



**GREENLIGHT RE ANNOUNCES  
THIRD QUARTER 2023 FINANCIAL RESULTS**

***Gross premiums written increased 18.0%***  
***Net income of \$13.5 million (\$0.39 per diluted ordinary share)***  
***Fully diluted book value per share increased 2.3% to \$16.58***

**GRAND CAYMAN, Cayman Islands – November 8, 2023** – Greenlight Capital Re, Ltd. (NASDAQ: GLRE) (“Greenlight Re” or the “Company”) today reported its financial results for the third quarter ended September 30, 2023.

**Third Quarter 2023 Highlights** *(all comparisons are to third quarter 2022 unless noted otherwise):*

- Gross premiums written increased 18.0% to \$183.1 million;
- Net premiums earned increased 33.8% to \$163.1 million;
- Underwriting income of \$14.4 million compared to an underwriting loss of \$18.9 million;
- Net income of \$13.5 million, or \$0.39 per diluted ordinary share, compared to a net loss of \$18.5 million, or \$(0.56) per diluted ordinary share;
- Combined ratio of 91.2%, compared to a combined ratio of 115.4%;
- Total investment income of \$5.1 million, compared to total investment income of \$11.6 million; and
- Fully diluted book value per share increased \$0.37, or 2.3%, to \$16.58, from \$16.21 at June 30, 2023.

Simon Burton, Chief Executive Officer of Greenlight Re, stated, “The underwriting result of 91.2% combined ratio led our performance in the third quarter as we grew book value by 2.3%. This result was impacted by approximately 4 combined ratio points of legacy reserve development, as inflationary pressure has persisted in discontinued areas of our business.”

David Einhorn, Chairman of the Board of Directors, said, “The third quarter was challenging period in the equity markets. A partial reversal of our gains in Green Brick Partners slightly more than offset good performance throughout the balance of the portfolio. Year-to-date through September 30, the Solasglas fund was up 9.1%.”

## **Third Quarter 2023 Results**

Gross premiums written in the third quarter of 2023 were \$183.1 million, compared to \$155.1 million in the third quarter of 2022. The \$27.9 million increase, or 18.0%, relates primarily to new contracts bounds during 2023 related to property, general liability, and specialty business.

The Company recognized net underwriting income of \$14.4 million in the third quarter of 2023. By comparison, the equivalent period in 2022 incurred a net underwriting loss of \$18.9 million. The combined ratio for the third quarter of 2023 was 91.2%, compared to 115.4% for the equivalent period in 2022.

The following table summarizes the components of our combined ratio.

<b><u>Underwriting ratios</u></b>	<b><u>Third Quarter</u></b> <b>2023</b>	<b><u>Third Quarter</u></b> <b>2022</b>
Loss ratio - current year	61.4 %	75.8 %
Loss ratio - prior year	(2.0)%	1.7 %
Loss ratio	59.4 %	77.5 %
Acquisition cost ratio	28.8 %	30.2 %
Composite ratio	88.2 %	107.7 %
Underwriting expense ratio	3.0 %	7.7 %
Combined ratio	91.2 %	115.4 %

The Company's total investment income during the third quarter of 2023 was \$5.1 million. The Company's investment in the Solasglas fund, managed by DME Advisors, returned (0.6)%, representing a net loss of \$1.9 million. The Company reported \$7.0 million of other investment income, primarily from interest earned on its restricted cash and cash equivalents.

The Company reported other non-underwriting loss of \$1.3 million during the third quarter of 2023, due primarily to foreign exchange losses driven by the weakening of the pound sterling, partially offset by investment income on the funds withheld by the Lloyd's syndicates.

The net income of \$13.5 million contributed to the 2.3% increase in fully diluted book value per share for the quarter, which increased to \$16.58 per share at September 30, 2023.

## **Greenlight Capital Re, Ltd. Third Quarter 2023 Earnings Call**

Greenlight Re will host a live conference call to discuss its financial results on Thursday, November 9, 2023, 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=1635367&tp\\_key=4b61cd0dfe](https://event.webcasts.com/starthere.jsp?ei=1635367&tp_key=4b61cd0dfe)

A telephone replay will be available following the call through November 14, 2023. 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 13741362. An audio file of the call will also be available on the Company's website, [www.greenlightre.com](http://www.greenlightre.com).

###

### **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 fluctuation of our results of operations from period to period; the impact of general economic, capital and credit market conditions, including banking sector instability, financial market illiquidity and fluctuations in interest rates, equity securities' prices and/or foreign currency exchange rates; a downgrade or withdrawal of our A.M. Best ratings; any suspension or revocation of any of our licenses; the performance of Solasglas Investments, LP; the carry values of our investments made under our Greenlight Re Innovations pillar may differ significantly from those that would be used if we carried these investments at fair value; our level of debt and its adverse impact on our liquidity; impact of United States federal income taxes and legal uncertainties and other factors described in our most recent Form 10-K filed with the Securities and Exchange Commission ("SEC"), as those factors may be updated from time to time in our periodic and other filings with the SEC, which are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov). The Company undertakes no obligation to publicly update or revise any forward-looking statements, which speak only as to the date of this release, 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](http://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**

Karin Daly

Vice President, The Equity Group Inc.

(212) 836-9623

[IR@greenlightre.ky](mailto:IR@greenlightre.ky)

**GREENLIGHT CAPITAL RE, LTD.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**UNAUDITED**

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

	<b>September 30, 2023</b>	<b>December 31, 2022</b>
<b>Assets</b>		
Investments		
Investment in related party investment fund	\$ 228,991	\$ 178,197
Other investments	67,648	70,279
Total investments	296,639	248,476
Cash and cash equivalents	41,302	38,238
Restricted cash and cash equivalents	622,624	668,310
Reinsurance balances receivable (net of allowance for expected credit losses)	640,391	505,555
Loss and loss adjustment expenses recoverable (net of allowance for expected credit losses)	28,191	13,239
Deferred acquisition costs	85,102	82,391
Unearned premiums ceded	18,700	18,153
Other assets	6,680	6,019
<b>Total assets</b>	<b>\$ 1,739,629</b>	<b>\$ 1,580,381</b>
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
Loss and loss adjustment expense reserves	\$ 658,234	\$ 555,468
Unearned premium reserves	340,582	307,820
Reinsurance balances payable	69,882	105,135
Funds withheld	13,406	21,907
Other liabilities	6,781	6,397
Debt	74,879	80,534
<b>Total liabilities</b>	<b>1,163,764</b>	<b>1,077,261</b>
<b>Shareholders' equity</b>		
Ordinary share capital (par value \$0.10; authorized, 125,000,000; issued and outstanding, 35,337,407 (2022: Class A: par value \$0.10; authorized, 100,000,000; issued and outstanding, 28,569,346; Class B: 2022: par value \$0.10; authorized, 25,000,000; issued and outstanding, 6,254,715))	\$ 3,534	\$ 3,482
Additional paid-in capital	481,908	478,439
Retained earnings	90,423	21,199
<b>Total shareholders' equity</b>	<b>575,865</b>	<b>503,120</b>
<b>Total liabilities and equity</b>	<b>\$ 1,739,629</b>	<b>\$ 1,580,381</b>

**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	
	2023	2022	2023	2022
<b>Underwriting revenue</b>				
Gross premiums written	\$ 183,074	\$ 155,146	\$ 524,472	\$ 435,812
Gross premiums ceded	(14,789)	(8,801)	(35,740)	(21,973)
Net premiums written	168,285	146,345	488,732	413,839
Change in net unearned premium reserves	(5,175)	(24,397)	(43,030)	(55,747)
Net premiums earned	\$ 163,110	\$ 121,948	\$ 445,702	\$ 358,092
<b>Underwriting related expenses</b>				
Net loss and loss adjustment expenses incurred				
Current year	\$ 100,143	\$ 92,444	\$ 273,570	\$ 251,231
Prior year	(3,300)	2,116	10,502	1,558
Net loss and loss adjustment expenses incurred	96,843	94,559	284,072	252,789
Acquisition costs	46,933	36,821	126,702	106,101
Underwriting expenses	4,639	3,285	14,046	10,034
Deposit interest expense	278	6,148	645	6,373
<b>Net underwriting income (loss)</b>	<b>\$ 14,417</b>	<b>\$ (18,865)</b>	<b>\$ 20,237</b>	<b>\$ (17,205)</b>
Income (loss) from investment in related party investment fund	\$ (1,853)	\$ 8,521	\$ 27,791	\$ 24,474
Net investment income (loss)	6,958	3,038	24,705	11,978
<b>Total investment income (loss)</b>	<b>\$ 5,105</b>	<b>\$ 11,559</b>	<b>\$ 52,496</b>	<b>\$ 36,452</b>
<b>Net underwriting and investment income (loss)</b>	<b>\$ 19,522</b>	<b>\$ (7,306)</b>	<b>\$ 72,733</b>	<b>\$ 19,247</b>
Corporate expenses	\$ 3,266	\$ 4,104	\$ 13,820	\$ 12,693
Other (income) expense, net	1,293	6,784	(13,399)	13,374
Interest expense	1,457	1,091	2,977	3,411
Income tax expense (benefit)	29	(816)	111	(823)
<b>Net income (loss)</b>	<b>\$ 13,477</b>	<b>\$ (18,469)</b>	<b>\$ 69,224</b>	<b>\$ (9,408)</b>
<b>Earnings (loss) per share</b>				
Basic	\$ 0.40	\$ (0.56)	\$ 2.03	\$ (0.28)
Diluted	\$ 0.39	\$ (0.56)	\$ 1.99	\$ (0.28)

The following tables present the Company's net premiums earned and underwriting ratios by line of business:

	<u>Three months ended September 30</u>				<u>Three months ended September 30</u>			
	<u>2023</u>				<u>2022</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>
	<u>(\$ in thousands except percentage)</u>							
Net premiums earned	\$24,362	\$93,514	\$45,234	\$163,110	\$10,951	\$76,511	\$34,486	\$121,948
<b>Underwriting ratios</b>								
Loss ratio	54.1 %	67.4 %	45.6 %	59.4 %	120.1 %	79.6 %	59.4 %	77.5 %
Acquisition cost ratio	17.7	31.9	28.2	28.8	19.0	31.6	30.6	30.2
Composite ratio	71.8 %	99.3 %	73.8 %	88.2 %	139.1 %	111.2 %	90.0 %	107.7 %
Underwriting expense ratio				3.0				7.7
Combined ratio				<u>91.2 %</u>				<u>115.4 %</u>

	<u>Nine months ended September 30</u>				<u>Nine months ended September 30</u>			
	<u>2023</u>				<u>2022</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>
	<u>(\$ in thousands except percentage)</u>							
Net premiums earned	\$63,854	\$259,075	\$122,773	\$445,702	\$37,577	\$225,322	\$95,193	\$358,092
<b>Underwriting ratios</b>								
Loss ratio	81.6 %	67.0 %	47.5 %	63.8 %	76.2 %	71.0 %	67.5 %	70.6 %
Acquisition cost ratio	18.5	31.0	28.2	28.4	22.6	28.6	34.8	29.6
Composite ratio	100.1 %	98.0 %	75.7 %	92.2 %	98.8 %	99.6 %	102.3 %	100.2 %
Underwriting expense ratio				3.3				4.6
Combined ratio				<u>95.5 %</u>				<u>104.8 %</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 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 financial 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 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. We repaid all outstanding convertible notes on August 1, 2023 without issuing any shares.

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, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
(\$ in thousands, except per share and share amounts)					
<b>Numerator for basic and fully diluted book value per share:</b>					
Total equity (U.S. GAAP) (numerator for basic and fully diluted book value per share)	\$ 575,865	\$ 561,121	\$ 510,041	\$ 503,120	\$ 466,952
<b>Denominator for basic and fully diluted book value per share: <sup>(1)</sup></b>					
Ordinary shares issued and outstanding as presented in the Company's consolidated balance sheets	35,337,407	35,272,013	35,262,678	34,824,061	34,824,061
Less: Unearned performance-based restricted shares granted after December 31, 2021	<u>(785,003)</u>	<u>(820,156)</u>	<u>(851,828)</u>	<u>(516,489)</u>	<u>(539,161)</u>
Denominator for basic book value per share	34,552,404	34,451,857	34,410,850	34,307,572	34,284,900
Add: In-the-money stock options, service-based RSUs granted, and earned performance-based RSUs granted	<u>171,150</u>	<u>164,116</u>	<u>157,431</u>	<u>187,750</u>	<u>183,790</u>
Denominator for fully diluted book value per share	<u>34,723,554</u>	<u>34,615,973</u>	<u>34,568,281</u>	<u>34,495,322</u>	<u>34,468,690</u>
Basic book value per share	\$ 16.67	\$ 16.29	\$ 14.82	\$ 14.66	\$ 13.62
Increase (decrease) in basic book value per share (\$)	\$ 0.38	\$ 1.47	\$ 0.16	\$ 1.04	\$ (0.56)
Increase (decrease) in basic book value per share (%)	2.3 %	9.9 %	1.1 %	7.6 %	(3.9)%
Fully diluted book value per share	\$ 16.58	\$ 16.21	\$ 14.75	\$ 14.59	\$ 13.55
Increase (decrease) in fully diluted book value per share (\$)	\$ 0.37	\$ 1.46	\$ 0.16	\$ 1.04	\$ (0.55)
Increase (decrease) in fully diluted book value per share (%)	2.3 %	9.9 %	1.1 %	7.7 %	(3.9)%

<sup>(1)</sup> 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, 2023, the aggregate number of unearned restricted shares with performance conditions not included in the "basic" and "fully diluted" denominators was 947,492 (June 30, 2023: 982,645, March 31, 2023: 1,014,317, December 31, 2022: 709,638, September 30, 2022: 732,310).

## *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 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 less net loss and loss adjustment expenses, acquisition costs, underwriting expenses, and deposit interest expense. 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, and Lloyd's interest income and expense; (3) corporate general and administrative expenses; and (4) interest expense. We exclude total investment income or loss, foreign exchange gains or losses, and Lloyd's interest income or expense as we believe these items are influenced by market conditions and other factors unrelated to underwriting decisions. Additionally, 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>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(\$ in thousands)			
Income (loss) before income tax	\$ 13,506	\$ (19,285)	\$ 69,335	\$ (10,231)
Add (subtract):				
Total investment (income) loss	(5,105)	(11,559)	(52,496)	(36,452)
Other non-underwriting (income) expense	1,293	6,784	(13,399)	13,374
Corporate expenses	3,266	4,104	13,820	12,693
Interest expense	1,457	1,091	2,977	3,411
Net underwriting income (loss)	<u>\$ 14,417</u>	<u>\$ (18,865)</u>	<u>\$ 20,237</u>	<u>\$ (17,205)</u>