



Financial Corporation Limited

SECOND QUARTER REPORT

June 30, 2025

Financial Highlights

(Millions of dollars, except per share amounts)

Six months ended June 30	2025	2024
Net Equity Value per Common Share⁽¹⁾⁽²⁾	\$ 23.29	\$ 21.24
Net Income per Common Share⁽²⁾	\$ 1.32	\$ 2.29
Contribution to Shareholders' Net Income:		
E-L Corporate	\$ 349	\$ 692
Empire Life	102	87
Shareholders' Net Income	451	779
Preferred Shareholder Dividends	8	8
Net Income attributable to Common Shareholders	\$ 443	\$ 771
E-L Corporate		
Shareholders' Net Income	\$ 349	\$ 692
Investments - Corporate	\$ 7,583	\$ 7,157
Investments in Associates	\$ 444	\$ 399
Empire Life		
Common Shareholders' Net Income	\$ 102	\$ 87
Net Insurance Service Result	\$ 108	\$ 81
Life Insurance Capital Adequacy Test Total Ratio ("LICAT") (%)	142	152

⁽¹⁾ See Non-GAAP measures within the Management's Discussion and Analysis.

⁽²⁾ On May 7, 2025, E-L Financial Corporation Limited ("E-L Financial") approved a 100 for one share split ("Share Split") of E-L Financial's issued and outstanding common shares. Each shareholder of record at the close of business on May 23, 2025 ("Record Date") that continued to hold their shares through May 30, 2025 ("Payment Date") received 99 additional shares for every one share held on the Record Date. All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

NOTICE OF NO AUDITOR REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Company's external auditors have not performed a review of these unaudited interim condensed consolidated financial statements of E-L Financial.

REPORT ON E-L FINANCIAL CORPORATION LIMITED

The following Management's Discussion and Analysis ("MD&A") of the operating results and financial condition of E-L Financial Corporation Limited ("E-L Financial" or the "Company") for the second quarter of 2025 should be read in conjunction with the MD&A for the year ended December 31, 2024, the Company's annual audited consolidated financial statements and the notes related thereto, the quarterly unaudited interim condensed consolidated financial statements and notes contained in this report, as well as, the Company's MD&A and unaudited interim condensed financial statements for the quarters of 2024 and the previous quarter of 2025. The unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Unless otherwise noted, both the consolidated financial statements and this MD&A are expressed in Canadian dollars. Figures in MD&A may differ due to rounding. This MD&A is dated August 7, 2025.

This MD&A contains certain forward-looking statements that are subject to risks and uncertainties that may cause the results or events mentioned in this discussion to differ materially from actual results or events. No assurance can be given that results, performance or achievement expressed in, or implied by, any forward-looking statements within this discussion will occur, or if they do, that any benefits may be derived from them.

Unless otherwise stated, all per share amounts are based on the weighted average number of common shares and Series A Convertible Preference Shares outstanding for the period, adjusted for the Company's proportionate interest in its own common shares held indirectly through investments in associates.

Additional information relating to the Company, including its Annual Information Form, may be found at www.sedarplus.ca.

Forward-looking statements and information

Certain statements in this MD&A about the Company's current and future plans, expectations and intentions, results, market share growth and profitability, strategic objectives or any other future events or developments constitute forward-looking statements and information within the meaning of applicable securities laws. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements and information. Although management anticipates that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because there can be no assurance that they will prove to be correct. By their nature, such forward-looking statements and information are subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to, market risk including equity risk, hedging risk, interest rate risk, foreign exchange rate risk; liquidity risk; credit risk including counterparty risk; product risk including mortality risk, policyholder behaviour risk, expense risk, morbidity risk, product design and pricing risk, underwriting and claims risk, reinsurance risk; operational risk, including legal and regulatory compliance risk, model risk, human resources risk, third party risk, technology, information security and business continuity risk; and business and strategic risk, including environmental and social risk, risk with respect to risk with respect to financial strength, capital adequacy risk, risk to competition, risk with respect to distribution channels, risk with respect to changes to applicable income tax legislation, risk with respect to brand, risk with respect to intellectual property and risk with respect to significant ownership of common shares. Please see the section titled "Description of the Business" in E-L Financial's Annual Information Form available at www.sedarplus.ca for more details on these risks.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements and information include that the general economy remains stable; assumptions on interest rates, mortality rates and insurance contract liabilities; and capital markets continue to provide access to capital. These factors are not intended to represent a complete list of the factors that could affect the Company; however, these factors should be considered carefully, and readers should not place undue reliance on forward-looking statements made herein or in the documents reproduced herein.

To the extent any forward-looking information in this MD&A constitutes future-oriented financial information or financial outlooks within the meaning of securities laws, such information is being provided to demonstrate potential benefits and readers are cautioned that this information may not be appropriate for any other purpose. Future-oriented financial information and financial outlooks are, without limitation, based on the assumptions and subject to the risks set out above.

The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors, assumptions and other uncertainties and potential events. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof or the date indicated, and to not use such forward-looking information for anything other than its intended purpose. The Company undertakes no obligation to update publicly or revise any forward-looking statements and information, whether as a result of new information, future events or otherwise after the date of this document, except as required by law.

Non-GAAP measures

The MD&A contains information using non-GAAP measures. Current Canadian GAAP is the IFRS Accounting Standards for the Company's consolidated financial statements. The Company believes that these measures provide useful information to its shareholders in evaluating the Company's financial results. Where non-GAAP measures are used, descriptions have been provided as to the nature of the adjustments made.

The MD&A contains reference to net equity value, net equity value per common share and growth in net equity value per common share. Net equity value per common share is described and reconciled to shareholders' equity on page 6. These terms do not have any standardized meaning according to IFRS Accounting Standards and therefore may not be comparable to similar measures presented by other companies.

Other non-GAAP measures are also used in The Empire Life Insurance Company ("Empire" or "Empire Life") section of the MD&A. These include references to assets under management, annualized premium sales, gross and net sales for segregated funds and fixed annuities to provide investors with supplemental measures of its operating performance and to highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS Accounting Standards financial measures. Empire Life also believes that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers. Empire Life's management also uses non-GAAP measures to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and to determine components of management compensation. Empire Life believes that these measures provide information useful to its shareholders and policyholders in evaluating the Empire's underlying financial results.

Annualized premium sales is used as a method of measuring sales volume. It is equal to the premium expected to be received in the first 12 months for all new individual insurance and employee benefit policies sold during the period. For segregated funds and annuity contracts, sales include new and renewal deposits to policy contracts. Net sales in the Wealth Management line reflect the gross sales (deposits) less the effect of redemptions and surrenders.

Assets under management is a non-GAAP measure of the assets managed by Empire Life, which includes general fund assets and segregated fund assets. It represents the total assets of Empire Life and the assets its customers invest in.

The following table provides a reconciliation of assets under management to total assets in Empire Life's financial statements:

<i>(in millions of dollars)</i>	June 30 2025	December 31 2024
General fund assets	\$ 10,207	\$ 10,273
Segregated fund assets	9,535	9,394
Total Empire Life assets under management	\$ 19,742	\$ 19,667

The Company

E-L Financial operates as an investment and insurance holding company. In managing its operations, the Company distinguishes between two operating segments, E-L Corporate and Empire Life.

E-L Corporate's operations include the oversight of investments in global equities held through direct and indirect holdings of common shares, investment funds, closed-end investment companies and other private companies. E-L Financial holds a 56.6% (December 31, 2024 - 56.6%) interest in a closed-end investment corporation, United Corporations Limited ("United") which is listed on the Toronto Stock Exchange. United is an investment vehicle for long-term growth through investments in common equities. The invested assets and operations of United are consolidated and included in the E-L Corporate segment. In addition, E-L Corporate has two significant investments in associates which includes a 34.9% (December 31, 2024 - 34.9%) interest in Algoma Central Corporation ("Algoma") and a 24.9% (December 31, 2024 - 24.9%) interest in Economic Investment Trust Limited ("Economic"). Algoma and Economic are accounted for using the equity method.

The Company's investment in Empire Life (99.5% interest) is consolidated by E-L Financial. The Empire Life operating segment underwrites life and health insurance policies and provides segregated funds and annuity products.

The Company's strategy is to accumulate shareholder value through long-term capital appreciation and dividend and interest income from its investments. E-L Financial oversees its investments through representation on the Boards of Directors of the subsidiaries and the other companies in which the Company has significant shareholdings.

Overview of results attributable to shareholders of E-L Financial

E-L Financial consolidated	Second quarter		Year to date	
<i>(millions of dollars)</i>	2025	2024	2025	2024
Contribution to net income				
E-L Corporate ⁽¹⁾	\$ 333	\$ 197	\$ 349	\$ 692
Empire Life ⁽¹⁾	32	35	102	87
Net income	365	232	451	779
Other comprehensive (loss) income ⁽¹⁾	(2)	1	1	9
Comprehensive income	\$ 363	\$ 233	\$ 452	\$ 788

⁽¹⁾ Net of non-controlling interests and net income attributable to the participating account

The following tables summarize the results of the Company's business segments:

E-L Corporate	Second quarter		Year to date	
<i>(millions of dollars)</i>	2025	2024	2025	2024
Net gain on investments	\$ 373	\$ 214	\$ 303	\$ 843
Investment and other income	50	47	131	81
Share of associates income	24	15	25	20
	447	276	459	944
Expenses	11	11	24	23
Income taxes	63	37	53	126
Non-controlling interests	40	31	33	103
	114	79	110	252
Net income	333	197	349	692
Other comprehensive (loss) income, net of taxes ⁽¹⁾	(6)	1	(3)	4
Comprehensive income	\$ 327	\$ 198	\$ 346	\$ 696

Empire Life	Second quarter		Year to date	
<i>(millions of dollars)</i>	2025	2024	2025	2024
Net insurance service result	\$ 59	\$ 43	\$ 108	\$ 81
Net investment and insurance finance result	18	28	98	83
Fee and other income ⁽²⁾	9	15	17	22
	86	86	223	186
Expenses	38	37	78	61
Income and other taxes	9	9	32	27
Non-controlling interests and net income attributable to the participating account	7	5	11	11
	54	51	121	99
Net income	32	35	102	87
Other comprehensive income, net of taxes ⁽¹⁾	4	—	4	5
Comprehensive income	\$ 36	\$ 35	\$ 106	\$ 92

⁽¹⁾ Net of non-controlling interests and net income attributable to the participating account

⁽²⁾ Included in non-insurance investment results

E-L Financial reported a consolidated 2025 shareholder's net income of \$365 million or \$1.07 per common share for the second quarter of 2025 compared to \$232 million or \$0.68 per common share in 2024. On May 7, 2025, E-L Financial approved a 100 for one share split ("Share Split") of E-L Financial's issued and outstanding common shares. Each shareholder of record at the close of business on May 23, 2025 ("Record Date") that continued to hold their shares through May 30, 2025 ("Payment Date") received 99 additional shares for every one share held on the Record Date. All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

E-L Corporate reported net income of \$333 million for the second quarter of 2025 compared to \$197 million in 2024. The increase in earnings was due to a net gain on investments of \$373 million in 2025 compared to \$214 million in 2024. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of 6% in 2025 compared to a pre-tax total return of 4% in the prior year.

Empire Life reported a net income of \$32 million for the second quarter of 2025 compared to \$35 million in 2024. The decrease was driven by a lower net investment and insurance finance result and a decrease in fee and other income. These decreases were slightly offset by an improved net insurance service result, related to favourable mortality experience in the Individual Insurance segment and improved claims experience in Group Solutions.

Consolidated comprehensive income for the second quarter of 2025 was \$363 million compared to \$233 million for 2024. Other comprehensive loss ("OCL") was \$2 million in 2025 compared to other comprehensive income ("OCI") of \$1 million in 2024.

E-L Financial reported a consolidated shareholder's net income of \$451 million or \$1.32 per common share for the first six months of 2025 compared to \$779 million or \$2.29 per common share in 2024.

E-L Corporate reported net income of \$349 million for the first six months of 2025 compared to \$692 million in 2024. The decrease in earnings was due to a lower net gain on investments of \$303 million in 2025 compared to \$843 million for the comparative period in 2024. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of 7% in the first six months of 2025 compared to a pre-tax total return of 16% in the prior year.

Empire Life reported a net income of \$102 million for the first six months of 2025 compared to \$87 million for the comparable period in 2024. The increase over prior year was primarily due to improved net insurance service results and net investment and insurance finance results, partially offset by increased non-insurance operating expenses.

Normal course issuer bid

On March 10, 2025, the Company obtained approval from the TSX to renew its normal course issuer bid ("NCIB"). After adjusting for the Share Split, the Company can purchase up to 17,308,600 common shares between March 12, 2025 and March 11, 2026. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to 5,678 common shares. The price that the Company pays for the common shares is the prevailing market price at the time of acquisition.

No shares were purchased under the NCIB for the six months ended June 30, 2025.

Net equity value per common share

E-L Corporate's investments in Algoma and Economic are accounted for using the equity method and are not carried at fair value. Therefore, to provide an indication of the accumulated shareholder value, the following table adjusts shareholders' equity to reflect investments in associates at fair value:

<i>(millions of dollars, except per share amounts)</i>	Q2 2025	Q4 2024	Q2 2024
E-L Financial shareholders' equity	\$ 8,314	\$ 8,416	\$ 7,660
Less: First preference shares	(300)	(300)	(300)
	8,014	8,116	7,360
Adjustments for E-L Corporate's investments in associates not carried at fair value:			
Carrying value	(444)	(466)	(399)
Fair value ⁽¹⁾	501	430	389
	57	(36)	(10)
Non-controlling interest and deferred tax	(8)	8	2
	49	(28)	(8)
Net equity value	\$ 8,063	\$ 8,088	\$ 7,352
Common shares ⁽²⁾ outstanding at period end	346,198,000	346,198,000	346,198,000
Net equity value per common share⁽²⁾⁽³⁾	\$ 23.29	\$ 23.36	\$ 21.24

⁽¹⁾ Based on quoted market prices

⁽²⁾ All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented. Common shares includes Series A Convertible Preference Shares

⁽³⁾ See non-GAAP measures

Growth in net equity value per common share

The Company's objective is to build long-term shareholder value by compounding growth in net equity value per common share over the long term. Set out below is a table that shows the net equity value per common share and growth for the respective fiscal periods. The growth in net equity value per common share and compounded annual growth in net equity value per common share is calculated as the change in net equity value per share for the respective period and includes dividends paid to common shareholders.

Annual	Net equity value per common share⁽¹⁾⁽²⁾	Growth*
	\$	%
2015	10.89	12.3
2016	11.59	6.8
2017	13.17	14.0
2018	12.96	(1.2)
2019	14.86	15.1
2020	16.85	15.4
2021	18.84	17.1
2022	17.86	(3.4)
2023	19.68	11.1
2024	23.36	22.5
Year to date		
June 30, 2025	23.29	6.5
Compounded annual growth in net equity value per common share*		
2015 - 2024 - 10 years		10.4
1969 - 2024 - Since inception		12.3

⁽¹⁾ Amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

⁽²⁾ This chart was drawn from the individual annual reports and has not been restated for any subsequent changes in accounting policies. Net equity value amounts are reduced by deferred income tax liabilities on net unrealized investment gains. See non-GAAP measures.

Summary of quarterly results

The following table summarizes the quarterly results:

(millions of dollars, except per share amounts)	2025				2024		2023	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Insurance service revenue	\$ 379	\$ 373	\$ 358	\$ 357	\$ 351	\$ 339	\$ 335	\$ 337
Net investment and insurance finance result	18	80	4	219	28	55	142	(46)
Fair value change in fair value through profit or loss investments	373	(70)	301	325	214	629	516	(103)
Non-insurance investment and other income	59	89	47	56	62	41	40	37
Share of income (loss) of associates	24	2	19	43	14	6	(30)	4
Total revenue	\$ 853	\$ 474	\$ 729	\$ 1,000	\$ 669	\$ 1,070	\$ 1,003	\$ 229
Net income (loss) ⁽¹⁾	\$ 365	\$ 86	\$ 287	\$ 497	\$ 232	\$ 547	\$ 501	\$ (57)
Earnings (loss) per common share ⁽²⁾								
- basic	\$ 1.07	\$ 0.24	\$ 0.84	\$ 1.47	\$ 0.68	\$ 1.61	\$ 1.45	\$ (0.18)
- diluted	\$ 1.02	\$ 0.24	\$ 0.78	\$ 1.35	\$ 0.63	\$ 1.49	\$ 1.32	\$ (0.18)

⁽¹⁾ Attributable to shareholders

⁽²⁾ Amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

Quarterly trend analysis

The consolidated revenue and consolidated net income of the Company are expected to fluctuate on a quarterly basis given its two segments. In particular, equity market movements, changes in interest rates, underwriting results, insurance contract liability discount rates and reserve adjustments are likely to cause fluctuations. Investment income includes dividend income earned by the Company. In general, dividends earned on investments outside North America peak in the second and fourth quarters of the year.

Revenue for the second quarter of 2025 increased compared to the second quarter of 2024, with fluctuations mainly due to increases in the fair value change in fair value through profit and loss investments and the share of income of associates which were partially offset by a decrease in the net investment and insurance finance result.

Net investment and insurance finance result decreased by \$10 million in the second quarter of 2025 compared to the same period in 2024. This was mainly due to the unfavourable effect of interest rate increases in the current period compared to interest rate movements in the second quarter of 2024.

Liquidity and cash flows

The cash flow information, noted below, provides supplemental information that is considered useful in understanding the components within the cash flow statement on both a consolidated and non-consolidated basis.

Consolidated cash flows

The condensed cash flows of United and Empire Life, as well as E-L Financial non-consolidated and consolidated are presented below:

Period ended June 30 (millions of dollars)	E-L Financial (non- consolidated)	United	Empire Life	Consolidation adjustments	E-L Financial Consolidated	
					2025	2024
Cash flows from:						
Operating activities	\$ 258	\$ (7)	\$ (7)	(214)	\$ 30	\$ 199
Financing activities	(557)	(207)	(106)	213	(657)	(398)
Investing activities	346	238	47	1	632	61
Increase (decrease) in cash and cash equivalents	47	24	(66)	—	5	(138)
Cash and cash equivalents, beginning of the period	112	42	219	—	373	441
Cash and cash equivalents, end of the period	\$ 159	\$ 66	\$ 153	—	\$ 378	\$ 303

There is a decrease in cash provided from operating activities during the first six months of 2025 relative to 2024 which is mostly attributable to Empire Life. For Empire Life, cash flows from operating activities include premiums, net investment income and fee income. These funds are primarily used to pay policy benefit payments, commissions, operating expenses and policyholder dividends.

Cash used for financing activities increased during the first six months of 2025, primarily due to the Company's payment of a special cash dividend of \$519 million on March 14, 2025 and United's payment of a special cash dividend of \$186 million on February 28, 2025. During the comparable period in 2024, the Company paid a special cash dividend of \$208 million, repaid the \$95 million margin loan and United repaid the \$40 million operating credit facility.

Cash flows provided from investing activities increased during the first six months of 2025 mainly due to the proceeds from higher net sales of investments by E-L Financial (non-consolidated) and United during the first quarter of 2025. The proceeds from the sales of investments were used to fund the special cash dividends. Empire Life reported lower net purchases of investments in the first six months of 2025 compared to the prior period.

Non-consolidated cash flows of E-L Financial

E-L Financial's corporate cash flows from operating activities, before payment of dividends, are primarily comprised of dividends and interest received, less operating expenses and income taxes.

The following table details the non-consolidated cash flows of the Company on a direct basis, excluding the cash flows of the subsidiaries. This table has been prepared to assist the reader in isolating the cash flows of E-L Financial (non-consolidated).

Six months ended June 30*(millions of dollars)*

	2025	2024
Cash flows from:		
Operating activities		
Dividends from subsidiaries	\$ 209	\$ 96
Dividends and interest	98	52
Expenses and taxes, net of other income	(49)	(15)
	258	133
Financing activities		
Cash dividends paid to shareholders	(553)	(241)
Decrease in margin loan	—	(95)
Interest paid on borrowings	(4)	(6)
	(557)	(342)
Investing activities		
Purchases of investments	(250)	(230)
Proceeds from sales of investments	555	473
Dividends from associates	41	18
	346	261
Increase in cash and cash equivalents	47	52
Cash and cash equivalents, beginning of the period	112	59
Cash and cash equivalents, end of the period	\$ 159	\$ 111

During 2025, the non-consolidated cash and cash equivalents of E-L Financial increased by \$47 million.

Operating cash flows for 2025 increased compared with the prior year mainly due to special dividends received from United.

Cash flows used for financing activities for 2025 were impacted by the items previously discussed in the consolidated cash flows narrative above.

Cash flows from investing activities in 2025 increased compared to the same period in 2024 as E-L Financial used proceeds from sales of investments to fund the special common share dividend paid during the first quarter of 2025. Dividends from associates increased due to a special dividend paid by Economic during the first quarter of 2025.

E-L Financial maintains sufficient liquidity through holding cash equivalents and a sufficient amount of marketable investments that may be sold, if necessary, to fund new investment opportunities and to meet any operating cash flow requirements.

Analysis of business segments

The remainder of this MD&A discusses the individual results of operations and financial condition of the Company's business segments: E-L Corporate and Empire Life.

E-L CORPORATE

E-L Corporate's operations includes the oversight of investments in global equities held through direct and indirect holdings of common shares, investment funds, closed-end investment companies, a limited partnership and other private companies.

Investments in Economic and Algoma are reported as investments in associates and are discussed below. Investments in equities and fixed income securities held directly by E-L Financial and through United are combined to form "Investments – corporate".

Investments - corporate

Investments - corporate includes investments in equities and short-term fixed-income investments. At June 30, 2025, investments - corporate had aggregate investments of \$7.6 billion, comprised primarily of common shares and units of investment funds, compared to aggregate investments at December 31, 2024 of \$7.8 billion. The fair value of investments - corporate is summarized in the table below:

<i>(millions of dollars)</i>	June 30 2025	December 31 2024
Preferred shares	\$ 2	\$ 2
Common shares and units		
Canada	1,241	1,130
U.S.	4,443	4,621
Europe and United Kingdom	1,212	1,274
Other	685	794
Total	7,581	7,819
Total invested assets	\$ 7,583	\$ 7,821

In the normal course of business, investment commitments are outstanding which are not reflected in the consolidated financial statements. As of June 30, 2025, E-L Corporate has \$376 million (December 31, 2024 - \$337 million) in unfunded commitments in limited partnerships.

The following table provides a summary of E-L Corporate's results:

<i>(millions of dollars)</i>	Second quarter		Year to date	
	2025	2024	2025	2024
Net gain on investments	\$ 373	\$ 214	\$ 303	\$ 843
Investment and other income	50	47	131	81
Share of associates income	24	15	25	20
	447	276	459	944
Expenses	11	11	24	23
Income taxes	63	37	53	126
Non-controlling interests	40	31	33	103
	114	79	110	252
Net income	333	197	349	692
(OCL) OCI, net of taxes	(6)	1	(3)	4
Comprehensive income	\$ 327	\$ 198	\$ 346	\$ 696

E-L Corporate reported net income of \$333 million in the second quarter of 2025 compared to \$197 million for the comparative period in 2024. For the second quarter of 2025 there was a net gain on investments of \$373 million compared to \$214 million for the second quarter of 2024. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income of 6% for the second quarter of 2025 compared to 4% for the second quarter of 2024.

During the six months ended June 30, 2025, E-L Corporate reported net income of \$349 million compared to \$692 million for the comparative period in 2024. E-L Corporate's year to date pre-tax total return, including dividend income was 7% for the first six months of 2025 compared to 16% for the same period of 2024.

Investment and other income was higher on both a year to date and quarterly basis in 2025 compared to the comparative period in 2024. Investment and other income consists primarily of dividend income received from E-L Corporate's investment portfolio. In general, dividend income is impacted by the composition of the investment portfolio and foreign exchange rates.

Operating expenses remained consistent on both a year to date and quarterly basis compared to the comparative period in 2024.

Share of associates income

The details of E-L Corporate's share of income (loss) of associates are as follows:

(millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Algoma	\$ 12	\$ 8	\$ (15)	\$ 1
Economic	12	7	40	19
	\$ 24	\$ 15	\$ 25	\$ 20

Share of associate's income (loss) includes an impairment provisions for Algoma of \$18 million (June 30, 2024 - \$nil) and an impairment reversal for Economic of \$6 million (June 30, 2024 - an \$8 million impairment provision) for the six months ended June 30, 2025. There was no impairment provision or reversal booked in the second quarter of 2025.

Algoma's net income for the second quarter and year to date in 2025 increased over the same periods of 2024 mainly due to higher earnings in the Domestic Dry-Bulk, Product Tankers and Ocean Self-Unloaders segments. Higher rates and larger fleet size were the main contributing factors.

Economic owns, directly and indirectly, long-term investments in the common shares of some publicly-traded Canadian companies, and a managed global investment portfolio of common shares of publicly-traded global companies. Economic's global investment portfolio had a pre-tax total return, gross of fees, of 4% for the second quarter of 2025 compared to 2% in 2024. On a year to date basis, Economic's global investment portfolio had a pre-tax total return, gross of fees, of 7% during the first six months of 2025 compared to 8% in 2024.

The ownership interests, carrying value and fair value of E-L Corporate's investment in associates is summarized in the table below:

	June 30, 2025			December 31, 2024		
	Ownership	Carrying value	Fair value	Ownership	Carrying value	Fair value
Algoma	34.9 %	\$ 220	\$ 229	34.9 %	\$ 245	\$ 209
Economic	24.9 %	224	272	24.9 %	221	221
Total		\$ 444	\$ 501		\$ 466	\$ 430

Algoma and Economic are Canadian public companies for which further information is publicly available.

Risk management

The objective of the Company's risk management process is to ensure that the operations of the Company encompassing risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance.

Market risk

Market risk is the most significant risk impacting E-L Corporate as its investing activities are influenced by market price, foreign currency and interest rate risk. As the Company's investment portfolio is represented by Canadian and global equities, the value of its investments will vary from day to day depending on a number of market factors including economic conditions, global events, market sentiment, and on the performance of the issuers of the securities in which the Company invests. Changes in foreign currency exchange rates will also affect the value of investments of non-Canadian dollar securities. As of June 30, 2025, 60% (December 31, 2024 - 63%) of the investment - corporate including cash and cash equivalents was denominated in U.S. dollars, 9% (December 31, 2024 - 9%) in Euros and 4% (December 31, 2024 - 4%) in the Japanese Yen representing the largest foreign currency exposures. The Company also holds investments within emerging markets. Investments in emerging markets are more likely to experience political, economic and social instability, which may result in higher levels of market value volatility.

Credit risk

In addition to the discussion of risks included in this MD&A, a comprehensive discussion of the material risks that impact the Company is included in the Annual Information Form which is available at www.sedarplus.ca. Disclosures regarding E-L Corporate's financial instruments, including financial risk management, are included in Notes 3 and 14 to the consolidated financial statements.

Outlook

The Company's future earning prospects are dependent on the successful management of its E-L Corporate portfolio and on the continued profitability of its insurance company subsidiary. The performance of the E-L Corporate portfolio is impacted by global equity markets and the selection of equity and fixed income investments. The Company continues to maintain its strategy of accumulating shareholder value through long-term capital appreciation and dividend and interest income.

REPORT ON EMPIRE LIFE

Empire Life provides a broad range of life insurance and wealth management products, employee benefit plans and financial services to meet the needs of individuals, professionals and businesses through a network of Independent Financial Advisors ("IFA"), Managing General Agents ("MGA"), National Account firms and Group Solutions brokers and representatives.

Empire Life's net income attributable to the owners of E-L Financial, after adjustment for non-controlling interests, is shown in the following table:

Financial analysis overview

<i>(millions of dollars)</i>	Second quarter		Year to date	
	2025	2024	2025	2024
Empire Life common shareholders' net income	\$ 32	\$ 35	\$ 102	\$ 87
Non-controlling interests	—	—	—	—
Net income contribution to E-L Financial	\$ 32	\$ 35	\$ 102	\$ 87

	Jun 30 2025	Mar 31 2025	Dec 31 2024	Sep 30 2024	Jun 30 2024
LICAT total ratio	142 %	140 %	151 %	154 %	152 %

Empire Life reported second quarter Common shareholders' net income of \$32 million, a decrease of \$3 million compared to the second quarter of 2024. The decrease was driven by a lower net investment and insurance finance result and a decrease in fee and other income. These decreases were slightly offset by an improved net insurance service result, related to favourable mortality experience in the Individual Insurance segment and improved claims experience in Group Solutions.

Results by Major Product Line

The following tables provide a summary of Empire Life results segmented by product line for the periods ended June 30, 2025 and June 30, 2024. A discussion of results is provided in the Product Line Results section of the MD&A.

For the three months ended June 30, 2025

(in millions of dollars)	Wealth Management	Group Solutions	Individual Insurance	Capital & Surplus	Total
Insurance revenue	\$ 61	\$ 182	\$ 136	\$ —	\$ 379
Insurance service expenses	(37)	(176)	(93)	—	(306)
Insurance service result	24	6	43	—	73
Net expense from reinsurance contracts held	1	—	(15)	—	(14)
Net insurance service result	25	6	28	—	59
Investment loss, excluding segregated fund account balances					
Investment income	(21)	—	(42)	(6)	(69)
Change in investment contracts	(4)	—	—	—	(4)
Net investment result, excluding segregated fund account balances	(25)	—	(42)	(6)	(73)
Insurance finance income, excluding segregated fund account balances					
Insurance contracts	32	—	54	—	86
Reinsurance contracts held	—	—	5	—	5
Net insurance finance expense, excluding segregated fund account balances	32	—	59	—	91
Segregated fund account balances net investment and insurance finance result					
Investment income on investments for segregated fund account balances	409	—	(1)	—	408
Insurance finance expenses for segregated fund account balances	(409)	—	1	—	(408)
Segregated funds account balances net investment and insurance finance result	—	—	—	—	—
Net investment and insurance finance result	7	—	17	(6)	18
Other income (expenses)					
Fee and other income	—	2	—	7	9
Non-insurance expenses	(7)	(8)	(8)	(10)	(33)
Interest expenses	—	—	—	(5)	(5)
Total other expenses	(7)	(6)	(8)	(8)	(29)
Net income (loss) before taxes	\$ 25	\$ —	\$ 37	\$ (14)	\$ 48
Income taxes					(9)
Net income after taxes					39
Less: net income attributable to the participating account					4
Less: preferred share dividends declared and distributions on other equity instruments					3
Empire Life's common shareholder's net income					32
Non-controlling interests in net income					—
Net income attributable to owners of E-L Financial				\$	32

For the three months ended June 30, 2024

(in millions of dollars)	Wealth Management	Group Solutions	Individual Insurance	Capital & Surplus	Total
Insurance revenue	\$ 66	\$ 167	\$ 118	\$ —	\$ 351
Insurance service expenses	(39)	(166)	(94)	—	(299)
Insurance service result	27	1	24	—	52
Net expense from reinsurance contracts held	—	(2)	(7)	—	(9)
Net insurance service result	27	(1)	17	—	43
Investment income (loss), excluding segregated fund account balances					
Investment income (loss)	21	2	35	17	75
Change in investment contracts	(5)	—	—	—	(5)
Net investment result, excluding segregated fund account balances	16	2	35	17	70
Insurance finance (expense) income, excluding segregated fund account balances					
Insurance contracts	(5)	(4)	(35)	—	(44)
Reinsurance contracts held	—	2	—	—	2
Net insurance finance expense, excluding segregated fund account balances	(5)	(2)	(35)	—	(42)
Segregated fund account balances net investment and insurance finance result					
Investment income on investments for segregated fund account balances	17	—	—	—	17
Insurance finance expenses for segregated fund account balances	(17)	—	—	—	(17)
Segregated funds account balances net finance and investment result	—	—	—	—	—
Net investment and insurance finance result	11	—	—	17	28
Other income (expenses)					
Fee and other income	—	2	—	13	15
Non-insurance expenses	(11)	(6)	(7)	(8)	(32)
Interest expenses	—	—	—	(4)	(4)
Total other (expenses) income	(11)	(4)	(7)	1	(21)
Net income (loss) before taxes	\$ 27	\$ (5)	\$ 10	\$ 18	\$ 50
Income taxes					(10)
Net income after taxes					40
Less: net income attributable to the participating account					2
Less: preferred share dividends declared and distributions on other equity instruments					3
Empire Life's common shareholder's net income					35
Non-controlling interests in net income					—
Net income attributable to owners of E-L Financial				\$	35

For the six months ended June 30, 2025

(in millions of dollars)	Wealth Management	Group Solutions	Individual Insurance	Capital & Surplus	Total
Insurance revenue	\$ 124	\$ 359	\$ 269	\$ —	\$ 752
Insurance service expenses	(73)	(346)	(191)	—	(610)
Insurance service result	51	13	78	—	142
Net expense from reinsurance contracts held	—	(4)	(30)	—	(34)
Net insurance service result	51	9	48	—	108
Investment income (loss), excluding segregated fund account balances					
Investment income	8	4	55	30	97
Change in investment contracts	(12)	—	—	—	(12)
Net investment result, excluding segregated fund account balances	(4)	4	55	30	85
Insurance finance income (expense), excluding segregated fund account balances					
Insurance contracts	13	(5)	—	—	8
Reinsurance contracts held	—	2	3	—	5
Net insurance finance income (expense), excluding segregated fund account	13	(3)	3	—	13
Segregated fund account balances net investment and insurance finance result					
Investment income on investments for segregated fund account balances	455	—	1	—	456
Insurance finance expenses for segregated fund account balances	(455)	—	(1)	—	(456)
Segregated funds account balances net finance and investment result	—	—	—	—	—
Net investment and insurance finance result	9	1	58	30	98
Other income (expenses)					
Fee and other income	—	3	—	14	17
Non-insurance expenses	(15)	(18)	(16)	(20)	(69)
Interest expenses	—	—	—	(9)	(9)
Total other expenses	(15)	(15)	(16)	(15)	(61)
Net income (loss) before taxes	\$ 45	\$ (5)	\$ 90	\$ 15	\$ 145
Income taxes					(32)
Net income after taxes					113
Less: net income attributable to the participating account					5
Less: preferred share dividends declared and distributions on other equity instruments					6
Empire Life's common shareholder's net income					102
Non-controlling interests in net income					—
Net income attributable to owners of E-L Financial				\$	102

For the six months ended June 30, 2024

(in millions of dollars)	Wealth Management	Group Solutions	Individual Insurance	Capital & Surplus	Total
Insurance revenue	\$ 125	\$ 330	\$ 235	\$ —	\$ 690
Insurance service expenses	(70)	(324)	(187)	—	(581)
Insurance service result	55	6	48	—	109
Net expense from reinsurance contracts held	(1)	(6)	(21)	—	(28)
Net insurance service result	54	—	27	—	81
Investment income (loss), excluding segregated fund account balances					
Investment income (loss)	39	2	(67)	5	(21)
Change in investment contracts	(7)	—	—	—	(7)
Net investment result, excluding segregated fund account balances	32	2	(67)	5	(28)
Insurance finance (expense) income, excluding segregated fund account balances					
Insurance contracts	(3)	(5)	113	—	105
Reinsurance contracts held	—	2	4	—	6
Net insurance finance (expense) income, excluding segregated fund account	(3)	(3)	117	—	111
Segregated fund account balances net investment and insurance finance result					
Investment income on investments for segregated fund account balances	458	—	1	—	459
Insurance finance expenses for segregated fund account balances	(458)	—	(1)	—	(459)
Segregated funds account balances net finance and investment result	—	—	—	—	—
Net investment and insurance finance result	29	(1)	50	5	83
Other income (expenses)					
Fee and other income	1	5	—	17	23
Non-insurance expenses	(19)	(11)	(13)	(11)	(54)
Interest expenses	—	—	—	(8)	(8)
Total other expenses	(18)	(6)	(13)	(2)	(39)
Net income (loss) before taxes	\$ 65	\$ (7)	\$ 64	\$ 3	\$ 125
Income taxes					(27)
Net income after taxes					98
Less: net income attributable to the participating account					5
Less: preferred share dividends declared and distributions on other equity instruments					6
Empire Life's common shareholder's net income					87
Non-controlling interests in net income					—
Net income attributable to owners of E-L Financial				\$	87

Total Empire Life's Results - Quarterly Comparison

Empire Life reported Common shareholders' net income of \$32 million in the second quarter of 2025, a decrease of \$3 million compared to the second quarter of 2024. The period over period decrease was driven by less favourable net investment and insurance finance results as well as an increase in total other expenses when compared to the same period in 2024.

Net insurance service result increased by \$16 million in the second quarter compared to the same period in 2024. The period-over-period change was primarily related to improved mortality experience in the Individual Insurance segment in addition to more favourable long-term disability claims experience in the Group Solutions segment relative to the second quarter of 2024.

Net investment and insurance finance result decreased by \$10 million in the second quarter of 2025 compared to the same period in 2024 due to the moderately unfavourable effect of interest rate increases in the current period compared to interest rate movements in the second quarter in 2024.

Total other expenses were \$29 million in the second quarter compared to \$21 million in the same period in 2024. The \$8 million increase was primarily related to gains recognized during the comparative quarter within fee and other income in the Capital and Surplus segment, related to the disposal of property and equipment.

Total Empire Life's Results - Year-to-date Comparison

Empire Life reported year-to-date common shareholders' net income of \$102 million, a \$15 million increase compared to 2024. The increase over prior year was primarily due to improved net insurance service results and net investment and insurance finance results, partially offset by increased non-insurance operating expenses.

Net insurance service result increased by \$27 million in 2025 compared to the same period in 2024, primarily due to more favourable mortality experience in the Individual Insurance segment.

Net investment and insurance finance result increased by \$15 million in 2025 compared to the same period in 2024. This increase was primarily due to more favourable impacts from interest rate movements, which was partly offset by strong investment gains from non-fixed income assets in the second quarter of 2024 that did not repeat in the current period.

Total other expenses was \$61 million in 2025 compared to \$39 million in the same period in 2024. The unfavourable increase was primarily related to increased workforce expenses and investments in information systems, as well as gains in the comparative period within fee and other income that did not reoccur in 2025.

Product Line Results - Wealth Management

(in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Fixed annuities				
Assets under management ⁽¹⁾	\$ 1,005	\$ 964	\$ 1,005	\$ 964
Gross sales ⁽¹⁾	39	48	76	116
Net sales ⁽¹⁾	12	33	17	54
Segregated funds				
Assets under management ⁽¹⁾	\$ 9,516	\$ 8,846	\$ 9,516	\$ 8,846
Gross sales ⁽¹⁾	202	204	503	433
Net sales ⁽¹⁾	(134)	(98)	(159)	(316)

⁽¹⁾ See Non-GAAP measures section.

(in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Net insurance service result	\$ 25	\$ 27	\$ 51	\$ 54
Net investment and insurance finance result	7	11	9	29
Fee and other income	—	—	—	1
Non-insurance operating expenses	(7)	(11)	(15)	(19)
Net income before taxes	\$ 25	\$ 27	\$ 45	\$ 65

Fixed annuities assets under management increased 4% relative to the same period in 2024, due to the compounding effect of strong net sales achieved in the prior year. Gross sales of fixed annuities in the second quarter were 19% lower than the same period in 2024, as Empire Life's continues to see a shift in customer demand due to the strengthening of equity markets compared to the same period in 2024.

Segregated fund assets under management were 8% higher relative to the same period in 2024, reflecting favourable market movements. For the second quarter of 2025, gross sales of segregated funds were consistent with the same period in 2024.

Net income before taxes for the second quarter decreased by \$2 million compared to the same period in 2024, due to a decrease in the net insurance service result, primarily related to increased insurance expenses which was partially offset by favourable mortality experience.

Product line results - Group Solutions

(in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Annualized premium sales				
Core	\$ 20	\$ 18	\$ 46	\$ 33
Other	12	16	22	23
Total annualized premium sales ⁽¹⁾	\$ 32	\$ 34	\$ 68	\$ 56

⁽¹⁾ See Non-GAAP measures section.

(in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Insurance revenue	\$ 182	\$ 167	\$ 359	\$ 330
Net insurance service result	\$ 6	\$ (1)	\$ 9	\$ —
Net investment and insurance finance result	—	—	1	(1)
Fee and other income	2	2	3	5
Non-insurance operating expenses	(8)	(6)	(18)	(11)
Net loss before taxes	\$ —	\$ (5)	\$ (5)	\$ (7)

Total annualized premium sales in Group Solutions decreased 6% in the second quarter compared to the same period in 2024. Improved sales of core product offerings in the current quarter was offset by the non-recurrence of a single large sale from the prior year.

Insurance revenue increased 9% in the second quarter, compared to the same period in 2024, due to improved pricing execution on core business, and organic growth in specialty partnerships.

For the quarter, net income before taxes increased \$5 million compared to the same period in 2024, which was due to an increase in our net insurance service result, primarily related to an improvement in long-term disability claims experience as compared to the prior quarter. The increase in our net insurance service result was partially offset by increased non-insurance operating expenses related to increased overhead expenses.

Product line results - Individual Insurance

(in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Shareholders'				
Shareholders' annualized premium sales ⁽¹⁾	\$ 10	\$ 11	\$ 20	\$ 21
Net income before taxes	32	8	84	58
Policyholders'				
Policyholders' annualized premium sales ⁽¹⁾	\$ 4	\$ 3	\$ 7	\$ 7
Net income before taxes	5	2	6	6

⁽¹⁾ See Non-GAAP measures section.

(in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Net insurance service result	\$ 28	\$ 17	\$ 48	\$ 27
Net investment and insurance finance result	17	—	58	50
Non-insurance operating expenses	(8)	(7)	(16)	(13)
Net income before taxes	\$ 37	\$ 10	\$ 90	\$ 64

Shareholders' annualized premium sales for the second quarter of 2025 decreased \$1 million compared to the same period in 2024, which can be attributed to softer term life sales.

Shareholders' net income before taxes for the second quarter of 2025 increased \$24 million compared to the same period in 2024. The net insurance service result increased by \$11 million due to favourable mortality experience in the quarter compared to the same period in 2024. The net investment and insurance finance result increased \$17 million due to the favourable effect of more substantial interest rate increases in the current quarter as compared to the prior quarter.

Results - Capital and Surplus

(in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2023
Net investment result	\$ (6)	\$ 17	\$ 30	\$ 5
Other (expenses) income	(8)	1	(15)	(2)
Net (loss) income before taxes	\$ (14)	\$ 18	\$ 15	\$ 3

Net loss before taxes was \$14 million, which was a \$32 million decrease when compared to net income before taxes of \$18 million in the same period in 2024. Net investment result for the period was \$23 million lower than the comparative period in 2024, due to the unfavourable effect of more substantial interest rate increases in the current period. Total other expenses were \$8 million in 2025 compared to Total other income of \$1 million in the same period in 2024, which was due to the disposal of property and equipment that did not reoccur in the current period.

Results - Net Contractual Service Margin

(Amounts are net of reinsurance contracts held, in millions of dollars)	Second quarter		Year to date	
	2025	2024	2025	2024
Net contractual service margin, beginning of period	\$ 1,359	\$ 1,499	\$ 1,410	\$ 1,415
Impact of new insurance business	17	14	33	29
Interest accretion	6	6	12	12
Insurance experience ⁽¹⁾	(8)	2	(27)	(5)
Economic experience ⁽¹⁾	61	11	58	118
Assumption updates ⁽¹⁾	—	(8)	(10)	(4)
CSM recognized for services provided	(41)	(41)	(82)	(82)
Net contractual service margin, end of period	\$ 1,394	\$ 1,483	\$ 1,394	\$ 1,483

⁽¹⁾ Insurance experience, economic experience and assumption updates are components of changes in estimates that adjust the CSM. Insurance experience represents the current period impacts of insurance experience, resulting in a change in future cash flows that adjust CSM. Economic experience represents the changes in the effect of time value of money and financial risk relating to contracts measured using the Variable Fee Approach ("VFA") for the Wealth Management and Individual Insurance product lines. Assumption updates represent the future period impacts of changes in fulfillment cash flows that adjust CSM.

The Net Contractual Service Margin ("CSM") as at June 30, 2025 is \$1,394 million, an increase of \$35 million in the second quarter of 2025. Components driving the change in net CSM are:

- New insurance business: A \$17 million increase to net CSM in the second quarter of 2025, which is an improvement compared to the same quarter in 2024, due to a shift in the sales mix of non-participating life products.
- Insurance experience: The \$8 million decrease is due to policyholder behaviour and lapse experience in the Individual Insurance segment.
- Economic experience: The \$61 million increase is due to the impact of increasing interest rates on our segregated fund products and favourable equity market returns.
- Assumption updates: There were no assumption updates in the current period.
- CSM amortization: The recognition of CSM remains relatively consistent quarter to quarter.

Financial Instruments

Empire Life holds an investment portfolio that is actively managed to optimize yield, quality and liquidity while ensuring diversification and duration-matched to our future obligations. Cash flows arising from these financial instruments are intended to match the liquidity requirements of Empire Life's insurance and investment contract liabilities, within the limits prescribed by Empire Life. Empire Life is subject to credit and market risk on these financial instruments.

Credit risk on these financial instruments could result in a financial loss should the other party fail to discharge an obligation. This credit risk is derived primarily from investments in bonds, debentures, preferred shares, short-term investments, loans and mortgages. Empire Life manages credit risk by applying its investment guidelines as established by management and approved by Investment Committee of Empire Life's Board of Directors. The investment guidelines establish minimum credit ratings for issuers of bonds, debentures and preferred share investments, and provide for concentration limits by the issuer of such debt instruments. The investment guidelines also establish minimum underwriting requirements and limits for debt financing of an advisor company or managing general agent. Management reviews credit quality relative to investment purchases and monitors the credit quality of invested assets over time. Management reports regularly to the Investment Committee of Empire Life's Board on the credit risk to which the portfolio is exposed.

Empire Life manages market risk exposure mainly through investment limits and oversight of its in-house investment managers and external investment firms by the Chief Investment Officer, Asset Management Committee and Investment Committee of Empire Life's Board. The Investment Committee actively

monitors the portfolio and asset mix. Empire Life has hedging programs in place as part of its approach to managing this risk.

Empire Life manages credit risk with respect to derivatives by applying limits and credit rating restrictions established by the Investment Committee in its investment guidelines, which set out permitted derivatives and permitted uses for derivatives, as well as limits to the use of these instruments. In particular, no leverage is permitted in the use of derivatives and strict counterparty credit restrictions are imposed.

Sources of capital

Empire Life has issued private and public securities to strengthen its capital position and fund new business growth. The securities outstanding are summarized in the following table:

(in millions of dollars)	As at	
	June 30 2025	December 31 2024
Subordinated debentures	\$ 399	\$ 399
Equity		
Preferred shares and other equity instruments	\$ 297	\$ 297
Common shares	1	1
Total Equity	\$ 298	\$ 298

Details of Empire Life's outstanding subordinated debentures are as follows:

(in millions of dollars)	Date Issued	Earliest Redemption Date	Yield	As at	
				June 30 2025	December 31 2024
Series 2021-1 ⁽¹⁾	September 2021	September 24, 2026	2.024%	\$ 200	\$ 200
Series 2023-1 ⁽²⁾	January 2023	January 13, 2028	5.503%	\$ 199	\$ 200

⁽¹⁾ Series 2021-1 Subordinated 2.024% unsecured debentures due 2031. From September 24, 2026, interest is payable at 0.67% over CORRA plus 0.32138% credit adjustment spread.

⁽²⁾ Series 2023-1 Subordinated 5.503% unsecured debentures due 2033. From January 13, 2028, interest is payable at 2.26% over CORRA.

Details of Empire Life's outstanding preferred shares and other equity instruments are as follows:

(in millions of dollars)	Date Issued	Earliest Redemption Date	Yield	As at	
				June 30 2025	December 31 2024
Preferred shares, Series 3	November 2017	January 17, 2028	6.187 %	\$ 100	\$ 100
Limited Recourse Capital Notes, Series 1	February 2021	April 17, 2026	3.625 %	\$ 197	\$ 197

Security rating

The securities issued by Empire Life are rated by DBRS Limited ("Morningstar DBRS"). Morningstar DBRS completed its annual rating review of Empire Life in the second quarter of 2025. Morningstar DBRS upgraded all credit ratings and updated Empire Life's trend to Stable.

Evaluation type	Rating	Trend	Date of last rating action
Financial strength rating	A (high)	Stable	May 22, 2025
Issuer rating	A (high)	Stable	May 22, 2025
Subordinated debt	A	Stable	May 22, 2025
Preferred shares	Pfd-2 (high)	Stable	May 22, 2025
Limited Recourse Capital Notes	A (low)	Stable	May 22, 2025

Regulatory capital

The Life Insurance Capital Adequacy Test ("LICAT") measures the capital adequacy of an insurer and is one of several indicators used by the Office of the Superintendent of Financial Institutions, Canada (OSFI) to assess an insurer's financial condition⁽¹⁾. Empire Life continues to have a strong capital position under the LICAT framework. Empire Life is required to maintain a minimum Core Ratio of 55% and a Total Ratio of 90%. OSFI has established supervisory target levels of 70% for Core and 100% for Total Ratio.

LICAT (in millions of dollars)	Jun 30 2025	Mar 31 2025	Dec 31 2024	Sep 30 2024	Jun 30 2024
Available capital					
Tier 1	\$ 2,626	\$ 2,554	\$ 2,195	\$ 2,206	\$ 2,091
Tier 2	804	778	726	737	705
Total	\$ 3,430	\$ 3,332	\$ 2,921	\$ 2,943	\$ 2,796
Surplus allowance and eligible deposits	\$ 762	\$ 771	\$ 677	\$ 654	\$ 645
Base solvency buffer	\$ 2,960	\$ 2,929	\$ 2,383	\$ 2,334	\$ 2,261
LICAT total ratio	142 %	140 %	151 %	154 %	152 %
LICAT core ratio	107 %	106 %	112 %	114 %	112 %

Empire Life maintained a strong LICAT position that is well above target levels. Empire Life's Total and Core LICAT ratios increased in the second quarter compared to the first quarter of 2025.

Compared to fourth quarter of 2024, Empire Life's LICAT ratios decreased primarily due to the updated OSFI LICAT guideline, effective January 1, 2025. The new guideline contained significant changes related to capital for segregated fund guarantees and related hedging programs. LICAT ratios for periods prior to January 1, 2025 have not been restated.

Risk Management

Empire Life is a financial institution offering wealth management, group solutions and individual insurance products. Empire Life is exposed to a number of risks as a result of its business activities. Effective risk management is critical to the overall profitability, competitive market positioning and long-term financial viability of Empire Life. While all risks cannot necessarily be eliminated or known with certainty, the goal of Empire Life's risk management program is to ensure that risk-taking activities are aligned with its strategy, in order to achieve business goals and deliver acceptable shareholder returns, without compromising Empire Life's ability to pay claims and fulfil policyholder commitments.

Caution Related to Sensitivities

In the sections that follow, Empire Life's provides sensitivities and risk exposure measures for certain risks. These include sensitivities due to specific changes in market prices and interest rates, based on the market prices, interest rates, assets, liabilities and business mix in place as at the respective calculation dates. The sensitivities are calculated independently for each risk variable, generally assuming that all other risk variables remain constant. The sensitivities do not take into account indirect effects such as potential impacts on goodwill impairments or valuation allowances on deferred tax assets. The sensitivities are provided for the consolidated entity.

Actual results can differ materially from these estimates for a variety of reasons, including differences in the pattern or distribution of market shocks, the interaction between these risk factors, model errors, or changes in other assumptions such as business mix, effective tax rates, policyholder behaviour and other market variables relative to those underlying the calculation of the sensitivities.

The sensitivities reflect the composition of Empire Life's assets and liabilities at the respective calculation dates. Changes in assets and liabilities due to new sales or maturities, asset purchases/sales, or other management actions could result in material changes to these reported sensitivities.

For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined and should not be viewed as predictors for Empire Life's future net income, CSM, equity or capital. Given the nature of these calculations, Empire Life's cannot provide assurance that the actual impact will be consistent with the estimates provided. Changes in risk variables in excess of the ranges illustrated may result in other than proportionate impacts.

Market Risk

Empire Life has market risk exposure related to guarantees in its segregated fund products and also related to its life insurance contract liabilities and invested assets. Empire Life maintains hedging programs intended to partially offset market impacts on its regulatory capital (LICAT) ratio. The hedging programs may employ derivatives such as forwards, swaps, options and futures. The extent of derivatives usage is monitored and managed on an ongoing basis.

There is the potential for income statement volatility from the hedging programs. Empire Life has required capital for LICAT purposes as well as liabilities on the Consolidated Statements of Financial Position related to segregated fund guarantees. Some net income volatility can potentially result from the hedging instruments, where gains or losses are not directly offset by changes in other asset or liability values. For the quarter ended June 30, 2025, Empire Life experienced a neutral outcome of \$0 million pre-tax related to the hedging programs, compared to a net loss before taxes of \$0.9 million over the same period in 2024.

Empire Life's LICAT ratio is also sensitive to stock market volatility, primarily due to liability and capital requirements related to segregated fund guarantees. As of June 30, 2025, Empire Life had \$9.5 billion of segregated fund assets and liabilities. Of this amount, approximately \$9.3 billion have guarantees. The following table provides a percentage breakdown by type of guarantee.

	June 30 2025	December 31 2024
Percentage of segregated fund liabilities with:		
75% maturity guarantee and a 75% death benefit guarantee	13 %	12 %
75% maturity guarantee and a 100% death benefit guarantee	44 %	44 %
100% maturity and death benefit guarantee (with a minimum of 15 years between deposit and maturity date)	6 %	6 %
Guaranteed minimum withdrawal benefit ("GMWB")	37 %	38 %
Total	100 %	100 %

For segregated fund guarantee insurance contract liabilities, the level of sensitivity can be dependent on the level of equity markets. Generally when market levels are higher, the sensitivity is reduced, and vice-versa. The CSM provides a significant offset to potential impacts in the segregated fund guarantee liability. This significantly reduces the net income impacts from changes in interest rates or stock market levels.

As at June 30, 2025 and December 31, 2024, the sensitivity of Empire Life shareholders' net income resulting from changes in equity market prices is provided in the following table:

Sensitivity to equity risk (in millions of dollars)	Increase		Decrease	
	20%	10%	10%	20%
As at June 30, 2025				
Net income and equity	\$ 24	\$ 13	\$ (10)	\$ (26)
CSM	\$ 176	\$ 91	\$ (98)	\$ (196)
As at December 31, 2024				
Net income and equity	\$ 17	\$ 8	\$ —	\$ 15
CSM	\$ 186	\$ 98	\$ (114)	\$ (246)

The sensitivity of Empire Life's LICAT total ratio resulting from increases and decreases on equity markets is provided in the following table for June 30, 2025 and December 31, 2024.

As noted in the Regulatory Capital section of this MD&A, a new LICAT guideline became effective January 1, 2025. LICAT sensitivities at June 30, 2025 are calculated under the new guideline. LICAT total ratio sensitivities for December 31, 2024 have not been recalculated.

Sensitivity to equity risk Impact on LICAT	Increase		Decrease	
	20%	10%	10%	20%
Segregated fund guarantees	8%	4%	(5)%	(11)%
Other equity risk	—%	—%	—%	—%
Equity hedge	(4)%	(2)%	3%	6%
As at June 30, 2025	4%	2%	(2)%	(5)%
Segregated fund guarantees	16%	8%	—%	(4)%
Other equity risk	1%	—%	—%	—%
Equity hedge	—%	—%	—%	(1)%
As at December 31, 2024	17%	8%	—%	(5)%

The amount at risk related to segregated fund maturity guarantees and segregated fund death benefit guarantees, and the resulting insurance contract liabilities and LICAT base solvency buffer for Empire Life's segregated funds is provided in the following table:

Segregated funds (millions of dollars)	Withdrawal benefit > fund value		Maturity guarantee > fund value		Death benefit > fund value		Insurance Contract liabilities	LICAT capital
	Fund value	Amount at risk	Fund value	Amount at risk	Fund value	Amount at risk		
June 30, 2025	\$ 2,206	\$ 652	\$ 10	\$ —	\$ 172	\$ 2	\$ 97	\$ 1,033
December 31, 2024	\$ 2,331	\$ 741	\$ 28	\$ 1	\$ 699	\$ 8	\$ 119	\$ 388

The first six columns of the above table show amounts associated with all segregated fund policies where the future withdrawal benefit, future maturity guarantee, or future death benefit guarantee is greater than the fund value. The amount at risk represents the excess of the future withdrawal benefit, future maturity guarantee or future death benefit guarantee amount over the fund value for these policies. The withdrawal benefit amounts in the above table relate to GMWB products. The GMWB withdrawal benefit amount at risk represents the amount that could be paid by Empire Life to GMWB policyholders if the net return on each GMWB policyholder's assets is zero for the remainder of each GMWB policyholder's life, based on life expectancy. At June 30, 2025, the aggregate amount at risk for all three categories of risk was \$654 million. At December 31, 2024, the aggregate amount at risk for these three categories of risk was \$750 million.

million. For these three categories of risk, the amount at risk is not currently payable, as payment is contingent on future outcomes, including fund performance, deaths, deposits, withdrawals and maturity dates.

The level of insurance contract liabilities and required regulatory capital in the above table is calculated based on the probability that Empire Life will ultimately have to make payment to the segregated fund policyholders for any fund value deficiency that may exist on future payments to GMWB policyholders, or upon future maturity of the segregated fund policies, or upon future death of the segregated fund policyholders.

In addition, Empire Life considers the sensitivity of its LICAT ratio to changes in market interest rates. The impact of a 50 basis point parallel shift in interest rates for June 30, 2025 and December 31, 2024, is shown in the table below. No change to credit spreads is assumed.

Sensitivity to market interest rates - LICAT	Impact of 50 bps decrease
June 30, 2025 LICAT total ratio	—%
December 31, 2024 LICAT total ratio	5%

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
UNAUDITED
(in thousands of Canadian dollars)

	June 30 2025	December 31 2024
Assets		
Cash and cash equivalents	\$ 377,783	\$ 373,413
Investments - corporate (Note 3)	7,582,969	7,821,214
Investments - insurance (Note 4)	9,255,792	9,386,398
Investments in associates and joint venture (Note 5)	536,726	558,156
Reinsurance contracts held assets (Note 10)	295,483	296,071
Other assets (Note 8)	336,853	197,554
Deferred tax asset	97,772	92,283
Segregated fund assets (Note 9)	9,534,540	9,393,738
Total assets	\$ 28,017,918	\$ 28,118,827
Liabilities		
Insurance contract liabilities, excluding segregated fund account balances (Note 10)	\$ 6,784,077	\$ 6,868,436
Reinsurance contracts held (Note 10)	245,809	213,849
Investment contract liabilities, excluding segregated fund account balances	608,194	585,521
Deferred tax liabilities	520,274	524,164
Dividends payable	17,734	16,869
Other liabilities	120,610	178,831
Borrowings (Note 13)	599,402	598,869
Total liabilities, excluding segregated fund account balances	8,896,100	8,986,539
Insurance contract liabilities for segregated fund account balances (Note 10)	9,265,280	9,140,742
Investment contract liabilities for segregated fund account balances	269,260	252,996
Insurance and investment contract liabilities for segregated fund account balances	9,534,540	9,393,738
Total liabilities	\$ 18,430,640	\$ 18,380,277
Equity		
Capital stock (Note 11)	\$ 362,347	\$ 362,347
Retained earnings	7,913,920	8,016,828
Accumulated other comprehensive income ("AOCI")	37,542	36,696
Total E-L Financial shareholders' equity	8,313,809	8,415,871
Non-controlling interests in subsidiaries ("NCI")	1,215,753	1,269,534
Participating account surplus ("PAR")	57,716	53,145
Total equity	9,587,278	9,738,550
Total liabilities and equity	\$ 28,017,918	\$ 28,118,827

Approved by the Board

Duncan N.R. Jackman, Director

Peter J. Levitt, Director

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF INCOME
UNAUDITED
(in thousands of Canadian dollars, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Insurance service result				
Insurance revenue (Note 10)	\$ 379,201	\$ 351,285	\$ 752,287	\$ 690,327
Insurance service expenses	(305,805)	(298,625)	(610,069)	(580,659)
Net expense from reinsurance contracts held (Note 10)	(14,684)	(10,087)	(33,830)	(28,290)
Net insurance service result	58,712	42,573	108,388	81,378
Investment and insurance finance result (Note 7)				
Investment (loss) income, excluding segregated fund account balances	(68,458)	74,789	96,883	(21,440)
Change in investment contracts, excluding segregated fund account balances	(4,286)	(4,997)	(11,935)	(6,626)
Insurance finance income (expense) from insurance contracts, excluding segregated fund account balances	85,959	(44,271)	7,674	105,205
Insurance finance income from reinsurance contracts held	5,019	2,006	5,454	5,683
Investment income related to segregated fund account balances	408,083	17,235	456,325	459,033
Insurance finance expense related to segregated fund account balances	(408,083)	(17,235)	(456,325)	(459,033)
Net investment and insurance finance result	18,234	27,527	98,076	82,822
Net insurance result	76,946	70,100	206,464	164,200
Non-insurance investment income				
Investment and other income (Note 6)	58,627	62,021	147,494	102,723
Share of income of associates and joint venture (Note 5)	24,341	13,568	25,880	19,734
Fair value change in fair value through profit or loss investments	372,990	214,235	303,064	843,244
Non-insurance investment income	455,958	289,824	476,438	965,701
Expenses				
Operating	41,730	39,742	88,929	70,404
Interest expense	7,640	6,117	13,410	13,448
	49,370	45,859	102,339	83,852
Income before income taxes	483,534	314,065	580,563	1,046,049
Income taxes	71,503	46,677	85,537	152,802
Net income	412,031	267,388	495,026	893,247
Less: Net income attributable to the participating account	4,030	2,083	4,571	4,667
Non-controlling interests in net income	42,894	33,618	39,501	109,583
	46,924	35,701	44,072	114,250
E-L Financial shareholders' net income	\$ 365,107	\$ 231,687	\$ 450,954	\$ 778,997
Earnings per share attributable to E-L Financial shareholders				
Basic⁽¹⁾	\$ 1.07	\$ 0.68	\$ 1.32	\$ 2.29
Diluted⁽¹⁾	\$ 1.02	\$ 0.63	\$ 1.26	\$ 2.12

⁽¹⁾ On May 7, 2025, E-L Financial Corporation Limited ("E-L Financial") approved a 100 for one share split ("Share Split") of E-L Financial's issued and outstanding common shares. Each shareholder of record at the close of business on May 23, 2025 ("Record Date") that continued to hold their shares through May 30, 2025 ("Payment Date") received 99 additional shares for every one share held on the Record Date. All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all periods presented.

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
UNAUDITED
(in thousands of Canadian dollars)

	Three months ended		Six months ended	
	June 30		June 30	
	2025	2024	2025	2024
Net income	\$ 412,031	\$ 267,388	\$ 495,026	\$ 893,247
Other comprehensive income ("OCI") (loss) ("OCL"), net of taxes				
Items that may be reclassified subsequently to net income:				
Share of (OCL) OCI of associates	(7,753)	1,307	(5,234)	4,527
Recovery of (provision for) taxes	1,027	(174)	693	(600)
Share of (OCL) OCI of associates	(6,726)	1,133	(4,541)	3,927
Items that will not be reclassified to net income:				
Net remeasurement of defined benefit plans	5,140	1,339	5,962	6,901
Provision for taxes	(1,354)	(353)	(1,571)	(1,820)
Net remeasurement of defined benefit plans	3,786	986	4,391	5,081
Share of OCI (OCL) of associates	753	(390)	667	554
(Provision for) recovery of taxes	(100)	52	(89)	(73)
Share of OCI (OCL) of associates	653	(338)	578	481
	4,439	648	4,969	5,562
Total (OCL) OCI	(2,287)	1,781	428	9,489
Comprehensive income	409,744	269,169	495,454	902,736
Less: Comprehensive income attributable to the participating account	4,030	2,083	4,571	4,667
Non-controlling interests in comprehensive income	42,238	33,711	39,083	110,100
	46,268	35,794	43,654	114,767
E-L Financial shareholders' comprehensive income	\$ 363,476	\$ 233,375	\$ 451,800	\$ 787,969

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
UNAUDITED
(in thousands of Canadian dollars)

	E-L Financial shareholders' equity				NCI	PAR	Total equity
	Capital stock	Retained earnings	AOCI	Total			
Balance as at January 1, 2025	\$ 362,347	\$ 8,016,828	\$ 36,696	\$ 8,415,871	\$ 1,269,534	\$ 53,145	\$ 9,738,550
Net income	—	450,954	—	450,954	39,501	4,571	495,026
OCI (OCL)	—	—	846	846	(418)	—	428
Comprehensive income	—	450,954	846	451,800	39,083	4,571	495,454
Dividends	—	(553,862)	—	(553,862)	(92,852)	—	(646,714)
Acquisition of subsidiary shares	—	—	—	—	(12)	—	(12)
At June 30, 2025	\$ 362,347	\$ 7,913,920	\$ 37,542	\$ 8,313,809	\$ 1,215,753	\$ 57,716	\$ 9,587,278

	E-L Financial shareholders' equity				NCI	PAR	Total equity
	Capital stock	Retained earnings	AOCI	Total			
Balance as at January 1, 2024	\$ 362,347	\$ 6,728,675	\$ 22,759	\$ 7,113,781	\$ 1,102,405	\$ 46,157	\$ 8,262,343
Net income	—	778,997	—	778,997	109,583	4,667	893,247
OCI	—	—	8,972	8,972	517	—	9,489
Comprehensive income	—	778,997	8,972	787,969	110,100	4,667	902,736
Dividends	—	(241,441)	—	(241,441)	(8,210)	—	(249,651)
At June 30, 2024	\$ 362,347	\$ 7,266,231	\$ 31,731	\$ 7,660,309	\$ 1,204,295	\$ 50,824	\$ 8,915,428

The accompanying notes are an integral part of these consolidated financial statements.

E-L Financial Corporation Limited
CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED
(in thousands of Canadian dollars)

		Six months ended June 30
	2025	2024
Net inflow (outflow) of cash related to the following activities:		
Operating		
Net income	\$ 495,026	\$ 893,247
Items not affecting cash resources:		
Changes in contract liabilities	(61,685)	(97,867)
Changes for reinsurance contracts held	32,548	5,603
Fair value change in fair value through profit or loss investments	(230,733)	(655,185)
Deferred taxes	(10,344)	78,326
Share of income of associates and joint venture	(25,880)	(19,734)
Other items	(70,311)	2,437
	128,621	206,827
Net change in other assets and liabilities	(98,948)	(7,617)
	29,673	199,210
Financing		
Cash dividends to shareholders	(552,996)	(241,441)
Cash dividends by subsidiaries to non-controlling interests	(92,852)	(8,210)
Purchases of subsidiary shares	(12)	—
Decrease in borrowings	—	(135,201)
Interest paid on borrowings	(11,595)	(13,091)
	(657,455)	(397,943)
Investing		
Purchases of investments	(1,394,202)	(1,850,920)
Proceeds from sale or maturity of investments	1,999,389	1,891,595
Net (purchases) sales of other assets	(18,155)	207
Dividends from associates	45,120	19,530
	632,152	60,412
Increase (decrease) in cash and cash equivalents	4,370	(138,321)
Cash and cash equivalents, beginning of the period	373,413	440,861
Cash and cash equivalents, end of the period	\$ 377,783	\$ 302,540
Fair value hierarchy for cash and cash equivalents:		
Level 1	\$ 219,557	\$ 182,219
Level 2	158,226	120,321
	\$ 377,783	\$ 302,540

The accompanying notes are an integral part of these consolidated financial statements.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

1. Business operations

E-L Financial Corporation Limited (the “Company”) is an investment and insurance holding company, publicly traded on the Toronto Stock Exchange and incorporated under the laws of Ontario.

The head office, principal address and registered office of the Company is located at 165 University Avenue, Toronto, Ontario, M5H 3B8.

The interim condensed consolidated financial statements were approved by the Company’s Board of Directors on August 7, 2025.

2. Material Accounting Policies

(a) Basis of preparation

These unaudited interim condensed consolidated financial statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”) (“IFRS Accounting Standards”) and follow the same accounting policies and methods as the most recent annual financial statements. These unaudited interim condensed consolidated financial statements do not include all of the disclosures required under IFRS Accounting Standards for annual financial statements and should be read in conjunction with the notes to the Company’s audited consolidated financial statements for the year ended December 31, 2024.

All figures included in the interim consolidated financial statements are presented in thousands of Canadian dollars, except per share amounts and where otherwise stated.

(b) Accounting changes

New and amended standards adopted in 2025

Effective January 1, 2025, the Company adopted the following new and amended accounting standards:

IAS 21 Amendments – Lack of exchangeability

In August 2023, the IASB issued narrow-scope amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates, which address determination of the exchange rate when there is a long-term lack of exchangeability, and introduce additional disclosure requirements when a currency is not exchangeable. The amendments are effective for annual reporting periods beginning on or after January 1, 2025, to be recognized as an adjustment to opening retained earnings on the date of initial adoption. There were no material impacts to the Company’s interim condensed consolidated financial statements resulting from these amendments.

Standards issued but not yet applied

IFRS 18 – Presentation and Disclosures in Financial Statements

In April 2024, the IASB issued IFRS 18 Presentation and Disclosures in Financial Statements (“IFRS 18”), which will replace IAS 1. IFRS 18 introduces changes to the structure of the statement of operations, and provides enhanced principles for aggregation and disaggregation. The standard also requires disclosures in the financial statements for certain performance measures reported outside of an entity’s financial statements (Management-defined Performance Measures). IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and must be applied retrospectively. The Company is currently evaluating the impact that this standard will have on its interim condensed consolidated financial statements.

IFRS 9 and IFRS 7 Amendments – Classification and measurement of financial instruments

In May 2024, the IASB issued amendments to IFRS 9 Financial and IFRS 7 relating to classification and measurement of financial instruments. The amendments clarify certain concepts relating to classification of financial assets, and introduce the option for entities to derecognize financial liabilities settled using an

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

electronic payment system before the settlement date when certain criteria are met. The amendments also introduce certain new disclosure requirements for financial instruments measured at Fair Value Through Other Comprehensive Income ("FVOCI") and amortized cost. These amendments are effective for annual reporting periods beginning on or after January 1, 2026, and must be applied retrospectively. The Company is currently evaluating the impact that this amendment will have on its interim condensed consolidated financial statements.

3. Investments – corporate

Invested assets

Investments – corporate includes the investments held at the corporate level of E-L Financial and the investment holdings of its subsidiary, United Corporations Limited ("United").

The following table provides a comparison of carrying values by class of asset:

	June 30 2025	December 31 2024
Preferred shares	\$ 1,554	\$ 1,711
Common shares and units		
Canada	1,240,920	1,130,177
U.S.	4,443,225	4,621,363
Europe and United Kingdom	1,212,275	1,274,142
Other	684,995	793,821
Total common shares and units	7,581,415	7,819,503
Total	\$ 7,582,969	\$ 7,821,214

The Company's investment in common shares and units includes shares of public and private companies. As at June 30, 2025 and December 31, 2024 all of the invested assets have been classified as FVTPL.

Investments – measured at fair value

The table below provides a comparison of the fair values by class of asset:

As at June 30, 2025				
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Preferred shares	\$ 496	\$ —	\$ 1,058	\$ 1,554
Common shares and units				
Canada	63,717	—	1,177,203	1,240,920
U.S.	4,058,658	—	384,567	4,443,225
Europe and United Kingdom	1,057,198	—	155,077	1,212,275
Other	616,938	—	68,057	684,995
Total common shares and units	5,796,511	—	1,784,904	7,581,415
Total	\$ 5,797,007	\$ —	\$ 1,785,962	\$ 7,582,969

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

As at December 31, 2024				
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Preferred shares	\$ 653	\$ —	\$ 1,058	\$ 1,711
Common shares and units				
Canada	111,189	—	1,018,988	1,130,177
U.S.	4,236,942	—	384,421	4,621,363
Europe and United Kingdom	1,120,559	—	153,583	1,274,142
Other	714,623	—	79,198	793,821
Total common shares and units	6,183,313	—	1,636,190	7,819,503
Total	\$ 6,183,966	\$ —	\$ 1,637,248	\$ 7,821,214

The classification of a financial instrument into a level is based on the lowest level of input that is significant to the determination of the fair value. Transfers between fair value hierarchy levels are considered effective from the beginning of the reporting period in which the transfer is identified. There were no transfers of financial instruments between Level 1, Level 2 or Level 3 for the six month period ended June 30, 2025 or during the year ended December 31, 2024.

A summary of changes in the fair values of Level 3 financial instruments measured at Fair Value Through Profit or Loss ("FVTPL") as at June 30, 2025 and December 31, 2024:

	6 months 2025	12 months 2024
Balance beginning of period	\$ 1,637,248	\$ 1,395,744
Net fair value change	148,957	184,913
Sales and distributions	(13,420)	(29,078)
Purchases	13,177	85,669
Balance end of period	\$ 1,785,962	\$ 1,637,248

The Company has securities lending agreements with its custodian. Under these agreements, the custodian may lend securities from the Company's portfolio to other institutions, as approved by the Company, for periods of time. At June 30, 2025 the Company had loaned securities with a fair value of \$628,824 (December 31, 2024 - \$601,606) and received approximately \$660,270 (December 31, 2024 - \$631,696) in collateral.

In the normal course of business, investment commitments are outstanding which are not reflected in the consolidated financial statements. As of June 30, 2025, E-L Corporate has \$376,289 (December 31, 2024 - \$336,990) in unfunded commitments in limited partnerships.

For analysis of the Company's risks arising from financial instruments, refer to Note 14 – E-L Corporate risk management.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

4. Investments – insuranceThe Empire Life Insurance Company (“Empire Life”) invested assets

The table below provides a comparison of the fair values by class of asset:

As at June 30, 2025				
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Short-term investments	\$ —	\$ 2,835	\$ —	\$ 2,835
Bonds	—	7,771,521	23,706	7,795,227
Preferred shares	636,322	—	—	636,322
Common shares	583,482	70,426	18,133	672,041
Derivative assets	6,712	7,323	107	14,142
Mortgages	—	71,886	—	71,886
Loans	—	63,339	—	63,339
Total	\$ 1,226,516	\$ 7,987,330	\$ 41,946	\$ 9,255,792

As at December 31, 2024				
Asset category	Quoted Prices (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total fair value
Short-term investments	\$ —	\$ 840	\$ —	\$ 840
Bonds	—	7,937,273	26,208	7,963,481
Preferred shares	623,791	—	—	623,791
Common shares	561,378	70,026	10,280	641,684
Derivative assets	6,502	8,206	107	14,815
Mortgages	—	78,866	—	78,866
Loans	—	62,921	—	62,921
Total	\$ 1,191,671	\$ 8,158,132	\$ 36,595	\$ 9,386,398

The classification of a financial instrument into a level is based on the lowest level of input that is significant to the determination of the fair value. There were no transfers between Level 1, Level 2 and Level 3 during the six month period ended June 30, 2025 or during the year ended December 31, 2024.

A summary of changes in the fair values of Level 3 financial instruments measured at FVTPL as at June 30, 2025 and December 31, 2024:

	6 months 2025	12 months 2024
Balance beginning of period	\$ 36,595	\$ 40,017
Purchases	6,495	608
Sales	(1,078)	(4,527)
Net fair value change	(66)	497
Balance end of period	\$ 41,946	\$ 36,595

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Derivative financial instruments

The values of derivative instruments are set out in the following table. Notional amounts serve as the basis for payments calculated under derivative contracts and are generally not exchanged.

		June 30, 2025			December 31, 2024		
	Maturity	Notional Principal	Fair Value Assets	Fair Value Liabilities	Notional Principal	Fair Value Assets	Fair Value Liabilities
Foreign currency forwards	Within 1 year	\$ 200,150	\$ 988	\$ 191	\$ 197,593	\$ 310	\$ 5,937
Equity options	Within 5 years	1,353,739	6,819	—	1,348,924	6,609	—
Interest rate swaps	Over 5 years	900,000	2,157	18,052	520,000	3,747	4,502
Cross currency swaps	Within 5 years	10,950	93	—	—	—	—
	Over 5 years	122,760	4,085	1,864	134,754	4,149	2,421
Total		\$ 2,587,599	\$ 14,142	\$ 20,107	\$ 2,201,271	\$ 14,815	\$ 12,860

Securities lending

Empire Life has a security lending agreement with its custodian. Under this agreement, the custodian may lend securities from Empire Life's portfolio to other institutions, as approved by Empire Life, for periods of time. As at June 30, 2025 and December 31, 2024, the aggregate fair values of the Empire's securities loaned and the collateral received were as follows:

As at	June 30, 2025			December 31, 2024		
	General Funds	Segregated Funds	Total	General Funds	Segregated Funds	Total
Value of securities loaned	\$ 1,237,087	\$ 1,662,925	\$ 2,900,012	\$ 1,596,676	\$ 1,802,781	\$ 3,399,457
Value of collateral received	\$ 1,261,864	\$ 1,696,272	\$ 2,958,136	\$ 1,628,630	\$ 1,838,898	\$ 3,467,528

For analysis of the risks arising from financial instruments, refer to Note 15 – Empire Life risk management.

5. Investments in associates and joint venture

Investments in associates by operating segment are as follows:

	June 30 2025	December 31 2024
E-L Corporate	\$ 443,625	\$ 465,681
Empire Life	93,101	92,475
Total	\$ 536,726	\$ 558,156

E-L Corporate

The E-L Corporate segment has two investments in associates, Algoma Central Corporation ("Algoma") and Economic Investment Trust Limited ("Economic").

Algoma is incorporated in Canada and is listed on the Toronto Stock Exchange under the symbol "ALC". Algoma owns and operates the largest Canadian flag fleet of dry and liquid bulk carriers operating on the Great Lakes - St. Lawrence Waterway.

Economic is a closed-end investment corporation incorporated in Canada and is listed on the Toronto Stock Exchange under the symbol "EVT". Economic is an investment vehicle for long-term growth through investments in common equities.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

June 30, 2025				December 31, 2024			
	Ownership	Carrying value	Fair value	Ownership	Carrying value	Fair value	
Algoma	34.9 %	\$ 219,447	\$ 228,375	34.9 %	\$ 244,582	\$ 209,285	
Economic	24.9 %	224,178	272,329	24.9 %	221,099	221,099	
Total		\$ 443,625	\$ 500,704		\$ 465,681	\$ 430,384	

The following table details the movement during the period:

	6 months 2025	12 months 2024
Balance, beginning of the period	\$ 465,681	\$ 394,083
Income recorded in the statements of income:		
Share of income	37,746	76,452
Net impairment (write down) reversal	(12,410)	8,149
	25,336	84,601
Share of other comprehensive (loss) income	(4,567)	12,264
	20,769	96,865
Dividends received during the period	(42,825)	(25,267)
Balance, end of the period	\$ 443,625	\$ 465,681

The E-L Corporate's associates are measured using the equity method. As at June 30, 2025, the fair value of the investments in associates was \$500,704 (December 31, 2024 - \$430,384). Fair value is based on the close price for each investment multiplied by the corresponding number of common shares held.

Impairment

Based on an impairment review of the investments in associates at June 30, 2025, an impairment provision of \$12,410 (June 30, 2024 - \$7,706) has been recorded in net income. The recoverable amount was based on quoted market prices, which are classified as Level 1 in the fair value measurement hierarchy.

Financial information

Summarized below are the assets, liabilities, revenue, net income and comprehensive income of E-L Corporate's associates.

	Algoma		Economic	
	June 30 2025	December 31 2024	June 30 2025	December 31 2024
Cash and cash equivalents	\$ 43,038	\$ 3,545	\$ 5,010	\$ 13,554
Other current assets	155,119	135,800	1,546,445	1,432,757
Non-current assets	1,524,366	1,384,608	—	—
	1,722,523	1,523,953	1,551,455	1,446,311
Current liabilities	333,974	189,681	4,510	1,321
Non-current liabilities	506,921	434,424	139,488	123,546
	840,895	624,105	143,998	124,867
Net assets	\$ 881,628	\$ 899,848	\$ 1,407,457	\$ 1,321,444

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Six months ended June 30	Algoma		Economic	
	2025	2024	2025	2024
Revenue	\$ 318,916	\$ 290,182	\$ 262,274	\$ 146,186
Net income	\$ 9,603	\$ 211	\$ 235,495	\$ 129,252
Other comprehensive (loss) income	(13,105)	14,577	—	—
Total comprehensive (loss) income	\$ (3,502)	\$ 14,788	\$ 235,495	\$ 129,252

At June 30, 2025, Algoma has financial commitments of \$342,618 (December 31, 2024 - \$528,238).

E-L Corporate received the following dividends during the period from the associates:

Six months ended June 30	Algoma		Economic		Total	
	2025	2024	2025	2024	2025	2024
Dividends received	\$ 5,656	\$ 5,373	\$ 37,169	\$ 13,711	\$ 42,825	\$ 19,084

On March 31, 2025 Economic paid a special dividend of \$26.97 per common share resulting in E-L Corporate receiving a dividend of \$36,360.

6. Non-insurance investment and other income

Non-insurance investment and other income is comprised of the following:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Interest income	\$ 995	\$ 1,144	\$ 3,212	\$ 1,756
Fee income	9,193	15,241	17,466	22,201
Dividend income	47,096	44,740	124,455	76,786
Other	1,343	896	2,361	1,980
Total	\$ 58,627	\$ 62,021	\$ 147,494	\$ 102,723

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

7. Net investment and insurance finance result

Net investment and insurance finance result is comprised of the following:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Investment and insurance finance result				
Interest and other investment income	\$ 102,851	\$ 114,877	\$ 210,033	\$ 224,303
Change in fair value of investments	(171,309)	(40,088)	(113,150)	(245,743)
Investment (loss) income, excluding segregated fund account balances	(68,458)	74,789	96,883	(21,440)
Change in investment contracts	(4,286)	(4,997)	(11,935)	(6,626)
Net investment result, excluding segregated fund account balances	(72,744)	69,792	84,948	(28,066)
Insurance finance (expense) income from insurance contracts, excluding segregated fund account balances				
Interest accreted ⁽¹⁾	(46,694)	(47,740)	(92,707)	(93,124)
Effect of changes in interest rates and other financial assumptions	115,053	12,112	110,867	211,536
Changes in fair value of underlying items in insurance contracts with direct participation features	(14,245)	(8,643)	(30,943)	(13,207)
Effects of risk mitigation option	31,845	—	20,457	—
Insurance finance income (expense) from insurance contracts, excluding segregated fund account balances	85,959	(44,271)	7,674	105,205
Finance income from reinsurance contracts held				
Interest accreted ⁽¹⁾	446	905	1,116	1,945
Effect of changes in interest rates and other financial assumptions	4,573	1,101	4,338	3,738
Reinsurance finance income from reinsurance contracts held	5,019	2,006	5,454	5,683
Investment income related to segregated fund net assets				
Investment income on investments related to segregated fund net assets, insurance contracts	396,539	15,525	443,438	445,915
Investment income on investments related to segregated fund net assets, investment contracts	11,544	1,710	12,887	13,118
Investment income related to segregated fund account balances	408,083	17,235	456,325	459,033
Changes in underlying items of the segregated funds				
Insurance finance expenses, insurance contracts segregated fund account balances	(396,539)	(15,525)	(443,438)	(445,915)
Change in investment contracts, segregated fund account balances	(11,544)	(1,710)	(12,887)	(13,118)
Changes in underlying items of the segregated funds	(408,083)	(17,235)	(456,325)	(459,033)
Net investment and insurance finance result	\$ 18,234	\$ 27,527	\$ 98,076	\$ 82,822

⁽¹⁾ Interest accretion based on the locked-in rate.

With regards to general fund assets and liabilities, the duration of insurance contract liability cash flows is greater than the assets supporting them. Hence, the liabilities are generally more sensitive to interest rate changes than the assets. Changes in equity values and other non-fixed income assets that are not

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

passed through to policyholders generally have an impact on investment income with no offsetting change in insurance finance income (expense).

Amounts related to change in investment contracts, which includes deferred annuities and guaranteed annuities, arise from discount rates that include a provision to reflect Empire Life's own credit risk and an illiquidity adjustment.

With regards to insurance contracts measured using the Variable Fee Approach ("VFA"), the change in the underlying items is recognized both as insurance finance income (expense) and investment income (loss), with offsetting impacts. For these contracts, changes in the effect of time value of money and financial risk not arising from underlying items adjust the Contractual Service Margin ("CSM") and are not included in the insurance finance income (expense) amounts presented in the table above, except to the extent that the risk mitigation option applies.

8. Other assets

Other assets are comprised of the following:

	June 30 2025	December 31 2024
Accrued investment income	\$ 60,249	\$ 56,315
Income taxes receivable	26,853	984
Property and equipment	2,046	2,731
Intangible assets	69,385	58,752
Goodwill	24,986	24,986
Other	153,334	53,786
Total	\$ 336,853	\$ 197,554

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

9. Segregated funds

The following table identifies segregated fund assets by category of asset:

	June 30, 2025			December 31, 2024		
	Insurance Contracts	Investment Contracts	Total	Insurance Contracts	Investment Contracts	Total
Cash	\$ 99,472	\$ 1,789	\$ 101,261	\$ 5,771	\$ 49	\$ 5,820
Short-term investments	609,247	16,272	625,519	554,631	14,594	569,225
Bonds	1,777,605	103,406	1,881,011	1,853,375	101,854	1,955,229
Common and preferred shares	6,768,949	252,736	7,021,685	6,714,958	240,608	6,955,566
	9,255,273	374,203	9,629,476	9,128,735	357,105	9,485,840
Add: other assets	19,880	1,950	21,830	20,911	1,725	22,636
Less: segregated funds held within general fund investments	(9,873)	(106,893)	(116,766)	(8,904)	(105,834)	(114,738)
Total	\$ 9,265,280	\$ 269,260	\$ 9,534,540	\$ 9,140,742	\$ 252,996	\$ 9,393,738

The following table presents the investments of the segregated funds measured on a recurring basis at fair value classified by the fair value hierarchy:

	June 30, 2025			December 31, 2024		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Cash	\$ 101,261	\$ —	\$ 101,261	\$ 5,820	\$ —	\$ 5,820
Short-term investments	—	625,519	625,519	—	569,225	569,225
Bonds	—	1,881,011	1,881,011	—	1,955,229	1,955,229
Common and preferred shares	7,021,685	—	7,021,685	6,955,566	—	6,955,566
Total	\$ 7,122,946	\$ 2,506,530	\$ 9,629,476	\$ 6,961,386	\$ 2,524,454	\$ 9,485,840

There were no transfers between Level 1 and Level 2 during the six month period ended June 30, 2025 or during the year ended December 31, 2024. There were no level 3 investments as at June 30, 2025 or December 31, 2024.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

The following table presents the change in segregated fund assets:

	Three months ended June 30		Six months ended June 30	
	2025	2024	2025	2024
Segregated fund assets beginning of the period	\$ 9,265,991	\$ 8,991,300	\$ 9,393,738	\$ 8,812,724
Additions to segregated funds:				
Amount received from policyholders	209,468	268,745	527,764	541,012
Interest	23,236	25,842	46,373	51,009
Dividends	35,796	36,426	70,599	72,765
Other income	1,589	5,611	5,541	12,557
Net realized gains on sale of investments	162,901	91,490	364,690	142,720
Net unrealized increase in fair value of investments	184,561	—	—	179,982
	617,551	428,114	1,014,967	1,000,045
Deductions from segregated funds:				
Amounts withdrawn or transferred by policyholders	281,465	350,507	709,109	816,922
Net unrealized decrease in fair value of investments	—	142,134	30,878	—
Management fees and other operating costs	65,953	65,297	132,150	127,820
	347,418	557,938	872,137	944,742
Net change in segregated funds held within general fund investments	(1,584)	2,905	(2,028)	(3,646)
Segregated fund assets end of the period	\$ 9,534,540	\$ 8,864,381	\$ 9,534,540	\$ 8,864,381

10. Insurance contracts and reinsurance contracts held assets/liabilities**Assets and liabilities**

The breakdown of portfolios of insurance contracts and reinsurance contracts held, that are in an asset position and those in a liability position is set out in the table below:

As at	June 30, 2025			December 31, 2024		
	(Assets)	Liabilities	Total	(Assets)	Liabilities	Total
Insurance contracts						
Insurance contracts not measured under PAA, excluding segregated fund account balances	\$ —	\$ 6,322,426	\$ 6,322,426	\$ —	\$ 6,432,269	\$ 6,432,269
Insurance contracts measured under PAA	—	461,651	461,651	—	436,167	436,167
Insurance contracts, excluding segregated fund account balances	—	6,784,077	6,784,077	—	6,868,436	6,868,436
Insurance contracts for segregated fund account balances	—	9,265,280	9,265,280	—	9,140,742	9,140,742
Total insurance contracts	—	16,049,357	16,049,357	—	16,009,178	16,009,178
Less insurance contracts measured under PAA	—	(461,651)	(461,651)	—	(436,167)	(436,167)
Total insurance contracts not measured under PAA	\$ —	\$ 15,587,706	\$ 15,587,706	\$ —	\$ 15,573,011	\$ 15,573,011
Reinsurance contracts held						
Reinsurance contracts held not measured under PAA	\$ (109,762)	\$ 250,254	\$ 140,492	\$ (115,042)	\$ 218,745	\$ 103,703
Reinsurance contract held measured under PAA	(185,721)	(4,445)	(190,166)	(181,029)	(4,896)	(185,925)
Total reinsurance contracts held	\$ (295,483)	\$ 245,809	\$ (49,674)	\$ (296,071)	\$ 213,849	\$ (82,222)

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by measurement component for insurance contracts

The tables below present a roll-forward of the net asset or liability for insurance contracts issued showing estimates of the present value of future cash flows, risk adjustment for non-financial risk and CSM. These tables exclude insurance contracts measured using the Premium Allocation Approach ("PAA").

For the six months ended June 30, 2025	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Insurance contracts at beginning of period					
Insurance contract liabilities, excluding segregated fund account balances	\$ 3,796,532	\$ 1,120,159	\$ 1,364,892	\$ 150,686	\$ 6,432,269
Insurance contract liabilities for segregated fund account balances	9,140,742	—	—	—	9,140,742
Total insurance contracts beginning of period	12,937,274	1,120,159	1,364,892	150,686	15,573,011
Changes that relate to current services					
CSM recognized for services provided			(79,794)	(9,018)	(88,812)
Change in risk adjustment for non-financial risk for risk expired		(32,661)			(32,661)
Experience adjustments	(8,975)				(8,975)
Changes that relate to future services					
Contracts initially recognized in the period	(68,405)	51,558	—	20,260	3,413
Changes in estimates that adjust the CSM	(35,833)	4,662	24,143	7,028	—
Changes in estimates that do not adjust the CSM	2,784	(4,589)			(1,805)
Changes that relate to past services					
Adjustments to liabilities for incurred claims	(358)	(8)	—	—	(366)
Insurance service result	(110,787)	18,962	(55,651)	18,270	(129,206)
Insurance finance income, excluding segregated fund account balances	(24,108)	(964)	10,613	2,123	(12,336)
Insurance finance expenses segregated fund account balances	443,438				443,438
Total changes in the consolidated statement of income	308,543	17,998	(45,038)	20,393	301,896
Cash flows					
Premiums received	462,723				462,723
Claims and other expenses paid	(332,752)				(332,752)
Insurance acquisition cash flows	(98,272)				(98,272)
Total cash flows	31,699				31,699
Movements related to insurance contract liabilities for segregated fund account balances	(318,900)				(318,900)
Total insurance contracts at end of period	\$ 12,958,616	\$ 1,138,157	\$ 1,319,854	\$ 171,079	\$ 15,587,706
Insurance contracts at end of period					
Insurance contract liabilities, excluding segregated fund account balances	\$ 3,693,336	\$ 1,138,157	\$ 1,319,854	\$ 171,079	\$ 6,322,426
Insurance contract liabilities for segregated fund account balances	9,265,280	—	—	—	9,265,280
Total insurance contracts at end of period	\$ 12,958,616	\$ 1,138,157	\$ 1,319,854	\$ 171,079	\$ 15,587,706

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2024	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Insurance contracts at beginning of year					
Insurance contract liabilities, excluding segregated fund account balances	\$ 3,740,020	\$ 1,106,509	\$ 1,376,708	\$ 87,831	\$ 6,311,068
Insurance contract liabilities for segregated fund account balances	8,507,285	—	—	—	8,507,285
Total insurance contracts beginning of year	12,247,305	1,106,509	1,376,708	87,831	14,818,353
Changes that relate to current services					
CSM recognized for services provided			(163,731)	(12,898)	(176,629)
Change in risk adjustment for non-financial risk for risk expired		(59,481)			(59,481)
Experience adjustments	37,607				37,607
Changes that relate to future services					
Contracts initially recognized in the period	(130,777)	102,060	—	38,341	9,624
Changes in estimates that adjust the CSM	(115,764)	(48,479)	130,237	34,006	—
Changes in estimates that do not adjust the CSM	18,838	(22,960)			(4,122)
Changes that relate to past services					
Adjustments to liabilities for incurred claims	2,183	(5)	—	—	2,178
Insurance service result	(187,913)	(28,865)	(33,494)	59,449	(190,823)
Insurance finance expense, excluding segregated fund account balances	122,346	42,515	21,678	3,406	189,945
Insurance finance expenses segregated fund account balances	1,089,553				1,089,553
Total changes in the consolidated statement of income	1,023,986	13,650	(11,816)	62,855	1,088,675
Cash flows					
Premiums received	901,066				901,066
Claims and other expenses paid	(600,698)				(600,698)
Insurance acquisition cash flows	(178,289)				(178,289)
Total cash flows	122,079				122,079
Movements related to insurance contract liabilities for segregated fund account balances	(456,096)				(456,096)
Total insurance contracts at end of year	\$ 12,937,274	\$ 1,120,159	\$ 1,364,892	\$ 150,686	\$ 15,573,011
Insurance contracts at end of year					
Insurance contract liabilities, excluding segregated fund account balances	\$ 3,796,532	\$ 1,120,159	\$ 1,364,892	\$ 150,686	\$ 6,432,269
Insurance contract liabilities for segregated fund account balances	9,140,742	—	—	—	9,140,742
Total insurance contracts at end of year	\$ 12,937,274	\$ 1,120,159	\$ 1,364,892	\$ 150,686	\$ 15,573,011

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by remaining coverage and incurred claims for insurance contracts

The table below present a roll-forward of the net asset or liability for all insurance contracts issued showing liabilities for remaining coverage and liability for incurred claims. These tables include insurance contracts measured using the PAA.

For the six months ended June 30, 2025	Remaining coverage		Incurred claims			Total
	Excluding loss component	Loss component	Contracts not using PAA	Contracts using PAA		
				Estimate of PV of future cash flows	Risk adjustment	
Insurance contracts at beginning of period						
Insurance contract liabilities, excluding segregated fund account balances	\$ 6,239,089	\$ 11,487	\$ 167,836	\$ 409,871	\$ 40,153	\$ 6,868,436
Insurance contract liabilities for segregated fund account balances	9,140,742	—	—	—	—	9,140,742
Total insurance contract at beginning of period	15,379,831	11,487	167,836	409,871	40,153	16,009,178
Insurance service revenue						
Contracts under fair value approach	(325,371)					(325,371)
Contracts post transition	(426,916)					(426,916)
Insurance service expenses						
Incurred claims and other expenses		(232)	235,288	332,419	—	567,475
Amortization of insurance acquisition cash flows	27,784					27,784
Losses and reversal of losses on onerous contracts		1,608	—	—	—	1,608
Adjustments to liabilities for incurred claims		—	(366)	13,001	567	13,202
Investment components	(60,816)		60,816			—
Insurance service result	(785,319)	1,376	295,738	345,420	567	(142,218)
Insurance finance (income) expense from insurance contracts, excluding segregated fund account balances	(12,456)	147	—	4,305	330	(7,674)
Insurance finance expenses, insurance contracts segregated fund account balances	443,438					443,438
Total changes in the consolidated statement of income	(354,337)	1,523	295,738	349,725	897	293,546
Cash flows						
Premiums received	825,999					825,999
Claims and other expenses paid			(332,752)	(329,442)		(662,194)
Insurance acquisition cash flows	(98,272)					(98,272)
Total cash flows	727,727		(332,752)	(329,442)		65,533
Movements related to insurance contract liabilities for segregated fund account balances	(318,900)		—			(318,900)
Total insurance contracts at end of period	\$15,434,321	\$ 13,010	\$ 130,822	\$ 430,154	\$ 41,050	\$16,049,357
Insurance contracts at end of period						
Insurance contract liabilities, excluding segregated fund account balances	\$ 6,169,041	\$ 13,010	\$ 130,822	\$ 430,154	\$ 41,050	\$ 6,784,077
Insurance contract liabilities for segregated fund account balances	9,265,280	—	—	—	—	9,265,280
Total insurance contracts at end of period	\$15,434,321	\$ 13,010	\$ 130,822	\$ 430,154	\$ 41,050	\$16,049,357

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2024	Remaining coverage		Incurred claims			Total
	Excluding loss component	Loss component	Contracts not using PAA	Contracts using PAA		
				Estimate of PV of future cash flows	Risk adjustment	
Insurance contracts at beginning of year						
Insurance contract liabilities	\$ 6,133,450	\$ 7,077	\$ 158,049	\$ 375,077	\$ 34,781	\$ 6,708,434
Insurance contract liabilities for segregated fund account balances	8,507,285	—	—	—	—	8,507,285
Total insurance contract at beginning of year	14,640,735	7,077	158,049	375,077	34,781	15,215,719
Insurance service revenue						
Contracts under fair value approach	(635,101)					(635,101)
Contracts post transition	(770,191)					(770,191)
Insurance service expenses						
Incurred claims and other expenses		(1,427)	491,674	632,334	—	1,122,581
Amortization of insurance acquisition cash flows	41,577					41,577
Losses and reversal of losses on onerous contracts		5,502	—	—	—	5,502
Adjustments to liabilities for incurred claims		—	2,178	12,249	2,955	17,382
Investment components	(116,633)		116,633			—
Insurance service result	(1,480,348)	4,075	610,485	644,583	2,955	(218,250)
Insurance finance expenses from insurance contracts, excluding segregated fund account balances	189,642	335	—	23,799	2,417	216,193
Insurance finance expenses, insurance contracts segregated fund account balances	1,089,553					1,089,553
Total changes in the consolidated statement of income	(201,153)	4,410	610,485	668,382	5,372	1,087,496
Cash flows						
Premiums received	1,574,634					1,574,634
Claims and other expenses paid			(600,698)	(633,588)		(1,234,286)
Insurance acquisition cash flows	(178,289)					(178,289)
Total cash flows	1,396,345		(600,698)	(633,588)		162,059
Movements related to insurance contract liabilities for segregated fund account balances	(456,096)		—			(456,096)
Total insurance contracts at end of year	\$15,379,831	\$ 11,487	\$ 167,836	\$ 409,871	\$ 40,153	\$16,009,178
Insurance contracts at end of year						
Insurance contract liabilities, excluding segregated fund account balances	\$ 6,239,089	\$ 11,487	\$ 167,836	\$ 409,871	\$ 40,153	\$ 6,868,436
Insurance contract liabilities for segregated fund account balances	9,140,742	—	—	—	—	9,140,742
Total insurance contracts at end of year	\$15,379,831	\$ 11,487	\$ 167,836	\$ 409,871	\$ 40,153	\$16,009,178

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Insurance service revenue

	For the three months ended		For the six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Contracts not measured under the PAA				
CSM recognized for services provided	\$ 44,262	\$ 42,909	\$ 88,812	\$ 86,564
Change in risk adjustment for non-financial risk for risk expired	16,672	14,825	32,707	29,154
Expected claims and other insurance service expenses	122,324	108,286	243,986	217,022
Recovery of insurance acquisition cash flows	14,423	18,403	27,784	28,033
Total	197,681	184,423	393,289	360,773
Contracts measured under the PAA	181,520	166,862	358,998	329,554
Total insurance service revenue	\$ 379,201	\$ 351,285	\$ 752,287	\$ 690,327

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by measurement component for reinsurance contracts held

The tables below present a roll-forward of the net asset or liability for reinsurance contracts held showing estimates of the present value of future cash flows, risk adjustment for non-financial risk and CSM. These tables exclude reinsurance contracts held measured using the PAA.

For the six months ended June 30, 2025	Estimates of present value of future cash flows	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Reinsurance contracts held at beginning of period					
Reinsurance contracts held (assets)	\$ 328,320	\$ (312,915)	\$ (195,362)	\$ 64,915	\$ (115,042)
Reinsurance contract held liabilities	263,190	(69,762)	25,454	(137)	218,745
Net reinsurance contracts held at beginning of period	591,510	(382,677)	(169,908)	64,778	103,703
Changes that relate to current services					
CSM recognized for services received			11,374	(3,988)	7,386
Risk adjustment recognized for non-financial risk expired		13,479			13,479
Experience adjustments	9,314				9,314
Changes that relate to future services					
Contracts initially recognized in the period	7,634	(22,391)	—	12,643	(2,114)
Changes in estimates that adjust the CSM	12,993	(2,039)	(9,593)	(1,361)	—
Changes in estimates that adjust recoveries of losses on onerous underlying contracts	1,103	(344)			759
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM			104	640	744
Changes that relate to past services					
Changes in amounts recoverable arising from changes in liability for incurred claims	(150)	—			(150)
Reinsurance service result	30,894	(11,295)	1,885	7,934	29,418
Reinsurance finance (income) expense	(1,960)	(51)	(3,009)	1,626	(3,394)
Total changes in the consolidated statement of income	28,934	(11,346)	(1,124)	9,560	26,024
Cash flows					
Premiums paid	(65,905)				(65,905)
Amounts received	76,670				76,670
Total cash flows	10,765				10,765
Net reinsurance contracts held at end of period	\$ 631,209	\$ (394,023)	\$ (171,032)	\$ 74,338	\$ 140,492
Reinsurance contracts held at end of period					
Reinsurance contracts held (assets)	\$ 335,683	\$ (325,861)	\$ (193,979)	\$ 74,395	\$ (109,762)
Reinsurance contracts held liabilities	295,526	(68,162)	22,947	(57)	250,254
Net reinsurance contracts held at end of period	\$ 631,209	\$ (394,023)	\$ (171,032)	\$ 74,338	\$ 140,492

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(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2024	Estimates of present value of future cash	Risk adjustment for non-financial risk	Contractual service margin		Total
			Fair value approach	Post transition	
Reinsurance contracts held at beginning of year					
Reinsurance contracts held (assets)	\$ 338,565	\$ (318,235)	\$ (178,218)	\$ 44,817	\$ (113,071)
Reinsurance contracts held liabilities	251,770	(82,399)	83,634	225	253,230
Net reinsurance contracts held at beginning of year	590,335	(400,634)	(94,584)	45,042	140,159
Changes that relate to current services					
CSM recognized for services received			18,608	(6,620)	11,988
Risk adjustment recognized for non-financial risk expired		23,905			23,905
Experience adjustments	(5,249)				(5,249)
Changes that relate to future services					
Contracts initially recognized in the period	13,517	(44,657)	—	24,928	(6,212)
Changes in estimates that adjust the CSM	37,567	57,668	(90,168)	(5,067)	—
Changes in estimates that adjust recoveries of losses on onerous underlying contracts	(3,103)	1,888			(1,215)
Changes in recoveries of losses on onerous underlying contracts that adjust the CSM			878	3,449	4,327
Changes that relate to past services					
Changes in amounts recoverable arising from changes in liability for incurred claims	378	—			378
Reinsurance service result	43,110	38,804	(70,682)	16,690	27,922
Reinsurance finance expenses (income)	1,523	(20,847)	(4,642)	3,046	(20,920)
Total changes in the consolidated statement of income	44,633	17,957	(75,324)	19,736	7,002
Cash flows					
Premiums paid	(145,836)				(145,836)
Amounts received	102,378				102,378
Total cash flows	(43,458)				(43,458)
Net reinsurance contracts held at end of year	\$ 591,510	\$ (382,677)	\$ (169,908)	\$ 64,778	\$ 103,703
Reinsurance contracts held at end of year					
Reinsurance contracts held (assets)	\$ 328,320	\$ (312,915)	\$ (195,362)	\$ 64,915	\$ (115,042)
Reinsurance contracts held liabilities	263,190	(69,762)	25,454	(137)	218,745
Net reinsurance contracts held at end of year	\$ 591,510	\$ (382,677)	\$ (169,908)	\$ 64,778	\$ 103,703

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Analysis by remaining coverage and incurred claims for reinsurance contracts held

The tables below present a roll-forward of the net asset or liability for all reinsurance contracts held showing (assets) liabilities for remaining coverage and amounts recoverable on incurred claims. These tables include reinsurance contracts held measured using the PAA.

For the six months ended June 30, 2025	Remaining coverage		Incurred claims			Total
	Excluding loss recovery component	Loss recovery component	Contracts not using PAA	Contracts using PAA		
				Estimate of PV of future cash flows	Risk adjustment	
Reinsurance contracts held (assets) liabilities at beginning of period						
Reinsurance contracts held (assets)	\$ (114,934)	\$ (4,268)	\$ 4,159	\$ (165,435)	\$ (15,593)	\$ (296,071)
Reinsurance contracts held liabilities	266,648	—	(47,271)	(5,528)	—	213,849
Net reinsurance contracts held liabilities (assets) at beginning of period	151,714	(4,268)	(43,112)	(170,963)	(15,593)	(82,222)
Allocation of premiums paid						
Contracts under fair value approach	75,044					75,044
Contracts post transition	99,271					99,271
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred in the period		670	(54,819)	(82,948)	—	(137,097)
Changes in amounts recoverable from changes in liability for incurred claims			(150)	(2,717)	90	(2,777)
Changes in fulfilment cash flows which relate to onerous underlying contracts		(611)				(611)
Net income or expense from reinsurance contracts held	174,315	59	(54,969)	(85,665)	90	33,830
Reinsurance finance income	(3,292)	(102)	—	(1,919)	(141)	(5,454)
Total changes in the consolidated statement of income (loss)	171,023	(43)	(54,969)	(87,584)	(51)	28,376
Cash flows						
Premiums paid	(155,699)					(155,699)
Amounts received			76,670	83,201		159,871
Total cash flows	(155,699)		76,670	83,201		4,172
Net reinsurance contracts held liabilities (assets) at end of period	\$ 167,038	\$ (4,311)	\$ (21,411)	\$ (175,346)	\$ (15,644)	\$ (49,674)
Reinsurance contracts held (assets) liabilities at end of period						
Reinsurance contracts held (assets)	\$ (109,470)	\$ (4,307)	\$ 4,010	\$ (170,072)	\$ (15,644)	\$ (295,483)
Reinsurance contracts held liabilities	276,508	(4)	(25,421)	(5,274)	—	245,809
Net reinsurance contracts held liabilities (assets) at end of period	\$ 167,038	\$ (4,311)	\$ (21,411)	\$ (175,346)	\$ (15,644)	\$ (49,674)

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

For the year ended December 31, 2024	Remaining coverage		Incurred claims			Total
	Excluding loss recovery component	Loss recovery component	Contracts using PAA			
			Contracts not using PAA	Estimate of PV of future cash flows	Risk adjustment	
Reinsurance contracts held (assets) liabilities at beginning of year						
Reinsurance contracts held (assets)	\$ (114,315)	\$ (2,539)	\$ 3,783	\$ (154,192)	\$ (14,096)	\$ (281,359)
Reinsurance contracts held liabilities	284,196	—	(25,010)	(5,956)	—	253,230
Net reinsurance contracts held liabilities (assets) at beginning of year	169,881	(2,539)	(21,227)	(160,148)	(14,096)	(28,129)
Allocation of premiums paid						
Contracts under fair value approach	141,679					141,679
Contracts post transition	185,972					185,972
Amounts recoverable from reinsurers						
Amounts recoverable for claims and other expenses incurred in the period		1,636	(124,641)	(158,544)	—	(281,549)
Changes in amounts recoverable from changes in liability for incurred claims			378	(207)	(514)	(343)
Changes in fulfilment cash flows which relate to onerous underlying contracts		(3,100)				(3,100)
Net income or expense from reinsurance contracts held	327,651	(1,464)	(124,263)	(158,751)	(514)	42,659
Reinsurance finance income	(20,655)	(265)	—	(11,035)	(983)	(32,938)
Total changes in the consolidated statement of income	306,996	(1,729)	(124,263)	(169,786)	(1,497)	9,721
Cash flows						
Premiums paid	(325,163)					(325,163)
Amounts received			102,378	158,971		261,349
Total cash flows	(325,163)		102,378	158,971		(63,814)
Net reinsurance contracts liabilities (assets) end of year	\$ 151,714	\$ (4,268)	\$ (43,112)	\$ (170,963)	\$ (15,593)	\$ (82,222)
Reinsurance contracts held (assets) liabilities at end of year						
Reinsurance contracts held (assets)	\$ (114,934)	\$ (4,268)	\$ 4,159	\$ (165,435)	\$ (15,593)	\$ (296,071)
Reinsurance contracts held liabilities	266,648	—	(47,271)	(5,528)	—	213,849
Net reinsurance contracts held liabilities (assets) at end of year	\$ 151,714	\$ (4,268)	\$ (43,112)	\$ (170,963)	\$ (15,593)	\$ (82,222)

11. Capital stock

	June 30, 2025			December 31, 2024	
	Authorized	Issued and outstanding	Amount	Issued and outstanding	Amount
Preferred shares				Restated	
Series A Preference Shares	402,733	258	\$ 1	258	\$ 1
First Preference Shares, Series 1	unlimited	4,000,000	100,000	4,000,000	100,000
First Preference Shares, Series 2	unlimited	4,000,000	100,000	4,000,000	100,000
First Preference Shares, Series 3	unlimited	4,000,000	100,000	4,000,000	100,000
Common shares	unlimited	346,172,200	62,346	346,172,200	62,346
Total			\$ 362,347		\$ 362,347

Common Share Split

On May 7, 2025, E-L Financial approved a 100 for one share split ("Share Split") of E-L Financial's issued and outstanding common shares. Each shareholder of record at the close of business on May 23, 2025 ("Record Date") that continued to hold their shares through May 30, 2025 ("Payment Date") received 99

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

additional shares for every one share held on the Record Date. All common share numbers and per common share amounts have been adjusted to reflect the Share Split as if it was retroactively applied to all prior periods presented.

As a result of the Share Split, the ratio by which the Series A Preference Shares of the Company are convertible into common shares will be adjusted by a proportion corresponding to the Share Split ratio. The Share Split will not change the number of Series A Preference Shares that the Company is authorized to issue or the number of Series A Preference Shares outstanding.

Normal Course Issuer Bid

On March 10, 2025, the Company obtained approval from the TSX to renew its normal course issuer bid ("NCIB"). After adjustment for the Share Split, the Company can purchase up to 17,308,600 common shares between March 12, 2025 and March 11, 2026. Daily purchases (other than pursuant to a block purchase exemption) on the TSX under the NCIB are limited to 5,678 common shares (post Share Split). The price that the Company pays for the common shares is the prevailing market price at the time of acquisition. No shares were purchased under the NCIB for the six month period ended June 30, 2025 or for the year ended December 31, 2024.

The following dividends were declared by the Board of Directors at their meeting on August 7, 2025, with a record and payable date of September 29, 2025 and October 17, 2025, respectively:

- First Preference Shares, Series 1, \$0.33125 per share;
- First Preference Shares, Series 2, \$0.296875 per share;
- First Preference Shares, Series 3, \$0.34375 per share;
- Series A Preference Shares, \$0.125 per share; and
- Common shares, \$0.04 per share.

The dividends declared on August 7, 2025 will be recorded in the third quarter of 2025.

12. Capital management

Empire Life manages its regulatory capital in order to meet the regulatory capital adequacy requirements of the *Insurance Companies Act* as established and monitored by OSFI. OSFI has implemented the Life Insurance Capital Adequacy Test ("LICAT") framework to monitor capital adequacy. Under this framework, Empire Life's capital adequacy is measured as a ratio of available capital plus surplus allowance and eligible deposits divided by a base solvency buffer. OSFI has established a Supervisory Target Total Ratio of 100% and a Supervisory Target Core Ratio of 70%. As at June 30, 2025 and December 31, 2024, Empire Life was in compliance with the applicable regulatory capital ratios.

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

13. Borrowings

The table below presents the debt obligations of the Company:

				June 30, 2025		December 31, 2024	
As at	Interest rate	Earliest par call or redemption date	Maturity	Carrying value	Fair value	Carrying value	Fair value
Empire Life							
Series 2021-1 ⁽¹⁾	2.024 %	Sept. 24, 2026	2031	\$ 199,757		\$ 199,659	
Series 2023-1 ⁽²⁾	5.503 %	Jan. 13, 2028	2033	199,645		199,575	
Total subordinated debt				\$ 399,402	\$ 405,380	\$ 399,234	\$ 402,940
E-L Corporate							
Senior unsecured notes ⁽³⁾	4.000 %		2050	200,000	174,170	199,635	176,710
Total borrowings				\$ 599,402	\$ 579,550	\$ 598,869	\$ 579,650

⁽¹⁾ Unsecured debentures due 2031. From September 24, 2026, interest is payable at 0.67% over CORRA plus 0.32138% credit adjustment spread.

⁽²⁾ Unsecured debentures due 2033. From January 13, 2028, interest is payable at 2.26% over CORRA.

⁽³⁾ The senior unsecured note bears interest at an annual rate of 4.0% calculated and payable semi-annually in arrears on June 22 and December 22 of each year commencing December 22, 2020 and ending June 22, 2050.

14. E-L Corporate risk management

The objective of E-L Corporate's risk management process is to ensure that the operations of the Company encompassing risk are consistent with the Company's objectives and risk tolerance, while maintaining an appropriate risk/reward balance. The Company is exposed to financial risks arising from its investing activities. For investment risks, the Company is exposed to credit risk, liquidity risk and various market risks including interest rate risk, equity risk and foreign currency risk.

The disclosures in Notes 3 and 5 provide the breakdown of investments by type and by geographic region based on the underlying risk. The fair values of these investments are inherently volatile and frequently change in value as a result of factors beyond the Company's control, including general economic and capital market conditions.

In the sections that follow, the Company provides sensitivities and risk exposure measures for certain risks. These include sensitivities due to specific changes in market prices, based on the market prices as at the calculation dates. The sensitivities are calculated independently for each risk factor, assuming that all other risk variables remain constant. The sensitivities do not take into account indirect effects such as potential impacts on impairments or valuation allowances on deferred tax assets. Actual results can differ materially from these estimates for a variety of reasons, including differences in the pattern or distribution of market shocks, the interaction among these factors when more than one factor changes; changes in investment return and future investment activity assumptions; effective tax rates and other market factors; and the general limitations of the Company's internal models used for purposes of these calculations. Changes due to new sales or maturities, asset purchases/sales, or other management actions could also result in material changes to these reported sensitivities. For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined, and should not be viewed as predictors for the Company's future net income, OCI, and capital sensitivities. Given the nature of these calculations, the Company cannot provide assurance that the actual impact will be consistent with the estimates provided. Changes in risk variables in excess of the ranges illustrated may result in other than proportionate impacts.

E-L Corporate owns investments in global equities and fixed income securities directly and indirectly through limited partnerships and other investment companies. In addition, the E-L Corporate segment

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includes the invested assets of United, the Company's closed-end investment subsidiary. E-L Corporate has two significant investments in associates: Economic, a closed-end investment company and Algoma, a shipping company.

The Company maintains a strategy of long-term growth through capital appreciation and dividend and interest income from its investments. The externally managed investment portfolios have mandates in which the manager's performance is evaluated. Their performance is reviewed by management on a monthly basis, evaluating performance over a period of time relative to their mandate. On a quarterly basis, the Board of Directors reviews the E-L Corporate investment portfolio, including investment performance benchmarked against the relevant indices, exposure by geographic distribution, investment concentration and significant movements in the investment portfolios during the period.

Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes a financial loss to another party.

The gross credit risk exposure for the Company related to its financial instruments is as follows:

As at	June 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 224,549	\$ 154,217
Preferred shares	1,554	1,711
Accrued investment income	9,658	4,391
Total	\$ 235,761	\$ 160,319

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's liquidity risk management strategy is to ensure that there will be sufficient cash to meet all financial commitments and obligations as they become due.

The majority of the Corporate Investment's obligations relate to its ability to pay annual dividend commitments, outstanding investment commitments, interest on the 4.0% senior unsecured notes and margin loan (refer to Note 13 - Borrowings) and to meet ongoing operating expenses as they fall due. In most years, the Company is able to fund these obligations by its cash flow from net investment income earned on its investment portfolio. In addition to this, the Company maintains sufficient liquidity through holding short term investments, cash equivalents and high quality marketable investments that may easily be sold, if necessary to fund new investment opportunities and to meet any operating cash flow deficiencies. The Company also uses a margin loan facility to fund certain investment opportunities or provide short term liquidity as required.

E-L Corporate's liquidity is comprised of \$224,549 in cash and cash equivalents at June 30, 2025 (December 31, 2024 - \$154,217).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is directly influenced by the volatility and liquidity in the markets in which the related financial instruments are traded, expectations of future price and yield movements and the composition of the Company's investment portfolio. The Company's most significant market risks are equity risk and foreign currency risk.

The following table summarizes the potential impact on E-L Corporate of a change in global equity markets. E-L Corporate used a 10% increase or decrease in equity markets as such a change is considered to be a reasonably possible change in equity markets based on historic results and is a useful comparator as it is commonly used. E-L Corporate used a 20% increase or decrease in its equity market

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sensitivity to illustrate that changes in equity markets in excess of 10% may result in both linear and non-linear impacts, and a 20% change in equity markets is a commonly used additional sensitivity factor.

The calculations below assume that all other variables are held constant and that all of E-L Corporate's equities move according to a one-to-one correlation with the equity markets.

Effect on shareholders' net income	June 30 2025	December 31 2024
Investments - corporate		
10% fluctuation	\$ 572,646	\$ 587,614
20% fluctuation	\$ 1,145,292	\$ 1,175,228
Investments in associates		
10% fluctuation	\$ 24,725	\$ 21,689
20% fluctuation	\$ 49,450	\$ 43,378

Concentration of common equity holdings

E-L Corporate has a \$1,146,831 (December 31, 2024 - \$1,282,066) investment in an exchange traded fund which tracks the S&P 500 index representing 15% (December 31, 2024 - 16%) of E-L Corporate's total investments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in exchange rates and create an adverse effect on earnings and equity when measured in the Company's functional currency. A 10% fluctuation in the U.S. dollar would have approximately \$343,511 (December 31, 2024 - \$360,549) affect on shareholders' net income and \$7,925 (December 31, 2024 - \$7,925) on other comprehensive income.

15. Empire Life risk management

In the sections that follow, Empire Life provides sensitivities and risk exposure measures for certain risks. These include sensitivities due to specific changes in market prices and interest rates, based on the market prices, interest rates, assets, liabilities and business mix in place as at the calculation dates. The sensitivities are calculated independently for each risk variable, assuming that all other risk variables remain constant. The sensitivities do not take into account indirect effects such as potential impacts on goodwill impairments or valuation allowances on deferred tax assets. Actual results can differ materially from these estimates for a variety of reasons, including differences in the pattern or distribution of market shocks, the interaction among these factors when more than one factor changes; changes in actuarial and investment return and future investment activity assumptions; actual experience differing from the assumptions; changes in business mix, effective tax rates and other market factors; and the general limitations of Empire Life's internal models used for purposes of these calculations. Changes due to new sales or maturities, asset purchases/sales, or other management actions could also result in material changes to these reported sensitivities. For these reasons, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined and should not be viewed as predictors for Empire Life's future net income, CSM, equity and capital sensitivities. Given the nature of these calculations, Empire Life cannot provide assurance that the actual impact will be consistent with the estimates provided. Changes in risk variables in excess of the ranges illustrated may result in other than proportionate impacts. Amounts disclosed in this note do not incorporate an adjustment for non-controlling interests.

Market risk

For Empire Life, the most significant market risks are equity risk and interest rate risk. Foreign exchange risk, liquidity risk, credit risk, concentration of credit risk and product risk have not changed materially

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since December 31, 2024. Information related to market sensitivities should be read in conjunction with the information contained in the Empire Life risk management note in the Company's 2024 Annual Report.

a) Equity risk

The impacts, in millions of Canadian dollars, of one-time changes in equity markets are found below:

As at June 30, 2025		CSM				Profit or loss and equity			
		10% Increase	10% Decrease	20% Increase	20% Decrease	10% Increase	10% Decrease	20% Increase	20% Decrease
Insurance and reinsurance contracts held	\$	91	\$ (98)	\$ 176	\$ (196)	\$ (31)	\$ 34	\$ (64)	\$ 62
Financial assets (equities)		—	—	—	—	44	(44)	88	(88)
Total	\$	91	\$ (98)	\$ 176	\$ (196)	\$ 13	\$ (10)	\$ 24	\$ (26)

As at December 31, 2024		CSM				Profit or loss and equity			
		10% Increase	10% Decrease	20% Increase	20% Decrease	10% Increase	10% Decrease	20% Increase	20% Decrease
Insurance and reinsurance contracts held	\$	98	\$ (114)	\$ 186	\$ (246)	\$ (31)	\$ 32	\$ (63)	\$ 64
Financial assets (equities)		—	—	—	—	39	(32)	80	(49)
Total	\$	98	\$ (114)	\$ 186	\$ (246)	\$ 8	\$ —	\$ 17	\$ 15

b) Interest rate risk

The impacts, in millions of Canadian dollars, of one-time changes in interest rates are found below:

As at June 30, 2025		CSM				Profit or loss and equity			
		50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease	50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease
Insurance and reinsurance contracts held	\$	(3)	\$ (3)	\$ (12)	\$ (13)	\$ 277	\$ (313)	\$ 525	\$ (664)
Financial assets (debt instruments)		—	—	—	—	(316)	343	(601)	724
Total	\$	(3)	\$ (3)	\$ (12)	\$ (13)	\$ (39)	\$ 30	\$ (76)	\$ 60

As at December 31, 2024		CSM				Profit or loss and equity			
		50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease	50 bps Increase	50 bps Decrease	100 bps Increase	100 bps Decrease
Insurance and reinsurance contracts held	\$	26	\$ (35)	\$ 44	\$ (78)	\$ 290	\$ (328)	\$ 547	\$ (699)
Financial assets (debt instruments)		—	—	—	—	(347)	387	(658)	818
Total	\$	26	\$ (35)	\$ 44	\$ (78)	\$ (57)	\$ 59	\$ (111)	\$ 119

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

16. Operating segments

In managing its investments, the Company distinguishes between E-L Corporate and its investment in Empire Life. The Company's E-L Corporate segment includes United, the Company's closed-end investment subsidiary, investments in associates and investments - corporate. Empire Life underwrites life and health insurance policies and provides segregated funds, mutual funds and annuity products.

The following is an analysis of significant items of profit and loss by operating segment, operating segment assets and operating segment liabilities, reconciled to the Company's consolidated financial statements. The accounting policies applied by the operating segments are the same as those for the Company as a whole.

Three months ended	E-L Corporate	Empire Life	Total
June 30, 2025			
Net insurance result	\$ —	\$ 76,946	\$ 76,946
Non-insurance investment income	446,765	9,193	455,958
Total expenses	(10,900)	(38,470)	(49,370)
Income before income taxes	435,865	47,669	483,534
Income taxes	(62,909)	(8,594)	(71,503)
Net income	372,956	39,075	412,031
Less: NCI and PAR	39,851	7,073	46,924
Segment shareholders' net income	\$ 333,105	\$ 32,002	\$ 365,107

Three months ended	E-L Corporate	Empire Life	Total
June 30, 2024			
Net insurance result	\$ —	\$ 70,100	\$ 70,100
Non-insurance investment income	274,583	15,241	289,824
Total expenses	(10,082)	(35,777)	(45,859)
Income before income taxes	264,501	49,564	314,065
Income taxes	(37,472)	(9,205)	(46,677)
Net income	227,029	40,359	267,388
Less: NCI and PAR	30,553	5,148	35,701
Segment shareholders' net income	\$ 196,476	\$ 35,211	\$ 231,687

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Six months ended	E-L Corporate	Empire Life	Total
June 30, 2025			
Net insurance result	\$ —	\$ 206,464	\$ 206,464
Non-insurance investment income	458,972	17,466	476,438
Total expenses	(23,412)	(78,927)	(102,339)
Income before income taxes	435,560	145,003	580,563
Income taxes	(53,059)	(32,478)	(85,537)
Net income	382,501	112,525	495,026
Less: NCI and PAR	33,230	10,842	44,072
Segment shareholders' net income	\$ 349,271	\$ 101,683	\$ 450,954

Six months ended	E-L Corporate	Empire Life	Total
June 30, 2024			
Net insurance result	\$ —	\$ 164,200	\$ 164,200
Non-insurance investment income	943,500	22,201	965,701
Total expenses	(22,593)	(61,259)	(83,852)
Income before income taxes	920,907	125,142	1,046,049
Income taxes	(125,545)	(27,257)	(152,802)
Net income	795,362	97,885	893,247
Less: NCI and PAR	103,363	10,887	114,250
Segment shareholders' net income	\$ 691,999	\$ 86,998	\$ 778,997

	E-L Corporate	Empire Life	Total
June 30, 2025			
Segment assets ⁽¹⁾	\$ 8,275,982	\$ 19,741,936	\$ 28,017,918
Segment liabilities	\$ 757,906	\$ 17,672,734	\$ 18,430,640
December 31, 2024			
Segment assets ⁽¹⁾	\$ 8,452,206	\$ 19,666,621	\$ 28,118,827
Segment liabilities	\$ 764,129	\$ 17,616,148	\$ 18,380,277

⁽¹⁾ Segment assets include investments in associates of \$536,726 (December 31, 2024 - \$558,156).

The following table shows the interest and dividend income received during the period:

Three months ended	E-L Corporate	Empire Life	Total
June 30, 2025			
Interest income received	\$ 1,509	\$ 74,596	\$ 76,105
Dividend income received	43,553	15,045	58,598
Total	\$ 45,062	\$ 89,641	\$ 134,703
June 30, 2024			
Interest income received	\$ 1,719	\$ 70,577	\$ 72,296
Dividend income received	45,404	14,742	60,146
Total	\$ 47,123	\$ 85,319	\$ 132,442

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(all dollar figures in thousands of Canadian dollars, except per share amounts and where otherwise stated)

Six months ended	E-L Corporate	Empire Life	Total
June 30, 2025			
Interest income received	\$ 4,785	\$ 146,114	\$ 150,899
Dividend income received	114,917	26,584	141,501
Total	\$ 119,702	\$ 172,698	\$ 292,400
June 30, 2024			
Interest income received	\$ 2,897	\$ 140,177	\$ 143,074
Dividend income received	71,608	25,513	97,121
Total	\$ 74,505	\$ 165,690	\$ 240,195

Glossary of Terms

Accumulated Other Comprehensive Income (“AOCI”)

A separate component of shareholders' equity and policyholders' account which includes remeasurement of post-employment benefit liabilities and certain OCI (OCL) amounts from Associates. These items have been recognized in comprehensive income but excluded from net income.

Active Market

An active market is a market in which the items traded are homogeneous, willing buyers and sellers can normally be found at anytime and prices are available to the public.

Canadian Institute of Actuaries (“CIA”)

The CIA is the qualifying and governing body of the actuarial profession in Canada. The CIA develops and upholds rigorous standards, shares its risk management expertise, and advances actuarial science to improve lives in Canada and around the world. Its more than 6,000 members apply their knowledge of math, statistics, data analytics, and business in providing services and advice of the highest quality to help Canadian people and organizations face the future with confidence.

Canadian Life and Health Insurance Association (“CLHIA”)

The CLHIA is an organization representing life insurance and health insurance providers in Canada. The industry develops guidelines, voluntarily and proactively, to respond to emerging issues and to ensure consumer interests are protected.

Chartered Professional Accountants of Canada (“CPA Canada”)

Canada's not-for-profit association for Chartered Professional Accountants (“CPA”) provides information and guidance to its members, students and capital markets. Working in collaboration with its provincial member organizations, CPA Canada supports the setting of accounting, auditing and assurance standards for business, not-for-profit organizations and government, and develops and delivers education programs.

Contractual Service Margin (“CSM”)

A component of the carrying amount of the asset or liability for a group of insurance contracts representing the unearned profit the entity will recognize as it provides insurance contract services under the insurance contracts in the group.

Effective Interest Method

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Expected Credit Loss (“ECL”)

An expected loss amount as a result of credit deterioration of the party that has been issued the credit.

Fair Value Through Profit or Loss (“FVTPL”)

Invested assets are classified as financial instruments at FVTPL if they are held for trading, or if they are designated by management under the fair value option.

Fulfilment Cash Flow (“FCF”)

An explicit, unbiased and probability-weighted estimate (i.e., expected value) of the present value of the future cash outflows minus the present value of the future cash inflows that will arise as the entity fulfill

International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”)

Refers to the international accounting standards that were adopted in Canada, effective January 1, 2011; these are now Canadian Generally Accepted Accounting Principles for publically traded enterprises.

Life Insurance Capital Adequacy Test (“LICAT”)

The LICAT measures the capital adequacy of an insurer and is one of several indicators used by OSFI to assess an insurer's financial condition. The LICAT Ratio is the ratio of eligible capital to the base solvency buffer, each as calculated under OSFI's published guidelines.

Other Comprehensive Income (“OCI”), Other Comprehensive Loss (“OCL”)

Remeasurements of post-employment benefit liabilities are recorded as OCI or OCL. These remeasurements will not be reclassified to net income and will remain in AOCI.

Office of the Superintendent of Financial Institutions Canada (“OSFI”)

The mandate of OSFI is to regulate and supervise federally regulated financial institutions and pension plans in Canada to contribute to public confidence in the financial system.

Participating Policies (“PAR”)

The participating account includes all policies issued by Empire Life that entitle its policyholders to participate in the profits of the participating account. Empire Life has discretion as to the amount and timing of dividend payments which take into consideration the continuing solvency of the participating account.

Return on Common Shareholders’ Equity (“ROE”)

A profitability measure that presents the net income available to common shareholders as a percentage of the average capital deployed to earn the income.

Risk Adjustment (“RA”)

The compensation an entity requires for bearing the uncertainty about the amount and timing of the cash flows that arises from non-financial risk as the entity fulfills insurance contracts.

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STOCK EXCHANGE LISTINGS:

Common Shares	ELF
First Preference Shares, Series 1	ELF.PR.F
First Preference Shares, Series 2	ELF.PR.G
First Preference Shares, Series 3	ELF.PR.H

WEBSITE:

www.e-lfinancial.ca

REPORTING PROCEDURE FOR ACCOUNTING MATTERS

If you have a complaint regarding accounting, internal controls or a concern regarding questionable accounting, you should submit your written complaint or concern to:

Mr. Peter Levitt

E-L Financial Corporation Limited

165 University Avenue, 10th Floor

Toronto, Ontario

M5H 3B8

Email: Peter@LevittAdvisory.ca

Phone: (647) 236-1064

You may submit your complaint or concern anonymously. Your submission will be kept confidential and will be treated in accordance with the Company's policy for reporting accounting or auditing matters.