

**EVEREN SPECIALTY LTD.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)**

(\$'000)	31-Aug-23	30-Nov-22
ASSETS		
Cash and cash equivalents	305,241	184,453
Investments in marketable securities and derivatives, net	782,366	739,986
Other investments	82,720	118,152
Restricted assets	437,825	399,873
Investment sales pending settlement	22,985	9,566
Accrued investment income	6,869	3,899
Losses recoverable from reinsurers	328,947	317,710
Accounts receivable	247,364	318,287
Funds withheld	65,436	75,754
Prepaid reinsurance premiums	63,313	67,811
Deferred acquisition costs	49,945	74,434
Other assets	1,762	961
Total assets	2,394,773	2,310,886
LIABILITIES		
Outstanding losses and loss expenses	1,339,776	1,195,550
Unearned premiums	276,736	363,692
Investment purchases pending settlement	102,591	19,473
Derivative liabilities, net	-	5,045
Loan payable	132,099	132,011
Reinsurance premium payable	65,307	56,844
Amounts due to affiliates	4,574	2,289
Accounts payable	99,037	170,847
Total liabilities	2,020,120	1,945,751
SHAREHOLDERS' EQUITY		
Common shares	315	310
Retained earnings	374,338	364,825
Total shareholders' equity	374,653	365,135
Total liabilities and shareholders' equity	2,394,773	2,310,886

EVEREN SPECIALTY LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

(\$'000)	THREE MONTHS ENDED		NINE MONTHS ENDED	
	31-Aug-23	31-Aug-22	31-Aug-23	31-Aug-22
INCOME				
Gross premiums written	139,650	191,311	362,241	498,801
Change in unearned premiums written	1,204	(34,370)	86,925	(23,198)
Premiums earned	140,854	156,941	449,166	475,603
Premiums ceded	(64,592)	(76,353)	(88,506)	(111,644)
Change in prepaid reinsurance premiums	34,131	44,918	(4,493)	18,513
Net premiums earned	110,393	125,506	356,167	382,472
Losses and loss expenses incurred, net of reinsurance	(93,916)	(115,200)	(281,046)	(314,892)
Commission and brokerage fees, net	(27,574)	(31,875)	(88,064)	(96,348)
Net underwriting loss	(11,097)	(21,569)	(12,943)	(28,768)
Interest income	9,792	4,101	26,038	9,377
Net gains (losses) on investments	8,094	(18,049)	25,975	(61,438)
Dividend income	144	169	882	877
Investment advisory and custodian fees	(730)	(925)	(2,541)	(2,923)
Interest expenses	(3,110)	(2,988)	(8,998)	(8,838)
Net investment income (loss)	14,190	(17,692)	41,356	(62,945)
General and administrative expenses	(6,010)	(7,335)	(18,959)	(20,036)
Net (loss) income before income taxes	(2,917)	(46,596)	9,454	(111,749)
Income tax (expense) benefit	(306)	(123)	59	257
Net (loss) income	(3,223)	(46,719)	9,513	(111,492)

**EVEREN SPECIALTY LTD.
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(UNAUDITED)**

(\$'000)	31-Aug-23
CAPITAL	
Common shares at beginning of period	310
Shares issued in period	10
Shares redeemed in period	(5)
Common shares outstanding at end of period	315
RETAINED EARNINGS	
Retained earnings at beginning of period	364,825
Net income for period	9,513
Retained earnings at end of period	374,338
Total shareholders' equity	374,653

INSURANCE OPERATIONS

Premiums written for the nine months ended August 31, 2023, decreased to \$362.2 million from \$498.8 million in the comparative period. Net premiums earned for the nine months ended August 31, 2023 decreased to \$356.2 million from \$382.5 million in the comparative period.

The decreases in premium written and earned was a result of the Company's strategic initiative to re-underwrite underperforming segments within its operating platform.

During the nine months ended August 31, 2023, losses and loss expenses incurred of \$281.0 million primarily related to: (i) net case and IBNR reserves totaling \$196.1 million on the assumed reinsurance book of business; (ii) net case and IBNR reserves (including LAE) totaling \$71.4 million on the direct liability and property books of business; and (iii) net reserves on the Company's Lloyd's corporate member business of \$13.5 million.

INVESTMENTS

During the nine month period ended August 31, 2023, the Company's bond, equity, and fund of hedge funds portfolios generated positive returns of 3.0%, 8.5%, and 5.3%, respectively. Including cash and insurance trust assets, the Company's total invested assets had a positive return of 3.3% over the nine month period.

NET (LOSS) INCOME

During the nine months ended August 31, 2023, the Company recorded a net gain of \$9.5 million compared to a net loss of \$111.5 million in the comparative period.