"Our underwriting team continues to work closely with actuarial and risk colleagues to identify and select the best risks for our portfolio across each of our divisions.

Gregory Roberts, CUO

Underwriting approach

Our underwriting principles have been consistent since Conduit's inception. We apply an analytical, data-driven approach to understanding risk and the partners we support. The client data shared with us is key to how we build our view of the market and the underwriting decisions that we make to construct and balance our portfolio. Our forensic approach is designed to spot early trends and markers in underwriting and pricing cycles as they emerge.

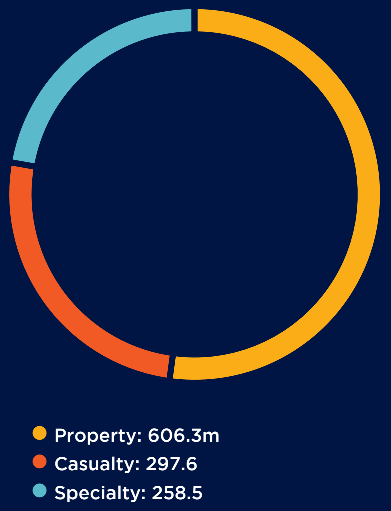
The diversification and balance within our portfolio are functions of our broad appetite and the opportunities we see in the market, where our underwriting decisions are driven by the expected contract-by-contract risk-adjusted returns rather than pre-set targets around any one particular product or geography. As our view of classes and structures change, we will adjust the shape of our portfolio to deploy our capital effectively. Our ability to do this is enhanced by our entire underwriting team sitting in one location. Speed of response is essential to our success, and we aim to be sustainable partners with our chosen clients and brokers.

We continue to see a good flow of new business opportunities, while our renewal portfolio also continues to grow. Clients prefer to work with reinsurers who can offer solutions across the product spectrum, and we have seen an expansion in cross-class relationships as we look to continue to deepen and broaden our relationships.

Underwriting performance

We reported strong growth in our property and specialty divisions where we identified profitable margin opportunities. Our casualty division grew at a slower pace in 2024 as the team continued careful selection of both renewal transactions and new business opportunities. In casualty, selecting the right partners over the cycle is extremely important. We continued to support cedants who, in our view, demonstrated leadership and control of their underwriting and business generally.

Gross premiums written ($m)



Gross premiums written

$1,162.4m

(2023: $931.4m)

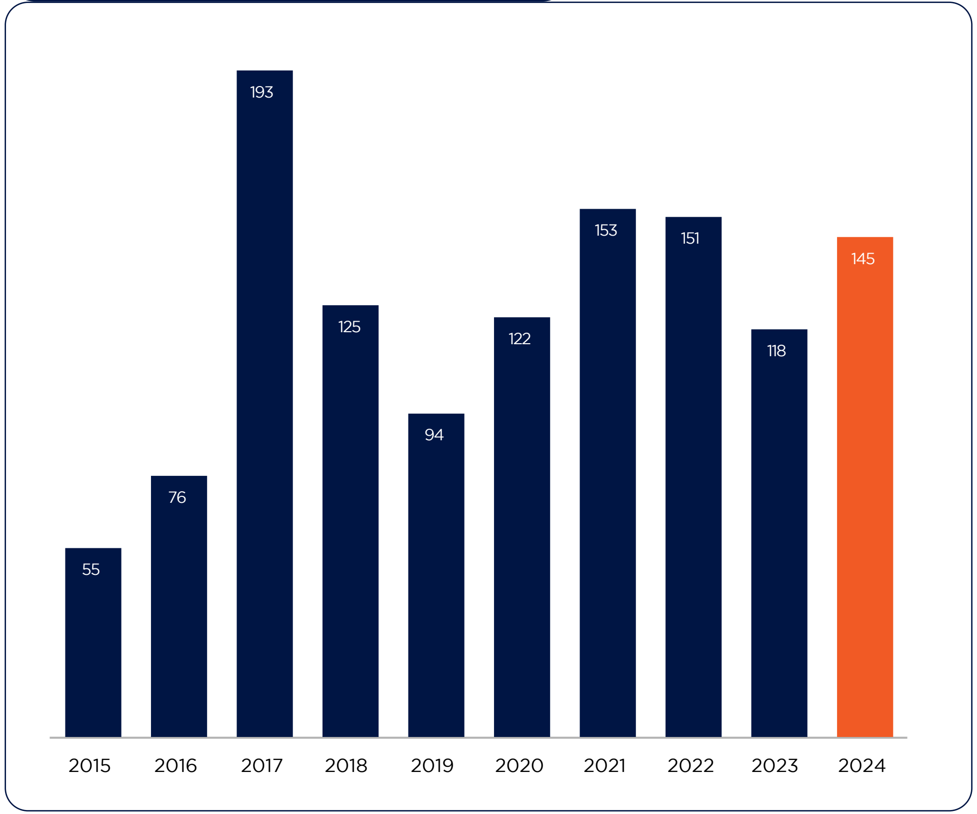
The momentum in our risk-adjusted rate change metrics slowed during 2024. Our data shows that the rates we achieved were broadly stable net of inflation, which is a key benchmark for us.

During the year the industry experienced a higher frequency of catastrophe loss events, with insured natural catastrophe losses estimated to have exceeded $140 billion. The events included US land-falling hurricanes as well as many other climate-related events globally. Attachment points for excess of loss reinsurance have increased over the last few years, meaning that a significant proportion of these loss events were retained by primary insurers. As a result, as a predominantly ground-up quota share reinsurer, our exposure was similar to a primary insurer. In addition to these losses, we experienced an accumulated exposure to several smaller and mid-sized natural catastrophe and risk losses during 2024.

The second half of 2024 included Hurricanes Helene and Milton, where we recorded an undiscounted net loss, after reinsurance and reinstatement premiums, of $68.0 million.

As our business has grown, we adjusted the levels of outwards protection while continuing to partner with a broad panel of reinsurers who demonstrate a solid understanding of how we build and manage risk in the portfolio. During the year we also continued to benefit from the Stabilitas Re retrocession cover (obtained as part of Conduit Re's sponsorship of Stabilitas Re's catastrophe bond issuance) which complemented our core natural catastrophe protections placed primarily at 1 January.

Global insured losses from natural disasters ($bn)



Data: Aon Catastrophe Insight.

Property

In Property, gross premiums written for the year ended 31 December 2024 were $606.3 million (31 December 2023: $468.3 million), an increase of 29.5% over the prior year. Our risk-adjusted rate change in 2024 in our property division, net of claims inflation, was 3% (2023: 30%).

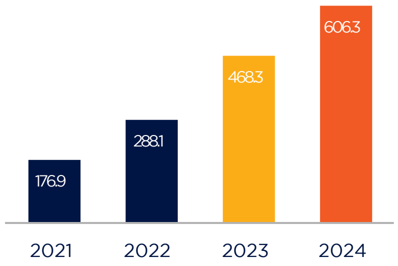
During 2024, we observed more competition in property markets than in 2023, but we were still able to generate strong growth in our portfolio. Since the inception of Conduit we have recognised the relative attractiveness of supporting the US non-admitted market on a quota share basis and we have established a strong footprint in this market segment which has continued to be an excellent source of our profitable growth. The US non-admitted market has shown generally good pricing behaviour and continues to gain market share over the admitted carriers who have been seeking to introduce improvements to their business.

Renewal pricing in our property division was relatively stable during 2024 with rates remaining at attractive levels. While the proportional business did experience a modest increase in ceding commissions during the year, our focus remained on the expected combined ratio year on year, on a contract by contract basis.

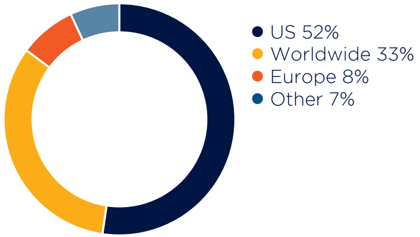
Despite predictions of an active hurricane season, there was noticeable increased capacity for reinsurers to take on US hurricane risk in 2024 with nationwide excess of loss business being priced more competitively than pure regional contracts. In Europe given relative pricing we have been deliberately underweight in our exposure through 2024, but given another active year for loss activity there we remain alert to any well-priced European opportunities as we look ahead to 2025.

In numbers...

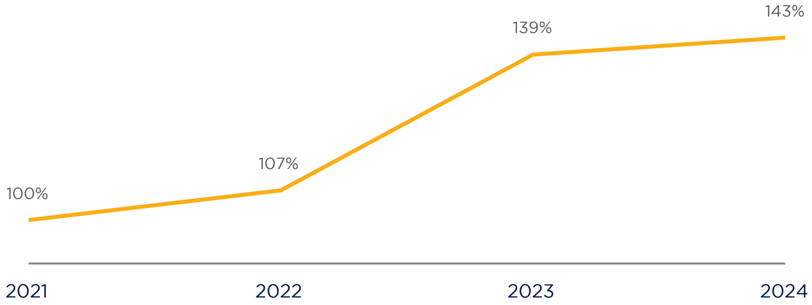
Gross premiums written ($m)*



Geographic breakdown



Risk-adjusted rate change



* Gross premiums written now exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue. 2021 in the graphs above, disclosed under IFRS 4, are also shown excluding reinstatement premiums for consistency.

Casualty

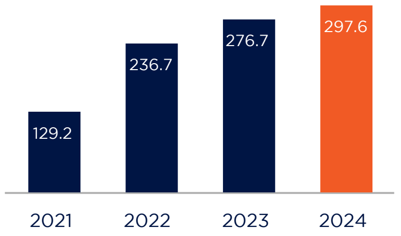
In Casualty, gross premiums written for the year ended 31 December 2024 were $297.6 million (31 December 2023: $276.7 million), an increase of 7.6% over the prior year. Our risk-adjusted rate change in 2024 in our casualty division, net of claims inflation, was (1)% (2023: 0%). Pricing conditions in casualty remained very differentiated by class during 2024 and we would note that our main class general liability consistently experienced rate improvement in excess of inflation. We noted that rates in a number of other classes of casualty, such as commercial and financial institutions directors & officers liability, were under pressure for much of the year.

Under these conditions, we underwrote our way carefully through the casualty market and premiums came in below our initial expectation for the year as we non-renewed or optimised shares on certain treaties. The team saw several new business opportunities and were prepared to support those at acceptable terms and prices.

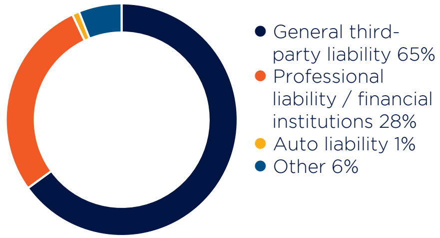
Our focus in casualty remains very much to analyse the ground-up underwriting actions of our partners and validate their behaviours. This includes carefully reviewing cedant approach around limits and attachment points through ongoing review of policy bordereaux and other data. In this way our focus is to always support and develop our position with casualty partners who clearly demonstrate an ability to navigate various phases of the cycle.

In numbers...

Gross premiums written ($m)*



Class of business breakdown



Risk-adjusted rate change

* Gross premiums written now exclude reinstatement premiums to ensure consistency with the IFRS 17 view of revenue. 2021 in the graphs above, disclosed under IFRS 4, are also shown excluding reinstatement premiums for consistency.

Specialty

In Specialty, gross premiums written for the year ended 31 December 2024 were $258.5 million (31 December 2023: $186.4 million), an increase of 38.7% over the prior year. Our risk-adjusted rate change in 2024 in our specialty division, net of claims inflation, was 1% (2023: 9%).

We experienced strong growth in our specialty business in 2024 while remaining focused on target classes and in regions where we believe the underlying insurance dynamics are positive and in a stable environment.

Our specialty portfolio features complementary exposures to our property and casualty divisions, with limited natural catastrophe exposure.

The specialty insurance market is very broad in nature and covers a wide range of classes and in this respect we remain very focused on those specialty classes that we believe present the clearer opportunities for longer term profitability and transparent risk management. In some classes our decline rate remains relatively high. Contract wordings and structuring remain a key part in our overall specialty underwriting approach.

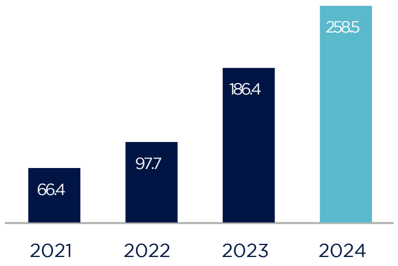
Across the industry in 2024, specialty classes continued to attract new participants as the market looked to grow in non-correlating lines of business. This has put pressure on some niche lines, but overall, the market remains healthy.

Whole account business, where we reinsure a broad range of pre-agreed classes, saw an increase in 2024. This continues to bring good diversification within the portfolio while enabling us to effectively manage any additional natural catastrophe exposure.

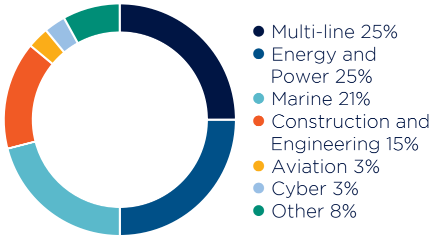
The collapse of the Baltimore bridge in 2024 will potentially cause the marine liability class one of the largest claims on record and the market may well see a positive risk-adjusted rate response in that class in 2025.

In numbers...

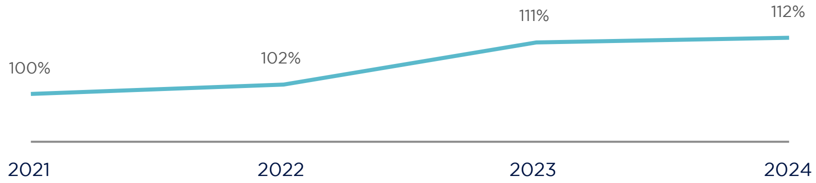
Gross premiums written ($m)*



Class of business breakdown



Risk-adjusted rate change



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Looking ahead

As we look forward to 2025, Conduit is well positioned, and the technical strengths of our team see us ready to adapt to the changing market environment. We have built a strong business where underwriting discipline and cycle management are core to our philosophy, and our data-driven analytical approach supports the construction and development of our multi-line portfolio.

We are entering a period where pricing trends are likely to be less uniform across classes but we recognise that demand for reinsurance is supported by both elevated loss activity and continued growth in insured exposures. We believe our capacity is valued in the market and we look forward to the opportunities that 2025 will bring.

Gregory Roberts
Chief Underwriting Officer
26 February 2025