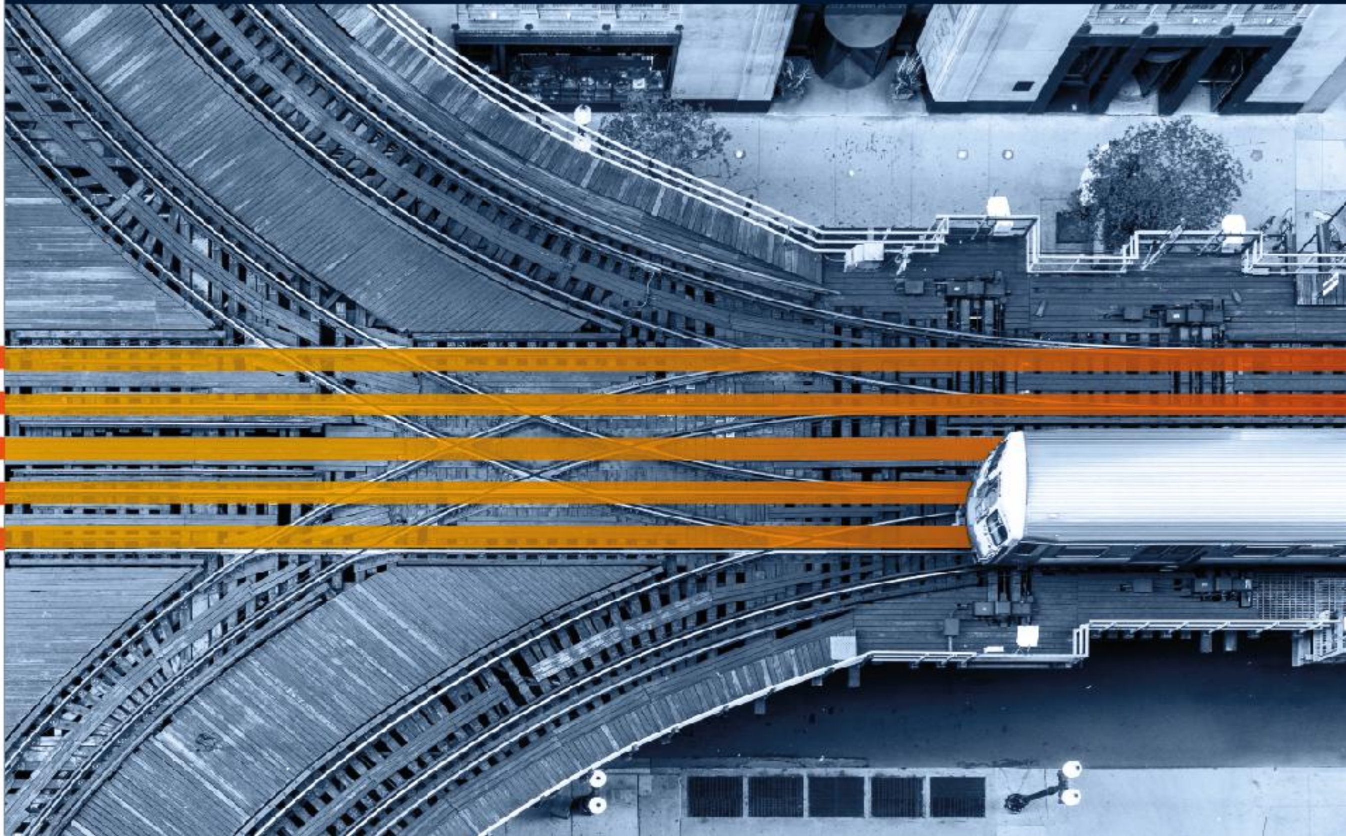
CONDUIT RE

Conduit Holdings Limited Investor Presentation (IPO) - provided as reference

January 2021



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Introduction to the Team and The Conduit Proposition

In Summary

A Moment in Time Opportunity in the Reinsurance Market

An Attractive Proposition

- **New +$1Bn reinsurer** launched into some of the most attractive **market conditions of our working lifetimes**
- **December Listing** ready in time for a lucrative 2021 January renewals season
- **Mid teens** targeted **RoE** driving dividends of 5-6% and compounded build up of book value with potential price to book multiple upside
- A **legacy free**, London listed business. Unencumbered by the past

Exceptional Market Conditions

- **Capacity Crunch** - industry capital down to $600Bn following $300Bn of catastrophe losses in last 3 years; casualty latency estimated at $100Bn-$200Bn[1]
- Accelerating **rate rises** - 20% increase in composite insurance index in year to Q3 2020 alone, **many classes seeing much higher**
- **No adverse selection** risk for a new entrant – as the new players in town with legacy free capital we can demand premium pricing

A Tried & Tested Plan

- Financial proposition: Very strong **risk adjusted returns**; don't chase peak RoE; build a **franchise**
- **6** main **risk classes**; monitoring **40+ sub classes**; agnostic; **one portfolio**; **profit**
- Benefitting from our **distribution relationships**; access and write the **best business**; negotiate the appropriate **share of premium** for our capital in a capacity short marketplace

Top Tier Execution

- A seasoned Management team with the **start-up and insurance expertise** supporting a successful execution
- Engaged with major brokers on Conduit plan throughout 2020 – **Strong sector backing even before IPO**
- **Leading systems:** no legacy; hand picked; part of a very efficient operation. Key **team members identified.** Build out plan in place

Source:
1. S&P Global Market Intelligence, 8 Nov 2019

Neil Eckert - Chairman

- Over 40 years experience in the (Re)insurance sector
- Over 20 years serving on public company boards
- Founding partner of The Benfield Group in 1988 out of Benfield, Lovick and Rees
- Significant producer of Total Shareholder Returns[3]
- Led the start-up of 3 public businesses, Brit Insurance, Climate Exchange and Aggregated Micropower, with aggregate valuations at exit of circa $1.9Bn
- Strong Relationships with the top global brokers
- Co-founder of RI3K, which became PPL, the London Insurance Market's primary electronic placing platform

BENFIELD	**1988** Founding Partner	**>90%** Of revenue from Reinsurance[1]	**12** Years as Partner / Director	**$1.0Bn** Market Cap on IPO	
BRIT	**1995** Founded Company	**$94m** Initial Capital	**10** Years as CEO	**$1.4Bn** Market Cap on Exit	**60%** Total Shareholder Return
CLIMATE EXCHANGE PLC	**2003** Founded Company	**$25m** Initial Capital	**5** Years as CEO	**$606m** Sale on Exit	**648%** Total Shareholder Return
EBIX	**2005** Joined Board	**$41m** Market Cap when Joined	**15** Years on Board	**$2.7Bn** Peak Market Cap[2]	**23%** Average ROE over Tenure

Source: Company information
All figures are either as stated or converted from GBP at the Yearly Average rate for that year
1. 2005 Number listed in the Benfield Annual report
2. Peak Mkt Cap was on 23 February 2018
3. From 1995 to till 2010 covering his tenure at Brit Insurance and Climate Exchange PLC

Trevor Carvey - CEO

- Over 30 years experience in insurance and reinsurance
- Led the profitable turnaround of the GE Frankona Marine & Energy global portfolio from 1999 to 2002
- Arch Re Bermuda founding Underwriter – considered “best in class” of the 2002 reinsurance start-ups which grew to Gross Written Premium of over $1.7Bn by 2005
- Managing director of Harbor Point Re UK, the European arm of Harbor Point, a Bermuda-based reinsurance company focused on property and casualty reinsurance
- CUO Europe at Alterra Re, a Bermuda class 4 insurer, later bought by Markel where acted as CUO Reinsurance Europe and UK Branch Managing Director
- Responsible for the turnaround and build out of Hamilton’s Lloyd’s operations and active underwriter for its Lloyd’s Syndicates

Arch Re	**2002** Joined	**Founding Underwriter**	**5** Years at Company	**$1.75Bn** Gross Written Premiums[1]
HarborPoint / Alterra	**2007** Joined	**Chief Underwriting Officer Europe**	**6** Years at Company	**$900m** Gross Written Premiums[2]
Markel	**2013** Joined	**Chief Underwriting Officer Reinsurance Europe**	**2** Years at Company	**$1.1Bn** Gross Written Premiums[3]
Hamilton	**2015** Joined	**Lloyd’s Active Underwriter and head of Treaty**	**3** Years at Company	**$165m** 2018 Capacity

Sources: Company filings, Guy Carpenter
1. 2005 GWP
2. 2012 GWP
3. 2014 GWP

Exceptional Market Conditions

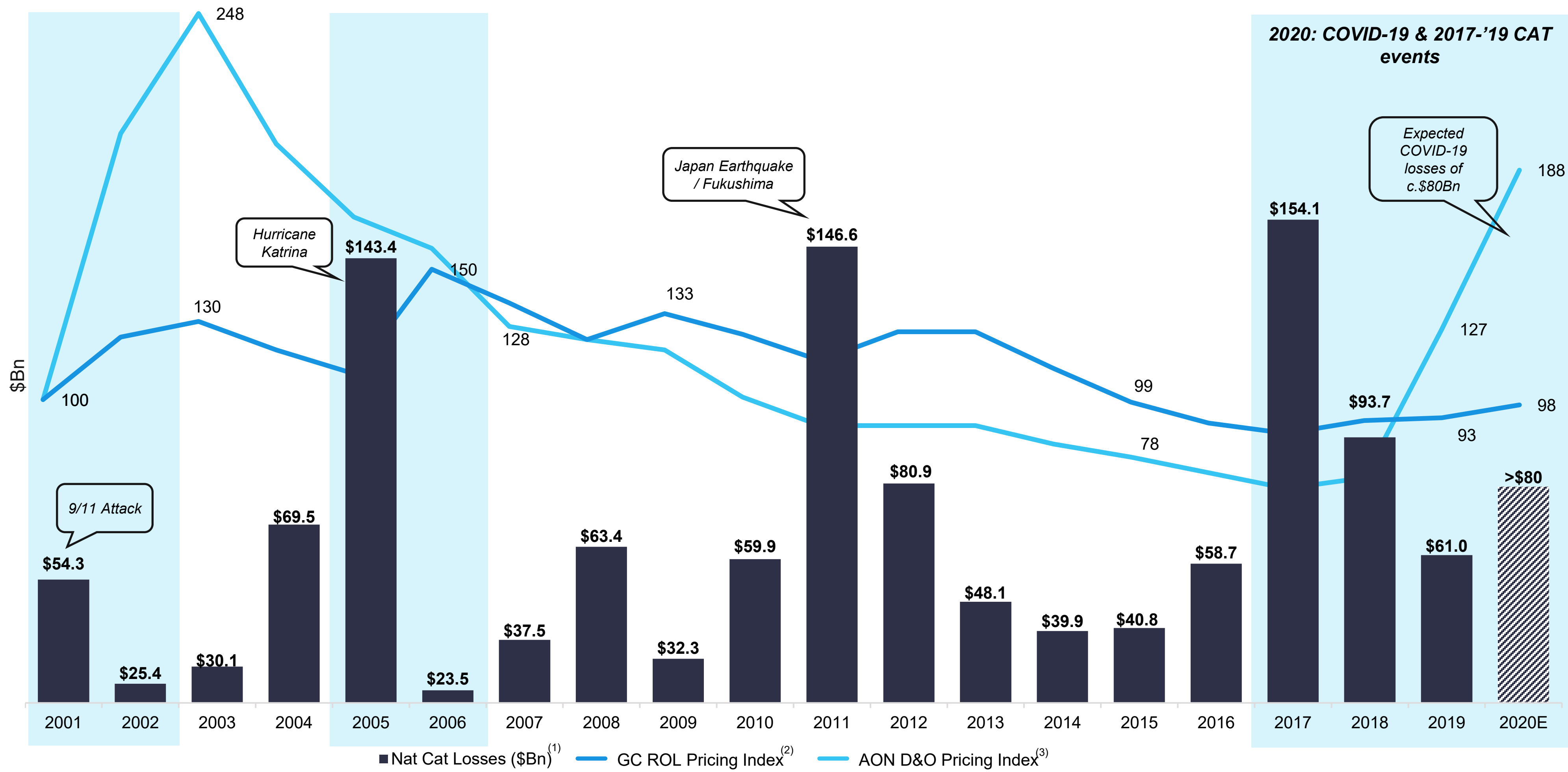
Exceptional Market Conditions

COVID is the Accelerant not the Cause

- Three years of very significant catastrophe losses ($309Bn), including the largest loss year ever (2017)[(1)]
- Significant shortfall in industry casualty reserves pre-COVID - estimated by some market participants at $100Bn to $200Bn[1]
- Industry paralysis - COVID remains a live catastrophe
- Other significant 2020 losses: California wildfires, Hurricane Laura
- New capital raised so far insignificant compared to losses and nearly $600Bn of existing industry capital[2]
- Long term low interest rate environment
- Attractive environment for new unencumbered entrants to write profitable business

Sources:
1. S&P Global Market Intelligence, 8 Nov 19
2. Willis Reinsurance Market Report April 2020

The Reinsurance Industry – a 20 Year Context



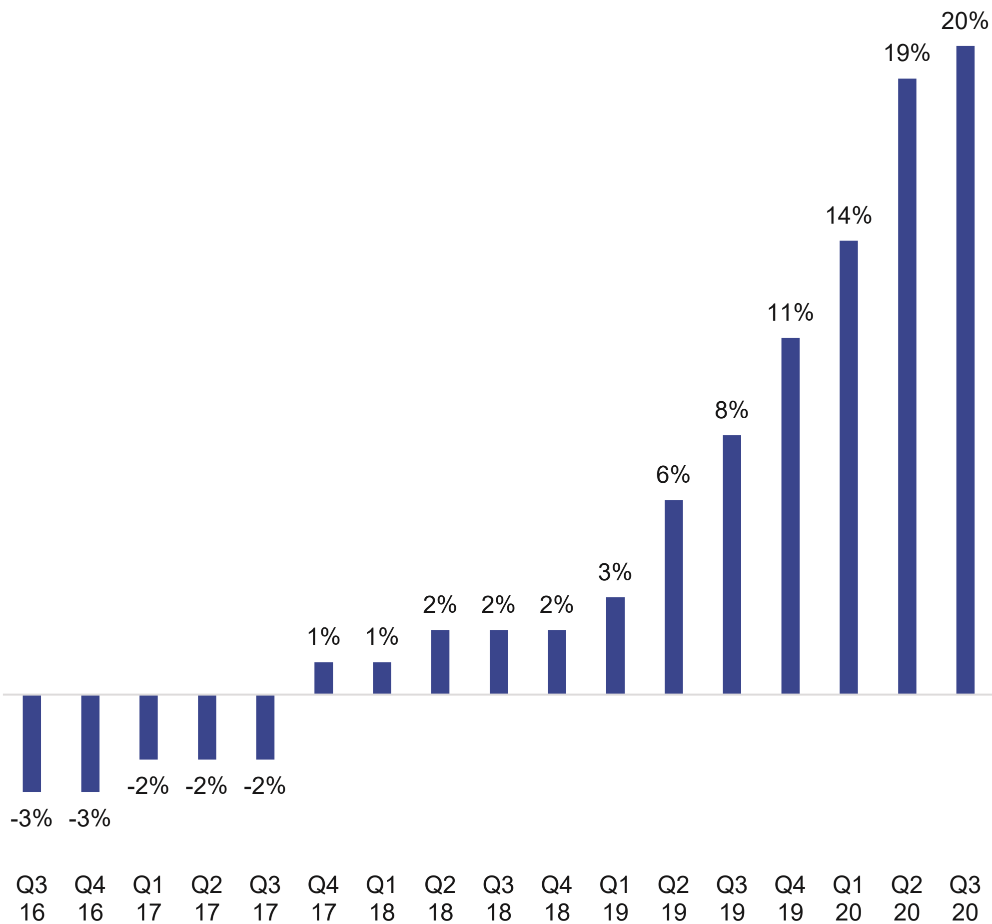
Sources: Swiss Re Institute, Lloyd's of London

1. Total insured losses
2. Global property catastrophe ROL index, post 1 Jan renewals, rebased to 100 in 2001
3. AON D&O Pricing Index rebased to 2001 levels. 2020 figure shows Q3 2020 level

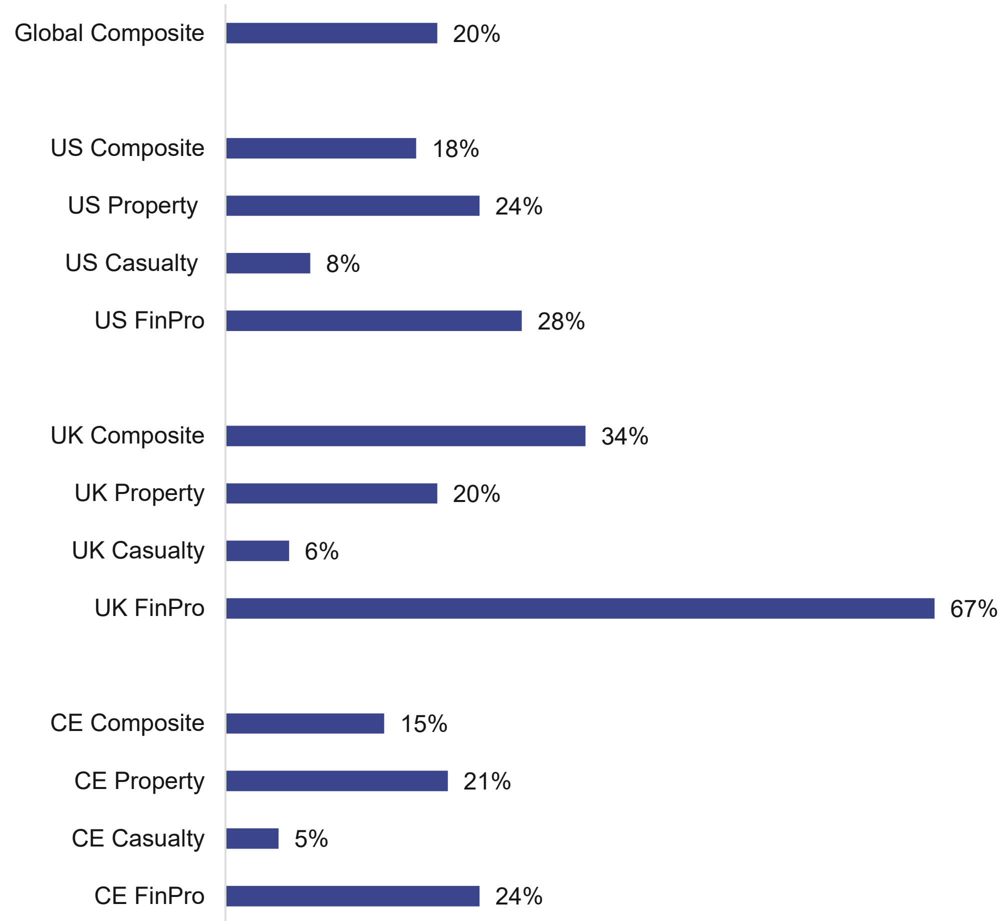
Significant Rate Momentum

But still below peak rates

Global Insurance Composite Pricing Change



Q3 Pricing Changes by Geography



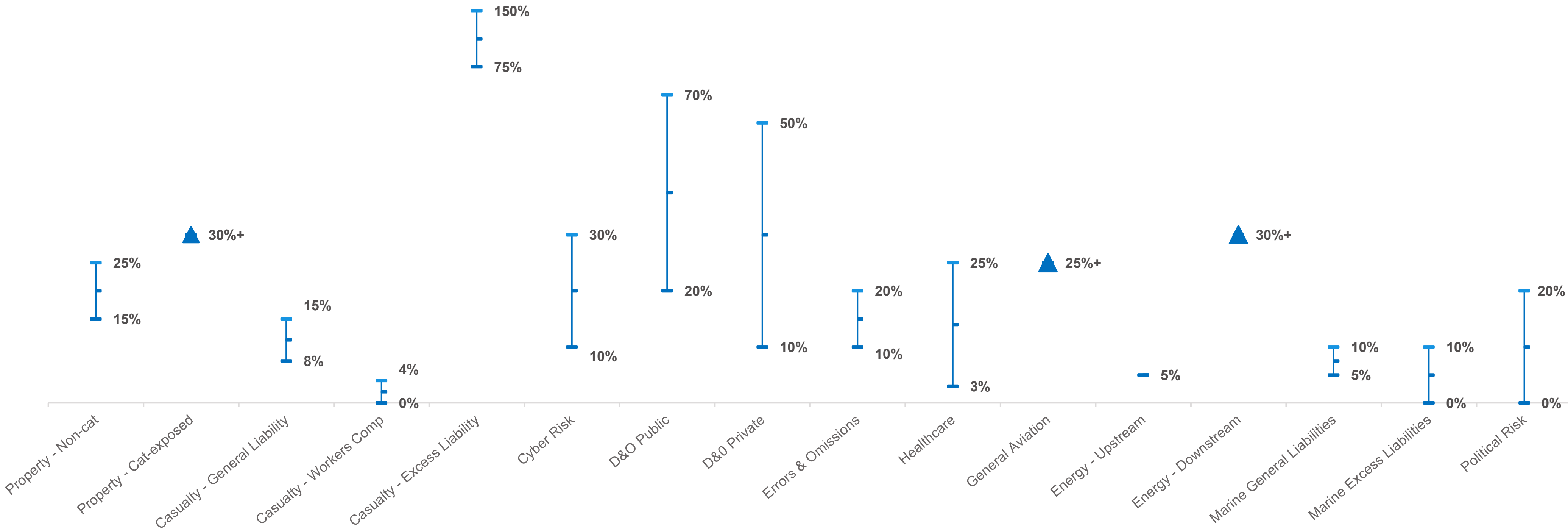
Sources: Marsh
1. Marsh Global Insurance Market Index Quarterly Report November 2020

Consistent Price Rises Across Nearly All Insurance Lines

2021 renewal price increase forecasts

- 29 out of 30 insurance classes are now showing positive rate increase forecasts for 2021
- **Casualty** XS continues to show substantial increases in rate (75-150%)
- **Property** rates continue to harden, 15-25% up from 10-20% in the spring
- All categories of **D&O** are forecasted to increase by double digits, with some as much as 70%
- **General liability** forecasts for 2021 have doubled since May

Willis Report Issue	Forecast Rate Movements		
Year	Decreases	Increases	Mix/Flat
2021	0	29	1
2020	2	20	5
2019	2	14	9
2018	7	7	9
2017	10	6	7



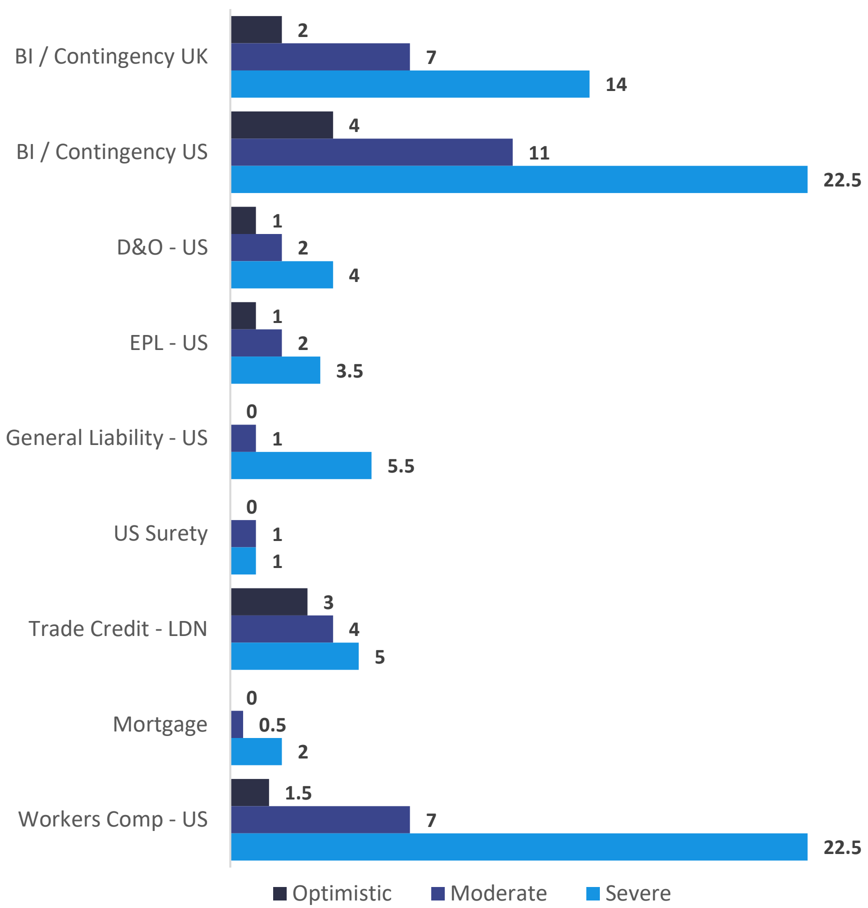
Source: Willis Insurance Marketplace Realities, Nov 19 2020
Casualty Excess Liability rate range includes low to high hazard range
D&O Public rate range includes excess layers estimates
Healthcare range includes Hospital medical malpractice, Allied health medical malpractice, Physicians medical malpractice, Loss-affected accounts, Primary med mal and excess med mal

COVID is an Unmodelled Catastrophe

A Wide Range of Classes and Geographies Affected

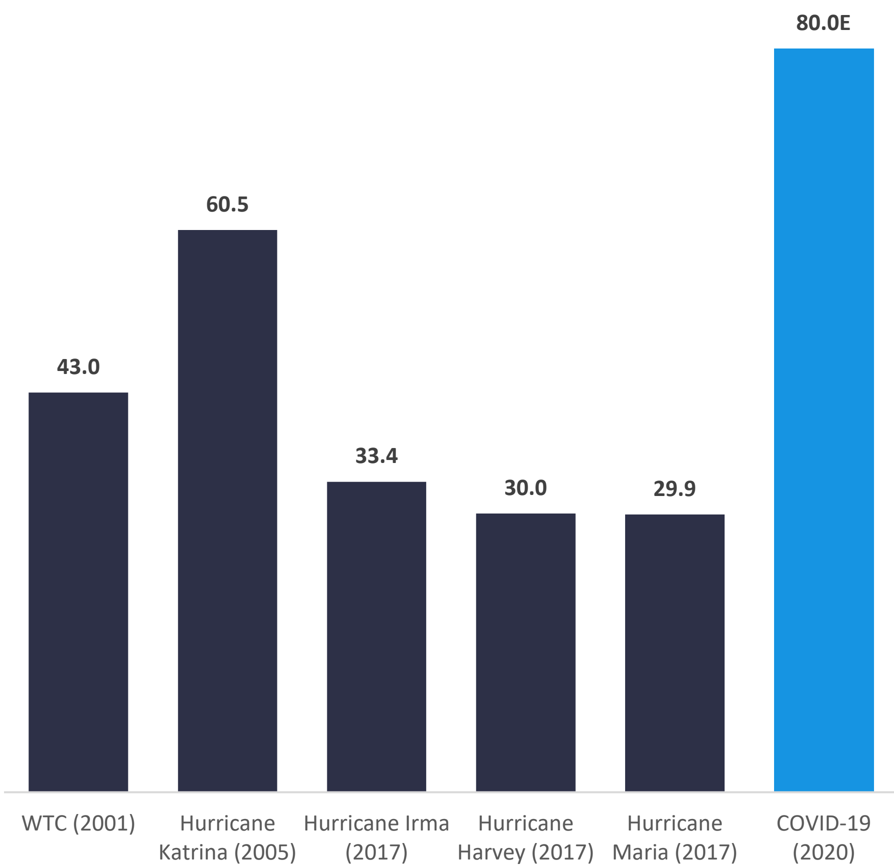
Breakdown of COVID Loss Estimates

Estimated COVID Losses ($Bn)



Selected Large Insured Loss Events

Losses ($Bn)(1)



Source: Willis Towers Watson COVID Insurance Scenario Analysis, Munich Re Nat Cat Service

1. COVID-19 Loss Estimates of USD $30-80Bn based on a moderate-severe range. The Management Team believes that the optimistic scenario of $10Bn losses has been exceeded since the source was published

Building a High Quality Business

A Very Deliverable Plan

Timing is everything

- Exceptional market conditions
- Benchmarked to previous hard markets
- Lack of market capacity creates opportunity to write good business

Wholesale not retail model

- No significant investment in brand, branches, infrastructure
- No J curve to build up
- Low and benchmarked expense ratio

No legacy

- Clean balance sheet
- All capital available to write new business – no uncertainty on COVID and other claims
- Business and team focused on future rather than addressing the past

Team / Infrastructure

- Strong management team with start-up experience
- Additional key team members identified
- Technology built for the future with no legacy systems: huge operational advantage
- Cloud based third party applications designed to drive efficiency and provide a new model of digital distribution
- System architecture design complete and key vendors in place prior to listing

The business will operate from the Bermuda office with only one satellite office required in the UK to act as an introducer

Conduit Underwriting Plan

Target 2021 Gross Written Premium (GWP) of $472m

Long Tail Casualty Quota Share ($117m)

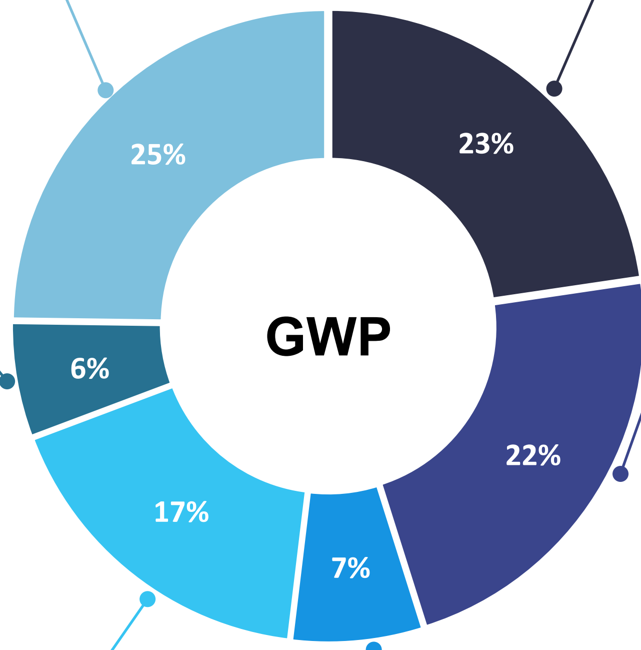
- D&O
- Energy Liability
- Non Marine General Liability
- Marine Liability
- Professional Liability
- Transaction Liability
- Healthcare

Long Tail Casualty XL ($28m)

- Non Marine Gen Liability
- Professional Lines
- D&O
- Energy Liability
- Transaction Liability

Short Tail Specialty XL ($82m)

- Marine
- Energy/Renewables
- Non-US SME Property
- Engineering, Aviation
- Specie & Fine Art
- Contingency
- Event Capped QS of above lines



Property XL ($107m)

- US Regional Cat
- Per Risk (ex Cat)
- Japan, Europe
- Asia Pac
- Pillared Retro
- Event XL excl. 1st Event
- Event capped QS of above lines

Short Tail Quota Share ($106m)

- Property
- SME Risk
- US & ex-US D&F
- Marine & Energy
- Contingency
- Political Violence/Terror
- War

Long Tail Specialty XL ($32m)

- Marine Liability
- Medical Malpractice
- Personal Accident
- Healthcare
- Aviation Liabilities
- Workers Comp
- Cyber

Figure shows a high level summary from the detailed Conduit business plan assuming a $1.1Bn raise

1. Numbers are forward looking targets and actual allocations may differ
2. Targeted portfolio breakdown throughout the forecasted period
3. GWP figures are Year 1 forecast figures

Conduit Business Plan Compared To Other New (Re)insurers

($m)	Class	Invested Capital[1]	Metric[2]	Year 1	Year 2	Year 3	Year 4	Year 5	Mean	Median
Arch	2001/02	1,040	GWP[3]	909	1,625	1,658	1,751	1,704		
			ROE	*4.9%*	*18.0%*	*16.0%*	*10.9%*	*24.1%*	*14.8%*	*16.0%*
Endurance Specialty Holdings	2001/02	1,162	GWP[3]	629	1,302	1,352	1,391	1,372		
			ROE	*8.6%*	*18.4%*	*20.3%*	*(12.0%)*	*23.1%*	*11.7%*	*18.4%*
Lancashire Holdings	2005/06	1,084	GWP	626	753	638	628	689		
			ROE	*17.8%*	*31.4%*	*7.8%*	*26.5%*	*23.3%*	*21.4%*	*23.3%*
Montpelier Re	2001/02	1,070	GWP	608	810	837	979	728		
			ROE	*14.4%*	*28.0%*	*14.1%*	*(53.6%)*	*23.7%*	*5.3%*	*14.4%*
Validus Re	2005/06	1,049	GWP[3]	541	702	688	768	1,101		
			ROE	*17.0%*	*26.9%*	*2.7%*	*31.8%*	*10.8%*	*17.8%*	*17.0%*
Mean GWP				**662**	**1,038**	**1,034**	**1,103**	**1,119**		
Conduit GWP[4,5]				**472**	**626**	**757**	**893**	**966**		

Sources: Public Filings for Arch, Endurance, Lancashire, Montpelier and Validus (Year 1 reflects first full financial year)

1. Beginning of Year 1. Includes equity and debt
2. Return on equity calculated as net income over average equity where not reported
3. Reinsurance segment only
4. Conduit GWP data is a forecast and may differ materially
5. Forward looking entries are targets

Risk Management

Diversified Portfolio Gives Relatively Low PML Estimates

Indicative PML Analysis[1]

	Year 1	Year 2	Year 3	Year 4	Year 5
Gross PML as % of Opening TNAV (Pre-Reinstatements)					
Florida Wind 1 in 100	9.5%	12.2%	13.7%	16.1%	18.9%
California Quake 1 in 250	13.5%	17.3%	19.4%	22.6%	26.5%
Net PML (Post-Reinstatements)					
Florida Wind 1 in 100	4.4%	5.3%	5.9%	6.8%	7.5%
California Quake 1 in 250	6.7%	7.8%	9.1%	10.7%	12.6%

- Indicative Probable Maximum Loss analysis is based on management analysis and experience around the model portfolio corroborated against stochastic modelling
- The potential exposures of each of the underlying classes of business in the portfolio to major loss events are estimated and the planned reinsurance programmes are overlaid to measure net exposures

1. Numbers based on a $1.1Bn capital raise

Numbers are forecasts only and may materially change based on market conditions

Distribution

The Top 4 Brokers represent c.64% of market share(1)

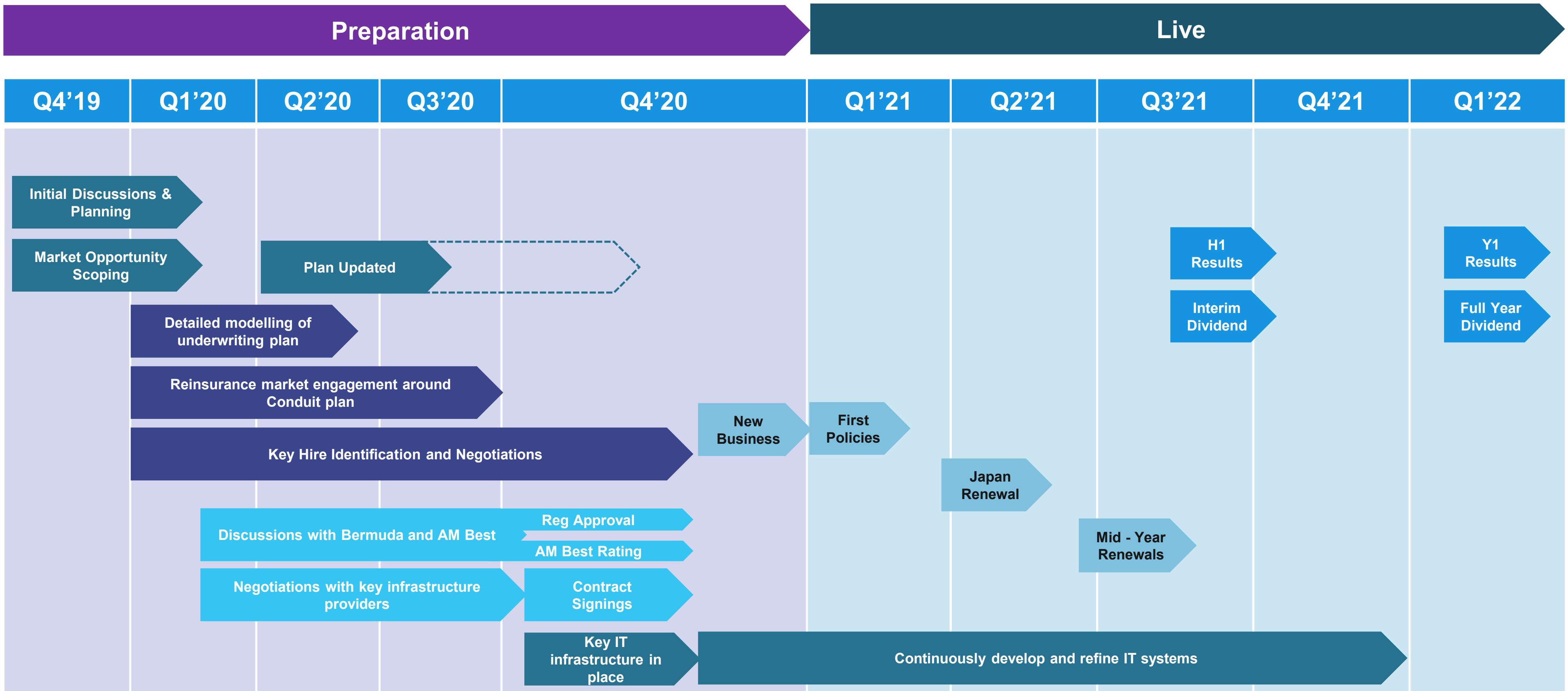
- Conduit's senior management team and identified hires enjoy very strong, decades long, relationships with the key brokers in the target markets

GUY CARPENTER AON Willis Towers Watson Gallagher

- In these extreme market conditions brokers find it harder to fill lines – new capacity helps solve this problem and can be priced accordingly
- A known team with a clear business plan and unencumbered capital will be a valued source of new capacity
- No passing trade, no adverse selection, aggressively targeting the best risks
- In the last four months the market has undergone an electronic revolution – Conduit will embrace modern methods of distribution and analytics

Source: FCA
1. FCA, Wholesale Insurance Broker Market Study. Feb 2019

Project Plan – From Concept to Operation



Forward looking entries are targets

Planned Organizational Structure

Key:

- Position filled
- Position expected to be filled by end Q1 2021

Neil Eckert
Chairman

Trevor Carvey
CEO/CUO

Bermuda

London

Risk	Finance	Actuarial	Operations	Underwriting	Legal	HR	London	IT
CRO	CFO	Chief Actuary	Deputy Group CEO/COO	CUO Bermuda	GC	Head of HR	London & Strategy Head	Head of IT
Agreed to Join Substantial risk and actuarial experience, including Zurich. Actuarial part of role expected to be separated in 2021.	**Mark Heintzman** 25+ years Experience. On island and has previous start-up experience (including Ironshore).	In discussion with potential candidates with required knowledge and experience.	**Stuart Quinlan** 30+ years underwriting experience, with a focus on casualty insurance and reinsurance.	**Trevor Carvey** At IPO Group CEO to perform role - candidates being evaluated.	**Greg Lunn** Qualified lawyer and extensive experience as GC and in COO roles (including Lancashire). On island already	**Agreed to Join** Experienced HR professional with proven track record of building and managing insurance HR functions.	**Tristan McDonald** Part of the Project Team. 20-year background of working in the financial markets, as a corporate finance adviser.	**Peter West** Experienced in working with 3rd parties to deliver insurance platforms and start up build outs of all aspects of IT.

Reflects the intention and understanding of Conduit as at the date of this presentation. There is no guarantee that positions will be filled or that the identified persons will accept the position shown

Planned Underwriting Heads

Key:

- Position filled (dark)
- Position expected to be filled by end Q1 2021 (light blue)

Head of Property	Head of International Property and ST Specialty	Head of Specialty – Marine & Energy	Head of International Casualty and LT Specialty	Head of US Casualty
Greg Roberts **In Place at Launch** 20+ years experience. Ex head of reinsurance at Syndicate 1861 and previously Head of Property Treaty at MS Amlin. Experienced in building teams, JV set ups and portfolio start ups in Bermuda. Wide set of senior client and broker contacts.	**Name Confidential** **In place by year end** Previously head of International Property at Lloyd's syndicate where business built out over Property & Short tail specialty treaty classes. Brings extensive contacts globally on broker and client sides. Years spent travelling and building business access points. Technical approach and has built portfolios from ground up	**Identified** Based in Bermuda currently. Specialist knowledge in these key classes. Extremely well known senior market figure within a large carrier currently and brings complimentary clients and broker lists to the Specialty team being built. Has travelled globally in career building contact base. Expected to join towards end of Q1 2021.	**Identified** Senior casualty underwriter currently in one of the world's ten largest P&C Groups. Based in London currently portfolio is underwritten mostly on an excess of loss basis. Previously worked for one of Lloyd's best performing syndicates underwriting a broad spectrum of casualty products. Strong in London Market/Europe, Canada, Japan.	**Name Confidential** **In place by year end** Based in Bermuda currently with portfolio of c. $100m GWP. Pure US business across various States and regions. Long & established clients and broker contacts throughout USA. Technical / walk away approach to underlying classes of casualty reinsurance.
Estimate 1/1 contract count: **20-30**	**Estimate 1/1 contract count:** **10-20**	**Estimate 1/1 contract count:** **10-20**	**Estimate 1/1 contract count:** **approx. 10**	**Estimate 1/1 contract count:** **approx. 10**

Reflects the intention and understanding of Conduit as at the date of this presentation. There is no guarantee that positions will be filled or that the identified persons will accept the position shown

Capital Management

Generate Attractive Dividends, Maintain Financial Strength

Dividend policy supported by strong RoEs

- Reinsurance generates significant cashflow
- The Company is targeting a dividend as early as during the 2021 financial year
- Target payout of approximately 5%-6% of capital raised at IPO
- Targeting a stable and progressive dividend thereafter
- Conduit may also from time to time consider the payment of special dividends and returns of capital to Shareholders by way of share buybacks

Maintain financial strength

- Relatively low "PML" exposures due to diversification across classes and territory and retrocession programme - catastrophes are modelled to be earnings events not capital events
- Minimal asset-side risk to protect solvency capital
- Strong capitalization with appropriate capital buffers through the cycle to maintain strong financial strength ratings




Summary

Summary

The Conduit Proposition

Exceptional Market Conditions

- Incurred Cat losses of $309bn across 2017-19, compounded by COVID
- Latency: $100bn - $200bn of casualty reserve deficiency pre-COVID[1]
- Capacity crunch driving pricing and T's & C's

Conduit Proposition

- Experienced and proven management team, no legacy losses and systems
- Wholesale business, very achievable building blocks, quick to scale
- Very efficient operating platform with hand picked, leading systems

Focus

- 6 Property and Casualty classes to address greatest potential in this market
- Targeting mid teens RoE on measured risk-return
- One portfolio, no silos, profit

Opportunity

- **Timing**: We believe this is one of the best markets for 20 years
- **Structure**: Reinsurer, focussed on XL and QS, capturing best current market opportunities on an extremely low cost : income ratio
- **TSR**: RoE, Dividends, Compounded Book Value, Rating

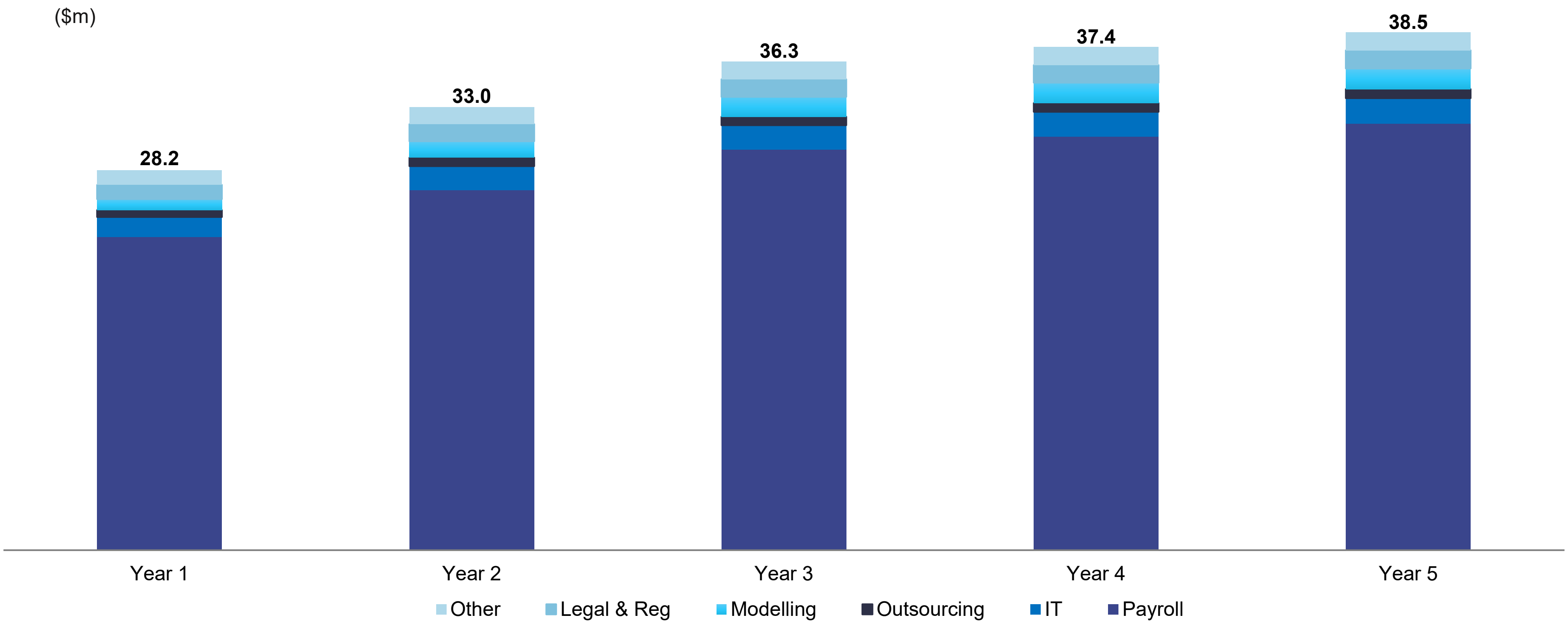
Sources:
1. S&P Global Market Intelligence, 8 Nov 2019

Appendix

Operating Expenses

Planned Operating Expenses

Main expense is in the Team



Expense Ratio (% of GWP)	Year 1	Year 2	Year 3	Year 4	Year 5
Conduit[3]	6.0%	5.3%	4.8%	4.2%	4.0%
Peer Mean[1]	5.2%	5.5%	5.8%	5.8%	6.4%
Peer Median[1]	5.7%	5.6%	5.7%	5.3%	6.6%

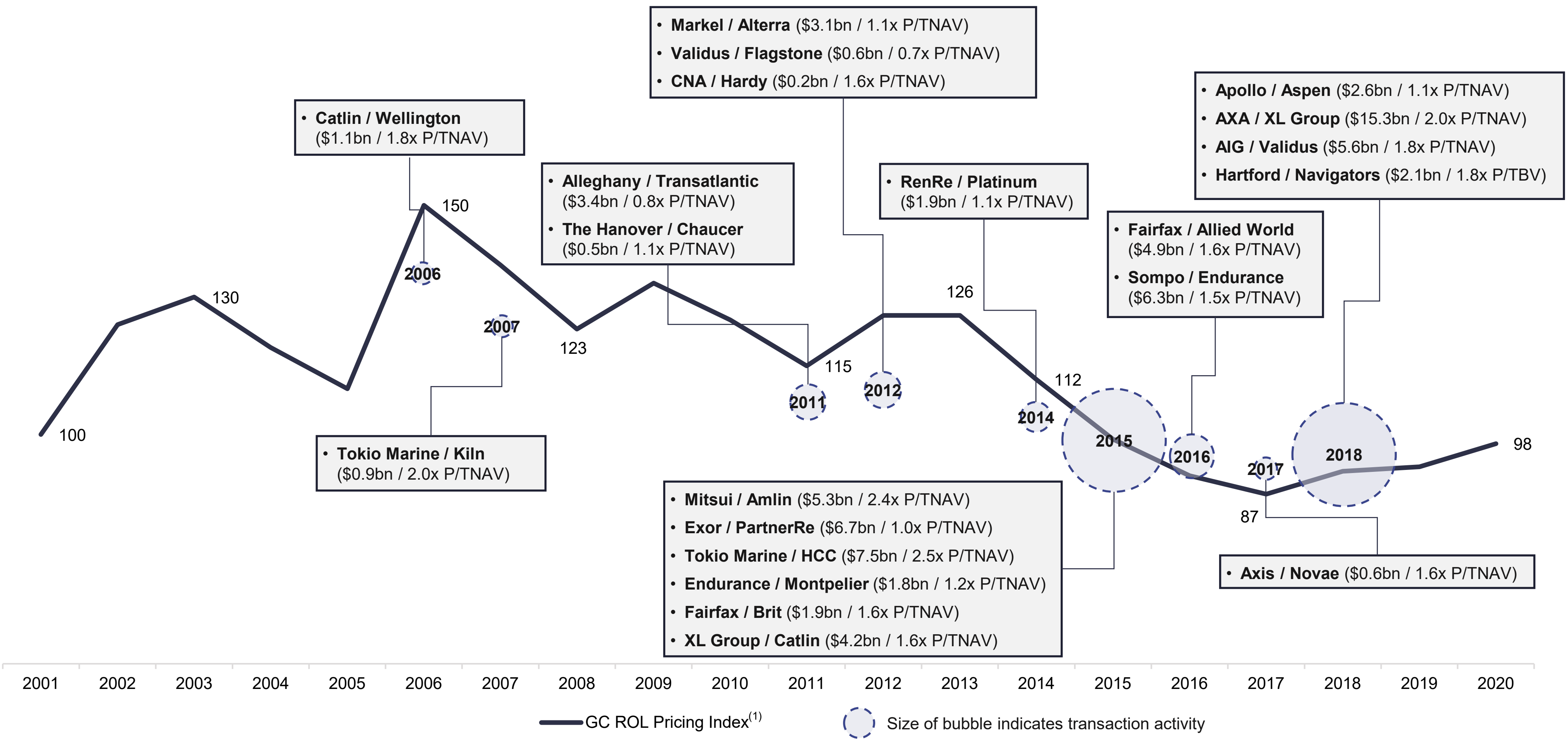
Numbers based on a $1.1Bn capital raise
Numbers are forecasts only and may materially change based on market conditions

1. Mean and Median of selected peers including the following: Allied World[2], Arch[2], Axis[2], Endurance Speciality Holdings[2], Harbour Point Re, Montpelier Re, Third Point Re and Validus Re[2]
2. Reinsurance segment (share of central costs have been added on based on share of GWP if not already included)
3. Numbers are Conduit's projected expenses and actual results may differ materially

Public Specialty Insurance M&A Activity

Listed Specialty Insurers Are Becoming a Rarity

Softening pricing has driven significant acquisition activity in the public specialty insurance markets



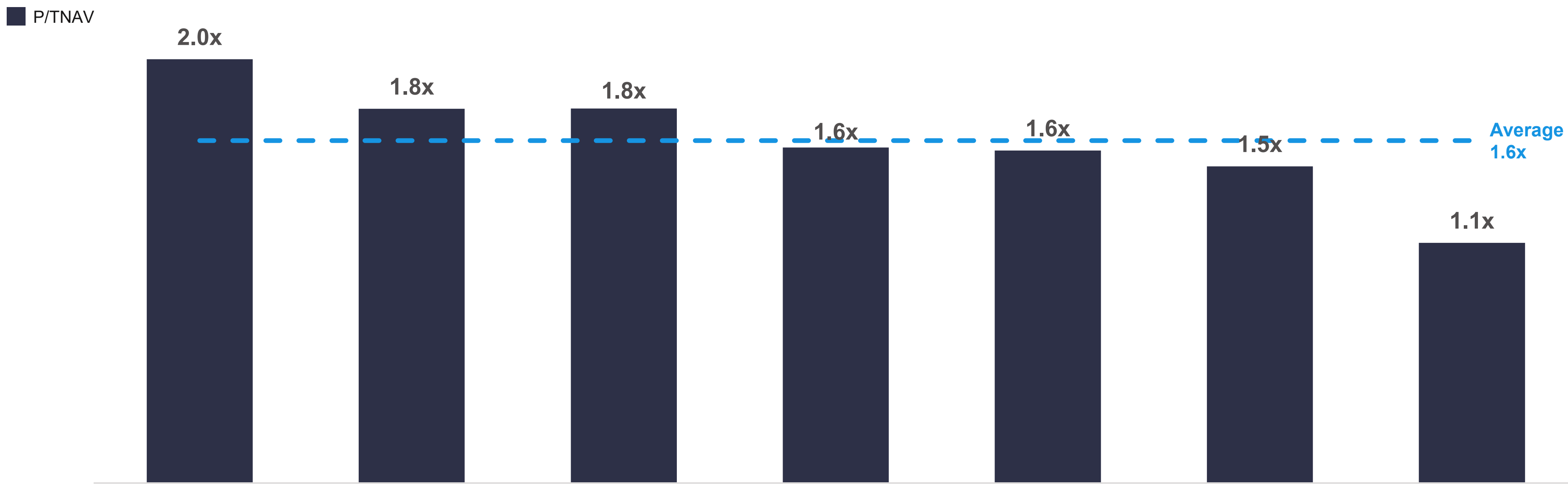
Sources: Mergermarket, Company information, Press, FX as of respective transaction announcement date, USD values represent consideration paid for acquisition, P/TNAV as per latest reported prior to transaction announcement

1. Global property catastrophe ROL index, post 1 Jan renewals, rebased to 100 in 2001

Select Transaction Comparables

Relevant Transaction Multiples

Transaction consideration ($Bn)	$15.3Bn	$2.1Bn	$5.6Bn	$0.6Bn	$4.9Bn	$6.3Bn	$2.6Bn
P/E[(1)]	11.0x[(2)]	n.m.	n.m.	22.1x	n.m.	18.3x	n.m.



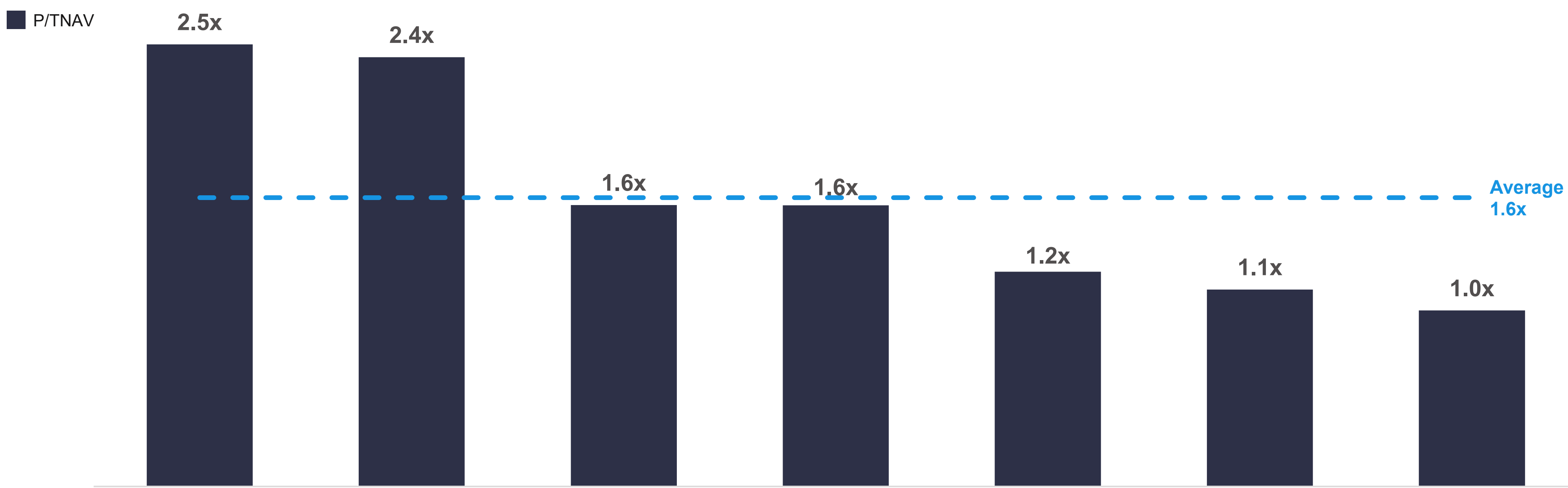
Bidder	AXA	THE HARTFORD	AIG	AXIS	FAIRFAX FINANCIAL HOLDINGS LIMITED	SOMPO	APOLLO
Target	XL	Navigators	VALIDUS GROUP	Novae	ALLIED WORLD	Endurance YOUR RISK IS OUR FOCUS	ASPEN
Announced	Mar-18	Aug-18	Jan-18	Jul-17	Dec-16	Oct-16	Aug-18

Source: Mergermarket, Company information, Press, FX as of respective transaction announcement date
1. P/TNAV as per latest reported, P/E latest financial year
2. As per AXA's announcement, P/E transaction multiple including synergies

Select Transaction Comparables (Cont'd)

Relevant Transaction Multiples

Transaction consideration ($Bn)	$7.5Bn	$5.3Bn	$1.9Bn	$4.2Bn	$1.8Bn	$1.9Bn	$6.7Bn
P/E[1]	16.4x	14.7x	8.8x	10.8x	8.2x	8.5x	6.5x
P/TNAV	2.5x	2.4x	1.6x	1.6x	1.2x	1.1x	1.0x
Bidder	Tokio Marine	Mitsui Sumitomo Insurance	Fairfax Financial Holdings Limited	XL	Endurance	RenaissanceRe	EXOR
Target	HCC	Amlin	Brit	Catlin	Montpelier Re	Platinum	PartnerRe
Announced	Jun-15	Sep-15	Feb-15	Jan-15	Mar-15	Nov-14	Aug-15



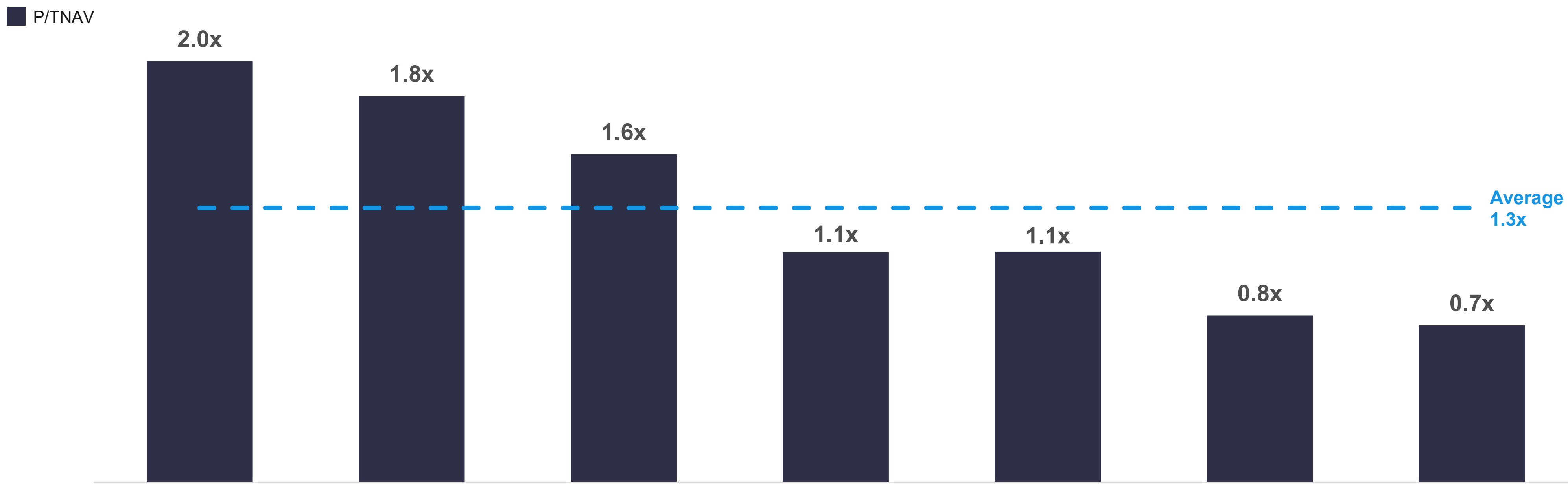
Source: Mergermarket, Company information, Press, FX as of respective transaction announcement date

1. P/TNAV as per latest reported, P/E latest financial year

Select Transaction Comparables (Cont'd)

Relevant Transaction Multiples

Transaction consideration ($Bn)	$0.9Bn	$1.1Bn	$0.2Bn	$3.1Bn	$0.5Bn	$3.4Bn	$0.6Bn
P/E[1]	10.1x	n.m.	n.m.	n.m.	13.9x	8.5x	n.m.



Bidder	TOKIO MARINE	CATLIN	CNA	MARKEL	The Hanover Insurance Group	Alleghany	VALIDUS GROUP
Target	KILN	Wellington Underwriting plc	HARDY	Alterra	Chaucer	TransRe	FLAGSTONE RE
Announced	Dec-07	Oct-06	Mar-12	Dec-12	Apr-11	Nov-11	Aug-12

Source: Mergermarket, Company information, Press, FX as of respective transaction announcement date

1. P/TNAV as per latest reported, P/E latest financial year




Underwriting Plan

Globally Diverse Underwriting Plan

Based on domicile of client

Northern Europe Incl. Lloyd's (Year 1: c. $195m)

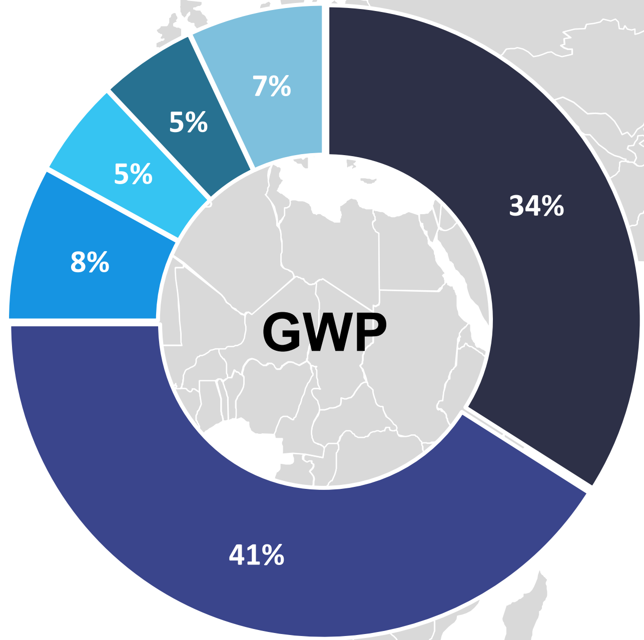
- General client base has very good data and information transparency
- Property XL: Broad spread of countries with largest accounts from Germany, France, Netherlands
- Casualty QS - larger clients provide attractive opportunities
- Casualty XL: Mutuals and smaller accounts provide better value
- Lloyds provides good opportunities YOY for both XL and QS. Access to specialty classes very strong

Southern Europe (Year 1: c. $39m)

- Lower volumes than N Europe as data and client transparency generally poorer – Conduit will only do business with cedents who meet its criteria
- Good Cat XL diversity available and casualty QS also good in cycles
- Spain carriers rely on significant reinsurance YOY and major carriers offer good opportunities
- Italy largely to be avoided due to economy and legal regime

Middle East (Year 1: c. $22m)

- Energy economies provide good specialty opportunities. Many clients rely on expertise and 'lead' advice from reinsurers
- Property XL: Commercial providing good value and property QS opportunities with low capitalised carriers locally
- Casualty – opportunities are limited
- Conduit will keep legal regimes under watch and review, sanctions also key.



USA (Year 1: c. $160m)

- Property Cat XL: Written regionally to produce selective diversification rather than large nationwide accounts. Residential preferred over commercial
- Specialty accounts selected based on transparency of data and track records
- Casualty QS: Significant volume to larger carriers with data transparency and strong track records
- State by state approach within Conduit portfolio

Far East (Year 1: c. $23m)

- **Japan**: Property catastrophe XL will be a major driver. Limited QS as well capitalised local carriers retain majority of business historically
- Specialty opportunities available given reinsurers expertise.
- **Singapore:** Represents the other main Far East hub for wholesaling specialty and property classes
- **Other**: Localised catastrophe programmes through Malaysia, Thailand etc all offer good diversification

ROW (Australasia & Latam) (Year 1: c. $33m)

- **Latin America**: Will write shorter tail classes on XL basis when data / information quality is sound. No significant QS or LT classes expected.
- **Australasia**: Pricing attractive in cycles for property and short tail but casualty classes less so presently.
- **Russia:** Conduit will avoid
- **Eastern Europe**: Short tail classes only
- **Africa**: Short Tail classes only

Figure shows a high level summary from the detailed Conduit business plan assuming a $1.1Bn raise

Numbers are forward looking targets and actual allocations may differ
Targeted portfolio breakdown throughout the forecasted period
GWP figures are Year 1 forecast figures

Underwriting Plan

Property XL

Property XL Target Premiums

	Year 1	Year 2	Year 3	Year 4	Year 5
($m)					
GWP[1]	**107**	**138**	**159**	**190**	**209**

Indicative Ultimate Mean Gross Loss Ratio: 44% [2]

Indicative Acquisition Costs Ratio: 10.2%[3]

Major Sub Classes

- US Regional Cat
- Per Risk (ex Cat)
- Japan XL, Europe XL
- Asia Pac XL
- Pillared Retro XL
- Event XL excl. 1st Event
- Event capped QS of above XL lines

Property XL Target Portfolio Summary

- This portfolio comprises Quota Share (QS), Cat XL and Risk XL (Non Cat) treaty
- Regional contracts and specifically identified country contracts will be preferred over broad worldwide 'all risks' contracts. Conduit will require payment for the specific exposures it covers
- Capacity will be allocated specifically to each class and region depending on the rate adequacy expected for each
- Conduit will offer Retro and ILW product capability, predominantly on a collateralised basis as a secondary offering. This will be executed opportunistically in the cycle behind traditional rated carrier products

1. Target premiums based on $1.1Bn raise and underwriting plan segment split set out on slide 13
2. Ultimate underwriting year loss ratio expectation based on anticipated 2021 pricing and terms and conditions
3. Indicative acquisition costs ratio is also based on anticipated 2021 pricing and terms and conditions

Underwriting Plan

Short Tail Property QS

Short Tail Property QS Target Premiums

	Year 1	Year 2	Year 3	Year 4	Year 5
($m)					
GWP[1]	**106**	**142**	**170**	**204**	**225**

Indicative Ultimate Mean Gross Loss Ratio: 53% [2]

Indicative Acquisition Costs Ratio: 17.6%[3]

Major Sub Classes

QS of various lines including:

- Property
- SME Risk
- US & ex-US D&F
- Marine & Energy
- Contingency
- Political Violence/Terror
- War

Short Tail Property QS Summary

- QS contracts covering classes within the property and specialty classes
- This business unit will include the potential, to access MGA / cover holder & consortium business and to partner with appropriate carriers in specific lines
- Underwritten by same teams as the excess of loss portfolio to ensure open approach and prevent any parochial approach to the risks analysis process
- Actuarial tools embedded into the workflow
- Large contracts reviewed quarterly and actions agreed on centrally
- Insurance expertise embedded from key classes to assist in the reinsurance underwriting process

1. Target premiums based on $1.1Bn raise and underwriting plan segment split set out on slide 13
2. Ultimate underwriting year loss ratio expectation based on anticipated 2021 pricing and terms and conditions
3. Indicative acquisition costs ratio is also based on anticipated 2021 pricing and terms and conditions

Underwriting Plan

Long Tail Specialty XL

Long Tail Specialty XL Target Premiums

	Year 1	Year 2	Year 3	Year 4	Year 5
($m)					
GWP[1]	**32**	**43**	**54**	**62**	**65**

Indicative Ultimate Mean Gross Loss Ratio: 54% [2]

Indicative Acquisition Costs Ratio: 10.5%[3]

Major Sub Classes

- Marine Liabilities XL
- Medical Malpractice XL
- Personal Accident
- Healthcare XL
- Aviation Liabilities XL
- Workers Comp
- Cyber XL

Long Tail Specialty XL Summary

- XL business offered across targeted classes according to rate cycle adequacy
- Major sub-classes here include Medical Malpractice, Personal Accident, Energy, Marine Liability, Aviation Liability and Cyber. The key criteria is that reported loss development falls largely over 2 years from inception
- Preference for specific one class contracts over broad 'catch all' contracts. This ensures Conduit is able to assess risk and price products accordingly with increased accuracy
- Underwriting teams will have insurance expertise in key classes, providing value add in the reinsurance underwriting process

1. Target premiums based on $1.1Bn raise and underwriting plan segment split set out on slide 13
2. Ultimate underwriting year loss ratio expectation based on anticipated 2021 pricing and terms and conditions
3. Indicative acquisition costs ratio is also based on anticipated 2021 pricing and terms and conditions

Underwriting Plan

Short Tail Specialty XL

Short Tail Specialty XL Target Premiums

	Year 1	Year 2	Year 3	Year 4	Year 5
($m)					
GWP[1]	**82**	**109**	**131**	**158**	**173**

Indicative Ultimate Mean Gross Loss Ratio: 47% [2]

Indicative Acquisition Costs Ratio: 10.5%[3]

Major Sub Classes

- Selected Marine Class XL
- Energy/Renewables XL
- Non-US SME Property XL
- Engineering, Aviation XL
- Specie & Fine Art
- Contingency
- Event Capped QS of above XL lines

Short Tail Specialty XL Summary

- Specialty XL business will be offered across targeted classes according to rate cycle adequacy and providing a diversification away from Nat Cat exposures
- Classes here include Marine, Political Violence, Terror, Energy and Aviation with key criteria being that reported loss development falls largely within two years of inception
- Specific one-class contracts will be preferred over broad 'catch all' contracts to ensure Conduit is able to price products accurately
- Expertise present in the UK based business origination office will greatly enhance our ability to spot early opportunities arising in these specialist classes

1. Target premiums based on $1.1Bn raise and underwriting plan segment split set out on slide 13
2. Ultimate underwriting year loss ratio expectation based on anticipated 2021 pricing and terms and conditions
3. Indicative acquisition costs ratio is also based on anticipated 2021 pricing and terms and conditions

Underwriting Plan

Long Tail Casualty XL

Long Tail Casualty XL Target Premiums

($m)	Year 1	Year 2	Year 3	Year 4	Year 5
GWP[1]	**28**	**37**	**46**	**53**	**56**

Indicative Ultimate Mean Gross Loss Ratio: 59% [2]

Indicative Acquisition Costs Ratio: 10.5%[3]

Major Sub Classes

- Non Marine Gen Liabilities XL
- Professional Lines XL
- D&O XL
- Energy Liabilities XL
- Transaction Liabilities XL

Long Tail Casualty XL Summary

- Classes here include General Third Party, Non-Marine Liability, Directors & Officers , Professional Liability, Transaction Liability. The key criteria is that reported loss development falls largely over 2 years from inception
- Preference for specific one class contracts over broad 'catch all' contracts. This ensures Conduit is able to assess risk and price products accordingly with increased accuracy
- Underwriting teams will have insurance expertise in key classes, providing value add in the reinsurance underwriting process

1. Target premiums based on $1.1Bn raise and underwriting plan segment split set out on slide 13
2. Ultimate underwriting year loss ratio expectation based on anticipated 2021 pricing and terms and conditions
3. Indicative acquisition costs ratio is also based on anticipated 2021 pricing and terms and conditions

Underwriting Plan

Long Tail Casualty QS

Long Tail Casualty QS Target Premiums

	Year 1	Year 2	Year 3	Year 4	Year 5
($m)					
GWP(1)	**117**	**157**	**196**	**226**	**237**

Indicative Ultimate Mean Gross Loss Ratio: 52% (2)

Indicative Acquisition Costs Ratio: 21.0%(3)

Major Sub Classes

- D&O
- Energy Liabilities
- Non Marine General Liabilities
- Marine Liabilities
- Professional Liabilities
- Transaction Liabilities
- Healthcare

Long Tail Casualty QS Summary

- QS contracts covering classes within casualty and longer tail specialty classes
- This segment will include the potential to access MGA / cover holder & consortium business and to partner with appropriate carriers in specific lines
- Selective approach to key clients with a focus on data quality and transparency in this segment
- These will be underwritten by the same teams as the excess of loss portfolio, ensuring an open approach and preventing any parochial approach to the risk analysis process
- Large contracts reviewed quarterly and actions agreed on by a central committee
- Rate tracking and the relevant reserve / loss development metrics will be paramount in the underwriting decision making process

1. Target premiums based on $1.1Bn raise and underwriting plan segment split set out on slide 13
2. Ultimate underwriting year loss ratio expectation based on anticipated 2021 pricing and terms and conditions
3. Indicative acquisition costs ratio is also based on anticipated 2021 pricing and terms and conditions

Recent P&C (Re)insurance Capital Raises

Capital Raises in the (Re)insurance Market

- Several market participants have raised capital or are in the process of raising capital to take advantage of hardening market
    - Some of these funds will serve to replenish depleted balance sheets of incumbents rather than finance growth
- New vehicles have also entered the market, with Convex Insurance raising $1.8Bn in 2019
- However, raises not significant in the context of existing traditional reinsurance capital of $499Bn and alternative capital of $91Bn[1]

	beazley	convex	FIDELIS	HISCOX	Lancashire	QBE	RenaissanceRe	KI	ark insurance group
Capital Raised	Equity	Equity	Equity	Equity	Equity	Equity[2]	Equity	Equity	Equity[3]
Date of Announcement	May 2020	April 2019	February & June 2020	May 2020	June 2020	April 2020	June 2020	September 2020	October 2020
Amount Raised (Million)	$300	$1,800	$800	£375	$365	$1,250	$1,000	$500	$605

Overall capital raised / to be raised across the industry is unlikely to eliminate the supply/demand imbalance created by COVID-19 and recent market conditions

Sources: AON Securities Report, Fairfax Investor Relations, Insurance Journal
1. AON Securities Report
2. Includes $500m of capital notes (AT1 Capital)
3. White Mountains will commit to contribute up to an additional $200 million of equity capital to Ark in 2021




People & Infrastructure

Other Key Personnel

Experienced management team in-place

Stuart Quinlan – Deputy CEO (Bermuda)

- An experienced insurance and reinsurance leader, Stuart has a track record for developing and building successful, enduring and profitable businesses. With a solid background in running all aspects of the business, Stuart has particular expertise in delivering effective IT strategies, recruitment and retention of top talent and monitoring and controlling the business. He has experience of dealing with regulators, rating agencies and investment stakeholders.
- Stuart started his 30-year career underwriting casualty lines specialising in financial lines. At Royal SunAlliance he managed the UK financial lines business, he left in 2004 to join Novae as Underwriting Director.
- From 2007 to 2012 at Zurich Insurance, he was head of Financial Lines and then CUO Professional Lines across Europe. He was then Head of Specialty and Deputy Active Underwriter at Barbican Insurance (Syndicate 1955). He joined Hamilton Insurance in 2015 to establish a new Lloyd's business with Trevor Carvey.
- Stuart will take on the role of Deputy CEO for Conduit Re, working with Trevor on all aspects of the business and take direct responsibility for operations

Mark Heintzman – Chief Financial Officer

- Mark Heintzman is a CPA/CFA/ARe qualified accountant with 30 years experience in the insurance and reinsurance industry, most recently as CFO for Ironshore Insurance Ltd., a Bermuda Class 4 licensed company
- Mark has extensive experience in Treasury, Financial Controller and CFO roles in the industry, for businesses across a wide range of different underwriting classes and territories, including start up experience
- Expertise in all aspects of finance role and in particular Investment Management of Insurance asset portfolios and managing solvency capital in line with rating agency and regulatory requirements
- Mark will be based in Bermuda and will take responsibility for managing all financial aspects of Conduit's business activities including our outsource partner relationships, all aspects of Conduit's internal and external financial reporting (including AM Best) and the execution and oversight of Conduit's Investment Management strategy.

Other Key Personnel

Experienced management team in-place

Tristan McDonald – Operations and Strategic development (London Head)

- Tristan has a 20 year background of working in the financial markets, primarily in the reinsurance industry, as a corporate finance adviser. He has had a particular focus on start ups and has advised on and helped to build a wide range of start up insurance and reinsurance businesses, including Montpelier Re in 2001/2 and Lancashire Insurance in 2005/6.
- Tristan started his career working for the UBS Investment Banking Financial Institutions team where he worked on a number of post R&R Lloyd's insurance vehicles. He joined Benfield Advisory, Benfield's corporate finance division, in 1997 and then ran this business from 2000 until 2011.
- He has been involved in all aspects of building start up reinsurers, from raising capital, arranging and managing licences in multiple jurisdictions, arranging and managing Financial Strength ratings, building operating infrastructure and business development
- Tristan will initially work closely with Stuart building the operations of Conduit Re and take direct responsibility for the London business. Tristan will be responsible for managing the strategic development of Conduit Re

Greg Lunn – General Counsel & Company Secretary

- Greg Lunn is a highly experienced lawyer who has held a number of senior in-house legal in the global insurance and reinsurance industry over the last 25 years
- His most recent role in the industry was as Group Legal Counsel for Lancashire Holdings, a Bermuda based London listed Insurance/Reinsurance group, where he was also initially responsible for establishing the Group's internal audit function. Prior to this role, he spent 10 years in senior management roles in the legal team at a major global insurance and reinsurance Group
- Bermuda Class 4 start-up experience in 2006 including the establishment and oversight of the Group's ERM framework
- Greg is currently a director at Bermudan law firm Marshall Diel & Myers. Greg will be relinquishing this role
- Greg will be based in Bermuda and will be responsible for all legal aspects of the Group's business activities, including all contracts, regulatory matters and any legal actions or disputes, including claims, Company secretarial responsibilities, data protection and regulatory compliance

Infrastructure

Comprehensive operating infrastructure established for launch

Department	At launch	Target end of year 1	Current status	Planned approach proven to work in a start-up multiple times
Underwriting Systems	Deploy phase 1 underwriting platform	Build bespoke end-to-end underwriting platform	Underwriting platform partner identified and launch platform agreed	✓
Cat Modelling	Outsource to Tier 1 Insurance Brokerage	In-house	In discussions with Tier 1 broker	✓
Finance Systems/Admin	Outsource to Tier 1 Insurance Services Provider	Outsource/In-house	Outsourcing agreement being finalised	✓
Servers/systems	Outsource to leading provider	Outsource	In discussions with shortlist	✓
Actuarial	Outsource to established actuarial consultancy	In-house	In discussions with shortlist	✓
Claims Settlement	Outsource to Tier 1 Insurance Services Provider	Outsource/In-house	Detailed discussions held with outsourced service providers, services scoped and quotes provided	✓
Premises (Bermuda)	Serviced offices	Serviced offices	Office identified	✓
Premises (London)	Serviced offices	Serviced offices	Will be put in place when required	✓

MIP Details

Management Promote

Absolute Return scheme[1]:

- Principally linked to share price performance and investor returns
- Performance condition: annualised 10% total return to investors achieved at or after the exercise points (50% tested on GBP, 50% tested on USD)
- Scheme value:
  - 7.5% share of investor total returns in GBP in excess of initial subscription value in GBP – i.e. 7.5% of growth in market cap plus dividends/returns of capital etc
  - 7.5% share of investor total returns in USD in excess of initial subscription value in USD

MIP shares in a Conduit MIP subsidiary entity awarded which will be redeemed into Conduit shares subject to the above conditions and with automatic exercise points as follows:

- A takeover of Conduit or sale or liquidation of the MIP subsidiary; or
- The relevant exercise points are:
  - fourth, fifth, sixth and seventh anniversary of admission
  - 25% of issued shares redeemed at each date unless performance condition is not satisfied , then they roll forward to the next date
- Awards lapse if the above 10% return performance condition has not been met on the seventh anniversary

The MIP Shares are subject to vesting:

- For the Founders, 20 per cent. of their MIP shares will vest on or prior to Admission
- The remainder of the Founders' MIP Shares and those for other senior managers, MIP shares will vest each year equally in the period between Admission and the relevant exercise point

Shares issued on an redemption of MIP Shares into Company Shares (save for Shares which are required to be sold to cover any tax charge arising on such redemption) will be subject to lock-up provisions[2] as follows:

- one-third of the Shares will have no lock-up post-redemption;
- one-third of the Shares will have a one year lock-up post-redemption; and
- one-third of the Shares will have a two year lock-up post-redemption.
- Any applicable lock-up period in force at any time will expire automatically and immediately on a subsequent sale, amalgamation or change of control of the Company.

Good leaver/bad leaver terms to be agreed with Remcom and key terms are to be set out in the Prospectus

Note:
1. Proposed MIP terms and conditions presented subject to Remuneration Committee approval
2. Lock up expires immediately on a subsequent sale or change in control of Conduit

Management Incentive Plan – Illustrative Example

Based on year 7 calculation of the MIP

Dummy numbers – for illustrative purposes only

MIP Illustration ($m)

Investor cashflows		Y1	Y2	Y3	Y4	Y5	Y6	Y7
Invt	(1,100)							
Dividend		55	63	68	74			
market cap					2,025			
Investor cashflows	(1,100)	55	63	68	2,099			
Cumulative value creation pre MIP					**1,185**			
IRR pre MIP					**21.2%**			
TSR pre MIP					**107.7%**			
MIP Value					**44** 1			
Investor cashflows								
Invt	(1,100)							
Dividend		55	63	68	74	79		
market cap						2,158		
Investor cashflows	(1,100)	55	63	68	74	2,238		
Cumulative value creation pre MIP						**1,398**		
IRR pre MIP						**19.1%**		
TSR pre MIP						**127.1%**		
MIP Value						**52** 1		
Investor cashflows								
Invt	(1,100)							
Dividend		55	63	68	74	79	84	
market cap							2,296	
Investor cashflows	(1,100)	55	63	68	74	79	2,380	
Cumulative value creation pre MIP							**1,619**	
IRR pre MIP							**17.8%**	
TSR pre MIP							**147.2%**	
MIP Value							**61** 1	
Investor cashflows								
Invt	(1,100)							
Dividend		55	63	68	74	79	84	89
market cap								2,436
Investor cashflows	(1,100)	55	63	68	74	79	84	2,525
Cumulative value creation pre MIP								**1,849**
IRR pre MIP								**16.7%**
TSR pre MIP								**168.1%**
MIP Value								**69** 1
Total Value	**227**				**44**	**52**	**61**	**69**

5%(1) ROE Y1
15%(1) ROE Y2 to Y7
Trading at 1.5x NTA Yrs 4 – 7

1 In this illustrative example, the 10% minimum total shareholders' return is met in each of the years from Y4 to Y7

- MIP value calculated at each of the four anniversaries as 1/4th of 15% total shareholders' value created up to the anniversary date

Cumulative MIP value by Year 7 ($m)

		Years 2-7 RoE				
		5.00%	7.50%	10.00%	12.50%	15.00%
	1.00x	0	0	0	138	118
	1.13x	0	0	0	118	145
	1.25x	0	19	116	143	172
	1.38x	20	79	137	167	200
P/TNAV	1.50x	50	130	159	192	**227**
	1.63x	90	150	181	216	254
	1.75x	138	169	203	241	281
	1.88x	156	189	225	265	308
	2.00x	173	209	247	290	336

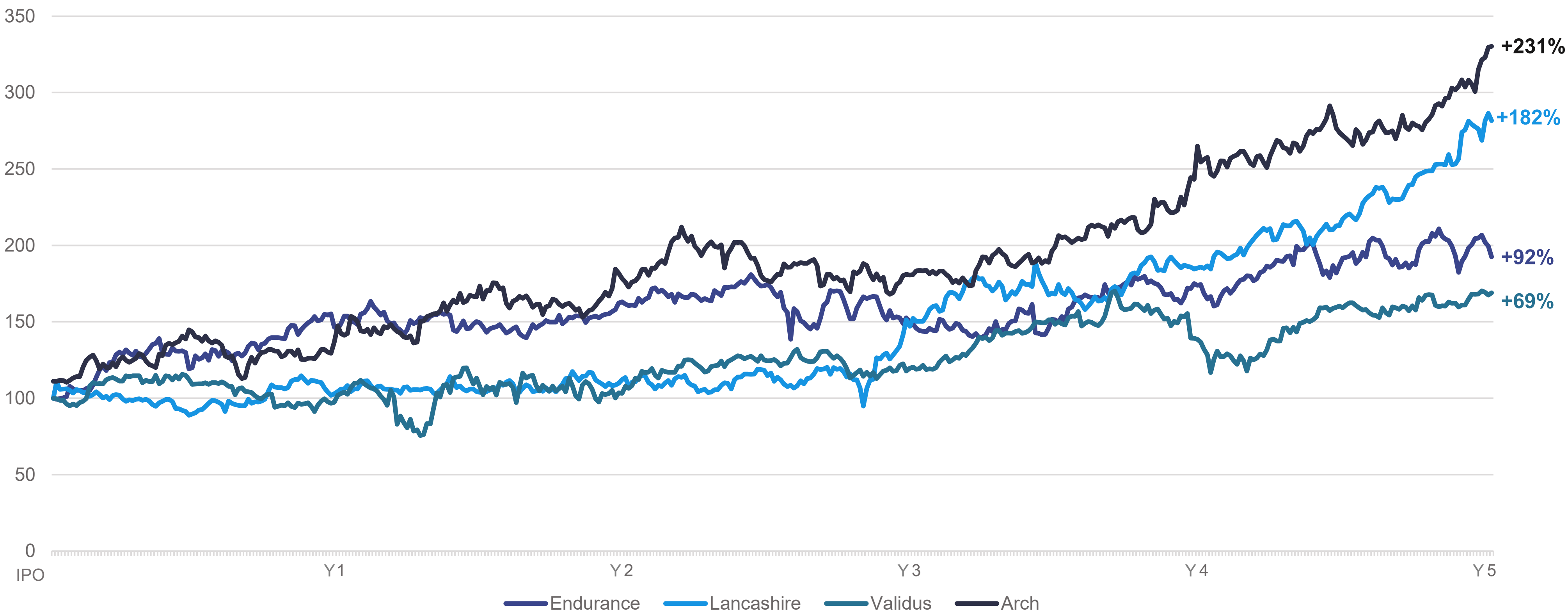
Note: Proposed MIP terms and conditions presented subject to Remuneration Committee approval

1. These slides contain certain assumptions and dummy inputs and this information is provided purely for illustrative purposes. These assumptions include inter alia: initial equity of $1.1bn, 5% Y1 ROE and 15% Y2 to Y7 ROE (and alternate ROE numbers where marked), a dividend of 5% of opening equity in Y1 and 6% of opening equity in each of Y2 to Y7, 15% MIP share of value creation.

Peer Group TSRs

Reinsurance Start-ups Have Performed Strongly in the Past

Rebased TSR Since IPO of Select Reinsurance Start-ups – 5 Years Post IPO



Source: Capital IQ
Endurance IPO 28/02/2003
Lancashire IPO 16/12/2005
Validus IPO 30/07/2007

Arch Capital Fund Raise 21/11/2001