

OXBRIDGE RE HOLDINGS Ltd
Form 10-Q
May 16, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2016

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 1-36346

OXBRIDGE
RE
HOLDINGS
LIMITED
(Exact name
of registrant
as specified
in its charter)

Cayman Islands
(State or other jurisdiction of
incorporation or organization)

98-1150254
(I.R.S. Employer
Identification No.)

Strathvale House, 2nd Floor 90 North Church Street, Georgetown P.O. Box 469
Grand Cayman, Cayman Islands
(Address of principal executive offices)

KY1-9006
(Zip Code)

Registrant's telephone number, including area code: (345) 749-7570

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated	Accelerated
Non-accelerated filer	Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

As of May 9, 2016; 6,060,000 ordinary shares, par value \$0.001 per share, were outstanding.

OXBRIDGE RE HOLDINGS LIMITED

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Consolidated Balance Sheets

(expressed in thousands of U.S. Dollars, except per share and share amounts)

	At March 31, 2016	At December 31, 2015
	(Unaudited)	
Assets		
Investments:		
Fixed-maturity securities, available for sale, at fair value (amortized cost: \$6,192 and \$3,080, respectively)	\$6,219	3,096
Equity securities, available for sale, at fair value (cost: \$8,033 and \$7,742, respectively)	6,820	6,252
Total investments	13,039	9,348
Cash and cash equivalents	8,614	8,584
Restricted cash and cash equivalents	28,889	30,368
Accrued interest and dividend receivable	31	25
Premiums receivable	1,655	4,117
Deferred policy acquisition costs	55	90
Prepayment and other receivables	93	91
Property and equipment, net	59	64
Total assets	\$52,435	52,687
Liabilities and Shareholders' Equity		
Liabilities:		
Reserve for losses and loss adjustment expenses	\$63	-
Loss experience refund payable	12,001	9,913
Unearned premiums reserve	2,606	5,571
Accounts payable and other liabilities	104	176
Total liabilities	14,774	15,660
Shareholders' equity:		
Ordinary share capital, (par value \$0.001, 50,000,000 shares authorized; 6,060,000 shares issued and outstanding)	6	6
Additional paid-in capital	33,687	33,657
Retained earnings	5,154	4,838
Accumulated other comprehensive loss	(1,186)	(1,474)

Total shareholders' equity	37,661	37,027
Total liabilities and shareholders' equity	\$52,435	52,687

The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Consolidated Statements of Income

(Unaudited)

(expressed in thousands of U.S. Dollars, except per share and share amounts)

	Three Months Ended	
	March 31,	
	2016	2015
Revenue		
Assumed premiums	\$503	600
Change in loss experience refund payable	(2,088)	(2,052)
Change in unearned premiums reserve	2,966	2,999
Net premiums earned	1,381	1,547
Net realized investment gains	56	644
Net investment income	94	76
Total revenue	1,531	2,267
Expenses		
Losses and loss adjustment expenses	63	-
Policy acquisition costs and underwriting expenses	61	87
General and administrative expenses	364	350
Total expenses	488	437
Net income	\$1,043	1,830
Earnings per share		
Basic and Diluted	\$0.17	0.30
Weighted-average shares outstanding		
Basic and Diluted	6,060,000	6,044,667
Dividends paid per share	\$0.12	0.12

The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Consolidated Statements of Comprehensive Income

(Unaudited)

(expressed in thousands of U.S. Dollars)

	Three Months Ended March 31,	
	2016	2015
Net income	\$1,043	1,830
Other comprehensive income (loss):		
Change in unrealized gain on investments:		
Unrealized gain arising during the period	344	285
Reclassification adjustment for net realized gains) included in net income	(56)	(644)
Net change in unrealized gain (loss)	288	(359)
Total other comprehensive income (loss)	288	(359)
Comprehensive income	\$ 1,331	1,471

The accompanying Notes to Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.

OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Consolidated Statements of Cash Flows

(Unaudited)

(expressed in thousands of U.S. Dollars)

Three Months Ended

March 31,

2016 2015

Operating activities

Net income	\$1,043	1,830
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation	30	29
Depreciation and amortization	5	4
Net realized investment gains	(56)	(644)
Change in operating assets and liabilities:		
Accrued interest and dividend receivable	(6)	(3)
Premiums receivable	2,462	2,082
Deferred policy acquisition costs	35	57
Prepayment and other receivables	(2)	(11)
Reserve for losses and loss adjustment expenses	63	-
Loss experience refund payable	2,088	2,052
Unearned premiums reserve	(2,965)	(2,999)
Accounts payable and other liabilities	(72)	(38)
Net cash provided by operating activities	\$2,625	2,359
Investing activities		
Change in restricted cash and cash equivalents	1,479	(1,824)
Purchase of fixed-maturity securities	(3,111)	(1,101)
Purchase of equity securities	(1,683)	(7,125)
Proceeds from sale of fixed-maturity and equity securities	1,447	6,912
Purchase of property and equipment	-	(5)
Net cash used in investing activities	\$(1,868)	(3,143)
Financing activities		
Dividends paid	(727)	(727)
Net cash used in financing activities	\$(727)	(727)

(continued)

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OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARY

Consolidated Statements of Cash Flows, continued

(Unaudited)

(expressed in thousands of U.S. Dollars)

March 31,

2016 2015

Net change in cash and cash equivalents	30	(1,511)
Cash and cash equivalents at beginning of period	8,584	5,317
Cash and cash equivalents at end of period	\$8,614	3,806
Supplemental disclosure of cash flow information		
Interest paid	-	-