

March 7, 2024

## **E-L FINANCIAL CORPORATION LIMITED ANNOUNCES DECEMBER 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 \$1,968.17 as at December 31, 2023, an increase of 10.2% compared to \$1,785.66 as at December 31, 2022 and an increase of 9.9% compared to \$1,791.68 as at September 30, 2023. On a ten year basis, E-L Financial reported a 9.5% compounded annual growth in the net equity value per common share, including dividends.

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 International Financial Reporting Standards 17 (“IFRS 17”) Insurance Contracts and IFRS 9 Financial Instruments (“IFRS 9”). Fiscal 2023 marked the first year of reporting under IFRS 17 and 9 for the Company. Excluding the impact of these accounting changes, the growth in net equity value per common share including dividends, would have been 16.9% for 2023.

For the year ended December 31, 2023, E-L Financial reported a consolidated net income of \$933 million or \$265.60 per common share compared to a net loss of \$326 million or \$96.03 per common share in 2022. For the fourth quarter ended December 31, 2023, E-L Financial reported a consolidated net income of \$501 million or \$144.61 per common share compared to \$376 million or \$107.62 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 April 17, 2024, with a record date of March 28, 2024.

“2023 was a monumental year for our insurance company, Empire Life, as we celebrated the company's 100th anniversary. I congratulate the people who have contributed to Empire Life's success and accomplishments over the past 100 years.

2023 was a year of strong performance in our investment portfolios and is consistent with our strategy to deliver long-term growth to our shareholders,” said Duncan N.R. Jackman, Chairman, President and CEO of E-L Financial.

### **E-L Corporate**

For the year ended December 31, 2023, E-L Corporate reported net income of \$778 million compared to a net loss of \$381 million in 2022. The increase in earnings was due to a net gain on investments of \$948 million in 2023 compared to a net loss of \$767 million in 2022. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of 19% in 2023 compared to a pre-tax total return of negative 11% for the prior year.

E-L Corporate reported net income of \$391 million for the fourth quarter ended December 31, 2023 compared to \$371 million in 2022. The increase in the net income was due to larger gains from the global investment portfolio of \$516 million in 2023 compared to \$451 million for the fourth quarter of 2022. E-L Corporate's global investment portfolio had a pre-tax total return, including dividend income, of 9% for the fourth quarters of both 2023 and 2022.

### **Empire Life**

For the year ended December 31, 2023, Empire Life reported net income of \$155 million compared to \$55 million in 2022. The increase in year to date earnings compared to the prior year was primarily due to higher net investment and insurance finance results driven by a more favourable economic environment from interest rate movements and positive equity returns.

Empire Life reported net income of \$110 million for the fourth quarter of 2023 compared to \$5 million for the fourth quarter of 2022. The increase in fourth quarter earnings over prior year was primarily due to higher net investment and insurance finance results driven by a more favourable economic environment from interest rate movements and positive equity returns.

Empire Life's Life Insurance Capital Adequacy Test ("LICAT") total ratio was 155% at December 31, 2023 compared to 138% at December 31, 2022<sup>(1)</sup>, well above the requirements set by the Office of the Superintendent of Financial Institutions Canada as well as Empire Life's minimum internal targets.

<sup>(1)</sup> The December 31, 2022 LICAT result has not been adjusted for the impacts from the adoption of IFRS 17 and IFRS 9.

CONSOLIDATED SUMMARY OF NET INCOME (LOSS)  
(UNAUDITED)

<b>E-L Financial Consolidated</b> <i>(millions of dollars)</i>	<b>Fourth quarter</b>		<b>Year</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		restated <sup>(1)</sup>		restated <sup>(1)</sup>
<b>Contribution to net income (loss)</b>				
E-L Corporate <sup>(2)</sup>	\$ 391	\$ 371	\$ 778	\$ (381)
Empire Life <sup>(2)</sup>	110	5	155	55
<b>Net income (loss)</b>	<b>\$ 501</b>	<b>\$ 376</b>	<b>\$ 933</b>	<b>\$ (326)</b>

<b>E-L Corporate</b> <i>(millions of dollars)</i>	<b>Fourth quarter</b>		<b>Year</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		restated <sup>(1)</sup>		restated <sup>(1)</sup>
Net gain (loss) on investments	\$ 516	\$ 451	\$ 948	\$ (767)
Investment and other income	32	35	143	128
Share of associates (loss) income	(31)	23	(9)	58
	517	509	1,082	(581)
Expenses	12	10	43	37
Income taxes	59	64	134	(81)
Non-controlling interests	55	64	127	(156)
	126	138	304	(200)
<b>Net income (loss)</b>	<b>\$ 391</b>	<b>\$ 371</b>	<b>\$ 778</b>	<b>\$ (381)</b>

<b>Empire Life</b> <i>(millions of dollars)</i>	<b>Fourth quarter</b>		<b>Year</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		restated <sup>(1)</sup>		restated <sup>(1)</sup>
Net insurance service result	\$ 47	\$ 58	\$ 181	\$ 193
Net investment and insurance finance result	142	(44)	136	(86)
Fee and other income <sup>(3)</sup>	9	8	31	24
	198	22	348	131
Expenses	25	16	113	73
Income and other taxes	35	(7)	46	(2)
Non-controlling interests and net income attributable to the participating account	28	8	34	5
	88	17	193	76
<b>Net income</b>	<b>\$ 110</b>	<b>\$ 5</b>	<b>\$ 155</b>	<b>\$ 55</b>

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

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

<sup>(3)</sup> 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 Accounting Standards”) 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 Accounting Standards 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 December 31, 2023 Empire Life had total assets under management of \$19 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