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**This announcement is an advertisement and not a prospectus for the purposes of the Prospectus Regulation Rules of the Financial Conduct Authority ("FCA") or otherwise and is not an offer of securities for sale in any jurisdiction, including in or into the United States, Australia, Canada, Japan or the Republic of South Africa.**

Neither this announcement, nor anything contained herein, nor anything contained in the Registration Document referred to herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Investors should not subscribe for or purchase any common shares (the "**Shares**") referred to in this announcement or the Registration Document except solely on the basis of the information contained in a prospectus in its final form (together with any supplementary prospectus, if relevant, the "**Prospectus**"), including the risk factors set out therein, that may be published by Conduit Holdings Limited (the "**Company**" or "**Conduit**", and together with its subsidiary undertakings, the "**Group**") in due course in connection with the proposed offer of Shares in the Company and the proposed admission to listing of such Shares to the standard listing segment of the Official List of the FCA (the "**Official List**") and to trading on the main market of London Stock Exchange plc (the "**London Stock Exchange**"). This announcement constitutes the Company's Confirmation of Intention to Float on the London Stock Exchange. A copy of any Prospectus published by the Company will, if published, be available for inspection at Conduit's registered office and website at [www.conduitreinsurance.com](http://www.conduitreinsurance.com) subject to certain access restrictions.

## **FOR IMMEDIATE RELEASE**

**12 November 2020**

### **Conduit Holdings Limited**

#### **Intention to Float on the London Stock Exchange**

#### **Commencement of Pre-Deal Investor Education**

Following the announcement by Conduit on 5 November 2020 regarding the publication of a registration document (the "**Registration Document**"), Conduit today confirms it intends to proceed with an initial public offering (the "**IPO**" or the "**Offer**") and apply for admission of its Shares to the standard listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities (together, "**Admission**").

Pre-deal investor education ("**PDIE**") will commence immediately following this announcement and is expected to conclude on 19 November 2020. Admission is expected to occur in December 2020.

#### **Confirmation of Offer Details**

- The Offer will be comprised of new Shares to be issued by the Company (raising expected gross proceeds of the Sterling equivalent of c. \$1.1bn).
- Net proceeds from the issuance of the new Shares will be used to write reinsurance in line with the Company's business plan. The net proceeds will also be used to capitalise the Company to a level such that its capitalisation will meet the levels required for the purposes of its targeted A.M. Best rating of A- (Excellent).
- The Offer will comprise an offer of Shares to institutional investors in qualifying jurisdictions (in the UK and elsewhere outside the United States in reliance on Regulation S and in accordance with locally applicable laws and regulations, and in the United States, only to qualified institutional buyers as defined in and pursuant to Rule 144A under the US Securities Act of 1933, as amended (the "**Securities Act**"), or another exemption from, or transaction not subject to, the registration requirement of the Securities Act).
- Conduit has engaged Jefferies International Limited ("**Jefferies**") and Panmure Gordon (UK) Limited ("**Panmure Gordon**") as Joint Global Co-ordinators and Joint Bookrunners. Kinmont Limited ("**Kinmont**") and GC Securities,

a division of MMC Securities (Europe) Limited (“GC Securities”) are acting as Joint Financial Advisers to the Company.

### Enquiries

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### Conduit Highlights

- Conduit is a newly established reinsurance underwriting business focusing on producing strong risk adjusted returns from a diversified and focused business plan. The business has been formed to capitalise on what the Company's founders, Neil Eckert and Trevor Carvey (the “**Founders**”) believe to be an exceptional market opportunity.
- Conduit expects to write reinsurance in the Property, Casualty and Specialty classes. Years of high insured losses, diminished reserves and the more recent losses and industry strain caused by Covid-19 and severe capacity shortages in certain classes of insurance and reinsurance have produced major corrections in reinsurance pricing and policy Terms & Conditions.
- Against the industry background of losses, litigation and capacity constraint, as a new business, Conduit has no legacy exposure and, following the Offer, its strong and unencumbered balance sheet will be fully available to write new business in what the Founders believe to be an attractive market environment.
- Conduit will be led by two highly successful, experienced and networked industry executives, Neil Eckert and Trevor Carvey.
- Conduit plans to build a strong underwriting franchise which will target strong cross-cycle returns on equity in the mid-teens. The business plan has a balanced approach to catastrophe risk exposures, generating profit and franchise value through the quality of its underwriting and its select portfolio of high-quality business.
- Conduit expects to generate significant returns for its shareholders and to provide an ongoing and progressive dividend. The Company is targeting a dividend as soon as during the 2021 financial year of approximately 5% - 6% of equity capital, allocated between an interim and final distribution. Conduit will manage its balance sheet efficiently and in the long term may return excess capital through special dividends or share buybacks where appropriate.
- Following years of de-listings, in weak industry conditions and upon industry consolidation, Conduit offers investors the opportunity to take advantage of prevailing, highly positive industry conditions through investment in a listed business which is legacy free and focused only on reinsurance.

This announcement was approved for release by the board of directors of Conduit Holdings Limited, a Bermuda registered company with registration number 55936.

## **Important Legal Information**

This announcement which has been prepared by, and is the sole responsibility of, the Company has been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 by Jefferies International Limited ("**Jefferies**").

Each of Jefferies, Panmure Gordon (UK) Limited ("**Panmure Gordon**" and, together with Jefferies, the "**Banks**") and Kinmont Limited (the "**Financial Adviser**") are authorised and regulated in the United Kingdom by the FCA and are acting exclusively for the Company and no one else in connection with the proposed Offer and Admission. The Banks and the Financial Adviser will not regard any other person (whether or not a recipient of this announcement) as its client in relation to the Offer and Admission and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing any advice in relation to the Offer or Admission, the contents of this announcement or any transaction or arrangement referred to herein.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada, Japan, the Republic of South Africa or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for, or otherwise invest in, securities to any person in the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada, Japan, the Republic of South Africa or in any jurisdiction to whom or in which such offer or solicitation is unlawful. Any securities referred to herein may not be offered or sold in the United States unless registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") except pursuant to a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The proposed offer of Shares referred to herein has not been and will not be registered under the Securities Act or under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Subject to certain exceptions, the Shares referred to herein may not be offered or sold in Australia, Canada, Japan or the Republic of South Africa or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa. There will be no public offer of the Shares in the United States, Australia, Canada, Japan, the Republic of South Africa or elsewhere.

**For investors in Canada:** This document may constitute an "offering memorandum" under applicable securities laws in Canada and you may therefore have, depending on your province or territory of residence, remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by you within the time limit prescribed by the securities legislation of your province or territory. You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal advisor.

This document is being provided to Canadian residents hereby on a confidential basis solely to those entities or individuals who qualify both as "accredited investors" and "permitted clients", as such terms are defined in National Instrument 45-106 *Prospectus Exemptions* (and, for investors in Ontario, section 73.3 of the *Securities Act* (Ontario)) and National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, respectively.

Upon receipt of this document, each Canadian investor hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Except as otherwise expressly required by applicable law or as agreed to in contract, no representation, warranty or undertaking (express or implied) is made and no responsibility or liability of any kind or nature whatsoever is accepted by a Bank, the Financial Adviser or any other securities dealer as to the accuracy or completeness of the information contained in this document or any other information provided in connection with the offering in Canada. Pursuant to the exemption outlined in section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* ("**NI 33-105**"), the Company, a Bank and the Financial Adviser are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering in Canada.

This announcement and any offer if made subsequently is, and will be, directed at persons in member states of the European Economic Area (the "**EEA**") who are "qualified investors" within the meaning of Article 2.1 of the Prospectus Directive as amended and to the extent implemented in the relevant member state (Directive 2003/71/EC) ("**Qualified Persons**"). In

addition, in the United Kingdom, these materials are directed solely at Qualified Persons: (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) who are persons falling within Article 49(2)(a) to (d) of the Order; or (iii) to whom it may lawfully be communicated without any further action by the Company (all such persons in (i) to (iii) together being referred to as "**relevant persons**"). Any investment or investment activity to which this announcement relates will be available only to relevant persons and will be engaged in only with such persons.

The Registration Document mentioned in this announcement may be combined with a securities note and summary to form a prospectus in accordance with the Prospectus Rules. A prospectus is required before an issuer can offer transferable securities to the public or request the admission of transferable securities to trading on a regulated market. However, the Registration Document referred to in this announcement, where not combined with the securities note and summary to form a prospectus, does not constitute an offer or invitation to sell or issue, or a solicitation of an offer or invitation to purchase or subscribe for, any securities in the Company in any jurisdiction, nor shall the Registration Document alone (or any part of it), or the fact of its distribution, form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever with respect to any offer or otherwise. Any subscription or purchase of shares in the proposed Offer should be made solely on the basis of information contained in the Prospectus which may be issued by the Company in connection with the proposed Offer.

This announcement may include 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", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company'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 the Group's business, results of operations, financial position, liquidity, prospects, growth and strategies. 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.

These forward-looking statements speak only as at the date of this announcement. Each of the Company, the Banks and the Financial Adviser expressly 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 the Financial Services and Markets Act 2000, the Listing Rules or Prospectus Regulation Rules of the Financial Conduct Authority or other applicable laws, regulations or rules.

Any purchase of Shares in the proposed Offer should be made solely on the basis of information contained in the Prospectus which may be issued by the Company in connection with the Offer. The information in this announcement is subject to change. Before subscribing for or purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus if published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Neither this announcement, nor anything contained in the Registration Document referred to herein, shall form the basis of or constitute any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any Shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

The Company may decide not to go ahead with the Offer and there is therefore no guarantee that Admission will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor the Registration Document referred to herein, constitutes a recommendation concerning the proposed Offer. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the proposed Offer for the person concerned.

Nothing contained herein constitutes or should be construed as (i) investment, tax, financial, accounting or legal advice; (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances; or (iii) a personal recommendation to you.

Unless otherwise indicated, market and industry data are estimates (and accordingly, approximate) and should be treated with caution. Such information has not been audited or independently verified, nor has the Company ascertained the underlying economic assumptions relied upon therein.

For the avoidance of doubt, the contents of the Company's website are not incorporated by reference into, and does not form part of, this announcement.

#### **Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that the Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Banks will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.