BEST'S COMPANY REPORT

HILDENERE

HILDENE RE SPC, LTD.

Domiciliary Address: 18 Forum Lane, 3rd Floor, George Town, Grand Cayman, KY1-1104 Cayman Islands

AMB #: 043346 **NAIC #:** N/A **FEIN#:** N/A

Phone: **Fax:** **Website:** N/A



Best's Credit Rating Effective Date
December 02, 2025

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Information

Best's Credit Rating Methodology

Guide to Best's Credit Ratings

Market Segment Outlooks

Financial Data Presented

The financial data in this report reflects the most current data available to the Analytical Team at the time of the rating. Updates to the financial exhibits in this report are available here: Best's Financial Report.

Hildene Re SPC, Ltd.

AMB #: 043346
Ultimate Parent: AMB # 049605 - Hildene Insurance Holdings, LLC

Best's Credit Ratings

Financial Strength Rating (FSR)	Issuer Credit Rating (ICR)
B++	**bbb+**
Good	**Good**
Outlook: **Stable**	Outlook: **Stable**
Action: **Affirmed**	Action: **Affirmed**

Assessment Descriptors

Balance Sheet Strength	**Very Strong**
Operating Performance	**Adequate**
Business Profile	**Limited**
Enterprise Risk Management	**Appropriate**

Rating Rationale

Balance Sheet Strength: Very Strong

- Hildene Re's risk-adjusted capitalization is at the strong level in 2024 as measured by Best's Capital Adequacy Ratio (BCAR). The BCAR is projected to remain in the strong to very strong assessment categories over the intermediate term.
- Projected asset allocations are aggressive with a high allocation initially to TruPS collateralized debt obligations, diversifying to a broader array of structured securities. Experienced managers have been selected to manage these assets, potentially reducing risk.
- Capital fungibility is strong as capital can flow across the organization. Financial flexibility is potentially positive if capital committed by the ultimate parent is contributed as planned.

Operating Performance: Adequate

- Trend of projected profitable five-year pretax income that contributes to steady capital and surplus growth.
- Projections rely on strong investment performance to drive year-over-year profit.
- Project early double-digit premium growth followed by level premium production.

Business Profile: Limited

- As a relatively new entity, Hildene Re is starting from a modest balance sheet size, and it is projecting substantial growth over the short to medium term.
- The degree of competition in the annuity and pension risk transfer (PRT) reinsurance markets is increasingly competitive.
- Focused on asset-intensive insurance products.

Enterprise Risk Management: Appropriate

- Shared services are provided by Hildene Capital Management (HCM), for topics such as IT support, investment accounting and legal.
- Continuing to enhance the insurance-based structure.
- Conservative risk culture limiting complex liabilities.

Outlook

- The stable outlooks reflect the expectation that the company will maintain its very strong balance sheet strength metrics over the intermediate term.

Rating Drivers

- A negative rating action may occur if there is deterioration in the balance sheet metrics.
- A negative rating action may occur if the operating performance falls short of the projections in the business plan.
- A negative rating action may occur if the enterprise risk management for the insurance operations does not mature as expected.
- Over the longer term, a positive rating action may occur if the company successfully executes its business strategy.

Key Financial Indicators

Best's Capital Adequacy Ratio (BCAR) Scores (%)

Confidence Level	**95.0**	**99.0**	**99.5**	**99.6**
BCAR Score	20.0	8.0	4.0	3.0

Source: Best's Capital Adequacy Ratio Model - Global

AMB #: 043346 - Hildene Re SPC, Ltd.

Key Financial Indicators	2024 USD (000)	2023 USD (000)	2022 USD (000)	2021 USD (000)	2020 USD (000)
Net Premium Written:					
Life	1,484,162	1,490,551	425,360	...	...
Composite	1,484,162	1,490,551	425,360	...	...
Net Income	108,496	-34,150	-24,600	...	...
Total Assets	3,347,250	1,923,966	432,132	...	...
Total Capital and Surplus	371,125	224,190	47,031	...	...

Source: BestLink® - Best's Financial Suite

Key Financial Ratios (%)	2024 USD (000)	2023 USD (000)	2022 USD (000)	2021 USD (000)	2020 USD (000)	Weighted 5 Year Average
Profitability:						
Net Income Return on Revenue	6.4	-2.1	-5.7	...	...	...
Net Income Return on Capital and Surplus	36.5	-25.2	...	...	...	...
Balance on Life Technical Account	116,902	-40,180	-17,324	...	...	...
Net Investment Yield	70.9	51.7	...	...	...	...
Leverage:						
Net Premium Written to Capital and Surplus	399.9	664.9	904.4	...	...	...

Source: BestLink® - Best's Financial Suite

Credit Analysis

Balance Sheet Strength

Hildene Re was founded as Ludlow Re in August 2022 and rebranded as Hildene Re in Dec, 2023. At the end of the second quarter of 2025, HIldene Re had 3 active cedants and $3.9B of assets, up from $3.3B and 3 cedents at year end 2024, $1.9B and 2 cedants at year end 2023 and $432M at year end 2022 with one cedant.

At year end 2024, the company had $371M of shareholder equity, which is approximately 11% of assets. Investments are focused on alternative assets and structured assets.

Capitalization

Capital Generation Analysis	2024 USD (000)	2023 USD (000)	2022 USD (000)	2021 USD (000)	2020 USD (000)
Beginning Capital and Surplus	224,190	47,031	...	...	...
Net Income after Non-Controlling Interests	108,496	-34,150	-24,600	...	...
Change in Paid-In Capital	72,638	235,657	71,631	...	...
Other Changes in Capital and Surplus	-34,199	-24,348	...	...	...
Net Change in Capital and Surplus	146,935	177,159	47,031	...	...
Ending Capital and Surplus	371,125	224,190	47,031	...	...
Net Change in Capital and Surplus (%)	65.5	376.7	...	...	...

Source: BestLink® - Best's Financial Suite

Liquidity Analysis	2024 USD (000)	2023 USD (000)	2022 USD (000)	2021 USD (000)	2020 USD (000)
Net Operating Cash Flow	-30,351	-28,420	-24,373	...	...
Liquid Assets to Total Liabilities (%)	8.7	14.9	12.1	...	...

Source: BestLink® - Best's Financial Suite

Balance Sheet Strength (Continued...)

Asset Liability Management - Investments

Composition of Cash and Invested Assets	2024 USD (000)	2023 USD (000)	2022 USD (000)	2021 USD (000)	2020 USD (000)
Total Cash and Invested Assets	257,560	253,286	46,628	...	...
Composition Percentages (%):					
Unaffiliated:					
Cash and Short Term Investments	23.6	22.9	22.0	...	...
Bonds	76.4	77.1	78.0	...	...
Stocks	0.1	...	...	...	...
Total Unaffiliated Cash and Invested Assets	100.0	100.0	100.0	...	...
Total Cash and Invested Assets	100.0	100.0	100.0	...	...

Source: BestLink® - Best's Financial Suite

Holding Company Assessment

Holding Company Analytics	2024 USD (000)	2023 USD (000)	2022 USD (000)	2021 USD (000)	2020 USD (000)
Liquid Assets to Total Liabilities (%)	8.7	14.9	12.1	...	...

Source: BestLink® - Best's Financial Suite

Operating Performance

The operating performance is assessed as adequate based on the trend of growing projected profitable 5 year pre tax income that is expected to contribute to a steady capital and surplus growth. The projections are based in part on information prepared by third party consultants, Willis Towers Watson and E&Y. Operating income was $53 million in 2024. Net income (post tax) was $74 million in 2024.

Financial Performance Summary	2024 USD (000)	2023 USD (000)	2022 USD (000)	2021 USD (000)	2020 USD (000)
Pre-Tax Income	110,107	-34,150	-24,600	...	...
Net Income (after Non-Controlling Interests)	108,496	-34,150	-24,600	...	...

Source: BestLink® - Best's Financial Suite

Operating and Performance Ratios (%)	2024	2023	2022	2021	2020
Overall Performance:					
Return on Assets	4.1	-2.9	...	...	...
Return on Capital and Surplus	36.5	-25.2	...	...	...

Source: BestLink® - Best's Financial Suite

Business Profile

Hildene Re is a Cayman Islands based reinsurer formed in late 2022, entering into the offshore annuity reinsurance space and will leverage affiliated relationships through its investment manager to source alternative credit assets and structured assets to increase yield generation. The strategy is to offer competitively priced reinsurance solutions to back annuity / retirement products and PRT lines of business. With less liquid assets, Hildene Re is looking for products designed to limit lapsation risk.

Enterprise Risk Management

The insurance entity has made substantial progress building out its insurance specific ERM capabilities in 2024 and 2025. Substantial improvement to overall governance infrastructure with experienced local team now managing the ongoing insurance operations.

Environmental, Social & Governance

AM Best considers the company's exposure to material environmental, social, and governance (ESG) risks to be low. On a forward looking basis, ESG factors are unlikely to impact the credit quality of the company over the medium-term.

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Financial Statements

Balance Sheet	12/31/2024 USD (000)	%	12/31/2023 USD (000)
Cash and Short Term Investments	60,659	1.8	57,955
Bonds	196,640	5.9	195,331
Equity Securities	261	...	...
Total Cash and Invested Assets	257,560	7.7	253,286
Debtors / Amounts Receivable	99,192	3.0	170,873
Other Assets	2,990,498	89.3	1,499,807
Total Assets	3,347,250	100.0	1,923,966
Gross Technical Reserves:			
Life Reserves	2,908,322	86.9	1,696,210
Total Gross Technical Reserves	2,908,322	86.9	1,696,210
Other Liabilities	67,803	2.0	3,566
Total Liabilities	2,976,125	88.9	1,699,776
Capital Stock	4	...	3
Paid-in Capital	379,921	11.4	307,285
Retained Earnings	49,747	1.5	-58,750
Other Capital and Surplus	-58,547	-1.8	-24,348
Total Capital and Surplus	371,125	11.1	224,190
Total Liabilities, Mezzanine Items and Surplus	3,347,250	100.0	1,923,966

Source: BestLink® - Best's Financial Suite

Income Statement	Non-Life USD (000)	Life USD (000)	Other USD (000)	12/31/2024 Total USD (000)	12/31/2023 Total USD (000)
Gross premiums written	...	1,484,162	...	1,484,162	1,490,551
Net Premiums Earned	...	1,484,162	...	1,484,162	1,490,551
Net Investment Income	...	181,151	...	181,151	77,592
Net realized gains/(losses)	...	5,675	...	5,675	2,723
Net unrealized gains/(losses)	...	-9,656	...	-9,656	-3,302
Other income	...	...	311	311	278
Non-operating revenue	...	...	34,199	34,199	24,348
Total Revenue	...	1,661,332	34,510	1,695,842	1,592,190
Losses and Benefits	...	1,357,544	...	1,357,544	1,376,479
Net Operating Expense	...	186,886	...	186,886	231,265
Other Expense	...	...	41,305	41,305	18,596
Total Losses, Benefits, and Expenses	...	1,544,430	41,305	1,585,735	1,626,340
Earnings before interest & taxes (EBIT)	...	116,902	-6,795	110,107	-34,150
Income Taxes Incurred	...	...	...	1,611	...
Net income before Non-Controlling interests	...	...	...	108,496	-34,150
Net income/(loss) from continuing operations	...	...	...	108,496	-34,150
Net Income	...	...	...	108,496	-34,150

Source: BestLink® - Best's Financial Suite

AMB #: 043346 - Hildene Re SPC, Ltd.

Statement of Cash Flows	12/31/2024 USD (000)	12/31/2023 USD (000)
Net cash provided/(used) in Operating Activities	-30,351	-28,420
Net cash provided/(used) in Investing Activities	15,658	-207,617
Net cash provided/(used) in Financing Activities	42,138	235,657
Total increase (decrease) in cash	27,445	-380
Cash, beginning balance	50	430
Cash, ending balance	27,495	50

Source: BestLink® - Best's Financial Suite

Last Update
March 23, 2026

Identifiers
AMB #: 043346
LEI #: 894500O1SCY6LM0BQT23

Contact Information

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George Town, Grand Cayman,
KY1-1104
Cayman Islands

Financial Data Presented

The financial data in this report reflects the most current data available at the time the report was printed.

Filing Date History

October 06, 2025 (Annual)

Hildene Re SPC, Ltd.

Operations

Domiciled: Cayman Islands

Business Type: Life, Annuity, and Accident
Organization Type: Stock
Best's Financial Size Category: IX (USD 250 Million to Less than 500 Million)

Best's Credit Ratings

Rating Relationship

AM Best Rating Unit: 043346 - Hildene Re SPC, Ltd.

Best's Credit Rating Effective Date: December 02, 2025

Refer to the Best's Credit Report for AMB# 043346 - Hildene Re SPC, Ltd. for details regarding the rating rationale, credit analysis, and financial exhibits available at the time the credit analysis was performed.

Best's Credit Rating History

AM Best has assigned ratings on this company since 2024. In our opinion, the company has a Good ability to meet their ongoing insurance obligations and a Good ability to meet their ongoing senior financial obligations.

The following are the most recent rating events, for longer history refer to Rating History in BestLink:

	Best's Financial Strength Ratings			Best's Long-Term Issuer Credit Ratings		
Effective Date	**Rating**	**Outlook**	**Action**	**Rating**	**Outlook**	**Action**
Current - Dec 2, 2025	**B++**	**Stable**	**Affirmed**	**bbb+**	**Stable**	**Affirmed**
Nov 5, 2024	B++	Stable	Assigned	bbb+	Stable	Assigned

Corporate Structure

Ultimate Parent: AMB # 049605 - Hildene Insurance Holdings, LLC

Based on AM Best's analysis, AMB# 049605 Hildene Insurance Holdings, LLC is the AMB Ultimate Parent and identifies the topmost entity of the corporate structure. Access in BestLink this company's current Corporate Structure.

Regulatory

Auditor: KPMG LLP

An independent audit of the company's affairs through December 31, 2024, was conducted by KPMG LLP.

A Best's Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance obligations. The ratings are not assigned to specific insurance policies or contracts and do not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. A Financial Strength Rating is not a recommendation to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

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