

LSA Review May 2021

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1. Estimated A/E ratios (as of 31/03/2021)

Class	HIV			Non-HIV			Total		
	maturities	projection 2021*	A/E	maturities	projection 2021*	A/E	maturities	projection 2021*	A/E
A	\$ 1,532,259	\$ 8,679,935	71%	\$ 14,618,725	\$ 13,488,179	434%	\$ 16,150,984	\$ 22,168,114	291%
B				\$ 2,853,688	\$ 5,722,959	199%	\$ 2,853,688	\$ 5,722,959	199%
Total	\$ 1,532,259	\$ 8,679,935	71%	\$ 17,472,412	\$ 19,211,138	364%	\$ 19,004,671	\$ 27,891,073	273%

*projections received from L&E for 2021

2. Top position analysis

Top 3 position in Class A

Insured	Face (\$M)	Total face(\$M)	Age	Expiration Age	Premium Stop Age	Prob. of dying in the next 12 months	Impact on NAV if matures
1	5.3/1.2	6.5	95	100/120	100/100	22%	6.3%
2	1.8/1.7/1.5	5.0	78	121/100/100	100/100/100	3%*	4.4%
3	4.1	4.1	95	100	100	22%	3.6%

Chance of no death in top 2 in the next 12 months = 76%

Chance of no death in top 3 in the next 12 months = 59%

*death rate is not adjusted for the incurable cancer the insured has.

Top position analysis

Top 3 position in Class B

Insured	Face (\$M)	Total face(\$M)	Age	Expiration Age	Premium Stop Age	Prob. of dying in the next 12 months	Impact on NAV if matures
1	5	5	95	100	100	21%	20.8%
2	1.5/1/0.3	2.8	89	100/100/100	100/100/100	14%	11.0%
3	2.75	2.75	89	100	100	14%	13.7%

Chance of no death in top 2 in the next 12 months = 68%

Chance of no death in top 3 in the next 12 months = 58%

3. a. Fractional Acquisitions

- Year Acquisition Price

2018 \$ 2,932,414
2019 \$ 2,305,534
2020 \$ 415,953
2021(until March) \$ 156,038
- Three acquisitions have been made in 2021; PD 64 in February and PD65 in March PD 66 in April
- Forecast \$ 0.6M in the next 12 months

3.b. Other updates

- ABC Litigation settled (tbc by Judge). Reduce operational risk going forward
- MBC Litigation in full swing. Possible resolution by year end

Cash and receivable situations (estimated as of 31/03/2021)

In millions	A	B
Cash	5.9	1.7
Maturity receivables	18.4	3.0
Total	24.3	4.7

Adjusted cash and receivable situations (estimated as of 31/03/2021)

In millions	A	B
Cash	5.9	1.7
Maturity receivables	18.4	3.0
Fractional acquisition*	-0.6	
Total	23.7	4.7

*provision for upcoming fractional acquisitions of \$0.6M

5. Reserves:

Estimated cost projections: the next 12 months

In millions	A	B
Premium and interest	13.1	3.6
Other costs	5.5	0.7
Total costs	18.6	4.3

Estimated months of reserve (estimated as of 31/03/2021)

In months	A	B
Cash reserve*	3 months	5 months
Cash and maturities reserve	15 months	13 months

*Cash amount currently in pipeline and in provision is deducted