

EVEREN

# 2nd Quarter Report 2023



EVEREN LIMITED  
2ND QUARTER REPORT 2023  
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

	30-Jun-23	31-Dec-22
<b>(\$'000)</b>		
<b>Assets</b>		
Cash and cash equivalents	786,863	555,616
Investments in marketable securities and derivative assets, net	4,361,033	4,185,382
Other investments	687,783	690,653
Investment sales pending settlement	120,796	107,753
Accrued investment income	15,640	16,982
Amounts due from affiliates	3,375	4,039
Retrospective premiums receivable	32,086	39,462
Accounts receivable	228,629	3
Other assets	5,461	5,728
<b>Total assets</b>	<u>6,241,666</u>	<u>5,605,618</u>
<b>Liabilities</b>		
Reserve for unearned premiums	267,534	-
Outstanding losses and loss expenses	1,949,510	2,096,717
Securities sold short	189,805	168,040
Investment purchases pending settlement	265,216	161,900
Derivative liabilities, net	-	33,748
Accounts payable	225,327	29,505
<b>Total liabilities</b>	<u>2,897,392</u>	<u>2,489,910</u>
<b>Shareholders' equity</b>		
Common shares	640	650
Retained earnings	3,343,634	3,115,058
<b>Total shareholders' equity</b>	<u>3,344,274</u>	<u>3,115,708</u>
<b>Total liabilities and shareholders' equity</b>	<u>6,241,666</u>	<u>5,605,618</u>

EVEREN LIMITED  
2ND QUARTER REPORT 2023  
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(000's)	THREE MONTHS ENDED		SIX MONTHS ENDED	
	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
Premiums written	5,864	(34,712)	538,655	485,194
Change in unearned premiums written	132,182	130,557	(267,534)	(261,679)
Net premiums earned	138,046	95,845	271,121	223,515
Discount on retrospective premiums receivable	207	219	413	438
Losses and loss expenses incurred	(92,442)	90,269	(114,817)	115,441
Acquisition costs	-	-	-	(733)
<b>Net underwriting income</b>	<b>45,811</b>	<b>186,333</b>	<b>156,717</b>	<b>338,661</b>
Interest income	23,775	14,744	44,898	29,402
Net gains (losses) on investments	72,108	(392,141)	240,352	(612,635)
Dividend income	7,759	7,740	12,569	14,326
Investment advisory and custodian fees	(6,590)	(8,457)	(13,031)	(21,992)
<b>Net investment income (loss)</b>	<b>97,052</b>	<b>(378,114)</b>	<b>284,788</b>	<b>(590,899)</b>
General and administrative expenses	(6,933)	(5,245)	(12,929)	(9,822)
<b>Net income (loss)</b>	<b>135,930</b>	<b>(197,026)</b>	<b>428,576</b>	<b>(262,060)</b>

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2ND QUARTER REPORT 2023  
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)

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<b>(\$'000)</b>	<b>30-Jun-23</b>
<b>Capital</b>	
Common shares at beginning of period	650
Common shares issued in period	-
Common shares redeemed in period	(10)
Common shares at end of period	<u>640</u>
<b>Retained earnings</b>	
Retained earnings at beginning of period	3,115,058
Net income for the period	428,576
Common share dividend	(200,000)
Retained earnings at end of period	<u>3,343,634</u>
<b>Total shareholders' equity</b>	<u>3,344,274</u>

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**SHAREHOLDERS' EQUITY:**

During the six months ended June 30, 2023, shareholders' equity increased by \$228.6 million to \$3,344.3 million. Net underwriting income of \$156.7 million and net investment income of \$284.8 million was offset by general and administrative expenses of \$12.9 million and common share dividends of \$200.0 million.

**INSURANCE OPERATIONS:**

During the six months ended June 30, 2023, gross premiums written totaled \$538.7 million, a \$53.5 million increase from the six months ended June 30, 2022. Net premiums earned increased from \$223.5 million for the six months ended June 30, 2022 to \$271.1 million for the six months ended June 30, 2023. The increase in premiums written and premiums earned in the six-month period ended June 30, 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 \$(114.8) million for the six month period ended June 30, 2023. The loss and loss expenses incurred are due to new claims related to current year totaling \$41.0 million and one new claim related to prior year totaling \$26.0 million, plus unfavorable development of \$45.9 million in prior years' claims. Net loss expenses incurred of \$1.9 million over the six month period.

**INVESTMENTS:**

During the six month period ended June 30, 2023, the Company's global equity, the fund of hedge funds and bond portfolios generated positive returns of 12.4%, 2.5% and 2.2%, respectively. Including cash, the Company's total invested assets generated a positive return of 5.4% over the six 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.

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