

ABR Re Represents a Compelling Investment Opportunity

Business Overview

ABR Reinsurance Ltd. (“ABR Re”), jointly sponsored by ACE Limited (NYSE: ACE) and BlackRock, Inc. (NYSE: BLK) (together the “Sponsors”), is a new Bermuda Class 4 reinsurance company with unique access to world class insurance and asset management services

- Long-term reinsurance program access agreement with ACE Limited, providing ABR Re with proprietary access to an attractive property & casualty reinsurance portfolio diversified across products, geographies, and customer types⁽¹⁾
- Long-term investment management agreement with BlackRock, which will manage ABR Re’s invested assets in a tailored, broadly diversified, alternative investment portfolio that will include liquid strategies, private credit, hedge funds, private real assets, private equity and special situation investments⁽¹⁾

Distinctive Value Creation

Underwriting

- Immediate access to ACE’s diversified reinsurance purchases will allow ABR Re to become a broadly diversified reinsurer by risk and customer type and geography within the 1st year of operations, with limited ramp-up risk
- At-market reinsurance contract pricing and terms utilizing the collective underwriting expertise of ACE’s sophisticated panel of reinsurers

Investments

- Access to the breadth and depth of BlackRock’s established alternative asset management capabilities and risk analytics, representing \$114bn of invested alternative AUM globally
- Diversified and dynamic alternative investment portfolio instead of reliance on a single hedge fund or more traditional fixed income strategy
- Differentiated multi-asset, multi-strategy investment approach with a focus on long-term value creation and comprehensive risk management

Structure

- Embedded leverage and negative cost of carry as a function of reinsurance float and expected underwriting profitability
- Operating expense advantage through lean, scalable operating model
- Efficient, Bermuda-domiciled reinsurance company

Investment Opportunity

- Privately placed common equity as part of an initial target capitalization of \$1.0 - \$1.5 billion, potentially including unsecured debt up to a maximum aggregate of 20% of total capital
- ACE and BlackRock each expect to acquire 9.9% of the common shares offered, for aggregate of 19.8% sponsor ownership
- ABR Holdings intends to pursue an initial public offering (“IPO”) or listing of its common shares within 3 – 6 years and expects to provide liquidity to investors via annual share tenders after 3 years to the extent its shares have not yet been listed

(1) The first possible termination date for ACE and BlackRock is anticipated to be December 31, 2023.