UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2024

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission File No. 001-34042

MAIDEN HOLDINGS, LTD.

(Exact name of registrant as specified in its charter)

Bermuda	98-0570192
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
94 Pitts Bay Road Pembroke Bermuda	HM08
(Address of principal executive offices)	(Zip Code)

(441) 298-4900
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading symbol(s)	Name of Each Exchange on Which Registered
Common Shares, par value $0.01 per share	MHLD	NASDAQ Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act).

Yes ☐ No ☒

As of November 7, 2024, 99,320,805 common shares were outstanding. 143,789,931 common shares, par value $0.01 per share, were outstanding when the ownership by our affiliate Maiden Reinsurance Ltd. of 44,469,126 common shares were included. These affiliated shares are treated as treasury shares and are not included in the computation of consolidated book value and earnings per common share.

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands of U.S. dollars, except share and per share data)

	September 30, 2024	December 31, 2023
ASSETS	**(Unaudited)**	**(Audited)**
Investments:		
Fixed maturities, available-for-sale, at fair value *(Amortized cost: 2024 - $229,759; 2023 - $258,536)*	$ 225,756	$ 250,601
Equity securities, at fair value *(Cost: 2024 - $16,987; 2023 - $43,439)*	19,311	45,299
Equity method investments	86,236	80,929
Other investments *(Allowance for expected credit losses: 2024 - $1,023; 2023 - $1,023)*	147,823	182,811
Total investments	479,126	559,640
Cash and cash equivalents	109,965	35,412
Restricted cash and cash equivalents	17,823	7,266
Accrued investment income	3,724	4,532
Reinsurance balances receivable, net (includes $6,300 and $9,201 from related parties in 2024 and 2023, respectively. *Allowance for expected credit losses: 2024 - $211; 2023 - $187)*	9,875	12,450
Reinsurance recoverable on unpaid losses *(Allowance for expected credit losses: 2024 - $2,331; 2023 - $3,240)*	574,358	564,331
Loan to related party	167,975	167,975
Deferred commission and other acquisition expenses (includes $8,449 and $16,605 from related parties in 2024 and 2023, respectively)	9,226	17,566
Funds withheld receivable (includes $0 and $128,451 from related parties in 2024 and 2023, respectively. *Allowance for expected credit losses: 2024 - $19; 2023 - $19)*	14,815	143,985
Other assets	6,624	5,777
Total assets	$ 1,393,511	$ 1,518,934
LIABILITIES		
Reserve for loss and loss adjustment expenses (includes $613,425 and $752,991 from related parties in 2024 and 2023, respectively)	$ 721,436	$ 867,433
Unearned premiums (includes $32,744 and $44,577 from related parties in 2024 and 2023, respectively)	33,883	46,260
Deferred gain on retroactive reinsurance	90,321	73,240
Liability for securities purchased	10,980	—
Accrued expenses and other liabilities (includes $53,712 and $10,781 from related parties in 2024 and 2023, respectively)	73,994	28,244
Senior notes - principal amount	262,361	262,361
Less: unamortized debt issuance costs	7,646	7,764
Senior notes, net	254,715	254,597
Total liabilities	1,185,329	1,269,774
Commitments and Contingencies		
EQUITY		
Common shares ($0.01 par value; 2024: 150,298,798 and 2023: 149,732,355 shares issued; 2024: 99,422,608 and 2023: 100,472,120 shares outstanding)	1,503	1,497
Additional paid-in capital	887,520	886,072
Accumulated other comprehensive loss	(27,788)	(31,469)
Accumulated deficit	(529,925)	(486,945)
Treasury shares, at cost (2024: 50,876,190 shares and 2023: 49,260,235 shares)	(123,128)	(119,995)
Total shareholders' equity	208,182	249,160
Total liabilities and equity	$ 1,393,511	$ 1,518,934

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(in thousands of U.S. dollars, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenues				
Gross premiums written	$ 8,861	$ 8,660	$ 25,633	$ 16,371
Net premiums written	$ 8,843	$ 8,625	$ 25,496	$ 16,260
Change in unearned premiums	4,560	3,854	12,392	16,260
Net premiums earned	13,403	12,479	37,888	32,520
Other insurance (expense) revenue , net	—	(16)	46	3
Net investment income	4,878	9,048	19,531	29,111
Net realized and unrealized investment (losses) gains	(3,804)	244	6,403	2,394
Total revenues	14,477	21,755	63,868	64,028
Expenses				
Net loss and loss adjustment expenses	19,857	15,156	45,453	36,503
Commission and other acquisition expenses	9,068	5,340	19,474	14,520
General and administrative expenses	10,014	6,787	25,953	23,734
Interest and amortization expenses	4,817	4,814	14,448	13,411
Foreign exchange and other losses (gains)	5,915	(4,594)	3,862	843
Total expenses	49,671	27,503	109,190	89,011
Loss before income taxes and interest in income of equity method investments	(35,194)	(5,748)	(45,322)	(24,983)
Less: income tax expense (benefit)	25	(31)	478	(253)
Interest in income of equity method investments	751	2,190	2,820	6,942
Net loss	$ (34,468)	$ (3,527)	$ (42,980)	$ (17,788)
Basic and diluted loss per share attributable to common shareholders	$ (0.35)	$ (0.03)	$ (0.43)	$ (0.18)
Weighted average number of common shares - basic and diluted	99,724,474	101,454,767	100,112,436	101,586,759

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(in thousands of U.S. dollars)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Net loss	$ (34,468)	$ (3,527)	$ (42,980)	$ (17,788)
Other comprehensive income (loss)				
Net unrealized holdings gains on AFS securities	2,427	338	3,932	3,121
Adjustment for reclassification of net realized gains recognized in net loss	—	(3)	—	(3)
Foreign currency translation adjustment	2,304	(2,075)	(207)	(741)
Other comprehensive income (loss), before tax	4,731	(1,740)	3,725	2,377
Income tax expense related to components of other comprehensive income (loss)	(34)	(17)	(44)	(36)
Other comprehensive income (loss), after tax	4,697	(1,757)	3,681	2,341
Comprehensive loss	$ (29,771)	$ (5,284)	$ (39,299)	$ (15,447)

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)
(in thousands of U.S. dollars)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Common shares				
Beginning balance	$ 1,503	$ 1,497	$ 1,497	$ 1,492
Issuance of common shares from vesting of stock based compensation	—	—	6	5
Ending balance	1,503	1,497	1,503	1,497
Additional paid-in capital				
Beginning balance	886,972	885,462	886,072	884,259
Issuance of common shares from vesting of stock based compensation	—	—	(6)	(5)
Share-based compensation expense	548	286	1,454	1,401
Repurchase of preference shares	—	—	—	93
Ending balance	887,520	885,748	887,520	885,748
Accumulated other comprehensive loss				
Beginning balance	(32,485)	(37,136)	(31,469)	(41,234)
Change in net unrealized investment gains	2,393	318	3,888	3,082
Foreign currency translation adjustment	2,304	(2,075)	(207)	(741)
Ending balance	(27,788)	(38,893)	(27,788)	(38,893)
Accumulated deficit				
Beginning balance	(495,457)	(462,637)	(486,945)	(442,863)
Opening allowance for expected credit losses	—	—	—	(5,513)
Net loss	(34,468)	(3,527)	(42,980)	(17,788)
Ending balance	(529,925)	(466,164)	(529,925)	(466,164)
Treasury shares				
Beginning balance	(122,487)	(117,896)	(119,995)	(117,075)
Shares repurchased	(641)	(1,055)	(3,133)	(1,876)
Ending balance	(123,128)	(118,951)	(123,128)	(118,951)
Total shareholders' equity	$ 208,182	$ 263,237	$ 208,182	$ 263,237

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

MAIDEN HOLDINGS, LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(in thousands of U.S. dollars)

For the Nine Months Ended September 30,	2024	2023
Cash flows from operating activities		
Net loss	$ (42,980)	$ (17,788)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Other non-cash expenses including depreciation, amortization and share-based compensation	(590)	(890)
Interest in income of equity method investments	(2,820)	(6,942)
Net realized and unrealized investment gains	(6,403)	(2,394)
Change in allowance for expected credit losses	(890)	(23)
Foreign exchange and other losses	3,862	843
Changes in assets – (increase) decrease:		
Reinsurance balances receivable, net	2,516	177
Reinsurance recoverable on unpaid losses	8,005	4,060
Accrued investment income	822	(1,391)
Deferred commission and other acquisition expenses	8,342	5,797
Funds withheld receivable	14,726	1,683
Other assets	905	411
Changes in liabilities – increase (decrease):		
Reserve for loss and loss adjustment expenses	(35,627)	(9,086)
Unearned premiums	(12,372)	(16,264)
Accrued expenses and other liabilities	43,348	(24,190)
Net cash used in operating activities	(19,156)	(65,997)
Cash flows from investing activities:		
Purchases of fixed maturities	(329,717)	(47,373)
Purchases of other investments	(23,488)	(33,287)
Purchases of equity method investments	(7,693)	(10,288)
Purchases of equity securities	—	(1,448)
Proceeds from sales of fixed maturities	50,299	64,126
Proceeds from maturities, paydowns and calls of fixed maturities	321,791	43,903
Proceeds from sale and redemption of other investments	68,199	17,229
Proceeds from sale and redemption of equity method investments	4,658	17,843
Proceeds from sale and redemption of equity securities	23,392	469
Others, net	(367)	(37)
Net cash provided by investing activities	107,074	51,137
Cash flows from financing activities:		
Repurchase of common shares	(3,133)	(1,876)
Repurchase of senior notes	—	(95)
Net cash used in financing activities	(3,133)	(1,971)
Effect of exchange rate changes on foreign currency cash, restricted cash and equivalents	325	(263)
Net increase (decrease) in cash, restricted cash and cash equivalents	85,110	(17,094)
Cash, restricted cash and cash equivalents, beginning of period	42,678	46,624
Cash, restricted cash and cash equivalents, end of period	$ 127,788	$ 29,530
Reconciliation of cash and restricted cash reported within Condensed Consolidated Balance Sheets:		
Cash and cash equivalents, end of period	$ 109,965	$ 17,930
Restricted cash and cash equivalents, end of period	17,823	11,600
Total cash, restricted cash and cash equivalents, end of period	$ 127,788	$ 29,530

See accompanying notes to the unaudited Condensed Consolidated Financial Statements.

1. Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of Maiden Holdings, Ltd. ("Parent Company" or "Maiden Holdings") and its subsidiaries (the "Company" or "Maiden"). They have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X as promulgated by the U.S. Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. All significant intercompany transactions and accounts have been eliminated.

These interim unaudited Condensed Consolidated Financial Statements reflect all adjustments that are, in the opinion of management, necessary for a fair presentation of the results for the interim period and all such adjustments are of a normal recurring nature. The results of operations for the interim period are not necessarily indicative, if annualized, of those to be expected for the full year. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

These unaudited Condensed Consolidated Financial Statements, including these notes, should be read in conjunction with the Company's audited Consolidated Financial Statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Certain prior year comparatives have been reclassified to conform to the current period presentation. The effect of these reclassifications had no impact on previously reported shareholders' equity or net income.

Maiden creates shareholder value by actively managing and allocating our assets and capital, including through ownership and management of businesses and assets primarily in the insurance and related financial services industries where we can leverage our deep knowledge of those markets.

In November 2020, the Company formed our indirect wholly owned subsidiary Genesis Legacy Solutions ("GLS") which specialized in providing a full range of legacy services to small insurance entities, particularly those in run-off or with blocks of reserves that are no longer core to those companies' operations, working with clients to develop and implement finality solutions including acquiring entire companies. The Company believed the formation of GLS was highly complementary to its overall longer-term strategy. However, a combination of factors, including market conditions in the sector GLS focuses on, resulted in an inability for GLS to gain sufficient scale to achieve its objectives or earn a profit, and GLS results did not reach the objectives the Company expected it to over time. Having completed the capital commitment made to GLS in 2020, the Company has determined to not commit any additional capital to new opportunities and to run-off the existing accounts underwritten by GLS. The Company does not presently underwrite prospective reinsurance risks.

Short-term income protection business is written on a primary basis by our wholly owned subsidiaries Maiden Life Försäkrings AB ("Maiden LF") and Maiden General Försäkrings AB ("Maiden GF") in the Scandinavian and Northern European markets. Our wholly owned subsidiary, Maiden Global Holdings Ltd. (“Maiden Global”) is a licensed intermediary in the United Kingdom. Maiden Global had previously operated internationally by providing branded auto and credit life insurance products through insurer partners, particularly those in Europe and other global markets ("IIS business"). These products also produced reinsurance programs which were underwritten by our wholly owned subsidiary Maiden Reinsurance Ltd. (“Maiden Reinsurance”). Since 2023, the Company has been evaluating the strategic value of Maiden LF and Maiden GF in relation to their ongoing growth and profitability prospects, regulatory capital requirements and ability to create shareholder value in excess of our target return on capital levels. On May 3, 2024, Maiden LF and Maiden GF entered into a Renewal Rights and Asset Purchase Agreement with AmTrust Nordic AB, a Swedish unit of AmTrust Financial Services, Inc. ("AmTrust") which is expected to cover certain programs of Maiden LF and Maiden GF's primary business written in Sweden, Norway and other Nordic countries. On June 20, 2024, Maiden LF and Maiden GF entered into a Renewal Rights and Asset Purchase Agreement with AmTrust Europe Limited ("AEL") and AmTrust International Underwriters DAC ("AIU DAC"), both wholly owned subsidiaries of AmTrust, which is expected to cover certain programs of Maiden LF and Maiden GF's primary business written in the United Kingdom and Ireland. These agreements are collectively referred to as the "AmTrust Renewal Rights Agreements". Under these agreements, those AmTrust subsidiaries in collaboration with existing Maiden LF and Maiden GF distribution partners, will offer renewals to select policyholders in exchange for a fee at standard market terms for business successfully renewed. All programs written by Maiden LF and GF, including those covered by the AmTrust Renewal Rights Agreements, are in the process of being cancelled in accordance with the requirements of the AmTrust Renewal Rights Agreements, or their contractual terms.

These transactions are part of the Company's broader plan to divest its IIS businesses as a result of its recently concluded strategic review of the IIS business platform. The purpose of that review was to evaluate the strategic value of Maiden LF and Maiden GF in relation to their ongoing growth and profitability prospects, regulatory capital requirements and ability to create shareholder value in excess of the Company's target return on capital levels. As part of these conclusions, the Company expects to enter into additional transactions to either sell or wind-up Maiden GF and Maiden LF and is actively evaluating potential transactions. Please see *"Note 10. Related Party Transactions"* for details regarding the Renewal Rights Agreement.

The Company also has various historic reinsurance programs underwritten by Maiden Reinsurance which are in run-off, including the liabilities associated with AmTrust reinsurance agreements which were terminated in 2019 as discussed in *"Note 10. Related Party Transactions"*. In addition, the Company has a retroactive reinsurance agreement and a commutation agreement that further reduces its exposure and limits the potential volatility related to AmTrust liabilities, which are discussed in "*Note 8. Reinsurance*". Please also see the Company's audited Consolidated Financial Statements, and related notes thereto, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 for further details.

2. Significant Accounting Policies

There have been no material changes to the significant accounting policies as described in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, except for the following:

Recently Adopted Accounting Standards

Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions

In June 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-03 "*Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions"* an amendment of Fair Value Measurement (Topic 820). The amendments in this ASU require the Company to provide disclosures for equity securities subject to contractual sale restrictions under 820-10-50-6B including the fair value of equity securities subject to contractual sale restrictions reflected in the balance sheet; the nature and remaining duration of the restrictions; and any circumstances that could cause a lapse in the restrictions. The amendments in this Update are effective for fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. The Company adopted this Update on January 1, 2024.

Certain of the Company's equity securities are subject to restrictions on redemptions and sales that are determined by the governing documents, which could limit our ability to liquidate those investments. These restrictions may include lock-ups, redemption gates, restricted share classes, restrictions on the frequency of redemption and notice periods as described in "*Note 4. (b) Investments"*. The Company has assessed the required disclosures for equity securities that may be subject to contractual sales restrictions. These amendments have expanded the disclosures made in *"Note 4. Investments"* however the adoption of this standard did not impact the Company’s condensed consolidated balance sheets, results of operations or statement of cash flows.

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information

The Company currently has two reportable segments: Diversified Reinsurance and AmTrust Reinsurance. Our Diversified Reinsurance segment consists of a portfolio of predominantly property and casualty reinsurance business focusing on regional and specialty property and casualty insurance companies located primarily in Europe. This segment also includes transactions entered into by GLS as described in "*Note 1. Basis of Presentation"*. Our AmTrust Reinsurance segment includes all business ceded to Maiden Reinsurance by AmTrust, primarily the quota share reinsurance agreement ("AmTrust Quota Share") between Maiden Reinsurance and AmTrust's wholly owned subsidiary, AmTrust International Insurance, Ltd. ("AII") and the European hospital liability quota share reinsurance contract ("European Hospital Liability Quota Share") with AmTrust's wholly owned subsidiaries, AEL and AIU DAC, which are both in run-off effective January 1, 2019. Please refer to *"Note 10. Related Party Transactions"* for additional information regarding the AmTrust Reinsurance segment.

The Company evaluates segment performance based on segment profit separately from the results of our investment portfolio. General and administrative expenses are allocated to the segments on an actual basis except salaries and benefits where management's judgment is applied; however, general corporate expenses are not allocated to the segments. In determining total assets by reportable segment, the Company identifies those assets that are attributable to a particular segment such as reinsurance balances receivable, reinsurance recoverable on unpaid losses, deferred commission and other acquisition expenses, funds withheld receivable, loan to related party and restricted cash and investments. All remaining assets are allocated to Corporate.

The following tables summarize the underwriting results of our reportable segments and the reconciliation of our reportable segments' underwriting results to consolidated net loss for the three months ended September 30, 2024 and 2023, respectively:

For the Three Months Ended September 30, 2024	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 9,053	$ (192)	$ 8,861
Net premiums written	$ 9,035	$ (192)	$ 8,843
Net premiums earned	$ 9,576	$ 3,827	$ 13,403
Net loss and LAE	(4,036)	(15,821)	(19,857)
Commission and other acquisition expenses	(3,975)	(5,093)	(9,068)
General and administrative expenses	(2,512)	(717)	(3,229)
Underwriting loss	$ (947)	$ (17,804)	(18,751)
Reconciliation to net loss			
Net investment income and net realized and unrealized investment losses			1,074
Interest and amortization expenses			(4,817)
Foreign exchange and other losses, net			(5,915)
Other general and administrative expenses			(6,785)
Income tax expense			(25)
Interest in income of equity method investments			751
Net loss			$ (34,468)

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information (continued)

For the Three Months Ended September 30, 2023	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 6,762	$ 1,898	$ 8,660
Net premiums written	$ 6,727	$ 1,898	$ 8,625
Net premiums earned	$ 7,207	$ 5,272	$ 12,479
Other insurance expense	(16)	—	(16)
Net loss and LAE	(4,142)	(11,014)	(15,156)
Commission and other acquisition expenses	(3,374)	(1,966)	(5,340)
General and administrative expenses	(2,216)	(661)	(2,877)
Underwriting loss	$ (2,541)	$ (8,369)	(10,910)
Reconciliation to net loss			
Net investment income and net realized and unrealized investment gains			9,292
Interest and amortization expenses			(4,814)
Foreign exchange and other gains, net			4,594
Other general and administrative expenses			(3,910)
Income tax benefit			31
Interest in income from equity method investments			2,190
Net loss			$ (3,527)

The following tables summarize the underwriting results of our reportable segments and the reconciliation of our reportable segments' underwriting results to consolidated net loss for the nine months ended September 30, 2024 and 2023, respectively:

For the Nine Months Ended September 30, 2024	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 26,374	$ (741)	$ 25,633
Net premiums written	$ 26,237	$ (741)	$ 25,496
Net premiums earned	$ 26,796	$ 11,092	$ 37,888
Other insurance revenue	46	—	46
Net loss and LAE	(12,314)	(33,139)	(45,453)
Commission and other acquisition expenses	(11,564)	(7,910)	(19,474)
General and administrative expenses	(6,960)	(2,087)	(9,047)
Underwriting loss	$ (3,996)	$ (32,044)	(36,040)
Reconciliation to net loss			
Net investment income and net realized and unrealized investment gains			25,934
Interest and amortization expenses			(14,448)
Foreign exchange and other losses, net			(3,862)
Other general and administrative expenses			(16,906)
Income tax expense			(478)
Interest in income from equity method investments			2,820
Net loss			$ (42,980)

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information (continued)

For the Nine Months Ended September 30, 2023	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 20,263	$ (3,892)	$ 16,371
Net premiums written	$ 20,152	$ (3,892)	$ 16,260
Net premiums earned	$ 21,882	$ 10,638	$ 32,520
Other insurance revenue	3	—	3
Net loss and LAE	(11,126)	(25,377)	(36,503)
Commission and other acquisition expenses	(10,544)	(3,976)	(14,520)
General and administrative expenses	(7,863)	(2,062)	(9,925)
Underwriting loss	$ (7,648)	$ (20,777)	(28,425)
Reconciliation to net loss			
Net investment income and net realized and unrealized investment gains			31,505
Interest and amortization expenses			(13,411)
Foreign exchange and other losses, net			(843)
Other general and administrative expenses			(13,809)
Income tax benefit			253
Interest in income from equity method investments			6,942
Net loss			$ (17,788)

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information (continued)

The following tables summarize the financial position of the Company's reportable segments including a reconciliation to the Company's consolidated total assets at September 30, 2024 and December 31, 2023:

September 30, 2024	Diversified Reinsurance	AmTrust Reinsurance	Total
Reinsurance balances receivable, net	$ 3,533	$ 6,300	$ 9,833
Reinsurance recoverable on unpaid losses	4,647	532,874	537,521
Deferred commission and other acquisition expenses	777	8,449	9,226
Loan to related party	—	167,975	167,975
Restricted cash and cash equivalents and investments	65,946	147,715	213,661
Funds withheld receivable	14,815	—	14,815
Other assets	646	—	646
Total assets - reportable segments	90,364	863,313	953,677
Corporate assets	—	—	439,834
Total Assets	$ 90,364	$ 863,313	$ 1,393,511

December 31, 2023	Diversified Reinsurance	AmTrust Reinsurance	Total
Reinsurance balances receivable, net	$ 3,108	$ 9,201	$ 12,309
Reinsurance recoverable on unpaid losses	5,692	515,463	521,155
Deferred commission and other acquisition expenses	961	16,605	17,566
Loan to related party	—	167,975	167,975
Restricted cash and cash equivalents and investments	67,211	152,663	219,874
Funds withheld receivable	15,534	128,451	143,985
Other assets	685	—	685
Total assets - reportable segments	93,191	990,358	1,083,549
Corporate assets	—	—	435,385
Total Assets	$ 93,191	$ 990,358	$ 1,518,934

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information (continued)

The following tables set forth financial information relating to net premiums written by major line of business and reportable segment for the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30,	2024	2023
Net premiums written	**Total**	**Total**
Diversified Reinsurance		
International	$ 9,035	$ 6,727
Total Diversified Reinsurance	9,035	6,727
AmTrust Reinsurance		
Small Commercial Business	(73)	(160)
Specialty Program	14	—
Specialty Risk and Extended Warranty	(133)	2,058
Total AmTrust Reinsurance	(192)	1,898
Total Net Premiums Written	$ 8,843	$ 8,625

For the Nine Months Ended September 30,	2024	2023
Net premiums written	**Total**	**Total**
Diversified Reinsurance		
International	$ 26,237	$ 20,152
Total Diversified Reinsurance	26,237	20,152
AmTrust Reinsurance		
Small Commercial Business	(620)	(318)
Specialty Program	(31)	157
Specialty Risk and Extended Warranty	(90)	(3,731)
Total AmTrust Reinsurance	(741)	(3,892)
Total Net Premiums Written	$ 25,496	$ 16,260

(in thousands of U.S. dollars, except share and per share data)

3. Segment Information (continued)

The following tables set forth financial information for net premiums earned by major line of business and reportable segment for the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30,	2024	2023
Net premiums earned	**Total**	**Total**
Diversified Reinsurance		
International	$ 9,576	$ 7,207
Total Diversified Reinsurance	9,576	7,207
AmTrust Reinsurance		
Small Commercial Business	(73)	(160)
Specialty Program	14	—
Specialty Risk and Extended Warranty	3,886	5,432
Total AmTrust Reinsurance	3,827	5,272
Total Net Premiums Earned	$ 13,403	$ 12,479

For the Nine Months Ended September 30,	2024	2023
Net premiums earned	**Total**	**Total**
Diversified Reinsurance		
International	$ 26,796	$ 21,882
Total Diversified Reinsurance	26,796	21,882
AmTrust Reinsurance		
Small Commercial Business	(620)	(318)
Specialty Program	(31)	157
Specialty Risk and Extended Warranty	11,743	10,799
Total AmTrust Reinsurance	11,092	10,638
Total Net Premiums Earned	$ 37,888	$ 32,520

(in thousands of U.S. dollars, except share and per share data)

4. Investments

The Company holds: (i) available-for-sale ("AFS") portfolios of fixed maturity and equity securities, carried at fair value; (ii) other investments, of which certain investments are carried at fair value and investments in direct lending entities are carried at cost less impairment; (iii) equity method investments; and (iv) funds held - directly managed.

a) Fixed Maturities

The amortized cost, gross unrealized gains and losses, and fair value of fixed maturities at September 30, 2024 and December 31, 2023 are as follows:

September 30, 2024	Original or amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. treasury bonds	$ 48,676	$ 17	$ —	$ 48,693
U.S. agency bonds – mortgage-backed	27,493	—	(2,535)	24,958
Non-U.S. government bonds	48,997	37	(292)	48,742
Collateralized loan obligations	65,973	4	(140)	65,837
Corporate bonds	38,620	—	(1,094)	37,526
Total fixed maturity investments	$ 229,759	$ 58	$ (4,061)	$ 225,756

December 31, 2023	Original or amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. treasury bonds	$ 55,046	$ 8	$ (2)	$ 55,052
U.S. agency bonds – mortgage-backed	29,918	—	(3,267)	26,651
Non-U.S. government bonds	21,219	—	(468)	20,751
Collateralized loan obligations	80,591	—	(1,788)	78,803
Corporate bonds	71,762	—	(2,418)	69,344
Total fixed maturity investments	$ 258,536	$ 8	$ (7,943)	$ 250,601

The Company separately presents the accrued interest receivable balance on its AFS fixed maturity investments on the Condensed Consolidated Balance Sheets under accrued investment income. The amount of accrued interest receivable on AFS securities was $1,645 at September 30, 2024 (December 31, 2023: $1,418). The Company has elected the practical expedient to exclude accrued interest from both the fair value and the amortized cost basis of the AFS fixed maturity securities for the purposes of identifying and measuring any impairments under the allowance for expected credit losses standard adopted on January 1, 2023. Write-offs of accrued interest receivable balances are recognized in net investment gains and losses in the period in which they are deemed uncollectible. There was no write-off recognized on the accrued interest receivable during the nine months ended September 30, 2024 and 2023.

The contractual maturities of our fixed maturities are shown below. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

September 30, 2024	Amortized cost	Fair value
Due in one year or less	$ 112,360	$ 112,257
Due after one year through five years	23,374	22,234
Due after five years through ten years	559	470
	136,293	134,961
U.S. agency bonds – mortgage-backed	27,493	24,958
Collateralized loan obligations	65,973	65,837
Total fixed maturity investments	$ 229,759	$ 225,756

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

The following tables summarize fixed maturities in an unrealized loss position and the aggregate fair value and gross unrealized loss by length of time the security has continuously been in an unrealized loss position:

	Less than 12 Months		12 Months or More		Total	
September 30, 2024	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
U.S. treasury bonds	$ —	$ —	$ 520	$ —	$ 520	$ —
U.S. agency bonds – mortgage-backed	—	—	24,958	(2,535)	24,958	(2,535)
Non-U.S. government bonds	20,746	(10)	3,033	(282)	23,779	(292)
Collateralized loan obligations	—	—	61,490	(140)	61,490	(140)
Corporate bonds	—	—	37,526	(1,094)	37,526	(1,094)
Total temporarily impaired fixed maturities	$ 20,746	$ (10)	$ 127,527	$ (4,051)	$ 148,273	$ (4,061)

At September 30, 2024, there were 46 securities in an unrealized loss position with a fair value of $148,273 and unrealized losses of $4,061. Of these securities in an unrealized loss position, there were 44 securities in our portfolio that have been in an unrealized loss position for twelve months or greater with a fair value of $127,527 and unrealized losses of $4,051.

	Less than 12 Months		12 Months or More		Total	
December 31, 2023	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**	**Fair value**	**Unrealized losses**
U.S. treasury bonds	$ 518	$ (2)	$ —	$ —	$ 518	$ (2)
U.S. agency bonds – mortgage-backed	—	—	26,651	(3,267)	26,651	(3,267)
Non-U.S. government bonds	8,217	(1)	10,343	(467)	18,560	(468)
Collateralized loan obligations	—	—	78,803	(1,788)	78,803	(1,788)
Corporate bonds	—	—	69,344	(2,418)	69,344	(2,418)
Total temporarily impaired fixed maturities	$ 8,735	$ (3)	$ 185,141	$ (7,940)	$ 193,876	$ (7,943)

At December 31, 2023, there were 59 securities in an unrealized loss position with a fair value of $193,876 and unrealized losses of $7,943. Of these securities in an unrealized loss position, there were 56 securities in our portfolio that have been in an unrealized loss position for twelve months or greater with a fair value of $185,141 and unrealized losses of $7,940.

Allowance for Expected Credit Losses & Non-Credit Related Impairment Costs

The Company evaluates AFS securities for impairment when fair value is below amortized cost on a quarterly basis. If the Company intends to sell or will be required to sell the security before its anticipated recovery, the full amount of the impairment loss is charged to net income (loss) and included in net investment gains (losses). If the Company does not intend to sell or will not be required to sell the security before its anticipated recovery, an allowance for expected credit losses is established and the portion of the loss relating to credit factors is recorded in net income (loss). The non-credit impairment amount of the loss (which could be related to interest rates and/or market conditions) is recognized in other comprehensive income.

To estimate the allowance for expected credit losses for most of the AFS securities, the Company analyzes projected cash flows which are primarily driven by assumptions regarding loss severity, probability of default and projected recovery rates. The Company's determination of default and loss severity rates are based on credit rating, credit analysis and macroeconomic forecasts. Unrealized losses on securities issued or backed, either explicitly or implicitly by the U.S. government are not analyzed for credit losses. The Company has concluded that any possibility of a credit loss on these securities is highly unlikely due to the explicit U.S. government guarantee related to certain securities (e.g., Government National Mortgage Association issuances) and the implicit guarantee related to other securities that has been validated by past actions (e.g., U.S. government bailout of Federal National Mortgage Association and Federal Home Loan Mortgage Corporation during the 2008 credit crisis). Although these securities are not analyzed for credit losses, they are evaluated for impairment based on the Company's intention to sell and likely requirement to sell.

Based on the Company's analysis at September 30, 2024 and 2023, respectively, the unrealized losses on the Company’s AFS fixed maturity securities were due to non-credit factors and were expected to be recovered as the related securities approach maturity. At September 30, 2024, the Company did not intend to sell the securities in an unrealized loss position and it is not more likely than not that the Company will be required to sell these securities before the anticipated recovery of their amortized costs. Therefore, there was no allowance recorded for expected credit losses on AFS securities for the three and nine months ended September 30, 2024 and 2023.

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

The following tables summarize the credit ratings of our fixed maturities as at September 30, 2024 and December 31, 2023:

September 30, 2024	Amortized cost	Fair value	% of Total fair value
U.S. treasury bonds	$ 48,676	$ 48,693	21.5 %
U.S. agency bonds – mortgage-backed	27,493	24,958	11.1 %
AAA	76,613	76,474	33.9 %
AA+, AA, AA-	39,956	39,678	17.6 %
A+, A, A-	18,387	17,610	7.8 %
BBB+, BBB, BBB-	18,634	18,343	8.1 %
Total fixed maturities [1]	$ 229,759	$ 225,756	100.0 %

December 31, 2023	Amortized cost	Fair value	% of Total fair value
U.S. treasury bonds	$ 55,046	$ 55,052	22.0 %
U.S. agency bonds – mortgage-backed	29,918	26,651	10.6 %
AAA	84,455	82,703	33.0 %
AA+, AA, AA-	18,952	18,372	7.3 %
A+, A, A-	33,060	31,810	12.7 %
BBB+, BBB, BBB-	31,585	30,631	12.2 %
BB+ or lower	5,520	5,382	2.2 %
Total fixed maturities[1]	$ 258,536	$ 250,601	100.0 %

(1) Ratings above are based on Standard & Poor’s ("S&P"), or equivalent, ratings.

b) Other Investments, Equity Securities and Equity Method Investments

Certain of the Company's other investments and equity method investments are subject to restrictions on redemptions and sales that are determined by the governing documents, which could limit our ability to liquidate those investments. These restrictions may include lock-ups, redemption gates, restricted share classes, restrictions on the frequency of redemption and notice periods. A gate is the ability to deny or delay a redemption request. Certain other investments and equity method investments may not have any restrictions governing their sale, but there is no active market and no guarantee that we will be able to execute a sale in a timely manner. In addition, even if certain other investments and equity method investments are not eligible for redemption or sales are restricted, the Company may still receive income distributions from those investments.

Other investments

The table shows the composition of the Company's other investments as of September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023	
	Carrying value	% of Total	Carrying value	% of Total
Private equity funds	$ 24,750	16.7 %	$ 47,383	25.9 %
Private credit investments	1,954	1.3 %	27,806	15.2 %
Privately held equity investments	40,151	27.2 %	38,617	21.1 %
Total other investments at fair value	66,855	45.2 %	113,806	62.2 %
Investments in direct lending entities (at cost)	80,968	54.8 %	69,005	37.8 %
Total other investments	$ 147,823	100.0 %	$ 182,811	100.0 %

The Company's collateralized investments in direct lending entities of $80,968 at September 30, 2024 (December 31, 2023:$69,005) are carried at cost less an allowance for expected credit losses, with any indication of credit loss recognized in net income when determined. An allowance for expected credit losses of $1,023 was reported on the investments in direct lending entities as at September 30, 2024 and December 31, 2023. Please see *"Note 5(d). Fair Value Measurements"* for additional information regarding this investment.

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

Equity Securities

Equity securities include publicly traded equity investments in common stocks and privately held equity investments in common and preferred stocks. The Company's privately held equity investments in common and preferred stocks are direct investments in companies that the Company believes offer attractive risk adjusted returns or offer other strategic advantages. Each investment may have its own unique terms and conditions and there may be restrictions on disposals. There is no active market for these investments.

The following table provides the cost and fair values of the equity securities held at September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023	
	Cost	Fair Value	Cost	Fair Value
Privately held common stocks	$ 8,187	$ 9,392	$ 34,549	$ 35,272
Privately held preferred stocks	8,800	9,919	8,800	9,946
Publicly traded equity investments in common stocks	—	—	90	81
Total equity securities	$ 16,987	$ 19,311	$ 43,439	$ 45,299

All of the privately held securities held at September 30, 2024 are subject to contractual sale restrictions. Each of these investments are subject to agreements that restrict the transfer, sale, and indemnification of these privately held investments indefinitely. The Company must hold these shares indefinitely unless the investee's shares are registered with the SEC and qualified by state authorities, or until an exemption from such registration and qualification requirements may become available.

	Fair Value	Remaining duration of restrictions	Nature of contractual sale restrictions	Circumstances that could cause a lapse in restrictions
Privately held common stocks	$ 9,392	Indefinite	The Purchaser must hold the restricted shares indefinitely	Registration of securities with the SEC or if exemption is available
Privately held preferred stocks	9,919	Indefinite	The Purchaser must hold the restricted shares indefinitely	Registration of securities with the SEC or if exemption is available
Total equity securities subject to contractual sale restrictions	$ 19,311			

Equity Method Investments

The equity method investments currently include real estate investments and other investments. The table below shows the carrying value of the Company's equity method investments as of September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023	
	Carrying Value	% of Total	Carrying Value	% of Total
Real estate investments	$ 57,323	66.5 %	$ 49,897	61.7 %
Other investments	28,913	33.5 %	31,032	38.3 %
Total equity method investments	$ 86,236	100.0 %	$ 80,929	100.0 %

The equity method investments above include limited partnerships which are variable interests issued by variable interest entities ("VIEs"). The Company does not have the power to direct the activities that are most significant to the economic performance of these VIEs, therefore, the Company is not the primary beneficiary of these VIEs. The Company is deemed to have limited influence over the operating and financial policies of the investee and accordingly, these investments are reported under the equity method of accounting. In applying the equity method of accounting, the investments are initially recorded at cost and are subsequently adjusted based on the Company’s proportionate share of the investee's net income or loss. Generally, the maximum exposure to loss on these interests is limited to the amount of commitment made by the Company as more fully described in *"Note 11 - Commitments, Contingencies and Guarantees"* in these condensed consolidated financial statements.

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

c) Net Investment Income

Net investment income was derived from the following sources for the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Fixed maturities	$ 2,062	$ 2,522	$ 6,767	$ 7,720
Income on funds withheld	140	2,307	1,488	8,829
Interest income from loan to related party	3,067	3,073	9,190	8,698
Other investments	1,247	1,148	3,664	3,736
Cash and cash equivalents	209	96	595	514
	6,725	9,146	21,704	29,497
Investment expenses	(1,847)	(98)	(2,173)	(386)
Net investment income	$ 4,878	$ 9,048	$ 19,531	$ 29,111

d) Net Realized and Unrealized Investment Gains (Losses)

Realized gains or losses on the sale of investments are determined on the basis of the first in first out cost method. The following tables show the net realized and unrealized investment gains (losses) included in the Condensed Consolidated Statements of Income for the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30, 2024	Gross gains	Gross losses	Net
Fixed maturities	$ —	$ (429)	$ (429)
Equity securities	1,275	(2,960)	(1,685)
Other investments	2,137	(3,827)	(1,690)
Net realized and unrealized investment gains (losses)	$ 3,412	$ (7,216)	$ (3,804)

For the Three Months Ended September 30, 2023	Gross gains	Gross losses	Net
Fixed maturities	$ —	$ (301)	$ (301)
Equity securities	—	(52)	(52)
Other investments	1,393	(796)	597
Net realized and unrealized investment gains (losses)	$ 1,393	$ (1,149)	$ 244

For the Nine Months Ended September 30, 2024	Gross gains	Gross losses	Net
Fixed maturities	$ 2	$ (726)	$ (724)
Equity securities	1,620	(4,217)	(2,597)
Other investments	16,052	(6,328)	9,724
Net realized and unrealized investment gains (losses)	$ 17,674	$ (11,271)	$ 6,403

For the Nine Months Ended September 30, 2023	Gross gains	Gross losses	Net
Fixed maturities	$ —	$ (1,087)	$ (1,087)
Equity securities	1,478	(431)	1,047
Other investments	5,268	(2,834)	2,434
Net realized and unrealized investment gains (losses)	$ 6,746	$ (4,352)	$ 2,394

(in thousands of U.S. dollars, except share and per share data)

4. Investments (continued)

Realized and unrealized gains and losses from equity securities detailed above include both sales and distributions of equity securities and unrealized gains and losses coming from fair value changes.

Unrealized gains (losses) recognized for equity securities still held at the reporting date for the three and nine months ended September 30, 2024 and 2023, respectively, included:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Net (losses) gains recognized for equity securities	$ (1,685)	$ (52)	$ (2,597)	$ 1,047
Net losses (gains) recognized for equity securities divested	3,538	—	3,538	(186)
Unrealized gains (losses) recognized for equity securities still held at the reporting date	$ 1,853	$ (52)	$ 941	$ 861

Proceeds from sales of fixed maturity investments were $7,938 and $50,299 for the three and nine months ended September 30, 2024, respectively (2023: $19,343 and $64,126, respectively).

Net unrealized losses included in accumulated other comprehensive income ("AOCI") were as follows at September 30, 2024 and December 31, 2023, respectively:

	September 30, 2024	December 31, 2023
Net unrealized losses on fixed maturity investments	$ (4,003)	$ (7,935)
Deferred income tax	107	151
Net unrealized losses, net of deferred income tax	$ (3,896)	$ (7,784)
Change, net of deferred income tax	$ 3,888	$ 7,884

e) Restricted Cash and Cash Equivalents and Investments

The Company is required to provide collateral for its reinsurance liabilities under various reinsurance agreements and utilizes trust accounts to collateralize business with reinsurance counterparties. The assets in trust as collateral are primarily cash and highly rated fixed maturities. The fair values of restricted assets at September 30, 2024 and December 31, 2023 are:

	September 30, 2024	December 31, 2023
Restricted cash – third party agreements	$ 5,811	$ 6,019
Restricted cash – related party agreements	12,012	1,247
Total restricted cash	17,823	7,266
Restricted investments – in trust for third party agreements at fair value (amortized cost: 2024 – $62,080; 2023 – $63,299)	60,205	61,192
Restricted investments – in trust for related party agreements at fair value (amortized cost: 2024 – $147,931; 2023 – $155,546)	146,673	151,416
Restricted investments – liability for investments purchased and other liabilities for related party agreements	(10,970)	—
Total restricted investments	195,908	212,608
Total restricted cash and investments	$ 213,731	$ 219,874

5. Fair Value of Financial Instruments

(a) Fair Values of Financial Instruments

Fair Value Measurements — Accounting Standards Codification Topic 820, *"Fair Value Measurements and Disclosures"* ("ASC 820") defines fair value as the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between open market participants at the measurement date. Additionally, ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into three levels based on the reliability of inputs:

- *Level 1* — Valuations based on unadjusted quoted market prices for identical assets or liabilities that we have the ability to access. Because valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment. Examples of assets and liabilities utilizing Level 1 inputs include: U.S. Treasury bonds; and publicly traded equity securities;
- *Level 2* — Valuations based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, or valuations based on models where the significant inputs are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severity, etc.) or can be corroborated by observable market data. Examples of assets and liabilities utilizing Level 2 inputs include: U.S. government-sponsored agency securities; non-U.S. government and supranational obligations; commercial mortgage-backed securities ("CMBS"); collateralized loan obligations ("CLO"); corporate and municipal bonds; and
- *Level 3* — Valuations based on models where significant inputs are not observable. The unobservable inputs reflect our own assumptions about assumptions that market participants would use developed on the basis of the best information available in the particular circumstances. Examples of assets and liabilities utilizing Level 3 inputs include: an investment in preference shares of a start-up insurance producer.

The availability of observable inputs can vary and is affected by a wide variety of factors, including, for example, the type of financial instrument, whether the financial instrument is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires significantly more judgment. Accordingly, the degree of judgment exercised by management in determining fair value is greatest for instruments categorized in the Level 3 hierarchy.

The Company uses prices and inputs that are current as at the measurement date. In periods of market dislocation, the observability of prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified between hierarchy levels.

For investments that have quoted market prices in active markets, the Company uses the quoted market prices as fair value and includes these in the Level 1 hierarchy. The Company receives the quoted market prices from a third party nationally recognized provider ("the Pricing Service"). When quoted market prices are unavailable, the Company utilizes the Pricing Service to determine an estimate of fair value. The fair value estimates are included in the Level 2 hierarchy. The Company will challenge any prices for its investments which are considered not to be representative of fair value.

If quoted market prices and an estimate from the Pricing Service are unavailable, the Company produces an estimate of fair value based on dealer quotations for recent activity in positions with the same or similar characteristics to that being valued. The Company determines whether the fair value estimate is in the Level 2 or Level 3 hierarchy depending on the level of observable inputs available when estimating the fair value. The Company bases its estimates of fair values for assets on the bid price as it represents what a third party market participant would be willing to pay in an orderly transaction.

ASC 825, *"Disclosure About Fair Value of Financial Instruments"*, requires all entities to disclose the fair value of their financial instruments for assets and liabilities recognized and not recognized in the balance sheet, for which it is practicable to estimate fair value. The following describes the valuation techniques used by the Company to determine the fair value of financial instruments that are measured at fair value on a recurring basis held at September 30, 2024 and December 31, 2023.

U.S. government and U.S. agency bonds — Bonds issued by the U.S. Treasury, the Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Federal National Mortgage Association and the Federal Farm Credit Banks Funding Corporation. The fair values of U.S. treasury bonds are based on quoted market prices in active markets, and are included in the Level 1 fair value hierarchy. We believe the market for U.S. treasury bonds is an actively traded market given the high level of daily trading volume. The fair values of U.S. agency bonds are determined using the spread above the risk-free yield curve. As the yields for the risk-free yield curve and the spreads for these securities are observable market inputs, the fair values of U.S. agency bonds are included in the Level 2 fair value hierarchy.

Non-U.S. government bonds — These securities are generally priced by independent pricing services. The Pricing Service may use current market trades for securities with similar quality, maturity and coupon. If no such trades are available, the Pricing Service typically uses analytical models which may incorporate spreads, interest rate data and market/sector news. As the significant inputs used to price non-U.S. government bonds are observable market inputs, the fair values of non-U.S. government bonds are included in the Level 2 fair value hierarchy.

5. Fair Value of Financial Instruments (continued)

Collateralized loan obligations ("CLO") - These asset backed securities are originated by a variety of financial institutions that on acquisition are rated BBB-/Baa3 or higher. These securities are priced by independent pricing services and brokers. The pricing provider applies dealer quotes and other available trade information, prepayment speeds, yield curves and credit spreads to the valuation. As the significant inputs used to price the CLO are observable market inputs, the fair values are included in the Level 2 fair value hierarchy.

Commercial mortgage-backed securities ("CMBS") - These asset backed securities are originated by a variety of financial institutions that on acquisition are rated BBB-/Baa3 or higher. These securities are priced by independent pricing services and brokers. The pricing provider applies dealer quotes and other available trade information, prepayment speeds, yield curves and credit spreads to the valuation. As the significant inputs used to price the CMBS are observable market inputs, the fair values are included in the Level 2 fair value hierarchy.

Corporate and municipal bonds — Bonds issued by corporations, U.S. state and municipality entities or agencies that on acquisition are rated BBB-/Baa3 or higher. These securities are generally priced by independent pricing services. The credit spreads are sourced from broker/dealers, trade prices and new issue market. Where pricing is unavailable from pricing services, custodian pricing or non-binding quotes are obtained from broker-dealers to estimate fair values. As significant inputs used to price corporate and municipal bonds are observable market inputs, fair values are included in the Level 2 fair value hierarchy.

Equity securities - Equity securities include publicly traded common and preferred stocks, and privately held common and preferred stocks. The fair value of publicly traded common and preferred stocks is primarily priced by pricing services, reflecting the closing price quoted for the final trading day of the period. These investments are carried at fair value using observable market pricing data and is included in the Level 1 fair value hierarchy. Any unrealized gains or losses on the investment is recorded in net income in the reporting period in which it occurs. The privately held common and preferred stocks are valued using significant inputs that are unobservable where there is little or no market activity. Unadjusted third party pricing sources or management's assumptions and internal valuation models may be used to determine the fair values, therefore, these investments are classified as Level 3 in the fair value hierarchy.

Other investments — Includes unquoted investments comprised of the following types of investments:

- Privately held investments: These are direct equity investments in common and preferred shares of privately held entities. The fair values are estimated using quarterly financial statements and/or recent private market transactions and thus are included under Level 3 of the fair value hierarchy due to unobservable market data used for valuation.
- Private credit investments: These are privately held equity investments in common stock of entities that lend money valued using the most recently available or quarterly net asset value ("NAV") statements as provided by the external fund manager or third-party administrator and therefore measured using the NAV as a practical expedient.
- Private equity funds: These are comprised of private equity funds, private equity co-investments with sponsoring entities and investments in real estate limited partnerships and joint ventures. The fair value is estimated based on the most recently available NAV as advised by the external fund manager or third-party administrator. The fair values are therefore measured using the NAV as a practical expedient.

Derivative Instruments - The Company entered into a reinsurance contract that is accounted for as a derivative. This reinsurance contract provides indemnification to an insured or cedant as a result of a change in a variable as opposed to an identifiable insurable event. The Company considers this contract to be part of its underwriting operations. This derivative is initially valued at cost which approximates fair value. In subsequent measurement periods, the fair value of this derivative is determined using internally developed discounted cash flow models using appropriate discount rates. The selection of an appropriate discount rate is judgmental and is the most significant unobservable input used in the valuation of this derivative. The fair value changes in underwriting-related derivative instruments is included within other insurance revenue (expense), net.

The derivative liability on retroactive reinsurance is presented as part of accrued expenses and other liabilities. A significant increase (decrease) in this input in isolation may result in a significantly lower (higher) fair value measurement for the derivative contract. As the significant inputs used to price these derivatives are unobservable, the fair values of these contracts are classified as Level 3 in the fair value hierarchy.

(b) Fair Value Hierarchy

The Company’s estimates of fair value for financial assets and financial liabilities are based on the framework established in ASC 820. The framework is based on the inputs used in valuation and gives the highest priority to quoted prices in active markets and requires that observable inputs be used in the valuation methodology whenever available. In determining the level of the hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active trading markets and the lowest priority to unobservable inputs that reflect significant market assumptions.

(in thousands of U.S. dollars, except share and per share data)

5. Fair Value of Financial Instruments (continued)

At September 30, 2024 and December 31, 2023, the Company classified its financial instruments measured at fair value on a recurring basis in the following valuation hierarchy:

September 30, 2024	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Based on NAV Practical Expedient	Total Fair Value
Fixed maturities					
U.S. treasury bonds	$ 48,693	$ —	$ —	$ —	$ 48,693
U.S. agency bonds – mortgage-backed	—	24,958	—	—	24,958
Non-U.S. government bonds	—	48,742	—	—	48,742
Collateralized loan obligations	—	65,837	—	—	65,837
Corporate bonds	—	37,526	—	—	37,526
Equity securities	—	—	19,311	—	19,311
Other investments	—	—	33,674	33,181	66,855
Total investments	$ 48,693	$ 177,063	$ 52,985	$ 33,181	$ 311,922
As a percentage of total assets	3.5%	12.7%	3.8%	2.4%	22.4%
Underwriting-related derivative liability	$ —	$ —	$ 3,984	$ —	$ 3,984

December 31, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Based on NAV Practical Expedient	Total Fair Value
Fixed maturities					
U.S. treasury bonds	$ 55,052	$ —	$ —	$ —	$ 55,052
U.S. agency bonds – mortgage-backed	—	26,651	—	—	26,651
Non-U.S. government bonds	—	20,751	—	—	20,751
Collateralized loan obligations	—	78,803	—	—	78,803
Corporate bonds	—	63,962	5,382	—	69,344
Equity securities	81	—	19,351	25,867	45,299
Other investments	—	—	27,750	86,056	113,806
Total investments	$ 55,133	$ 190,167	$ 52,483	$ 111,923	$ 409,706
As a percentage of total assets	3.6%	12.5%	3.5%	7.4%	27.0%
Underwriting-related derivative liability	$ —	$ —	$ 3,984	$ —	$ 3,984

The Company utilizes the Pricing Service to assist in determining the fair value of its investments; however, management is ultimately responsible for all fair values presented in the Company's consolidated financial statements. This includes responsibility for monitoring the fair value process, ensuring objective and reliable valuation practices, and pricing of assets and liabilities and use of pricing sources. The Company analyzes and reviews the information and prices received from the Pricing Service to ensure that the prices provided represent a reasonable estimate of fair value.

The Pricing Service was utilized to estimate fair value measurements for 100.0% and 97.9% of our fixed maturities at September 30, 2024 and December 31, 2023, respectively. The Pricing Service utilizes market quotations for fixed maturity securities that have quoted market prices in active markets. Since fixed maturities other than U.S. treasury bonds generally do not trade actively on a daily basis, the Pricing Service prepares estimates of fair value measurements using relevant market data, benchmark curves, sector groupings and matrix pricing and these have been classified as Level 2 within the fair value hierarchy.

At September 30, 2024 and December 31, 2023, approximately 0.0% and 2.1%, respectively, of our fixed maturities were valued using the market approach. At September 30, 2024, no securities (December 31, 2023: one security or $5,382) in our fixed maturity investment portfolio was priced using a binding quotation from a broker and/or custodian as opposed to the Pricing Service. There was one security transferred from Level 3 to Level 2 during the nine months ended September 30, 2024 due to its sale; this security was classified as Level 3 at December 31, 2023.

(in thousands of U.S. dollars, except share and per share data)

5. Fair Value of Financial Instruments (continued)

At September 30, 2024 and December 31, 2023, the Company did not adjust any pricing provided to it based on the review performed by its investment managers. There were no transfers to or from Level 3 during the three and nine months ended September 30, 2023.

(c) Level 3 Financial Instruments

At September 30, 2024, the Company holds Level 3 financial instruments which consist of privately held investments of $52,985 (December 31, 2023: $52,483) and an underwriting-related derivative liability of $3,984 (December 31, 2023: $3,984) on a reinsurance contract written by GLS which is included in accrued expenses and other liabilities.

The fair value of privately held equity securities are estimated using quarterly unaudited capital or financial statements provided by the investee or recent private market transactions, where applicable. Any changes to the financial information provided by the investee could result in a significantly higher or lower valuation at the reporting date. The fair value of underwriting-related derivative instruments is determined using a discounted cash flow model in which the Company examines current market conditions, historical results as well as contract specific information that may impact future cash flows in order to assess the reasonableness of inputs used in the valuation model. Due to significant unobservable inputs in these valuations, the Company classifies the fair values as Level 3 within the fair value hierarchy.

The following table provides a summary of quantitative information regarding the significant unobservable inputs used in determining the fair value of other investments measured at fair value on a recurring basis under the Level 3 classification at September 30, 2024:

	Fair Value	Valuation Technique	Unobservable Inputs	Range
Privately held equity securities - common shares	$ 41,681	Quarterly financial statements	Price/book ratios of comparable public companies	
Privately held equity securities - preferred shares	11,304	Quarterly financial statements	Privately calculated enterprise valuations	
Total Level 3 investments	$ 52,985			
Underwriting-related derivative liability	$ 3,984	Discounted cash flows	Duration matched discount rates	5.0% to 6.0%

The following table shows the reconciliation of beginning and ending balances for investments measured at fair value on a recurring basis using Level 3 inputs for the three and nine months ended September 30, 2024 and 2023, respectively. The Company includes any related interest and dividend income in net investment income and are excluded from the reconciliation in the table below:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Balance - beginning of period	$ 52,468	$ 21,198	$ 52,483	$ 18,806
Sales	(1,628)	—	(1,628)	—
Net realized and unrealized gains recognized in the statement of income	2,145	200	7,138	1,592
Purchases	—	1,600	—	2,600
Transfers out of Level 3 into Level 2	—	—	(5,008)	—
Total Level 3 investments - end of period	$ 52,985	$ 22,998	$ 52,985	$ 22,998

(d) Financial Instruments Disclosed, But Not Carried, at Fair Value

The fair value of financial instruments accounting guidance also applies to financial instruments disclosed, but not carried, at fair value, except for certain financial instruments related to insurance contracts.

At September 30, 2024, the carrying values of cash equivalents (including restricted amounts), accrued investment income, reinsurance balances receivable, loan to related party, and certain other assets and liabilities approximate fair values due to their inherent short duration. As these financial instruments are not actively traded, the fair values of these financial instruments are classified as Level 2 in the fair value hierarchy.

The investments made by direct lending entities are carried at cost less an allowance for expected credit losses, with any indication of credit loss recognized in net income when determined. The net carrying value of these investments approximates their fair value at the reporting date. The fair value estimates of these investments are not based on observable market data and therefore are classified as Level 3 in the fair value hierarchy.

(in thousands of U.S. dollars, except share and per share data)

5. Fair Value of Financial Instruments (continued)

The fair values of the Company's outstanding Senior Notes (as defined in *"Note 7. Long-Term Debt"*) are based on indicative market pricing obtained from a third-party pricing service which uses observable market inputs, and therefore the fair values of these liabilities are classified as Level 2 in the fair value hierarchy.

The following table presents the respective carrying value and fair value for the Senior Notes as at September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Senior Notes - MHLA – 6.625%	$ 110,000	$ 72,204	$ 110,000	$ 73,744
Senior Notes - MHNC – 7.75%	152,361	106,104	152,361	115,855
Total Senior Notes	$ 262,361	$ 178,308	$ 262,361	$ 189,599

(in thousands of U.S. dollars, except share and per share data)

6. Shareholders' Equity

a) Common Shares

On May 3, 2023 at its Annual General Meeting of Shareholders, the Company's common shareholders approved the increase in the authorized share capital of the Company from $1,500 divided into 150,000,000 shares of par value $0.01 each, to $2,000 divided into 200,000,000 shares of par value $0.01 each.

At September 30, 2024, the aggregate authorized share capital of the Company is 200,000,000 shares from which 150,298,798 common shares were issued, of which 99,422,608 common shares are outstanding, and 50,876,190 shares are treasury shares (please see *Note 6. (b) Treasury Shares* below for additional information).

The remaining 49,701,202 shares are undesignated at September 30, 2024. At September 30, 2024, 2,035,634 common shares will be issued and outstanding upon vesting of restricted shares, and 4,041,358 common shares remaining are reserved for issuance under the 2019 Omnibus Incentive Plan.

b) Treasury Shares

On February 21, 2017, the Company's Board of Directors approved the repurchase of up to $100,000 of the Company's common shares from time to time at market prices. During the three and nine months ended September 30, 2024, Maiden Reinsurance repurchased 388,728 and 1,488,400 common shares, respectively, at an average price per share of $1.65 and $1.95, respectively, under the Company's share repurchase plan.

During the three and nine months ended September 30, 2023, Maiden Reinsurance repurchased 520,475 and 820,105 common shares, respectively, at an average price per share of $1.86 and $1.93, respectively, under the Company's share repurchase plan. The Company's remaining authorization is $68,710 for common share repurchases at September 30, 2024 (December 31, 2023: $71,615).

During the nine months ended September 30, 2024, the Company also repurchased 127,555 common shares (2023: 128,731) at an average price per share of $1.79 (2023: $2.25) from employees, which represent tax withholding in respect of tax obligations on the vesting of both non-performance-based and discretionary performance-based restricted shares.

Treasury shares include 44,367,323 common shares owned by Maiden Reinsurance consisting of 41,439,348 shares issued as part of the exchange for preference shares held ("Exchange") and 2,927,975 shares directly purchased on the open market by Maiden Reinsurance which are not treated as outstanding common shares on the Condensed Consolidated Balance Sheet at September 30, 2024. Please see further information on the Exchange and related preference share repurchases in the Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 12, 2024.

The table below includes the total number of treasury shares outstanding at September 30, 2024 and December 31, 2023:

	September 30, 2024	December 31, 2023
Number of shares held by Maiden Reinsurance treated as treasury shares	44,367,323	42,878,923
Number of treasury shares due to common share repurchases by Maiden Holdings	6,508,867	6,381,312
Total number of treasury shares at the end of the reporting period	50,876,190	49,260,235

(in thousands of U.S. dollars, except share and per share data)

6. Shareholders' Equity (continued)

c) AOCI

The following tables set forth financial information regarding the changes in the balances of each component of AOCI:

For the Three Months Ended September 30, 2024	Change in net unrealized gains on investment	Foreign currency translation	Total
Beginning balance	$ (6,289)	$ (26,196)	$ (32,485)
Other comprehensive income before reclassifications	2,393	2,304	4,697
Ending balance, Maiden shareholders	$ (3,896)	$ (23,892)	$ (27,788)

For the Three Months Ended September 30, 2023	Change in net unrealized gains on investment	Foreign currency translation	Total
Beginning balance	$ (12,904)	$ (24,232)	$ (37,136)
Other comprehensive income (loss) before reclassifications	321	(2,075)	(1,754)
Amounts reclassified from AOCI to net income, net of tax	(3)	—	(3)
Net current period other comprehensive income (loss)	318	(2,075)	(1,757)
Ending balance, Maiden shareholders	$ (12,586)	$ (26,307)	$ (38,893)

For the Nine Months Ended September 30, 2024	Change in net unrealized gains on investment	Foreign currency translation	Total
Beginning balance	$ (7,784)	$ (23,685)	$ (31,469)
Other comprehensive income (loss) before reclassifications	3,888	(207)	3,681
Ending balance, Maiden shareholders	$ (3,896)	$ (23,892)	$ (27,788)

For the Nine Months Ended September 30, 2023	Change in net unrealized gains on investment	Foreign currency translation	Total
Beginning balance	$ (15,668)	$ (25,566)	$ (41,234)
Other comprehensive income (loss) before reclassifications	3,085	(741)	2,344
Amounts reclassified from AOCI to net income, net of tax	(3)	—	(3)
Net current period other comprehensive income (loss)	3,082	(741)	2,341
Ending balance, Maiden shareholders	$ (12,586)	$ (26,307)	$ (38,893)

(in thousands of U.S. dollars, except share and per share data)

7. Long-Term Debt

Senior Notes

At September 30, 2024 and December 31, 2023, Maiden Holdings had outstanding publicly-traded senior notes which were issued in 2016 ("2016 Senior Notes") and its wholly owned subsidiary, Maiden Holdings North America, Ltd. ("Maiden NA") had outstanding publicly-traded senior notes which were issued in 2013 ("2013 Senior Notes") (collectively "Senior Notes"). The 2013 Senior Notes issued by Maiden NA are fully and unconditionally guaranteed by Maiden Holdings. The Senior Notes are unsecured and unsubordinated obligations of the Company.

The following tables detail the issuances of Senior Notes outstanding at September 30, 2024 and December 31, 2023:

September 30, 2024	2016 Senior Notes	2013 Senior Notes	Total
Principal amount	$ 110,000	$ 152,361	$ 262,361
Less: unamortized issuance costs	3,297	4,349	7,646
Carrying value	$ 106,703	$ 148,012	$ 254,715

December 31, 2023	2016 Senior Notes	2013 Senior Notes	Total
Principal amount	$ 110,000	$ 152,361	$ 262,361
Less: unamortized issuance costs	3,345	4,419	7,764
Carrying value	$ 106,655	$ 147,942	$ 254,597

Other details:		
Original debt issuance costs pertaining to remaining outstanding principal amount	$ 3,715	$ 5,049
Maturity date	June 14, 2046	December 1, 2043
Earliest redeemable date (for cash)	June 14, 2021	December 1, 2018
Coupon rate	6.625 %	7.75 %
Effective interest rate	7.07 %	8.04 %

Total interest and amortization expense incurred on the Senior Notes for the three and nine months ended September 30, 2024 was $4,817 and $14,448, respectively (2023: $4,814 and $13,451, respectively), of which $1,342 was accrued as interest payable at both September 30, 2024 and December 31, 2023, respectively. The issuance costs related to the Senior Notes were capitalized and are amortized over the effective life of the Senior Notes using the effective interest method of amortization.

Under the terms of the 2013 Senior Notes, the 2013 Senior Notes can be redeemed, in whole or in part, at Maiden NA's option at any time and from time to time, until maturity at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus accrued but unpaid interest on the principal amount being redeemed to, but not including, the redemption date. Maiden NA is required to give at least thirty days and not more than sixty days notice prior to the redemption date.

Under the terms of the 2016 Senior Notes, the 2016 Senior Notes can be redeemed, in whole or in part, at Maiden Holdings' option at any time and from time to time, until maturity at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus accrued but unpaid interest on the principal amount being redeemed to, but not including, the redemption date. Maiden Holdings is required to give at least thirty days and not more than sixty days notice prior to the redemption date.

On May 3, 2023, the Company's Board of Directors approved the repurchase, including the repurchase by Maiden Reinsurance in accordance with its investment guidelines, of up to $100,000 of the Company's Senior Notes from time to time at market prices in open market purchases or as may be privately negotiated. The Company has a remaining authorization of $99,905 for Senior Notes repurchases at September 30, 2024.

During the nine months ended September 30, 2023, Maiden Reinsurance repurchased 5,567 notes of the 2013 Senior Notes at an average price per unit of $17.10 for a total cost of $95. Total interest and amortization expenses of $4,814 and $13,451 were partly offset by a realized gain of $40 from the repurchase of the 2013 Senior Notes during the three and nine months ended September 30, 2023, respectively.

(in thousands of U.S. dollars, except share and per share data)

8. Reinsurance

The Company uses reinsurance and retrocessional agreements ("ceded reinsurance") to mitigate volatility, reduce its exposure to certain risks and provide capital support. Ceded reinsurance provides for the recovery of a portion of loss and LAE under certain circumstances without relieving the Company of its obligations to the policyholders. The Company remains liable to the extent that any of its reinsurers or retrocessionaires fails to meet their obligations. Loss and LAE incurred and premiums earned are reported after deduction for ceded reinsurance. In the event that one or more of our reinsurers or retrocessionaires are unable to meet their obligations under these agreements, the Company would not realize the full value of the reinsurance recoverable balances.

The effect of ceded reinsurance on net premiums written and earned and on net loss and LAE for the nine months ended September 30, 2024 and 2023 was as follows:

For the Nine Months Ended September 30,	2024	2023
Premiums written		
Direct	$ 26,310	$ 20,283
Assumed	(677)	(3,912)
Ceded	(137)	(111)
Net	$ 25,496	$ 16,260
Premiums earned		
Direct	$ 25,795	$ 20,141
Assumed	12,210	12,494
Ceded	(117)	(115)
Net	$ 37,888	$ 32,520
Loss and LAE		
Gross loss and LAE	$ 41,257	$ 36,397
Loss and LAE ceded	4,196	106
Net	$ 45,453	$ 36,503

The Company's reinsurance recoverable on unpaid losses balance as at September 30, 2024 was $574,358 (December 31, 2023: $564,331) presented in the Condensed Consolidated Balance Sheets. As of September 30, 2024, the total allowance for expected credit losses on the Company's reinsurance recoverable balance was $2,331 (December 31, 2023: $3,240).

The following table provides a reconciliation of the beginning and ending balances of the allowance for expected credit losses on reinsurance recoverable for the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Allowance for expected credit losses on reinsurance recoverable, beginning of period	$ 2,735	$ 4,530	$ 3,240	$ 4,277
(Decrease) increase in allowance for expected credit losses on reinsurance recoverable where credit losses were previously recognized	(404)	(241)	(909)	12
Allowance for expected credit losses on reinsurance recoverable, end of period	$ 2,331	$ 4,289	$ 2,331	$ 4,289

On December 27, 2018, Cavello Bay Reinsurance Limited ("Cavello") and Maiden Reinsurance entered into a retrocession agreement pursuant to which certain assets and liabilities associated with the U.S. treaty reinsurance business held by Maiden Reinsurance were 100.0% retroceded to Cavello in exchange for a ceding commission. The reinsurance recoverable on unpaid losses due from Cavello under this retrocession agreement was $36,838 at September 30, 2024 (December 31, 2023: $43,176). The recoverable due from Cavello is net of an allowance for expected credit losses of $2,174 as at September 30, 2024 (December 31, 2023: $2,769).

On July 31, 2019, Maiden Reinsurance and Cavello entered into a Loss Portfolio Transfer and Adverse Development Cover Agreement ("LPT/ADC Agreement") pursuant to which Cavello assumed the loss reserves as of December 31, 2018 associated with the AmTrust Quota Share in excess of a $2,178,535 retention up to $600,000, in exchange for a retrocession premium of $445,000. The $2,178,535 retention is subject to adjustment for paid losses subsequent to December 31, 2018. The LPT/ADC Agreement provides Maiden Reinsurance with $155,000 in adverse development cover over its carried AmTrust Quota Share loss reserves at December 31, 2018.

8. Reinsurance (continued)

The LPT/ADC Agreement meets the criteria for risk transfer and is thus accounted for as retroactive reinsurance. Cumulative ceded losses exceeding $445,000 are recognized as a deferred gain liability and amortized into income over the settlement period of the ceded reserves in proportion to cumulative losses collected over the estimated ultimate reinsurance recoverable. The amount of the deferral is recalculated each period based on loss payments and updated estimates. Consequently, cumulative adverse development subsequent to December 31, 2018 may result in significant losses from operations until periods when the deferred gain is recognized as a benefit to earnings. As of September 30, 2024, the reinsurance recoverable on unpaid losses under the LPT/ADC Agreement was $532,874 while the deferred gain liability under the LPT/ADC Agreement was $88,021 (December 31, 2023: $515,463 and $70,916, respectively). The recoverable due under the LPT/ADC Agreement is net of an allowance for expected credit losses of $147 as at September 30, 2024 (December 31, 2023: $453). Amortization of the deferred gain will not occur until paid losses have exceeded the minimum retention under the LPT/ADC Agreement, which is estimated to be in the fourth quarter of 2024.

Cavello provided collateral in the form of a letter of credit in the amount of $445,000 to AmTrust under the LPT/ADC Agreement. Cavello is subject to additional collateral funding requirements as explained in *"Note 10. Related Party Transactions"*. As of September 30, 2024, the amount of collateral required was $493,901 (December 31, 2023 - $490,070). Under the terms of the LPT/ADC Agreement, the covered losses associated with the Commutation and Release Agreement with AmTrust are eligible to be covered but recoverable only when such losses are paid or settled by AII or its affiliates, provided such losses and other related amounts shall not exceed $312,786. Cavello's parent company, Enstar Group Limited, has credit ratings of BBB+ from both Standard & Poor's and Fitch Ratings at September 30, 2024.

(in thousands of U.S. dollars, except share and per share data)

9. Reserve for Loss and Loss Adjustment Expenses

The Company uses both historical experience and industry-wide loss development factors to provide a reasonable basis for estimating future losses. In the future, certain events may be beyond the control of management, such as changes in law, judicial interpretations of law, and rates of inflation, which may favorably or unfavorably impact the ultimate settlement of the Company's loss and LAE reserves.

The anticipated effect of inflation is implicitly considered when estimating liabilities for loss and LAE. While anticipated changes in claim costs due to inflation are considered in estimating the ultimate claim costs, changes in the average severity of claims are caused by a number of factors that vary with the individual type of policy written. Ultimate losses are projected based on historical trends adjusted for implemented changes in underwriting standards, claims handling, policy provisions, and general economic trends. Those anticipated trends are monitored based on actual development and are modified if necessary.

The reserving process begins with the collection and analysis of paid losses and incurred claims data for each of the Company's contracts. While reserves are mostly reviewed on a contract by contract basis, paid loss and incurred claims data is also aggregated into reserving segments. The segmental data is disaggregated by reserving class and further disaggregated by either accident year (i.e. the year in which the loss event occurred) or by underwriting year (i.e. the year in which the contract generating the premium and losses incepted). In cases where the Company uses underwriting year information, reserves are subsequently allocated to the respective accident year. The reserve for loss and LAE consists of:

	September 30, 2024	December 31, 2023
Reserve for reported loss and LAE	$ 417,014	$ 543,818
Reserve for losses incurred but not reported ("IBNR")	304,422	323,615
Reserve for loss and LAE	$ 721,436	$ 867,433

The following table represents a reconciliation of our beginning and ending gross and net loss and LAE reserves:

For the Nine Months Ended September 30,	2024	2023
Gross loss and LAE reserves, January 1	$ 867,433	$ 1,131,408
Less: reinsurance recoverable on unpaid losses, January 1	564,331	556,116
Net loss and LAE reserves, January 1	303,102	575,292
Net incurred losses related to:		
Current year	20,387	20,519
Prior years	25,066	15,984
	45,453	36,503
Net paid losses related to:		
Current year	(4,064)	(448)
Prior years	(184,439)	(249,965)
	(188,503)	(250,413)
Change in deferred gain on retroactive reinsurance	(17,081)	(11,129)
GLS run-off business acquired or assumed	—	767
Opening allowance for expected credit loss on reinsurance recoverable on unpaid losses	—	4,277
Effect of foreign exchange rate movements	4,107	(2,599)
Net loss and LAE reserves, September 30	147,078	352,698
Reinsurance recoverable on unpaid losses, September 30	574,358	558,777
Gross loss and LAE reserves, September 30	$ 721,436	$ 911,475

Prior period loss development ("PPD") arises from changes to loss estimates recognized in the current year that relate to loss reserves established in previous calendar years. The favorable or unfavorable development reflects changes in management's best estimate of the ultimate losses under the relevant reinsurance policies after considerable review of changes in actuarial assessments. The Company recognized net adverse PPD of $11,703 and $25,066 for the three and nine months ended September 30, 2024, respectively (2023: adverse $7,834 and $15,984, respectively).

(in thousands of U.S. dollars, except share and per share data)

9. Reserve for Loss and Loss Adjustment Expenses (continued)

In the Diversified Reinsurance segment, there was favorable PPD of $15 and net adverse PPD of $887 for the three and nine months ended September 30, 2024, respectively (2023: adverse $1,864 and $3,938, respectively). The favorable PPD for the three months ended September 30, 2024 was driven by favorable development in other runoff business lines partly offset by adverse development in International. The adverse PPD for the nine months ended September 30, 2024 was driven by International and facultative lines partly offset by favorable development in GLS business. Prior year development for the three and nine months ended September 30, 2023 was driven by adverse development primarily due to a German Auto program in run-off from the International unit along with development from other runoff business lines and also included the recognition of expected credit losses on reinsurance recoverable on unpaid losses for the year-to-date period.

The table below shows prior year loss development for the AmTrust Reinsurance segment for the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Prior Year Loss Development adverse (favorable)				
AmTrust Quota Share	$ 11,818	$ (22)	$ 21,893	$ 6,414
AmTrust other runoff	(79)	(20)	(305)	(360)
European Hospital Liability Quota Share	(21)	6,012	2,591	5,992
Total AmTrust Reinsurance PPD	$ 11,718	$ 5,970	$ 24,179	$ 12,046

In the AmTrust Reinsurance segment, net adverse PPD was $11,718 and $24,179 during the three and nine months ended September 30, 2024, respectively (2023: adverse $5,970 and $12,046, respectively) as detailed in the table above.

Net adverse PPD for the three and nine months ended September 30, 2024 was primarily from the AmTrust Quota Share. In the AmTrust Quota Share, U.S. Program business experienced additional adverse development from construction defect coverage for accident years 2015 to 2018 as new claims emergence was significantly greater than expected; this was partly offset by continued favorable development within Workers Compensation business for accident years 2014 to 2018. Net adverse loss development on European Hospital Liability Quota Share for the nine months ended September 30, 2024 was primarily driven by emergence of loss data from adverse claim verdicts on older claims, resulting in strengthening of loss development tail on underwriting years 2011 to 2014.

Net adverse PPD for the three and nine months ended September 30, 2023 was primarily from European Hospital Liability for the three months ended September 30, 2023, and European Hospital Liability and the AmTrust Quota Share (General Liability and Commercial Auto Liability partly offset by continued favorable development in Workers Compensation) for the nine months ended September 30, 2023. Net adverse loss development on European Hospital Liability was primarily driven by emergence of loss data during 2023 on underwriting years 2011 to 2016.

The increase in the deferred gain on retroactive reinsurance was $17,081 for the nine months ended September 30, 2024 (2023: $11,129 increase). This included an increase in the deferred gain liability and related reinsurance recoverable on unpaid losses under the LPT/ADC Agreement with Cavello of $17,105 for the nine months ended September 30, 2024 (2023: $11,108 increase) caused by adverse development on loss reserves covered under the LPT/ADC Agreement (2023 - adverse). The deferred gain on retroactive reinsurance under the LPT/ADC Agreement represents the cumulative adverse development for covered risks in the AmTrust Quota Share as of September 30, 2024 and December 31, 2023. Amortization of the deferred gain will not occur until paid losses have exceeded the minimum retention under the LPT/ADC Agreement, which is estimated to be in the fourth quarter of 2024.

10. Related Party Transactions

The Founding Shareholders of the Company were Michael Karfunkel, George Karfunkel and Barry Zyskind. Based on each individual's most recent public filing, Leah Karfunkel (wife of the late Michael Karfunkel), George Karfunkel and Barry Zyskind (the Company's non-executive chairman) each own or control less than 5.0% of the Company's outstanding common shares. Leah Karfunkel and George Karfunkel are directors of AmTrust, and Barry Zyskind is the chief executive officer and chairman of AmTrust. Leah Karfunkel, George Karfunkel and Barry Zyskind own or control approximately 55.2% of the ownership interests of Evergreen Parent, L.P., the ultimate parent of AmTrust. The following describes transactions that have transpired between the Company and AmTrust:

AmTrust Quota Share

Effective July 1, 2007, the Company and AmTrust entered into a master agreement, as amended ("Master Agreement"), by which they caused Maiden Reinsurance and AII to enter into the AmTrust Quota Share by which AII retroceded to Maiden Reinsurance an amount equal to 40% of the premium written by subsidiaries of AmTrust, net of the cost of unaffiliated inuring reinsurance and 40% of losses. The Master Agreement further provided that AII receive a ceding commission of 31% of ceded written premiums. On June 11, 2008, Maiden Reinsurance and AII amended the AmTrust Quota Share to add Retail Commercial Package Business to the Covered Business (as defined in the AmTrust Quota Share). AII receives a ceding commission of 34.375% on Retail Commercial Package Business. On July 1, 2016, the agreement was renewed through June 30, 2019. Effective July 1, 2018, the amount AEL ceded to Maiden Reinsurance was reduced to 20%.

Effective July 1, 2013, for the Specialty Program portion of Covered Business only, AII was responsible for ultimate net loss otherwise recoverable from Maiden Reinsurance to the extent that the loss ratio to Maiden Reinsurance, which shall be determined on an inception to date basis from July 1, 2007 through the date of calculation, is between 81.5% and 95% ("Loss Corridor"). Above and below the Loss Corridor, Maiden Reinsurance continued to reinsure losses at its proportional 40% share of the AmTrust Quota Share. Effective July 31, 2019, the Loss Corridor was amended such that the maximum amount covered is $40,500, the amount calculated by Maiden Reinsurance for the Loss Corridor coverage as of March 31, 2019. Any development above this maximum amount will be subject to the coverage of the LPT/ADC Agreement.

Effective January 1, 2019, Maiden Reinsurance and AII entered into a partial termination amendment ("Partial Termination Amendment") which amended the AmTrust Quota Share. The Partial Termination Amendment provided for the cut-off of the ongoing and unearned premium of AmTrust's Small Commercial Business and U.S. Specialty Risk and Extended Warranty ("Terminated Business") as of December 31, 2018. Under the Partial Termination Amendment, the ceding commission payable by Maiden Reinsurance for its remaining in-force business immediately prior to January 1, 2019 increased by five percentage points with respect to in-force remaining business (excluding Terminated Business) and related unearned premium as of January 1, 2019. Subsequently, on January 30, 2019, Maiden Reinsurance and AII agreed to terminate the remaining business subject to the AmTrust Quota Share on a run-off basis effective as of January 1, 2019.

Effective July 31, 2019, Maiden Reinsurance and AII entered into a Commutation and Release Agreement which provided for AII to assume all reserves ceded by AII to Maiden Reinsurance with respect to its proportional 40% share of the ultimate net loss under the AmTrust Quota Share related to the commuted business including: (a) all losses incurred in Accident Year 2017 and Accident Year 2018 under California workers' compensation policies and as defined in the AmTrust Quota Share ("Commuted California Business"); and (b) all losses incurred in Accident Year 2018 under New York workers' compensation policies ("Commuted New York Business"), and together with the Commuted California Business ("Commuted Business") in exchange for the release and full discharge of Maiden Reinsurance's obligations to AII with respect to the Commuted Business. The Commuted Business excludes any business classified by AII as Specialty Program or Specialty Risk business.

AII and Maiden Reinsurance also agreed that as of July 31, 2019, the AmTrust Quota Share was deemed amended as applicable so that the Commuted Business is no longer included as part of Covered Business under the AmTrust Quota Share.

On January 30, 2019, in connection with the termination of the reinsurance agreement described above, the Company and AmTrust entered into a second amendment to the Master Agreement between the parties, originally entered into on July 3, 2007, to remove the provisions requiring AmTrust to reinsure business with the Company. Please refer to "*Note 10. Related Party Transactions"* in the Annual Report on Form 10-K for the year ended December 31, 2023 for further details.

A premium deficiency was recognized for the AmTrust Quota Share at September 30, 2024 since the sum of anticipated loss and LAE, unamortized acquisition expenses less anticipated investment income exceeded unearned premiums. Therefore, a premium deficiency of $3,664 and $3,748 was recognized with the Company accelerating the amortization of deferred acquisition costs during the three and nine months ended September 30, 2024, respectively.

European Hospital Liability Quota Share

Effective April 1, 2011, Maiden Reinsurance entered into the European Hospital Liability Quota Share with AEL and AIU DAC. Pursuant to the terms of the European Hospital Liability Quota Share, Maiden Reinsurance assumed 40% of the premiums and losses related to policies classified as European Hospital Liability, including associated liability coverages and policies covering physician defense costs, written or renewed on or after April 1, 2011. The European Hospital Liability Quota Share also covers policies written or renewed on or before March 31, 2011, but only with respect to losses that occur, accrue or arise on or after April 1, 2011. The maximum limit of liability attaching shall be €5,000 (€10,000 effective January 1, 2012) or currency equivalent (on a 100% basis) per original claim for any one original policy. Maiden Reinsurance paid a ceding commission of 5% on contracts assumed under the European Hospital Liability Quota Share.

(in thousands of U.S. dollars, except share and per share data)

10. Related Party Transactions (continued)

Effective July 1, 2016, the European Hospital Liability Quota Share was amended such that Maiden Reinsurance assumes from AEL 32.5% of the premiums and losses of all policies written or renewed on or after July 1, 2016 until June 30, 2017 and 20% of all policies written or renewed on or after July 1, 2017. Thereafter, on January 30, 2019, Maiden Reinsurance, AEL and AIU DAC agreed to terminate the European Hospital Liability Quota Share on a run-off basis effective as of January 1, 2019.

Effective July 1, 2022, Maiden Reinsurance and AIU DAC entered into an agreement ("Commutation Agreement") which provided for AIU DAC to assume all reserves ceded by AIU DAC to Maiden Reinsurance with respect to AIU DAC's French Medical Malpractice exposures for underwriting years 2012 through 2018 reinsured by Maiden Reinsurance under the European Hospital Liability Quota Share. In accordance with the Commutation Agreement, Maiden Reinsurance paid $31,291 (€29,401) to AIU DAC, which is the sum of net ceded reserves of $27,625 (€25,956) and an agreed exit cost of $3,666 (€3,444). As a result of the Commutation Agreement, Maiden Reinsurance reduced its exposure to AmTrust's Hospital Liability business, but still has exposure to Italian medical malpractice liabilities under the European Hospital Liability Quota Share.

The table below shows the effect of both of these quota share arrangements with AmTrust on the Company's Condensed Consolidated Income Statements for the three and nine months ended September 30, 2024 and 2023, respectively:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Gross and net premiums written	$ (192)	$ 1,898	$ (741)	$ (3,892)
Net premiums earned	3,827	5,272	11,092	10,638
Net loss and LAE	(15,900)	(11,034)	(33,444)	(25,737)
Commission and other acquisition expenses	(5,093)	(1,966)	(7,910)	(3,976)

Collateral provided to AmTrust

a) AmTrust Quota Share

To provide AmTrust's U.S. insurance subsidiaries with credit for reinsurance on their statutory financial statements, AII, as the direct reinsurer of AmTrust's insurance subsidiaries, established trust accounts ("Trust Accounts") for their benefit. Maiden Reinsurance has provided appropriate collateral to secure its proportional share under the AmTrust Quota Share of AII's obligations to the AmTrust subsidiaries to whom AII is required to provide collateral which can include: (a) assets loaned by Maiden Reinsurance to AII for deposit into the Trust Accounts, pursuant to a loan agreement between those parties; (b) assets transferred by Maiden Reinsurance for deposit into the Trust Accounts; or (c) a letter of credit obtained by Maiden Reinsurance and delivered to an AmTrust subsidiary on AII's behalf. Maiden Reinsurance may provide any or a combination of these forms of collateral, provided that the aggregate value thereof equals Maiden Reinsurance's proportionate share of its obligations under the AmTrust Quota Share. The collateral requirements under the AmTrust Quota Share with AII was satisfied as follows:

- by lending funds of $167,975 at September 30, 2024 and December 31, 2023 pursuant to a loan agreement entered into between those parties. Advances under the loan are secured by promissory notes. This loan was assigned by AII to AmTrust effective December 31, 2014 and is carried at cost. There was no allowance for expected credit losses recognized on the loan at September 30, 2024 and December 31, 2023. Interest is payable at a rate equivalent to the Federal Funds Effective Rate ("Fed Funds") plus 200 basis points per annum. The interest income on the loan was $3,067 and $9,190 for the three and nine months ended September 30, 2024, respectively (2023: $3,073 and $8,698, respectively) and the effective yield was 7.3% for the respective periods (2023: 7.3% and 6.9%, respectively).
- on January 30, 2019, in connection with the termination of the reinsurance agreements described above, the Company and AmTrust amended the Loan Agreement between Maiden Reinsurance, AmTrust and AII, originally entered into on November 16, 2007, by extending the maturity date to January 1, 2025 and specifies that due to the termination of the AmTrust Quota Share, no further loans or advances may be made pursuant to the Loan Agreement.
- on January 11, 2019, the Company transferred $575,000 to AmTrust as a portion of the existing Trust Accounts used for collateral on the AmTrust Quota Share was converted to a funds withheld arrangement. The funds withheld receivable earned an annual interest rate of 3.5% in 2024, which was subject to annual adjustment (2023: 3.5%). At September 30, 2024, the funds withheld balance with AmTrust depleted to $0 (December 31, 2023: $128,451) and accrued interest was $0 (December 31, 2023: $1,584). The interest income on the funds withheld receivable was $71 and $1,262 for the three and nine months ended September 30, 2024, respectively (2023: $2,227 and $8,569, respectively). No allowance for expected credit losses was recognized for the fund withheld receivable from AmTrust and related accrued interest at December 31, 2023.

Pursuant to the terms of the LPT/ADC Agreement, Maiden Reinsurance, Cavello and AmTrust and certain of its affiliated companies entered into a Master Collateral Agreement ("MCA") to define and enable the operation of collateral provided under the AmTrust Quota Share. Under the MCA, Cavello provided letters of credit on behalf of Maiden Reinsurance to AmTrust in an amount representing Cavello's obligations under the LPT/ADC Agreement. Because these letters of credit replaced other collateral previously provided directly by Maiden Reinsurance to AmTrust, the MCA coordinates the collateral protection that will be provided to AmTrust to ensure that no gaps in collateral funding occur by operation of the LPT/ADC Agreement and

10. Related Party Transactions (continued)

related MCA. As a result of entering into both the LPT/ADC Agreement and the MCA, certain post-termination endorsements (“PTEs”) to the AmTrust Quota Share between AII and Maiden Reinsurance were required.

Effective July 31, 2019, the PTEs: i) enable the operation of both the LPT/ADC Agreement and MCA by making provision for certain forms of collateral, including letters of credit provided by Cavello on Maiden Reinsurance’s behalf, and further defines the permitted use and return of collateral; and ii) increase the required funding percentage for Maiden Reinsurance under the collateral arrangements between the parties to 105% of its obligations, subject to a minimum excess funding requirement of $54,000, as may be mutually amended by the parties from time to time. Under certain defined conditions, Maiden Reinsurance may be required to increase this funding percentage to 110%.

Effective March 16, 2020, Maiden Reinsurance discontinued as a Bermuda company and completed its re-domestication to the State of Vermont. Bermuda is a Solvency II equivalent jurisdiction and the State of Vermont is not such a jurisdiction; therefore, the collateral provided under the respective agreements with AmTrust subsidiaries was strengthened to reflect the impact of the re-domestication concurrent with the date of Maiden Reinsurance’s re-domestication to Vermont. Maiden Reinsurance and AmTrust agreed to: 1) amend the AmTrust Quota Share pursuant to Post Termination Endorsement No. 2 effective March 16, 2020; and 2) amend the European Hospital Liability Quota Share pursuant to Post Termination Endorsement No. 1 effective March 16, 2020.

Pursuant to the terms of Post Termination Endorsement No. 2 to the AmTrust Quota Share, Maiden Reinsurance strengthened the collateral protection provided by Maiden Reinsurance to AII by increasing the required funding percentage for Maiden Reinsurance under the collateral arrangements between the parties to 110% of its obligations, subject to a minimum excess funding requirement of $54,000, as may be mutually amended by the parties from time to time. Post Termination Endorsement No. 2 also sets forth conditions by which the funding percentage will be reduced and the sequence of how collateral will be utilized as obligations, as defined under the AmTrust Quota Share, are satisfied. Pursuant to the terms of Post Termination Endorsement No. 2, the funding percentage was reduced to 107.5% during the first quarter of 2023.

Pursuant to the terms of Post Termination Endorsement No. 1 to the European Hospital Liability Quota Share, Maiden Reinsurance strengthened the collateral protection provided by Maiden Reinsurance to AEL and AIU DAC by increasing the required funding percentage for Maiden Reinsurance under the collateral arrangements between the parties to the greater of 120% of the Exposure (as defined therein) and the amount of security required to offset the increase in the Solvency Capital Requirement (“SCR”) that results from the changes in the SCR which arise out of Maiden Reinsurance's re-domestication as compared to the SCR calculation if Maiden Reinsurance had remained domesticated in a Solvency II equivalent jurisdiction with a solvency ratio above 100% and provided collateral equivalent to 100% of the Exposure.

b) European Hospital Liability Quota Share

Collateral has been provided to both AEL and AIU DAC under the European Hospital Liability Quota Share. For AEL, the amount of the collateral held in reinsurance trust accounts at September 30, 2024 was $153,442 (December 31, 2023: $147,635) and the accrued interest was $1,515 (December 31, 2023: $1,091).

Asset Management Agreement

Effective July 1, 2007, the Company entered into an asset management agreement with AII Insurance Management Limited ("AIIM"), a wholly owned subsidiary of AmTrust, pursuant to which AIIM agreed to provide investment management services to the Company. Effective January 1, 2018, AIIM provides investment management services for a quarterly fee of 0.02125% of the average value of the account. The agreement may be terminated upon 30 days written notice by either party. The Company recorded $50 and $163 of investment management fees for the three and nine months ended September 30, 2024, respectively (2023: $61 and $206, respectively) under this agreement.

On September 9, 2020, Maiden Reinsurance, AmTrust and AIIM entered into a novation agreement, effective July 1, 2020, which provided for the novation of the asset management agreement, dated January 1, 2018 between Maiden Reinsurance and AIIM, and the release by Maiden Reinsurance of AIIM's obligations under the asset management agreement. The novation mandates that AmTrust is to be bound by the terms of the asset management agreement in place of AIIM and AmTrust agrees to perform any and all past, present and future obligations of AIIM under the asset management agreement.

On November 13, 2020, Maiden LF, Maiden GF, AmTrust and AIIM entered into a novation agreement, effective July 1, 2020, which provided for the novation of the asset management agreement, dated January 1, 2018 between Maiden LF, Maiden GF and AIIM, and the release by Maiden LF and Maiden GF of AIIM's obligations under the asset management agreement. The novation mandates that AmTrust is to be bound by the terms of the asset management agreement in place of AIIM and AmTrust agrees to perform any and all past, present and future obligations of AIIM under the asset management agreement.

Renewal Rights Agreement - IIS Business

On May 3, 2024 and June 20, 2024, Maiden LF and Maiden GF entered into the AmTrust Renewal Rights Agreements with certain subsidiaries of AmTrust, which are expected to cover certain programs of Maiden LF and Maiden GF's primary business written in Sweden, Norway, other Nordic countries, the United Kingdom and Ireland. Under these agreements, those AmTrust subsidiaries in collaboration with existing Maiden LF and Maiden GF distribution partners, will offer renewals to select policyholders in exchange for a fee at standard market terms for business successfully renewed. All programs written by Maiden LF and GF, including those covered by the AmTrust Renewal Rights Agreements, are in the process of being cancelled in accordance with the requirements of the AmTrust Renewal Rights Agreements, or their contractual terms.

(in thousands of U.S. dollars, except share and per share data)

11. Commitments, Contingencies and Guarantees

There are no material changes from the commitments, contingencies and concentrations previously disclosed in the Company’s Form 10-K for the year ended December 31, 2023.

a) Concentrations of Credit Risk

At September 30, 2024 and December 31, 2023, the Company’s assets where significant concentrations of credit risk may exist include investments, cash and cash equivalents, loan to related party, reinsurance balances receivable, reinsurance recoverable on paid and unpaid losses and funds withheld receivable. Please refer to "*Note 8. Reinsurance*" for additional information regarding the Company's credit risk exposure on its reinsurance counterparties including the impact of the LPT/ADC Agreement effective January 1, 2019. The Company requires its reinsurers to have adequate financial strength.

The Company evaluates the financial condition of its reinsurers and monitors its concentration of credit risk on an ongoing basis. Provisions are made for amounts that are considered potentially uncollectible. Reinsurance receivable and recoverable balances, loan to related party, and the funds withheld receivable are reviewed for expected credit losses on a quarterly basis and are presented net of an allowance for expected credit losses. Letters of credit are provided by its reinsurers for material amounts recoverable as discussed in "*Note 8. Reinsurance*".

The Company manages the concentration of credit risk in its investment portfolio through issuer and sector exposure limitations. The Company believes it bears minimal credit risk in its cash on deposit. The Company also monitors the credit risk related to the loan to related party, reinsurance balances receivable and funds withheld receivable, within which the largest balances are due from AmTrust. AmTrust has a financial strength/credit rating of A- (Excellent) from A.M. Best at September 30, 2024. To mitigate credit risk, the Company generally has a contractual right of offset thereby allowing claims to be settled net of any premiums or loan receivable. The Company believes these balances as at September 30, 2024 will be fully collectible.

b) Investment Commitments and Related Financial Guarantees

The Company's total unfunded commitments on alternative investments was $56,028 at September 30, 2024 (December 31, 2023: $100,846) which included commitments for other investments, private equity securities and equity method investments.

The table below shows the total unfunded commitments by type of investment as at September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023	
	Fair Value	% of Total	Fair Value	% of Total
Private equity funds	$ 30,038	53.6 %	$ 53,675	53.2 %
Private credit funds	—	— %	11,361	11.3 %
Investments in direct lending entities	3,270	5.9 %	595	0.6 %
Total unfunded commitments on other investments	$ 33,308	59.5 %	$ 65,631	65.1 %
Total unfunded commitments on equity securities	$ 6,183	11.0 %	$ 14,735	14.6 %
Total unfunded commitments on equity method investments	$ 16,537	29.5 %	$ 20,480	20.3 %
Total unfunded commitments on alternative investments	$ 56,028	100.0 %	$ 100,846	100.0 %

Certain of the Company's investments in limited partnerships are related to real estate joint ventures with interests in multi-property projects with varying strategies ranging from the development of properties to the ownership of income-producing properties. In certain of these joint ventures, the Company has provided certain indemnities, guarantees and commitments to certain parties such that it may be required to make payments now or in the future.

Any loss for which the Company could be liable would be contingent on the default of a loan by the real estate joint venture entity for which the Company provided a financial guarantee to a lender. While the Company has committed to aggregate limits as to the amount of guarantees it will provide as part of its limited partnerships, guarantees are only provided on an individual transaction basis and are subject to the terms and conditions of each transaction mutually agreed by the parties involved. The Company is not bound to such guarantees without its express authorization.

As discussed above, at September 30, 2024, guarantees of $69,818 (December 31, 2023: $62,508) were provided to lenders by the Company on behalf of real estate joint ventures, however, the likelihood of the Company incurring any losses pertaining to project level financing guarantees was determined to be remote. Therefore, no liability has been accrued under ASC 450-20.

(in thousands of U.S. dollars, except share and per share data)

11. Commitments, Contingencies and Guarantees (continued)

c) Operating Lease Commitments

The Company leases office spaces and equipment under various operating leases expiring in various years through 2034. The Company's leases are currently classified as operating leases and none of them have non-lease components. For operating leases that have a lease term of more than twelve months, and whose lease payments are above a certain threshold, the Company recognizes a lease liability and a right-of-use asset in the Condensed Consolidated Balance Sheets at the present value of the remaining lease payments until expiration.

As the lease contracts generally do not provide an implicit discount rate, the Company used the weighted-average discount rate of 8.6%, representing its secured incremental borrowing rate, in calculating the present value of the lease liability. At September 30, 2024, the Company's future lease obligations of $2,015 (December 31, 2023: $228) were calculated based on the present value of future annual rental commitments excluding taxes, insurance and other operating costs for non-cancellable operating leases discounted using its secured incremental borrowing rate. This amount has been recognized on the Condensed Consolidated Balance Sheet as a lease liability within accrued expenses and other liabilities with an initial equivalent amount for the right-of-use asset presented as part of other assets. At September 30, 2024, the Company's right-of-use lease asset of $1,517 reflected certain lease incentives that were accepted which reduced the right-of-use asset and were separately capitalized under leasehold improvements to be depreciated over the effective term of the related lease agreements (December 31, 2023: $228).

The Company has made an accounting policy election not to include renewal, termination, or purchase options that are not reasonably certain of exercise when determining the term of the borrowing. The Company’s lease agreements do not contain any material residual value guarantees or material restrictive covenants. The Company's weighted-average remaining lease term is approximately 9.6 years at September 30, 2024.

Under *Topic 842, Leases*, the Company continues to recognize the related leasing expense on a straight-line basis over the lease term on the Condensed Consolidated Statements of Income. The Company's total lease expense was $148 and $446 for three and nine months ended September 30, 2024, respectively (2023: $119 and $374, respectively) recognized within general and administrative expenses consistent with the prior accounting treatment under *Topic 840.*

At September 30, 2024, the scheduled maturity of the Company's operating lease liabilities are expected to be as follows:

	September 30, 2024
2024	$ 108
2025	319
2026	277
2027	277
2028	277
Thereafter	1,754
Discount for present value	(997)
Total discounted operating lease liabilities	$ 2,015

The Company has contracted to lease office space in New York City commencing in April 2024, which created a significant right-of-use asset and a lease liability once certain leasehold improvements were completed and the operating lease has commenced. The Company has occupied this space and capitalized the leased asset in the second quarter of 2024.

d) Legal Proceedings

Except as noted below, the Company is not a party to any material legal proceedings. From time to time, the Company is subject to routine legal proceedings, including arbitration, arising in the ordinary course of business. These legal proceedings generally relate to claims asserted by or against the Company in the ordinary course of insurance or reinsurance operations. Based on the Company's opinion, the eventual outcome of these legal proceedings is not expected to have a material adverse effect on its financial condition or results of operations.

In April 2009, the Company learned that Bentzion S. Turin, the former Chief Operating Officer, General Counsel and Secretary of Maiden Holdings and Maiden Reinsurance, sent a letter to the U.S. Department of Labor claiming that his employment with the Company was terminated in retaliation for corporate whistle-blowing in violation of the whistle-blower protection provisions of the Sarbanes-Oxley Act of 2002. Mr. Turin alleged that he was terminated for raising concerns regarding corporate governance with respect to the negotiation of the terms of the Trust Preferred Securities Offering. He seeks reinstatement as Chief Operating Officer, General Counsel and Secretary of Maiden Holdings and Maiden Reinsurance, back pay and legal fees incurred. On December 31, 2009, the U.S. Secretary of Labor found no reasonable cause for Mr. Turin’s claim and dismissed the complaint in its entirety. Mr. Turin objected to the Secretary's findings and requested a hearing before an administrative law judge in the U.S. Department of Labor. The Company moved to dismiss Mr. Turin's complaint, and its motion was granted by the Administrative Law Judge on June 30, 2011. On July 13, 2011, Mr. Turin filed a petition for review of the Administrative Law Judge's decision with the Administrative Review Board in the U.S. Department of Labor.

11. Commitments, Contingencies and Guarantees (continued)

On March 29, 2013, the Administrative Review Board reversed the dismissal of the complaint on procedural grounds, and remanded the case to the administrative law judge. The administrative hearing began in September 2014 and concluded in November 2018. On September 2, 2021, Administrative Law Judge Theresa C. Timlin of the U.S. Department of Labor issued a decision and order which denied Mr. Turin's complaint in full. On September 16, 2021, Mr. Turin filed a petition for review of the Administrative Law Judge's decision with the Administrative Review Board in the U.S. Department of Labor. On June 29, 2023, the Administrative Review Board issued a decision and order which summarily affirmed the September 2, 2021 decision and order of the Administrative Law Judge. The decision and order of the Administrative Review Board became the final order of the Secretary of Labor on July 27, 2023. On July 28, 2023, Mr. Turin filed a petition for review of the final order of the Secretary of Labor in the United States Court of Appeals for the Second Circuit. The Secretary of Labor is the respondent before the Second Circuit and the Court granted the Company's petition to intervene in order to present its position to the Court.

A putative class action complaint was filed against Maiden Holdings, Arturo M. Raschbaum, Karen L. Schmitt, and John M. Marshaleck in the United States District Court for the District of New Jersey on February 11, 2019. On February 19, 2020, the Court appointed lead plaintiffs, and on May 1, 2020, lead plaintiffs filed an amended class action complaint (the "Amended Complaint"). The Amended Complaint asserts violations of Section 10(b) of the Exchange Act and Rule 10b-5 (and Section 20(a) for control person liability) arising in large part from allegations that Maiden failed to take adequate loss reserves in connection with reinsurance provided to AmTrust.

Plaintiffs further claim that certain of Maiden Holdings' representations concerning its business, underwriting and financial statements were rendered false by the allegedly inadequate loss reserves, that these misrepresentations inflated the price of Maiden Holdings' common stock, and that when the truth about the misrepresentations was revealed, the Company's stock price fell, causing Plaintiffs to incur losses. On September 11, 2020, a motion to dismiss was filed on behalf of all Defendants. On August 6, 2021, the Court issued an order denying, in part, Defendants' motion to dismiss, ordering Plaintiffs to file a shorter amended complaint no later than August 20, 2021, and permitting discovery to proceed on a limited basis. On February 7, 2023, the District Court denied Plaintiffs' motion for reconsideration of the District Court's decision denying Plaintiffs' objection to the Magistrate Judge's December 2021 ruling on discovery. On May 26, 2023, the Company filed a Renewed Motion to Dismiss the Second Amended Complaint or, in the Alternative, for Summary Judgment, which has been fully briefed. On December 19, 2023, the U.S. District Court for the District of New Jersey granted summary judgment on plaintiffs' claim for securities fraud under Section 10(b) of the Securities Exchange Act to Maiden Holdings, Ltd. and individual defendants Arturo Raschbaum, Karen Schmitt, and John Marshaleck. The Court held that the factual record failed to support, as a matter of law, plaintiffs' allegations that the defendants had made false statements regarding the Company's loss reserves. The Court also dismissed plaintiffs' claims that the individual defendants were liable as control persons under Section 20(a) of the Securities Exchange Act for any such alleged false statements. Plaintiffs have appealed to the United States Court of Appeals for the Third Circuit.

We believe the claims are without merit and we intend to vigorously defend ourselves. It is possible that additional lawsuits will be filed against the Company, its subsidiaries and its respective officers due to the diminution in value of our securities as a result of our operating results and financial condition. It is currently uncertain as to the effect of such litigation on our business, operating results and financial condition.

(in thousands of U.S. dollars, except share and per share data)

12. Earnings per Common Share

The following is a summary of the elements used in calculating basic and diluted earnings per common share:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Numerator:				
Net loss attributable to Maiden common shareholders	$ (34,468)	$ (3,527)	$ (42,980)	$ (17,788)
Denominator:				
Weighted average number of common shares – basic and diluted[(1)]	99,724,474	101,454,767	100,112,436	101,586,759
Basic and diluted loss per share attributable to common shareholders	$ (0.35)	$ (0.03)	$ (0.43)	$ (0.18)

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(1) Please refer to *"Note 6. Shareholders' Equity"* and *"Note 14. Share Compensation and Pension Plans"* in the Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 for the terms and conditions of securities that could potentially be dilutive in the future. There were no potentially dilutive securities for the three and nine months ended September 30, 2024 (2023: 0).

13. Income Taxes

The Company recognized income tax expense of $25 and $478 for the three and nine months ended September 30, 2024, respectively, compared to an income tax benefit of $31 and $253 for the same respective periods in 2023. The effective tax rate on the Company's net loss differs from the statutory rate of zero percent under Bermuda law due to tax on foreign operations, primarily the U.S. and Sweden.

A valuation allowance has been established against the net U.S. and International deferred tax assets which is primarily attributable to net operating losses and capital losses in the respective regions. At this time, the Company believes it is necessary to establish a valuation allowance against the U.S. and International net deferred tax assets as more evidence is needed regarding the utilization of these losses.

At September 30, 2024, the Company has available net operating loss carry-forwards of $345,587 (December 31, 2023: $337,420) for income tax purposes. Approximately $186,203 (December 31, 2023: $186,203) of net operating loss ("NOL") carryforwards expire in various years beginning in 2029. As of September 30, 2024, approximately $159,384 or 46.1% of the Company's NOL carryforwards have no expiry date under the relevant U.S. tax law. At September 30, 2024, the Company also has a capital loss carry-forward of $14,866 (December 31, 2023: $13,853) which will start to expire on December 31, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited Condensed Consolidated Financial Statements and related notes included elsewhere in this Quarterly Report on Form 10-Q (this "Form 10-Q" or this "Report"). References in this Form 10-Q to the terms "we", "us", "our", "the Company", "Maiden" or other similar terms mean the consolidated operations of Maiden Holdings, Ltd. and its subsidiaries, unless the context requires otherwise. References in this Form 10-Q to the term "Maiden Holdings" means Maiden Holdings, Ltd. only. Certain reclassifications have been made for 2023 to conform to the 2024 presentation and have no impact on consolidated net income and total equity previously reported.

Note on Forward-Looking Statements

This Quarterly Report on Form 10-Q includes projections concerning financial information and statements concerning future economic performance and events, plans and objectives relating to management, operations, products and services, and assumptions underlying these projections and statements. These projections and statements are forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 and are not historical facts but instead represent only our belief regarding future events, many of which, by their nature, are inherently uncertain and outside our control. These projections and statements may address, among other things, our strategy for growth, product development, financial results and reserves. Our actual results and financial condition may differ, possibly materially, from these projections and statements and therefore you should not place undue reliance on them.

Factors that could cause our actual results and financial condition to differ, possibly materially, from those in the specific projections and statements are discussed throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations and in "Risk Factors" in Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2023 that was filed with the U.S. Securities and Exchange Commission ("SEC") on March 12, 2024, however, these factors should not be construed as exhaustive. Forward-looking statements speak only as of the date they are made and we undertake no obligation to update or revise any forward-looking statement that may be made from time to time, whether as a result of new information, future developments or otherwise, except as required by law.

Overview

Maiden Holdings is a Bermuda-based holding company. We create shareholder value by actively managing and allocating our assets and capital, including through ownership and management of businesses and assets mostly in the insurance and related financial services industries where we can leverage our deep knowledge of those markets.

As discussed in the *"Legacy Underwriting"* section further below, we have fulfilled our capital commitment to Genesis Legacy Solutions ("GLS") and recently determined we will not commit any further capital to GLS for new accounts and we presently do not anticipate any further contracts in the legacy management segment, as we no longer consider it part of our strategy to produce acceptable shareholder returns.

We are not currently underwriting reinsurance business on new prospective risks but have recently underwritten risks on a retroactive basis through GLS. We also have various historic reinsurance programs underwritten by Maiden Reinsurance Ltd. ("Maiden Reinsurance") which are in run-off, including the liabilities associated with AmTrust Financial Services, Inc. ("AmTrust") which we terminated in 2019 as discussed in "*Note 10. Related Party Agreements*" of the Notes to Condensed Consolidated Financial Statements in Part I Item 1. *"Financial Information"*. In addition, we have a Loss Portfolio Transfer and Adverse Development Cover Agreement ("LPT/ADC Agreement") with Cavello Bay Reinsurance Limited ("Cavello") and a commutation agreement that further reduces our exposure to and limits the potential volatility related to our AmTrust liabilities in run-off, as discussed in "*Note 8. Reinsurance*" of the Notes to Condensed Consolidated Financial Statements in Part I Item 1. *"Financial Information"*.

Short-term income protection business is presently written on a primary basis by our wholly owned subsidiaries Maiden Life Försäkrings AB ("Maiden LF") and Maiden General Försäkrings AB ("Maiden GF") in the Scandinavian and Northern European markets. Our wholly owned subsidiary, Maiden Global Holdings, Ltd. ("Maiden Global") is a licensed intermediary in the United Kingdom. Maiden Global had previously operated internationally by providing branded auto and credit life insurance products through insurer partners, particularly those in Europe and other global markets ("IIS business"). These products also produced reinsurance programs which were underwritten by our wholly owned subsidiary Maiden Reinsurance.

On May 3, 2024, Maiden LF and Maiden GF entered into a Renewal Rights and Asset Purchase Agreement with AmTrust Nordic AB, a Swedish unit of AmTrust Financial Services, Inc. ("AmTrust") which is expected to cover certain programs of Maiden LF and Maiden GF's primary business written in Sweden, Norway and other Nordic countries. On June 20, 2024, Maiden LF and Maiden GF entered into an additional Renewal Rights and Asset Purchase Agreement with AmTrust Europe Limited ("AEL") and AmTrust International Underwriters DAC ("AIU DAC"), both wholly owned subsidiaries of AmTrust, which is expected to cover certain programs of Maiden LF and Maiden GF's primary business written in the United Kingdom and Ireland. These agreements are collectively referred to as the "AmTrust Renewal Rights Agreements". Under these agreements, those AmTrust subsidiaries in collaboration with existing Maiden LF and Maiden GF distribution partners, will offer renewals to select policyholders in exchange for a fee at standard market terms for business successfully renewed. All programs written by Maiden LF and GF, including those covered by the AmTrust Renewal Rights Agreements, are in the process of being cancelled in accordance with requirements of the AmTrust Renewal Rights Agreements, or their contractual terms.

These transactions are part of our broader plan to divest the IIS businesses as a result of our recently concluded strategic review of the IIS business platform. The purpose of that review was to evaluate the strategic value of Maiden LF and Maiden GF in relation to their ongoing growth and profitability prospects, regulatory capital requirements and ability to create shareholder value in excess of our target return on capital levels. As part of these conclusions, Maiden LF and Maiden GF are no longer writing new business and we expect to enter into additional transactions to either sell or wind-up Maiden GF and Maiden LF as we actively evaluate current potential transactions.

Our business currently consists of two reportable segments: Diversified Reinsurance and AmTrust Reinsurance. Our Diversified Reinsurance segment consists of a portfolio of predominantly property and casualty reinsurance business focusing on regional and specialty property and casualty insurance companies located primarily in Europe. This segment also includes transactions entered into by GLS since November 2020. Our AmTrust Reinsurance segment includes all business ceded to Maiden Reinsurance by AmTrust, primarily the quota share reinsurance agreement ("AmTrust Quota Share") between Maiden Reinsurance and AmTrust's wholly owned subsidiary, AmTrust International Insurance, Ltd. ("AII") and the European hospital liability quota share reinsurance contract ("European Hospital Liability Quota Share") with AmTrust's wholly owned subsidiaries, AEL and AIU DAC, both of which are in run-off effective as of January 1, 2019.

Please refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023 that was filed on March 12, 2024 for further information on recent developments within the Company.

Business Strategy

In addition to restoring operating profitability, our strategic focus centers on creating the greatest risk-adjusted shareholder returns in order to increase book value for our common shareholders, both near and long-term. In that respect, management's focus is to increase non-GAAP book value, which fully reflects the steps we have taken to protect our balance sheet, primarily through our LPT/ADC Agreement with Cavello, as this represents the ultimate economic value of Maiden.

In recent years we have pursued a revised operating strategy which leveraged the significant assets and capital we retain.

Our assessment had been that these areas of strategic focus would enhance our profitability through increased returns, which would also increase the likelihood of fully utilizing the significant net operating loss ("NOL") carryforwards, as described further below, which would increase both GAAP and non-GAAP book value and create additional common shareholder value. To date, that strategy presently has had two principal areas of focus:

- Asset management - investing in assets and asset classes in a prudent but expansive manner in order to maximize investment returns and is principally enabled by limiting the amount of insurance risk we assume in relation to the assets we hold and maintaining required regulatory capital at very strong levels to manage our aggregate risk profile; and
- Capital management - effectively managing the capital we hold on our balance sheet and when appropriate, repurchasing securities or returning capital to enhance common shareholder returns.

As the run-off of our insurance liabilities has been more volatile than expected and our asset management strategies develop along timelines longer than initially anticipated, the need to allocate capital to other activities that produce more consistent levels of revenue and profit as we seek to create longer-term shareholder value has increased.

As part of our ongoing strategic evaluation of both the insurance and reinsurance marketplace and the ability of both the fee-based, distribution and the reinsurance markets to increase our current income and improve our ability to utilize and recognize our deferred tax assets, we increasingly believe near-term expansion of those strategies is appropriate.

We are actively exploring fee-based and distribution opportunities which are non-risk bearing and capital efficient and given ongoing changes in reinsurance markets, can be potentially complemented by limited and selective deployment of reinsurance capacity to supplement those activities and enhance returns to shareholders. During 2024, we have continued to evaluate numerous opportunities in pursuit of these objectives. Our results for the three months ended September 30, 2024 were impacted by expenditures in pursuit of these objectives.

To date, we invested $9.5 million in insurance distribution platforms and these investments have achieved an internal rate of return of 24.4% and a multiple of capital of 1.77x on those investments.

Further, while we have not engaged or pursued active reinsurance underwriting of new prospective risks recently, we continue to evaluate if such a strategy, even on a limited basis, would produce suitable value for shareholders. While we currently have not pursued such a strategy on a stand alone basis, such an approach could complement and enhance an approach to investing in and acquiring fee-based and distribution properties and strengthen those entities, and we believe numerous opportunities to execute a complimentary strategy are available.

In light of our increased activities in these areas, during the third quarter of 2024 we took steps to begin to reduce the asset management pillar of our strategy which are discussed below. Our alternative investments portfolio decreased by 24.8% during the three months ended September 30, 2024 due to recent sales and redemptions of private equity and private credit funds and this portfolio may reduce further in future periods as we continue to refine our strategy. While we remain confident that our asset management strategy will achieve the returns we have set out to achieve, we believe it is more critical to reposition our balance sheet currently and increase our liquidity in support of the current initiatives being pursued.

The returns expected to be produced by each pillar of our strategy are primarily evaluated in relation to our cost of debt capital, which carries a weighted average effective interest rate of 7.6%. To the extent our experience or belief indicates we cannot exceed the cost of debt capital, we expect to refrain from activities in those areas, as evidenced in our decisions regarding legacy management.

Our ability to execute our business strategies are dependent on maintaining adequate levels of unrestricted liquidity and cash flows. Please refer to the *"Liquidity and Capital Resources"* section for further information.

There can be no assurance that our insurance liabilities will run-off at levels that will permit further capital management activities, which we continually review as part of our strategy. In recent years, losses reported in our AmTrust Reinsurance segment continue to produce significant levels of adverse prior period loss development, including amounts increasingly not covered by the LPT/ADC Agreement. In addition, with regard to the European Hospital Liability Quota Share, certain tables used in determining non-economic damages were recently updated by the applicable authorities in Italy and increased compensation values for subject claims. The Company is currently analyzing the potential impact of the changes to these tables on its estimate of ultimate loss for this contract, including consultation with specialist third-party subject matter experts. In combination with the continued emergence of loss data from adverse claims verdicts noted above, these revisions could significantly impact the Company's evaluation of ultimate loss on these claims.

As a result, during the third quarter of 2024 and currently, we are pursuing finality solutions to resolve the AmTrust liabilities not covered by the LPT/ADC Agreement, including through third-parties. These solutions could involve significant charges to execute and we are actively evaluating the potential costs and benefits of such solutions, to the extent they are available to the Company. We have also retained third-party specialists and subject matter experts as part of our evaluation of the claims and actuarial impact of these exposures. There can be no guarantee that we will execute such finality solutions. To the extent these solutions are not available or do not occur, we may incur significant additional reserve charges based on the final analysis of this process.

Asset Management

As part of our asset management activities, as noted we have previously evaluated and continue to consider investing in various initiatives in the insurance industry across a variety of segments which we believe will produce appropriate risk-adjusted returns while maintaining the option to consider underwriting activities in the future. We believe these expanded activities will produce a broad range of positive impacts on our financial condition, including current income, longer-term gains and in certain instances, fee income. However as noted, we are actively exploring fee-based and distribution opportunities which are non-risk bearing and capital efficient. As these strategic plans continue to develop, we have modified our approach to this aspect of our current strategy, including reducing our investments and commitments to alternative investments as recently accomplished in the third quarter of 2024.

As of September 30, 2024, we have invested approximately $253.4 million into alternative investments which include equity securities, other investments and equity method investments in a wide variety of asset classes, and we believe these activities will exceed that benchmark cost of capital with adjustments as necessary if those returns do not emerge. Please refer to the *"Liquidity and Capital Resources"* section on "*Other Investments, Equity Investments and Equity Method Investments"* for further information on our alternative asset classes and a detailed discussion of their investment returns.

Recent development and trends in financial markets, particularly the rapid rise in interest rates and associated economic uncertainty as a result of those changes, indicate that it may take longer than expected to achieve those returns and we expect that to factor into future capital allocation decisions.

Capital Management

Our capital management strategy is significantly informed by the required capital needed to operate our business in a prudent manner and our ongoing analysis of our loss development trends. While our recorded ultimate losses for our insurance liabilities have experienced significant adverse loss development in recent years, as our insurance liabilities further mature we remain confident that we can continue the prudent and disciplined repurchase of our common shares and senior notes, both of which are authorized for repurchase, which we believe provided the greatest risk-adjusted returns to our common shareholders.

Please refer to *"Notes to Consolidated Financial Statements - Note 6 — Shareholders' Equity"* under Item 8 *"Financial Statements and Supplementary Data"* of the Annual Report on Form 10-K for the year ended December 31, 2022 for further information on the common shares issued as part of the exchange for preference shares held by Maiden Reinsurance and other preference shareholders in 2022 ("Exchange"). Completion of the Exchange represented a significant milestone in our capital management plan and we continue to evaluate other capital management options that may be available to us, including repurchase of the Company's common shares and senior notes from time to time at market prices or as may be privately negotiated as approved by our Board in its respective authorizations. The Company expects to deploy its capital management strategy on a long-term and disciplined basis, balanced along with its other strategic initiatives.

We note that recognition of the deferred tax asset on our balance sheet is a leading priority for the Company to increase its GAAP and non-GAAP book value and we will balance these considerations against opportunities to repurchase shares at what we believe are appropriate prices as we pursue our capital management initiatives.

Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 6. Shareholders' Equity*" included under *Item 1. "Financial Statements"* of this Quarterly Report on Form 10-Q for further information on the recent repurchases made by Maiden Reinsurance during the three and nine months ended September 30, 2024. There can be no assurance that we will continue to pursue such capital management initiatives, or that they will provide appropriate risk-adjusted returns. As we revised our strategy in recent years, we continuously evaluate the effectiveness of those strategies in achieving its goals and have been and continue to be prepared to adjust those strategies as our performance dictates.

Legacy Underwriting

In November 2020, the Company formed GLS to specialize in providing a full range of legacy services to small insurance entities, particularly those in run-off or with blocks of reserves that are no longer core to those companies' operations, working with clients to develop and implement finality solutions including acquiring entire companies that enable our clients to meet their capital and risk management objectives.The goal of GLS was to acquire legacy liabilities and (re)insurance reserves from companies and provide retroactive reinsurance coverage for portfolios of (re)insurance business, primarily via loss portfolio transfer contracts ("LPT"). Additionally, GLS provided reinsurance contracts to other (re)insurers to mitigate some of their risk of future adverse development (an adverse development cover, or "ADC") on insurance risks relating to prior accident years.

We believed the formation of GLS was highly complementary to our overall longer-term strategy and would produce risk-adjusted returns in excess of our debt cost of capital. However, GLS did not achieve either the volume or profitability expected and we concluded that the outlook would not change materially. At the time we formed GLS, we committed a certain level of capital to support this business which we have since fulfilled. After carefully evaluating the performance of this platform, ongoing market conditions, the competitive landscape and a variety of other factors, we have concluded that we will not commit additional capital to new accounts in this segment and will be running off the small number of accounts we underwrote since the formation of GLS. We presently do not anticipate any further contracts in the legacy management segment, and we no longer consider it part of our strategy to produce acceptable shareholder returns.

At September 30, 2024, GLS and its subsidiaries have total insurance related liabilities of $23.6 million which consisted of total loss reserves of $17.3 million, an underwriting-related derivative liability of $4.0 million, and net deferred gains on retroactive reinsurance of $2.3 million.

2024 Developments

During the nine months ended September 30, 2024, our book value decreased by 15.7% to $2.09 per common share at September 30, 2024, and our non-GAAP book value decreased by 6.6% to $2.98 per common share at September 30, 2024. We made additional progress in the capital management pillar of our business strategy, repurchasing 388,728 and 1,488,400 common shares during the three and nine months ended September 30, 2024, respectively.

The run-off of our historic reinsurance programs produced an underwriting loss of $18.8 million and $36.0 million for the three and nine months ended September 30, 2024, respectively. This was driven by adverse prior year reserve development of $11.7 million and $25.1 million for three and nine months ended September 30, 2024, respectively, which offset the positive progress made in our capital and asset management strategies. Approximately $11.8 million or 101.0% and $22.5 million or 89.6% of total adverse prior year reserve development for the three and nine months ended September 30, 2024, respectively, is recoverable under the LPT/ADC Agreement and is expected to be recognized as future GAAP income over time as recoveries are received, including recoveries on Workers Compensation paid commuted amounts, under the provisions of the LPT/ADC Agreement and the applicable GAAP accounting rules.

During the nine months ended September 30, 2024, our alternative investment portfolio decreased by 18.0% primarily due to sales and redemptions of equity securities, private equity investments and private credit funds in the third quarter of 2024. These sales were part of a broader effort to reposition our balance sheet as part of ongoing group strategic initiatives we are actively pursuing while also strengthening overall liquidity. Our alternative investment portfolio produced a positive net return of 4.1% during the nine months ended September 30, 2024 compared to 5.0% for the same period in 2023. We believe our alternative investment portfolio remains well positioned to achieve its targeted longer-term returns. As interest rates have risen, we are increasingly focusing our investing activities on opportunities that will produce current income.

Maiden Holdings North America ("Maiden NA")

We believe Maiden NA's investments, including its ownership of Maiden Reinsurance and its active asset management strategy, will create opportunities to utilize NOL carryforwards of $345.6 million at September 30, 2024. Approximately $186.2 million of these NOL carryforwards expire in various years beginning in 2029. As of September 30, 2024, $159.4 million or 46.1% of the Company's NOL carryforwards have no expiry date under the relevant U.S. tax law. The NOL carryforwards combined with additional net deferred tax assets ("DTA") primarily related to our insurance liabilities result in net U.S. DTA (before valuation allowance) of $126.0 million or $1.27 per common share at September 30, 2024.

Net U.S. DTA of $126.0 million is not presently recognized on the Company's condensed consolidated balance sheets as a full valuation allowance is carried against it. At this time, while positive evidence in support of reducing the valuation allowance is growing, the Company believes it is necessary to maintain a full valuation allowance against the net U.S. DTA as more evidence is needed regarding the utilization of these losses. As circumstances further develop, we will continuously evaluate the amount of the valuation allowance held against the net U.S. DTA.

For further details please see "*Note 13 — Income Taxes*" included under Item 8 "*Financial Statements and Supplementary Data*" of the Annual Report on Form 10–K for the year ended December 31, 2023. Taken together, we believe these measures should generate additional income for Maiden NA in a tax-efficient manner, while sharing in the improvement in profitability anticipated in Maiden Reinsurance as a result of the measures enacted as described above.

Three and Nine Months Ended September 30, 2024 and 2023 Financial Highlights

For the Three Months Ended September 30,	**2024**	**2023**	**Change**
Summary Consolidated Statement of Income Data (unaudited):	($ in thousands except per share data)		
Net loss	$ (34,468)	$ (3,527)	$ (30,941)
Basic and diluted loss per common share:			
Net loss attributable to common shareholders[2]	(0.35)	(0.03)	(0.32)
Gross premiums written	8,861	8,660	201
Net premiums earned	13,403	12,479	924
Underwriting loss[3]	(18,751)	(10,910)	(7,841)
Net investment results[13]	1,825	11,482	(9,657)
Non-GAAP measures:			
Non-GAAP operating loss[1]	(15,682)	(11,747)	(3,935)
Non-GAAP basic and diluted operating loss per common share[1]	(0.16)	(0.12)	(0.04)
Annualized non-GAAP operating return on average adjusted shareholders' equity[1]	(20.4)%	(14.4)%	(6.0)

For the Nine Months Ended September 30,	**2024**	**2023**	**Change**
Summary Consolidated Statement of Income Data (unaudited):	($ in thousands except per share data)		
Net loss	$ (42,980)	$ (17,788)	$ (25,192)
Basic and diluted loss per common share:			
Net loss attributable to Maiden common shareholders[2]	(0.43)	(0.18)	(0.25)
Gross premiums written	25,633	16,371	9,262
Net premiums earned	37,888	32,520	5,368
Underwriting loss[3]	(36,040)	(28,425)	(7,615)
Net investment results[13]	28,754	38,447	(9,693)
Non-GAAP measures:			
Non-GAAP operating loss[1]	(31,236)	(15,173)	(16,063)
Non-GAAP basic and diluted operating loss per common share[1]	(0.31)	(0.15)	(0.16)
Annualized non-GAAP operating return on average adjusted shareholders' equity[1]	(13.5)%	(6.2)%	(7.3)

	September 30, 2024	December 31, 2023	Change
Consolidated Financial Condition	($ in thousands except per share data)		
Total investments and cash and cash equivalents[4]	$ 606,914	$ 602,318	$ 4,596
Total assets	1,393,511	1,518,934	(125,423)
Reserve for loss and LAE	721,436	867,433	(145,997)
Senior notes - principal amount	262,361	262,361	—
Shareholders' equity	208,182	249,160	(40,978)
Total capital resources[5]	470,543	511,521	(40,978)
Ratio of debt to total capital resources[10]	55.8 %	51.3 %	4.5
Book Value calculations:			
Book value per common share[6]	$ 2.09	$ 2.48	$ (0.39)
Accumulated dividends per common share[12]	4.27	4.27	—
Book value per common share plus accumulated dividends	$ 6.36	$ 6.75	$ (0.39)
Change in book value per common share plus accumulated dividends	(5.8)%		
Diluted book value per common share[7]	$ 2.05	$ 2.46	$ (0.41)
Non-GAAP measures:			
Adjusted book value per common share[8]	$ 2.98	$ 3.19	$ (0.21)
Adjusted shareholders' equity[9]	296,203	320,076	(23,873)
Adjusted total capital resources[9]	558,564	582,437	(23,873)
Ratio of debt to adjusted total capital resources[11]	47.0 %	45.0 %	2.0

(1) Non-GAAP operating earnings (loss), non-GAAP operating earnings (loss) per common share, and annualized non-GAAP operating return on average common shareholders' equity are non-GAAP financial measures. See "*Key Financial Measures*" for additional information.

(2) Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 12. Earnings per Common Share*" for the calculation of basic and diluted income (loss) per common share.

(3) Underwriting income or loss is a non-GAAP measure and is calculated as net premiums earned plus other insurance revenue less net loss and LAE, commission and other acquisition expenses and general and administrative expenses directly related to underwriting activities. See "*Key Financial Measures*" for additional information.

(4) Total investments and cash and cash equivalents includes both restricted and unrestricted.

(5) Total capital resources is the sum of the Company's principal amount of debt and shareholders' equity. See "*Key Financial Measures*" for additional information.

(6) Book value per common share is calculated using shareholders' equity divided by the number of common shares outstanding. See "*Key Financial Measures*" for additional information.

(7) Diluted book value per common share is calculated by dividing shareholders' equity, adjusted for assumed proceeds from the exercise of dilutive options, by the number of outstanding common shares plus dilutive options and restricted shares (assuming exercise of all dilutive share based awards). See "*Key Financial Measures*" for additional information.

(8) Adjusted book value per common share is a non-GAAP measure that is calculated using shareholders' equity, adjusted by adding to shareholders' equity the unamortized deferred gain on retroactive reinsurance arising from the LPT/ADC Agreement, divided by the number of common shares outstanding. See "*Key Financial Measures*" for additional information.

(9) Adjusted shareholders' equity and adjusted total capital resources are calculated by adding to shareholders' equity the unamortized deferred gain on retroactive reinsurance arising from the LPT/ADC Agreement with Cavello relating to losses from the AmTrust Quota Share agreement. Under U.S. GAAP, the deferred gain shall be amortized over the estimated remaining settlement period. See "*Key Financial Measures*" for additional information.

(10) Ratio of debt to total capital resources is calculated using the total principal amount of debt divided by the sum of total capital resources.

(11) Ratio of debt to adjusted total capital resources is calculated using the total principal amount of debt divided by the sum of adjusted total capital resources.

(12) Accumulated dividends per common share includes the cumulative sum of dividends declared and paid in the past on the Company's issued common shares since inception.

(13) Net investment results include the sum of net investment income, net realized and unrealized gains (losses), and interest in income (loss) of equity method investments.

Key Financial Measures

In addition to our key financial measures presented in accordance with GAAP in the Condensed Consolidated Balance Sheets and Condensed Consolidated Statements of Income and Comprehensive Income, management uses certain non-GAAP financial measures to evaluate the Company's financial performance and the overall growth in value generated for the Company’s common shareholders. Management believes that these measures, which may be defined differently by other companies, explain the Company’s results to investors in a manner that allows for a more complete understanding of the underlying trends in the Company’s business. The non-GAAP measures should not be viewed as a substitute for those determined in accordance with U.S. GAAP. The calculation of these key financial measures including the reconciliation of non-GAAP measures to the nearest GAAP measure and relevant discussions are found within *Item 2 - "Management's Discussion and Analysis of Financial Condition and Results of Operations"*. These non-GAAP financial measures are:

Non-GAAP operating earnings (loss) and non-GAAP diluted operating earnings (loss) per common share: Management believes that the use of non-GAAP operating earnings and non-GAAP diluted operating earnings per common share enables investors and other users of the Company’s financial information to analyze its performance in a manner similar to how management analyzes performance. Management also believes that these measures generally follow industry practice therefore allowing the users of financial information to compare the Company’s performance with its industry peer group, and that the equity analysts and certain rating agencies which follow the Company, and the insurance industry as a whole, generally exclude these items from their analyses for the same reasons. Non-GAAP operating earnings should not be viewed as a substitute for U.S. GAAP net income.

Non-GAAP operating earnings (loss) is an internal performance measure used by management as these measures focus on the underlying fundamentals of the Company's operations by excluding, on a recurring basis: (1) net realized investment gains (losses); (2) foreign exchange and other gains (losses); (3) the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under the LPT/ADC Agreement and related changes in amortization of the deferred gain liability; and (4) interest in income (loss) of equity method investments. We excluded net realized investment gains (losses), interest in income (loss) of equity method investments and foreign exchange and other gains (losses) as we believe these are influenced by market opportunities and other factors. We do not believe that ceded risks under the LPT/ADC Agreement are representative of our ongoing and future business which are different to retroactive reinsurance risks written by GLS that are representative of ongoing business. We believe all of these amounts are substantially independent of our business and any potential future underwriting process, therefore their inclusion would distort the analysis of underlying trends in our operations.

Underwriting income (loss) is a non-GAAP measure and is calculated as net premiums earned plus other insurance revenue less net loss and LAE, commission and other acquisition expenses and general and administrative expenses directly related to underwriting activities. For purposes of these non-GAAP operating measures, the fee-generating business which is included in our Diversified Reinsurance segment, is considered part of the underwriting operations of the Company. Management believes that this measure is important in evaluating the underwriting performance of the Company and its segments. This measure is also a useful tool to measure the profitability of the Company separately from the investment results and is also a widely used performance indicator in the insurance industry. A reconciliation of the Company's underwriting results can be found in the Condensed Consolidated Financial Statements in the "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 3. Segment Information*" included under *Item 1. "Financial Statements"* of this Quarterly Report on Form 10-Q.

The Company no longer presents certain non-GAAP measures such as combined ratio and its related components in this Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2024, as it believes that as the run-off of our reinsurance portfolios progresses, such ratios are increasingly not meaningful and of less value to readers as they evaluate the financial results of the Company, particularly compared to historical data.

While an important metric of success, underwriting income (loss) does not reflect all components of profitability, as it does not recognize the impact of investment income earned on premiums between the time premiums are received and the time loss payments are ultimately paid to clients. Because we do not manage our cash and investments by segment, investment income and interest expense are not allocated to the reportable segments. Certain general and administrative expenses are generally allocated to segments based on actual costs incurred.

Non-GAAP Operating Return on Average Adjusted Shareholders' Equity ("Non-GAAP Operating ROACE"): Management uses non-GAAP operating return on average adjusted shareholders' equity as a measure of profitability that focuses on the return to common shareholders. It is calculated using non-GAAP operating earnings (loss) available to common shareholders (as defined above) divided by average adjusted shareholders' equity.

Book Value per Common Share and Diluted Book Value per Common Share: Book value per common share and diluted book value per common share are non-GAAP measures. Management uses growth in both of these metrics as a prime measure of the value we are generating for our common shareholders, because management believes that growth in each metric ultimately results in growth in the Company’s common share price. These metrics are impacted by the Company’s net income and external factors, such as interest rates, which can drive changes in unrealized gains or losses on our fixed income investment portfolio, as well as common share repurchases.

Ratio of Debt to Total Capital Resources: Management uses this non-GAAP measure to monitor the financial leverage of the Company. This measure is calculated using the total principal amount of debt divided by the sum of total capital resources.

Non-GAAP underwriting income (loss) and Non-GAAP Net Loss and LAE: Management has further adjusted underwriting income (loss), as defined above, as well as reported net loss and LAE by excluding the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements such as the LPT/ADC Agreement. The losses are estimated to be fully recoverable from Cavello and management believes adjusting for this development shows the ultimate economic benefit of the LPT/ADC Agreement on our underwriting results.

We believe reflecting the economic benefit of this retroactive reinsurance agreement is helpful for understanding future trends in our operations.

Adjusted Total Shareholders' Equity, Adjusted Total Capital Resources, Ratio of Debt to Adjusted Total Capital Resources and Adjusted Book Value per Common Share: Management has adjusted GAAP shareholders' equity by adding to shareholders' equity the unamortized deferred gain on ceded retroactive reinsurance under the LPT/ADC Agreement to shareholders' equity. The deferred gain liability on retroactive reinsurance under the LPT/ADC Agreement represents loss reserves estimated to be fully recoverable from Cavello. The unamortized deferred gain on ceded retroactive reinsurance under the LPT/ADC Agreement includes the aggregate impact of: 1) cumulative increases to losses incurred prior to December 31, 2018 for which we have ceded the risk under the LPT/ADC Agreement; and 2) changes in estimated ultimate losses for certain workers' compensation reserves previously commuted by the Company to AmTrust which are subject to specific terms and conditions pursuant to the LPT/ADC Agreement.

As a result, by virtue of this adjustment, management has also adjusted Total Capital Resources and computed the Ratio of Debt to Adjusted Capital Resources and Adjusted Book Value per Common Share. We believe adjusting for this shows the ultimate economic benefit of the LPT/ADC Agreement and reflecting the economic benefit of this non-recurring retroactive reinsurance agreement is helpful to understand future trends in our operations, which will improve the Company's shareholders' equity over the settlement or contract periods, respectively.

Alternative investments is the total of the Company's holdings of equity securities, other investments and equity method investments as reported on the Company's Condensed Consolidated Balance Sheets.

Certain Operating Measures

Refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 12, 2024, for a general discussion on "*Certain Operating Measures"* utilized by the Company.

Critical Accounting Policies and Estimates

The critical accounting policies and estimates should be read in conjunction with "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 2. Significant Accounting Policies*" included in this Form 10-Q and "*Notes to Consolidated Financial Statements Note 2. Significant Accounting Policies*" included within the audited Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 12, 2024. There have been no material changes in the application of our critical accounting estimates subsequent to that report.

Results of Operations

The following table sets forth our selected unaudited Condensed Consolidated Statement of Income data for the three and nine months ended September 30, 2024 and 2023:

($ in thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Gross premiums written	$ 8,861	$ 8,660	$ 25,633	$ 16,371
Net premiums written	$ 8,843	$ 8,625	$ 25,496	$ 16,260
Net premiums earned	$ 13,403	$ 12,479	$ 37,888	$ 32,520
Other insurance (expense) revenue , net	—	(16)	46	3
Net loss and LAE	(19,857)	(15,156)	(45,453)	(36,503)
Commission and other acquisition expenses	(9,068)	(5,340)	(19,474)	(14,520)
General and administrative expenses(1)	(3,229)	(2,877)	(9,047)	(9,925)
Underwriting loss (2)	(18,751)	(10,910)	(36,040)	(28,425)
Other general and administrative expenses(1)	(6,785)	(3,910)	(16,906)	(13,809)
Net investment income	4,878	9,048	19,531	29,111
Net realized and unrealized investment (losses) gains	(3,804)	244	6,403	2,394
Foreign exchange and other (losses) gains	(5,915)	4,594	(3,862)	(843)
Interest and amortization expenses	(4,817)	(4,814)	(14,448)	(13,411)
Income tax (expense) benefit	(25)	31	(478)	253
Interest in income of equity method investments	751	2,190	2,820	6,942
Net loss	$ (34,468)	$ (3,527)	$ (42,980)	$ (17,788)

(1) Underwriting related general and administrative expenses is a non-GAAP measure. Please refer to *"General and Administrative Expenses"* below for additional information related to these corporate expenses and the reconciliation to those presented in our unaudited Condensed Consolidated Statements of Income.
(2) Underwriting loss is a non-GAAP measure and is calculated as net premiums earned plus other insurance revenue less net loss and LAE, commission and other acquisition expenses and general and administrative expenses directly related to underwriting activities.
(3) The Company no longer presents certain non-GAAP measures such as combined ratio and its related components in its results of operation, as it believes that as the run-off of its reinsurance portfolios progresses, such ratios are increasingly not meaningful and of less value to readers as they evaluate our financial results.

Net loss

Net loss for the three months ended September 30, 2024 was $34.5 million compared to a net loss of $3.5 million for the same respective period in 2023. The decrease in our financial results for the third quarter of 2024 compared to the third quarter of 2023 was primarily due to:

- an underwriting loss of $18.8 million for the three months ended September 30, 2024 compared to an underwriting loss of $10.9 million in the same period in 2023 largely due to:
    - adverse prior year loss development ("PPD") of $11.7 million in the third quarter of 2024 compared to adverse PPD of $7.8 million during the same period in 2023, detailed as follows;
        - Our AmTrust Reinsurance segment had adverse PPD of $11.7 million in the third quarter of 2024 compared to adverse PPD of $6.0 million for the third quarter of 2023. Of the total adverse PPD experienced in this segment for the third quarter of 2024, $11.8 million is recoverable under the LPT/ADC Agreement and will be recognized as future GAAP income over time as recoveries are received under provisions of the LPT/ADC Agreement and the applicable GAAP accounting rules.
        - Our Diversified Reinsurance segment had favorable PPD of $15.0 thousand in the third quarter of 2024 compared to adverse PPD of $1.9 million for the third quarter of 2023.
        - On a current accident year basis, underwriting loss was $7.0 million for the three months ended September 30, 2024 compared to an underwriting loss of $3.1 million for the same period in 2023.
- lower income from investment activities which totaled $1.8 million for the three months ended September 30, 2024 compared to $11.5 million for the same period in 2023. The investment results for the third quarter of 2024 include $6.6 million in losses related to the disposition of alternative investments discussed previously, including $1.6 million in expenses related to these sales, along with continued declines in income from restricted assets as the associated liabilities continue to run-off;
- corporate general and administrative expenses increased to $6.8 million for the three months ended September 30, 2024 compared to corporate expenses of $3.9 million for the same period in 2023; and

- foreign exchange and other losses of $5.9 million for the three months ended September 30, 2024, compared to foreign exchange and other gains of $4.6 million for the same period in 2023.

Net loss for the nine months ended September 30, 2024 was $43.0 million compared to a net loss of $17.8 million for the same period in 2023. The net decrease in our financial results for the nine months ended September 30, 2024 compared to 2023 was largely due to:

- underwriting loss of $36.0 million in the nine months ended September 30, 2024 compared to an underwriting loss of $28.4 million for the same period in 2023 largely due to:
  - adverse PPD of $25.1 million for the nine months ended September 30, 2024 compared to adverse PPD of $16.0 million for the same period in 2023 detailed as follows:
    - Our AmTrust Reinsurance segment had adverse PPD of $24.2 million in 2024, compared to adverse PPD of $12.0 million in 2023. Of the total adverse PPD experienced in this segment for 2024, $22.5 million is recoverable under the LPT/ADC Agreement and is expected to be recognized as future GAAP income over time as recoveries are received under provisions of the LPT/ADC Agreement and the applicable GAAP accounting rules.
    - Our Diversified Reinsurance segment had adverse PPD of $0.9 million in 2024, compared to adverse PPD of $3.9 million for the same period in 2023.
  - on a current accident year basis, an underwriting loss of $11.0 million for the nine months ended September 30, 2024 compared to an underwriting loss of $12.4 million for the same period in 2023, primarily due to results in AmTrust Reinsurance segment as discussed further below in the segment analysis.
- lower income from investment activities which totaled $28.8 million for the nine months ended September 30, 2024 compared to $38.4 million in 2023. The investment results for the nine months ended September 30, 2024 included $5.7 million in losses related to the disposition of alternative investments discussed previously, including $1.6 million in expenses related to these sales, along with continued declines in income from restricted assets as the associated liabilities continue to run-off;
- corporate general and administrative expenses increased to $16.9 million for the nine months ended September 30, 2024 compared to corporate expenses of $13.8 million for the same period in 2023; and
- foreign exchange and other losses of $3.9 million for the nine months ended September 30, 2024 compared to foreign exchange and other losses of $0.8 million earned for the same period in 2023.

Net Premiums Written

The tables below compare net premiums written by our reportable segments, reconciled to the total consolidated net premiums written for the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30,	**2024**	**2023**	**Change in**	
($ in thousands)	**Total**	**Total**	**$**	**%**
Diversified Reinsurance	$ 9,035	$ 6,727	$ 2,308	34.3 %
AmTrust Reinsurance	(192)	1,898	(2,090)	(110.1)%
Total	$ 8,843	$ 8,625	$ 218	2.5 %

For the Nine Months Ended September 30,	**2024**	**2023**	**Change in**	
($ in thousands)	**Total**	**Total**	**$**	**%**
Diversified Reinsurance	$ 26,237	$ 20,152	$ 6,085	30.2 %
AmTrust Reinsurance	(741)	(3,892)	3,151	(81.0)%
Total	$ 25,496	$ 16,260	$ 9,236	56.8 %

Net premiums written for the three and nine months ended September 30, 2024 increased to $8.8 million and $25.5 million, respectively, compared to net premiums written of $8.6 million and $16.3 million for the same respective periods in 2023:

- Premiums written in the Diversified Reinsurance segment increased by $2.3 million and $6.1 million for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023 due to growth in direct premiums for Credit Life programs written by Maiden LF and Maiden GF.
- Premiums written in the AmTrust Reinsurance segment decreased by $2.1 million and increased by $3.2 million for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. The negative written premiums for the nine months ended September 30, 2023 reflect cession adjustments of $6.1 million due to the cancellation of cases in one specific program within Specialty Risk and Extended Warranty.

Please refer to the analysis below of our Diversified Reinsurance and AmTrust Reinsurance segments for further details.

Net Premiums Earned

Net premiums earned increased by $0.9 million and $5.4 million for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023 due to higher earned premiums in our Diversified Reinsurance segment driven by growth in Credit Life programs written by Maiden LF and Maiden GF.

The tables below compare net premiums earned by our reportable segments, reconciled to the total consolidated net premiums earned, for the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30,	**2024**	**2023**	**Change in**	
($ in thousands)	**Total**	**Total**	**$**	**%**
Diversified Reinsurance	$ 9,576	$ 7,207	$ 2,369	32.9 %
AmTrust Quota Share Reinsurance	3,827	5,272	(1,445)	(27.4)%
Total	$ 13,403	$ 12,479	$ 924	7.4 %

For the Nine Months Ended September 30,	**2024**	**2023**	**Change in**	
($ in thousands)	**Total**	**Total**	**$**	**%**
Diversified Reinsurance	$ 26,796	$ 21,882	$ 4,914	22.5 %
AmTrust Quota Share Reinsurance	11,092	10,638	454	4.3 %
Total	$ 37,888	$ 32,520	$ 5,368	16.5 %

Net premiums earned in the Diversified Reinsurance segment for the three and nine months ended September 30, 2024 increased by $2.4 million or 32.9% and $4.9 million or 22.5%, respectively, compared to the same respective periods in 2023 due to growth in Credit Life programs written by Maiden LF and Maiden GF. Please refer to the analysis of our Diversified Reinsurance segment for further discussion.

Net premiums earned in the AmTrust Reinsurance segment for the three and nine months ended September 30, 2024 decreased by $1.4 million or 27.4% and increased by $0.5 million or 4.3%, respectively, compared to the same respective periods in 2023. Please refer to the analysis of our AmTrust Reinsurance segment for further discussion.

Other Insurance Revenue

All of our Other Insurance Revenue is produced by our Diversified Reinsurance segment. Please refer to the analysis below of our Diversified Reinsurance segment for further discussion.

Net Investment Income

Net investment income decreased by $4.2 million or 46.1% and $9.6 million or 32.9% for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023 largely due to lower interest income earned on our funds withheld balance with AmTrust as claim payments continued to be settled through the funds held receivable combined with higher investment expenses compared to the prior year periods.

Annualized average book yields increased to 4.4% and 4.2% for the three and nine months ended September 30, 2024, respectively, compared to 4.3% and 4.1% for the same respective periods in 2023 due to the following factors:

- Floating rate investments comprise 43.6% of our fixed income investments as of September 30, 2024;
- Loan to related party carried a higher weighted average interest rate on a balance of $168.0 million which increased to 7.3% for the three and nine months ended September 30, 2024, respectively, compared to 7.3% and 6.9% for the same respective periods in 2023; partly offset by:
- Interest income on our funds withheld receivable decreased by $2.2 million and $7.3 million for the three and nine months ended September 30, 2024, respectively, compared to the same periods in 2023. This was driven by lower average funds withheld balances with AmTrust which were $8.9 million and $51.8 million for the three and nine months ended September 30, 2024, respectively, compared to $250.0 million and $317.1 million for the same respective periods in 2023. Funds withheld receivable from AmTrust earned an annual interest rate of 3.5% for the three and nine months ended September 30, 2024 and 2023, respectively. At September 30, 2024, the funds withheld balance with AmTrust decreased to $0.0 million compared to a balance of $213.1 million held at September 30, 2023; and
- Investment expenses increased by $1.7 million and $1.8 million for the three and nine months ended September 30, 2024, respectively, compared to the same periods in 2023 driven by $1.6 million of fees incurred related to sales and redemptions in our alternative investment portfolio during the third quarter of 2024.

Average aggregate fixed income assets for the three and nine months ended September 30, 2024 decreased by 33.1% and 31.5%, respectively, compared to the same periods in 2023 due to continued run-off of our reinsurance liabilities previously written on prospective risks through the funds withheld receivable. For the three and nine months ended September 30, 2024 and 2023, we experienced negative operating cash flows due to settlement of claim payments to AmTrust as we run-off existing reinsurance liabilities in the AmTrust Reinsurance segment.

The following table details our average aggregate fixed income assets (at cost) and annualized investment book yield for the three and nine months ended September 30, 2024 and 2023:

($ in thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Average aggregate fixed income assets, at cost (1)	$ 502,098	$ 750,448	$ 576,755	$ 842,212
Annualized investment book yield	4.4 %	4.3 %	4.2 %	4.1 %

(1) Fixed income assets include available-for-sale ("AFS") securities, cash and restricted cash, funds withheld receivable, and loan to related party. These amounts are an average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.

Net Realized and Unrealized Investment (Losses) Gains

Net realized and unrealized investment losses of $3.8 million and gains of $6.4 million were recognized for the three and nine months ended September 30, 2024, respectively, compared to net realized and unrealized investment gains of $0.2 million and $2.4 million for the same respective periods in 2023. Net realized and unrealized investment (losses) gains for the three and nine months ended September 30, 2024 and 2023 are summarized in the table below by investment category:

($ in thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Net realized gains (losses):				
Fixed income assets(1)	$ (429)	$ (301)	$ (724)	$ (1,087)
Other investments	9,353	—	9,353	—
Equity securities	(3,538)	—	(3,538)	186
Total net realized gains (losses)	5,386	(301)	5,091	(901)
Net unrealized (losses) gains:				
Other investments	(11,043)	597	371	2,434
Equity securities	1,853	(52)	941	861
Total net unrealized (losses) gains	(9,190)	545	1,312	3,295
Net realized and unrealized investment (losses) gains	$ (3,804)	$ 244	$ 6,403	$ 2,394

(1) Fixed income assets includes AFS securities as well as cash, restricted cash, funds withheld receivable, and loan to related party.

For the three months ended September 30, 2024, net investment losses of $3.8 million were primarily due to net unrealized losses of $11.0 million on other investments and net realized losses of $3.5 million on equity securities, partially offset by net realized gains of $9.4 million on other investments and net unrealized gains of $1.9 million on equity securities.

For the nine months ended September 30, 2024, the net investment gains of $6.4 million were primarily due to net realized gains of $9.4 million on the sale of other investments, partially offset by net realized losses of $3.5 million on equity securities. The net realized gains on other investments for the three and nine months ended September 30, 2024 were mainly from sales and redemptions of private credit funds and private equity funds during the third quarter of 2024. The sales and redemptions of other investments including equity securities during the three and nine months ended September 30, 2024 were part of a broader effort to reposition our balance sheet as part of ongoing group strategic initiatives while also strengthening overall liquidity.

Interest in Income of Equity Method Investments

Total interest in income of equity method investments of $0.8 million and $2.8 million were recognized for the three and nine months ended September 30, 2024, respectively, compared to an interest in the income of equity method investments of $2.2 million and $6.9 million for the same respective periods in 2023. Equity method investments consist of real estate investments of $57.3 million and other investments of $28.9 million as of September 30, 2024. Interest in income of equity method investments for the three and nine months ended September 30, 2024 and 2023 is detailed by investment category below:

($ in thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Other investments	$ 688	$ 2,360	$ 2,540	$ 7,432
Real estate investments	63	(170)	280	(573)
Hedge fund investments	—	—	—	83
Interest in income of equity method investments	$ 751	$ 2,190	$ 2,820	$ 6,942

Net Loss and LAE

Net loss and LAE increased by $4.7 million for the third quarter of 2024 compared to the same period in 2023. Net losses were impacted by net adverse PPD of $11.7 million for the third quarter of 2024 compared to net adverse PPD of $7.8 million for the same period in 2023. Excluding adverse development, the current year losses were $8.2 million for the third quarter of 2024 compared to $7.3 million for the third quarter of 2023.

Net loss and LAE increased by $9.0 million or 24.5% during the nine months ended September 30, 2024 compared to the same respective period in 2023 driven by higher net adverse PPD experienced in the AmTrust Reinsurance Segment. Net loss and LAE was impacted by net adverse PPD of $25.1 million in 2024 compared to net adverse PPD of $16.0 million in 2023.

Of the total adverse development in the AmTrust Reinsurance segment experienced to date in 2024, approximately $22.5 million is recoverable under the LPT/ADC Agreement and is expected to be recognized as future GAAP income over time as recoveries are received under the provisions of the LPT/ADC Agreement and the applicable GAAP accounting rules.

The cessation of active reinsurance underwriting on prospective risks included the termination of the AmTrust Quota Share and European Hospital Liability Quota Share effective January 1, 2019. The segment net loss development is discussed in greater detail in the individual segment discussion and analysis and is primarily associated with run-off of unearned premium for terminated reinsurance contracts in the AmTrust Reinsurance and Diversified Reinsurance segments.

Commission and Other Acquisition Expenses

Commission and other acquisition expenses increased by $3.7 million or 69.8% and increased by $5.0 million or 34.1% for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. The year-to-date movement was primarily due to lower earned premium adjustments in the AmTrust Reinsurance segment as negative premium adjustments in the first quarter of 2023 resulted in lower commission costs and brokerage fees.

Total acquisition expenses increased as a percentage of net premiums earned for both respective periods driven by the accelerated amortization of deferred acquisition costs upon the recognition of a premium deficiency of $3.7 million in the AmTrust Reinsurance segment. Please see further discussion in the individual segment analysis further below.

General and Administrative Expenses

General and administrative expenses include both segment and corporate expenses segregated for analytical purposes as a component of underwriting income. Total general and administrative expenses increased by $3.2 million or 47.5% and $2.2 million or 9.3% for the three and nine months ended September 30, 2024, respectively, compared to the same periods in 2023. Excluding non-recurring expenses, our adjusted operating expenses increased 8.8% to $7.4 million for the three months ended September 30, 2024, compared to $6.8 million for the same period in 2023 and decreased 3.8% to $22.7 million for the nine months ended September 30, 2024, compared to $23.6 million for the same period in 2023.

Corporate expenses increased by $2.9 million and $3.1 million for the three and nine months ended September 30, 2024, respectively, largely due to higher legal and actuarial fees incurred in the third quarter of 2024. The majority of these expenses were related to significant and ongoing strategic initiatives being pursued by the Company, including but not limited to potential acquisitions and active exploration of finality solutions related to the Company's reinsurance liabilities as discussed in the *Business Strategy* section. Corporate expenses also included higher stock-based awards which were $1.5 million for the nine months ended September 30, 2024 compared to $1.4 million for the same period in 2023.

General and administrative expenses for the three and nine months ended September 30, 2024 and 2023 were comprised of:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
General and administrative expenses – segments	$ 3,229	$ 2,877	$ 9,047	$ 9,925
General and administrative expenses – corporate	6,785	3,910	16,906	13,809
Total general and administrative expenses	$ 10,014	$ 6,787	$ 25,953	$ 23,734

Expenses related to the Company’s IIS business, which is no longer writing new business and has entered into the AmTrust Renewal Rights Agreements, were 19.6% and 18.1% of the Company's recurring operating expenses for the three and nine months ended September 30, 2024, respectively.

Interest and Amortization Expenses

Total interest and amortization expenses related to outstanding senior notes issued by Maiden Holdings in 2016 and Maiden NA in 2013 ("Senior Notes") were $4.8 million and $14.4 million for the three and nine months ended September 30, 2024, respectively, compared to $4.8 million and $13.4 million for the same respective periods in 2023. This included interest expense incurred on the Senior Notes for the three and nine months ended September 30, 2024 and 2023 of $4.8 million and $14.3 million, respectively.

The issuance costs related to the Senior Notes were capitalized and are amortized over their effective life using the effective interest method of amortization. Due to a change in the amortization method for the 2013 Senior Notes in the prior year period, amortization expenses were $40.0 thousand and $0.1 million for the three and nine months ended September 30, 2024, respectively, compared to amortization expense of $37.0 thousand and income of $0.9 million for the same respective periods in 2023.

During the nine months ended September 30, 2023, the Company realized a gain of $39.9 thousand due to the partial repurchase of the 2013 Senior Notes which was offset against total interest and amortization expenses discussed above.

Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 7. Long Term Debt*" for further details on the Senior Notes. The weighted average effective interest rate for the Senior Notes was 7.6% for the three and nine months ended September 30, 2024 and 2023, respectively.

Foreign Exchange and Other (Losses) Gains

Net foreign exchange and other losses of $5.9 million and $3.9 million were realized during the three and nine months ended September 30, 2024 compared to net foreign exchange and other gains of $4.6 million and losses of $0.8 million for the same respective periods in 2023. For the three and nine months ended September 30, 2024, net foreign exchange losses of $5.9 million and $3.9 million were attributable to the weakening of the U.S. dollar on the re-measurement of net loss reserves and insurance related liabilities denominated in the British pound and euro.

Net foreign exchange gains of $4.6 million and losses of $0.1 million were realized for the three and nine months ended September 30, 2023 respectively. The net foreign exchange gains of $4.6 million in the third quarter of 2023 were driven by modest strengthening of the U.S. dollar on the re-measurement of net loss reserves and insurance related liabilities denominated in British pound and euro during the period. Net foreign exchange losses of $0.1 million for the nine months ended September 30, 2023 were attributable to the weakening of the U.S. dollar on the re-measurement of net loss reserves and insurance related liabilities denominated in British pound and euro since the start of the year.

Foreign currency fluctuations are primarily driven by exposures to euro, British pound and other non-USD denominated net loss reserves and insurance related liabilities in excess of foreign currency assets. Our non-USD denominated liabilities at September 30, 2024 included net loss reserves of $258.4 million. Our foreign currency asset exposures at September 30, 2024 included $149.5 million of fixed maturity securities managed by our investment managers who have the discretion to hold foreign currency exposures as part of their total return strategy, $31.1 million of equity method real estate investments denominated in Canadian dollars, as well as $14.8 million of funds withheld receivable.

Underwriting Results by Reportable Segment

Diversified Reinsurance Segment

The underwriting results for our Diversified Reinsurance segment for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
Gross premiums written	$ 9,053	$ 6,762	$ 26,374	$ 20,263
Net premiums written	$ 9,035	$ 6,727	$ 26,237	$ 20,152
Net premiums earned	$ 9,576	$ 7,207	$ 26,796	$ 21,882
Other insurance (expense) revenue , net	—	(16)	46	3
Net loss and LAE	(4,036)	(4,142)	(12,314)	(11,126)
Commission and other acquisition expenses	(3,975)	(3,374)	(11,564)	(10,544)
General and administrative expenses	(2,512)	(2,216)	(6,960)	(7,863)
Underwriting loss	$ (947)	$ (2,541)	$ (3,996)	$ (7,648)

Underwriting loss by business unit is detailed in the table below for the Diversified Reinsurance segment for the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
International	$ (381)	$ (2,015)	$ (2,057)	$ (4,040)
GLS	(872)	(737)	(1,782)	(2,948)
Other run-off lines	306	211	(157)	(660)
Underwriting loss	$ (947)	$ (2,541)	$ (3,996)	$ (7,648)

Premiums — The growth in written and earned premium was the result of new Credit Life programs written by Maiden LF and Maiden GF in the three and nine months ended September 30, 2024. However, as discussed in the *"Overview"* section, Maiden LF and Maiden GF are no longer writing new business and have entered into the AmTrust Renewal Rights Agreements which are expected to cover certain programs of Maiden LF and Maiden GF's primary business written in Sweden, Norway, other Nordic countries, the United Kingdom and Ireland. As a result, Maiden LF and Maiden GF should begin to experience declines in premium written during the remainder of 2024.

Gross premiums written increased by $2.3 million or 33.9% and $6.1 million, or 30.2% for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. Net premiums written increased by $2.3 million or 34.3% and $6.1 million or 30.2% during the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. Net premiums earned increased by $2.4 million or 32.9% and $4.9 million or 22.5% during the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023.

Other insurance (expense) revenue , net — Other insurance (expense) revenue , net includes fee related income generated from our GLS business, fair value changes in underwriting-related derivatives related to certain coverages on retroactive reinsurance contracts written by GLS, and fee income derived from our IIS business not directly associated with premium revenue assumed. The tables below show other insurance revenue by source for the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30,	**2024**	**2023**	**Change**
		($ in thousands)	
International	$ —	$ 3	$ (3)
Other service fee income	—	(19)	19
Total other insurance expense , net	$ —	$ (16)	$ 16

For the Nine Months Ended September 30,	**2024**	**2023**	**Change**
		($ in thousands)	
International	$ —	$ 100	$ (100)
Changes in fair value of non-hedged underwriting-related derivatives	—	(230)	230
Other service fee income	46	133	(87)
Total other insurance revenue, net	$ 46	$ 3	$ 43

Net Loss and LAE — Net loss and LAE decreased by $0.1 million and increased by $1.2 million for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. The net loss and LAE was impacted by net favorable PPD of $15.0 thousand and net adverse PPD of $0.9 million for the three and nine months ended September 30, 2024, respectively, compared to adverse PPD of $1.9 million and $3.9 million for the same periods in 2023.

The net favorable PPD for the three months ended September 30, 2024 was primarily from favorable development in other runoff business lines partly offset by adverse development in International. The net adverse PPD for the nine months ended September 30, 2024 was due to International and facultative runoff lines partly offset by favorable development in GLS business.

The net adverse development for the three and nine months ended September 30, 2023 was primarily from a German Auto program in run-off, along with development in European Capital Solutions and other runoff business lines. It also included the recognition of expected credit losses on reinsurance recoverable on unpaid losses for the nine months ended September 30, 2023.

Commission and Other Acquisition Expenses — Commission and other acquisition expenses increased by $0.6 million or 17.8% and $1.0 million or 9.7% for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023 due to growth in new Credit Life programs written by Maiden LF and GF. Total acquisition costs as a percentage of net premiums earned decreased for both respective periods due to lower profit commissions incurred as a result of recent loss experience on certain programs.

General and Administrative Expenses — General and administrative expenses increased by $0.3 million or 13.4% and decreased by $0.9 million or 11.5% for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. The year-to-date movement was largely due to lower staff incentive compensation compared to the prior year period.

AmTrust Reinsurance Segment

The AmTrust Reinsurance segment reported an underwriting loss of $17.8 million and $32.0 million during the three and nine months ended September 30, 2024, respectively, compared to an underwriting loss of $8.4 million and $20.8 million for the same respective periods in 2023.

The underwriting results for the AmTrust Reinsurance segment for the three and nine months ended September 30, 2024 and 2023 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
Gross premiums written	$ (192)	$ 1,898	$ (741)	$ (3,892)
Net premiums written	$ (192)	$ 1,898	$ (741)	$ (3,892)
Net premiums earned	$ 3,827	$ 5,272	$ 11,092	$ 10,638
Net loss and LAE	(15,821)	(11,014)	(33,139)	(25,377)
Commission and other acquisition expenses	(5,093)	(1,966)	(7,910)	(3,976)
General and administrative expenses	(717)	(661)	(2,087)	(2,062)
Underwriting loss	$ (17,804)	$ (8,369)	$ (32,044)	$ (20,777)

Premiums — The tables below show net premiums written by category for the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30,	2024	2023	Change in
($ in thousands)	Total	Total	$
Net Premiums Written			
Small Commercial Business	$ (73)	$ (160)	$ 87
Specialty Program	14	—	14
Specialty Risk and Extended Warranty	(133)	2,058	(2,191)
Total AmTrust Reinsurance	$ (192)	$ 1,898	$ (2,090)

For the Nine Months Ended September 30,	2024	2023	Change in
($ in thousands)	Total	Total	$
Net Premiums Written			
Small Commercial Business	$ (620)	$ (318)	$ (302)
Specialty Program	(31)	157	(188)
Specialty Risk and Extended Warranty	(90)	(3,731)	3,641
Total AmTrust Reinsurance	$ (741)	$ (3,892)	$ 3,151

The negative premiums for the nine months ended September 30, 2024 and September 30, 2023 reflect the termination of the AmTrust Quota Share and the European Hospital Liability Quota Share as of January 1, 2019 which has resulted in no new business written under these contracts since 2018.

The negative gross and net premiums written for the nine months ended September 30, 2023 reflect cession adjustments of $6.1 million due to the cancellation of cases in a certain program within Specialty Risk and Extended Warranty.

Net premiums earned decreased by $1.4 million and increased by $0.5 million for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. The year-to-date movement was due to lower negative premium adjustments during 2024 compared to the prior year period.

The tables below provide detail on net premiums earned in the three and nine months ended September 30, 2024 and 2023:

For the Three Months Ended September 30,	2024	2023	Change in
($ in thousands)	Total	Total	$
Net Premiums Earned			
Small Commercial Business	$ (73)	$ (160)	$ 87
Specialty Program	14	—	14
Specialty Risk and Extended Warranty	3,886	5,432	(1,546)
Total AmTrust Reinsurance	$ 3,827	$ 5,272	$ (1,445)

For the Nine Months Ended September 30,	2024	2023	Change in
($ in thousands)	Total	Total	$
Net Premiums Earned			
Small Commercial Business	$ (620)	$ (318)	$ (302)
Specialty Program	(31)	157	(188)
Specialty Risk and Extended Warranty	11,743	10,799	944
Total AmTrust Reinsurance	$ 11,092	$ 10,638	$ 454

Net Loss and LAE — Net loss and LAE increased by $4.8 million and $7.8 million for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023. The movement was driven by higher adverse PPD under the AmTrust Quota Share for the three and nine months ended September 30, 2024 compared to the same respective periods in 2023.

Net adverse PPD was $11.7 million and $24.2 million during the three and nine months ended September 30, 2024, respectively, compared to net adverse development of $6.0 million and $12.0 million for the same respective periods in 2023, incurred primarily within the AmTrust Quota Share and European Hospital Liability Quota Share.

The table below shows PPD for the AmTrust Reinsurance segment for the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Prior Year Loss Development adverse (favorable)	($ in thousands)			
AmTrust Quota Share	$ 11,818	$ (22)	$ 21,893	$ 6,414
AmTrust other runoff	(79)	(20)	(305)	(360)
European Hospital Liability Quota Share	(21)	6,012	2,591	5,992
Total AmTrust Prior Year Development	$ 11,718	$ 5,970	$ 24,179	$ 12,046

Net adverse PPD for the three and nine months ended September 30, 2024 was primarily due to the AmTrust Quota Share contract, with European Hospital Liability also producing adverse loss development in the year-to-date period. In the AmTrust Quota Share, U.S. Program business experienced continuing adverse development from construction defect coverage for accident years 2015 to 2018 as new claims emergence reported by AmTrust was again far greater than expected; this was partly offset by continued favorable development within Workers Compensation business for accident years 2014 to 2018. Net adverse loss development on European Hospital Liability Quota Share was primarily driven by emergence of loss data from adverse claim verdicts on older claims prior to 2014, resulting in strengthening of loss development tail on underwriting years 2011 to 2014.

Net adverse PPD for the three and nine months ended September 30, 2023 was primarily from European Hospital Liability for the three months ended September 30, 2023, and European Hospital Liability and the AmTrust Quota Share (General Liability and Commercial Auto Liability partly offset by continued favorable development in Workers Compensation) for the nine months ended September 30, 2023. Net adverse loss development on European Hospital Liability was primarily driven by emergence of loss data during 2023 on underwriting years 2011 to 2016.

With regard to the European Hospital Liability Quota Share, certain tables used in determining non-economic damages were recently updated by the applicable authorities in Italy and increased compensation values for subject claims. The Company is currently analyzing the potential impact of the changes to these tables on its estimate of ultimate loss for this contract, including consultation with specialist third-party subject matter experts. In combination with the continued emergence of loss data from adverse claims verdicts noted above, these revisions could significantly impact the Company's evaluation of ultimate loss on these claims.

As of September 30, 2024, the reinsurance recoverable on unpaid losses under the LPT/ADC Agreement was $532.9 million. The LPT/ADC Agreement provides Maiden Reinsurance with $155.0 million in adverse PPD cover over its carried AmTrust Quota Share loss reserves at December 31, 2018. The reinsurance recoverable includes the deferred gain liability under the LPT/ADC Agreement of $88.0 million. At September 30, 2024, there was $67.0 million remaining in available coverage under the LPT/ADC Agreement.

For the three and nine months ended September 30, 2024, $11.8 million and $22.5 million of total adverse PPD from the AmTrust Quota Share reported in the table above, respectively, are recoverable under the LPT/ADC Agreement that is expected to be recognized as future GAAP income over time as recoveries are received subject to the provisions of the LPT/ADC Agreement and the applicable GAAP accounting rules. To the extent recent adverse loss development in European Hospital Liability continues, the European Hospital Liability Quota Share may have a more significant negative impact on our results than the AmTrust Quota Share, in particular once recoveries from the LPT/ADC Agreement commence and are recognized as GAAP income pursuant to the applicable GAAP accounting rules.

Commission and Other Acquisition Expenses — Commission and other acquisition expenses increased by $3.1 million and $3.9 million for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023 driven by lower earned premium adjustments in the AmTrust Reinsurance segment as negative premium adjustments in the first quarter of 2023 resulted in lower commission costs and brokerage fees. This was partially offset by higher earned premiums in Specialty Risk and Extended Warranty programs for the nine months ended September 30, 2024

Total acquisition costs increased as a percentage of net premiums earned for both respective periods due to the accelerated amortization of deferred acquisition costs upon the recognition of a premium deficiency of $3.7 million in the AmTrust Reinsurance segment for the three and nine months ended September 30, 2024.

General and Administrative Expenses — General and administrative expenses increased by $0.1 million and $25.0 thousand for the three and nine months ended September 30, 2024, respectively, compared to the same respective periods in 2023.

Liquidity and Capital Resources

Liquidity

Maiden Holdings is a holding company and transacts no business of its own. We therefore rely on cash flows in the form of dividends, advances, loans and other permitted distributions from our subsidiary companies to pay expenses and make dividend payments on our common shares. The jurisdictions in which our operating subsidiaries are licensed to write business impose regulations requiring companies to maintain or meet statutory solvency and liquidity requirements and also place restrictions on the declaration and payment of dividends and other distributions.

As of September 30, 2024, the Company had investable assets of $789.7 million compared to $914.3 million as of December 31, 2023. Investable assets include the combined total of our investments, cash and restricted cash including cash equivalents, loan to a related party and funds withheld receivable. Our investable assets decreased by $124.6 million during the nine months ended September 30, 2024 due to the continued run-off of our reinsurance portfolio liabilities as claim payments were settled from the funds withheld receivable, which decreased by $129.2 million in the nine months ended September 30, 2024.

The regulatory and liquidity requirements of the Company's operating segments are discussed in *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* section included under Item 7 of our Annual Report on Form 10- K for the year ended December 31, 2023, that was filed with the SEC on March 12, 2024.

Maiden Reinsurance re-domesticated from Bermuda to Vermont on March 16, 2020. We continue to be actively engaged with the Vermont Department of Financial Regulation ("Vermont DFR") regarding Maiden Reinsurance's longer term business plan, including its investment policy, changes to which require prior regulatory approval as stipulated by Vermont law or the Vermont DFR for any active underwriting, capital management or other strategic initiatives. Maiden Reinsurance has received all necessary approvals required to date by the Vermont DFR, including its activities via GLS and its investment policy which includes: 1) the expansion of approved asset classes for investment reflecting not only Maiden Reinsurance’s solvency position but the material reduction in required capital necessary to operate its business; and 2) the purchase of affiliated securities as demonstrated in previous preference share tender offers and the Exchange. The Investment Policy, as approved and as amended, maintains our established investment management and governance practices.

In 2023 and 2024, the Vermont DFR approved an annual dividend program to be paid by Maiden Reinsurance to Maiden NA, with notification to the Vermont DFR as dividends are paid. During the nine months ended September 30, 2024, Maiden Reinsurance paid dividends of $18.8 million to Maiden NA (2023: $18.8 million) as part of the approved dividend program. During the nine months ended September 30, 2024 and 2023, Maiden NA did not pay any dividends to Maiden Holdings.

We may experience continued volatility in our results of operations which could negatively impact our financial condition and create a reduction in the amount of available distribution or dividend capacity from our regulated reinsurance subsidiaries, which would also reduce liquidity. Further, we and our insurance subsidiaries may need additional capital to maintain compliance with regulatory capital requirements and/or be required to post additional collateral under existing reinsurance arrangements, which could reduce our liquidity.

Operating, investing and financing cash flows

Our sources of funds historically have consisted of premium receipts net of commissions and brokerage, investment income, net proceeds from capital raising activities, and proceeds from sales, maturities, pay downs and redemption of investments. Cash is currently used primarily to pay loss and LAE, ceded reinsurance premium, general and administrative expenses, and interest expense, with the remainder in excess of our operating requirements made available to our investment managers for investment in accordance with our investment policy as well as for capital management such as repurchasing our shares.

Our business has undergone significant changes since 2018. As previously noted, we engaged in a series of transactions that have materially reduced our balance sheet risk and transformed our operations. As a result of these transactions, we are not presently engaged in any active underwriting of new prospective reinsurance business thus our net premiums written will continue to be materially lower and investment income will become a significantly larger portion of our total revenues. We have not written any new retroactive risks through GLS since December 30, 2022, and this will be smaller in relation to the run-off of our prior reinsurance business. During the nine months ended September 30, 2024, we experienced negative operating cash flows as we run off the AmTrust Reinsurance segment reserves as shown in the cash flows table further below.

We currently expect a trend of positive investing cash flows through 2024, and we expect to use funds from cash and investment portfolios, collected premiums on reinsurance contracts in force or being run-off, investment income and proceeds from investment sales and redemptions to meet our expected claims payments and operational expenses. Claim payments will be principally from the run-off of existing reserves for loss and LAE. A significant portion of those liabilities are collateralized and claim payments will be funded by using this collateral which should provide sufficient funding to fulfill those obligations.

The Company’s management believes our current sources of liquidity are adequate to meet its cash requirements for the next twelve months as we generally expect operating cash flows to be sufficiently offset by investing cash flows. While we continue to expect our cash flows to be sufficient to meet our cash requirements and to operate our business, our ability to execute our asset and capital management initiatives are dependent on maintaining adequate levels of unrestricted liquidity and cash flows. Our expanded asset management strategy can be impacted by both investment specific and broader financial market conditions and may not produce the expected liquidity and cash flows these investments are designed to achieve, or the timing thereof may also be impacted by those factors.

At September 30, 2024, unrestricted cash, cash equivalents and fixed maturity investments were $139.8 million compared to $73.4 million held at December 31, 2023, an increase of $66.4 million during the nine months ended September 30, 2024. This was primarily driven by $65.1 million of net proceeds from sales and redemption for alternative investments during the nine months ended September 30, 2024. The significant sales and redemptions of alternative investments during the three months ended September 30, 2024 was part of a broader effort to reposition our balance sheet as part of ongoing group strategic initiatives while also strengthening overall liquidity. There was also $15.3 million of collateral released by AmTrust through the funds withheld receivable during the nine months ended September 30, 2024 and the balance is now fully depleted. This was partly offset by $14.3 million utilized for interest payments on the Senior Notes and $3.1 million for common share repurchases made under the Company's authorized repurchase plan and employee tax obligations on vesting of restricted shares.

Please see the related discussion on investing and financing cash flows below. The table below summarizes our operating, investing and financing cash flows for the nine months ended September 30, 2024 and 2023:

For the Nine Months Ended September 30,	2024	2023
	($ in thousands)	
Operating activities	$ (19,156)	$ (65,997)
Investing activities	107,074	51,137
Financing activities	(3,133)	(1,971)
Effect of exchange rate changes on foreign currency cash	325	(263)
Total increase (decrease) in cash, restricted cash and cash equivalents	$ 85,110	$ (17,094)

Cash Flows used in Operating Activities

Cash flows used in operating activities for the nine months ended September 30, 2024 was $19.2 million compared to cash flows used in operating activities of $66.0 million for the nine months ended September 30, 2023. The decrease in cash used in in operating activities was due to the settlement of claims through funds withheld in the nine months ended September 30, 2024 compared to the same respective period in 2023.

Cash Flows provided by Investing Activities

Cash flows provided by investing activities consist primarily of proceeds from sales and maturities of investments net of purchases. Net cash provided by investing activities was $107.1 million for the nine months ended September 30, 2024 compared to net cash provided by investing activities of $51.1 million for the same period in 2023.

For the nine months ended September 30, 2024, the proceeds from the sales, maturities and calls exceeded the purchases of fixed maturity securities by $42.4 million compared to net proceeds from sales and maturities of $60.7 million for the same period in 2023. The size of the fixed income investment portfolio has diminished as claims payments are made for the runoff of existing loss reserves for the terminated AmTrust Quota Share and the European Hospital Liability Quota Share contracts.

Cash flows provided by investing activities for nine months ended September 30, 2024 included the proceeds from the sales and redemptions which exceeded the purchases of alternative investments. There were net proceeds from sales and redemption of $65.1 million for alternative investments during the nine months ended September 30, 2024 compared to net purchases of alternative investments of $9.5 million for the same period in 2023.

Cash Flows used in Financing Activities

Cash flows used in financing activities were $3.1 million for the nine months ended September 30, 2024 compared to $2.0 million for the same period in 2023.

During the nine months ended September 30, 2024, the Company repurchased 1,488,400 common shares at an average price of $1.95 per share for a total cost of $2.9 million under the Company's authorized common share repurchase plan. During the nine months ended September 30, 2023, the Company repurchased 820,105 common shares at an average price of $1.93 per share for a total cost of $1.6 million under the Company's authorized common share repurchase plan.

No dividends on common shares were paid during the nine months ended September 30, 2024 and 2023. Our Board of Directors have not declared any common share dividends since the third quarter of 2018.

Restrictions, Collateral and Specific Requirements

The Company's restrictions, collateral and specific requirements are discussed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023, that was filed with the SEC on March 12, 2024. Please also refer to "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) "Note 4.(e) Restricted Cash, Cash Equivalents and Investments*" included in this Form 10-Q for details of the fair values of restricted assets at September 30, 2024 and December 31, 2023.

At September 30, 2024 and December 31, 2023, restricted cash and cash equivalents and fixed maturity investments used as collateral were $213.7 million and $219.9 million, respectively. This collateral represents 60.5% and 75.0% of the fair value of total fixed maturity investments, cash, restricted cash and cash equivalents at September 30, 2024 and December 31, 2023, respectively.

Cash and Investments

Historically, the investment of our funds had generally been designed to ensure safety of principal while generating current income. Accordingly, our fixed income investment portfolio is invested in liquid, investment-grade fixed maturity securities which are all designated as AFS at September 30, 2024. Further, as our insurance liabilities continue to run-off and the required capital to operate our business for regulatory purposes decreases, we expanded Maiden Reinsurance's investment policy which has been approved by the Vermont DFR. Under this modified investment policy, we expanded the range of asset classes we invest in to enhance the income and total returns our investment portfolio produces. We categorize these investments as alternative investments which include "*Other Investments*", *"Equity Securities"*, and *"Equity Method Investments"* on our Condensed Consolidated Balance Sheets.

As of September 30, 2024 and December 31, 2023, our cash and investments consisted of:

	September 30, 2024	December 31, 2023
	($ in thousands)	
Fixed maturities, available-for-sale, at fair value	$ 225,756	$ 250,601
Equity securities, at fair value	19,311	45,299
Equity method investments	86,236	80,929
Other investments	147,823	182,811
Total investments	479,126	559,640
Cash and cash equivalents	109,965	35,412
Restricted cash and cash equivalents	17,823	7,266
Total Investments and Cash and Cash Equivalents	$ 606,914	$ 602,318

In addition to the discussion on Cash and Cash Equivalents and Fixed Maturities that follows herein, please see the "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 4. Investments*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q for further discussion on our AFS fixed income securities.

Under this revised investment policy, we had increased the amount of alternative investments held. Previously, we had expected to continue to increase the amounts invested therein. However, as our strategic plans continue to develop, we have begun to modify our approach to this investment policy, and began to reduce our investments and commitments to alternative investments under this policy. The sales and redemptions of other investments including equity securities during the three months ended September 30, 2024 were part of a broader effort to reposition our balance sheet as part of ongoing group strategic initiatives while also strengthening overall liquidity.

Under our investment policy, alternative investments could include, but are not limited to, privately held investments, private equities, private credit lending funds, fixed-income funds, hedge funds, equity funds, real estate (including joint ventures and limited partnerships) and other non-fixed-income investments.

For further details on our alternative investments, in addition to the discussion of the investments herein, please see "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 4(b). Other Investments, Equity Securities and Equity Method Investments"* included under Part I Item 1 "*Financial Information*" of this Form 10-Q.

Our investment performance is subject to a variety of risks, including risks related to general economic conditions, market volatility, interest rate fluctuations, foreign exchange risk, liquidity risk and credit and default risk. Interest rates are highly sensitive to many factors, including governmental monetary policies, domestic and international economic and political conditions and other factors beyond our control. An increase in interest rates could result in significant losses, realized or unrealized, in the value of our investment portfolio. A portion of our portfolio consists of alternative investments that subject us to restrictions on redemption, which may limit our ability to withdraw funds for some period of time after the initial investment. The values of, and returns on, such investments may also be more volatile.

We believe our other investments, equity securities and equity method investments portfolio provides diversification against our fixed-income investments and an opportunity for improved risk-adjusted return, however, the returns of these investments may be more volatile and we may experience significant unrealized gains or losses in any particular quarter or year. While we believe the returns produced by these investments will exceed our cost of capital, in particular our cost of debt capital, it is too soon to determine if the actual returns will achieve this objective and it may be an extended period of time before that determination can be made.

We may utilize and pay fees to various companies to provide investment advisory and/or management services related to these investments. These fees, which would be predominantly based upon the amount of assets under management, would be included in net investment income. In addition, costs associated with evaluating, analyzing and monitoring these investments may require additional expenditures than traditional marketable securities.

The substantial majority of our current and future investments are held by Maiden Reinsurance, whose investment policy was approved by the Vermont DFR. Prior to the Exchange, the Company cumulatively invested $176.4 million in preference shares of Maiden Holdings which have since been extinguished and exchanged for 41,439,348 common shares of the Company pursuant to the Exchange. As a result of the Exchange, there are no preference shares outstanding.

As of September 30, 2024, Maiden Reinsurance owns 30.9% of the Company's total outstanding common shares which is eliminated for accounting and financial reporting purposes on our condensed consolidated financial statements. The voting power of Maiden Reinsurance, with respect to its common shares, is capped at 9.5% pursuant to the bye-laws of the Company. Treasury shares include 44,367,323 common shares owned by Maiden Reinsurance consisting of 41,439,348 shares issued as part of the Exchange in 2022 and 2,927,975 common shares that were directly purchased on the open market by Maiden Reinsurance under the Company's authorized share repurchase plan to date. The market value of our common shares held by Maiden Reinsurance due to the Exchange and common share repurchases was $78.5 million at September 30, 2024.

Cash & Cash Equivalents

At September 30, 2024, we consider the levels of cash and cash equivalents held to be within our targeted ranges. During periods when interest rates experience greater volatility, we have periodically maintained more cash and cash equivalents to better assess current market conditions and opportunities within our defined risk appetite, and may do so in future periods.

Fixed Maturity Investments

The average yield and average duration of our fixed maturities, by asset class, and our cash and cash equivalents (restricted and unrestricted) are as follows at September 30, 2024 and December 31, 2023:

September 30, 2024	Original or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Average yield(1)	Average duration(2)
	($ in thousands)					
U.S. treasury bonds	$ 48,676	$ 17	$ —	$ 48,693	5.2 %	0.1
U.S. agency bonds – mortgage-backed	27,493	—	(2,535)	24,958	4.6 %	6.0
Non-U.S. government bonds	48,997	37	(292)	48,742	3.0 %	0.7
Collateralized loan obligations	65,973	4	(140)	65,837	4.7 %	0.3
Corporate bonds	38,620	—	(1,094)	37,526	1.2 %	1.4
Total fixed maturities	229,759	58	(4,061)	225,756	**3.8 %**	**1.2**
Cash and cash equivalents	127,788	—	—	127,788	— %	0.0
Total	$ 357,547	$ 58	$ (4,061)	$ 353,544	**2.5 %**	**0.8**

December 31, 2023	Original or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Average yield(1)	Average duration(2)
	($ in thousands)					
U.S. treasury bonds	$ 55,046	$ 8	$ (2)	$ 55,052	5.4 %	0.1
U.S. agency bonds – mortgage-backed	29,918	—	(3,267)	26,651	4.6 %	6.1
Non-U.S. government bonds	21,219	—	(468)	20,751	1.9 %	1.1
Collateralized loan obligations	80,591	—	(1,788)	78,803	4.9 %	0.3
Corporate bonds	71,762	—	(2,418)	69,344	1.6 %	1.7
Total fixed maturities	258,536	8	(7,943)	250,601	**3.8 %**	**1.3**
Cash and cash equivalents	42,678	—	—	42,678	2.5 %	0.0
Total	$ 301,214	$ 8	$ (7,943)	$ 293,279	**3.6 %**	**1.2**

(1) Average yield is calculated by dividing annualized investment income for each sub-component of fixed maturity securities and cash and cash equivalents (including amortization of premium or discount) by amortized cost.
(2) Average duration in years.

During the nine months ended September 30, 2024, the yield on the 10-year U.S. Treasury bond decreased by 7 basis points to 3.81%. The 10-year U.S. Treasury rate is the key risk-free determinant in the fair value of many of the fixed maturity securities in our portfolio. Driven by a decrease in risk-free rates during the nine months ended September 30, 2024, our fixed maturity investment portfolio generated net unrealized gains of $3.9 million which increased our book value per common share by $0.04 during the period, largely the result of tightening spreads on collateralized loan obligations. Current outlooks for global monetary policy indicate that quantitative tightening by central banks in the U.S. and globally appear likely to moderate in the near to intermediate term, although central banks have indicated that they maintain the option to either adopt a neutral stance or apply further tightening should data dictate such actions, particularly inflation and labor market data. Recent data suggest that delays in the anticipated moderation of global monetary policy may be ending in the near-term. Our investment portfolios, in particular our fixed maturity portfolio, may be adversely impacted by unfavorable market conditions caused by these measures, which could cause continued volatility in our results of operations and negatively impact our financial condition.

Interest rate risk is the price sensitivity of a security to changes in interest rates. Credit spread risk is the price sensitivity of a security to changes in credit spreads. As noted, the fair value of our fixed maturity investments will fluctuate with changes in interest rates and credit spreads. We attempt to maintain adequate liquidity in our fixed maturity investments portfolio with a strategy designed to emphasize the preservation of our invested assets and provide sufficient liquidity for the prompt payment of claims and contract liabilities. Because we collateralize a significant portion of our insurance liabilities, unanticipated or large increases in interest rates could require us to utilize significant amounts of unrestricted cash and fixed maturity securities to provide additional collateral, which could impact our asset and capital management strategy described herein.

We also monitor the duration and structure of our investment portfolio as discussed below. As of September 30, 2024, the aggregate hypothetical change in fair value from an immediate 100 basis points increase in interest rates, assuming credit spreads remain constant, in our fixed maturity investments portfolio would decrease the fair value of that portfolio by $4.3 million. Actual shifts in interest rates may not change by the same magnitude across the maturity spectrum or on an individual security and, as a result, the impact on the fair value of our fixed maturity securities may be materially different from the resulting change in value described above.

To limit our exposure to unexpected interest rate increases which would reduce the value of our fixed income securities and reduce our shareholders' equity, we attempt to maintain the duration of our fixed maturity investment portfolio combined with our cash and cash equivalents, both restricted and unrestricted, within a reasonable range of the duration of our loss reserves. At September 30, 2024 and December 31, 2023, these respective durations in years were as follows:

	September 30, 2024	December 31, 2023
Fixed maturities and cash and cash equivalents	0.8	1.2
Reserve for loss and LAE - gross of LPT/ADC Agreement reserves	6.0	5.8
Reserve for loss and LAE - net of LPT/ADC Agreement reserves	2.5	1.6

During the nine months ended September 30, 2024, the weighted average duration of our fixed maturity investment portfolio decreased by 0.4 years to 0.8 years while the duration for the gross reserve for loss and LAE increased by 0.2 years to 6.0 years. The differential in duration between these assets and liabilities may fluctuate over time and in the case of fixed maturities, historically has been affected by factors such as market conditions, changes in asset mix and prepayment speeds in the case of both our U.S. agency mortgage-backed securities ("Agency MBS") and commercial mortgage-backed securities held. At September 30, 2024, the duration of our loss reserves net of the LPT/ADC Agreement was higher than the duration of our fixed maturity investment portfolio.

To limit our exposure to unexpected interest rate increases that could reduce the value of our fixed maturity securities and reduce our shareholders' equity, the Company holds floating rate securities whose fair values are less sensitive to interest rates. At September 30, 2024 and December 31, 2023, 43.6% and 40.8%, respectively, of our fixed income investments were comprised of floating rate securities which are detailed in the table below:

	September 30, 2024		December 31, 2023	
($ in thousands)	Fair Value	% of Total	Fair Value	% of Total
Floating rate securities				
Collateralized loan obligations	$ 65,837	12.3 %	$ 78,803	13.0 %
Total floating rate AFS fixed maturities at fair value	65,837	12.3 %	78,803	13.0 %
Loan to related party	167,975	31.3 %	167,975	27.8 %
Total floating rate securities	$ 233,812	43.6 %	$ 246,778	40.8 %
Total fixed income investments at fair value [(1)]	$ 536,334		$ 605,239	

(1) Total fixed income investments at fair value include AFS fixed maturities, cash and restricted cash, funds withheld receivable, and loan to related party.

At September 30, 2024 and December 31, 2023, 100.0% of the Company's U.S. agency bond holdings are mortgage-backed. Total U.S. agency MBS comprise 11.1% of our fixed maturity investment portfolio at September 30, 2024. Given their relative size to our total investments, if faster prepayment patterns were to occur over an extended period of time, this could potentially limit the growth in our investment income in certain circumstances or reduce the total amount of investment income we earn. Additional details on our U.S. Agency MBS holdings at September 30, 2024 and December 31, 2023 were as follows:

	September 30, 2024		December 31, 2023	
($ in thousands)	Fair Value	% of Total	Fair Value	% of Total
FNMA – fixed rate	$ 14,133	56.6 %	$ 15,164	56.9 %
FHLMC – fixed rate	8,563	34.3 %	9,099	34.1 %
GNMA – variable rate	2,262	9.1 %	2,388	9.0 %
Total U.S. Agency MBS	$ 24,958	100.0 %	$ 26,651	100.0 %

At September 30, 2024 and December 31, 2023, 100.0% and 97.8%, respectively, of our fixed maturity investments consisted of investment grade securities. We define a security as being below investment grade if it has an S&P credit rating of BB+ or equivalent, or less. Please see "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 4. Investments*" for additional information on the credit rating of our fixed income investment portfolio.

The security holdings by sector and financial strength rating of our corporate bond holdings at September 30, 2024 and December 31, 2023 were as follows:

	Ratings[1]					
September 30, 2024	**AAA**	**A+, A, A-**	**BBB+, BBB, BBB-**	**BB+ or lower**	**Fair Value**	**% of Corporate bonds portfolio**
Corporate bonds					*($ in thousands)*	
Basic Materials	— %	— %	14.5 %	— %	$ 5,432	14.5 %
Consumer	— %	7.3 %	33.1 %	— %	15,179	40.4 %
Financial Institutions	4.2 %	39.6 %	1.3 %	— %	16,915	45.1 %
Total	4.2 %	46.9 %	48.9 %	— %	$ 37,526	100.0 %

	Ratings[1]					
December 31, 2023	**AAA**	**A+, A, A-**	**BBB+, BBB, BBB-**	**BB+ or lower**	**Fair Value**	**% of Corporate bonds portfolio**
Corporate bonds					($ in thousands)	
Basic Materials	— %	— %	7.6 %	— %	$ 5,273	7.6 %
Communications	— %	7.9 %	4.2 %	— %	8,392	12.1 %
Consumer	— %	15.8 %	29.2 %	— %	31,186	45.0 %
Energy	— %	1.2 %	2.6 %	— %	2,639	3.8 %
Financial Institutions	2.2 %	20.9 %	0.6 %	7.8 %	21,854	31.5 %
Total	2.2 %	45.8 %	44.2 %	7.8 %	$ 69,344	100.0 %

(1) Ratings as assigned by S&P, or equivalent

The table below includes the Company's ten largest corporate holdings at fair value and as a percentage of all fixed income securities held as at September 30, 2024. The Company's ten largest corporate holdings are 95.6% euro denominated, with 42.2% in the Consumer Sector and 42.7% in the Financial Institutions sector.

September 30, 2024	**Fair Value**	**% of Holdings**	**Rating[1]**
	($ in thousands)		
Chubb Ina Holdings Inc., 1.55%, Due 3/15/2028	$ 6,921	3.1 %	A
Utah Acquisition Sub Inc., 2.25%, Due 11/22/2024	5,556	2.5 %	BBB-
PPG Industries Inc., 0.875%, Due 11/3/2025	5,432	2.4 %	BBB+
Kellanova, 1.25%, Due 3/10/2025	4,410	1.9 %	BBB
BNP Paribas SA, 1.25%, Due 3/19/2025	3,618	1.6 %	A-
McKesson Corp., 1.5% Due 11/17/2025	2,738	1.2 %	A-
Baxter International Inc., 1.3%, Due 5/30/2025	2,475	1.1 %	BBB
Morgan Stanley, 1.875%, Due 4/27/2027	2,171	0.9 %	A+
Aareal Bank AG, 0.625%, Due 2/14/2025	1,573	0.7 %	AAA
Natwest Group PLC, 1.75%, Due 3/2/2026	1,106	0.5 %	A-
Total	$ 36,000	15.9 %	

(1) Ratings as assigned by S&P, or equivalent

At September 30, 2024 and December 31, 2023, we held the following non-U.S. dollar denominated securities:

	September 30, 2024		**December 31, 2023**	
($ in thousands)	**Fair Value**	**% of Total**	**Fair Value**	**% of Total**
Non-USD denominated collateralized loan obligations	$ 64,841	43.4 %	$ 77,816	46.8 %
Non-USD denominated corporate bonds	35,953	24.0 %	67,822	40.7 %
Non-U.S. government bonds	48,742	32.6 %	20,751	12.5 %
Total non-U.S. dollar denominated securities	$ 149,536	100.0 %	$ 166,389	100.0 %

At September 30, 2024 and December 31, 2023, respectively, 100.0% of non-U.S. dollar denominated securities were invested in euro denominated bonds. The net decrease in non-USD denominated fixed maturities is largely due to sales and maturities of euro denominated corporate bonds during the nine months ended September 30, 2024.

At September 30, 2024 and December 31, 2023, the Company's non-U.S. government issuers have a rating of AA- or higher by Fitch Ratings. The Company does not employ any credit default protection against any of the fixed maturities held in non-U.S. dollar denominated currencies at September 30, 2024 and December 31, 2023, respectively.

For our non-U.S. dollar denominated corporate bonds, the following table summarizes the composition of the fair value of our fixed maturity investments at the dates indicated by ratings at September 30, 2024 and December 31, 2023:

Ratings[1]	September 30, 2024		December 31, 2023	
($ in thousands)	Fair Value	% of Total	Fair Value	% of Total
A+, A, A-	$ 17,610	49.0 %	$ 31,810	46.9 %
BBB+, BBB, BBB-	18,343	51.0 %	30,630	45.2 %
BB+ or lower	—	— %	5,382	7.9 %
Total non-U.S. dollar denominated corporate bonds	$ 35,953	100.0 %	$ 67,822	100.0 %

(1) Ratings as assigned by S&P, or equivalent

Other Investments, Equity Securities and Equity Method Investments

Our alternative investments are categorized as other investments, equity securities, and equity method investments as reported on our condensed consolidated balance sheets. These include private equity funds, private credit funds, investments in limited partnerships, as well as investments in direct lending entities and investments in technology-oriented insurance related businesses known as insurtechs. Private equity investments consist of direct investments in privately held entities, investments in private equity funds and private equity co-investments with sponsoring entities. Private credit investments consist of loans and other debt securities of privately held entities or investment sponsors.

Our alternative investments as of September 30, 2024 and December 31, 2023 consisted of the following asset categories:

	September 30, 2024		December 31, 2023	
($ in thousands)	Carrying Value	% of Total	Carrying Value	% of Total
Privately held common stocks	$ 9,392	3.7 %	$ 35,272	11.4 %
Privately held preferred stocks	9,919	3.9 %	9,946	3.2 %
Publicly traded equity investments in common stocks	—	— %	81	— %
Total equity securities	**$ 19,311**	**7.6 %**	**$ 45,299**	**14.6 %**
Real estate investments	$ 57,323	22.6 %	$ 49,897	16.1 %
Other equity method investments	28,913	11.4 %	31,032	10.1 %
Total equity method investments	**$ 86,236**	**34.0 %**	**$ 80,929**	**26.2 %**
Private equity funds	$ 24,750	9.8 %	$ 47,383	15.4 %
Private credit investments	1,954	0.8 %	27,806	9.0 %
Privately held equity investments	40,151	15.8 %	38,617	12.5 %
Investments in direct lending entities (at cost)	80,968	32.0 %	69,005	22.3 %
Total other investments	**$ 147,823**	**58.4 %**	**$ 182,811**	**59.2 %**
Total alternative investments	**$ 253,370**	**100.0 %**	**$ 309,039**	**100.0 %**

Our allocation to alternative investments decreased to 41.7% of our total cash and investments as of September 30, 2024 compared to 51.3% as of December 31, 2023; and decreased to 121.7% of our total shareholders' equity as of September 30, 2024 compared to 124.0% as of December 31, 2023. Under this revised investment policy, we decreased the amount of alternative investments held at September 30, 2024 . As noted previously, as our strategic plans continue to develop, we have begun to modify our approach to this investment policy, and began to reduce our investments and commitments to alternative investments under this policy. The sales and redemptions of other investments including equity securities during the three months ended September 30, 2024 were part of a broader effort to reposition our balance sheet as part of ongoing group strategic initiatives while also strengthening overall liquidity. We expect to invest the proceeds of these sales and redemptions in cash equivalent and short-term investment grade fixed income securities.

In addition to the categories described above, we also evaluate our alternative investments by the following asset classes:

	September 30, 2024		December 31, 2023	
($ in thousands)	Carrying Value	% of Total	Carrying Value	% of Total
Private Equity	$ 59,977	23.7 %	$ 82,230	26.6 %
Private Credit	1,954	0.7 %	53,673	17.4 %
Alternatives	104,330	41.2 %	95,258	30.8 %
Venture Capital	23,309	9.2 %	21,220	6.9 %
Real Estate	63,800	25.2 %	56,658	18.3 %
Total alternative investments	**$ 253,370**	**100.0 %**	**$ 309,039**	**100.0 %**

For further details on these alternative investments, see "*Notes to Condensed Consolidated Financial Statements: Note 4(b) Other Investments, Equity Securities and Equity Method Investments"* included under Part I Item 1. *"Financial Information"* of this Report on Form 10-Q. Within these asset classes, our portfolio broadly consists of the following types of investments:

- Private Equity – this asset class consists of both fund investments with leading private equity sponsors and direct equity investments in private companies, sometimes in conjunction with our private equity fund sponsors. As of September 30, 2024, $3.4 million or 5.6% of investments in the private equity asset class consisted of investments in private equity funds and $56.6 million or 94.4% consisted of direct equity investments in private companies.

- Private Credit - this asset class consists of both fund investments with leading private credit sponsors and direct credit investments in private companies, sometimes in conjunction with our private credit fund sponsors. Private credit investments in both funds and on a direct basis will typically be secured lending arrangements with non-rated entities, often with additional protective provisions to enhance the security and returns of these investments. As of September 30, 2024, $2.0 million or 100.0% of the private credit asset class consisted of direct investments in debt securities of private companies.

- Alternatives – this asset class consists of structured financing arrangements which typically have incentive features to enhance the Company's returns. As part of these arrangements, the Company requires collateral or bankruptcy-remote structures to protect its investments. As of September 30, 2024, $102.6 million or 98.4% of investments in the alternatives asset class were direct investments and $1.7 million or 1.6% of the alternatives asset class were invested in funds. One investment in a collateralized direct lending entity of $81.0 million represents 77.6% of this asset class and is discussed further in *"Note 4 — Investments"* included in Part I Item 1. *"Financial Information"* in this Quarterly Report on Form 10-Q for the nine months ended September 30, 2024.

- Venture Capital – this asset class consists of both fund investments with venture capital firms focused primarily on "insurtech" or "fintech" early-stage investments as well as direct investments in start-up companies in this sector, including equity investments in individual companies made in conjunction with our venture capital fund sponsors. As of September 30, 2024, $9.1 million or 39.2% of investments in the venture capital asset class consisted of investments in funds and $14.2 million or 60.8% consisted of direct equity investments in start-up companies. As of September 30, 2024, $13.4 million or 57.6% of our venture capital investments were invested in funds or companies that would be considered "insurtech" investments.

- Real Estate – this asset class consists of long-term equity investments in three real estate projects. Two are multi-family residential development projects near major urban centers where workforce housing demand continues to be strong. One investment is a minority stake as a limited partner with a leading property developer with a highly successful track record, where the Company will earn returns from both operating income from rentals and future sales of properties. As of September 30, 2024, the Company has $26.3 million invested in this project and expects investment returns to commence in earnest in 2026 and beyond. The second multi-family residential investment is a majority stake with general partner rights wherein the Company is providing the capital backing to an experienced and successful developer in the subject market, while also taking minority equity stakes in individual projects. To date, this development project has secured five properties in attractive locations and is currently in the zoning and planning stages. As of September 30, 2024, the Company has $31.1 million invested in this project and has commenced earning limited amounts of fee income from this project. As part of its investment, the Company has also provided certain loan guarantees which are discussed in more detail in *Note 11 — Commitments, Contingencies and Guarantees* included in Part I Item 1. *"Financial Information"*. We expect fee and operating income and gains from future sales of properties to commence in earnest in 2027 and beyond. Finally, the Company has a minority equity stake in an iconic office building in a major city in the U.S., with an attractive and growing tenant roll. As of September 30, 2024, the Company has $6.5 million invested in this project and to date has earned preferred returns and received certain distributions. In addition to preferred returns, the Company expects to receive future distributions of operating income from this investment.

Certain of the Company's investments in limited partnerships are related to real estate joint ventures with interests in multi-property projects with varying strategies ranging from the development of properties to the ownership of income-producing properties. In certain of these joint ventures, the Company has provided certain indemnities, guarantees and commitments to certain parties such that it may be required to make payments now or in the future. For further details on these financial guarantees, please see "*Notes to Condensed Consolidated Financial Statements: Note 11 - Commitments, Contingencies and Guarantees"* included under Part I Item 1. *"Financial Information"* of this Report on Form 10-Q.

Investment Results

Our investment portfolio returns included in earnings decreased to $1.8 million and $28.8 million during the three and nine months ended September 30, 2024, respectively, compared to $11.5 million and $38.4 million for the same respective periods in 2023. This was partly due to lower interest income earned on our funds withheld balance with AmTrust as claim payments were settled through the funds held receivable in 2024. Also, it was due to net unrealized losses on our alternative investment portfolio for the three months ended September 30, 2024 as well as lower interest in income of equity method investments which decreased for the three and nine months ended September 30, 2024 compared to the same periods in 2023.

In addition, our alternative investment portfolio decreased by 18.0% during 2024 due to recent sales and redemptions of equity securities, private equity investments and private credit funds. These sales produced net realized gains of $5.8 million during the third quarter of 2024 as shown in the table below and were part of a broader effort to reposition our balance sheet as part of ongoing group strategic initiatives that we are actively pursuing while also strengthening our overall liquidity. The alternative investment portfolio produced a positive net return of 4.1% in 2024 compared to 5.0% for the same period in 2023. This was partly due to $1.6 million of fees incurred related to sales and redemptions in the third quarter of 2024.

The following table summarizes our investment results for the three and nine months ended September 30, 2024 and 2023:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
Net investment income:				
Fixed income investments[1]	$ 5,269	$ 7,902	$ 17,445	$ 25,247
Cash and restricted cash	209	96	595	514
Other investments, including equities	1,247	1,148	3,664	3,736
Investment expenses	(1,847)	(98)	(2,173)	(386)
Total net investment income	4,878	9,048	19,531	29,111
Net realized gains (losses):				
Fixed income assets[1]	(429)	(301)	(724)	(1,087)
Other investments, including equities	5,815	—	5,815	186
Total net realized gains (losses)	5,386	(301)	5,091	(901)
Net unrealized gains (losses):				
Other investments, including equities	(9,190)	545	1,312	3,295
Total net unrealized (losses) gains	(9,190)	545	1,312	3,295
Interest in income of equity method investments:				
Interest in income of equity method investments	751	2,190	2,820	6,942
Interest in income of equity method investments	751	2,190	2,820	6,942
Total investment return included in earnings (A)	$ 1,825	$ 11,482	$ 28,754	$ 38,447
Other comprehensive income:				
Unrealized gains on AFS fixed maturity securities and equity method investments excluding foreign exchange **(B)**	$ 2,427	$ 335	$ 3,932	$ 3,118
Total investment return = (A) + (B)	$ 4,252	$ 11,817	$ 32,686	$ 41,565
Annualized income from fixed income assets[2]	$ 21,912	$ 31,992	$ 24,053	$ 34,348
Average aggregate fixed income assets, at cost[2]	502,098	750,448	576,755	842,212
Annualized investment book yield	**4.4 %**	**4.3 %**	**4.2 %**	**4.1 %**
Average aggregate invested assets, at fair value[3]	$ 791,955	$ 1,017,429	$ 851,991	$ 1,109,760
Investment return included in net earnings	**0.2 %**	**1.1 %**	**3.4 %**	**3.5 %**
Total investment return	**0.5 %**	**1.2 %**	**3.8 %**	**3.7 %**

1. Fixed income investments include AFS securities as well as funds withheld receivable, and loan to related party.

2. Average aggregate fixed income assets include AFS portfolio, cash and restricted cash, funds withheld receivable, and loan to related party and is computed as an average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.
3. Average aggregate invested assets include all investments (AFS and alternative investments), cash and restricted cash, loan to related party and funds withheld receivable and is computed as an average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.

The following table details total investment returns for our fixed income investments for the three and nine months ended September 30, 2024 and 2023:

Fixed Income Investments[1]	**For the Three Months Ended September 30,**		**For the Nine Months Ended September 30,**	
($ in thousands)	**2024**	**2023**	**2024**	**2023**
Gross investment income	$ 5,478	$ 7,998	$ 18,040	$ 25,761
Net realized losses	(429)	(301)	(724)	(1,087)
Change in AOCI [3]	2,427	335	3,932	3,118
Gross investment returns	$ 7,476	$ 8,032	$ 21,248	$ 27,792
Average invested assets, at fair value [4]	$ 496,881	$ 737,486	$ 570,787	$ 827,859
Gross Investment Returns	**1.5 %**	**1.1 %**	**3.7 %**	**3.4 %**
Less: Investment expenses	$ 50	$ 61	$ 102	$ 206
Net investment returns	$ 7,426	$ 7,971	$ 21,146	$ 27,586
Net Investment Returns	**1.5 %**	**1.1 %**	**3.7 %**	**3.3 %**

Our net investment returns increased to 1.5% and 3.7% for the three and nine months ended September 30, 2024, respectively, compared to 1.1% and 3.3% for the respective periods in 2023. This was largely due to floating rate investments that comprised 43.6% of our fixed income investments at September 30, 2024 which enabled the portfolio to respond to the higher interest rate environment more quickly. The loan to related party carried a higher weighted average interest rate on a balance of $168.0 million which increased to 7.3% for the three and nine months ended September 30, 2024, respectively, compared to 7.3% and 6.9% for the same respective periods in 2023.

This was partly offset by lower interest income on the funds withheld receivable from AmTrust which decreased due to much lower average ending balances of $8.9 million and $51.8 million during the three and nine months ended September 30, 2024 compared to average ending balances of $250.0 million and $317.1 million for the respective periods in 2023. This was driven by using the funds withheld receivable for claim payments to AmTrust as the runoff of existing loss reserves continues in the terminated AmTrust Quota Share and the European Hospital Liability Quota Share agreements, with the balance of funds withheld now fully exhausted at September 30, 2024.

Please refer to "*Notes to Condensed Consolidated Financial Statements - Note 4 — Investments*" included under Part I, Item 1 "*Financial Information"* of this Quarterly Report on Form 10-Q for further detail on investment returns from fixed income investments held by the Company at September 30, 2024 and 2023.

The following table details total investment returns for our alternative investments for the three and nine months ended September 30, 2024 and 2023, respectively:

Alternative Investments[(2)]	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
Gross investment income	$ 1,998	$ 3,338	$ 6,484	$ 10,678
Net realized gains	5,815	—	5,815	186
Net unrealized (losses) gains	(9,190)	545	1,312	3,295
Gross investment returns	$ (1,377)	$ 3,883	$ 13,611	$ 14,159
Average invested assets, at fair value [(4)]	$ 295,073	$ 279,941	$ 281,205	$ 281,901
Gross Investment Returns	**(0.5)%**	**1.4 %**	**4.8 %**	**5.0 %**
Less: Investment expenses	$ 1,797	$ 37	$ 2,071	$ 180
Net investment returns	$ (3,174)	$ 3,846	$ 11,540	$ 13,979
Net Investment Returns	**(1.1)%**	**1.4 %**	**4.1 %**	**5.0 %**

1. Fixed income investments includes AFS securities as well as cash, restricted cash, funds withheld receivable, and loan to related party.
2. Alternative investments includes other investments, equity securities, and equity method investments.
3. Change in accumulated other comprehensive income ("AOCI") excludes unrealized foreign exchange gains and losses.
4. Average invested assets is the average of the amounts disclosed in our quarterly U.S. GAAP consolidated financial statements.

The following table details total investment returns for alternative investments by asset class for the nine months ended September 30, 2024:

September 30, 2024	**Private Equity**	**Private Credit**	**Alternative Assets**	**Venture Capital**	**Real Estate**	**Total**
			($ in thousands)			
Gross investment income	$ 1,417	$ 2,747	$ 1,457	$ 6	$ 857	$ 6,484
Net realized and unrealized gains (losses)	8,995	(1,365)	(81)	500	(922)	7,127
Total Investment Return	$ 10,412	$ 1,382	$ 1,376	$ 506	$ (65)	$ 13,611
Average Investments	$ 71,104	$ 27,814	$ 99,794	$ 22,264	$ 60,229	$ 281,205
Gross Investment Returns	**14.6 %**	**5.0 %**	**1.4 %**	**2.3 %**	**(0.1)%**	**4.8 %**
Annualized Gross Returns	**19.5 %**	**6.6 %**	**1.8 %**	**3.0 %**	**(0.1)%**	**6.5 %**

The following table details total investment returns for alternative investments by asset class for the nine months ended September 30, 2023:

September 30, 2023	Private Equity	Private Credit	Hedge Funds	Alternative Assets	Venture Capital	Real Estate	Total
				($ in thousands)			
Gross investment income	$ 2,291	$ 2,457	$ 83	$ 5,476	$ —	$ 371	$ 10,678
Net realized and unrealized gains (losses)	2,539	945	—	(22)	457	(438)	3,481
Total Investment Return	$ 4,830	$ 3,402	$ 83	$ 5,454	$ 457	$ (67)	$ 14,159
Average Investments	$ 66,694	$ 50,047	$ 2,688	$ 88,466	$ 22,280	$ 51,726	$ 281,901
Gross Investment Returns	**7.2 %**	**6.8 %**	**3.1 %**	**6.2 %**	**2.1 %**	**(0.1)%**	**5.0 %**
Annualized Gross Returns	**9.7 %**	**9.1 %**	**4.1 %**	**8.2 %**	**2.7 %**	**(0.2)%**	**6.7 %**

During the nine months ended September 30, 2024, on an inception to date basis through September 30, 2024, our active alternative investments have now produced an internal rate of return of 4.0% and a multiple on invested capital of 1.10. This includes investments, primarily in the Alternatives and Real Estate asset classes where we anticipate future returns to emerge but have not as yet recognized either returns or gains based on the development stage of certain investments, which constitute 54.6% of our total alternative assets as of September 30, 2024. Excluding the investments still carried at cost, the internal rate of return was 9.6% with a multiple on invested capital of 1.22. Total returns on active alternative investments by asset class from inception are discussed in detail as of September 30, 2024 in the table below:

Asset Class	September 30, 2024	Total		Direct		Fund	
($ in thousands)	Carrying Value	IRR	MOIC (x)	IRR	MOIC (x)	IRR	MOIC (x)
Private Equity	$ 59,977	10.5 %	1.33	10.2 %	1.37	11.0 %	1.26
Private Credit	1,954	5.2 %	1.10	12.1 %	1.18	4.9 %	1.10
Hedge Funds	—	5.2 %	1.12	5.2 %	1.12	— %	—
Alternatives	104,330	4.7 %	1.12	4.8 %	1.12	(7.9) %	0.92
Venture Capital	23,309	7.6 %	1.19	13.1 %	1.46	(10.1) %	0.82
Real Estate	63,800	(2.1) %	0.96	(2.1) %	0.96	— %	—
Total	**$ 253,370**	**4.0 %**	**1.10**	**5.2 %**	**1.13**	**6.0 %**	**1.12**

- Private Equity – investment returns in this asset class reflect both dividends and distributions received as well as unrealized gains or losses from adjustments to net asset values in the case of fund investments and market value adjustments in the case of direct equity investments. During the nine months ended September 30, 2024, private equity investments produced a total investment return of $10.4 million with fund investments earning $0.9 million while direct investments produced a total investment return of $9.6 million. Inception to date, private equity investments have produced an internal rate of return of 10.5% and a multiple on invested capital of 1.33; fund investments produced an internal rate of return of 11.0% and a multiple on invested capital of 1.26, and direct investments have produced an internal rate of return of 10.2% and a multiple on invested capital of 1.37. Net realized gains of $9.0 million on private equity investments have been recognized through September 30, 2024.

- Private Credit – investment returns in this asset class reflect both distributions received as well as unrealized gains or losses from adjustments to net asset values in the case of fund investments and market value adjustments in the case of direct equity investments. During the nine months ended September 30, 2024, private credit investments produced a total investment return of $1.4 million with fund investments earning $1.0 million while direct investments produced a total investment return of $0.4 million. Inception to date, private credit investments have produced an internal rate of return of 5.2% and a multiple on invested capital of 1.10, with fund investments producing an internal rate of return of 4.9% and a multiple on invested capital of 1.10, while direct investments have produced an internal rate of return of 12.1% and a multiple on invested capital of 1.18.

- Alternative Assets – investment returns in this asset class largely relate to equity method recognition of income from structured financing arrangements in real assets which utilize bankruptcy-remote structures to protect these investments. During the nine months ended September 30, 2024, alternative investments produced a total investment return of $1.4 million. Inception to date, alternative direct investments have produced an internal rate of return of 4.8% and a multiple on invested capital of 1.12; in total, alternative fund investments have produced an internal rate of return of (7.9)% and a multiple on invested capital of 0.92. We have not recognized any returns (including contractual preferred returns) on other alternative investments as the underlying collateralized investment supporting this direct lending initiative continues to develop; these investments represent 77.6% of the alternative investment class at September 30, 2024. We expect to recognize our preferred returns and contingency gains as these investment develops further or if other collateral we have secured as part of our investment responds sooner, subject to certain conditions.

- Venture Capital – investment returns in this asset class primarily reflect unrealized gains or losses from adjustments to net asset values in the case of fund investments and market value adjustments in the case of direct equity investments. During the nine months ended September 30, 2024, our venture capital investments produced a total return of $0.5 million entirely from our fund investments. Inception to date, venture capital investments have produced an internal rate of return of 7.6% and a multiple on invested capital of 1.19; venture capital fund investments have produced an internal rate of return of (10.1)% and a multiple on invested capital of 0.82, while direct venture capital investments have produced an internal rate of return of 13.1% and a multiple on invested capital of 1.46. Through September 30, 2024, we realized total gains of $4.8 million on the sale of the Company's stake in Betterview Marketplace, Inc. ("Betterview") in a cash and stock transaction with Nearmap US, Inc. ("Nearmap"). We now continue to hold shares in Nearmap after completion of this transaction. To date our investment in Betterview has produced an internal rate of return of 26.4% and a multiple on invested capital of 1.74.

- Real Estate – investment returns in this asset class include preferred returns and distributions (if any) from plan developers along with limited unrealized gains or losses to date as two of the projects remain in the development phase. As noted earlier, the Company does not expect significant investment returns from these attractive projects for the next several years. To date these investments have produced an internal rate of return of (2.1)% and a multiple on invested capital of 0.96.

On an inception to date basis through September 30, 2024, the Company completed various alternative investments that had total contributions of $152.1 million which produced an internal rate of return of 8.3% and a multiple on invested capital of 1.18. The total returns on these inactive alternative investments by asset class from inception are shown in detail as of September 30, 2024 in the table below:

Asset Class	**September 30, 2024**	**Total Completed Investments**	
($ in thousands)	**Contributions**	**IRR**	**MOIC (x)**
Private Equity	$ 42,813	6.6 %	1.16
Private Credit	68,990	5.0 %	1.10
Hedge Funds	25,000	5.2 %	1.12
Alternatives	11,358	48.9 %	1.55
Venture Capital	3,925	14.3 %	2.22
Total	**$ 152,086**	**8.3 %**	**1.18**

As our returns in alternative investments continues to increase, we believe our alternative investment portfolio remains well positioned to achieve its targeted longer-term returns.

Other Balance Sheet Changes

The following table summarizes our other material balance sheet changes at September 30, 2024 and December 31, 2023:

($ in thousands)	**September 30, 2024**	**December 31, 2023**	**Change in $**	**Change %**
Deferred commission and other acquisition expenses	$ 9,226	$ 17,566	$ (8,340)	(47.5)%
Funds withheld receivable	14,815	143,985	(129,170)	(89.7)%
Reserve for loss and LAE	721,436	867,433	(145,997)	(16.8)%
Unearned premiums	33,883	46,260	(12,377)	(26.8)%
Deferred gain on retroactive reinsurance	90,321	73,240	17,081	23.3 %
Liability for investments purchased	10,980	—	10,980	NM
Accrued expenses and other liabilities	73,994	28,244	45,750	162.0 %

The Company's deferred commission and other acquisition expenses decreased by 47.5% and unearned premiums decreased by 26.8% primarily due to the termination of the remaining business under both quota share contracts with AmTrust which have been in run-off since January 1, 2019. Also, deferred commission and other acquisition expenses decreased due to accelerated amortization upon the recognition of a premium deficiency of $3.7 million in the AmTrust Reinsurance segment.

Funds withheld receivable decreased by 89.7% primarily due to settlement of reinsurance losses payable under the AmTrust Quota Share as well as $15.3 million of excess collateral released by AmTrust during the nine months ended September 30, 2024. The funds withheld receivable balance with AmTrust has been fully exhausted in the third quarter of 2024.

The Company's reserve for loss and LAE decreased by 16.8% primarily due to continued settlement of loss reserves for AmTrust Reinsurance contracts. The deferred gain on retroactive reinsurance increased by $17.1 million or 23.3% compared to December 31, 2023 driven by net adverse reserve development of $21.9 million reported for policies under the AmTrust Quota Share as these losses are largely covered by the LPT/ADC Agreement with Cavello.

The adverse development was offset by the impact of favorable loss development on certain Workers Compensation losses that were commuted to AmTrust in 2019 that inure to the benefit of Cavello under the terms of the LPT/ADC Agreement and reduced the deferred gain liability on retroactive reinsurance by $5.2 million for the nine months ended September 30, 2024.

Accrued expenses and other liabilities increased by $45.8 million for the nine months ended September 30, 2024 primarily due to accrual of reinsurance losses payable due to AmTrust, and the liability for investments purchased increased by $11.0 million due to trades occurring on or before September 30, 2024 that will be settled subsequent to that date.

Capital Resources

During the nine months ended September 30, 2024, book value per common share decreased by 15.7% to $2.09 and diluted book value per common share decreased by 16.7% to $2.05, compared to December 31, 2023. This was largely due to the net loss of $43.0 million reported by the Company, which produced substantially all of the $41.0 million decline in shareholders' equity for the nine months ended September 30, 2024.

Capital resources consist of funds deployed in support of our operations. The following table shows the movement in our capital resources at September 30, 2024 and December 31, 2023:

($ in thousands)	September 30, 2024	December 31, 2023	Change in $	Change (%)
Common shares at par value	$ 1,503	$ 1,497	$ 6	0.4 %
Additional paid-in capital	887,520	886,072	1,448	0.2 %
Accumulated other comprehensive loss	(27,788)	(31,469)	3,681	(11.7)%
Accumulated deficit	(529,925)	(486,945)	(42,980)	8.8 %
Treasury shares, at cost	(123,128)	(119,995)	(3,133)	2.6 %
Total Maiden shareholders' equity	208,182	249,160	(40,978)	(16.4)%
Senior Notes - principal amount	262,361	262,361	—	— %
Total capital resources	$ 470,543	$ 511,521	$ (40,978)	(8.0)%

Total capital resources decreased by $41.0 million compared to December 31, 2023 due to the following items:

- accumulated deficit increased by $43.0 million due to the net loss reported for the nine months ended September 30, 2024;
- net increase in additional paid-in capital of $1.4 million largely due to share-based compensation of $1.5 million;
- net increase in AOCI of $3.7 million which arose due to: (1) net unrealized gains on investment of $3.9 million mainly from our AFS bond portfolio relating to market price movements in the nine months ended September 30, 2024, offset by (2) a decrease in foreign currency translation adjustment of $0.2 million in the nine months ended September 30, 2024 due to the impact of the U.S. dollar depreciation on the re-measurement of net assets denominated in British pound and euro; and
- treasury shares increased by $3.1 million due to $2.9 million of shares repurchased under our authorized common share repurchase plan and $0.2 million of common share repurchases due to tax withholding on vested shares.

Please refer to "*Notes to Consolidated Financial Statements Note 6. Shareholders' Equity*" included under Part II Item 8. "*Financial Statements and Supplementary Data"* of our Annual Report on Form 10-K for a discussion of the equity instruments issued by the Company as at December 31, 2023.

Book value and diluted book value per common share at September 30, 2024 and December 31, 2023 were as follows:

($ in thousands except share and per share data)	September 30, 2024	December 31, 2023
Ending common shareholders' equity	$ 208,182	$ 249,160
Proceeds from assumed conversion of dilutive options	—	—
Numerator for diluted book value per common share calculation	$ 208,182	$ 249,160
Common shares outstanding	99,422,608	100,472,120
Shares issued from assumed conversion of dilutive options and restricted shares	2,035,634	975,027
Denominator for diluted book value per common share calculation	101,458,242	101,447,147
Book value per common share	$ 2.09	$ 2.48
Diluted book value per common share	2.05	2.46

Common Shares

On February 21, 2017, the Company's Board of Directors approved the repurchase of up to $100.0 million of the Company's common shares from time to time at market prices. The Company adopted a Rule 10b5-1(c)(1) trading arrangement as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended. On March 20, 2024, an amendment was made to the agreement initially signed on September 29, 2023 between Maiden Holdings and a financial intermediary authorizing the intermediary to purchase common shares from October 30, 2023 until the close of business on September 29, 2024, subject to certain conditions set forth in the agreement. The Company has fulfilled the repurchases under its current Rule 10b5-1(c)(1) trading arrangement.

During the three and nine months ended September 30, 2024, Maiden Reinsurance repurchased 388,728 and 1,488,400 common shares from the open market at an average price per share of $1.65 and $1.95, respectively, under the Company's share repurchase plan. During the three and nine months ended September 30, 2023, Maiden Reinsurance repurchased 520,475 and 820,105 common shares, respectively, at an average price per share of $1.86 and $1.93, respectively, under the share repurchase plan. The Company's remaining authorization for common share repurchases is $68.7 million at September 30, 2024.

Senior Notes

There were no changes in the Company's Senior Notes at September 30, 2024 compared to December 31, 2023. The Company did not enter into any short-term borrowing arrangements during the nine months ended September 30, 2024. Please refer to "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 7. Long Term Debt*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q for a discussion of the Company's Senior Notes. The 2013 Senior Notes issued by Maiden NA are fully and unconditionally guaranteed by Maiden Holdings. The Senior Notes are unsecured and unsubordinated obligations of the Company.

As described in "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 7. Long-Term Debt*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q, on May 3, 2023, the Company's Board of Directors approved the repurchase, including the repurchase by Maiden Reinsurance in accordance with its investment guidelines, of up to $100.0 million of the Company's Senior Notes from time to time at market prices in open market purchases or as may be privately negotiated. The Company has a remaining authorization of $99.9 million for such repurchases at September 30, 2024.

Maiden Holdings does not have any significant operations or assets other than ownership of the shares of our subsidiaries. The dividends and other permitted distributions from Maiden NA (and its subsidiaries) will be our sole source of funds to meet ongoing cash requirements, including debt service payments. Factors that may affect payments to holders of the 2013 Senior Notes include restrictions on the payments of dividends by Maiden Reinsurance to Maiden NA which provides the sole source of income for interest payments on the 2013 Senior Notes. In 2023 and 2024, the Vermont DFR approved an annual dividend program from Maiden Reinsurance to Maiden NA, with notification to the Vermont DFR as dividends are paid. Subsequent to those approvals, Maiden Reinsurance paid total dividends of $62.5 million to Maiden NA as of September 30, 2024.

The summarized financial information below has been presented on a combined basis for the issuer Maiden NA and the guarantor Maiden Holdings, excluding all other subsidiaries. Intercompany balances and transactions between Maiden NA and Maiden Holdings, whose information is presented above on a combined basis, were eliminated. Any investment by Maiden NA or Maiden Holdings in subsidiaries that are not issuers or guarantors is not presented in the financial information below. Intercompany balances with subsidiaries that are not issuers or guarantors and any related party transactions were separately disclosed below and are not included in the total assets and total liabilities presented for Maiden NA and Maiden Holdings. The net loss for Maiden NA and Maiden Holdings was due to interest and amortization expenses on the Senior Notes as well as general and administrative expenses. The net loss in Maiden NA also reflects income tax expense incurred for the respective period.

Summarized financial information of Maiden NA and Maiden Holdings as of September 30, 2024 and for the three and nine months ended September 30, 2024 were as follows:

	Maiden NA	Maiden Holdings
	($ in thousands)	
Total assets	$ 11,048	$ 5,318
Total liabilities	151,337	110,205
Amounts due from subsidiaries (not included in total assets above)	5	3,052
Amounts due to subsidiaries (not included in total liabilities above)	12,685	3,331
Related party loan payable (not included in total liabilities above)	—	306,304
Total revenue for the quarter-to-date period	808	8
Net loss for the quarter-to-date period	(2,305)	(11,499)
Total revenue for year-to-date period	1,482	17
Net loss for year-to-date period	(7,795)	(30,698)

The ratio of Debt to Total Capital Resources at September 30, 2024 and December 31, 2023 was computed as follows:

($ in thousands)	September 30, 2024	December 31, 2023
Senior notes - principal amount	$ 262,361	$ 262,361
Maiden shareholders’ equity	208,182	249,160
Total capital resources	$ 470,543	$ 511,521
Ratio of debt to total capital resources	55.8 %	51.3 %

Off-Balance Sheet Arrangements

Certain of the Company's investments in limited partnerships are related to real estate joint ventures with interests in multi-property projects with varying strategies ranging from the development of properties to the ownership of income-producing properties. In certain of these joint ventures, the Company has provided certain indemnities, guarantees and commitments to certain parties such that it may be required to make payments now or in the future as further described in the "*Notes to Condensed Consolidated Financial Statements (unaudited) Note 11. Commitments, Contingencies and Guarantees*" included under Part I Item 1 "*Financial Information"* of this Form 10-Q.

Any loss for which the Company could be liable would be contingent on the default of a loan by the real estate joint venture entity for which the Company provided a financial guarantee to a lender. While the Company has committed to aggregate limits as to the amount of guarantees it will provide as part of its limited partnerships, guarantees are only provided on an individual transaction basis and are subject to the terms and conditions of each transaction mutually agreed by the parties involved. The Company is not bound to such guarantees without its express authorization.

As discussed above, at September 30, 2024, guarantees of $69.8 million have been provided to lenders by the Company on behalf of the real estate joint venture, however, the likelihood of the Company incurring any losses pertaining to project level financing guarantees was determined to be remote. Therefore, no liability has been accrued under ASC 450-20.

Non-GAAP Measures

As defined and described in the *Key Financial Measures* section, management uses certain key financial measures, some of which are non-GAAP measures, to evaluate the Company's financial performance and the overall growth in value generated for the Company's common shareholders. Management believes that these measures, which may be defined differently by other companies, explain the Company's results to investors in a manner that allows for a more complete understanding of the underlying trends in the Company's business. The calculation, reconciliation to nearest GAAP measure and discussion of relevant non-GAAP measures used by management are as follows:

Non-GAAP operating loss** and **Non-GAAP diluted operating loss per share attributable to common shareholders

Non-GAAP operating loss and Non-GAAP diluted operating loss per share attributable to common shareholders can be reconciled to the nearest U.S. GAAP financial measure as follows:

For the Three Months Ended September 30,	2024	2023
	($ in thousands except per share data)	
Net loss	$ (34,468)	$ (3,527)
Add (subtract):		
Net realized and unrealized investment losses (gains)	3,804	(244)
Foreign exchange and other losses (gains)	5,915	(4,594)
Interest in income of equity method investments	(751)	(2,190)
Change in deferred gain on retroactive reinsurance under the LPT/ADC Agreement	9,818	(1,192)
Non-GAAP operating loss	$ (15,682)	$ (11,747)
Diluted loss per share attributable to common shareholders	$ (0.35)	$ (0.03)
Add (subtract):		
Net realized and unrealized investment losses (gains)	0.04	(0.01)
Foreign exchange and other losses (gains)	0.06	(0.05)
Interest in income of equity method investments	(0.01)	(0.02)
Change in deferred gain on retroactive reinsurance under the LPT/ADC Agreement	0.10	(0.01)
Non-GAAP diluted operating loss per share attributable to common shareholders	$ (0.16)	$ (0.12)

For the Nine Months Ended September 30,	2024	2023
	($ in thousands except per share data)	
Net loss attributable to Maiden common shareholders	$ (42,980)	$ (17,788)
Add (subtract):		
Net realized and unrealized investment gains	(6,403)	(2,394)
Foreign exchange and other losses	3,862	843
Interest in income of equity method investments	(2,820)	(6,942)
Change in deferred gain on retroactive reinsurance under the LPT/ADC Agreement	17,105	11,108
Non-GAAP operating loss	$ (31,236)	$ (15,173)
Diluted loss per share attributable to common shareholders	$ (0.43)	$ (0.18)
Add (subtract):		
Net realized and unrealized investment gains	(0.06)	(0.02)
Foreign exchange and other losses	0.04	0.01
Interest in income of equity method investments	(0.03)	(0.07)
Change in deferred gain on retroactive reinsurance under the LPT/ADC Agreement	0.17	0.11
Non-GAAP diluted operating loss per share attributable to common shareholders	$ (0.31)	$ (0.15)

Non-GAAP operating loss was $15.7 million for the three months ended September 30, 2024 compared to a non-GAAP operating loss of $11.7 million for the same period in 2023. The non-GAAP operating results were primarily driven by weak non-GAAP underwriting results in the AmTrust Reinsurance segment as discussed further below.

Non-GAAP operating loss was $31.2 million for the nine months ended September 30, 2024, compared to a non-GAAP operating loss of $15.2 million for the same period in 2023. The non-GAAP operating loss in both respective years were primarily driven by weak non-GAAP underwriting results in the AmTrust Reinsurance segment as discussed further below.

Non-GAAP Underwriting Results

The non-GAAP underwriting results for the three and nine months ended September 30, 2024 and 2023 are as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
Gross premiums written	$ 8,861	$ 8,660	$ 25,633	$ 16,371
Net premiums written	$ 8,843	$ 8,625	$ 25,496	$ 16,260
Net premiums earned	$ 13,403	$ 12,479	$ 37,888	$ 32,520
Other insurance (expense) revenue , net	—	(16)	46	3
Non-GAAP net loss and LAE(1)	(10,039)	(16,348)	(28,348)	(25,395)
Commission and other acquisition expenses	(9,068)	(5,340)	(19,474)	(14,520)
General and administrative expenses	(3,229)	(2,877)	(9,047)	(9,925)
Non-GAAP underwriting loss (1)	$ (8,933)	$ (12,102)	$ (18,935)	$ (17,317)

(1) Non-GAAP underwriting loss and non-GAAP net loss and LAE for the three and nine months ended September 30, 2024 and 2023 are adjusted for prior year reserve development subject to the LPT/ADC Agreement. Please see *"Key Financial Measures"* section for the definitions of Non-GAAP underwriting loss and net loss and LAE.

The non-GAAP underwriting results above are summarized by segment for the three and nine months ended September 30, 2024 and 2023 in the table below:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
($ in thousands)	2024	2023	2024	2023
Diversified Reinsurance underwriting loss	$ (947)	$ (2,541)	$ (3,996)	$ (7,648)
AmTrust Reinsurance underwriting loss	(17,804)	(8,369)	(32,044)	(20,777)
Plus: adverse (favorable) prior year loss development covered under the LPT/ADC Agreement	9,818	(1,192)	17,105	11,108
Non-GAAP AmTrust Reinsurance underwriting loss	(7,986)	(9,561)	(14,939)	(9,669)
Non-GAAP underwriting loss	$ (8,933)	$ (12,102)	$ (18,935)	$ (17,317)

The non-GAAP underwriting results have been adjusted for prior year loss reserve development under the AmTrust Quota Share which is fully recoverable from Cavello under the LPT/ADC Agreement to show the ultimate economic benefit to the Company. As shown in the table above, adjusted for the increase in the deferred gain under the LPT/ADC Agreement of $9.8 million and $17.1 million during the three and nine months ended September 30, 2024, respectively, the non-GAAP underwriting loss was $8.9 million and $18.9 million, respectively. These results compared to non-GAAP underwriting loss of $12.1 million and underwriting loss of $17.3 million when adjusted for the decrease in the deferred gain under the LPT/ADC Agreement of $1.2 million and increase of $11.1 million in the three and nine months ended September 30, 2023, respectively.

The non-GAAP underwriting loss of $8.9 million and $18.9 million for the three and nine months ended September 30, 2024, respectively, was primarily driven by:

- underwriting results in the AmTrust Reinsurance segment not covered by the LPT/ADC Agreement, specifically the run-off of the AmTrust Quota Share with losses occurring after December 31, 2018;
- adverse loss development of $— million and $2.6 million for the three and nine months ended September 30, 2024 in the European Hospital Liability Quota Share, which is not covered by the LPT/ADC Agreement;
- favorable loss development on commuted Workers Compensation losses which are contractually covered by the LPT/ADC Agreement reduced the deferred gain liability on retroactive reinsurance by $2.0 million and $5.2 million for the three and nine months ended September 30, 2024; and
- underwriting loss of $0.9 million and $4.0 million in the Diversified Reinsurance segment for the three and nine months ended September 30, 2024, respectively.

Please refer to the respective segment results for AmTrust Reinsurance and Diversified Reinsurance under *Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations"* of this Quarterly Report on Form 10-Q for further details of these underwriting results.

Non-GAAP Net Loss and LAE

Adjusted for prior year reserve development under the AmTrust Quota Share which is fully recoverable from Cavello under the LPT/ADC Agreement, the non-GAAP net loss and LAE decreased by $9.8 million and $17.1 million for the three and nine months ended September 30, 2024, respectively.

Adjusted for prior year reserve development under the AmTrust Quota Share which is fully recoverable from Cavello under the LPT/ADC Agreement, the non-GAAP net loss and LAE increased by $1.2 million and decreased by $11.1 million for the three and nine months ended September 30, 2023, respectively.

These adjustments for PPD under the AmTrust Quota Share which is fully recoverable from Cavello under the LPT/ADC Agreement are reflected in the calculation of non-GAAP Loss and LAE below:

($ in thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Net loss and LAE	$ 19,857	$ 15,156	$ 45,453	$ 36,503
Less: adverse (favorable) prior year loss development covered under the LPT/ADC Agreement	9,818	(1,192)	17,105	11,108
Non-GAAP net loss and LAE	$ 10,039	$ 16,348	$ 28,348	$ 25,395

Adjusted Shareholders' Equity, Adjusted Total Capital Resources, Adjusted Book Value per Common Share, and Ratio of Debt to Total Adjusted Capital Resources

The Adjusted Shareholders' Equity, Adjusted Total Capital Resources and Adjusted Book Value per Common Share at September 30, 2024 and December 31, 2023 reflect the addition of the unamortized deferred gain under the LPT/ADC Agreement to the GAAP shareholders' equity as depicted in the computations below. The deferred gain under the LPT/ADC Agreement was $88.0 million at September 30, 2024 compared to $70.9 million at December 31, 2023; this increase is attributable to $17.1 million in net loss and LAE recognized as adverse reserve development in the Company's GAAP income statement for AmTrust Quota Share policies covered by the LPT/ADC Agreement.

Net adverse development of $21.9 million was reported for policies under the AmTrust Quota Share for the nine months ended September 30, 2024. These losses are largely recoverable under the LPT/ADC Agreement and are expected to be recognized as future GAAP income over time as recoveries are received subject to the provisions of both the LPT/ADC Agreement and the applicable GAAP accounting rules. We believe the inclusion of this unamortized deferred gain under these metrics better reflects the ultimate economic benefit of the LPT/ADC Agreement, which will improve the Company's shareholders' equity over the settlement period under the terms of the agreement.

Reconciliation of shareholders' equity to Adjusted shareholders' equity and Adjusted Total Capital Resources

The following table computes adjusted shareholders' equity and adjusted total capital resources by recognizing the unamortized deferred gain under the LPT/ADC Agreement at September 30, 2024 and December 31, 2023:

($ in thousands)	September 30, 2024	December 31, 2023	Change in $	Change %
Total shareholders' equity	$ 208,182	$ 249,160	$ (40,978)	(16.4)%
Unamortized deferred gain on LPT/ADC Agreement	88,021	70,916	17,105	24.1 %
Adjusted shareholders' equity	296,203	320,076	(23,873)	(7.5)%
Senior Notes - principal amount	262,361	262,361	—	— %
Adjusted total capital resources	$ 558,564	$ 582,437	$ (23,873)	(4.1)%

Non-GAAP Operating ROACE

Non-GAAP Operating ROACE for the three and nine months ended September 30, 2024 and 2023 was as follows:

($ in thousands)	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Non-GAAP operating loss	$ (15,682)	$ (11,747)	$ (31,236)	$ (15,173)
Opening adjusted shareholders’ equity	316,249	326,998	320,076	329,987
Ending adjusted shareholders’ equity	296,203	319,753	296,203	319,753
Average adjusted shareholders’ equity	306,226	323,376	308,140	324,870
Non-GAAP Operating ROACE	(20.4)%	(14.4)%	(13.5)%	(6.2)%

Reconciliation of Book Value per Common Share to Adjusted Book Value per Common Share

The adjusted book value per common share as reconciled for the recognition of the unamortized deferred gain under the LPT/ADC Agreement at September 30, 2024 and December 31, 2023 was computed as follows:

	September 30, 2024	December 31, 2023
Book value per common share	$ 2.09	$ 2.48
Unamortized deferred gain on LPT/ADC Agreement	0.89	0.71
Adjusted book value per common share	$ 2.98	$ 3.19

Ratio of Debt to Adjusted Total Capital Resources

Management uses this non-GAAP measure to monitor the financial leverage of the Company. This measure is calculated using the total principal amount of debt divided by the sum of adjusted total capital resources as computed in the table above. The ratio of Debt to Adjusted Total Capital Resources at September 30, 2024 and December 31, 2023 was computed as follows:

($ in thousands)	September 30, 2024	December 31, 2023
Senior notes - principal amount	$ 262,361	$ 262,361
Adjusted shareholders' equity	296,203	320,076
Adjusted total capital resources	$ 558,564	$ 582,437
Ratio of debt to adjusted total capital resources	47.0 %	45.0 %

Currency and Foreign Exchange

We conduct business in a variety of foreign (non-U.S.) currencies, the principal exposures being the euro and the British pound. Assets and liabilities denominated in foreign currencies are exposed to changes in currency exchange rates. Our reporting currency is the U.S. dollar, and exchange rate fluctuations relative to the U.S. dollar may materially impact our results and financial position. Our principal exposure to foreign currency risk is our obligation to settle claims in foreign currencies. In addition, in order to minimize this risk, we maintain and expect to continue to maintain a portion of our investment portfolio in investments denominated in currencies other than the U.S. dollar. We may employ various strategies (including hedging) to manage our exposure to foreign currency exchange risk. To the extent that these exposures are not fully hedged or the hedges are ineffective, our results of operations or equity may be adversely affected. At September 30, 2024, no such hedges or hedging strategies were in force or had been entered into. We measure monetary assets and liabilities denominated in foreign currencies at period end exchange rates, with the resulting foreign exchange gains and losses recognized in the unaudited Condensed Consolidated Statements of Income. Revenues and expenses in foreign currencies are converted at average exchange rates during the period. The effect of the translation adjustments for foreign operations is included in AOCI.

Net foreign exchange losses of $5.9 million and $3.9 million were generated during the three and nine months ended September 30, 2024, respectively, compared to net foreign exchange gains of $4.6 million and losses of $0.1 million for the three and nine months ended September 30, 2023. The foreign exchange losses for the three and nine months ended September 30, 2024 and the nine months ended September 30, 2023 was largely due to a depreciation in the value of the U.S. dollar relative to the euro and the British pound. The net foreign exchange gains of $4.6 million in the third quarter of 2023 were driven by modest strengthening of the U.S. dollar on the re-measurement of net loss reserves and insurance related liabilities denominated in British pound and euro during the period.

At September 30, 2024, the decrease in foreign currency translation adjustments of $0.2 million for the nine months ended September 30, 2024 was primarily driven by exposures to euro, British pound and other non-USD denominated net loss reserves and insurance related liabilities in excess of foreign currency assets. Our non-USD denominated liabilities at September 30, 2024 included reserve for net loss and LAE of $258.4 million. Our foreign currency asset exposures at September 30, 2024 include $149.5 million of fixed maturity securities managed by our investment managers who have the discretion to hold foreign currency exposures as part of their total return strategy, $31.1 million of equity method real estate investments denominated in Canadian dollars, as well as $14.8 million of funds withheld receivable.

Effects of Inflation

The anticipated effects of inflation are considered explicitly in the pricing of the insured exposures, which are used as the initial estimates of reserves for loss and LAE. In addition, inflation is also implicitly accounted for in subsequent estimates of loss and LAE reserves, as the expected rate of emergence is in part predicated upon the historical levels of inflation that impact ultimate claim costs. To the extent inflation causes these costs, particularly medical treatments and litigation costs, to vary from the assumptions made in the pricing or reserving estimates, the Company will be required to change the reserve for loss and LAE with a corresponding change in its earnings in the period in which the variance is identified. The actual effects of inflation on the results of operations of the Company cannot be accurately known until claims are ultimately settled.

We continue to monitor inflationary impacts resulting from recent government stimulus, sharp increases in demand, labor force and supply chain disruptions, among other factors, on our loss cost trends. Our reserves predominantly consist of workers' compensation, general liability, and hospital liability business. These long tailed lines of business have been subject to the longer term trend of social inflation, but we have not observed significant impacts for the recently elevated levels of inflation. We proactively analyze available data and we incorporate trends into our loss reserving assumptions to ensure we are considerate of current and future economic conditions.

Governmental policy responses to inflation have significantly increased interest rates which, in the short term, have contributed to unrealized losses on our fixed income investments, particularly on our fixed maturity securities. While general economic inflation has eased in recent quarters, there remains uncertainty around the rate and direction of inflation and interest rates and we continue to monitor our liquidity, capital and potential earnings impact of these changes but remain focused on our asset allocation decisions as described in our *"Business Strategy"* section of Item 2. "*Management's Discussion and Analysis of Financial Condition* and *Results of Operations - Overview*".

Inflation may also result in increased wage pressures for our operating expenses, as we remain focused on being a competitive employer in our market. Currently, while salaries and incentive compensation costs comprise less than one-half of our total general and administrative expenses, continuing inflation and tight labor conditions could have a material impact on our net operating results.

Off-Balance Sheet Arrangements

At September 30, 2024, we did not have any off-balance sheet arrangements as defined by Item 303(a) (4) of Regulation S-K.

Recent Accounting Pronouncements

See "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 2. Significant Accounting Policies*" for a discussion on recently adopted accounting pronouncements.

Item 4. Controls and Procedures

Our management, with the participation and under the supervision of our Co-Chief Executive Officers and Chief Financial Officer, have evaluated the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)). Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by SEC rules and forms and that such information is accumulated and communicated to management, including our Co-Chief Executive Officers and Chief Financial Officer, to allow for timely decisions regarding required disclosures. Our Co-Chief Executive Officers and Chief Financial Officer have concluded that, as of the end of the period covered by this report, such disclosure controls and procedures were effective. Our management, including our Co-Chief Executive Officers and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide an absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected.

During the most recent fiscal quarter, there were no changes in the Company's internal controls over financial reporting (as defined in Exchange Act Rule 13a-15(f) and 15d-15(f)) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

See "*Part I, Item 1 - Notes to Condensed Consolidated Financial Statements (unaudited) Note 11. Commitments and Contingencies*" for an update on legal matters. Except as disclosed above, there are no material changes from the legal proceedings previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 1A. Risk Factors

Our business is subject to a number of risks, including those identified in Item 1A. of Part I of our Annual Report on Form 10-K for the year ended December 31, 2023, that could have a material adverse effect on our business, results of operations, financial condition and/or liquidity and that could cause our operating results to vary significantly from period to period. The risks described in our 2023 Form 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also could have a material adverse effect on our business, results of operations, financial condition and/or liquidity.

There are no material changes from the risk factors previously disclosed in *"Part I - Item 1A. Risk Factors"* of our Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity and Use of Proceeds

Items 2. (a) and (b) are not applicable.

2. (c) Share Repurchases

On February 21, 2017, the Company's Board of Directors approved the repurchase of up to $100.0 million of the Company's common shares from time to time at market prices. The Company has adopted a Rule 10b5-1(c)(1) trading arrangement as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended. On March 20, 2024, an amendment was made to the agreement initially signed on September 29, 2023 between Maiden Holdings and a financial intermediary authorizing the intermediary to purchase common shares from October 30, 2023 until the close of business on September 29, 2024, subject to certain conditions set forth in the agreement. This agreement was fully satisfied pursuant to its terms prior to September 29, 2024. The Company's remaining authorization for common share repurchases was $68.7 million at September 30, 2024.

The table below details the repurchases made during the three months ended September 30, 2024 under the Company's authorized common share repurchase plan pursuant to Rule 10b5-1(c)(1) under the Securities Exchange Act of 1934:

For the Three Months Ended September 30, 2024	Total number of shares repurchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Dollar amount still available under trading plan
				($ in thousands)
July 1, 2024 - July 31, 2024	36,984	$ 2.02	36,984	$ 69,276
August 1, 2024 - August 31, 2024	—	—	—	69,276
September 1, 2024 - September 30, 2024	351,744	1.61	351,744	68,710
Total	388,728	$ 1.65	388,728	68,710

On September 4, 2024, the Company adopted a new Rule 10b5-1(c)(1) trading arrangement as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended, between Maiden Holdings and a financial intermediary authorizing the intermediary to purchase common shares from October 4, 2024 until the close of business on November 15, 2025, subject to certain conditions set forth in the agreement.

Subsequent to the three months ended September 30, 2024 and through the period ended November 7, 2024, the Company repurchased 101,803 additional common shares at an average price per share of $1.68 under the Company's authorized common share repurchase plan pursuant to Rule 10b5-1(c)(1) under the Securities Exchange Act of 1934, as amended. The Company's remaining share repurchase authorization was $68.5 million at November 7, 2024.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Executive Ownership and Sales

From time to time, some of the Company's directors and executives may determine that it is advisable to diversify their investments for personal financial planning reasons, or may seek liquidity for other reasons, and may sell common shares of the Company in the open market, in private transactions or to the Company. To effect such sales, some of the Company's directors and executives have previously entered into, and may in the future enter into, trading plans designed to comply with the Company's Insider Trading and Outside Investments Policy and the provisions of Rule 10b5-1 under the Securities Exchange Act of 1934. The trading plans will not reduce any of the executives' ownership of the Company's shares below the applicable executive stock ownership guidelines. The Company does not undertake any obligation to report Rule 10b5-1 plans that may be adopted by any employee or director of the Company in the future, or to report any modifications or termination of any publicly announced plan.

Insider Trading Arrangements and Policies

The Company has adopted a Rule 10b5-1(c)(1) trading arrangement as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended. On March 20, 2024, an amendment was made to the agreement initially signed on September 29, 2023 between Maiden Holdings and a financial intermediary authorizing the intermediary to purchase common shares from October 30, 2023 until the close of business on September 29, 2024, subject to certain conditions set forth in the agreement. No changes to the applicable trading period under the initial agreement were made in the amendment. This agreement was fully satisfied pursuant to its terms prior to September 29, 2024.

On September 4, 2024, the Company adopted a new Rule 10b5-1(c)(1) trading arrangement as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended, between Maiden Holdings and a financial intermediary authorizing the intermediary to purchase common shares from October 4, 2024 until the close of business on November 15, 2025, subject to certain conditions set forth in the agreement.

Item 6. Exhibits.

Exhibit No.	Description
31.1	Section 302 Certification of CEO
31.2	Section 302 Certification of CFO
32.1	Section 906 Certification of CEO
32.2	Section 906 Certification of CFO
101.1	The following materials from Maiden Holdings, Ltd. Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 formatted in Inline XBRL: (i) unaudited Condensed Consolidated Balance Sheets; (ii) unaudited Condensed Consolidated Statements of Income; (iii) unaudited Condensed Consolidated Statements of Comprehensive Income; (iv) unaudited Condensed Consolidated Statements of Changes in Shareholders' Equity; (v) unaudited Condensed Consolidated Statements of Cash Flows; and (vi) Notes to unaudited Condensed Consolidated Financial Statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	MAIDEN HOLDINGS, LTD.
	By:
November 12, 2024	/s/ Patrick J. Haveron
	Patrick J. Haveron Chief Executive Officer and Chief Financial Officer (Principal Executive Officer)
	/s/ Mark O. Heintzman
	Mark O. Heintzman Senior Vice President - Finance (Principal Financial Officer)

EXHIBIT 31.1

CERTIFICATION

I, Patrick J. Haveron, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Maiden Holdings, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 12, 2024

/s/ Patrick J. Haveron

Patrick J. Haveron
Chief Executive Officer and Chief Financial Officer (Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Mark O. Heintzman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Maiden Holdings, Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 12, 2024

/s/ Mark O. Heintzman

Mark O. Heintzman
Senior Vice President - Finance (Principal Financial Officer)

Exhibit 32.1

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Maiden Holdings, Ltd. (the "Company"), hereby certifies, to such officer's knowledge, that:

The Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 12, 2024	By:	/s/ Patrick J. Haveron
		Patrick J. Haveron Chief Executive Officer and Chief Financial Officer (Principal Executive Officer)

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Report.

Exhibit 32.2

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code), the undersigned officer of Maiden Holdings, Ltd. (the “Company”), hereby certifies, to such officer's knowledge, that:

The Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

November 12, 2024	By:	/s/ Mark O. Heintzman
		Mark O. Heintzman Senior Vice President - Finance (Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Report.