

May 12, 2023

E-L FINANCIAL CORPORATION LIMITED ANNOUNCES MARCH 31, 2023 FINANCIAL RESULTS

TORONTO, Ontario - E-L Financial Corporation Limited (“E-L Financial” or the “Company”) (TSX: ELF) (TSX: ELF.PR.F) (TSX: ELF.PR.G) (TSX: ELF.PR.H) today reported a net equity value per common share of \$1,775.42 as at March 31, 2023, a decline of 0.6% compared to \$1,785.66 as at December 31, 2022.

This marks the first quarter reporting under the International Financial Reporting Standards 17 (“IFRS 17”) Insurance Contracts and IFRS 9 Financial Instruments (“IFRS 9”). Accordingly, the March 31, 2023 interim consolidated financial statements, reflect the restatement of prior period amounts for these accounting changes. These accounting changes resulted in a reduction to common shareholders' equity of \$319 million as at December 31, 2022.

The net equity value per common share as at December 31, 2022 of \$1,785.66 has not been adjusted to reflect the adoption of IFRS 17 and IFRS 9. Excluding the impact of these accounting changes, the growth in net equity value per common share including dividends, would have been 4.9% for the first quarter of 2023.

E-L Financial reported a consolidated net income of \$305 million or \$86.96 per common share at March 31, 2023 compared to a restated net loss of \$227 million or \$64.03 per common share in 2022.

Today the Board of Directors of E-L Financial declared a quarterly dividend of \$3.75 per common share payable on July 17, 2023, record date June 30, 2023.

E-L Corporate

For the first quarter ended March 31, 2023, E-L Corporate reported a net income of \$253 million compared to a net loss of \$274 million for the comparative period in 2022. The increase in earnings was due to a net gain on investments of \$323 million in 2023 compared to a net loss of \$462 million in 2022. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of 8% in 2023 compared to a pre-tax total return of negative 7% in the prior year.

Empire Life

Empire Life reported net income of \$52 million for the first quarter of 2023 compared to \$47 million for the first quarter of 2022. The increase in first quarter earnings over prior year was primarily a result of a more neutral economic environment.

Empire Life's Life Insurance Capital Adequacy Test (“LICAT”) total ratio was 152% at March 31, 2023 compared to 138% at December 31, 2022, well above the requirements set by the Office of the Superintendent of Financial Institutions Canada as well as Empire Life's minimum internal targets.

CONSOLIDATED SUMMARY OF NET INCOME (LOSS)
(UNAUDITED)

E-L Financial Consolidated <i>(millions of dollars)</i>	First quarter	
	2023	2022
		restated ⁽¹⁾
Contribution to net income (loss)		
E-L Corporate ⁽²⁾	\$ 253	\$ (274)
Empire Life ⁽²⁾	52	47
Net income (loss)	\$ 305	\$ (227)

E-L Corporate <i>(millions of dollars)</i>	First quarter	
	2023	2022
		restated ⁽¹⁾
Net gain (loss) on investments	\$ 323	\$ (462)
Investment and other income	38	25
Share of associates income	10	4
	371	(433)
Operating expenses	14	10
Income taxes	44	(59)
Non-controlling interests	60	(110)
	118	(159)
Net income (loss)	\$ 253	\$ (274)

Empire Life <i>(millions of dollars)</i>	First quarter	
	2023	2022
		restated ⁽¹⁾
Insurance service result	\$ 44	\$ 41
Insurance investment result	33	33
Fee and other income ⁽³⁾	22	1
	99	75
Expenses	30	16
Income and other taxes	13	13
Non-controlling interests and net income (loss) attributable to the participating account	4	(1)
	47	28
Net income	\$ 52	\$ 47

⁽¹⁾ Amounts have been restated to reflect the adoption of the IFRS 17 and IFRS 9 accounting standards, refer to note 2 of the interim condensed consolidated financial statements

⁽²⁾ Net of non-controlling interests and net income attributable to the participating account

⁽³⁾ Included in non-insurance investment results

Non-GAAP Measures

The Company uses non-GAAP measures including net equity value and growth in net equity value per common share to provide investors with measures of its operating performance that may not otherwise be apparent when relying solely on International Financial Reporting Standards (“IFRS”) financial measures. Net equity value per common share provides an indication of the accumulated shareholder value, adjusting shareholders’ equity to reflect investments in associates at fair value, net of tax, as opposed to their carrying value. 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.

The Company also uses assets under management to provide investors with supplemental measures of Empire Life's operating performance and to highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. The Company also believes that securities analysts, investors and other interested parties frequently use non-GAAP measures in the evaluation of issuers.

About E-L Financial

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

E-L Corporate represents investments in stocks and fixed income securities held directly and indirectly through pooled funds, closed-end investment companies and other investment companies. The investment strategy is to accumulate shareholder value through long-term capital appreciation and dividend and interest income from its investments.

Empire Life is a subsidiary of E-L Financial. Since 1923, Empire Life has provided individual and group life and health insurance, investment and retirement products to Canadians. Empire Life’s mission is to make it simple, fast and easy for Canadians to get the products and services they need to build wealth, generate income, and achieve financial security. As of March 31, 2023 Empire Life had total assets under management of \$18 billion.

For further information please contact:

Scott F. Ewert
Vice President and Chief Financial Officer
E-L Financial Corporation Limited
Telephone: (416) 947-2578 Fax: (416) 362-0792