

QUARTERLY FINANCIALS

SECOND 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.



SECOND QUARTER 2025

Energy Insurance Mutual Limited (“EIM”) recorded a gain on surplus of \$50.8 million for the six months ended June 30, 2025 driven by favorable investment market performance partially offset by claims development. This is compared to a budget of \$30.0 million and \$12.3 million for the same period 2024.

EIM’s investment income totaled \$110.7 million for the first half of 2025 compared to \$81.8 million for the same period 2024. EIM recorded a loss from underwriting of \$47.3 million in the first six months of 2025 compared to a loss of \$67.0 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 \$1.4 billion, an increase of \$50.8 million or 3.8%.
- Combined ratio of 120.3% for the first half of 2025 as compared to 141.1% for the same period prior year.
- Membership retention of 100% was achieved in the first six months of 2025.

EIM had a return on investments of 4.2% compared to a budgeted return of 2.8% for the first half of 2025. The return is a result of gains on international equities of 18.4%, US equities of 4.9%, fixed income securities of 3.5%, and alternative investment securities of 3.3%.



FINANCIAL STATEMENTS

As of and For the Period Ending June 30, 2025

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

	6/30/2025	12/31/2024
Assets		
Investments	\$ 2,691,106	\$ 2,422,832
Cash and cash equivalents	123,044	294,036
Reinsurance recoverables on losses	588,965	578,494
Prepaid reinsurance premiums	24,743	38,100
Premiums receivable	46,768	40,981
Income taxes recoverable (payable)	9,569	(9,139)
Other assets	3,395	3,208
Total assets	<u>\$ 3,487,590</u>	<u>\$ 3,368,512</u>
Liabilities and surplus		
Reserves for losses and loss adjustment expenses	\$ 1,753,656	\$ 1,587,680
Unearned premiums	256,364	333,864
Reinsurance premiums payable and funds held	10,792	15,511
Net deferred tax liability	50,310	38,159
Policyholder distributions payable	-	25,000
Accounts payable and accrued expenses	15,304	17,949
Total liabilities	<u>2,086,426</u>	<u>2,018,163</u>
Surplus	<u>1,401,164</u>	<u>1,350,349</u>
Total liabilities and surplus	<u>\$ 3,487,590</u>	<u>\$ 3,368,512</u>

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

	6/30/2025	6/30/2024
Underwriting revenue		
Net premiums earned	\$ 232,620	\$ 162,690
Other underwriting income	-	4
Total underwriting revenue	<u>232,620</u>	<u>162,694</u>
Underwriting expenses		
Net losses and loss adjustment expenses	268,316	220,516
Policy acquisition costs	1,387	1,377
Administrative expenses	10,184	7,784
Total underwriting expenses	<u>279,887</u>	<u>229,677</u>
Loss from underwriting	<u>(47,267)</u>	<u>(66,983)</u>
Investment income	<u>110,732</u>	<u>81,832</u>
Income before income taxes	<u>63,465</u>	<u>14,849</u>
Policyholder distribution	-	-
Income tax expense	<u>12,650</u>	<u>2,556</u>
Net income	<u>\$ 50,815</u>	<u>\$ 12,293</u>