

Constellation 2021 Financial Results

Summary of Financial Position (in thousands)

Assets	2021	2020
Invested assets	\$ 871,916	\$ 801,428
Other assets	172,426	175,239
Total assets	<u>\$ 1,044,342</u>	<u>\$ 976,667</u>
Liabilities and members' surplus		
Liabilities:		
Unpaid losses and loss adjustment expenses	\$ 442,730	\$ 399,070
Other liabilities	192,266	171,431
Total liabilities	<u>634,996</u>	<u>570,501</u>
Members' surplus	<u>409,346</u>	<u>406,166</u>
Total liabilities and members' surplus	<u>\$ 1,044,342</u>	<u>\$ 976,667</u>

Summary of Operations (in thousands)

Revenues	2021	2020
Net premiums earned	\$ 173,599	\$ 158,254
Net investment income	22,552	23,260
Net realized and unrealized gains on investments	19,698	15,681
Other income	1,206	1,664
	<u>217,055</u>	<u>198,859</u>
Losses and Expenses		
Losses and loss adjustment expenses	155,175	163,528
Underwriting, acquisition and insurance expenses	35,875	32,957
Other operating expenses	22,013	9,168
Amortization of goodwill and intangible assets	4,385	5,021
	<u>217,448</u>	<u>210,674</u>
Loss before income tax benefit	(393)	(11,815)
Income tax benefit	(1,795)	(8,783)
Net income (loss) - including noncontrolling interest	1,402	(3,032)
Less: net loss attributable to noncontrolling interest	(25)	-
Net income (loss)	<u>\$ 1,427</u>	<u>\$ (3,032)</u>

Summary of Cash Flows (in thousands)

	2021	2020
Net cash (used in) provided by operating activities	\$ (4,076)	\$ 16
Net cash provided by investing activities	2,975	5,388
Net cash provided by financing activities	-	10,000
(Decrease) increase in cash	(1,101)	15,404
Cash at beginning of year	24,222	8,818
Cash at end of year	<u>\$ 23,121</u>	<u>\$ 24,222</u>

These summary financial statements are derived from the company's audited consolidated financial statements, which are prepared on the basis of United States generally accepted accounting principles. Baker Tilly US, LLP is the company's independent auditor. The company's audited consolidated financial statements are available to members of the mutual holding company by written request to:

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