

QUARTERLY FINANCIALS

FIRST QUARTER 2025



We are your source for superior long-term insurance and risk financing products and services.

Energy Insurance Mutual Limited (EIM) is a mutually owned insurance company that provides its Members with substantial capacity on its core products of Excess General Liability, Excess Directors and Officers Liability, Excess Fiduciary Liability and Excess General Partner Liability coverage for losses in excess of at least \$35 million.

In addition, capacity is available on other classes of business, including Property for those Members who purchase Excess General Liability and/or Excess Directors and Officers coverage.



FIRST QUARTER 2025

Energy Insurance Mutual Limited (“EIM”) recorded a gain on surplus of \$10.8 million for the three months ended March 31, 2025. This was driven by positive investment market performance partially offset by a small underwriting loss. This compares to a budgeted net income of \$12.7 million for the first quarter and \$32.4 million for the same period 2024.

EIM’s investment income totaled \$39.7 million for the first three months of 2025 compared to \$54.7 million for the same period 2024. EIM recorded an underwriting loss of \$26.3 million in the first quarter compared to a loss of \$13.8 million for the same period prior year.

Highlights from 2025 include:

- Distribution of \$25.0 million paid in March 2025 to members of record at December 31, 2024.
- Surplus of \$1.36 billion, an increase of \$10.8 million or 0.8% for quarter.
- Combined ratio of 122.4% for the first three months 2025 as compared to 116.5% for the same period prior year.
- Membership retention of 100% was achieved in the first three months of 2025.

EIM had a return on investments of 1.5% compared to a budgeted return of 1.4% for the first quarter of 2025. The return is a result of gains on international equities of 6.2%, fixed income securities of 2.2%, alternative investment securities of 0.9% and US equities of (1.9%).



FINANCIAL STATEMENTS

As of and For the Period Ending March 31, 2025

Balance Sheets (Unaudited) (Expressed in Thousands of U.S. Dollars)

	3/31/2025	12/31/2024
<u>Assets</u>		
Investments	\$ 2,569,630	\$ 2,422,832
Cash and cash equivalents	163,699	294,036
Reinsurance recoverables on losses	651,559	578,494
Prepaid reinsurance premiums	49,238	38,100
Premiums receivable	16,319	40,981
Other assets	2,548	3,208
Total assets	<u>\$ 3,452,993</u>	<u>\$ 3,377,651</u>
<u>Liabilities and surplus</u>		
Reserves for losses and loss adjustment expenses	\$ 1,763,392	\$ 1,587,680
Unearned premiums	246,578	333,864
Reinsurance premiums payable and funds held	16,164	15,511
Net deferred tax liability	40,733	38,159
Policyholder distributions payable	-	25,000
Accounts payable and accrued expenses	15,017	17,949
Income taxes payable	9,980	9,139
Total liabilities	<u>2,091,864</u>	<u>2,027,302</u>
Surplus	<u>1,361,129</u>	<u>1,350,349</u>
Total liabilities and surplus	<u>\$ 3,452,993</u>	<u>\$ 3,377,651</u>

Statements of Income (Unaudited) (Expressed in Thousands of U.S. Dollars)

	3/31/2025	3/31/2024
<u>Underwriting revenue</u>		
Net premiums earned	\$ 117,692	\$ 83,359
Other underwriting income	-	4
Total underwriting revenue	<u>117,692</u>	<u>83,363</u>
<u>Underwriting expenses</u>		
Net losses and loss adjustment expenses	137,500	92,031
Policy acquisition costs	690	670
Administrative expenses	5,847	4,458
Total underwriting expenses	<u>144,037</u>	<u>97,159</u>
Income (loss) from underwriting	<u>(26,345)</u>	<u>(13,796)</u>
Investment income	39,699	54,663
Income before income taxes	13,354	40,867
Policyholder distribution	-	-
Income tax expense	2,574	8,483
Net income	<u>\$ 10,780</u>	<u>\$ 32,384</u>