

August 7, 2025



MOUNT LOGAN
CAPITAL

Mount Logan Capital Inc. Announces Second Quarter 2025 Financial Results

Declared quarterly distribution of C\$0.02 per common share in the third quarter of 2025, the twenty-fourth consecutive quarter of a shareholder distribution

Asset management segment generated \$8.4 million in Fee Related Earnings ("FRE") for the trailing twelve months ended June 30, 2025, a 28% increase over the prior year period

Generated \$4.6 million of Spread Related Earnings ("SRE") for the trailing twelve months ended June 30, 2025, which reflects 0.7% of spread earnings on Ability's assets

Mount Logan and 180 Degree Capital (Nasdaq: TURN) filed definitive proxy materials for the proposed Business Combination

Mount Logan expects to hold a special meeting of its shareholders on August 22nd at 10:00 A.M. (Eastern Time) to consider several resolutions related to the Business Combination

All amounts are stated in United States dollars, unless otherwise indicated

TORONTO, Aug. 07, 2025 (GLOBE NEWSWIRE) -- Mount Logan Capital Inc. (Cboe Canada: MLC) ("Mount Logan" or the "Company") announced today its financial results for the quarter ended June 30, 2025.

Second Quarter 2025 Highlights

- **FRE for the asset management segment** was \$1.9 million for the quarter, an increase of 19% compared to the second quarter of 2024, due to stability in management fee revenues, as well as reduction in expenses within the asset management expense. FRE for the trailing twelve months was \$8.4 million, an increase of 28% from the comparative trailing twelve-month period, primarily attributable to the increase in fee revenue, equity investment earnings and other income, combined with the decrease in general, administrative and other expenses.
- **Total revenue for the asset management segment of the Company** was \$4.5 million, an increase of \$1.2 million, or 34%, as compared to the second quarter of 2024. Asset management revenues exclude \$1.6 million of management fees associated with Mount Logan's management of the assets of Ability Insurance Company ("Ability"), a wholly-owned subsidiary of the Company, which increased by \$0.1 million, or approximately 6% as compared to the second quarter 2024 of \$1.5 million.
- **Total net investment income for the insurance segment** was \$20.6 million for the three months ended June 30, 2025, a decrease of \$2.9 million, or 12%, as compared to the second quarter of 2024, owing to a decrease in bond yields, reduced investment balance, interest expense related to interest rate swaps and reduction in previously accrued income on legacy mortgage loan portfolio assets within Ability's sub-managed portfolio.
- **Achieved 7.2%¹ yield on the insurance investment portfolio** for the quarter ended June 30, 2025. Excluding the funds withheld under reinsurance contracts and modified coinsurance, the yield was 7.4%.

- **Ability's total assets managed by Mount Logan** increased to \$680 million as of June 30, 2025, an increase of \$43 million from the second quarter of 2024 of \$636 million. As of June 30, 2025, the insurance segment included approximately \$1.1 billion in total investment assets, flat from the second quarter of 2024 investment assets of \$1.1 billion.
- **Book value of the insurance segment** as of June 30, 2025 was \$88.5 million, a decrease of \$0.3 million as compared to \$88.8 million for the second quarter of 2024. **SRE for the insurance segment** was \$4.6 million for the trailing twelve months ended June 30, 2025, down \$7.0 million from the trailing twelve months ended June 30, 2024 of \$11.6 million, primarily driven by an increase in cost of funds, partially offset by lower other operating expenses. The increase in cost of funds was primarily driven by an unfavorable in-force update, as claims were higher than anticipated, to the Long Term Care ("LTC") business (Guardian block) of \$1.8 million for the trailing twelve months ended June 30, 2025, while there was a favorable in-force update to the LTC business (Medico block) of \$4.8 million for the twelve months ended June 30, 2024. Additionally, higher interest accretion on LTC liabilities further contributed to the increase in cost of funds. Other operating expenses decreased as we continue to optimize and streamline operations and reduce overall expenses.

Subsequent Events

- **Declared a shareholder distribution in the amount of C\$0.02 per common share** for the quarter ended June 30, 2025, payable on August 25, 2025 to shareholders of record at the close of business on August 19, 2025. This cash dividend marks the twenty-fourth consecutive quarter of the Company issuing a C\$0.02 distribution to its shareholders. This dividend is designated by the Company as an eligible dividend for the purpose of the *Income Tax Act* (Canada) and any similar provincial or territorial legislation. An enhanced dividend tax credit applies to eligible dividends paid to Canadian residents.
- **A definitive joint proxy statement/prospectus was filed with the United States Securities and Exchange Commission (the "SEC") for the previously announced merger of Mount Logan with 180 Degree Capital Corp. (Nasdaq: TURN) ("180 Degree Capital")**, in an all-stock transaction (the "Business Combination"). The surviving entity is expected to be a Delaware corporation operating as New Mount Logan listed on Nasdaq under the symbol "MLCI". As required under U.S. federal securities laws and related rules and regulations, the joint proxy statement/prospectus included Mount Logan's audited financial statements for the years ended December 31, 2024 and 2023 and quarters ended March 31, 2025 and March 31, 2024 prepared in accordance with U.S. Generally Accepted Accounting Principles. In connection with the Business Combination, shareholders of Mount Logan will receive proportionate ownership of New Mount Logan determined by reference to Mount Logan's transaction equity value at signing, subject to certain pre-closing adjustments, relative to 180 Degree Capital's Net Asset Value ("NAV") at closing. Shareholders holding approximately 26% of the outstanding shares of Mount Logan and approximately 20% of the outstanding shares of 180 Degree Capital signed voting agreements supporting the Business Combination, and an additional 8% of Mount Logan and 7% of 180 Degree Capital shareholders, respectively, have provided written non-binding indications of support for the Business Combination. Mount Logan's special meeting of shareholders is currently scheduled for August 22, 2025 to consider and, if deemed advisable, approve, various resolutions related to the Business Combination. Shareholders are encouraged to vote FOR all resolutions to be considered at the special meeting of shareholders.
- **Portman Ridge Finance Corporation (Nasdaq: PTMN) and Logan Ridge Finance Corporation (Nasdaq: LRFC) merger closed.** Mount Logan currently earns management fees from LRFC and has a minority stake in PTMN's manager, Sierra Crest Investment Management.

¹The yield is calculated based on the net investment income less management fees paid to Mount Logan divided by the average of investments in financial assets for the current year and prior year.

Management Commentary

- **Ted Goldthorpe, Chief Executive Officer and Chairman of Mount Logan** stated, “We are pleased to report our second quarter 2025 results, which reflect the durability of Mount Logan’s fee-based business model. Our managed funds performance remains strong with low volatility, underpinned by our focus on investing in high quality, private credit assets that exhibit strong risk-adjusted returns. We remain excited about the opportunities we are seeing to deploy capital and increase our assets under management, while we remain focused on enacting operational improvements to increase profitability across our business. We are also nearing the conclusion of our proposed, transformative business combination with 180 Degree Capital. This transaction is expected to position us to accelerate growth across fee and spread-related earnings. A U.S. NASDAQ listing is also expected to broaden our investor base and improve trading liquidity.”

Selected Financial Highlights

- **Total Capital of the Company** was \$142.0 million at June 30, 2025, a decrease of \$8.3 million as compared to December 31, 2024. Total capital consists of debt obligations and total shareholders’ equity.
- **Consolidated net income (loss) before taxes** for the second quarter of 2025 was \$(3.3) million, representing a \$7.2 million decrease from \$3.8 million in the second quarter of 2024. This decrease was primarily driven by higher net insurance finance expenses, due to increased interest accretion on LTC liabilities and lower treasury yields, lower insurance service result, due to higher loss recognition on the newly assumed MYGA business, and lower net investment income, owing to decrease in bond yields, interest expense related to interest rate swaps and write-off of accrued income on a mortgage loan. These decreases were partially offset by an increase in net gains from investment activities mainly from unrealized gains on assets and interest rate swaps resulting from lower treasury yields within the insurance segment. Additionally, higher corporate transaction costs related to the Business Combination and amortization expense on intangible assets under the asset management segment further contributed to the loss compared to the second quarter of 2024.
- **Basic Earnings (loss) per share (“EPS”)** was (\$0.12) for the second quarter of 2025, a decrease of \$0.26 from \$0.14 for the second quarter of 2024.
- **Adjusted basic EPS** was \$0.03 for the second quarter of 2025, a decrease of \$0.12 from \$0.15 for the second quarter of 2024.

Results of Operations by Segment

	Three Months Ended			Six Months Ended	
	June 30, 2025	March 31, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Reported Results					
Asset management					
Revenue	\$ 4,545	\$ 3,192	\$ 3,394	\$ 7,737	\$ 7,424
Expenses	11,368	12,578	6,651	23,946	14,266
Net income (loss) - asset management	(6,823)	(9,386)	(3,257)	(16,209)	(6,842)
Insurance					
Revenue ⁽¹⁾	16,657	18,982	15,746	35,639	33,301
Expenses	13,170	23,280	8,642	36,450	9,464
Net income (loss) - insurance	3,487	(4,298)	7,104	(811)	23,837
Income before income taxes	(3,336)	(13,684)	3,847	(17,020)	16,995
Provision for income taxes	(34)	361	(265)	327	(321)
Net income (loss)	\$ (3,370)	\$ (13,323)	\$ 3,582	\$ (16,693)	\$ 16,674

Basic EPS	\$	(0.12)	\$	(0.48)	\$	0.14	\$	(0.59)	\$	0.65
Diluted EPS	\$	(0.12)	\$	(0.48)	\$	0.14	\$	(0.59)	\$	0.64
Adjusting Items										
Asset management										
Transaction costs ⁽²⁾		(2,545)		(4,545)		—		(7,090)		(251)
Acquisition integration costs ⁽³⁾		—		—		—		—		(250)
Non-cash items ⁽⁴⁾		(1,696)		(737)		(346)		(2,433)		(692)
Impact of adjusting items on expenses		(4,241)		(5,282)		(346)		(9,523)		(1,193)
Adjusted Results										
Asset management										
Revenue	\$	4,545	\$	3,192	\$	3,394	\$	7,737	\$	7,424
Expenses		7,127		7,296		6,305		14,423		13,073
Net income (loss) - asset management		(2,582)		(4,104)		(2,911)		(6,686)		(5,649)
Income before income taxes		905		(8,402)		4,193		(7,497)		18,188
Provision for income taxes		(34)		361		(265)		327		(321)
Net income (loss)	\$	871	\$	(8,041)	\$	3,928	\$	(7,170)	\$	17,867
Basic EPS	\$	0.03	\$	(0.29)	\$	0.15	\$	(0.25)	\$	0.69
Diluted EPS	\$	0.03	\$	(0.29)	\$	0.15	\$	(0.25)	\$	0.69

(1) Insurance Revenue line item is presented net of insurance service expenses and net expenses from reinsurance contracts held.

(2) Transaction costs are related to business acquisitions and strategic initiatives transacted by the Company.

(3) Acquisition integration costs are consulting and administration services fees related to integrating a business into the Company. Acquisition integration costs are recorded in general, administrative and other expenses.

(4) Non-cash items include amortization and impairment of acquisition-related intangible assets and impairment of goodwill, if any.

Asset Management

Total Revenue – Asset Management

(\$ in Thousands)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Management and incentive fee	\$ 3,288	\$ 3,832	\$ 6,216	\$ 7,326
Equity investment earning	42	(57)	324	167
Interest income	271	272	539	543
Dividend income	29	113	67	225

Other Income	6	—	305	—
Net gains (losses) from investment activities	909	(766)	286	(837)
Total revenue — asset management	\$ 4,545	\$ 3,394	\$ 7,737	\$ 7,424

Fee Related Earnings (“FRE”)

FRE is a non-IFRS financial measure used to assess the asset management segment’s generation of profits from revenues that are measured and received on a recurring basis and are not dependent on future realization events. The Company calculates FRE, and reconciles FRE to net income from its asset management activities, as follows:

(\$ in Thousands)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Net income (loss) and comprehensive income (loss)	\$ (3,370)	\$ 3,582	\$ (16,693)	\$ 16,674
Adjustment to net income (loss) and comprehensive income (loss):				
Total revenue - insurance ⁽¹⁾	(16,657)	(15,746)	(35,639)	(33,301)
Total expenses - insurance	13,170	8,642	36,450	9,464
Net income - asset management ⁽²⁾	(6,857)	(3,522)	\$ (15,882)	\$ (7,163)
<i>Adjustments to non-fee generating asset management business and other recurring revenue stream:</i>				
Management fee from Ability	1,613	1,529	3,179	2,958
Interest income	—	(1)	—	(1)
Dividend income	(28)	(113)	(67)	(225)
Net gains (losses) from investment activities ⁽³⁾	(909)	766	(286)	837
Administration and servicing fees	607	429	1,111	795
Transaction costs	2,545	—	7,090	251
Amortization and impairment of intangible assets	1,696	346	2,433	692
Interest and other credit facility expenses	1,872	1,661	3,729	3,363
General, administrative and other	1,361	505	2,840	1,738
Fee Related Earnings	\$ 1,900	\$ 1,600	\$ 4,147	\$ 3,245

(1) Includes add-back of management fees paid to ML Management.

(2) Represents net income for asset management, as presented in the interim Consolidated Statement of Comprehensive Income (Loss).

(3) Includes unrealized gains or losses on the debt warrants.

The following table presents FRE, the performance measure of our asset management segment for the trailing twelve month period ended June 30, 2025 and June 30, 2024 respectively:

(\$ in Thousands)

	Trailing Twelve Months Ended	
	June 30, 2025	June 30, 2024
Net income (loss) and comprehensive income (loss)	\$ (27,778)	\$ 30,325
Adjustment to net income (loss) and comprehensive income (loss):		
Total revenue - insurance ⁽¹⁾	(66,493)	(82,591)
Total expenses - insurance	65,507	36,659
Net income - asset management ⁽²⁾	(28,764)	(15,607)
<i>Adjustments to non-fee generating asset management business and other recurring revenue stream:</i>		
Management fee from Ability	6,246	5,413
Interest income	—	(1)
Dividend income	(340)	(644)
Net gains (losses) from investment activities ⁽³⁾	320	941
Administration and servicing fees	1,921	1,344
Transaction costs	9,013	2,536
Amortization and impairment of intangible assets	5,719	1,384
Interest and other credit facility expenses	8,301	6,683
General, administrative and other	6,033	4,565
Fee Related Earnings	\$ 8,449	\$ 6,614

(1) Includes add-back of management fees paid to ML Management.

(2) Represents net income for asset management, as presented across the interim Consolidated Statements of Comprehensive Income (Loss).

(3) Includes unrealized gains or losses on the debt warrants.

Insurance

Total Revenue – Insurance

(\$ in Thousands)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Insurance service result	\$ (5,695)	\$ (2,430)	\$ (7,892)	\$ (5,522)
Net investment income	20,591	23,488	39,595	45,292
Net gains (losses) from investment activities	5,030	(1,535)	11,988	1,131
Realized and unrealized gains (losses) on embedded derivative — funds withheld	(3,273)	(3,777)	(8,056)	(7,606)
Other income	4	—	4	6
Total revenue — net of insurance services expenses and net	\$ 16,657	\$ 15,746	\$ 35,639	\$ 33,301

Net insurance finance								
(income)/expense ⁽⁵⁾	(565)	12,506	(28,702)	30,940	(5,442)	(11,769)	14,399	(17,684)
Loss on onerous contracts ⁽⁶⁾	3,363	(1,548)	(545)	(822)	945	6,884	286	2,451
General, administrative and other ⁽⁷⁾	169	600	338	239	464	447	502	1,289
Spread Related Earnings	\$ (746)	\$ 375	\$ 3,125	\$ 1,866	\$ 2,429	\$ 7,871	\$ (1,457)	\$ 2,758

(1) Includes add-back of management fees paid by Ability to ML Management.

(2) Represents net income before tax for the insurance segment, as presented in the annual Consolidated Statement of Comprehensive Income (Loss).

(3) Excludes net (gains) losses from investment activities on assets retained by the Company under funds withheld arrangement with Front Street Re and Vista.

(4) Represents non-operating income.

(5) Includes the impact of changes in interest rates and other financials assumptions and excludes interest accretion on insurance contract liabilities and reinsurance contract assets.

(6) Represents the unamortized portion of future interest accretion and ceded commissions paid at the time of issue of new MYGA insurance contracts. Future interest accretion and ceded commissions are amortized over the average duration of MYGA contracts reinsured which aligns with the recognition of insurance service revenue. Loss on onerous contracts are part of Insurance service expense.

(7) Represents certain costs incurred by the insurance segment for purposes of IFRS reporting but not the day-to-day operations of the insurance company.

The following table presents SRE, the performance measure of the insurance segment:

(\$ in Thousands)

	Trailing Twelve Months Ended	
	June 30, 2025	June 30, 2024
Fixed Income and other investment income, net ⁽¹⁾	\$ 52,551	\$ 52,118
Cost of funds	(39,497)	(31,272)
Net Investment spread	13,054	20,846
Other operating expenses	(8,434)	(9,245)
Spread Related Earnings	\$ 4,620	\$ 11,601
SRE % of Average Net Investments	0.7 %	2.1 %

(1) Excludes net investment income from investment activities on assets retained by the Company under funds withheld arrangement with Front Street Re and Vista Life and Casualty Reinsurance Company ("Vista").

Spread related earnings ("SRE") was \$4.6 million for the trailing twelve months ended June 30, 2025 compared with \$11.6 million for the trailing twelve months ended June 30, 2024, a decrease of \$7.0 million. SRE decreased year over year due to higher cost of funds, partially offset by lower other operating expenses. Cost of funds increased primarily due to an unfavorable impact of in-force update of \$1.8 million related to the LTC business (Guardian block) whereas the trailing twelve months ended June 2024 had a favorable in-force impact of \$4.8 million from the LTC business (Medico block). Additionally, higher interest accretion on LTC liabilities further contributed to the increase in cost of funds. Other operating expenses decreased driven by ongoing efforts to streamline operations and reduce overall expenses.

SRE as a percentage of average net invested assets was 0.7% for the trailing twelve months ended June 30, 2025 compared with 2.1% for the trailing twelve months ended June 30, 2024.

Liquidity and Capital Resources

As of June 30, 2025, the asset management segment had \$77.8 million (par value) of borrowings outstanding, of which \$33.8 million had a fixed rate and \$44.0 million had a floating rate. As of June 30, 2025, the insurance segment had \$17.3 million (par value) of borrowings outstanding, of which \$14.3 million had a fixed rate and \$3.0 million had a floating rate. Liquid assets, including high-quality assets that are marketable, can be pledged as security for borrowings, and can be converted to cash in a time frame that meets liquidity and funding requirements. As of June 30, 2025 and December 31, 2024, the total liquid assets of the Company were as follows:

(\$ in Thousands)

As at	June 30, 2025	December 31, 2024
Cash and cash equivalents	\$ 122,514	\$ 85,988
Restricted cash posted as collateral	11,258	15,716
Investments	628,412	639,932
Management fee receivable	2,936	3,268
Receivable for investments sold	283	17,045
Accrued interest and dividend receivable	21,371	20,489
Total liquid assets	\$ 786,774	\$ 782,438

The Company defines working capital as the sum of cash, restricted cash, investments that mature within one year of the reporting date, management fees receivable, receivables for investments sold, accrued interest and dividend receivables, and premium receivables, less the sum of debt obligations, payables for investments purchased, amounts due to affiliates, reinsurance liabilities, and other liabilities that are payable within one year of the reporting date.

As at June 30, 2025, the Company had working capital of \$238.2 million, reflecting current assets of \$260.5 million, offset by current liabilities of \$22.3 million, as compared with working capital of \$231.2 million as at December 31, 2024, reflecting current assets of \$245.3 million, offset by current liabilities of \$14.1 million. The increase in working capital was primarily attributable to the increase in cash within the insurance business, partially offset by the decrease in cash within the asset management business, the decrease in investments and receivables for investments sold in the insurance business, and the increase in accrued expenses across both asset management and insurance.

Interest Rate Risk

The Company has obligations to policyholders and other debt obligations that expose it to interest rate risk. The Company also owns debt assets and interest rate swaps that are exposed to interest rate risk. The fair value of these obligations and assets may change if base rate changes in interest rates occur.

The following table summarizes the potential impact on net assets of hypothetical base rate changes in interest rates assuming a parallel shift in the yield curve, with all other variables remaining constant.

As at	June 30, 2025	December 31, 2024
50 basis point increase ⁽¹⁾	\$ 11,961	\$ 7,559
50 basis point decrease ⁽¹⁾	(14,079)	(18,939)

(1) Losses are presented in brackets and gains are presented as positive numbers.

Actual results may differ significantly from this sensitivity analysis. As such, the sensitivities should only be viewed as directional estimates of the underlying sensitivities for the respective factors based on the assumptions outlined above.

Conference Call

The Company will hold a conference call on Friday, August 8, 2025 at 11:00 a.m. Eastern Time to discuss the first quarter financial results. Shareholders, prospective shareholders, and analysts are welcome to listen to the call. To join the call, please use the dial-in information below. A recording of the conference call will be available on our Company's website www.mountlogancapital.ca in the 'Investor Relations' section under "Events".

Canada Dial-in Toll Free: 1-833-950-0062

US Dial-in Toll Free: 1-833-470-1428

[International Dial-ins](#)

Access Code: 386981

About Mount Logan Capital Inc.

Mount Logan Capital Inc. is an alternative asset management and insurance solutions company that is focused on public and private debt securities in the North American market and the reinsurance of annuity products, primarily through its wholly owned subsidiaries Mount Logan Management LLC ("ML Management") and Ability Insurance Company ("Ability"), respectively. Mount Logan also actively sources, evaluates, underwrites, manages, monitors and primarily invests in loans, debt securities, and other credit-oriented instruments that present attractive risk-adjusted returns and present low risk of principal impairment through the credit cycle.

ML Management was organized in 2020 as a Delaware limited liability company and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. The primary business of ML Management is to provide investment management services to (i) privately offered investment funds exempt from registration under the Investment Company Act of 1940, as amended (the "1940 Act") advised by ML Management, (ii) a non-diversified closed end management investment company that has elected to be regulated as a business development company, (iii) Ability, and (iv) non-diversified closed-end management investment companies registered under the 1940 Act that operate as interval funds. ML Management also acts as the collateral manager to collateralized loan obligations backed by debt obligations and similar assets.

Ability is a Nebraska domiciled insurer and reinsurer of long-term care policies and annuity products acquired by Mount Logan in the fourth quarter of fiscal year 2021. Ability is also no longer insuring or re-insuring new long-term care risk.

Non-IFRS Financial Measures

This press release makes reference to certain non-IFRS financial measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS financial measures by providing further understanding of the Company's results of operations from management's perspective. The Company's definitions of non-IFRS measures used in this press release may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements and information within the meaning of applicable securities legislation. Forward-looking statements can be identified by the expressions "seeks", "expects", "believes", "estimates", "will", "target" and similar expressions. The forward-looking statements are not historical facts but reflect the current expectations of the Company regarding future results or events and are based on information currently available to it. Certain material factors and assumptions were applied in providing these forward-looking statements. The forward-looking statements discussed in this release include, but are not limited to, statements about the benefits of the closing of the proposed Business Combination involving the Company and 180 Degree Capital, including future financial and operating results, the Company's and 180 Degree Capital's plans, objectives, expectations and intentions, the expected timing and likelihood of completion of the proposed Business Combination, the regulatory environment in which the Company operates, and the results of, or outlook for, the Company's operations or for the Canadian and U.S. economies, statements relating to the Company's continued transition to an asset management and insurance platform business and the entering into of further strategic transactions to diversify the Company's business and further grow recurring management fee and other income and increasing Ability's assets; the Company's plans to focus Ability's business on the reinsurance of annuity products; the decrease in expenses in the asset management segment; the historical growth in the asset management segment and insurance segment being an indicator for future growth; the growth and scalability of the Company's business the Company's business strategy, model, approach and future activities; portfolio composition and size, asset management activities and related income, capital raising activities, future credit opportunities of the Company, portfolio realizations, the protection of stakeholder value; the expansion of the Company's loan portfolio; and the expansion of Mount Logan's capabilities. All forward-looking statements in this press release are qualified by these cautionary statements. The Company believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, the Company can give no assurance that the actual results or developments will be realized by certain specified dates or at all. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including that the Company has a limited operating history with respect to an asset management oriented business model; Ability may not generate recurring asset management fees, increase its assets or strategically benefit the Company as expected; the expected synergies by combining the business of Mount Logan with the business of Ability may not be realized as expected; the risk that Ability may require a significant investment of capital and other resources in order to expand and grow the business; the Company does not have a record of operating an insurance solutions business and is subject to all the risks and uncertainties associated with a broadening of the Company's business; ability to obtain the requisite Company and 180 Degree Capital shareholder approvals, as well as governmental and regulatory approvals required for the proposed Business Combination with 180 Degree Capital; the risk that an event, change or other circumstance could give rise to the termination of the proposed Business Combination with 180 Degree Capital; the risk that a condition to closing of the proposed Business Combination with 180 Degree Capital may not be satisfied; the risk of delays in completing the proposed Business Combination with 180 Degree Capital; the risk that the businesses of the Company and with 180 Degree Capital will not be integrated successfully; the risk that the expected

synergies of the Business Combination with 180 Degree Capital may not be realized as expected and the matters discussed under “Risks Factors” in the most recently filed annual information form and management discussion and analysis for the Company. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by securities laws. These forward-looking statements are made as of the date of this press release.

This press release is not, and under no circumstances is it to be construed as, a prospectus or an advertisement and the communication of this release is not, and under no circumstances is it to be construed as, an offer to sell or an offer to purchase any securities in the Company or in any fund or other investment vehicle. This press release is not intended for U.S. persons. The Company’s shares are not and will not be registered under the U.S. Securities Act of 1933, as amended, and the Company is not and will not be registered under the U.S. Investment Company Act of 1940 (the “1940 Act”). U.S. persons are not permitted to purchase the Company’s shares absent an applicable exemption from registration under each of these Acts. In addition, the number of investors in the United States, or which are U.S. persons or purchasing for the account or benefit of U.S. persons, will be limited to such number as is required to comply with an available exemption from the registration requirements of the 1940 Act.

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MOUNT LOGAN CAPITAL INC.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of United States dollars, except share and per share amounts)

As at	Notes	June 30, 2025	December 31, 2024
ASSETS			
Asset Management:			
Cash		\$ 2,748	\$ 8,933
Investments	6	25,716	21,668
Intangible assets	9	22,368	24,801
Other assets		9,116	8,187
Total assets — asset management		59,948	63,589
Insurance:			
Cash and cash equivalents		119,766	77,055
Restricted cash posted as collateral	18	11,258	15,716
Investments	6	1,058,770	1,045,436
Reinsurance contract assets	13	400,139	392,092
Intangible assets	9	2,444	2,444

Goodwill	9	55,015	55,015
Other assets		21,596	38,183
Total assets — insurance		1,668,988	1,625,941
Total assets		\$ 1,728,936	\$ 1,689,530
LIABILITIES			
Asset Management			
Due to affiliates	10	\$ 13,567	\$ 10,470
Debt obligations	12	78,620	78,427
Derivatives - debt warrants	12	588	504
Accrued expenses and other liabilities		9,867	5,097
Total liabilities — asset management		102,642	94,498
Insurance			
Debt obligations	12	17,250	14,250
Insurance contract liabilities	13	1,100,527	1,048,413
Investment contract liabilities	14	217,772	227,041
Derivatives	18	457	5,192
Funds held under reinsurance contracts		237,281	239,918
Accrued expenses and other liabilities		7,201	2,995
Total liabilities — insurance		1,580,488	1,537,809
Total liabilities		1,683,130	1,632,307
EQUITY			
Common shares	11	121,372	116,118
Warrants	11	1,129	1,129
Contributed surplus		8,748	7,917
Surplus (Deficit)		(63,585)	(46,083)
Cumulative translation adjustment		(21,858)	(21,858)
Total equity		45,806	57,223
Total liabilities and equity		\$ 1,728,936	\$ 1,689,530

MOUNT LOGAN CAPITAL INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands of United States dollars, except share and per share amounts)

		Three months ended		Six months ended	
	Notes	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
REVENUE					
<i>Asset management</i>					
Management and incentive fee	7	\$ 3,288	\$ 3,832	\$ 6,216	\$ 7,326
Equity investment earning		42	(57)	324	167
Interest income		271	272	539	543
Dividend income		29	113	67	225
Other income		6	—	305	—
Net gains (losses) from investment activities	4	909	(766)	286	(837)
Total revenue — asset management		4,545	3,394	7,737	7,424

Insurance					
Insurance revenue	8	23,481	22,887	46,870	45,628
Insurance service expenses	8	(26,533)	(22,007)	(52,067)	(47,191)
Net expenses from reinsurance contracts held	8	(2,643)	(3,310)	(2,695)	(3,959)
Insurance service result		(5,695)	(2,430)	(7,892)	(5,522)
Net investment income	5	20,591	23,488	39,595	45,292
Net gains (losses) from investment activities	4	5,030	(1,535)	11,988	1,131
Realized and unrealized gains (losses) on embedded derivative — funds withheld		(3,273)	(3,777)	(8,056)	(7,606)
Other income		4	—	4	6
Total revenue, net of insurance service expenses and net expenses from reinsurance contracts held — insurance		16,657	15,746	35,639	33,301
Total revenue		21,202	19,140	43,376	40,725
EXPENSES					
Asset management					
Administration and servicing fees	10	1,812	1,953	3,049	3,376
Transaction costs		2,545	—	7,090	251
Amortization and impairment of intangible assets	9	1,696	346	2,433	692
Interest and other credit facility expenses	12	1,872	1,661	3,729	3,363
General, administrative and other		3,443	2,691	7,645	6,584
Total expenses — asset management		11,368	6,651	23,946	14,266
Insurance					
Net insurance finance (income) expenses	5	4,665	(964)	22,473	(8,216)
Increase (decrease) in investment contract liabilities	14	2,034	2,487	3,991	4,766
(Increase) decrease in reinsurance contract assets		3,553	4,149	4,519	7,705
General, administrative and other		2,918	2,970	5,467	5,209
Total expenses — insurance		13,170	8,642	36,450	9,464
Total expenses		24,538	15,293	60,396	23,730
Income (loss) before taxes		(3,336)	3,847	(17,020)	16,995
Income tax (expense) benefit — asset management	15	(34)	(265)	327	(321)
Net income (loss) and comprehensive income (loss)		\$ (3,370)	\$ 3,582	\$ (16,693)	\$ 16,674
Earnings per share					
Basic		\$ (0.12)	\$ 0.14	\$ (0.59)	\$ 0.65
Diluted		\$ (0.12)	\$ 0.14	\$ (0.59)	\$ 0.64
Dividends per common share — USD		\$ 0.01	\$ 0.02	\$ 0.03	\$ 0.03
Dividends per common share — CAD		\$ 0.02	\$ 0.02	\$ 0.04	\$ 0.04



MOUNT LOGAN
CAPITAL

Source: Mount Logan Capital Inc.