)	(4,249)
Net earnings (loss)	<u><u>\$ (2,671,022)</u></u>