

EVEREN

1st Quarter Report 2023



EVEREN LIMITED
1ST QUARTER REPORT 2023
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	31-Mar-23	31-Dec-22
(\$'000)		
Assets		
Cash and cash equivalents	602,640	555,616
Investments in marketable securities and derivative assets, net	4,361,412	4,185,382
Other investments	695,305	690,653
Investment sales pending settlement	80,851	107,753
Accrued investment income	16,532	16,982
Amounts due from affiliates	3,354	4,039
Retrospective premiums receivable	34,608	39,462
Accounts receivable	336,634	3
Other assets	5,829	5,728
Total assets	<u>6,137,165</u>	<u>5,605,618</u>
Liabilities		
Reserve for unearned premiums	399,716	-
Outstanding losses and loss expenses	1,979,949	2,096,717
Securities sold short	173,052	168,040
Investment purchases pending settlement	152,027	161,900
Derivative liabilities, net	-	33,748
Accounts payable	224,067	29,505
Total liabilities	<u>2,928,811</u>	<u>2,489,910</u>
Shareholders' equity		
Common shares	650	650
Retained earnings	3,207,704	3,115,058
Total shareholders' equity	<u>3,208,354</u>	<u>3,115,708</u>
Total liabilities and shareholders' equity	<u>6,137,165</u>	<u>5,605,618</u>

EVEREN LIMITED

1st QUARTER REPORT 2023

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(000's)	THREE MONTHS ENDED	
	31-Mar-23	31-Mar-22
Premiums written	532,791	519,906
Change in unearned premiums written	<u>(399,716)</u>	<u>(392,236)</u>
Net premiums earned	133,075	127,670
Discount on retrospective premiums receivable	206	219
Losses and loss expenses incurred	(22,375)	25,172
Acquisition costs	<u>-</u>	<u>(733)</u>
Net underwriting income	<u>110,906</u>	<u>152,328</u>
Interest income	21,123	14,658
Net gains (losses) on investments	168,244	(220,494)
Dividend income	4,810	6,586
Investment advisory and custodian fees	<u>(6,441)</u>	<u>(13,535)</u>
Net investment income (loss)	<u>187,736</u>	<u>(212,785)</u>
General and administrative expenses	<u>(5,996)</u>	<u>(4,577)</u>
Net income (loss)	<u>292,646</u>	<u>(65,034)</u>

EVEREN LIMITED**1st QUARTER REPORT 2023****CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)**

(\$'000)	31-Mar-23
Capital	
Common shares at beginning of period	650
Common shares issued in period	-
Common shares redeemed in period	-
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	292,646
Common share dividend	<u>(200,000)</u>
Retained earnings at end of period	<u>3,207,704</u>
Total shareholders' equity	<u>3,208,354</u>

EVEREN LIMITED

1st QUARTER REPORT 2023

SHAREHOLDERS' EQUITY:

During the three months ended March 31, 2023, shareholders' equity increased by \$92.6 million to \$3,208.4 million. Net underwriting income of \$110.9 million and net investment income of \$187.7 million was offset by general and administrative expenses of \$6.0 million and common share dividends of \$200.0 million.

INSURANCE OPERATIONS:

During the three months ended March 31, 2023, gross premiums written totaled \$532.8 million, a \$12.9 million increase from the three months ended March 31, 2022. Net premiums earned increased from \$127.7 million for the three months ended March 31, 2022 to \$133.1 million for the three months ended March 31, 2023. The increase in premiums written and premiums earned in the three-month period ended March 31, 2023, is primarily due to the increase in losses in the most recent five-year period, resulting in an overall increase in annual premium charged by the Company.

Losses and loss expenses incurred totaled \$22.4 million for the three-month period ended March 31, 2023. The loss and loss expenses incurred are due to new claims related to prior year totaling \$20.0 million, and unfavorable development of \$1.4 million in prior years' claims. Net loss expenses incurred totaled \$1.0 million over the three-month period.

INVESTMENTS:

During the three month period ended March 31, 2023, the Company's global equity, bond portfolios and the fund of hedge funds generated positive returns of 7.1%, 2.4%, and 0.7%, respectively. Including cash, the Company's total invested assets generated a positive return of 3.6% over the three-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, payable on or before September 29, 2023.

Bertil C. Olsson
PRESIDENT & CHIEF
EXECUTIVE OFFICER

Robert Foskey
SENIOR VICE PRESIDENT &
CHIEF OPERATING OFFICER

Marlene J. Cechini
SENIOR VICE PRESIDENT &
CHIEF FINANCIAL OFFICER

3 Bermudiana Road
Hamilton HM08
Bermuda

Mailing Address:
P.O. Box HM 1751
Hamilton HM GX, Bermuda

Telephone: (441) 295-0905
Facsimile: (441) 295-0351
Email: inquiry@everen.bm / www.everen.bm