



**GREENLIGHT RE ANNOUNCES
THIRD QUARTER 2022 FINANCIAL RESULTS**

*Net loss for the quarter of \$18.5 million
Fully diluted book value per share decreased 3.9% in the quarter to \$13.55*

GRAND CAYMAN, Cayman Islands - November 2, 2022 - Greenlight Capital Re, Ltd. (NASDAQ: GLRE) (“Greenlight Re” or the “Company”) today reported its financial results for the three months ended September 30, 2022. The results included:

- A net loss of \$18.5 million, or \$0.56 per diluted ordinary share, compared to a net loss of \$13.9 million, or \$0.42 per diluted ordinary share, in the third quarter of 2021;
- A combined ratio of 115.4%, compared to a combined ratio of 109.3% in the third quarter of 2021;
- Total investment income of \$11.6 million, compared to total investment income of \$4.1 million in the third quarter of 2021; and
- A decrease in fully diluted book value per share of \$0.55, or 3.9%, to \$13.55.

The following summarizes the Company’s underwriting results for the third quarter of 2022 and 2021:

| | Three months ended September 30 | |
|----------------------------|--|-------------|
| | 2022 | 2021 |
| | (\$ in thousands) | |
| Gross premiums written | 155,146 | 128,735 |
| Net premiums earned | 121,948 | 135,524 |
| Underwriting income (loss) | (18,865) | (12,578) |
| Combined ratio | 115.4 % | 109.3 % |

Simon Burton, Chief Executive Officer of Greenlight Re, stated, “The combined impact of natural catastrophes, continued inflation, and rising interest rates has taken a considerable toll on reinsurers’ balance sheets. Our relatively modest book value per share decline of 3.9% in the quarter is a testament to the strength of our investment platform and risk management approach. Looking ahead, we are well-positioned to benefit from a market that continues to move in our favor.”

David Einhorn, Chairman of the Board of Directors, said, “We are pleased with the 3.6% return from the Solasglas fund despite most equity markets posting negative returns during the quarter. The Hurricane Ian loss, while manageable, overshadows the significant progress we have made in our underwriting operations.”

Underwriting and Investment Results

Third quarter of 2022

Gross premiums written in the third quarter of 2022 were \$155.1 million, compared to \$128.7 million in the third quarter of 2021. This \$26.4 million, or 20.5%, increase relates primarily to growth in personal property, general liability, and financial and other specialty business, including premiums underwritten by the Company's Innovations partners. The Company's decision to reduce its exposure to personal motor and workers' compensation risks partially offset this increase.

Net premiums earned were \$121.9 million during the third quarter of 2022, a decrease from \$135.5 million in the comparable 2021 period.

The Company incurred a net underwriting loss of \$18.9 million in the third quarter of 2022. This underwriting loss included \$19.5 million of losses estimated from Hurricane Ian and \$3.2 million from Typhoons Nanmadol and Hinnamnor. By comparison, the equivalent period in 2021 reported an underwriting loss of \$12.6 million, which included \$25.9 million of catastrophe losses from Hurricane Ida, the European floods and hailstorms, and South African riots. The underwriting loss for the three months ended September 30, 2022, also included \$6.1 million of expense relating to deposit-accounted contracts.

The Company's total investment income during the third quarter of 2022 was \$11.6 million. The Company's Investment Portfolio, managed by DME Advisors, returned 3.6%, representing income of \$8.5 million from the Solasglas fund. The Company reported \$3.0 million of other investment income, primarily from interest earned on its restricted cash and cash equivalents.

The Company incurred other non-underwriting expenses of \$6.8 million during the third quarter of 2022. These expenses related to foreign exchange losses driven by the weakening of the pound sterling.

Nine months ended September 30, 2022

Gross written premiums were \$435.8 million for the nine months ended September 30, 2022, a decrease of \$4.4 million, or 1.0%, compared to the comparable 2021 period. The reduction in personal motor premiums drove the year-to-date decrease.

Net premiums earned were \$358.1 million for the nine months ended September 30, 2022, a decrease of \$45.3 million, or 11.2%, compared to the equivalent 2021 period.

The Company incurred a net underwriting loss for the nine months ended September 30, 2022, of \$17.2 million, which equates to a combined ratio of 104.8%. The underwriting loss for the equivalent 2021 period was \$10.0 million, representing a combined ratio of 102.4%. The underwriting loss for the nine months ended September 30, 2022, was driven primarily by \$25.5 million of natural catastrophe losses and \$13.6 million of losses related to the Russian-Ukrainian conflict. By comparison, the underwriting loss for the

equivalent 2021 period was driven by losses from Hurricane Ida, the winter storm Uri, the European floods and hailstorms, and South African riots.

Total investment income for the nine months ended September 30, 2022, was \$36.5 million, compared to income of \$24.8 million earned during the equivalent 2021 period. The investment income for the nine months ended September 30, 2022, included \$9.2 million of gains recognized in connection with the Company's Innovations-related investments. The Company's investment in the Solasglas fund generated income of \$24.5 million for the nine months ended September 30, 2022, compared to a loss of \$4.2 during the equivalent 2021 period.

2022 Investor Day

Greenlight Re will host a live investor day in New York City on Thursday, November 17, 2022, beginning at 12:00 pm Eastern Time. Members of the Company's leadership team, including Chief Executive Officer Simon Burton and the Chairman of the Company's Board of Directors, David Einhorn, will deliver a series of presentations followed by an open question-and-answer session.

Space for the event is limited, and advance registration is required. Interested parties should contact Greenlight Re's Investor Relations representative, Karin Daly, at IR@greenlightre.ky.

Greenlight Capital Re, Ltd. Third Quarter 2022 Earnings Call

Greenlight Re will host a live conference call to discuss its financial results on Thursday, November 3, 2022, at 9:00 a.m. Eastern Time. Dial-in details:

| | |
|----------------|----------------|
| U.S. toll free | 1-877-407-9753 |
| International | 1-201-493-6739 |

The conference call can also be accessed via webcast at:

https://event.webcasts.com/starthere.jsp?ei=1571152&tp_key=07c4efe7ac

A telephone replay of the call will be available from 11:00 a.m. Eastern time on November 3, 2022, until 9:00 a.m. Eastern time on November 9, 2022. The replay of the call may be accessed by dialing 1-877-660-6853 (U.S. toll-free) or 1-201-612-7415 (international), access code 13732921. An audio file of the call will also be available on the Company's website, www.greenlightre.com.

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Non-GAAP Financial Measures

In presenting the Company's results, management has included financial measures that are not calculated under standards or rules that comprise accounting principles generally accepted in the United States (GAAP). Such measures, including basic book value per share, fully diluted book value per share, and net underwriting income (loss), are referred to as non-GAAP measures. These non-GAAP measures may be defined or calculated differently by other companies. Management believes these measures allow for a more thorough understanding of the underlying business. These measures are used to monitor our results and should not be viewed as a substitute for those determined in accordance with GAAP. Reconciliations of such measures to the most comparable GAAP figures are included in the attached financial information in accordance with Regulation G.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the U.S. federal securities laws. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements in the U.S. Federal securities laws. These statements involve risks and uncertainties that could cause actual results to differ materially from those contained in forward-looking statements made on the Company's behalf. These risks and uncertainties include the impact of general economic conditions and conditions affecting the insurance and reinsurance industry, the adequacy of our reserves, our ability to assess underwriting risk, trends in rates for property and casualty insurance and reinsurance, competition, investment market fluctuations, trends in insured and paid losses, catastrophes, regulatory and legal uncertainties and other factors described in our Forms 10-K and 10-Q filed with the Securities Exchange Commission on March 8, 2022, and May 3, 2022, respectively. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as provided by law.

About Greenlight Capital Re, Ltd.

Greenlight Re (www.greenlightre.com) provides multiline property and casualty insurance and reinsurance through its licensed and regulated reinsurance entities in the Cayman Islands and Ireland, and its Lloyd's platform, Greenlight Innovation Syndicate 3456. The Company complements its underwriting activities with a non-traditional investment approach designed to achieve higher rates of return over the long term than reinsurance companies that exclusively employ more traditional investment strategies. In 2018, the Company launched its Greenlight Re Innovations unit, which supports technology innovators in the (re)insurance space by providing investment capital, risk capacity, and access to a broad insurance network.

Investor Relations Contact

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GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
UNAUDITED

(expressed in thousands of U.S. dollars, except per share and share amounts)

| | September 30, 2022 | December 31, 2021 |
|--|-------------------------------|------------------------------|
| Assets | | |
| Investments | | |
| Investment in related party investment fund | \$ 195,199 | \$ 183,591 |
| Other investments | 65,081 | 47,384 |
| Total investments | 260,280 | 230,975 |
| Cash and cash equivalents | 32,278 | 76,307 |
| Restricted cash and cash equivalents | 648,897 | 634,794 |
| Reinsurance balances receivable (net of allowance for expected credit losses) | 473,564 | 405,365 |
| Loss and loss adjustment expenses recoverable (net of allowance for expected credit losses) | 10,604 | 11,100 |
| Deferred acquisition costs | 78,836 | 63,026 |
| Unearned premiums ceded | 13,659 | 42 |
| Other assets | 6,425 | 5,885 |
| Total assets | \$ 1,524,543 | \$ 1,427,494 |
| Liabilities and equity | | |
| Liabilities | | |
| Loss and loss adjustment expense reserves | \$ 540,827 | \$ 524,010 |
| Unearned premium reserves | 298,173 | 227,584 |
| Reinsurance balances payable | 108,772 | 91,224 |
| Funds withheld | 11,446 | 3,792 |
| Other liabilities | 4,927 | 7,164 |
| Convertible senior notes payable | 93,446 | 98,057 |
| Total liabilities | 1,057,591 | 951,831 |
| Shareholders' equity | | |
| Ordinary share capital (Class A: par value \$0.10; authorized, 100,000,000; issued and outstanding, 28,569,346 (2021: 27,589,731); Class B: par value \$0.10; authorized, 25,000,000; issued and outstanding, 6,254,715 (2021: 6,254,715)) | \$ 3,482 | \$ 3,384 |
| Additional paid-in capital | 477,021 | 481,784 |
| Retained earnings (deficit) | (13,551) | (9,505) |
| Total shareholders' equity | 466,952 | 475,663 |
| Total liabilities and equity | \$ 1,524,543 | \$ 1,427,494 |

GREENLIGHT CAPITAL RE, LTD.
CONDENSED CONSOLIDATED RESULTS OF OPERATIONS
UNAUDITED

(expressed in thousands of U.S. dollars, except percentages and per share amounts)

| | Three months ended September 30 | | Nine months ended September 30 | |
|--|------------------------------------|--------------------|-----------------------------------|--------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Underwriting revenue | | | | |
| Gross premiums written | \$ 155,146 | \$ 128,735 | \$ 435,812 | \$ 440,249 |
| Gross premiums ceded | (8,801) | (60) | (21,973) | (6) |
| Net premiums written | 146,345 | 128,675 | 413,839 | 440,243 |
| Change in net unearned premium reserves | (24,397) | 6,849 | (55,747) | (36,844) |
| Net premiums earned | \$ 121,948 | \$ 135,524 | \$ 358,092 | \$ 403,399 |
| Underwriting related expenses | | | | |
| Net loss and loss adjustment expenses incurred | | | | |
| Current year | \$ 92,443 | \$ 111,052 | \$ 251,231 | \$ 296,333 |
| Prior year | 2,116 | (652) | 1,558 | (1,255) |
| Net loss and loss adjustment expenses incurred | 94,559 | 110,400 | 252,789 | 295,078 |
| Acquisition costs | 36,821 | 35,048 | 106,101 | 106,060 |
| Underwriting expenses | 3,285 | 2,616 | 10,034 | 9,310 |
| Deposit accounting and other reinsurance expense (income) | 6,148 | 38 | 6,373 | 2,957 |
| Net underwriting income (loss) | \$ (18,865) | \$ (12,578) | \$ (17,205) | \$ (10,006) |
| Income (loss) from investment in related party investment fund | \$ 8,521 | \$ (6,214) | \$ 24,474 | \$ (4,196) |
| Net investment income (loss) | 3,038 | 10,303 | 11,978 | 28,999 |
| Total investment income (loss) | \$ 11,559 | \$ 4,089 | \$ 36,452 | \$ 24,803 |
| Net underwriting and investment income (loss) | \$ (7,306) | \$ (8,489) | \$ 19,247 | \$ 14,797 |
| Corporate expenses | \$ 4,104 | \$ 3,444 | \$ 12,693 | \$ 12,030 |
| Other (income) expense, net | 6,784 | 342 | 13,374 | 1,076 |
| Interest expense | 1,091 | 1,578 | 3,411 | 4,684 |
| Income tax expense (benefit) | (816) | — | (823) | 3,733 |
| Net income (loss) | \$ (18,469) | \$ (13,853) | \$ (9,408) | \$ (6,726) |
| Earnings (loss) per share (Class A and Class B) | | | | |
| Basic | \$ (0.56) | \$ (0.42) | \$ (0.28) | \$ (0.20) |
| Diluted | \$ (0.56) | \$ (0.42) | \$ (0.28) | \$ (0.20) |
| Underwriting ratios | | | | |
| Loss ratio - current year | 75.8 % | 81.9 % | 70.2 % | 73.5 % |
| Loss ratio - prior year | 1.7 % | (0.4)% | 0.4 % | (0.4)% |
| Loss ratio | 77.5 % | 81.5 % | 70.6 % | 73.1 % |
| Acquisition cost ratio | 30.2 % | 25.9 % | 29.6 % | 26.3 % |
| Composite ratio | 107.7 % | 107.4 % | 100.2 % | 99.4 % |
| Underwriting expense ratio | 7.7 % | 1.9 % | 4.6 % | 3.0 % |
| Combined ratio | 115.4 % | 109.3 % | 104.8 % | 102.4 % |

The following tables present the Company's underwriting ratios by line of business:

| | <u>Three months ended September 30</u> | | | | <u>Three months ended September 30</u> | | | |
|----------------------------|--|-----------------|--------------|----------------|--|-----------------|--------------|----------------|
| | <u>2022</u> | | | | <u>2021</u> | | | |
| | <u>Property</u> | <u>Casualty</u> | <u>Other</u> | <u>Total</u> | <u>Property</u> | <u>Casualty</u> | <u>Other</u> | <u>Total</u> |
| Loss ratio | 120.1 % | 79.6 % | 59.4 % | 77.5 % | 101.9 % | 79.8 % | 76.8 % | 81.5 % |
| Acquisition cost ratio | 19.0 | 31.6 | 30.6 | 30.2 | 21.6 | 26.1 | 27.2 | 25.9 |
| Composite ratio | 139.1 % | 111.2 % | 90.0 % | 107.7 % | 123.5 % | 105.9 % | 104.0 % | 107.4 % |
| Underwriting expense ratio | | | | 7.7 | | | | 1.9 |
| Combined ratio | | | | <u>115.4 %</u> | | | | <u>109.3 %</u> |

| | <u>Nine months ended September 30</u> | | | | <u>Nine months ended September 30</u> | | | |
|----------------------------|---------------------------------------|-----------------|--------------|----------------|---------------------------------------|-----------------|--------------|----------------|
| | <u>2022</u> | | | | <u>2021</u> | | | |
| | <u>Property</u> | <u>Casualty</u> | <u>Other</u> | <u>Total</u> | <u>Property</u> | <u>Casualty</u> | <u>Other</u> | <u>Total</u> |
| Loss ratio | 76.2 % | 71.0 % | 67.5 % | 70.6 % | 77.1 % | 76.6 % | 62.4 % | 73.1 % |
| Acquisition cost ratio | 22.6 | 28.6 | 34.8 | 29.6 | 21.2 | 25.9 | 29.6 | 26.3 |
| Composite ratio | 98.8 % | 99.6 % | 102.3 % | 100.2 % | 98.3 % | 102.5 % | 92.0 % | 99.4 % |
| Underwriting expense ratio | | | | 4.6 | | | | 3.0 |
| Combined ratio | | | | <u>104.8 %</u> | | | | <u>102.4 %</u> |

GREENLIGHT CAPITAL RE, LTD.
KEY FINANCIAL MEASURES AND NON-GAAP MEASURES

Management uses certain key financial measures, some of which are not prescribed under U.S. GAAP rules and standards (“non-GAAP financial measures”), to evaluate our financial performance, financial position, and the change in shareholder value. Generally, a non-GAAP financial measure, as defined in SEC Regulation G, is a numerical measure of a company’s historical or future financial performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented under U.S. GAAP. We believe that these measures, which may be calculated or defined differently by other companies, provide consistent and comparable metrics of our business performance to help shareholders understand performance trends and facilitate a more thorough understanding of the Company’s business. Non-GAAP financial measures should not be viewed as substitutes for those determined under U.S. GAAP.

The key non-GAAP financial measures used in this report are:

- Basic book value per share and fully diluted book value per share; and
- Net underwriting income (loss)

These non-GAAP measures are described below.

Basic Book Value Per Share and Fully Diluted Book Value Per Share

We believe that long-term growth in fully diluted book value per share is the most relevant measure of our financial performance because it provides management and investors a yardstick to monitor the shareholder value generated. Fully diluted book value per share may also help our investors, shareholders, and other interested parties form a basis of comparison with other companies within the property and casualty reinsurance industry. Basic book value per share and fully diluted book value per share should not be viewed as substitutes for the comparable U.S. GAAP measures.

We calculate basic book value per share as (a) ending shareholders' equity, divided by (b) aggregate of Class A and Class B Ordinary shares issued and outstanding, including all unvested service-based restricted shares, and the earned portion of performance-based restricted shares granted after December 31, 2021. We exclude shares potentially issuable in connection with convertible notes if the conversion price exceeds the share price.

Fully diluted book value per share represents basic book value per share combined with any dilutive impact of in-the-money stock options, unvested service-based RSUs, and the earned portion of unvested performance-based RSUs granted. Fully diluted book value per share also includes the dilutive effect, if any, of ordinary shares expected to be issued upon settlement of the convertible notes.

Our primary financial goal is to increase fully diluted book value per share over the long term. We use fully diluted book value per share as a financial measure in our annual incentive compensation.

The following table presents a reconciliation of the non-GAAP financial measures basic and fully diluted book value per share to the most comparable U.S. GAAP measure:

| | September 30, 2022 | June 30, 2022 | March 31, 2022 | December 31, 2021 | September 30, 2021 |
|--|---|--------------------------|---------------------------|------------------------------|-------------------------------|
| | (\$ in thousands, except per share and share amounts) | | | | |
| Numerator for basic and fully diluted book value per share: | | | | | |
| Total equity (U.S. GAAP) (numerator for basic and fully diluted book value per share) | \$ 466,952 | \$ 484,293 | \$ 468,407 | \$ 475,663 | \$ 450,514 |
| Denominator for basic and fully diluted book value per share: ⁽¹⁾ | | | | | |
| Ordinary shares issued and outstanding as presented in the Company's condensed consolidated balance sheets | 34,824,061 | 34,721,231 | 34,721,231 | 33,844,446 | 33,844,446 |
| Less: Unearned performance-based restricted shares granted after December 31, 2021 | (539,161) | (560,927) | (581,593) | — | — |
| Denominator for basic book value per share | 34,284,900 | 34,160,304 | 34,139,638 | 33,844,446 | 33,844,446 |
| Add: In-the-money stock options, service-based RSUs granted, and earned performance-based RSUs granted | 183,790 | 179,988 | 176,379 | 154,134 | 154,134 |
| Denominator for fully diluted book value per share | 34,468,690 | 34,340,292 | 34,316,017 | 33,998,580 | 33,998,580 |
| Basic book value per share | \$ 13.62 | \$ 14.18 | \$ 13.72 | \$ 14.05 | \$ 13.31 |
| Increase (decrease) in basic book value per share (\$) | \$ (0.56) | \$ 0.46 | \$ (0.33) | \$ 0.58 | \$ (0.35) |
| Increase (decrease) in basic book value per share (%) | (3.9)% | 3.4 % | (2.3)% | 4.3 % | (2.6)% |
| Fully diluted book value per share | \$ 13.55 | \$ 14.10 | \$ 13.65 | \$ 13.99 | \$ 13.25 |
| Increase (decrease) in fully diluted book value per share (\$) | \$ (0.55) | \$ 0.45 | \$ (0.34) | \$ 0.57 | \$ (0.35) |
| Increase (decrease) in fully diluted book value per share (%) | (3.9)% | 3.3 % | (2.4)% | 4.2 % | (2.6)% |

⁽¹⁾ For periods prior to January 1, 2022, all unvested restricted shares are included in the "basic" and "fully diluted" denominators. Restricted shares with performance-based vesting conditions granted after December 31, 2021, are included in the "basic" and "fully diluted" denominators to the extent that the Company has recognized the corresponding share-based compensation expense. At September 30, 2022, the aggregate number of unearned restricted shares with performance conditions not included in the "basic" and "fully diluted" denominators was 732,310 (June 30, 2022: 754,076, March 31, 2022: 774,742, December 31, 2021: 193,149, September 30, 2021: 193,149).

Net Underwriting Income (Loss)

One way that we evaluate the Company's underwriting performance is by measuring net underwriting income (loss). We do not use premiums written as a measure of performance. Net underwriting income (loss) is a performance measure used by management to evaluate the fundamentals underlying the Company's underwriting operations. We believe that the use of net underwriting income (loss) enables investors and other users of the Company's financial information to analyze our performance in a manner similar to how management analyzes performance. Management also believes that this measure follows industry practice and allows the users of financial information to compare the Company's performance with that of our industry peer group.

Net underwriting income (loss) is considered a non-GAAP financial measure because it excludes items used to calculate net income before taxes under U.S. GAAP. We calculate net underwriting income (loss) as net premiums earned, plus other income relating to reinsurance and deposit-accounted contracts, less deposit interest expense, less net loss and loss adjustment expenses, acquisition costs, and underwriting expenses. The measure excludes, on a recurring basis: (1) investment income (loss); (2) other income (expense) not related to underwriting, including foreign exchange gains or losses, Lloyd's interest income or expense and adjustments to the allowance for expected credit losses; (3) corporate general and administrative expenses; and (4) interest expense. We exclude total investment income or loss, foreign exchange gains or losses, Lloyd's interest income or expense and expected credit losses as we believe these items are influenced by market conditions and other factors not related to underwriting decisions. We exclude corporate and interest expenses because these costs are generally fixed and not incremental to or directly related to our underwriting operations. We believe all of these amounts are largely independent of our underwriting process, and including them could hinder the analysis of trends in our underwriting operations. Net underwriting income (loss) should not be viewed as a substitute for U.S. GAAP net income before income taxes.

The reconciliations of net underwriting income (loss) to income (loss) before income taxes (the most directly comparable U.S. GAAP financial measure) on a consolidated basis are shown below:

| | <u>Three months ended September 30</u> | | <u>Nine months ended September 30</u> | |
|---|--|--------------------|---------------------------------------|--------------------|
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| | (\$ in thousands) | | | |
| Income (loss) before income tax | \$ (19,285) | \$ (13,853) | \$ (10,231) | \$ (2,993) |
| Add (subtract): | | | | |
| Total investment (income) loss | (11,559) | (4,089) | (36,452) | (24,803) |
| Other non-underwriting (income) expense | 6,784 | 342 | 13,374 | 1,076 |
| Corporate expenses | 4,104 | 3,444 | 12,693 | 12,030 |
| Interest expense | 1,091 | 1,578 | 3,411 | 4,684 |
| Net underwriting income (loss) | <u>\$ (18,865)</u> | <u>\$ (12,578)</u> | <u>\$ (17,205)</u> | <u>\$ (10,006)</u> |