



OIL INSURANCE LIMITED
Leaders in Global Energy Insurance



THE ROAD AHEAD.

Making the
journey together.

1st Quarter Report 2022

OIL INSURANCE LIMITED
1st QUARTER REPORT 2022
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(\$'000)	31-Mar-22	31-Dec-21
Assets		
Cash and cash equivalents	666,204	435,829
Investments in marketable securities and derivatives	4,752,056	4,946,736
Other investments	778,910	775,491
Investment sales pending settlement	32,039	156,413
Accrued investment income	16,409	14,424
Amounts due from affiliates	7,494	6,553
Retrospective premiums receivable	113,649	120,732
Accounts receivable	305,386	2
Other assets	3,093	2,644
Total assets	6,675,240	6,458,824
Liabilities		
Reserve for unearned premiums	392,236	-
Outstanding losses and loss expenses	1,818,064	1,843,509
Securities sold short	198,209	213,132
Investment purchases pending settlement	61,182	132,305
Amounts due to affiliates	-	21
Premiums received in advance	549	732
Accounts payable	377,613	26,714
Total liabilities	2,847,853	2,216,413
Shareholders' equity		
Common shares	650	640
Retained earnings	3,826,737	4,241,771
Total shareholders' equity	3,827,387	4,242,411
Total liabilities and shareholders' equity	6,675,240	6,458,824

OIL INSURANCE LIMITED
1st QUARTER REPORT 2022
CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(000's)	THREE MONTHS ENDED	
	31-Mar-22	31-Mar-21
Premiums written	519,906	522,870
Change in unearned premiums written	(392,236)	(392,322)
Net premiums earned	127,670	130,548
Discount on retrospective premiums receivable	219	22
Losses and loss expenses incurred	25,172	(33,899)
Acquisition costs	(733)	(135)
Net underwriting income	152,328	96,536
Interest income	14,658	16,292
Net (losses) gains on investments	(220,494)	89,510
Dividend income	6,586	6,583
Investment advisory and custodian fees	(13,535)	(6,036)
Net investment (loss) income	(212,785)	106,349
General and administrative expenses	(4,577)	(4,470)
Net (loss) income	(65,034)	198,415

OIL INSURANCE LIMITED

1st QUARTER REPORT 2022

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY (UNAUDITED)

(\$'000)	31-Mar-22
Capital	
Common shares at beginning of period	640
Common shares issued in period	10
Common shares redeemed in period	-
Common shares at end of period	<u>650</u>
Retained earnings	
Retained earnings at beginning of period	4,241,771
Net loss for the period	(65,034)
Common share dividend	(350,000)
Retained earnings at end of period	<u>3,826,737</u>
Total shareholders' equity	<u>3,827,387</u>

SHAREHOLDERS' EQUITY:

During the three months ended March 31, 2022, shareholders' equity decreased by \$415.1 million to \$3,827.4 million. Net underwriting income of \$152.3 million was offset by net investment losses of \$212.8 million, general and administrative expenses of \$4.6 million, and common share dividends of \$350.0 million.

INSURANCE OPERATIONS:

During the three months ended March 31, 2022, gross premiums written totaled \$519.9 million, a \$3.0 million decrease from the three months ended March 31, 2021. Net premiums earned decreased from \$130.5 million for the three months ended March 31, 2021 to \$127.7 million for the three months ended March 31, 2022. The decrease in premiums written and premiums earned in the three month period ended March 31, 2022, is primarily due to a decrease in retrospective premiums in the period.

Losses and loss expenses incurred totaled \$(25.2) million for the three month period ended March 31, 2022. The loss and loss expenses incurred are due to a decrease of \$26.2 million in prior years' claims offset by net loss expenses incurred of \$1.0 million over the three month period.

INVESTMENTS:

During the three month period ended March 31, 2022, the Company's bond and global equity portfolios generated negative returns of 3.8% and 4.6%, respectively, while the fund of hedge funds portfolio posted favorable returns of 0.4%. Including cash, the Company's total invested assets generated a negative return of 3.4% over the three month period.

COMMON SHARE DIVIDENDS:

During March 2022, the Company declared a dividend in an aggregate amount of \$350.0 million to all common shareholders on record as of March 22, 2022, payable on or before June 30, 2022.