

Pembroke, Bermuda – 8 November 2023

Conduit Holdings Limited

("CHL" LSE ticker: CRE)

Trading Update for the nine months ended 30 September 2023

Strong year-on-year growth in gross premiums written of 50.3%

Efficient business model, strong capital base, ideally positioned for continued growth into favourable market conditions ahead of the 1 January renewals

CHL, the ultimate parent company of Conduit Re, a pure-play Bermuda-based reinsurance business, today presents its trading update for the nine months ended 30 September 2023.

Trevor Carvey, Chief Executive Officer, commented: "The third quarter has been a great period for us at Conduit Re. Renewals and new business alike have contributed to the growth of our portfolio, with the non-catastrophe and specialty space continuing to receive much of our attention. The estimated ultimate premiums written of \$909.3 million in the first nine months of 2023 represented an increase of 56.4% over the same period last year and our underwriting teams continue to deploy capacity efficiently in this dynamic marketplace across a broad range of both quota share and excess of loss opportunities."

Neil Eckert, Executive Chairman, commented: "Trevor and his team have created a scalable business model and a platform that is delivering strong organic sustainable growth and we have an ample capital base that will enable us to continue to do so. We expect the duration of the current hard cycle to be extended due to structural changes in the industry, continued inflationary pressures and adverse development on the industry's legacy casualty business."

Key highlights:

- \$909.3 million of estimated ultimate premiums written for the nine months ended 30 September 2023, a 56.4% increase on the nine months ended 30 September 2022
- Gross premiums written for the nine months ended 30 September 2023 of \$764.4 million, a 50.3% increase over the first nine months of 2022
- Almost \$2.0 billion of estimated ultimate premiums written from launch in December 2020 up to 30 September 2023, with significant unearned premium of approximately \$676 million which will flow through in subsequent years
- Overall portfolio risk-adjusted rate change for the nine months ended 30 September 2023, net of claims inflation, of 15%
- No event loss, individually or in the aggregate, had a material impact during the nine months ended 30 September 2023
- High quality investment portfolio with average credit quality of AA; duration 2.3 years; book yield of 3.5%, and market yield of 5.8% as at 30 September 2023 (respectively AA, 2.3 years, 1.8% and 4.8% as at 30 September 2022)

Outlook

- Market conditions: the mid-year renewal pricing was strong and represented a healthy indicator, for property and specialty in particular, through the third quarter. Casualty classes show lower rate rises after adjusting for inflation and we continue to build that book around clients with the right discipline, experience and acumen
- The upcoming 1 January renewal season remains a primary indication point for pricing in the reinsurance market and there are signals that currently point to further risk-adjusted rate improvements in an already hard market
- Our capacity for continued growth into excellent market conditions is driven by:
 - Supply-demand imbalance: the demand for reinsurance among insurance carriers continues to generally exceed supply and is providing positive momentum in pricing and terms and conditions
 - Efficient business model: with a single operating location and a focused approach to underwriting, Conduit Re has operational leverage as the premium base continues to grow
 - Legacy-free balance sheet with capital capacity to support the planned growth and beyond; AM Best

A- (Excellent) rating, with “very strong” balance sheet strength

Underwriting update

In the nine months to 30 September 2023, Conduit Re continued to show growth across all segments, benefitting from new business, high retention and underlying growth of renewal business, coupled with improving rates. Client count and submission flow have increased in line with Conduit Re's strategy, with the embedded renewing portfolio providing the key foundations.

Premiums

Estimated ultimate premiums written¹ for the nine months ended 30 September 2023:

Segment	2023 \$m	2022 re-stated \$m	Change \$m	Change %	2022 Published² \$m
Property	440.5	276.1	164.4	59.5%	292.8
Casualty	277.2	200.8	76.4	38.0%	200.8
Specialty	191.6	104.5	87.1	83.3%	107.3
Total	909.3	581.4	327.9	56.4%	600.9

Gross premiums written³ for the nine months ended 30 September 2023:

Segment	2023 \$m	2022 re-stated \$m	Change \$m	Change %	2022 Published⁴ \$m
Property	403.3	245.6	157.7	64.2%	262.3
Casualty	219.2	181.1	38.1	21.0%	181.1
Specialty	141.9	82.0	59.9	73.0%	84.7
Total	764.4	508.7	255.7	50.3%	528.1

Pricing

Pricing levels and terms and conditions continued to improve overall in the nine months to 30 September 2023, driven by strong continued demand for reinsurance from insurers.

Conduit Re is seeing an increasing number of opportunities to deploy its capital into the areas and products that it targets. The non-catastrophe elements of both property and specialty in particular are providing good opportunities for selective growth.

Conduit Re's overall risk-adjusted rate change for the nine months ended 30 September 2023, net of claims inflation, was 15%, and by segment was:

Property	Casualty	Specialty
30%	0%	9%

Greg Roberts, Chief Underwriting Officer, commented: “The property and specialty accounts continue to show very strong underlying trading dynamics, providing significant growth opportunities, in line with our targeted prioritisation. Our focus remains on quality partners who understand their own local market places and whom we will support as their volumes grow.”

Net reinsurance losses and loss related amounts⁵

In an active natural catastrophe period for the industry, no event loss, individually or in the aggregate, had a material impact on Conduit Re during the first nine months of 2023.

The first nine months of 2022 were impacted by our estimated ultimate net impact, on an undiscounted

¹ Estimated ultimate premiums written now exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue.

² Numbers as reported in the third quarter 2022 trading update under IFRS 4.

³ Gross premiums written now exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue.

⁴ Numbers as reported in the third quarter 2022 trading update under IFRS 4.

⁵ Reinsurance losses and loss related amounts less ceded reinsurance recoveries.

basis, from Hurricane Ian of approximately \$40 million and the Ukraine conflict of \$24.6 million. Our undiscounted ultimate loss estimates, net of ceded reinsurance and reinstatement premiums, for prior years reported loss events remain stable.

Our loss and reserve estimates have been derived from a combination of reports and statements from brokers and cedants, modelled loss projections, pricing loss ratio expectations and reporting patterns, all supplemented with market data and assumptions. We will continue to review these estimates as more information becomes available.

Investments

In line with our stated strategy, we continue to maintain our conservative approach to managing our invested assets with a strong emphasis on preserving capital and liquidity. Our strategy remains maintaining a short duration, highly-rated portfolio, with due consideration of the duration of our liabilities. Our investment portfolio does not hold any derivatives, equities, alternatives or emerging market debt.

The investment return for the first nine months of 2023 was 2.1% driven primarily by investment income given a generally higher yielding portfolio. In the first nine months of 2022 the portfolio returned (6.2)% due to the significant increase in treasury yields.

While we expect market volatility to remain elevated in the near term, Conduit Re expects to be able to reinvest at higher rates as the existing portfolio rolls over.

The breakdown of the managed investment portfolio is as follows:

	As at 30 September 2023	As at 30 September 2022
Fixed maturity securities	87.5%	90.5%
Cash and cash equivalents	12.5%	9.5%
Total	100.0%	100.0%

Key investment portfolio statistics for our fixed maturities and managed cash were:

	As at 30 September 2023	As at 30 September 2022
Duration	2.3 years	2.3 years
Credit quality	AA	AA
Book yield	3.5%	1.8%
Market yield	5.8%	4.8%

Capital & dividends

Total capital and tangible capital available was \$0.92 billion as at 30 September 2023.

During the third quarter of 2023, CHL's Board of Directors declared an interim dividend of \$0.18 (£0.1415) per common share in respect of 2023, which was paid in pounds sterling on 8 September 2023 to shareholders of record on 18 August 2023, resulting in an aggregate payment of \$29.7 million.

Webcast for Analysts and Institutional Investors

Conduit Re's management team will host a virtual meeting for analysts and investors via a webcast and conference call on Wednesday 8 November 2023 at 12.00 noon UK time / 8.00 am Bermuda time.

To access the webcast, please register in advance here:

<https://www.lsegissuerservices.com/spark/ConduitHoldingsLtd/events/499b2dd1-0283-4d76-b06f-066075865f27>

To access the conference call, please register to receive unique dial-in details here:

<https://services.choruscall.za.com/DiamondPassRegistration/register?confirmationNumber=3748152&linkSecurityString=9c308a0f0>

A recording of the conference call will be made available from 5:00PM (GMT) on the Investors section of Conduit Re's website at www.conduitreinsurance.com.

Webcast for retail investors via Investor Meet Company

Neil Eckert, Executive Chairman, will provide a separate live presentation via the Investor Meet Company platform for retail investors on 8 November 2023 at 2:00 pm UK time. In addition to discussing the results for the nine months ended 30 September 2023, Neil will also introduce Conduit Re and its business model, and will provide an overview of the reinsurance market and the Company's positioning to capitalise on favourable market conditions.

The presentation is also open to all existing shareholders. No new trading, financial or other CHL information will be disclosed during this overview presentation.

There will be an opportunity for Questions & Answers at the end of the presentation. Questions can be submitted at any time during the live presentation.

Investors can sign up to Investor Meet Company for free, or if signed up, can add to meet CONDUIT HOLDINGS LIMITED via:

<https://www.investormeetcompany.com/conduit-holdings-limited/register-investor>

Investors who already follow Conduit Re on the Investor Meet Company platform will automatically be invited.

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About Conduit Re

Conduit Re is a pure-play Bermuda-based reinsurance business with 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 stable.

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.

Learn more about Conduit Re:

Website: <https://conduitreinsurance.com/>

LinkedIn: <https://www.linkedin.com/company/conduit-re>

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", "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. Forward-looking statements include statements relating to the following: (i) future 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 and the expansion and growth of Conduit's operations.

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 the Ukraine crisis, Hurricanes Ian, Ida, and Idalia, the European storms and floods in 2021 and 2022 and, the earthquake in Turkey and wildfires in Canada and Europe; the impact of complex causation and coverage issues associated with attribution of losses to wind or flood damage; 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 A.M. 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 the escalation or expansion of the Ukraine conflict on Conduit's clients, the volatility in global financial markets and governmental, regulatory and judicial actions, including 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.

"Estimated ultimate premiums written" is the estimated total gross premiums written (excluding reinstatement premiums) that is expected to be earned assuming all bound contracts run to the end of the period of cover, after management discount for prudence.

The Conduit renewal year on year indicative pricing change measure is an internal methodology that management uses to track trends in premium rates of a portfolio of reinsurance contracts. The change measure 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. 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.