

Sirius International Group, Ltd.
Consolidated Balance Sheets
As at September 30, 2018 and December 31, 2017

(Expressed in millions of U.S. dollars, except share information)

	September 30, 2018	December 31, 2017
Assets	Unaudited	
Fixed maturity investments, trading at fair value	\$ 1,976.3	\$ 2,176.1
Short-term investments, at fair value	754.4	594.2
Equity securities, trading at fair value	430.3	299.2
Other long-term investments, at fair value	349.0	269.5
Cash	106.5	215.6
Restricted cash	15.0	14.8
Total investments and cash	3,631.5	3,569.4
Accrued investment income	12.1	14.1
Insurance and reinsurance premiums receivable	762.5	543.6
Reinsurance recoverable on unpaid losses	349.0	319.7
Reinsurance recoverable on paid losses	29.8	17.5
Funds held by ceding companies	180.0	153.2
Ceded unearned insurance and reinsurance premiums	191.2	106.6
Deferred acquisition costs	152.8	120.9
Deferred tax asset	196.8	244.1
Accounts receivable on unsettled investment sales	0.1	0.3
Goodwill	400.7	401.0
Intangible assets	207.5	216.3
Other assets	86.0	81.0
Total assets	\$ 6,200.0	\$ 5,787.7
Liabilities		
Loss and loss adjustment expense reserves	\$ 1,891.0	\$ 1,898.5
Unearned insurance and reinsurance premiums	766.9	506.8
Ceded reinsurance payable	239.2	139.1
Funds held under reinsurance treaties	105.4	73.4
Deferred tax liability	256.9	282.2
Debt	697.7	723.2
Accounts payable on unsettled investment purchases	18.1	0.3
Other liabilities	156.8	133.5
Total liabilities	4,132.0	3,757.0
Commitments and Contingencies		
Common shareholder's equity		
Common shares (<i>shares issued and outstanding: 12,000</i>)	0.1	0.1
Additional paid-in surplus	1,419.7	1,409.7
Retained earnings	844.2	760.6
Accumulated other comprehensive (loss)	(197.1)	(139.9)
Total common shareholder's equity	2,066.9	2,030.5
Non-controlling interests	1.1	0.2
Total equity	2,068.0	2,030.7
Total liabilities, mezzanine equity, and equity	\$ 6,200.0	\$ 5,787.7

Sirius International Group, Ltd.
Consolidated Statements of (Loss) Income
For the three and nine months ended September 30, 2018 and 2017
Unaudited

<i>(Expressed in millions of U.S. dollars, except share and per share information)</i>	Three months ended September 30,		Nine months ended September 30,	
	2018	2017	2018	2017
Revenues				
Net earned insurance and reinsurance premiums	\$ 321.1	\$ 282.8	\$ 914.5	\$ 750.6
Net investment income	21.8	12.1	51.6	44.0
Net realized investment gains (losses)	3.9	(24.4)	8.0	(27.0)
Net unrealized investment (losses) gains	(11.6)	(4.7)	29.1	(27.3)
Net foreign exchange (losses) gains	(0.4)	15.7	21.7	17.3
Other revenue	16.8	9.6	55.0	10.9
Total revenues	351.6	291.1	1,079.9	768.5
Expenses				
Loss and loss adjustment expenses	260.4	371.2	552.8	626.6
Insurance and reinsurance acquisition expenses	59.2	49.5	189.0	143.5
Other underwriting expenses	35.7	28.9	117.1	86.8
General and administrative expenses	18.7	24.5	47.0	55.7
Intangible asset amortization expenses	3.9	3.9	11.8	6.3
Interest expense on debt	7.6	5.0	23.1	14.6
Total expenses	385.5	483.0	940.8	933.5
Pre-tax (loss) income	(33.9)	(191.9)	139.1	(165.0)
Income tax (expense) benefit	(2.2)	15.2	(56.2)	10.4
Net (loss) income	(36.1)	(176.7)	82.9	(154.6)
Income attributable to non-controlling interests	(0.3)	0.5	(0.9)	0.9
(Loss) income before dividends on preference shares	(36.4)	(176.2)	82.0	(153.7)
Dividends on SIG preference shares	-	(4.7)	-	(14.1)
Net (loss) income attributable to Sirius Group's common shareholder	\$ (36.4)	\$ (180.9)	\$ 82.0	\$ (167.8)

Sirius International Group, Ltd.
Consolidated Statements of Comprehensive (Loss) Income
For the three and nine months ended September 30, 2018 and 2017
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Three months ended		Nine months ended	
	September 30,		September 30,	
	2018	2017	2018	2017
Comprehensive (loss) income				
Net (loss) income	\$ (36.1)	\$ (176.7)	\$ 82.9	\$ (154.6)
Other comprehensive income (loss), net of tax				
Change in foreign currency translation, net of tax	4.7	26.4	(57.2)	73.5
Total other comprehensive income (loss)	4.7	26.4	(57.2)	73.5
Comprehensive (loss) income	(31.4)	(150.3)	25.7	(81.1)
Income attributable to non-controlling interests	(0.3)	0.5	(0.9)	0.9
Comprehensive (loss) income attributable to Sirius Group's common shareholder	\$ (31.7)	\$ (149.8)	\$ 24.8	\$ (80.2)

Sirius International Group, Ltd.
Consolidated Statements of Shareholder's Equity
For the nine months ended September 30, 2018 and 2017
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Nine months ended September 30,	
	2018	2017
Common shares		
Balance at beginning and end of period	\$ 0.1	\$ 0.1
Additional paid-in surplus		
Balance at beginning of period	1,409.7	1,384.0
Capital contribution	10.0	204.1
Redemption of SIG preference shares	-	(250.0)
Balance at end of period	1,419.7	1,338.1
Retained earnings		
Balance at beginning of period	760.6	1,035.3
Cumulative effect of an accounting change	1.6	-
Balance at beginning of period, as adjusted	762.2	1,035.3
Net (loss) income	82.9	(154.6)
Income attributable to non-controlling interests	(0.9)	0.9
Dividends declared on common shares	-	(110.0)
Dividends to SIG preference shareholders	-	(14.1)
Balance at end of period	844.2	757.5
Accumulated other comprehensive (loss)		
Balance at beginning of period	(139.9)	(211.6)
Accumulated net foreign currency translation (losses)		
Balance at beginning of period	(139.9)	(211.6)
Net change in foreign currency translation	(57.2)	73.5
Balance at the end of period	(197.1)	(138.1)
Balance at the end of period	(197.1)	(138.1)
Total common shareholder's equity	\$ 2,066.9	\$ 1,957.6
Non-controlling interests	1.1	(0.3)
Total equity	\$ 2,068.0	\$ 1,957.3

Sirius International Group, Ltd.
Consolidated Statements of Cash Flows
For the nine months ended September 30, 2018 and 2017
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Nine months ended September 30,	
	2018	2017
Cash flows from operations:		
Net (loss) income	\$ 82.9	\$ (154.6)
Adjustments to reconcile net income to net cash provided from (used for) operations:		
Net realized and unrealized investment (gains) losses	(37.1)	54.2
Amortization of premium on fixed maturity investments	6.0	14.1
Amortization of intangible assets	11.8	6.3
Depreciation and other amortization	7.1	6.4
Other operating items:		
Net change in loss and loss adjustment expense reserves	76.1	203.6
Net change in reinsurance recoverable on paid and unpaid losses	(69.7)	(26.5)
Net change in funds held by ceding companies	(40.9)	(26.3)
Net change in unearned insurance and reinsurance premiums	311.8	144.0
Net change in ceded reinsurance payable	113.0	43.8
Net change in ceded unearned insurance and reinsurance premiums	(106.3)	(5.5)
Net change in insurance and reinsurance premiums receivable	(271.9)	(186.4)
Net change in deferred acquisition costs	(39.2)	(29.2)
Net change in funds held under reinsurance treaties	37.1	0.8
Net change in current and deferred income taxes, net	39.4	(23.1)
Net change in other assets and liabilities, net	4.3	(34.7)
Net cash provided from (used for) operations	124.4	(13.1)
Cash flows from investing activities:		
Net change in short-term investments	(182.8)	(352.7)
Sales of fixed maturities and convertible fixed maturity investments	1,149.5	1,529.9
Maturities, calls, and paydowns of fixed maturity and convertible fixed maturity investments	69.0	228.4
Sales of common equity securities	247.9	30.8
Distributions and redemptions of other long-term investments	62.1	38.4
Sales of consolidated subsidiaries, net of cash sold	-	0.8
Contributions to other long-term investments	(131.3)	(138.3)
Purchases of common equity securities	(392.4)	(143.3)
Purchases of fixed maturities and convertible fixed maturity investments	(1,062.9)	(1,089.9)
Purchases of consolidated subsidiaries, net of cash acquired	(7.9)	(354.5)
Net change in unsettled investment purchases and sales	18.6	(6.6)
Other, net	(3.4)	(4.7)
Net cash (used for) investing activities	(233.6)	(261.7)
Cash flows from financing activities:		
Capital contribution from parent	10.0	61.0
Issuance of debt, net of issuance costs	-	342.5
Repayment of debt	-	(3.8)
Change in collateral held on Interest Rate Cap	-	(0.8)
Dividends to common shareholders	-	(110.0)
Cash dividends paid to non-controlling interests	-	(14.1)
Other, net	-	(0.9)
Net cash provided from financing activities	10.0	273.9
Effect of exchange rate changes on cash	(9.8)	9.2
Net (decrease) in cash during period	(99.2)	(0.9)
Cash and restricted cash balance at beginning of period	230.5	137.1
Cash and restricted cash balance at end of period	\$ 121.5	\$ 145.4