Maiden Holdings, Ltd.
Investor Update

May 2023

MAIDEN HOLDINGS, LTD.

Investor Disclosures

Forward Looking Statements

This presentation contains "forward-looking statements" which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements are based on Maiden Holdings, Ltd.'s (the "Company") future developments and their potential effects on the Company. There can be no assurance that actual developments will be those anticipated by the Company. Actual results may differ materially from those projected as a result of significant risks and uncertainties, including non-receipt of the expected payments, changes in interest rates, effect of the performance of financial markets on investment income and fair values of investments, developments of claims and the effect on loss reserves, accuracy in projecting loss reserves, the impact of competition and pricing environments, changes in the demand for the Company's products, the effect of general economic conditions and unusual frequency of storm activity, adverse state and federal legislation, regulations and regulatory investigations into industry practices, developments relating to existing agreements, heightened competition, changes in pricing environments, and changes in asset valuations. Additional information about these risks and uncertainties, as well as others that may cause actual results to differ materially from those projected is contained in Item 1A, Risk Factors in the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 15, 2023. The Company undertakes no obligation to publicly update any forward-looking statements, except as may be required by law. Any discrepancies between the amounts included in this presentation and amounts included in the Company's Form 10-K for the year ended December 31, 2022, filed with the SEC are due to rounding.

Non-GAAP Financial Measures

In addition to the Summary Consolidated Balance Sheets and Consolidated Statements of Income, 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 non-GAAP measures should not be viewed as a substitute for those determined in accordance with U.S. GAAP. See the Appendix of this presentation for a reconciliation of the Company's non-GAAP measures to the nearest GAAP measure.

Maiden Holdings Q1 2023 Highlights

- **GAAP net loss available to common shareholders was $11.3m or $0.11 per share**
  - Results mainly driven by underwriting loss in AmTrust and Diversified segments
    - AmTrust segment produced a $6.3m underwriting loss with smaller Diversified loss primarily from GLS unit
  - Adverse prior year loss development of $3.7m from both segments in Q1 2023, primarily from AmTrust but also from Bermuda Other run-off contracts as well
    - See slide 6 for additional details on underwriting results and loss development by segment
  - Investment results were slightly higher in Q1 2023 due to significant increases in interest income received from the AmTrust loan and Funds Withheld
    - Increases were mostly offset by lower realized investment gains and income from equity method investments
  - Operating expenses reflect traditionally higher quarterly expense but are 7.1% lower than Q1 2022
    - Expect run rate expenses in Q2 and beyond to reflect continue reduction in range of expenses

- **Q1 GAAP book value decreased to $2.66 per common share and adjusted book value decreased to $3.12 per common share**
  - In addition to Q1 net loss, book value decreased due to $5.5m or $0.05 per common share upon adoption of new accounting standard for credit losses which should largely be non-recurring

- **Asset management reflected focus on income producing assets and challenging market**
  - Alternative portfolio decreased in Q1 versus year-end reflecting slower deployment as markets remain uncertain and rising interest rates offer opportunity to reallocate to lower risk, income producing assets
  - Despite difficult market environment, target investment returns are starting to emerge

- **Full valuation allowance maintained on U.S. deferred tax asset of $1.18 per share at 3/31/2023**
  - Not recognized as an asset on balance sheet currently
  - Timing of asset recognition likely to be influenced by more stable loss development
  - Focus on current income producing assets targets to offset continuing reserve development

** Please see the definition of non-GAAP financial measures in the Appendix of this presentation for additional important information regarding certain terms used herein*

Maiden Holdings – Q1 2023 Results Recap

($ millions, except per share amounts)	Q1 2023	Q1 2022	Comments
Net Income and Per Share Data			
GAAP Net (Loss) Income (Attributable) Available to Common Shares **Per common share**	**$(11.3)** **$(0.11)**	$1.6 $0.02	• Net income attributable to Maiden common shareholders in Q1 2022 includes $3.5m of gains from purchases of preference shares vs. $0 in Q1 2023 • Summary GAAP and Non-GAAP Financial Measures in Appendix
GAAP Net Loss (excl. preference share gains)	**$(11.3)**	$(1.9)	• Q1 2023 net loss resulted from higher underwriting loss and higher foreign exchange and other losses compared to Q1 2022
Key Income Statement Details			
Underwriting Loss	**$(8.3)**	$(1.7)	• Higher underwriting loss from both the AmTrust Reinsurance and Diversified Reinsurance segments • Adverse prior year development of $3.7m in Q1 2023 from AmTrust QS ($3.4m), AmTrust XOL run-off (-$0.4m) and Diversified run-off contracts ($0.6m). Q1 2022 had favorable prior year development of $7.3m • $1.6m of 2023 adverse development is covered by Enstar LPT/ADC • See slide 5 for detail on underwriting results and prior period loss development
Investment Results	**$10.4**	$10.1	• Higher investment income of $9.5m in Q1 2023 vs. $6.6m in Q1 2022 as income received on the AmTrust loan and Funds Withheld increased • Realized and unrealized gains of $1.0m in Q1 2023 vs. realized and unrealized gains of $2.3m in Q1 2022 mainly attributable to gains on equity securities and other investments • Results from equity method investments was loss of $51 thousand in Q1 2023 vs. income of $1.3m in Q1 2022
Operating Expenses	**$10.1**	$10.9	• Operating expenses continued to trend lower as G&A expenses decreased by $0.8m, or 7.1% in Q1 2023 vs. Q1 2022 due to lower stock-based compensation
Foreign Exchange/Other (Losses) Gains	**$(2.8)**	$3.9	• Primarily due to reserve revaluation due to weakening of U.S. dollar relative to Euro and British pound

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Q1 2023 UW Results and Loss Development

UNDERWRITING LOSS

	Q1 2023	Q1 2022	Variance
Diversified Reinsurance	$ (2.0)	$ 1.5	$ (3.5)
AmTrust Reinsurance	(6.3)	(3.2)	(3.1)
Underwriting loss	**$ (8.3)**	**$ (1.7)**	**$ (6.6)**

LOSS DEVELOPMENT

(in thousands ('000))

QTD	Mar-23	Mar-22	Variance
Diversified			
GLS	$ -	$ (339)	$ 339
IIS	22	(863)	885
Motors	123	-	123
Run-Off	612	(1,009)	1,621
Unfavorable (favorable)	**757**	**(2,211)**	**2,968**
AmTrust			
Master QS	3,448	(5,074)	8,522
Hospital Liability	(26)	-	(26)
Other Run-off	(523)	-	
Unfavorable (favorable)	**2,899**	**(5,073)**	**7,972**
Total Unfavorable (favorable)	**$ 3,655**	**$ (7,285)**	**$ 10,940**

- **Q1 2023 underwriting loss of $8.3m vs. $1.7m in Q1 2022**
  - $3.7m of adverse prior year loss development in Q1 2023 compared to $7.3m of favorable prior year loss development in Q1 2022
  - Diversified had adverse loss development of $0.8m booked in the quarter compared to favorable development of $2.2m in Q1 2022
    - Adverse prior year development on older excess of loss contracts of $0.6m on Bermuda Other Run-Off contracts was recorded in Q1 2023
  - AmTrust had adverse loss development of $2.9m booked in the quarter compared to favorable development of $5.1m in Q1 2022
    - Net adverse prior year loss development of $3.4m on AmTrust QS contracts in Q1 2023 was primarily due to unfavorable movements in CLD (General & Auto Liability) and Specialty Risk & Extended Warranty partly offset by continued favorable development in Workers Compensation
    - AmTrust XOL Run off contracts had favorable development of $0.5m recorded in Q1 2023
  - Lower negative AmTrust net premium adjustments of $3.6m compared to $5.1m in Q1 2022
  - Higher overhead costs of $3.1m in Q1 2023 versus $2.6m in Q1 2022

MAIDEN HOLDINGS, LTD.

Maiden Holdings Business Strategy

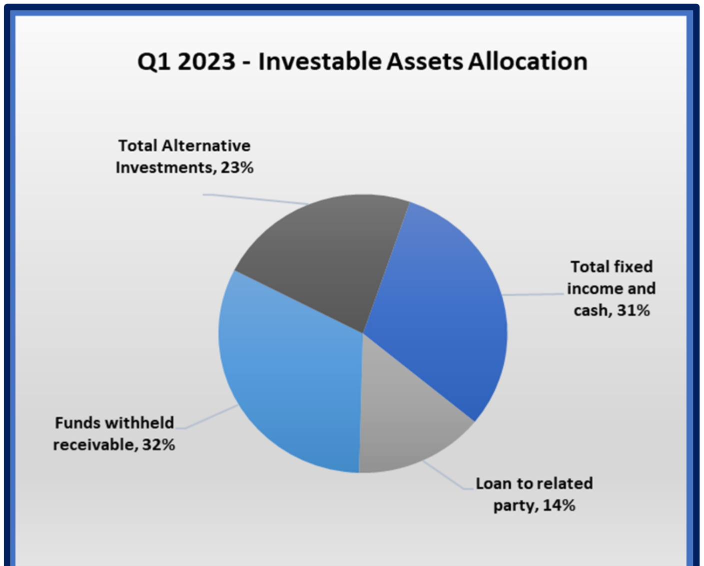
- **We create shareholder value by actively managing and allocating our assets and capital**
  - We leverage our deep knowledge of the insurance and related financial services industries into ownership and management of businesses and assets with the opportunity for increased returns
  - Change in strategy since 2019 has allowed us to more flexibly allocate capital to activities we believe will produce the greatest returns for our common shareholders

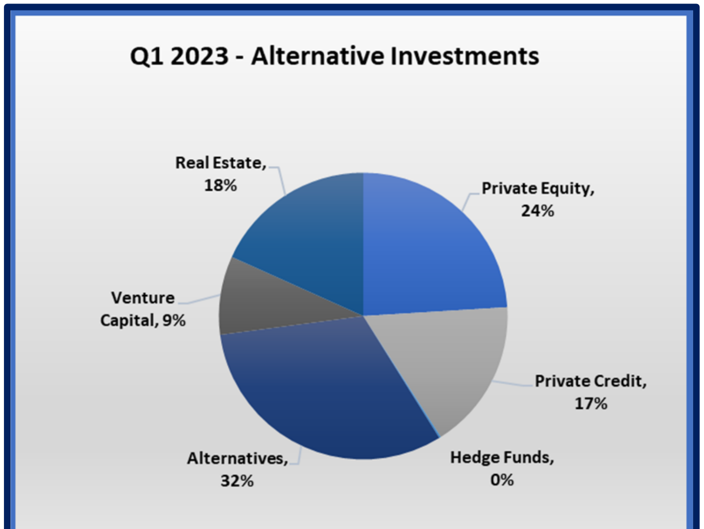
- **Our strategy has three principal areas of focus**
  - Asset management – investing in assets and asset classes in a prudent but expansive manner in order to maximize investment returns
    - We limit the insurance risk we assume relative to the assets we hold and maintain required regulatory capital at very strong levels to manage our aggregate risk profile
  - Legacy underwriting - judiciously building a portfolio of run-off acquisitions and retroactive reinsurance transactions which we believe will produce attractive underwriting returns
  - Capital management - effectively managing capital and when appropriate, repurchasing securities or returning capital to enhance common shareholder returns

- **Strategic focus likely to continue to evolve as markets extend timelines for asset management and legacy underwriting target returns to materialize**
  - Developing more predictable areas of revenue and profit a priority

- **We believe these areas of strategic focus will enhance our profitability**
  - We believe our strategy increases the likelihood of fully utilizing the significant tax NOL carryforwards which would create additional common shareholder value
  - Expected returns from each strategic pillar are evaluated relative to our cost of debt capital

Asset Management Update





Investable Assets

	YTD Annualized Gross Return	31-Mar-23	31-Dec-22	YTD Change
AFS and cash	5.2%	354,724	361,151	(6,426)
Loan to related party	6.4%	167,975	167,975	-
Funds withheld receivable	3.3%	371,416	441,412	(69,996)
Total Fixed Income	4.6%	894,116	970,538	(76,422)
Alternative Investments				
Private Equity	5.0%	63,277	60,227	3,050
Private Credit	2.6%	44,676	51,783	(7,107)
Hedge Funds	22.7%	516	5,376	(4,860)
Alternatives	0.0%	83,636	85,866	(2,230)
Venture Capital	19.5%	23,346	21,126	2,220
Real Estate	-4.2%	48,033	48,155	(121)
Total Alternative Investments	2.7%	263,485	272,533	(9,048)
Total Investable Assets	4.2%	1,157,600	1,243,071	(85,470)

**Please see the definition of non-GAAP financial measures in the Appendix of this presentation for additional important information regarding certain terms used herein*

MAIDEN HOLDINGS, LTD.

Asset Management Update

Performance of Investable Assets	Fixed Income		Alternative Investments	
For the Three Months Ended March 31	2023	2022	2023	2022
Gross Returns	1.1%	-0.6%	0.7%	3.1%
Net Returns	1.1%	-0.6%	0.7%	3.1%

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.

Fixed Income

- **Q1 fixed income returns impacted by increases to net investment income primarily driven by higher income from AmTrust loan and Funds Withheld**
  - Short portfolio duration of 1.3 years well positioned for current volatility
  - Higher yields on cash equivalents and floating rate CLOs are offsetting the impact of a smaller portfolio
- **Fixed income portfolio continues to decrease in size as the AmTrust liabilities run off**
  - Payments now largely being made from Funds Withheld
- **Floating rate securities compose $288.5m or 32.3% of fixed income investments which is reducing interest rate risk**
  - $115.7m or 12.9% are CLOs which may be credit sensitive
    - **Average CLO rating is AA+ with 87.6% rated AAA**
    - **EUR CLOs of $104.3m yield is 5.0%**
    - **USD CLOs of $11.4m yield is 8.0%**
  - $168.0m or 18.8% is floating rate loan to related party and is priced at Fed Funds rate + 200 basis points
    - **Effective yield of loan is 6.4%**

Alternative Investments

- **Alternative investments decreased by 3.3% to $263.5m at 3/31/2023 compared to $272.5m at 12/31/2022, reflecting increasing focus on current income producing assets as interest rates continue to rise**
  - Reallocated $13.1m to fixed income in Q1 2023
  - Deployments slowing in face of volatile markets
- **Market volatility across numerous asset classes resulted in lower overall returns of $1.0m for Q1 2023 compared to $2.4m for Q1 2022**
  - Returns benefitted quarter over quarter from realized and unrealized gains on venture capital investments
  - Broader challenges in the equity markets led to smaller gains quarter over quarter on investments with equity exposure in the private equity asset class
  - Interest rate sensitive investments in private credit including those with mortgage exposures continued to face headwinds during the quarter as well with losses accelerating quarter over quarter
- **Excluding hedge funds, annualized gross return of the alternative portfolio for Q1 2023 was 2.5%**
  - Still on track to exceed long-term benchmark returns
  - Numerous alternative investments not marked to fair value yet - too early in life cycle of investments

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Legacy Underwriting Update

- **Active pipeline continues – challenging liability markets and market competition resulting in narrower and deliberate focus**
  - Consistent flow of opportunities being presented but rate of declinations increasing

- **GLS holds insurance liabilities totaling approximately $32m at 3/31/2023**

- **GLS produced Q1 operating loss of $1.6m**
  - $0.8m loss due to adjustment of previously recognized gain on acquisition of certain assets which should be non-recurring
  - $0.8m increase in G&A expense mainly due to increased internally allocated payroll and other overhead expenses

Capital Management Update

- **Board provided authority for senior note repurchases up to $100m**
  - Authorization covers open market purchases and privately negotiated trades
  - Provides long-term capital management option for disciplined and prudent approach to balance sheet management

- **MRL now owns 29% of Maiden common shares, but is limited to 9.5% voting power per Maiden bye-laws**
  - Common shares owned by MRL eliminated for accounting and financial reporting purposes on the Company's consolidated financial statements and presented as treasury shares
  - Per share computations reflect elimination of MHLD common shares owned by MRL of 41,439,348

- **Maiden capital management options on common shares no longer restricted**
  - Can now issue dividends or repurchase common shares – no immediate plans
  - Company presently has $74.2m unutilized authorization to repurchase common shares

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Maiden Holdings, Ltd.
Investor Update - Appendix

Financial Data for Period Ended March 31, 2023

MAIDEN HOLDINGS, LTD.

Summary Consolidated Balance Sheet

(in thousands (000's), except per share data)		March 31, 2023		December 31, 2022 Audited
Assets				
Total investments	$	576,848	$	587,060
Cash and cash equivalents (including restricted)		41,361		46,624
Reinsurance balances receivable, net		10,406		10,707
Reinsurance recoverable on unpaid losses		552,513		556,116
Loan to related party		167,975		167,975
Funds withheld receivable		371,416		441,412
Other assets		35,562		36,972
Total Assets	**$**	**1,756,081**	**$**	**1,846,866**
Liabilities				
Reserve for loss and loss adjustment expenses	$	1,071,623	$	1,131,408
Unearned premiums		58,789		67,081
Deferred gain on retroactive reinsurance		49,281		47,708
Accrued expenses and other liabilities		50,974		60,518
Senior notes, net		254,620		255,572
Total Liabilities		**1,485,287**		**1,562,287**
Equity		270,794		284,579
Total Liabilities and Equity	**$**	**1,756,081**	**$**	**1,846,866**
Book value per common share(1)	**$**	**2.66**	**$**	**2.80**
Common shares outstanding		**101,763,727**		**101,532,151**

Summary Consolidated Statements of Income

(in thousands (000's), except per share data)		For the Three Months Ended March 31, 2023		2022
Net premiums written	$	760	$	(10,323)
Net premiums earned		9,002		1,122
Other insurance (expense) revenue		(59)		51
Net investment income		9,545		6,567
Net realized and unrealized gains on investment		1,005		2,309
Total revenues		**19,493**		**10,049**
Net loss and loss adjustment expenses		9,815		(2,283)
Commission and other acquisition expenses		4,235		2,528
General and administrative expenses		10,108		10,886
Interest and amortization expenses		3,824		4,832
Foreign exchange and other losses (gains)		2,816		(3,949)
Total expenses		**30,798**		**12,014**
Loss before income taxes		**(11,305)**		**(1,965)**
Less: income tax (benefit) expense		(28)		1,255
Add: interest in (loss) income of equity method investments		(51)		1,271
Net loss		**(11,328)**		**(1,949)**
Gain from repurchase of preference shares		-		3,543
Net (loss) income (attributable) available to Maiden common shareholders	**$**	**(11,328)**	**$**	**1,594**
Basic and diluted (loss) earnings per share (attributable) available to Maiden common shareholders	**$**	**(0.11)**	**$**	**0.02**
Annualized return on average common equity		**-17%**		**3%**

Segment Information

In thousands ('000's)

For the Three Months Ended March 31, 2023	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 6,849	$ (6,013)	$ 836
Net premiums written	$ 6,773	$ (6,013)	$ 760
Net premiums earned	$ 7,471	$ 1,531	$ 9,002
Other insurance expense	(59)	-	(59)
Net loss and loss adjustment expenses ("loss and LAE")	(3,156)	(6,659)	(9,815)
Commissions and other acquisition expenses	(3,656)	(579)	(4,235)
General and administrative expenses(3)	(2,589)	(557)	(3,146)
Underwriting loss[4]	$ (1,989)	$ (6,264)	$ (8,253)

Reconciliation to net loss	
Net investment income and realized and unrealized losses on investment	10,550
Interest and amortization expenses	(3,824)
Foreign exchange and other losses	(2,816)
Other general and administrative expenses(3)	(6,962)
Income tax benefit	28
Interest in loss of equity method investments	(51)
Net loss	$ (11,328)

MAIDEN HOLDINGS, LTD.

Segment Information

In thousands ('000's)

For the Three Months Ended March 31, 2022	Diversified Reinsurance	AmTrust Reinsurance	Total
Gross premiums written	$ 4,736	$ (14,906)	$ (10,170)
Net premiums written	$ 4,583	$ (14,906)	$ (10,323)
Net premiums earned	$ 5,955	$ (4,833)	$ 1,122
Other insurance revenue	51	-	51
Net loss and LAE	1,360	923	2,283
Commissions and other acquisition expenses	(3,771)	1,243	(2,528)
General and administrative expenses(3)	(2,098)	(485)	(2,583)
Underwriting income (loss)[4]	$ 1,497	$ (3,152)	$ (1,655)

Reconciliation to net loss	
Net investment income and realized and unrealized gains on investment	8,876
Interest and amortization expenses	(4,832)
Foreign exchange and other gains	3,949
Other general and administrative expenses(3)	(8,303)
Income tax expense	(1,255)
Interest in income of equity method investments	1,271
Net loss	$ (1,949)

Non-GAAP Financial Measures

(in thousands (000's), except per share data)	For the Three Months Ended March 31,			
		2023		2022
Non-GAAP operating loss(5)	$	(7,893)	$	(6,935)
Non-GAAP basic and diluted operating loss per share attributable to Maiden common shareholders(5)	$	(0.08)	$	(0.08)
Annualized non-GAAP operating return on average adjusted common equity(6)		-10%		-11%
Reconciliation of net (loss) income available to Maiden common shareholders to non-GAAP operating loss:				
Net (loss) income available to Maiden common shareholders	$	(11,328)	$	1,594
Add (subtract)				
Net realized gains on investment		(1,005)		(2,309)
Foreign exchange and other losses (gains)		2,816		(3,949)
Interest in loss (income) of equity method investments		51		(1,271)
Change in deferred gain on retroactive reinsurance		1,573		(1,000)
Non-GAAP operating loss(5)	**$**	**(7,893)**	**$**	**(6,935)**
Weighted average number of common shares - basic		**101,552,364**		**86,547,173**
Adjusted weighted average number of common shares and assumed conversions - diluted		**101,552,364**		**86,547,173**
Reconciliation of diluted EPS attributable to Maiden common shareholders to non-GAAP diluted operating loss EPS attributable to Maiden common shareholders:				
Diluted (loss) earnings per share attributable to Maiden common shareholders	$	(0.11)	$	0.02
Add (subtract)				
Net realized gains on investment		(0.01)		(0.03)
Foreign exchange and other losses (gains)		0.03		(0.05)
Interest in loss (income) of equity method investments		-		(0.01)
Change in deferred gain on retroactive reinsurance		0.01		(0.01)
Non-GAAP diluted operating loss per share attributable to Maiden common shareholders	**$**	**(0.08)**	**$**	**(0.08)**

Non-GAAP Financial Measures

In thousands ('000's)	For the Three Months Ended March 31,			
		2023		2022
Non-GAAP underwriting results:				
Gross premiums written	$	836	$	(10,170)
Net premiums written	$	760	$	(10,323)
Net premiums earned	$	9,002	$	1,122
Other insurance (expense) revenue		(59)		51
Non-GAAP net loss and LAE(9)		(8,242)		1,283
Commissions and other acquisition expenses		(4,235)		(2,528)
General and administrative expenses(3)		(3,146)		(2,583)
Non-GAAP underwriting loss(9)	**$**	**(6,680)**	**$**	**(2,655)**
Non-GAAP net loss and LAE:				
Net loss and LAE	$	9,815	$	(2,283)
Less: Change in deferred gain on retroactive reinsurance		1,573		(1,000)
Non-GAAP net loss and LAE(9)	**$**	**8,242**	**$**	**(1,283)**

Non-GAAP Financial Measures

(in thousands (000's), except per share data)	March 31, 2023		December 31, 2022	
Investable assets:				
Total investments	$	576,848	$	587,060
Cash and cash equivalents		24,194		30,986
Restricted cash and cash equivalents		17,167		15,638
Loan to related party		167,975		167,975
Funds withheld receivable		371,416		441,412
Total investable assets(7)	**$**	**1,157,600**	**$**	**1,243,071**
Capital:				
Common shareholders' equity	$	270,794	$	284,579
Total shareholders' equity		270,794		284,579
2016 Senior Notes		110,000		110,000
2013 Senior Notes		152,500		152,500
Total capital resources(8)	$	**533,294**	**$**	**547,079**
Reconciliation of total shareholders' equity to adjusted shareholders'				
Total Shareholders' Equity	$	270,794	$	284,579
Unamortized deferred gain on retroactive reinsurance		46,981		45,408
Adjusted shareholders' equity(2)	$	**317,775**	**$**	**329,987**
Reconciliation of book value per common share to adjusted book value				
Book value per common share	$	2.66	$	2.80
Unamortized deferred gain on retroactive reinsurance		0.46		0.45
Adjusted book value per common share(2)	$	**3.12**	**$**	**3.25**

MAIDEN HOLDINGS, LTD.

Non-GAAP Financial Measures

(1) Book value per common share is calculated using common shareholders' equity (shareholders' equity excluding the aggregate liquidation value of our preference shares) divided by the number of common shares outstanding. Management uses growth in this metric as a prime measure of the value we are generating for our common shareholders, because management believes that growth in this metric ultimately results in growth in the Company's common share price. This metric is 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 investment portfolio, as well as share repurchases.

(2) Adjusted Total Shareholders' Equity and Adjusted Book Value per Common Share: Management has adjusted GAAP shareholders' equity by adding the following items: 1) the unamortized deferred gain on retroactive reinsurance arising from LPT/ADC Agreement; and 2) an adjustment which reflects the equity method accounting related to the fair value of certain hedged liabilities within an equity method investment in a limited partnership held by the Company wherein the ultimate realizable value of the asset supporting the hedged liabilities cannot currently be recognized at fair value. As a result, by virtue of this adjustment, management has also computed the Adjusted Book Value per Common Share. The deferred gain on retroactive reinsurance represents amounts estimated to be fully recoverable from Cavello and management believes adjusting for this shows the ultimate economic benefit of the LPT/ADC Agreement. The LP Investment Adjustment reflects the fair value of the assets not presently able to be recognized currently. We believe reflecting the economic benefit of both items is helpful to understand future trends in our operations, which will improve the Company's shareholders' equity over the settlement or contract periods, respectively.

(3) Underwriting related general and administrative expenses is a non-GAAP measure and includes expenses which are segregated for analytical purposes as a component of underwriting loss.

(4) 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.

(5) Non-GAAP operating earnings and non-GAAP basic and diluted operating earnings per common share are non-GAAP financial measure defined by the Company as net income excluding realized investment gains and losses, total other-than-temporary impairment losses, foreign exchange and other gains and losses, interest in income of equity method investments and the change in deferred gain on retroactive reinsurance and should not be considered as an alternative to net income (loss). The Company's 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 Financial Measures

(6) Non-GAAP operating return on average common equity is a non-GAAP financial measure. Management uses non-GAAP operating return on average adjusted common shareholders' equity as a measure of profitability that focuses on the return to common shareholders. It is calculated using non-GAAP operating earnings divided by average adjusted common shareholders' equity.

(7) Investable assets is the total of the Company's investments, cash and cash equivalents, loan to a related party and funds withheld receivable.

(8) Total capital resources is the sum of the Company's principal amount of debt and shareholders' equity.

(9) Non-GAAP net loss and LAE and Non-GAAP underwriting income (loss): Management has further adjusted the net loss and LAE and underwriting income (loss) (as defined above) by recognizing into income the unamortized deferred gain arising from the LPT/ADC Agreement relating to losses subject to that agreement. The deferred gain represents amounts estimated to be fully recoverable from Cavello and management believes adjusting for this shows the ultimate economic benefit of the LPT/ADC Agreement on Maiden's underwriting income (loss). Management believes reflecting the economic benefit of this retroactive reinsurance agreement is helpful for understanding future trends in our operations.