



Conduit Holdings Limited

Q3 2025 Trading Update
5 November 2025

Important notices

Important information (disclaimers)

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "goals", "objective", "rewards", "expectations", "signals", "projects", "anticipates", "expects", "achieve", "intends", "tends", "on track", "well placed", "continued", "estimated", "projected", "preliminary", "upcoming", "may", "will", "aims", "could" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, targets, future events or intentions or loss estimates. Forward-looking statements include statements relating to the following: (i) future capital requirements, capital expenditures, expenses, revenues, unearned premiums pricing rate changes, terms and conditions, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, claims development, losses and loss estimates and future business prospects; and (ii) business and management strategies, the expansion and growth of Conduit's operations and any related changes to lines of business that we underwrite.

Forward-looking statements may and often do differ materially from actual results. Forward-looking statements reflect Conduit's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Conduit's business, results of operations, financial position, liquidity, prospects, growth and strategies. These risks, uncertainties and assumptions include, but are not limited to: the possibility of greater frequency or severity of claims and loss activity than Conduit's underwriting, reserving or investment practices have anticipated; the reliability of catastrophe pricing, accumulation and estimated loss models; the actual development of losses and expenses impacting estimates for claims which arose as a result of recent loss activity such as hurricanes, storms, floods and wildfires; the impact of complex causation and coverage issues associated with attribution of losses to wildfires, wind or flood damage; the impact of increased costs and inflation to settle claims in high density areas and emerging information as losses develop; unusual loss frequency or losses that are not modelled; the effectiveness of Conduit's risk management and loss limitation methods, including to manage volatility; the recovery of losses and reinstatement premiums from our own reinsurance providers; the development of Conduit's technology platforms; a decline in Conduit's ratings with AM Best or other rating agencies; the impact that Conduit's future operating results, capital position and ratings may have on the execution of Conduit's business plan, capital management initiatives or dividends; Conduit's ability to implement successfully its business plan and strategy during 'soft' as well as 'hard' markets; the premium rates which are available at the time of renewals within Conduit's targeted business lines and at policy inception; the pattern and development of premiums as they are earned; increased competition on the basis of pricing, capacity or coverage terms and the related demand and supply dynamics as contracts come up for renewal; the successful recruitment, retention and motivation of Conduit's key management and the potential loss of key personnel; the credit environment for issuers of fixed maturity investments in Conduit's portfolio; the impact of the ongoing conflicts in Ukraine and the Middle East, the impact of swings in market interest rates, currency exchange rates and securities prices; changes by central banks regarding the level of interest rates and the timing and extent of any such changes; the impact of inflation or deflation in relevant economies in which Conduit operates; Conduit becoming subject to income taxes in Bermuda, the United States or in the United Kingdom; and changes in insurance or tax laws or regulations in jurisdictions where Conduit conducts business.

Forward-looking statements contained in this trading update may be impacted by emerging information regarding losses from the California wildfires, the escalation or expansion of the Ukraine conflict or Middle East conflict, the volatility in global financial markets and governmental, regulatory and judicial actions, including related policy coverage issues. Forward-looking statements speak only as of the date they are made. No representation or warranty is made that any forward-looking statement will come to pass. Conduit disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by law or regulation. All subsequent written and oral forward-looking statements attributable to Conduit and/or the group or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above.

The Conduit renewal year on year indicative risk-adjusted rate change measure is an internal methodology that management uses to track trends in premium rates of a portfolio of reinsurance contracts. The change measure is specific for our portfolio and reflects management's assessment of relative changes in price, exposure and terms and conditions. It is also net of the estimated impact of claims inflation. It is not intended to be commentary on wider market conditions. The calculation involves a degree of judgement in relation to comparability of contracts and the assessment noted above, particularly in Conduit's initial years of underwriting. To enhance the methodology, management may revise the methodology and assumptions underlying the change measure, so the trends in premium rates reflected in the change measure may not be comparable over time. Consideration is only given to renewals of a comparable nature so it does not reflect every contract in the portfolio of Conduit contracts. The future profitability of the portfolio of contracts within the change measure is dependent upon many factors besides the trends in premium rates.

2025 Q3 trading update

Today's speakers



Neil Eckert
Chief Executive Officer



Elaine Whelan
Chief Financial Officer

Agenda

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investment
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Outlook & closing
remarks

Q3 2025 trading update: key highlights

Gross premiums written of \$1,039 million for the nine months ended 30 September 2025, an +8.5% increase over the same period in 2024



- Continued growth in each underwriting division, led by Casualty and Property, tempered by portfolio adjustments
- Growth is focused in targeted classes and with preferred partners that have demonstrated strong cycle management behaviour

Conduit Re's overall risk-adjusted rate change for the nine months ended 30 September 2025, net of claims inflation, was (3)%



- Pricing levels and terms and conditions remain adequate despite softening, benefitting from multiple years of compounding rate increases
- Pricing in certain Casualty lines has been more resilient, reflecting industry response to claims inflation

Net investment return of +5.4% for the nine months to 30 September 2025 (nine months to 30 September 2024: +4.9%)



- Performance was driven by strong net investment income, in addition to net unrealised gains due to the reduction in treasury yields in the period
- \$2.0 billion of managed cash and investments as at 30 September 2025, up ~\$350 million from 30 September 2024

Following over \$100 billion¹ of insured catastrophe losses and additional risk losses during the first half of 2025, the third quarter was a relatively benign loss period



- We are reaffirming our mid single digit RoE guidance for 2025, recognising there is still potential for further loss events before the end of the year
- We are resuming the previously announced share buyback programme after a cautious approach through the peak of Atlantic hurricane season, with approval for up to \$50 million in place until May 2026

We have continued to strengthen our leadership and position the company for improved underwriting resilience with recent appointments



- Stephen Postlewhite will join Conduit as Chief Underwriting Officer, bringing nearly three decades of global specialty insurance and reinsurance expertise
- We have appointed Nicholas Shott as an Independent Non-Executive Director, with a strong background in financial services and advising listed companies



9% increase in gross premiums written

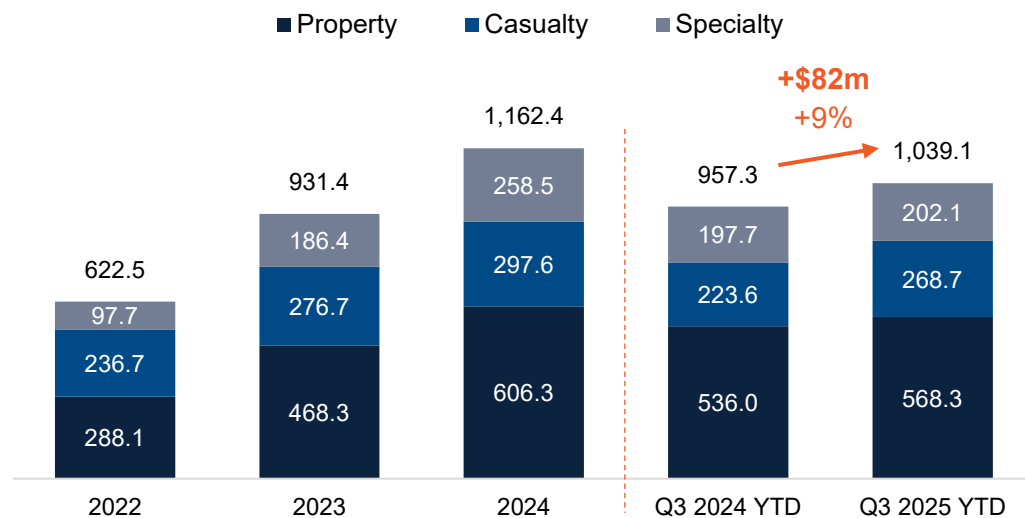
Market capacity continues to increase, driving softening prices

- Strong returns and retained earnings for the industry driving growth in capacity
- Generally benign weather during the third quarter, following at least \$100 billion¹ of estimated insured catastrophe losses during H1 2025
- Despite rate softening in Property and Specialty segments, margins remain adequate across the portfolio

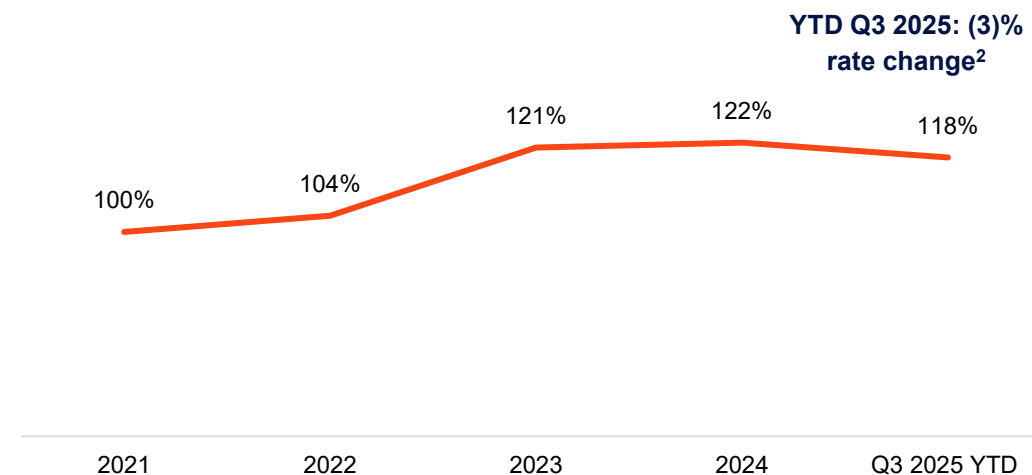
Planning for portfolio refinements ahead of January renewals

- Growth rates are expected to continue to moderate as pricing softens and as we reposition certain parts of the portfolio towards a greater share of excess of loss reinsurance, particularly in our Property segment
- We will look to improve our net position with more effective retro coverage for peak and secondary perils to reduce volatility

Gross premiums written (\$m)



Cumulative risk-adjusted rate change



6% increase in gross premiums written in Property

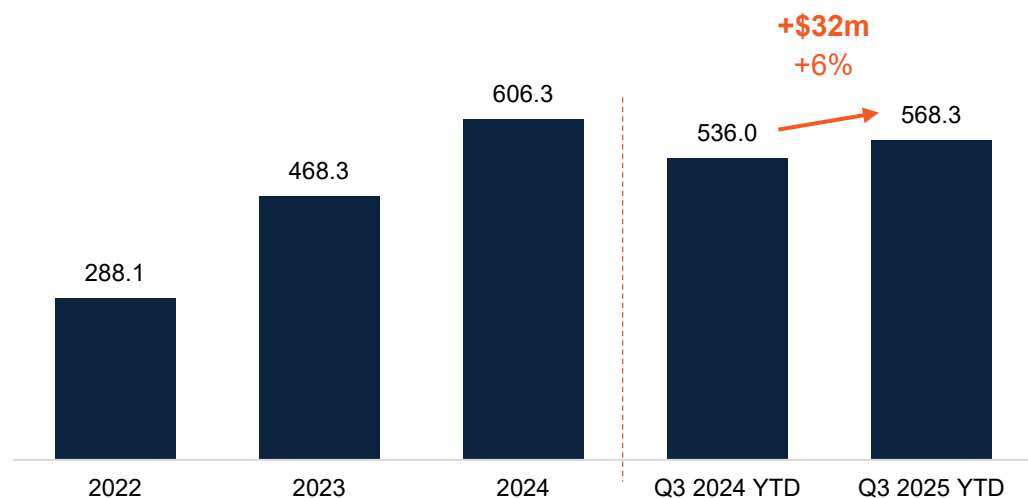
Price softening as expected but margins remain adequate

- Increased capacity from traditional and alternative capital is driving softening prices after several years of positive compounding
- Reinsurers remaining disciplined around terms and conditions, with cedant retentions and attachment points holding steady
- Loss impacted accounts experiencing firmer pricing at renewal

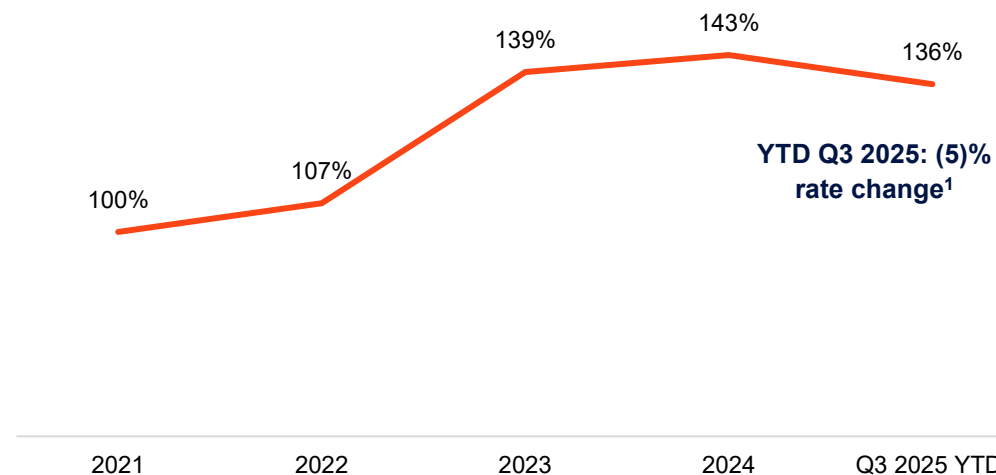
Greater portfolio balance and resilience remains our focus

- Support of existing partners will help provide access to additional excess of loss opportunities and larger shares on current business
- Expect to achieve a more even balance of quota share and excess of loss reinsurance in 2026 for the Property portfolio
- Selectively reducing underperforming accounts to improve the underlying quality of the portfolio

Gross premiums written (\$m)



Cumulative risk-adjusted rate change



20% increase in gross premiums written in Casualty

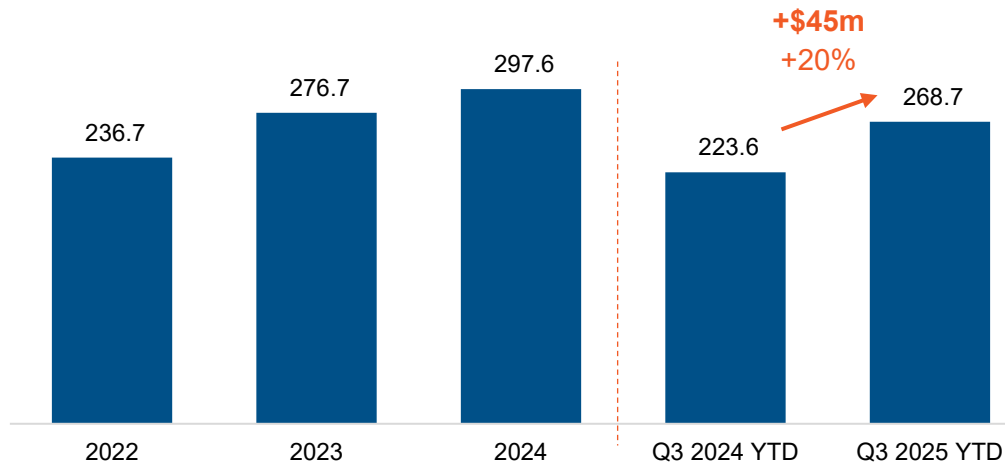
Market remaining disciplined with stable pricing

- Original rates keeping pace with claims inflation, resulting in risk-adjusted pricing that is close to flat on average
- Pockets of improving conditions and positive rate such as US general third-party liability
- Reinsurance buyers continuing to show demand to secure capacity in casualty classes

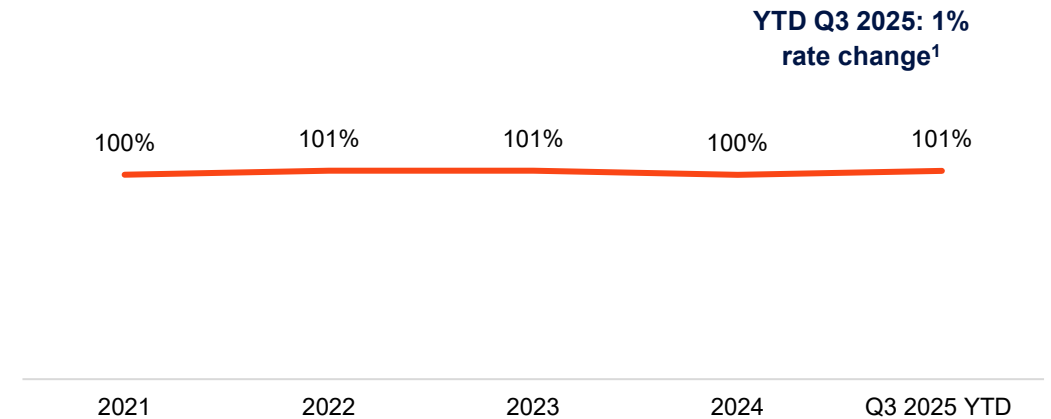
Renewal quota share portfolio driving solid growth results

- Remain focused on diversification and avoiding over concentration
- Deploying capacity with existing partners that demonstrate pricing discipline and claims expertise
- Growing predominantly quota share portfolio in classes exhibiting sustained margin and rate momentum, including US excess and surplus lines

Gross premiums written (\$m)



Cumulative risk-adjusted rate change



2% increase in gross premiums written in Specialty

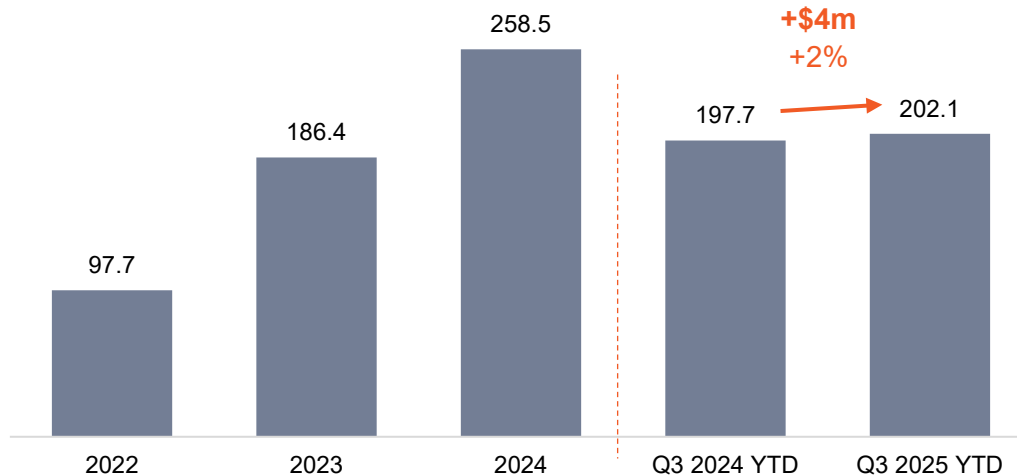
Strong demand for specialty risks continues

- Rate softening has continued, but pricing remains dynamic in select classes based on loss activity
- Market is experiencing increased capacity from new entrants, while existing reinsurers look to maintain shares
- Wordings are holding up but some upward pressure on ceding commissions

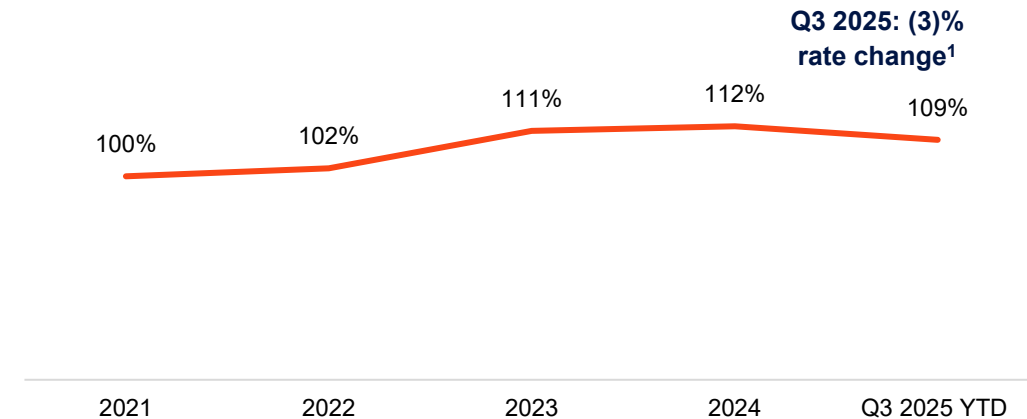
Planning to add select new business to existing portfolio

- Continue to focus on underwriting quality and net performance
- Planning to renew well performing quota share accounts and leverage strong relationships for new business opportunities
- Well positioned to take advantage of any turn in aviation rates in response to loss activity

Gross premiums written (\$m)



Cumulative risk-adjusted rate change



Financial highlights

Gross premiums written for the nine months ended 30 September:

	2025 \$m	2024 \$m	Change \$m	Change %
Property	568.3	536.0	32.3	6.0%
Casualty	268.7	223.6	45.1	20.2%
Specialty	202.1	197.7	4.4	2.2%
Total	1,039.1	957.3	81.8	8.5%

Reinsurance revenue for the nine months ended 30 September:

	2025 \$m	2024 \$m	Change \$m	Change %
Property	347.9	319.9	28.0	8.8%
Casualty	172.2	148.8	23.4	15.7%
Specialty	142.3	119.5	22.8	19.1%
Total	662.4	588.2	74.2	12.6%

Gross premiums written of \$1,039.1 million, an +8.5% increase over the same period in 2024

Reinsurance revenue of \$662.4 million, a +12.6% increase over the same period in 2024

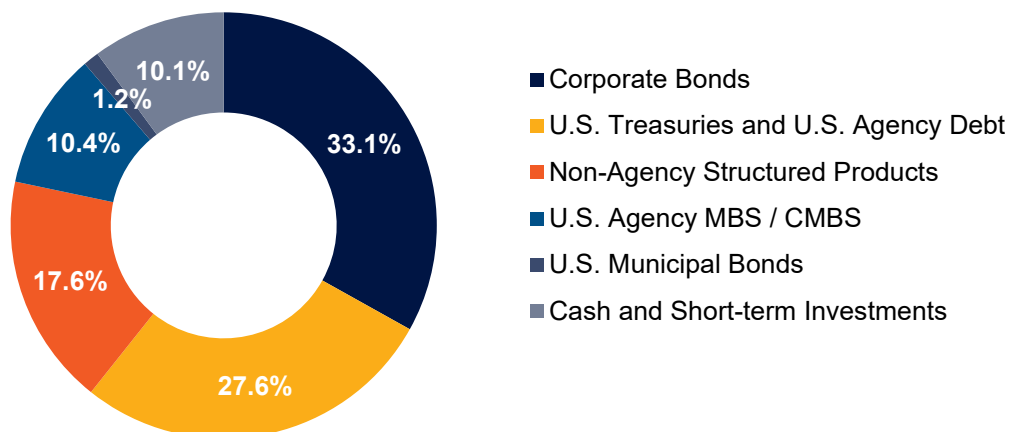
During the nine months ended 30 September 2025, all three of our segments delivered growth in gross premiums written, driven by Casualty and Property

The growth rate in Specialty has slowed compared to recent periods as competition has increased and we have reduced in lines experiencing more pressure on pricing and terms

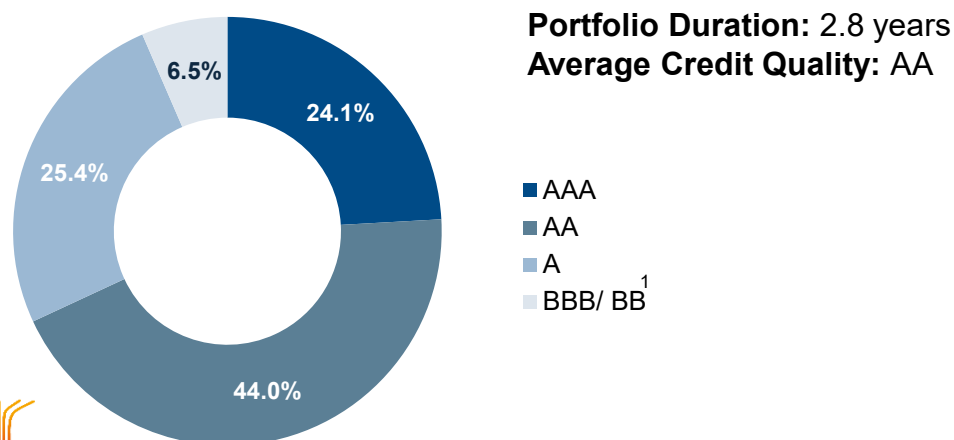
Following the highly active first six months of 2025 with natural catastrophe and risk losses for the industry, no event loss during the third quarter, individually or in the aggregate, had a material impact on Conduit Re

High quality investment portfolio

Asset allocation as at 30 September 2025



Credit quality as at 30 September 2025



Portfolio Duration: 2.8 years
Average Credit Quality: AA

■ AAA
■ AA
■ A
■ BBB/ BB¹

Capital preservation and liquidity to support our underwriting teams remain of paramount importance and determines our relatively conservative strategic portfolio allocation

- Total net investment return of +5.4% for the nine months ended 30 September 2025, driven by strong net investment income, in addition to net unrealised gains due to the reduction in treasury yields in the period (nine months to 30 September 2024: +4.9%)
- High quality and short duration portfolio with growing investment leverage:
 - Total managed investments and cash of \$2.0 billion (\$1.7 billion as at 30 September 2024)
 - Average credit quality of AA (AA as at 30 September 2024)
 - Book yield of 4.2% (4.2% as at 30 September 2024)
 - Market yield of 4.3% (4.5% as at 30 September 2024)
 - Portfolio duration of 2.8 years (2.5 years as at 30 September 2024)

Closing remarks

Growth tempering in line with market conditions, which remain adequate

- 8.5% increase in gross premiums written through nine months of 2025; growth in targeted Casualty and Property classes with preferred partners who are demonstrating strong cycle and claims management
- Growth rates are expected to continue to moderate as pricing softens and as we reposition certain parts of the portfolio towards a greater share of excess of loss reinsurance, focused in our Property segment

We continue to move our business forward and realign our portfolio

- Targeted adjustments are being made to enhance portfolio strength, including better alignment of our inwards and outwards portfolio
- Prioritising quality underwriting over top line growth, ensuring both new and renewal business align with our strategy

Strong balance sheet supported by conservative investment portfolio

- We maintain a relatively conservative investment portfolio with increasing investment leverage and income
- We are resuming the previously announced share buyback programme after a cautious approach through peak Atlantic hurricane season, with approval for up to \$50 million in place until to May 2026

We continue to transition to create a stronger, more resilient business

- We have successfully recruited Stephen Postlewhite as Chief Underwriting Officer, in addition to other recent appointments and promotions to strengthen our underwriting and claims teams
- The strategic changes we are actioning are focused on generating more stable and resilient returns for shareholders

Appendices

Conduit at a glance

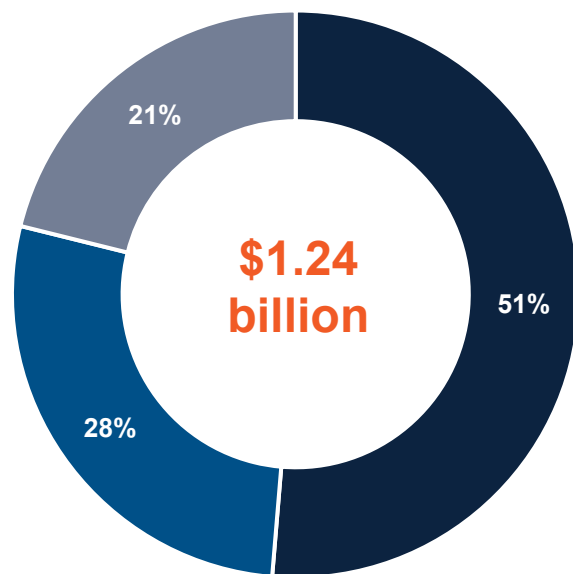
Our approach to cycle management across our classes of business, combined with an efficient operating model, plays a key role as we prioritise long-term value creation for our stakeholders

12 months ended 30/09/2025 gross premiums written

Property
\$638.6 million

Casualty
\$342.7 million

Specialty
\$262.9 million



Key statistics

Bermuda based
multi-line
reinsurer

With
65
employees¹

“CRE” listed on the
London Stock
Exchange since
2020

AM Best financial
strength rating
A-
(positive outlook)

Debt to
total capital²
0%

Managed cash &
investments² of
\$2.0 billion

FY 2024 RoE
12.7%

Dividend per share
\$0.36 | 8%
and annual yield⁴

Total capital³ of
\$1.0 billion

Bermuda corporate income tax



Bermuda Corporate Income Tax Act 2023 (Bermuda CIT) passed into law in December 2023 and applied from January 2025 to multi-national entities that qualify.



Conduit is not a multi-national entity and therefore currently outside the scope of Bermuda CIT.



If the Group were to meet the Bermuda CIT criteria in the future, it is likely that an exemption will be available for the first five years in which the tax would otherwise apply.



Conduit may benefit from wider fiscal changes resulting from the implementation of the Bermuda CIT. However, it is too early to assess any likely benefit.



Discounting on losses

Reminder of our discounting calculation methodology

	Calculation methodology	Variability
Discount on new incurred	– New incurred claims discounted using opening discount rate or date of loss rate for material events.	– Opening discount rates are fixed for the period but discount on material events are subject to prevailing market rates at time of event. – Size of discount driven by undiscounted new incurred losses that remain unpaid at the end of the period.
Discount on PYD	– Prior year development discounted using opening discount rates.	– Opening discount rates fixed for the period. – Total discount dependent on undiscounted PYD for the period and the actual versus expected experience on timing of loss payments. – Discounted PYD can be lower or higher than undiscounted PYD.
Interest accretion on PY reserves	– Interest accretion based on opening discount rates on opening reserves.	– Very little variability in the unwind of prior year reserves during the period. – High level calculation of Yield x Opening Reserves can help estimate PY unwind.
Interest accretion on new incurred	– Interest accretion based on opening rates or date of loss rate for material events. Calculated on new incurred, not paid within the year.	– Variability on new incurred, amount of newly incurred claims paid during the period and markets rates for material events.
Change in discount rates	– Calculated as difference between closing reserves using opening/event rate versus closing reserves using closing rates.	– Size and direction of movements driven by how interest rates move during the period.

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About Conduit Re

Conduit Re is a multi-line Bermuda-based reinsurer, with a global reach. Conduit Reinsurance Limited is licensed by the Bermuda Monetary Authority as a Class 4 insurer. A.M. Best has assigned a Financial Strength Rating of A- (Excellent) and a Long-Term Issuer Credit Rating of a- (Excellent) to Conduit Reinsurance Limited. The outlook assigned to these ratings is positive. Conduit Holdings Limited is the ultimate parent of Conduit Reinsurance Limited and is listed on the London Stock Exchange (ticker: CRE). References to "Conduit" include Conduit Holdings Limited and all of its subsidiary companies.

conduitreinsurance.com

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