

Sirius International Group, Ltd.
Consolidated Balance Sheets
As at March 31, 2019 and December 31, 2018
Unaudited

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

	March 31, 2019	December 31, 2018
Assets		
Fixed maturity investments, trading at fair value	\$ 1,843.6	\$ 1,946.4
Short-term investments, at fair value	831.0	681.7
Equity securities, trading at fair value	394.4	380.0
Other long-term investments, at fair value	389.7	365.0
Cash	115.9	119.4
Restricted cash	13.0	12.8
Total investments and cash	<u>3,587.6</u>	<u>3,505.3</u>
Accrued investment income	12.6	14.1
Insurance and reinsurance premiums receivable	818.7	630.6
Reinsurance recoverable on unpaid losses	349.3	350.2
Reinsurance recoverable on paid losses	50.5	55.0
Funds held by ceding companies	202.8	186.8
Ceded unearned insurance and reinsurance premiums	200.5	159.8
Deferred acquisition costs	152.6	141.6
Deferred tax asset	170.9	202.5
Accounts receivable on unsettled investment sales	1.7	5.0
Goodwill	400.7	400.6
Intangible assets	191.7	195.6
Other assets	118.7	81.5
Total assets	\$ 6,258.3	\$ 5,928.6
Liabilities		
Loss and loss adjustment expense reserves	\$ 1,976.3	\$ 2,016.7
Unearned insurance and reinsurance premiums	860.5	647.2
Ceded reinsurance payable	231.3	206.9
Funds held under reinsurance treaties	123.4	110.6
Deferred tax liability	230.6	237.4
Debt	686.1	696.8
Accounts payable on unsettled investment purchases	9.9	3.2
Other liabilities	150.9	125.3
Total liabilities	4,269.0	4,044.1
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	1,553.2	1,524.8
Retained earnings	663.4	559.7
Accumulated other comprehensive (loss)	(229.6)	(201.8)
Total common shareholder's equity	1,987.1	1,882.8
Non-controlling interests	2.2	1.7
Total equity	1,989.3	1,884.5
Total liabilities and equity	\$ 6,258.3	\$ 5,928.6

Sirius International Group, Ltd.
Consolidated Statements of Income
For the three months ended March 31, 2019 and 2018
Unaudited

<i>(Expressed in millions of U.S. dollars, except share and per share information)</i>	Three months ended March 31,	
	2019	2018
Revenues		
Net earned insurance and reinsurance premiums	\$ 311.9	\$ 284.5
Net investment income	20.0	14.0
Net realized investment gains (losses)	9.0	(3.7)
Net unrealized investment gains	74.0	16.1
Net foreign exchange gains (losses)	5.1	(3.5)
Other revenue	19.6	9.9
Total revenues	439.6	317.3
Expenses		
Loss and loss adjustment expenses	183.9	141.0
Insurance and reinsurance acquisition expenses	63.3	73.3
Other underwriting expenses	35.3	34.8
General and administrative expenses	18.6	7.9
Intangible asset amortization expenses	3.9	1.4
Interest expense on debt	7.6	7.7
Total expenses	312.6	266.1
Pre-tax (loss) income	127.0	51.2
Income tax (expense)	(17.9)	(10.8)
Net income	109.1	40.4
Less: income attributable to non-controlling interests	(0.4)	(0.2)
Net income attributable to Sirius Group's common shareholder	\$ 108.7	\$ 40.2

Sirius International Group, Ltd.
Consolidated Statements of Comprehensive Income
For the three months ended March 31, 2019 and 2018
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Three months ended March 31,	
	2019	2018
Comprehensive income		
Net income	\$ 109.1	\$ 40.4
Other comprehensive (loss), net of tax		
Change in foreign currency translation, net of tax	(27.8)	(14.0)
Total other comprehensive (loss)	(27.8)	(14.0)
Comprehensive income	81.3	26.4
Income attributable to non-controlling interests	(0.4)	(0.2)
Comprehensive income attributable to Sirius Group	\$ 80.9	\$ 26.2

Sirius International Group, Ltd.
Consolidated Statements of Shareholder's Equity
For the three months ended March 31, 2019 and 2018
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Three months ended March 31,	
	2019	2018
Common shares		
Balance at beginning and end of period	\$ 0.1	\$ 0.1
Additional paid-in surplus		
Balance at beginning of period	1,524.8	1,216.6
Capital contribution	28.4	-
Balance at end of period	1,553.2	1,216.6
Retained earnings		
Balance at beginning of period	559.7	750.8
Net income	109.2	40.4
Income attributable to non-controlling interests	(0.4)	(0.2)
Dividends declared on common shares	(5.0)	-
Other, net	(0.1)	-
Balance at end of period	663.4	791.0
Accumulated other comprehensive (loss)		
Balance at beginning of period	(201.8)	(140.3)
Accumulated net foreign currency translation (losses)		
Balance at beginning of period	(201.8)	(140.3)
Net change in foreign currency translation	(27.8)	(14.0)
Balance at the end of period	(229.6)	(154.3)
Balance at the end of period	(229.6)	(154.3)
Total common shareholder's equity	\$ 1,987.1	\$ 1,853.4
Non-controlling interests	2.2	0.5
Total equity	\$ 1,989.3	\$ 1,853.9

Sirius International Group, Ltd.
Consolidated Statements of Cash Flows
For the three months ended March 31, 2019 and 2018
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Three months ended March 31,	
	2019	2018
Cash flows from operations:		
Net income	\$ 109.1	\$ 40.4
Adjustments to reconcile net income to net cash provided from operations:		
Net realized and unrealized investment (gains)	(83.0)	(12.4)
Amortization of premium on fixed maturity investments	(0.8)	4.5
Amortization of intangible assets	3.9	1.4
Depreciation and other amortization	2.2	2.0
Other operating items:		
Net change in loss and loss adjustment expense reserves	(1.1)	(4.2)
Net change in reinsurance recoverable on paid and unpaid losses	(8.7)	(17.8)
Net change in funds held by ceding companies	(20.1)	(12.2)
Net change in unearned insurance and reinsurance premiums	232.4	271.8
Net change in ceded reinsurance payable	37.7	47.6
Net change in ceded unearned insurance and reinsurance premiums	(47.6)	(71.6)
Net change in insurance and reinsurance premiums receivable	(208.8)	(192.2)
Net change in deferred acquisition costs	(14.2)	(31.8)
Net change in funds held under reinsurance treaties	15.4	10.4
Net change in current and deferred income taxes, net	9.8	1.2
Net change in other assets and liabilities, net	6.1	(4.2)
Net cash provided from operations	32.3	32.9
Cash flows from investing activities:		
Net change in short-term investments	(122.7)	(175.6)
Sales of fixed maturities and convertible fixed maturity investments	135.0	566.1
Maturities, calls, and paydowns of fixed maturity and convertible fixed maturity investments	59.3	24.0
Sales of common equity securities	45.9	111.7
Distributions and redemptions of other long-term investments	15.3	52.8
Contributions to other long-term investments	(25.0)	(64.0)
Purchases of common equity securities	(39.8)	(179.8)
Purchases of fixed maturities and convertible fixed maturity investments	(105.1)	(486.8)
Net change in unsettled investment purchases and sales	10.0	86.7
Other, net	0.2	(1.0)
Net cash (used for) investing activities	(26.9)	(65.9)
Cash flows from financing activities:		
Dividends to common shareholder	(5.0)	-
Change in collateral held on Interest Rate Cap	(0.1)	-
Net cash (used for) financing activities	(5.1)	-
Effect of exchange rate changes on cash	(3.6)	(2.5)
Net (decrease) increase in cash and restricted cash during period	(3.3)	(35.5)
Cash and restricted cash balance at beginning of period	132.2	210.7
Cash and restricted cash balance at end of period	\$ 128.9	\$ 175.2