



Blue Capital Reinsurance Holdings (in liquidation) Reports First Quarter 2021 Financial Position

HAMILTON, Bermuda - April 29, 2021 - Blue Capital Reinsurance Holdings Ltd. (in liquidation) (OTC:BCRHF) (the "Company"), a Bermuda holding company, today reported its financial position for the first quarter of 2021. The Company, through its operating subsidiaries, previously offered collateralized reinsurance in the property catastrophe market and invested in various insurance-linked securities. The Company is currently winding down its operations.

Net assets in liquidation decreased \$1.6 million dollars in the current quarter, largely driven by the payment of an interim special distribution of \$1.8 million in February 2021, partially offset by modest favorable loss reserve development. The Company's fully converted book value per common share was \$0.43 at March 31, 2021, compared to \$0.61 as of December 31, 2020. Please note that the February 2021 distribution is not a final distribution; future distributions will occur to the extent sufficient funds are available as the liquidation continues.

About the Company

Blue Capital Reinsurance Holdings Ltd. (in liquidation), is currently winding down its operations. The Company, through its operating subsidiaries, previously offered collateralized reinsurance in the property catastrophe market, leveraging underwriting expertise and infrastructure from established resources. Underwriting decisions, operations and other management services are provided to the Company by Blue Capital Management Ltd., a subsidiary of Sompo International Holdings Ltd. (a wholly owned subsidiary of Sompo Holdings, Inc.), a recognized global specialty provider of property and casualty insurance and reinsurance and a leading property catastrophe and short tail reinsurer since 2001. Additional information can be found at www.bcapre.bm.

Contacts

Investor Relations

Phone: +1 441 278 0988

Email: investorrelations@Sompo-Intl.com

KPMG Advisory Limited

Phone: +1 441 295 5063

Email: investorrelations@Sompo-Intl.com

Mark Allitt - Joint Liquidator

Mike Morrison - Joint Liquidator

Forward-Looking Statements

Some of the statements in this press release may include, and the Company may make related oral forward-looking statements which reflect our current views with respect to future events and financial performance. Such statements may include forward-looking statements both with respect to us in general and the insurance and reinsurance sectors specifically, both as to underwriting and investment matters. Statements that include the words "should," "would," "expect," "estimates," "intend," "plan," "believe," "project," "target," "anticipate," "seek," "will," "deliver," and similar statements of a future or forward-looking nature identify forward-looking statements in this press release.

All forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or may be important factors that could cause the Company's run-off performance and the timing and amount of special distributions to differ materially from those indicated in the forward-looking statements. These factors include, but are not limited to, greater frequency or severity of claims and loss activity, uncertainties in our reserving process, changes to our tax status, credit risk related to our broker counterparties, assessments for high risk or otherwise uninsured individuals, possible terrorism or the outbreak of war, a loss of

key personnel, political conditions, changes in insurance regulation, operational risk, including the risk of fraud and errors and omissions, as well as technology breaches or failure, changes in accounting policies, our investment performance, the valuation of our invested assets, a breach of our investment guidelines, potential treatment of us as an investment company or a passive foreign investment company for purposes of U.S. securities laws or U.S. federal taxation, respectively, our dependence as a holding company upon dividends or distributions from our operating subsidiaries, the unavailability of capital in the future, developments in the world's financial and capital markets, government intervention in the insurance and reinsurance industry, illiquidity in the credit markets, changes in general economic conditions and other factors.

The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included herein and elsewhere, including the risk factors included in the Company's most recent annual financial statements posted on the Company's website. Any forward-looking statements made in this material are qualified by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by the Company will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company or its business or operations. Except as required by law, the Company undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

The contents of any website referenced in this press release are not incorporated by reference herein.

BLUE CAPITAL REINSURANCE HOLDINGS LTD. (in liquidation)
CONSOLIDATED STATEMENT OF NET ASSETS IN LIQUIDATION
(Liquidation Basis)
Unaudited

(In millions of U.S. dollars)	March 31, 2021
Assets	
Cash and cash equivalents	\$ 1.3
Reinsurance premiums receivable	0.9
Funds held by ceding companies	22.5
Other assets	—
Total Assets	\$ 24.7
Liabilities	
Loss and loss adjustment expense reserves	\$ 16.0
Reinsurance balances payable	3.8
Other liabilities	0.4
Liability for estimated costs in excess of estimated receipts during liquidation	0.7
Total Liabilities	20.9
Net Assets in Liquidation	\$ 3.8

BLUE CAPITAL REINSURANCE HOLDINGS LTD. (in liquidation)
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS IN LIQUIDATION
(Liquidation Basis)
Unaudited

(In millions of U.S. dollars)	Three Months Ended March 31, 2021
Net Assets in Liquidation at beginning of period	\$ 5.3
Changes in net assets in liquidation:	
Changes in liquidation value of reinsurance premiums receivable	—
Changes in liquidation value of loss and loss adjustment expense reserves	0.3
Remeasurement of assets and liabilities	—
Liquidating distributions to shareholders	(1.8)
Net Assets in Liquidation at end of period	\$ 3.8

BOOK VALUE AND FULLY CONVERTED BOOK VALUE PER COMMON SHARE
Unaudited

	March 31, 2021	December 31, 2020	September 30, 2020	March 31, 2020
Book value per share numerator (in millions of U.S. dollars):				
[A] Shareholders' Equity (in millions of U.S. dollars)	\$ 3.8	\$ 5.3	\$ 4.4	\$ 12.7
Book value per share denominators (in thousands of shares):				
[B] Common Shares outstanding	8,802	8,802	8,802	8,775
Restricted Share Units outstanding	—	—	—	27
[C] Fully converted book value per common share denominator	8,802	8,802	8,802	8,802
Book value per common share [A]/[B]	\$ 0.43	\$ 0.61	\$ 0.50	\$ 1.45
Fully converted book value per common share [A]/[C]	\$ 0.43	\$ 0.61	\$ 0.50	\$ 1.45
Change in fully converted book value per common share:⁽¹⁾				
From December 31, 2020	3.3 %			
From March 31, 2020	(5.5)%			

(1) Computed as the change in fully converted book value per common share plus common dividends/special distributions declared of \$0.20 and \$0.94 during the three and twelve month periods ended March 31, 2021, respectively.