



**ION Insurance Group S.A.**

# Annual Report 2024

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Leading the Way in Strategic Growth and Financial Stability

# Annual Report & Accounts

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## Letter to Shareholders

Dear Shareholders,

2024 was a year of strategic focus and proven resilience for ION Insurance Group, S.A. Following a period of rapid expansion and strong financial performance in 2023, the Company entered its twenty-first year of operations with a deliberate emphasis on optimizing its capital structure, refining underwriting discipline, and strengthening its foundations to support sustained long-term profitability.

Despite global economic headwinds and elevated claims activity across several lines, the Company remained profitable, reporting net revenue over expenses of USD 1.83 million and maintaining a strong equity position. These results reflect the balance between disciplined risk management and continued growth supported by strategic relationships and operational efficiencies.

Premium revenues totaled USD 39.8 million, driven by stable client retention and a selective approach to new specialty business opportunities. Liquidity, receivables, and reserves remain healthy and aligned with future obligations.

The Board continued its practice of maintaining strong provisions for potential adverse loss events and unearned premium reserves, ensuring prudent protection against future exposures. The Company's contingent loss provision, IBNR, increased to USD 11.1 million, underscoring its conservative reserving approach and commitment to the financial strength expected by policyholders and partners.

A cornerstone of the Company's success remains the swift and professional handling of claims. Working closely with independent third-party administrators, the Company ensures that all legitimate claims are addressed promptly and fairly. This consistent performance has strengthened trust with brokers, cedents, and assured alike, reinforcing the Company's reputation as a dependable and responsive insurer in the global marketplace.

As ION Insurance Group, S.A. looks ahead, its focus remains on stability, control, and sustainable expansion. The Company will continue developing its specialty business, expanding strategic alliances with cedents, and strengthening its governance framework to support its long-term objectives. On behalf of the Board of Directors, sincere appreciation is extended for your confidence and continued support as we move into the next chapter of ION Insurance Group, S.A.'s growth and success.

Sincerely,

The image shows a blue ink signature written over the ION logo. The logo consists of a square frame containing a classical column with the letters 'ION' below it. The signature is a fluid, cursive script that overlaps the top and right sides of the logo.

Richard Whitney  
President

## Business Overview

Founded in 2004 and headquartered in San José, Costa Rica, ION Insurance Group, S.A. continues to deliver innovative and tailored insurance solutions to a global client base. The Company's business model is grounded in conservative underwriting, disciplined risk management, and the swift adjustment of legitimate claims.

These principles have helped ION Insurance Group, S.A. deepen its presence in specialty markets and operate with the agility required in today's environment. This focus has positioned the Company to pursue opportunities that align with its long-term strategy while continuing to safeguard its financial strength.

An expected loss ratio (ELR) of 30% remains a key benchmark guiding ION Insurance Group, S.A.'s.

## Financial Performance and Management Discussion

### 2024 Financial Highlights

ION Insurance Group, S.A.'s 2024 results reflect measured growth and continued balance-sheet strength amid deliberate portfolio realignment and higher claims activity. The Company maintained healthy liquidity, improved operating efficiency, and upheld conservative reserving practices. These outcomes reinforce ION Insurance Group, S.A.'s commitment to prudent capital management and consistent profitability through changing market conditions.

### Underwriting and Operations

- **Premium Revenues:** USD 39.8 million – reflecting selective risk acceptance and strong client retention.
- **Net Revenue Over Expense:** USD 1.83 million – demonstrating profitability despite elevated claims.
- **Claims Paid:** USD 17.7 million – consistent with portfolio maturity and prompt claims resolution.

### Capital and Balance Sheet Strength

- **Total Assets:** USD 191.2 million – a strong capital base that reinforces ION's reliability and capacity to underwrite complex risks with confidence.
- **BNR Reserve:** USD 11.1 million – up from USD 6.6 million, reflecting prudent loss provisioning.
- **Stockholder's Equity:** USD 151.4 million – signaling capital optimization and continued resilience.

### Performance Commentary

Total assets decreased year-over-year due to strategic capital distributions and the planned reallocation of non-core holdings. Current assets and receivables increased, demonstrating sound liquidity and effective cash management. Operating expenses decreased by more than 20%, driven by cost discipline and efficiency gains achieved throughout the year.

Supported by the consistent performance of its wholly owned subsidiary, **ION Surety Company, S.A.**, which specializes in surety and guarantee products complementing the Company's core portfolio, ION Insurance Group, S.A. enters 2025 with a resilient balance sheet, enhanced operational performance, and a clear focus on controlled expansion within its specialty and surety markets. The subsidiary continues to provide a steady income stream and diversification across key regions, reinforcing ION Insurance Group, S.A.'s financial stability and long-term growth strategy.

# Financial Statement Summary

## Statement of Assets, Liabilities, and Stockholder's Equity

For the year ended December 31, 2024 (Comparative data for 2023)

### Assets

#### Current assets:

- Cash: USD 2,693,056 (2023: USD 3,367,942)
- Escrow reserve: USD 200,021 (2023: USD 542,270)
- Accounts receivable: USD 14,059,546 (2023: USD 13,489,146)
- Notes receivable: USD 48,601,502 (2023: USD 35,755,501)
- Total current assets: USD 65,558,309 (2023: USD 53,154,859)

#### Long-term assets:

- Investment in subsidiary: USD 125,663,000 (2023: USD 125,663,000)
- Oil and gas reserves: USD 0 (2023: USD 40,000,000)
- Total long-term assets: USD 125,663,000 (2023: USD 165,663,000)

Total assets: USD 191,221,309 (2023: USD 218,817,859)

## Statement of Revenue and Expenses

### Income:

- Premium revenues: USD 39,864,387 (2023: USD 30,290,865)
- Earned premiums, net of reinsurance: USD 37,000,341 (2023: USD 29,947,197)

### Expenses:

- Operating expenses: USD 2,195,716 (2023: USD 2,870,645)
- Claims paid: USD 17,684,833 (2023: USD 15,465,215)
- Total expenses: USD 34,987,337 (2023: USD 26,995,659)

Net revenue over expense: USD 1,827,398 (2023: USD 2,937,884)

## Summary

Total assets decreased due to strategic capital distributions and reallocation of long-term holdings, while current assets and receivables grew steadily demonstrating strong liquidity and disciplined financial management. Despite increased claims and reserve adjustments, ION Insurance Group, S.A. achieved a positive result, reinforcing its focus on prudent underwriting and sustained profitability.



## Notes to Financial Statements

- A Accounting Policies:** ION Insurance Group, S.A. prepares its financial statements using the modified cash basis. This approach provides a consistent framework for monitoring operational performance and liquidity.
- B Premiums:** Premium revenues represent the total amounts receivable for the coverage period, net of cancellations and adjustments. Earned premiums are recognized over the policy period in proportion to the coverage provided.
- C Claims:** Claims represent the estimated ultimate cost of all incurred but unpaid claims as of the reporting date, including incurred but not reported (IBNR) losses. Estimates are based on historical experience and current information available to management at year-end.
- D Investments:** Long-term assets, including subsidiary investments and other holdings, are carried at fair market value. The Company periodically reviews its portfolio to ensure valuations remain aligned with market conditions and ION Insurance Group, S.A.'s capital management strategy.

## Corporate Responsibility and Governance

ION Insurance Group, S.A. is committed to conducting business with integrity, transparency, and sound governance. The Company recognizes that responsible management and effective oversight are central to maintaining trust with brokers, clients, and partners across global markets.

While ION Insurance Group, S.A. operates across a diverse range of industries—including complex and high-risk sectors—its approach emphasizes accountability, risk control, and disciplined underwriting rather than exclusion. The Company remains focused on aligning operational practices with international standards for governance, compliance, and financial transparency, ensuring each transaction is assessed on its merits and managed with prudence.

This balanced approach enables ION Insurance Group, S.A. to maintain commercial flexibility while upholding the ethical and professional standards expected of a global insurer.

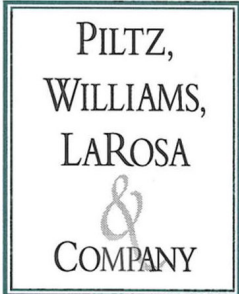
## Future Outlook

As ION Insurance Group, S.A. enters 2025, its focus remains on reinforcing the foundations that have driven resilience and measured growth. Strategic priorities include deepening relationships with global brokers and partners, enhancing analytical and digital capabilities to improve underwriting precision, and further strengthening governance frameworks to support future transparency initiatives.

With a strong capital base, disciplined underwriting, and a clear long-term vision, ION Insurance Group, S.A. is well-positioned to navigate evolving market conditions while continuing to deliver stability, performance, and value to its partners worldwide.

The Board and management extend their appreciation for your continued confidence and support.

# Financial Statements Accountants' Compilation report



CERTIFIED PUBLIC ACCOUNTANTS  
*A Professional Association*

MEMBERS  
American Institute of CPAs  
AICPA Governmental Audit Quality Center  
AICPA Employee Benefit Plan Audit Quality Center  
Mississippi Society of CPAs

**Eric B. Bland, CPA**  
**David C. Neumann, CPA**  
**Mildrey Egües-Strickland, CPA**  
**Elsé A. Marie, CPA**  
**Jordan R. Church, CPA**

**Gerald Piltz, CPA (1925-2013)**  
**Stanford A. Williams, Jr., CPA (1935-2017)**  
**Sam J. LaRosa, Jr., CPA (Retired)**  
**William S. Thompson, CPA (Retired)**  
**Gene M. Clark, Jr., CPA (1942-2022)**  
**Darrell L. Galey, CPA (Retired)**  
**Margaret D. Closson, CPA (Retired)**  
**Stephen P. Theobald, CPA**  
**Michael D. O'Neill, CPA (Retired)**

To Management  
Ion Insurance Group, S.A.  
San Jose, Costa Rica

Management is responsible for the accompanying financial statements of Ion Insurance Group, S.A. (a corporation), which comprise the statements of assets, liabilities, and stockholder's equity – modified cash basis as of December 31, 2024, 2023 and 2022, and the related statements of revenues, expenses, and retained earnings – modified cash basis for the years then ended, in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to selected information disclosed on page 4 which describes the basis of investment in subsidiary. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Biloxi, Mississippi  
November 5, 2025

Certified Public Accountants

# Statement of Assets, Liabilities and Stockholder's Equity - Modified Cash Basis

## Years Ended December 31

<b>Assets</b>			
<b>Current assets</b>	<b>(\$)</b>	<b>2024</b>	<b>(\$) 2023 (\$)</b> 2022
Cash	<b>2,693,056</b>		3,367,942 1,319,153
Escrow reserve	<b>200,021</b>		542,270 -
Accounts receivable	<b>14,059,546</b>		13,489,146 9,232,960
Notes receivable	<b>48,601,502</b>		35,755,501 26,161,081
Prepaid expense	<b>4,184</b>		- -
Due from affiliate	<b>-</b>		- 860,494
<b>Total current assets</b>	<b>65,558,309</b>		53,154,859 37,573,688
<b>Long term assets</b>			
Investment held by subsidiary-FMV	<b>125,663,000</b>		125,663,000 125,663,000
Oil and Gas reserves-FMV	<b>-</b>		40,000,000 40,000,000
<b>Total long term assets</b>	<b>125,663,000</b>		165,663,000 165,663,000
<b>Total assets</b>	<b>191,221,309</b>		218,817,859 203,236,688
<b>Liabilities and Stockholder's Equity</b>			
<b>Current liabilities</b>			
Accounts payable	<b>3,912,876</b>		- -
Contingent loss provision (IBNR)	<b>11,141,765</b>		6,590,363 3,648,567
Provision for outstanding losses	<b>13,890,383</b>		4,357,052 3,341,744
Unearned premiums	<b>9,872,432</b>		15,516,810 9,401,485
Due to affiliate	<b>1,033,679</b>		2,570,858 -
<b>Total current liabilities</b>	<b>39,851,135</b>		29,035,083 16,391,796
<b>Stockholder's equity</b>			
Stockholder's equity, beginning of year	<b>189,782,776</b>		186,844,892 183,927,338
Net revenue over expense	<b>1,827,398</b>		2,937,884 3,037,554
Return of Capital	<b>(40,000,000)</b>		- -
Dividends paid	<b>(240,000)</b>		- (120,000)
<b>Total stockholder's equity, end of year</b>	<b>151,370,174</b>		189,782,776 186,844,892
<b>Total liabilities and stockholder's equity</b>	<b>191,221,309</b>		218,817,859 203,236,688

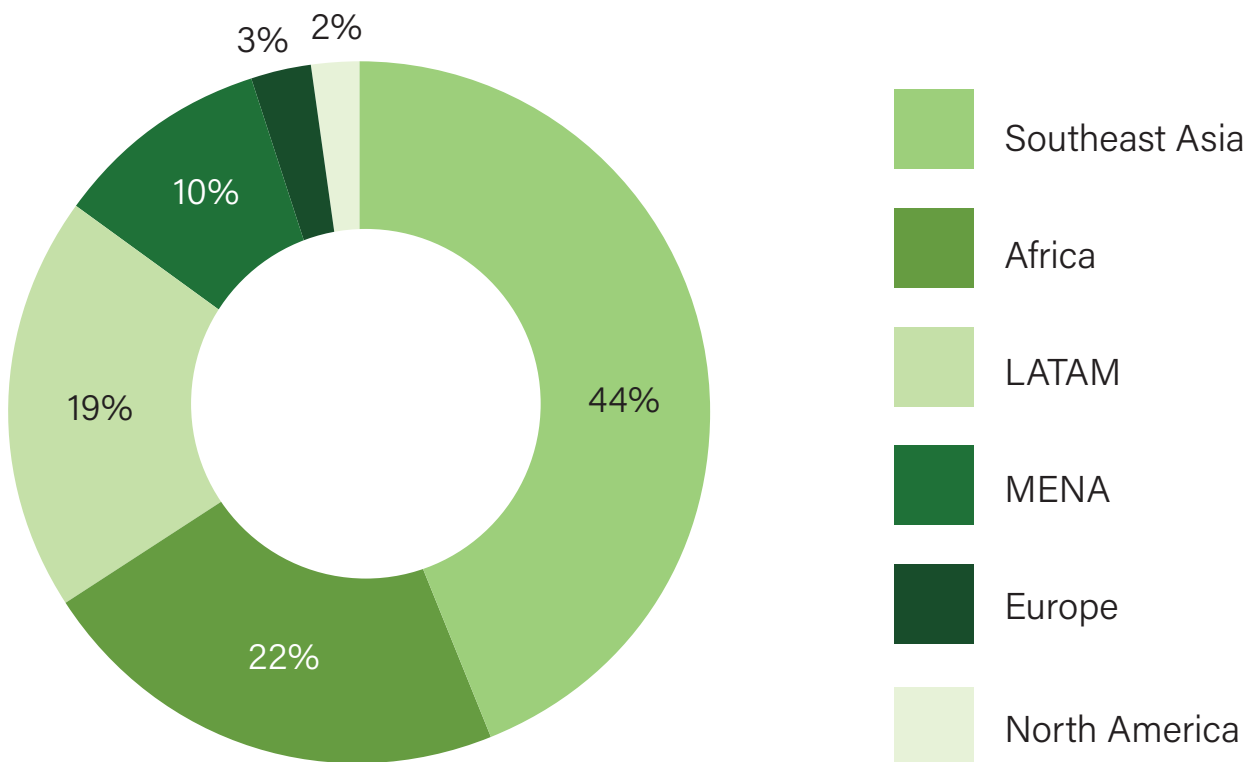
# Statement of Revenue and Expenses - Modified Cash Basis

Years Ended December 31

<b>Income</b>	<b>(\$)</b> 2024	<b>(\$)</b> 2023	<b>(\$)</b> 2022
Premium revenues	<b>34,220,009</b>	36,406,189	22,189,791
Change in provision for unearned premiums	<b>5,644,378</b>	(6,115,324)	(4,022,985)
Commissions deducted	<b>(2,560,804)</b>	-	-
Reinsurance	<b>(303,242)</b>	(343,668)	-
Earned premiums, net of reinsurance	<b>37,000,341</b>	29,947,197	18,166,806
<b>Expenses</b>			
Operating expenses	<b>2,195,716</b>	2,870,645	2,874,383
Bad debt expense	<b>1,022,055</b>	4,702,695	4,388,901
Claims paid	<b>17,684,833</b>	15,465,215	7,540,176
IBNR claims expense	<b>4,551,402</b>	2,941,796	(1,721,327)
Change in net provision for claims	<b>9,533,331</b>	1,015,308	2,047,109
Total expenses	<b>34,987,337</b>	26,995,659	15,129,242
Net income (loss) from operations	<b>2,013,004</b>	2,951,538	3,037,564
Other income			
Interest income	<b>24,965</b>	26,561	-
Realized gain or (loss) on currency exchange	<b>(117,143)</b>	(41,122)	-
Unrealized gain or (loss) on currency exchange	<b>(93,428)</b>	907	-
Total other income	<b>(185,606)</b>	(13,654)	-
Net revenue over expense	<b>1,827,398</b>	2,937,884	3,037,564

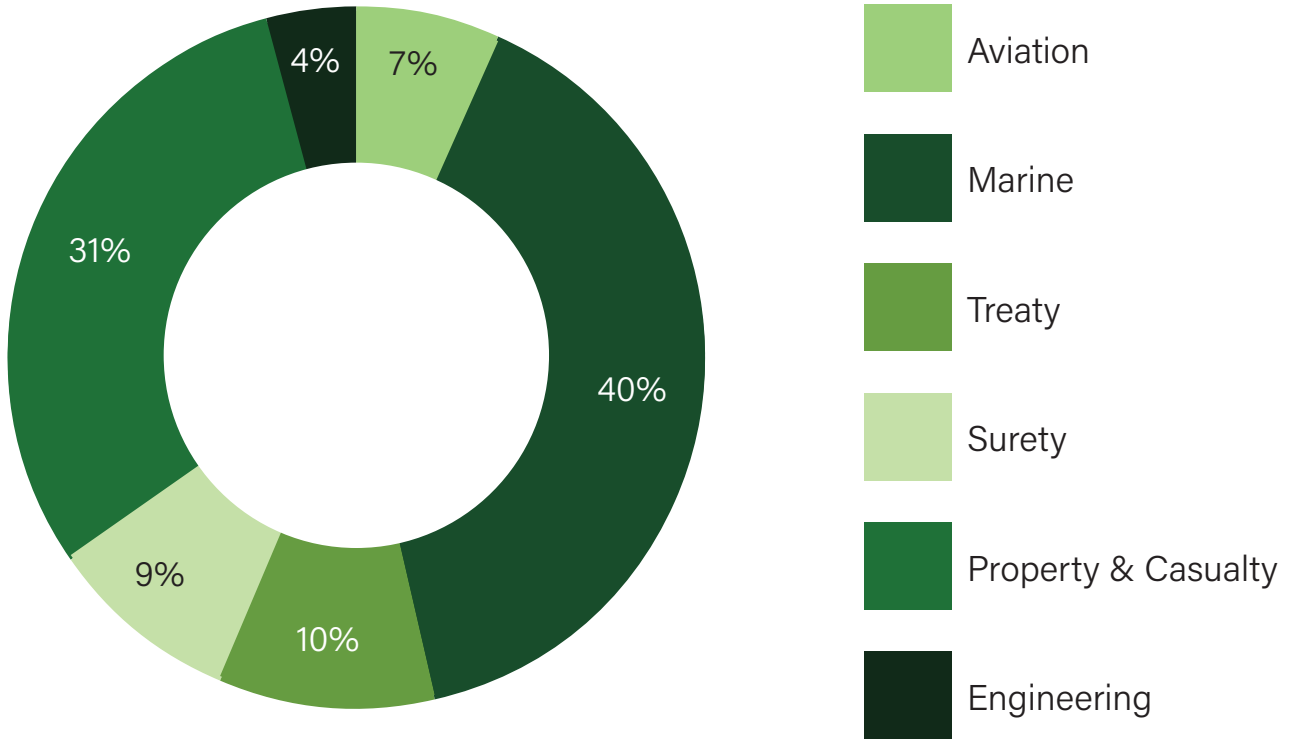
# Financial Charts

## Territorial Split of business

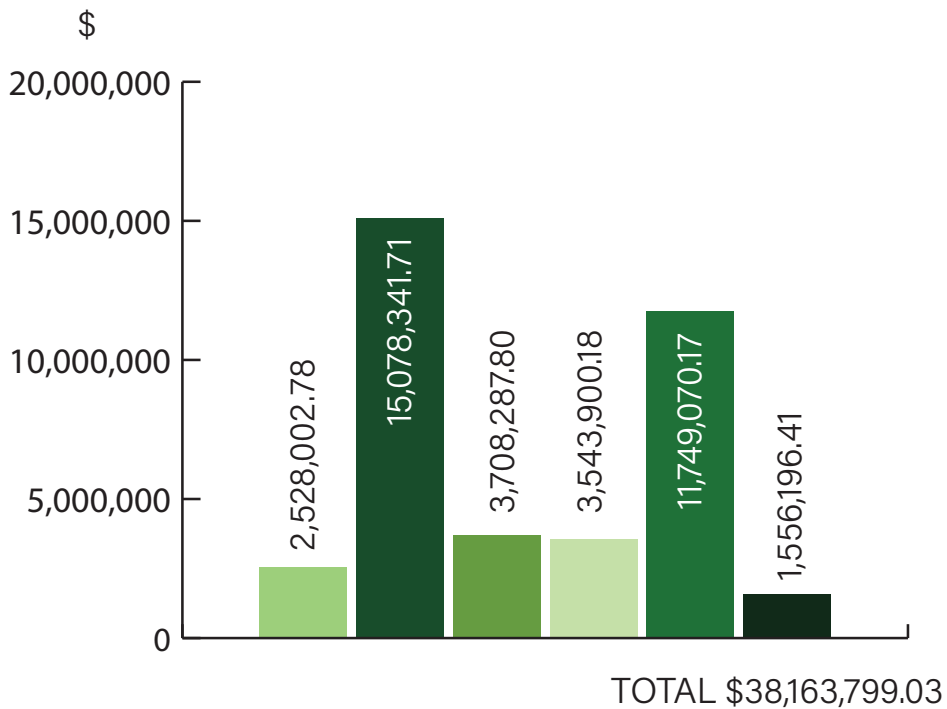


# Financial Charts

## Classes of business written



## GWP



# Selected Information – Substantially All Disclosures Required by The Modified Cash Basis of Accounting Are Not Included

December 31, 2024, 2023 and 2022

The Company has stated investment in subsidiaries and oil and gas reserves at fair market value in the accompanying financial statements, which is not considered a generally accepted modification of the modified cash basis of accounting. Management has not determined the effect of this departure on the financial statements. Management has determined that the fair market valuation basis provides a more accurate statement of its current financial position than alternative valuation methods.

