

# SECURITIES & EXCHANGE COMMISSION EDGAR FILING

## OXBRIDGE RE HOLDINGS Ltd

**Form: 8-K**

**Date Filed: 2020-11-10**

Corporate Issuer CIK: 1584831

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

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 10, 2020

**OXBRIDGE RE HOLDINGS LIMITED**  
(Exact Name of Registrant as Specified in Charter)

**Cayman Islands**  
(State or Other Jurisdiction of Incorporation)

**001-36346**  
(Commission File Number)

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

**Suite 201,  
42 Edward Street, Georgetown  
P.O. Box 469  
Grand Cayman, Cayman Islands**  
(Address of Principal Executive Office)

**KY1-9006**  
(Zip Code)

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

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition**

On November 10, 2020, Oxbridge Re Holdings Limited issued a press release announcing its financial results for the quarter and nine months ending September 30, 2020. A copy of the press release is attached hereto as Exhibit 99.1 to this Form 8-K and incorporated herein by reference.

The information in this item shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of Section 18, nor shall it be deemed incorporated by reference in any of the Company's filings under the Securities Act of 1933, as amended or the Exchange Act, except to the extent, if any, expressly set forth by specific reference in such filing.

**Item 9.01 Financial Statements and Exhibits.**

See the Exhibit Index set forth below for a list of exhibits included with this Form 8-K.

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**OXBRIDGE RE HOLDINGS LIMITED**

Date: November 10, 2020

By: /s/ Wrendon Timothy

\_\_\_\_\_  
Wrendon Timothy  
Chief Financial Officer and Secretary  
(Principal Financial Officer and  
Principal Accounting Officer)

A signed original of this Form 8-K has been provided to Oxbridge Re Holdings Limited and will be retained by Oxbridge Re Holdings Limited and furnished to the Securities and Exchange Commission or its staff upon request.

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EXHIBIT INDEX

Exhibit No.	Description
<a href="#">99.1</a>	Press Release, dated November 10, 2020

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**Company Contact:**

Oxbridge Re Holdings Limited  
Jay Madhu, CEO  
345-749-7570  
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## Oxbridge Re Holdings Limited Reports Third Quarter 2020 Results

**GRAND CAYMAN, Cayman Islands (November 10, 2020)** -- [Oxbridge Re Holdings Limited](#) (NASDAQ: **OXBR**), a provider of reinsurance solutions primarily to property and casualty insurers, reported its results for the three and nine months ended September 30, 2020.

**NINE MONTHS 2020 HIGHLIGHTS:**

- Improved results due to higher net premiums earned
- Premium income rises on normalized recognition in current year
- No losses incurred to date in 2020
- G&A expenses continue to decline due to cost savings initiatives
- Sidecar investors in Series 2019-1 participating notes earned a 36% return

"We continued to perform well through the first nine months of 2020. Our business model remains resilient and unaffected by the COVID-19 pandemic, and we are optimistic about the long-term prospects of our core reinsurance business as well as the opportunities for our side car," said Oxbridge Re Holdings President and Chief Executive Officer Jay Madhu. "Looking ahead, we continue to be prudent in our capital deployment as well as evaluate additional opportunities for growth and diversification of risk."

**Financial Performance**

For the three months ended September 30, 2020 the Company generated a net loss of \$33,000 or \$(0.01) per basic and diluted common share compared with a net loss of \$15,000 or \$(0.00) per basic and diluted common share in the third quarter of 2019. For the nine months ended September 30, 2020 the Company incurred a reduced net loss of \$232,000 or \$(0.04) per basic and diluted common share compared with a net loss of \$366,000 or \$(0.06) per basic and diluted common share in the same period last year. The improvement through the first nine months of 2020 was due primarily to higher net premiums earned in the current year.

Net premiums earned for the three months ended September 30, 2020 decreased marginally to \$247,000 from \$279,000 in the prior year due to lower capital deployed in the current year. For the first nine months of 2020 net premiums earned increased to \$646,000 from \$372,000 in the prior year. The increase for the nine months ended September 30, 2020 was due to only one month premium being recognized through the first nine months of the prior year as a result of previous accelerated premium recognition compared to normal premium recognition in 2020.

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Total expenses, including policy acquisition costs and underwriting expenses and general and administrative expenses were \$266,000 in the third quarter of 2020 compared to \$295,000 in the third quarter of 2019. For the first nine months of 2020 total expenses were \$838,000, down from \$849,000 last year.

Policy acquisition costs decreased during the quarter due to lower net premiums earned during the current quarter, when compared with same period prior year. Policy acquisition costs increased during the first nine months of 2020 due to the normal recognition of policy acquisition costs during the current period, when compared with lower recognition in the prior year period due to the previous acceleration of such costs upon suffering limit losses on reinsurance contracts.

General and administrative costs continued to decline for the three and nine months ended September 30, 2020 compared to the prior year due to ongoing cost savings initiatives implemented by the Company.

At September 30, 2020, cash and cash equivalents, and restricted cash and cash equivalents, totaled \$7.4 million compared with \$8.0 million at December 31, 2019.

#### **Financial Ratios**

Loss ratio, which measures underwriting profitability, is the ratio of losses and loss adjustment expenses incurred to net premiums earned. For the three and nine months ended September 30, 2020 the loss ratio was 0.0% due to no loss and loss adjustment expenses incurred to date.

Acquisition cost ratio, which measures operational efficiency, compares policy acquisition costs and other underwriting expenses with net premiums earned. The acquisition cost ratios for the three and nine months ended September 30, 2020 were 10.9% and 11.0%, respectively, compared to 11.1% and 11.0% in the same periods in 2019. The decrease in the third quarter was due to marginally lower weighted-average acquisition costs on reinsurance contracts in force for the three months ended September 30, 2020 compared with the same period in 2019. The acquisition cost ratio remained unchanged at 11.0% for the nine-month period ended September 30, 2020 and 2019.

Expense ratio, which measures operating performance, compares policy acquisition costs, other underwriting expenses and general and administrative expenses with net premiums earned. The expense ratios for the three and nine months ended September 30, 2020 were 107.7% and 129.7%, respectively, compared to 105.7% and 228.2%, respectively, for the same periods in 2019. The increase in the third quarter is due primarily to a lower denominator in net premiums earned as recorded during the three-month period ended September 30, 2020, when compared with the three-month period ended September 30, 2019. The decrease through the first nine months of 2020 was due to the reduced general and administrative expenses in the current year and a higher denominator in net premiums earned as recorded to date in 2020, when compared with the same periods in 2019.

Combined ratio, which is used to measure underwriting performance, is the sum of the loss ratio and the expense ratio. If the combined ratio is at or above 100%, underwriting is not profitable. The combined ratio for the three and nine months ended September 30, 2020 were 107.7% and 129.7%, respectively, compared to 105.7% and 228.2%, respectively, in 2019. The improvement in the first nine months of 2020 is due to a higher denominator in net premiums earned and reduced total expenses in 2020 compared with the prior year.

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### Conference Call

Management will host a conference call later today to discuss these financial results, followed by a question and answer session. President and Chief Executive Officer Jay Madhu and Chief Financial Officer Wrendon Timothy will host the call starting at 4:30 p.m. Eastern time. The live presentation can be accessed by dialing the number below or by clicking the webcast link available on the Investor Information section of the company's website at [www.oxbridgere.com](http://www.oxbridgere.com).

Date: November 10, 2020

Time: 4:30 p.m. Eastern time

Listen-only toll-free number: 877-876-9173

Listen-only international number: 785-424-1667

Please call the conference telephone number 10 minutes before the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Issuer Direct at 919-481-4000 or [operations@issuerdirect.com](mailto:operations@issuerdirect.com).

A replay of the call will be available by telephone after 4:30 p.m. Eastern time on the same day of the call and via the Investor Information section of Oxbridge's website at [www.oxbridgere.com](http://www.oxbridgere.com) until December 10, 2020.

Toll-free replay number: 877-481-4010

International replay number: 919-882-2331

Conference ID: 38451

### About Oxbridge Re Holdings Limited

Oxbridge Re ([www.oxbridgere.com](http://www.oxbridgere.com)) is a Cayman Islands exempted company that was organized in April 2013 to provide reinsurance business solutions primarily to property and casualty insurers in the Gulf Coast region of the United States. Through Oxbridge Re's licensed reinsurance subsidiaries, Oxbridge Reinsurance Limited and Oxbridge RE NS, it writes fully collateralized policies to cover property losses from specified catastrophes. Oxbridge Re specializes in underwriting medium frequency, high severity risks, where it believes sufficient data exists to analyze effectively the risk/return profile of reinsurance contracts. The company's ordinary shares and warrants trade on the NASDAQ Capital Market under the symbols "[OXBR](#)" and "[OXBRW](#)," respectively. The company's ordinary shares are included in the Russell Microcap Index.

### Forward-Looking Statements

This press release may contain forward-looking statements made pursuant to the Private Securities Litigation Reform Act of 1995. Words such as "anticipate," "estimate," "expect," "intend," "plan," "project" and other similar words and expressions are intended to signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various risks and uncertainties. Some of these risks and uncertainties are identified in the Company's filings with the SEC. The occurrence of any of these risks and uncertainties could have a material adverse effect on the Company's business, financial condition and results of operations. Any forward-looking statements made in this press release speak only as of the date of this press release and, except as required by law, the Company undertakes no obligation to update any forward-looking statement contained in this press release, even if the Company's expectations or any related events, conditions or circumstances change.

On March 11, 2020, the World Health Organization characterized the outbreak of COVID-19 as a global pandemic. The pandemic has had and is expected to continue to have a significant effect on the reinsurance industry. The industry is currently being impacted by a number of factors including: uncertainties with respect to current and future losses, reduction in interest rates, equity market volatility and ongoing business and financial market impacts of an economic downturn. The insurance industry is likely to experience material losses resulting from COVID-19, which will reduce available capital and we expect will help to sustain the upward pricing trend for reinsurers that we were seeing across many lines of business before COVID-19. However, the ultimate impact on current business in force as well as risks and potential opportunities on future business remains highly uncertain.

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**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
(expressed in thousands of U.S. Dollars, except per share and share amounts)

	At September 30, 2020 (Unaudited)	At December 31, 2019
<b>Assets</b>		
Equity securities, at fair value (cost of \$1,001 and \$715 respectively)	\$ 635	692
Cash and cash equivalents	5,686	5,962
Restricted cash and cash equivalents	1,693	2,054
Accrued interest and dividend receivable	1	12
Premiums receivable	692	506
Deferred policy acquisition costs	72	48
Operating lease right-of-use assets	242	133
Prepayment and other assets	69	79
Property and equipment, net	16	9
Total assets	<u>\$ 9,106</u>	<u>9,495</u>
<b>Liabilities and Shareholders' Equity</b>		
Liabilities:		
Notes payable	\$ 216	600
Unearned premiums reserve	658	440
Operating lease liabilities	243	133
Accounts payable and other liabilities	154	279
Total liabilities	<u>1,271</u>	<u>1,452</u>
Shareholders' equity:		
Ordinary share capital, (par value \$0.001, 50,000,000 shares authorized; 5,733,587 shares issued and outstanding)	6	6
Additional paid-in capital	32,286	32,262
Accumulated Deficit	(24,457)	(24,225)
Total shareholders' equity	<u>7,835</u>	<u>8,043</u>
Total liabilities and shareholders' equity	<u>\$ 9,106</u>	<u>9,495</u>

**OXBRIDGE RE HOLDINGS LIMITED AND SUBSIDIARIES**  
**Consolidated Statements of Operations**  
**(Unaudited)**  
(expressed in thousands of U.S. Dollars, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
	(unaudited)		(unaudited)	
<b>Revenue</b>				
Assumed premiums	\$ -	-	864	1,116
Change in unearned premiums reserve	<u>247</u>	<u>279</u>	<u>(218)</u>	<u>(744)</u>
Net premiums earned	247	279	646	372
Net investment and other income	32	54	90	182
Net realized investment (losses)/gains	(2)	-	325	3
Change in fair value of equity securities	<u>(18)</u>	<u>17</u>	<u>(343)</u>	<u>20</u>
Total revenue	<u>259</u>	<u>350</u>	<u>718</u>	<u>577</u>
<b>Expenses</b>				
Policy acquisition costs and underwriting expenses	27	31	71	41
General and administrative expenses	<u>239</u>	<u>264</u>	<u>767</u>	<u>808</u>
Total expenses	<u>266</u>	<u>295</u>	<u>838</u>	<u>849</u>
(Loss) Income before income attributable to noteholders	\$ (7)	55	(120)	(272)
Income attributable to noteholders	(26)	(70)	(112)	(94)
Net loss	<u>\$ (33)</u>	<u>(15)</u>	<u>(232)</u>	<u>(366)</u>
<b>Loss per share</b>				
Basic and Diluted	<u>\$ (0.01)</u>	<u>(0.00)</u>	<u>(0.04)</u>	<u>(0.06)</u>