

Constellation 2022 Financial Results

Summary of Financial Position (in thousands)

Assets	2022	2021
Invested assets	\$ 717,374	\$ 871,916
Other assets	212,115	172,426
Total assets	<u>\$ 929,489</u>	<u>\$ 1,044,342</u>
Liabilities and members' surplus		
Liabilities:		
Unpaid losses and loss adjustment expenses	\$ 469,994	\$ 442,730
Other liabilities	160,741	192,266
Total liabilities	<u>630,735</u>	<u>634,996</u>
Members' surplus	298,754	409,346
Total liabilities and members' surplus	<u>\$ 929,489</u>	<u>\$ 1,044,342</u>

Summary of Operations (in thousands)

Revenues and Gains	2022	2021
Net premiums earned	\$ 185,607	\$ 173,599
Net investment income	25,170	22,552
Net realized and unrealized (losses) gains on investments	(134,564)	19,698
Other (loss) income	(3,092)	1,206
	<u>73,121</u>	<u>217,055</u>
Losses and Expenses		
Losses and loss adjustment expenses	158,752	155,175
Underwriting, acquisition and insurance expenses	38,215	35,875
Other operating expenses	21,602	22,013
Amortization of goodwill and intangible assets	3,778	4,385
	<u>222,347</u>	<u>217,448</u>
Loss before income tax benefit	(149,226)	(393)
Income tax benefit	(31,648)	(1,795)
Net (loss) income—including noncontrolling interest	(117,578)	1,402
Less net loss attributable to noncontrolling interest	(186)	(25)
Net (loss) income	<u>\$ (117,392)</u>	<u>\$ 1,427</u>

Summary of Cash Flows (in thousands)

	2022	2021
Net cash used in operating activities	\$ (2,369)	\$ (4,076)
Net cash provided by investing activities	12,609	2,975
Net cash provided by financing activities	-	-
Increase (decrease) in cash	<u>10,240</u>	<u>(1,101)</u>
Cash at beginning of year	23,121	24,222
Cash at end of year	<u>\$ 33,361</u>	<u>\$ 23,121</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:

Constellation, Inc.
Finance
7701 France Avenue South, Suite 500
Minneapolis, MN 55435