



**MOUNT LOGAN**  
CAPITAL

**FOR IMMEDIATE RELEASE**

## **Mount Logan Capital Inc. Announces First Quarter 2024 Financial Results**

***Increased Ability's total assets managed by Mount Logan to \$617 million and reinsured an additional \$39 million Multi-Year Guaranteed Annuities during the quarter***

***Generated \$9.5 million of insurance segment Spread Related Earnings ("SRE") for the trailing twelve months ended March 31, 2024, demonstrating the earnings power of the insurance segment***

***Strong quarter for the asset management segment with another quarter of record management fees. Fee Related Earnings ("FRE") for the quarter of \$1.6 million, up 15% as compared to first quarter 2023. FRE increases attributable to growth in Assets Under Management ("AUM") and management fees***

***Declared quarterly distribution of C\$0.02 per common share in the second quarter of 2024, the nineteenth consecutive quarter of a shareholder distribution***

**TORONTO, May 9, 2024** – Mount Logan Capital Inc. (Cboe Canada: MLC) ("Mount Logan" or the "Company") announced today its financial results for the first quarter ended March 31, 2024. All amounts are stated in United States dollars, unless otherwise indicated.

### **First Quarter 2024 Highlights**

- **Total revenue for the asset management segment of the Company** of \$4.0 million, an increase of \$2.1 million, or 109%, as compared to the first quarter of 2023. The increase is primarily due to growth in fees attributable to the inclusion of Ovation management and incentive fees, increase in CLO fees, growth in the Opportunistic Credit Interval Fund, and other sub-advisory activities of Mount Logan. First quarter asset management revenues exclude \$1.4 million of management fees associated with Mount Logan's management of the assets of Ability Insurance Company ("Ability"), a wholly-owned subsidiary of the Company, during the first quarter of 2024, which increased by \$0.6 million, or 74% as compared to first quarter 2023 of \$0.8 million.
- **Total net investment income for the insurance segment** was \$21.8 million for the three months ended March 31, 2024, an increase of \$1.6 million, or 7.8%, as compared to the first quarter of 2023, driven by an increase in total insurance investment assets and improvements in yield across the investment portfolio attributable to deployment of capital in a higher rate environment. Excluding the funds withheld under reinsurance contracts and Modco, Ability's net investment income was \$14.1 million, an increase of \$3.0 million, or 27%, as compared to the first quarter of 2023.

- **7.9%<sup>1</sup> yield on the insurance investment portfolio** as of March 31, 2024 reflective of ongoing portfolio and capital optimization across the insurance solutions portfolio alongside the benefit of higher base rates. Excluding the funds withheld under reinsurance contracts and Modco, the yield was 8.5%.
- **Ability's total assets managed by Mount Logan** increased to \$616.8 million as of March 31, 2024, up \$145.6 million from first quarter 2023 of \$471.2 million. As of March 31, 2024, the insurance segment included \$1.0 billion in total investment assets, up \$138.2 million or 15% from first quarter 2023 investment assets of \$904.8 million.
- **Book value of the insurance segment** as of March 31, 2024 was \$82.6 million, an increase of \$56.0 million as compared to \$26.6 million for first quarter 2023.
- **Published SRE disclosure for the insurance segment**, generating \$9.5 million for the trailing twelve months ended March 31, 2024. SRE is a non-IFRS financial measure used to assess the insurance segment's generation of profits excluding the impact of certain market volatility and other one-time, non-core components of insurance segment income (loss). The Company believes this measure is useful to shareholders as it provides additional insight into the underlying economics of the insurance segment.
- **FRE for the asset management segment** was \$1.6 million for the three months ended March 31, 2024, an increase of \$0.2 million, or 15% compared to the first quarter of March 31, 2023. FRE was \$6.5 million for the twelve months ended March 31, 2024, an increase of \$0.4 million, or 7.1%, compared to the twelve months ended March 31, 2023 of \$6.1 million primarily driven by the previously mentioned revenue improvements.
- **Announced the completion of an \$18.8 million capital raise and opportunistic refinancing, representing an important milestone for the business as it simplifies Mount Logan's capital structure at an attractive fixed-rate over the next 8 years.** \$13.6 million of the net proceeds of the offering were used to repay all existing indebtedness at Lind Bridge L.P., a wholly owned subsidiary of Mount Logan, which had previously been raised to support direct growth investment into Ability. The balance of the proceeds of the offering are being used for general corporate purposes, primarily supporting the Company's working capital position, and paying outstanding transaction fees and expenses.

## Subsequent Events

- **Declared a shareholder distribution in the amount of C\$0.02 per common share** for the quarter ended March 31, 2024, payable on May 31, 2024 to shareholders of record at the close of business on May 22, 2024. This cash dividend marks the nineteenth consecutive quarter of the Company issuing a C\$0.02 distribution to its shareholders. This dividend is designated by the Company as an eligible dividend for the purpose of the *Income Tax Act* (Canada) and any similar provincial or territorial legislation. An enhanced dividend tax credit applies to eligible dividends paid to Canadian residents.

## Management Commentary

- **Ted Goldthorpe, Chief Executive Officer and Chairman of Mount Logan** stated, "We are excited to announce our first quarter 2024 results, which demonstrate the earnings power of both our asset management and insurance segments. Fee Related Earnings, or FRE, of the asset management segment was up significantly year-over-year and highlights the growing profitability of our asset management business. Additionally, today we published a new non-IFRS metric, Spread Related Earnings, or SRE, which highlights the profitability of our insurance segment and provides additional information to enable shareholders to better understand the financial performance of our insurance segment."

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<sup>1</sup>The yield is calculated based on the net investment income excluding reinsured portfolio income less management fees paid to Mount Logan divided by the average of investments in financial assets for the current and prior period, and then is annualized.

## Selected Financial Highlights

- **Total Capital of the Company** was \$147.1 million at March 31, 2024, an increase of \$17.6 million as compared to December 31, 2023. Total capital consists of debt obligations and total shareholders' equity.
- **Consolidated net income(loss) before taxes** was \$13.1 million for the three months ended March 31, 2024, an increase of \$42.3 million from \$(29.2 million) for the first quarter 2023. The increase is due to increases in risk-adjusted market interest rates, which resulted in lower net insurance finance expense.
- **Basic Earnings per share ("EPS")** was \$0.51 for the three months ended March 31, 2024, an increase of \$1.84 from \$(1.33) for the first quarter 2023. The increase in EPS resulted primarily from an increase in the net insurance finance income in the first quarter 2024 compared to the first quarter 2023. The increase in net insurance finance income in the first quarter 2024 was attributable to changes in risk-adjusted market interest rates.
- **Adjusted basic EPS** was \$0.54 for the first quarter 2024, an increase of \$1.84 from \$(1.30) for the first quarter 2023.

## Results of Operations by Segment

(\$ in Thousands)

	Three Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
<b>Reported Results <sup>(1)</sup></b>			
<b>Asset management</b>			
Revenue	\$ 4,030	\$ 3,723	\$ 1,926
Expenses	7,315	7,839	5,840
Net income (loss) - asset management	(3,285)	(4,116)	(3,914)
<b>Insurance</b>			
Revenue <sup>(2)</sup>	17,555	30,847	10,186
Expenses	822	28,677	35,459
Net income (loss) - insurance	16,733	2,170	(25,273)
Income before income taxes	13,148	(1,946)	(29,187)
Provision for income taxes	(56)	(315)	(265)
<b>Net income (loss)</b>	<b>\$ 13,092</b>	<b>\$ (2,261)</b>	<b>\$ (29,452)</b>
Basic EPS	\$ 0.51	\$ (0.09)	\$ (1.33)
Diluted EPS	\$ 0.50	\$ (0.09)	\$ (1.33)
<b>Adjusting Items</b>			
<b>Asset management</b>			
Transaction costs <sup>(3)</sup>	(251)	(1,413)	(158)
Acquisition integration costs <sup>(4)</sup>	(250)	—	(375)
Non-cash items <sup>(5)</sup>	(346)	(553)	(140)
Impact of adjusting items on expenses	(847)	(1,966)	(673)
<b>Adjusted Results</b>			
<b>Asset management</b>			
Revenue	\$ 4,030	\$ 3,723	\$ 1,926
Expenses	6,768	5,873	5,167
Net income (loss) - asset management	(2,738)	(2,150)	(3,241)
Income before income taxes	13,995	20	(28,514)
Provision for income taxes	(56)	(315)	(265)
<b>Net income (loss)</b>	<b>\$ 13,939</b>	<b>\$ (295)</b>	<b>\$ (28,779)</b>
Basic EPS	\$ 0.54	\$ (0.01)	\$ (1.30)
Diluted EPS	\$ 0.54	\$ (0.01)	\$ (1.30)

(1) Certain comparative figures have been reclassified to conform with the current year's presentation, including the reclassification of "Net realized and unrealized gain (loss)" to "Revenue"

(2) Insurance Revenue line item is presented net of insurance service expenses and net expenses from reinsurance contracts held.

(3) Transaction costs are related to business acquisitions and strategic initiatives transacted by the Company.

(4) Acquisition integration costs are consulting and administration services fees related to integrating a business into the Company. Acquisition integration costs are recorded in general, administrative and other expenses.

(5) Non-cash items include amortization of acquisition-related intangible assets and impairment of goodwill, if any.

## Asset Management

### Total Revenue – Asset Management

(\$ in Thousands)

	Three Months Ended	
	March 31, 2024	March 31, 2023
Management fee	\$ 3,494	\$ 1,237
Equity investment earning	224	468
Interest income	271	268
Dividend income	112	56
Net gains (losses) from investment activities	(71)	(103)
<b>Total revenue — asset management</b>	<b>\$ 4,030</b>	<b>\$ 1,926</b>

### Quarter Ended Fee Related Earnings (“FRE”)

Fee Related Earnings (“FRE”) is a non-IFRS financial measure used to assess the asset management segment’s generation of profits from revenues that are measured and received on a recurring basis and are not dependent on future realization events. The Company calculates FRE, and reconciles FRE to net income from its asset management activities, as follows:

(\$ in Thousands)

	Three Months Ended	
	March 31, 2024	March 31, 2023
<b>Net income (loss) and comprehensive income (loss)</b>	13,092	(29,452)
<b>Adjustment to net income (loss) and comprehensive income (loss):</b>		
Total revenue - insurance <sup>(1)</sup>	(17,555)	(10,186)
Total expenses - insurance	822	35,459
Net income - asset management <sup>(2)</sup>	(3,641)	(4,179)
<i>Adjustments to non-fee generating asset management business and other recurring revenue stream:</i>		
Management fee from Ability	1,429	823
Interest income	—	—
Dividend income	(112)	(56)
Net gains (losses) from investment activities	71	103
Administration and servicing fees	366	174
Transaction costs	251	158
Amortization of intangible assets	346	140
Interest and other credit facility expenses	1,702	1,254
General, administrative and other	1,233	3,013
<b>Fee Related Earnings</b>	<b>\$ 1,645</b>	<b>\$ 1,430</b>

(1) Includes add-back of management fees paid to ML Management (as defined below).

(2) Represents net income for asset management, as presented in the Interim Consolidated Statement of Comprehensive Income (Loss).

The following table presents FRE, the performance measure of our Asset segment for the trailing twelve month period ended March 31, 2024 and March 31, 2023 respectively:

### Trailing Twelve Month FRE

(\$ in Thousands)

	Trailing Twelve Months Ended	
	March 31, 2024	March 31, 2023
<b>Net income (loss) and comprehensive income (loss)</b>	26,088	(4,056)
<b>Adjustment to net income (loss) and comprehensive income (loss):</b>		
Total revenue - insurance <sup>(1)</sup>	(76,512)	2,831
Total expenses - insurance	35,450	(6,798)
Net income - asset management <sup>(2)</sup>	(14,974)	(8,023)
<i>Adjustments to non-fee generating asset management business and other recurring revenue stream:</i>		
Management fee from Ability	4,853	2,170
Interest income	—	(95)
Dividend income	(640)	(211)
Net gains (losses) from investment activities	157	687
Administration and servicing fees	1,228	748
Transaction costs	3,814	343
Amortization of intangible assets	1,178	500
Interest and other credit facility expenses	6,425	4,057
General, administrative and other	4,481	5,912
<b>Fee Related Earnings</b>	<b>\$ 6,522</b>	<b>\$ 6,088</b>

(1) Includes add-back of management fees paid to ML Management.

(2) Represents net income for asset management, as presented in the Interim Consolidated Statement of Comprehensive Income (Loss).

### Insurance

IFRS 17 Insurance Contracts (“IFRS 17”) is effective for years beginning as of January 1, 2023, and has been applied retrospectively with a transition date of January 1, 2022. IFRS 17 does not impact the underlying economics of the business, nor does it impact the Company’s business strategies.

### Total Revenue – Insurance

(\$ in Thousands)

	Three Months Ended	
	March 31, 2024	March 31, 2023
Insurance service result	\$ (3,092)	\$ (4,961)
Net investment income	21,804	20,222
Net gains (losses) from investment activities	2,666	2,609
Realized and unrealized gains (losses) on embedded derivative — funds withheld	(3,829)	(7,684)
Other income	6	-
<b>Total revenue — net of insurance services expenses and net expenses from reinsurance</b>	<b>\$ 17,555</b>	<b>\$ 10,186</b>

### Spread Related Earnings (“SRE”)

Effective March 31, 2024, the Company has introduced a new non-IFRS measure, Spread Related Earnings (“SRE”). The Company uses SRE to assess the performance of the insurance segment, excluding the impact of certain market volatility and other one-time, non-core components of insurance segment income (loss). Excluded items under SRE are investment gains (losses), effects of discount rates and other financial variables on the value of insurance obligations (which is a component of “net insurance finance income/(expense)”), other income and certain general, administrative

& other expenses. The Company believes this measure is useful to shareholders as it provides additional insight into the underlying economics of the insurance segment, as further discussed below.

For the insurance segment, SRE equals the sum of (i) the net investment income on the insurance segment's net invested assets (excluding investment income earned on funds held under reinsurance contracts) less (ii) cost of funds (as described below) and (iii) certain operating expenses.

Cost of funds includes the impact of interest accretion on insurance and investment contract liabilities and amortization of losses recognized for new insurance contracts that are deemed onerous at initial recognition. It also includes experience adjustments which represents the difference between actual and expected cashflows and includes the impact of certain changes to non-financial assumptions.

The Company reconciles SRE to net income (loss) before tax from its insurance segment activities, as follows:

(\$ in Thousands)	Three Months Ended							
	Q1-2024	Q4-2023	Q3-2023	Q2-2023	Q1-2023	Q4-2022	Q3-2022	Q2-2022
<b>Net income (loss) and comprehensive income (loss) before tax</b>	\$ 13,148	\$ (1,946)	\$ 16,243	\$ (903)	\$ (29,187)	\$ 4,901	\$ 14,490	\$ 6,351
<b>Adjustment to net income (loss) and comprehensive income (loss):</b>								
Total revenue - asset management <sup>(1)</sup>	(4,030)	(3,723)	(3,186)	(2,996)	(1,926)	(2,651)	(2,139)	(2,022)
Total expenses - asset management	7,615	7,839	6,868	6,133	5,840	4,132	3,401	2,778
Net income - insurance <sup>(2)</sup>	16,733	2,170	19,925	2,234	(25,273)	6,382	15,752	7,107
<i>Adjustments to Insurance segment business:</i>								
Management fees to ML Management	(1,429)	(1,345)	(1,110)	(969)	(823)	(740)	(607)	(527)
Net (gains) losses from investment activities <sup>(3)</sup>	(2,995)	(10,116)	(2,113)	(1,454)	1,493	(3,418)	12,439	22,450
Other Income <sup>(4)</sup>	—	(7,353)	—	—	—	—	—	—
Net insurance finance (income)/expense <sup>(5)</sup>	(11,769)	14,399	(17,684)	(5,275)	20,650	(924)	(31,286)	(35,028)
Loss on onerous contracts <sup>(6)</sup>	6,884	286	2,451	4,214	490	—	—	—
General, administrative and other <sup>(7)</sup>	447	502	1,289	1,546	144	—	—	—
<b>Spread Related Earnings</b>	<b>\$ 7,871</b>	<b>\$ (1,457)</b>	<b>\$ 2,758</b>	<b>\$ 296</b>	<b>\$ (3,319)</b>	<b>\$ 1,300</b>	<b>\$ (3,702)</b>	<b>\$ (5,998)</b>

(1) Includes add-back of management fees paid by Ability to ML Management.

(2) Represents net income for insurance segment, as presented in the Interim Consolidated Statement of Comprehensive Income (Loss).

(3) Excludes net (gains) losses from investment activities on assets retained by the Company under funds withheld arrangement with Front Street Re and Vista.

(4) Represents non-operating income.

(5) Includes the impact of changes in interest rates and other financials assumptions and excludes interest accretion on insurance contract liabilities and reinsurance contract assets.

(6) Represents the unamortized portion of future interest accretion and ceded commissions paid at the time of issue of new MYGA insurance contracts. Future interest accretion and ceded commissions are amortized over the average duration of MYGA contracts reinsured which aligns with the recognition of insurance service revenue. Loss on onerous contracts are part of Insurance service expense.

(7) Represents certain costs incurred by the insurance segment for purposes of IFRS reporting but not the day to day operations of the insurance company.

The following table presents SRE, the performance measure of the insurance segment:

(\$ in Thousands)	Trailing Twelve Months Ended	
	March 31, 2024	March 31, 2023
Fixed Income and other investment income, net <sup>(1)</sup>	\$ 50,502	\$ 29,773
Cost of funds	(32,318)	(27,358)
<b>Net Investment spread</b>	18,184	2,415
Other operating expenses	(8,716)	(14,134)
<b>Spread Related Earnings</b>	<b>9,468</b>	<b>(11,719)</b>
<b>SRE % of Average Net Investments</b>	<b>1.7%</b>	<b>(2.7%)</b>

(1) Excludes net investment income from investment activities on assets retained by the Company under funds withheld arrangement with Front Street Re and Vista Life and Casualty Reinsurance Company ("Vista").

Spread related earnings ("SRE") was \$9.5 million for the trailing twelve months ended March 31, 2024 compared with (\$11.8) million for the trailing twelve months ended March 31, 2023, an increase of \$21.2 million. SRE increased year over year due to increased investment income, lower cost of funds and other operating expenses. Investment income increased primarily due to an increase in total insurance investment assets and improvements in yield across the investment portfolio attributable to deployment of capital in a higher rate environment. Cost of funds decreased primarily because of one-time benefit of \$4.8 million in first quarter of 2024 as a result of an in-force update to Long Term Care business.

SRE as a percentage of average net invested assets was 1.7% for the trailing twelve months ended March 31, 2024 compared with (2.7)% for the trailing twelve months ended March 31, 2023.

## Liquidity and Capital Resources

As of March 31, 2024, the asset management segment had \$65.5 million (par value) of borrowings outstanding, of which \$33.8 million had a fixed rate and \$38 million had a floating rate. As of March 31, 2024, the insurance segment had \$14.3 million (par value) of borrowings outstanding. Liquid assets, including high-quality assets that are marketable, can be pledged as security for borrowings, and can be converted to cash in a time frame that meets liquidity and funding requirements. As of March 31, 2024 and December 31, 2023, the total liquid assets of the Company were as follows:

(\$ in Thousands)

As at	March 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 67,850	\$ 90,220
Restricted cash posted as collateral	12,253	—
Investments	627,216	643,578
Management fee receivable	2,819	2,599
Receivable for investments sold	51	6,511
Accrued interest and dividend receivable	20,229	19,340
<b>Total liquid assets</b>	<b>\$ 730,418</b>	<b>\$ 762,248</b>

The Company defines working capital as the sum of cash, restricted cash, investments that mature within one year of the reporting date, management fees receivable, receivables for investments sold, accrued interest and dividend receivables, and premium receivables, less the sum of debt obligations, payables for investments purchased, amounts due to affiliates, reinsurance liabilities, and other liabilities that are payable within one year of the reporting date.

As at March 31, 2024, the Company had working capital of \$203.0 million, reflecting current assets of \$212.1 million, offset by current liabilities of \$9.1 million, as compared with working capital of \$183.4 million as at December 31, 2023, reflecting current assets of \$230.8 million, offset by current liabilities of \$47.4 million. The increase in working capital is primarily driven by increased cash in the Insurance segment due to premium growth through the reinsurance of MYGA. The cash reported and generated through insurance activities in the Insurance segment cannot be used at the Issuer level for working capital purposes without insurance regulatory approvals.

## Interest Rate Risk

The Company has obligations to policyholders and other debt obligations that expose it to interest rate risk. The Company also owns debt assets and interest rate swaps that are exposed to interest rate risk. The fair value of these obligations and assets may change if base rate changes in interest rates occur.

The following table summarizes the potential impact on net assets of hypothetical base rate changes in interest rates assuming a parallel shift in the yield curve, with all other variables remaining constant.

As at	March 31, 2024	December 31, 2023
50 basis point increase <sup>(1)</sup>	\$ 13,923	\$ 20,186
50 basis point decrease <sup>(1)</sup>	(16,913)	(21,860)

(1) Losses are presented in brackets and gains are presented as positive numbers.

Actual results may differ significantly from this sensitivity analysis. As such, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined above.

## Conference Call

The Company will hold a conference call on Friday, May 10, 2024 at 11:00 a.m. Eastern Time to discuss the first quarter 2024 financial results. Shareholders, prospective shareholders, and analysts are welcome to listen to the call. To join the call, please use the dial-in information below. A recording of the conference call will be available on our Company's website [www.mountlogancapital.ca](http://www.mountlogancapital.ca) in the 'Investor Relations' section under "Events".

Canada Dial-in Toll Free: 1-833-950-0062

US Dial-in Toll Free: 1-833-470-1428

International Dial-in: 1-929-526-1599

Access Code: 989330

## About Mount Logan Capital Inc.

Mount Logan Capital Inc. is an alternative asset management and insurance solutions company that is focused on public and private debt securities in the North American market and the reinsurance of annuity products, primarily through its wholly-owned subsidiaries Mount Logan Management LLC ("ML Management") and Ability Insurance Company ("Ability"), respectively. The Company also actively sources, evaluates, underwrites, manages, monitors and primarily invests in loans, debt securities, and other credit-oriented instruments that present attractive risk-adjusted returns and present low risk of principal impairment through the credit cycle.

Ability is a Nebraska domiciled insurer and reinsurer of long-term care policies acquired by Mount Logan in the fourth quarter of fiscal year 2021. Ability is unique in the insurance industry in that its long-term care portfolio's morbidity risk has been largely re-insured to third parties, and Ability is no longer insuring or re-insuring new long-term care risk.

## Non-IFRS Financial Measures



This press release makes reference to certain non-IFRS financial measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS financial measures by providing further understanding of the Company's results of operations from management's perspective. The Company's definitions of non-IFRS measures used in this press release may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period.

### **Cautionary Statement Regarding Forward-Looking Statements**

This press release contains forward-looking statements and information within the meaning of applicable securities legislation. Forward-looking statements can be identified by the expressions "seeks", "expects", "believes", "estimates", "will", "target" and similar expressions. The forward-looking statements are not historical facts but reflect the current expectations of the Company regarding future results or events and are based on information currently available to it. Certain material factors and assumptions were applied in providing these forward-looking statements. The forward-looking statements discussed in this release include, but are not limited to, statements relating to the Company's continued transition to an asset management and insurance platform business and the entering into of further strategic transactions to diversify the Company's business and further grow recurring management fee and other income and increasing Ability's assets; the Company's plans to focus Ability's business on the reinsurance of annuity products; the potential benefits of combining Mount Logan's and Ovation's platform including an increase in fee-related earnings as a result of the acquisition; the decrease in expenses in the asset management segment; the historical growth in the asset management segment and insurance segment being an indicator for future growth; the growth and scalability of the Company's business the Company's business strategy, model, approach and future activities; portfolio composition and size, asset management activities and related income, capital raising activities, future credit opportunities of the Company, portfolio realizations, the protection of stakeholder value; the expansion of the Company's loan portfolio; the risk that changes to IFRS, including the adoption of IFRS 17, could have a material impact on the Company's financial results and access to capital; and the expansion of Mount Logan's capabilities. All forward-looking statements in this press release are qualified by these cautionary statements. The Company believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, the Company can give no assurance that the actual results or developments will be realized by certain specified dates or at all. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including that the Company has a limited operating history with respect to an asset management oriented business model; Ability may not generate recurring asset management fees, increase its assets or strategically benefit the Company as expected; the expected synergies by combining the business of Mount Logan with the business of Ability may not be realized as expected; the risk that Ability may require a significant investment of capital and other resources in order to expand and grow the business; the Company does not have a record of operating an insurance solutions business and is subject to all the risks and uncertainties associated with a broadening of the Company's business; the risk that the expected synergies of the acquisition of Ovation may not be realized as expected and the matters discussed under "Risks Factors" in the most recently filed annual information form and management discussion and analysis for the Company. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking

statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by securities laws. These forward-looking statements are made as of the date of this press release.

This press release is not, and under no circumstances is it to be construed as, a prospectus or an advertisement and the communication of this release is not, and under no circumstances is it to be construed as, an offer to sell or an offer to purchase any securities in the Company or in any fund or other investment vehicle. This press release is not intended for U.S. persons. The Company's shares are not and will not be registered under the U.S. Securities Act of 1933, as amended, and the Company is not and will not be registered under the U.S. Investment Company Act of 1940 (the "1940 Act"). U.S. persons are not permitted to purchase the Company's shares absent an applicable exemption from registration under each of these Acts. In addition, the number of investors in the United States, or which are U.S. persons or purchasing for the account or benefit of U.S. persons, will be limited to such number as is required to comply with an available exemption from the registration requirements of the 1940 Act.

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**MOUNT LOGAN CAPITAL INC.**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
(in thousands of United States dollars, except share and per share amounts)

As at	Notes	March 31, 2024	December 31, 2023
<b>ASSETS</b>			
<b>Asset Management:</b>			
Cash		\$ 2,602	\$ 990
Investments	6	26,245	26,709
Intangible assets	9	28,433	28,779
Other assets		6,769	6,593
<b>Total assets — asset management</b>		<b>64,049</b>	<b>63,071</b>
<b>Insurance:</b>			
Cash and cash equivalents		65,248	89,230
Restricted cash posted as collateral	18	12,253	-
Investments	6	1,043,028	1,008,637
Reinsurance contract assets	13	425,930	442,673
Intangible assets	9	2,444	2,444
Goodwill	9	55,015	55,015
Other assets		22,087	27,508
<b>Total assets — insurance</b>		<b>1,626,005</b>	<b>1,625,507</b>
<b>Total assets</b>		<b>\$ 1,690,054</b>	<b>\$ 1,688,578</b>
<b>LIABILITIES</b>			
<b>Asset Management</b>			
Due to affiliates	10	\$ 10,728	\$ 12,113
Debt obligations	12	66,721	62,030
Derivatives - debt warrants		296	-
Accrued expenses and other liabilities		3,990	3,494
<b>Total liabilities — asset management</b>		<b>81,735</b>	<b>77,637</b>
<b>Insurance</b>			
Debt obligations	12	14,250	14,250
Insurance contract liabilities	13	1,086,172	1,107,056
Investment contract liabilities	14	203,592	169,314
Derivatives	18	672	-
Funds held under reinsurance contracts		235,273	238,253
Accrued expenses and other liabilities		3,409	30,116
<b>Total liabilities — insurance</b>		<b>1,543,368</b>	<b>1,558,989</b>
<b>Total liabilities</b>		<b>1,624,103</b>	<b>1,636,626</b>
<b>EQUITY</b>			
Common shares	11	115,897	115,607
Warrants	11	1,129	1,129
Contributed surplus		7,240	7,240
Surplus (Deficit)		(37,457)	(50,166)
Cumulative translation adjustment		(21,858)	(21,858)
<b>Total equity</b>		<b>64,951</b>	<b>51,952</b>
<b>Total liabilities and equity</b>		<b>\$ 1,690,054</b>	<b>\$ 1,688,578</b>

**MOUNT LOGAN CAPITAL INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(in thousands of United States dollars, except share and per share amounts)

	Notes	Three months ended	
		March 31, 2024	March 31, 2023
<b>REVENUE</b>			
<i>Asset management</i>			
Management fee	7	\$ 3,494	\$ 1,237
Equity investment earning		224	468
Interest income		271	268
Dividend income		112	56
Net gains (losses) from investment activities	4	(71)	(103)
<b>Total revenue — asset management</b>		<b>4,030</b>	<b>1,926</b>
<i>Insurance</i>			
Insurance revenue	8	22,741	21,805
Insurance service expenses	8	(25,184)	(21,686)
Net expenses from reinsurance contracts held	8	(649)	(5,080)
Insurance service result		(3,092)	(4,961)
Net investment income	5	21,804	20,222
Net gains (losses) from investment activities	4	2,666	2,609
Realized and unrealized gains (losses) on embedded derivative — funds withheld		(3,829)	(7,684)
Other income		6	—
<b>Total revenue, net of insurance service expenses and net expenses from reinsurance contracts held — insurance</b>		<b>17,555</b>	<b>10,186</b>
<b>Total revenue</b>		<b>21,585</b>	<b>12,112</b>
<b>EXPENSES</b>			
<i>Asset management</i>			
Administration and servicing fees	10	1,423	491
Transaction costs		251	158
Amortization of intangible assets	9	346	140
Interest and other credit facility expenses	12	1,702	1,254
General, administrative and other		3,893	3,797
<b>Total expenses — asset management</b>		<b>7,615</b>	<b>5,840</b>
<i>Insurance</i>			
Net insurance finance (income) expenses	5	(7,252)	24,484
Increase (decrease) in investment contract liabilities	14	2,279	1,412
(Increase) decrease in reinsurance contract assets		3,556	5,525
General, administrative and other		2,239	4,038
<b>Total expenses — insurance</b>		<b>822</b>	<b>35,459</b>
<b>Total expenses</b>		<b>8,437</b>	<b>41,299</b>
<b>Income (loss) before taxes</b>		<b>13,148</b>	<b>(29,187)</b>
Income tax (expense) benefit — asset management	15	(56)	(265)
Income tax (expense) benefit — insurance			
<b>Net income (loss) and comprehensive income (loss)</b>		<b>\$ 13,092</b>	<b>\$ (29,452)</b>
<b>Earnings per share</b>			
Basic		\$ 0.51	\$ (1.33)
Diluted		\$ 0.50	\$ (1.33)
<b>Dividends per common share — USD</b>		<b>\$ 0.02</b>	<b>\$ 0.02</b>
<b>Dividends per common share — CAD</b>		<b>\$ 0.02</b>	<b>\$ 0.02</b>