



3rd Quarter Report 2023



EVEREN LIMITED
3RD QUARTER REPORT 2023
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	30-Sep-23	31-Dec-22
(\$'000)		
Assets		
Cash and cash equivalents	794,533	555,616
Investments in marketable securities and derivative assets, net	4,233,308	4,185,382
Other investments	496,420	690,653
Investment sales pending settlement	207,808	107,753
Accrued investment income	17,138	16,982
Amounts due from affiliates	4,538	4,039
Retrospective premiums receivable	28,235	39,462
Accounts receivable	98,834	3
Other assets	4,801	5,728
Total assets	<u>5,885,615</u>	<u>5,605,618</u>
Liabilities		
Reserve for unearned premiums	135,104	-
Outstanding losses and loss expenses	1,761,949	2,096,717
Securities sold short	175,683	168,040
Investment purchases pending settlement	348,158	161,900
Derivative liabilities, net	-	33,748
Accounts payable	28,448	29,505
Total liabilities	<u>2,449,342</u>	<u>2,489,910</u>
Shareholders' equity		
Common shares	650	650
Retained earnings	3,435,623	3,115,058
Total shareholders' equity	<u>3,436,273</u>	<u>3,115,708</u>
Total liabilities and shareholders' equity	<u>5,885,615</u>	<u>5,605,618</u>

EVEREN LIMITED
3RD QUARTER REPORT 2023
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(000's)	THREE MONTHS ENDED		NINE MONTHS ENDED	
	30-Sep-23	30-Sep-22	30-Sep-23	30-Sep-22
Premiums written	4,646	(8,687)	543,301	476,507
Change in unearned premiums written	132,430	130,840	(135,104)	(130,839)
Net premiums earned	137,076	122,153	408,197	345,668
Discount on retrospective premiums receivable	206	219	619	657
Losses and loss expenses incurred	11,453	(89,042)	(103,364)	26,399
Acquisition costs	(2,523)	-	(2,523)	(733)
Net underwriting income	146,212	33,330	302,929	371,991
Interest income	30,899	16,959	75,797	46,361
Net (losses) gains on investments	(77,661)	(201,133)	162,691	(813,768)
Dividend income	4,700	6,030	17,269	20,356
Investment advisory and custodian fees	(5,747)	(7,190)	(18,778)	(29,182)
Net investment (loss) income	(47,809)	(185,334)	236,979	(776,233)
General and administrative expenses	(6,414)	(6,648)	(19,343)	(16,470)
Net income (loss)	91,989	(158,652)	520,565	(420,712)

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3RD QUARTER REPORT 2023
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)

(\$'000)	30-Sep-23
Capital	
Common shares at beginning of period	650
Common shares issued in period	10
Common shares redeemed in period	(10)
Common shares at end of period	<u>650</u>
Retained earnings	
Retained earnings at beginning of period	3,115,058
Net income for the period	520,565
Common share dividend	(200,000)
Retained earnings at end of period	<u>3,435,623</u>
Total shareholders' equity	<u>3,436,273</u>

SHAREHOLDERS' EQUITY:

During the nine months ended September 30, 2023, shareholders' equity increased by \$320.6 million to \$3,436.3 million. Net underwriting income of \$302.9 million and net investment income of \$237.0 million was offset by general and administrative expenses of \$19.3 million and common share dividends of \$200.0 million.

INSURANCE OPERATIONS:

During the nine months ended September 30, 2023, gross premiums written totaled \$543.3 million, a \$66.8 million increase from the nine months ended September 30, 2022. Net premiums earned increased from \$345.7 million for the nine months ended September 30, 2022 to \$408.2 million for the nine months ended September 30, 2023. The increase in premiums written and premiums earned in the nine month period ended September 30, 2023, is primarily due to the increase in losses in the most recent five year period.

Losses and loss expenses incurred totaled \$103.4 million for the nine month period ended September 30, 2023. The loss and loss expenses incurred are due to new claims related to the current year totaling \$46.0 million, new claims related to prior years totaling \$26.0 million, an increase of \$30.5 million in reserves on prior years' claims, and net loss expenses incurred of \$0.9 million.

INVESTMENTS:

During the nine month period ended September 30, 2023, the Company's global equity, the fund of hedge funds, and bond portfolios generated positive returns of 8.5%, 4.8% and 2.0%, respectively. Including cash, the Company's total invested assets generated a positive return of 4.5% over the nine month period.

COMMON SHARE DIVIDENDS:

During March 2023, the Company declared a dividend in an aggregate amount of \$200.0 million to all common shareholders on record as of March 21, 2023, paid in September 2023.