

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

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

	March 31, 2018	December 31, 2017
Assets	Unaudited	
Fixed maturity investments, at fair value	\$ 2,055.4	\$ 2,176.1
Short-term investments, at fair value	765.8	594.2
Common equity securities, at fair value	369.7	299.2
Other long-term investments, at fair value	468.7	452.1
Total investments	3,659.6	3,521.6
Cash	163.5	199.3
Restricted cash	11.8	11.4
Reinsurance recoverable on unpaid losses	327.8	319.7
Reinsurance recoverable on paid losses	21.2	17.5
Insurance and reinsurance premiums receivable	721.8	541.6
Funds held by ceding companies	162.3	153.2
Deferred acquisition costs	151.0	120.9
Deferred tax asset	248.9	277.3
Ceded unearned insurance and reinsurance premiums	173.0	106.6
Accrued investment income	13.4	13.6
Goodwill	122.7	122.7
Intangible assets	81.1	82.4
Accounts receivable on unsettled investment sales	0.2	0.3
Other assets	68.7	68.9
Total assets	\$ 5,927.0	\$ 5,557.0
Liabilities		
Loss and loss adjustment expense reserves	\$ 1,875.9	\$ 1,898.5
Unearned insurance and reinsurance premiums	765.9	506.8
Debt	717.6	723.2
Deferred tax liability	251.8	280.5
Funds held under reinsurance treaties	82.5	73.4
Ceded reinsurance payable	182.8	139.1
Accounts payable on unsettled investment purchases	86.8	0.3
Other liabilities	109.8	107.8
Total liabilities	4,073.1	3,729.6
Common shareholder's equity		
Common shares at \$1.00 par value per share - authorized 12,000; issued and outstanding, 12,000	0.1	0.1
Additional paid-in surplus	1,216.6	1,216.6
Retained earnings	791.0	750.8
Accumulated other comprehensive (loss), after-tax:		
Net unrealized foreign currency translation (losses)	(154.3)	(140.3)
Total common shareholder's equity	1,853.4	1,827.2
Non-controlling interests	0.5	0.2
Total equity	1,853.9	1,827.4
Total liabilities and equity	\$ 5,927.0	\$ 5,557.0

Sirius International Group, Ltd.
Consolidated Statements of Operations and Comprehensive Income
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Three months ended March 31,	
	2018	2017
Revenues		
Gross written insurance and reinsurance premiums	\$ 615.2	\$ 506.3
Net written insurance and reinsurance premiums	\$ 469.4	\$ 355.7
Net earned insurance and reinsurance premiums	\$ 284.5	\$ 223.9
Net investment income	14.0	15.4
Net realized investment (losses) gains	(3.7)	(4.8)
Net unrealized investment (losses) gains	16.1	(6.4)
Net foreign exchange gains (losses)	(3.5)	(1.9)
Other revenue	9.9	(0.4)
Total revenues	317.3	225.8
Expenses		
Loss and loss adjustment expenses	141.0	122.3
Insurance and reinsurance acquisition expenses	73.3	49.5
Other underwriting expenses	34.8	27.1
General and administrative expenses	7.9	10.1
Intangible asset amortization expenses	1.4	-
Interest expense on debt	7.7	4.8
Total expenses	266.1	213.8
Pre-tax income	51.2	12.0
Income tax (expense) benefit	(10.8)	0.3
Income before income attributable to non-controlling interests	40.4	12.3
Income attributable to non-controlling interests	(0.2)	0.6
Net income attributable to Sirius Group's common shareholder	40.2	12.9
Other comprehensive (loss) income, net of tax		
Change in foreign currency translation, net of tax	(14.0)	13.7
Comprehensive income attributable to Sirius Group's common shareholder	\$ 26.2	\$ 26.6

Sirius International Group, Ltd.
Consolidated Statements of Shareholder's Equity
Unaudited

(Expressed in millions of U.S. dollars)

	Common shares and Additional paid-in surplus – Common shares	Preference shares and Additional paid-in surplus – Preference shares	Retained earnings	Accumulated Other Comprehensive Income (Loss), after tax	Total common shareholder's equity	Non- controlling interests	Total equity
Balances at January 1, 2018	\$ 1,216.7	\$ -	\$ 750.8	\$ (140.3)	\$ 1,827.2	\$ 0.2	\$ 1,827.4
Net income	-	-	40.2	-	40.2	0.2	40.4
Net change in foreign currency translation	-	-	-	(14.0)	(14.0)	-	(14.0)
Comprehensive income (loss)	-	-	40.2	(14.0)	26.2	0.2	26.4
Other, net	-	-	-	-	-	0.1	0.1
Balances at March 31, 2018	\$ 1,216.7	\$ -	\$ 791.0	\$(154.3)	\$ 1,853.4	\$ 0.5	\$ 1,853.9

(Expressed in millions of U.S. dollars)

	Common shares and Additional paid-in surplus – Common shares	Additional paid-in surplus	Retained earnings	Accumulated Other Comprehensive Income (Loss), after tax	Total common shareholder's equity	Non- controlling interests	Total equity
Balances at January 1, 2017	\$ 1,134.1	\$ 250.0	\$ 1,035.3	\$ (211.6)	\$ 2,207.8	\$ 1.3	\$ 2,209.1
Net income	-	-	12.9	-	12.9	(0.6)	12.3
Net change in foreign currency translation	-	-	-	13.7	13.7	-	13.7
Comprehensive income (loss)	-	-	12.9	13.7	26.6	(0.6)	26.0
Balances at March 31, 2017	\$ 1,134.1	\$ 250.0	\$ 1,048.2	\$ (197.9)	\$ 2,234.4	\$ 0.7	\$ 2,335.1

Sirius International Group, Ltd.
Consolidated Statements of Cash Flows
Unaudited

<i>(Expressed in millions of U.S. dollars)</i>	Three months ended March 31,	
	2018	2017
Cash flows from operations:		
Net income attributable to common shareholder	\$ 40.2	\$ 12.9
Adjustments to reconcile net income to net cash provided from (used for) operations:		
Net realized and unrealized investment gains	(12.4)	11.2
Amortization of premium on fixed maturity investments	4.5	5.7
Amortization of intangible assets	1.4	-
Depreciation and other amortization	2.0	2.5
Other operating items:		
Net change in loss and loss adjustment expense reserves	(4.2)	7.9
Net change in reinsurance recoverable on paid and unpaid losses	(17.8)	3.6
Net change in funds held by ceding companies	(12.2)	(26.2)
Net change in unearned insurance and reinsurance premiums	271.8	187.7
Net change in ceded reinsurance payable	47.6	36.3
Net change in ceded unearned insurance and reinsurance premiums	(71.6)	(54.9)
Net change in insurance and reinsurance premiums receivable	(192.2)	(161.8)
Net change in deferred acquisition costs	(31.8)	(17.4)
Net change in funds held under reinsurance treaties	10.4	9.9
Net change in current and deferred income taxes, net	1.2	(4.6)
Net change in other assets and liabilities, net	(4.0)	0.6
Net cash (used for) provided from operations	32.9	13.4
Cash flows from investing activities:		
Net change in short-term investments	(175.6)	(130.7)
Sales of fixed maturities and convertible fixed maturity investments	566.1	528.1
Maturities, calls, and paydowns of fixed maturity and convertible fixed maturity investments	24.0	17.2
Sales of common equity securities	111.7	15.0
Distributions and redemptions of other long-term investments	52.8	10.4
Contributions to other long-term investments	(64.0)	(28.8)
Purchases of common equity securities	(179.8)	(1.9)
Purchases of fixed maturities and convertible fixed maturity investments	(486.8)	(337.7)
Net change in unsettled investment purchases and sales	86.7	7.3
Net change in restricted cash	(0.4)	-
Other, net	(0.9)	(2.0)
Net cash provided from investing activities	(66.2)	76.9
Cash flows from financing activities:		
Other, net	-	(0.1)
Net cash provided from (used for) financing activities	-	(0.1)
Effect of exchange rate changes on cash	(2.5)	1.1
Net (decrease) increase in cash during year	(35.8)	91.3
Cash balance at beginning of year	199.3	137.1
Cash balance at end of year	\$ 163.5	\$ 228.4