

Investor Presentation: Q1 2024 Trading Statement

NOTE REGARDING FORWARD-LOOKING STATEMENTS

CERTAIN STATEMENTS AND INDICATIVE PROJECTIONS (WHICH MAY INCLUDE MODELLED LOSS SCENARIOS) MADE IN THIS RELEASE OR OTHERWISE THAT ARE NOT BASED ON CURRENT OR HISTORICAL FACTS ARE FORWARD-LOOKING IN NATURE INCLUDING, WITHOUT LIMITATION, STATEMENTS CONTAINING THE WORDS “BELIEVES”, “AIMS”, “ANTICIPATES”, “PLANS”, “PROJECTS”, “FORECASTS”, “GUIDANCE”, “INTENDS”, “EXPECTS”, “ESTIMATES”, “PREDICTS”, “MAY”, “CAN”, “LIKELY”, “WILL”, “SEEKS”, “SHOULD”, OR, IN EACH CASE, THEIR NEGATIVE OR COMPARABLE TERMINOLOGY. SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE GROUP TO BE MATERIALLY DIFFERENT FROM FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. FOR A DESCRIPTION OF SOME OF THESE FACTORS, SEE THE GROUP’S ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023. IN ADDITION TO THOSE FACTORS CONTAINED IN THE GROUP’S 2023 ANNUAL REPORT AND ACCOUNTS, ANY FORWARD-LOOKING STATEMENTS CONTAINED IN THIS RELEASE MAY BE AFFECTED BY: THE IMPACT OF THE COLLAPSE OF THE FRANCIS SCOTT KEY BRIDGE IN BALTIMORE WHICH OCCURRED IN THE FIRST QUARTER OF 2024; AND THE ESCALATION OF HOSTILITIES IN THE MIDDLE EAST AND ITS IMPACT ON THE STABILITY OF THE REGION, GLOBAL SUPPLY ROUTES AND INSURANCE AND FINANCIAL MARKETS. ALL FORWARD-LOOKING STATEMENTS IN THIS RELEASE OR OTHERWISE SPEAK ONLY AS AT THE DATE OF PUBLICATION. LANCASHIRE EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING (SAVE AS REQUIRED TO COMPLY WITH ANY LEGAL OR REGULATORY OBLIGATIONS INCLUDING THE RULES OF THE LONDON STOCK EXCHANGE) TO DISSEMINATE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENT TO REFLECT ANY CHANGES IN THE GROUP’S EXPECTATIONS OR CIRCUMSTANCES ON WHICH ANY SUCH STATEMENT IS BASED. ALL SUBSEQUENT WRITTEN AND ORAL FORWARD-LOOKING STATEMENTS ATTRIBUTABLE TO THE GROUP OR INDIVIDUALS ACTING ON BEHALF OF THE GROUP ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THIS NOTE. PROSPECTIVE INVESTORS SHOULD SPECIFICALLY CONSIDER THE FACTORS IDENTIFIED IN THIS RELEASE AND THE REPORT AND ACCOUNTS NOTED ABOVE WHICH COULD CAUSE ACTUAL RESULTS TO DIFFER BEFORE MAKING AN INVESTMENT DECISION.

NOTE REGARDING RPI METHODOLOGY

THE RENEWAL PRICE INDEX (“RPI”) IS AN INTERNAL METHODOLOGY THAT MANAGEMENT USES TO TRACK TRENDS IN PREMIUM RATES OF A PORTFOLIO OF INSURANCE AND REINSURANCE CONTRACTS. THE RPI WRITTEN IN THE RESPECTIVE SEGMENTS IS CALCULATED ON A PER CONTRACT BASIS AND REFLECTS MANAGEMENT’S ASSESSMENT OF RELATIVE CHANGES IN PRICE, TERMS, CONDITIONS AND LIMITS AND IS WEIGHTED BY PREMIUM VOLUME. THE RPI DOES NOT INCLUDE NEW BUSINESS, TO OFFER A CONSISTENT BASIS FOR ANALYSIS. THE CALCULATION INVOLVES A DEGREE OF JUDGEMENT IN RELATION TO COMPARABILITY OF CONTRACTS AND THE ASSESSMENT NOTED ABOVE. TO ENHANCE THE RPI METHODOLOGY, MANAGEMENT MAY REVISE THE METHODOLOGY AND ASSUMPTIONS UNDERLYING THE RPI, SO THE TRENDS IN PREMIUM RATES REFLECTED IN THE RPI 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 CONTRACTS. THE FUTURE PROFITABILITY OF THE PORTFOLIO OF CONTRACTS WITHIN THE RPI IS DEPENDENT UPON MANY FACTORS BESIDES THE TRENDS IN PREMIUM RATES.

NOTE REGARDING ALTERNATIVE PERFORMANCE MEASURES

THE GROUP USES ALTERNATIVE PERFORMANCE MEASURES TO HELP EXPLAIN BUSINESS PERFORMANCE AND FINANCIAL POSITION. THESE MEASURES HAVE BEEN CALCULATED CONSISTENTLY WITH THOSE AS DISCLOSED IN THE GROUP’S 2023 ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023.

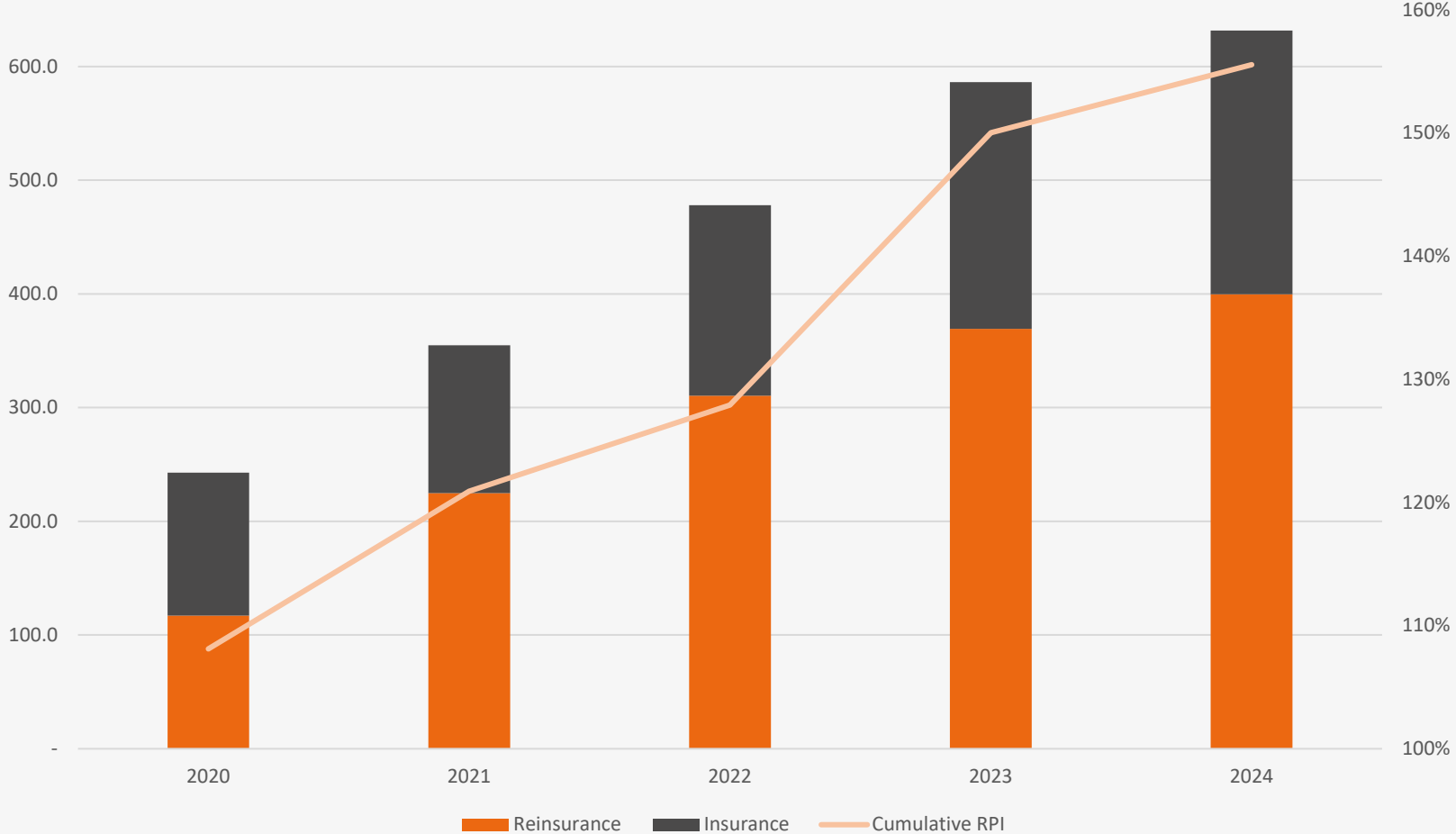


Very strong start in Q1 – guidance affirmed for 2024

- Gross premiums written increased 7.8% to \$631.7 million.
- Insurance revenue increased 24.6% to \$422.0 million.
- Group Renewal Price Index (RPI) of 104%.
- Investment portfolio return of 0.9%.
- Strong balance sheet and robust capital position with regulatory ECR ratio of 328% (as at 31 December 2023).

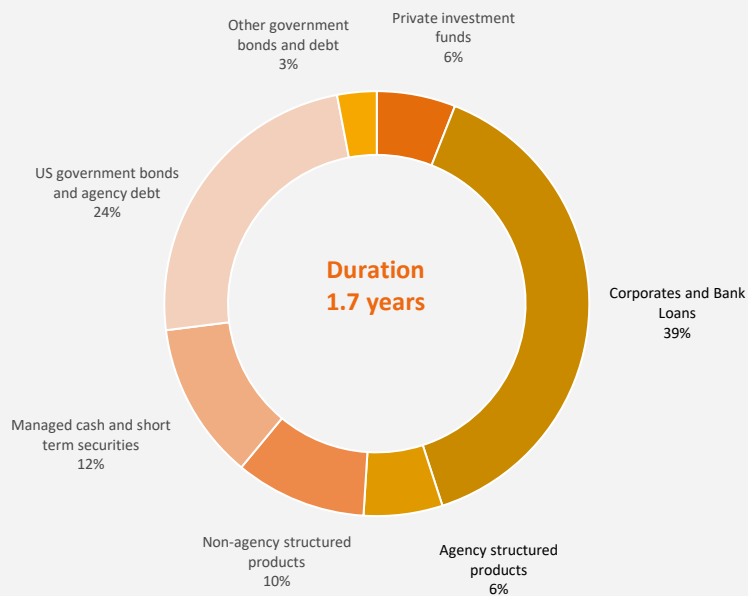
Continued focus on writing profitable business

Gross premiums written (\$m) and cumulative RPI (%) for the first quarter 2020 to 2024

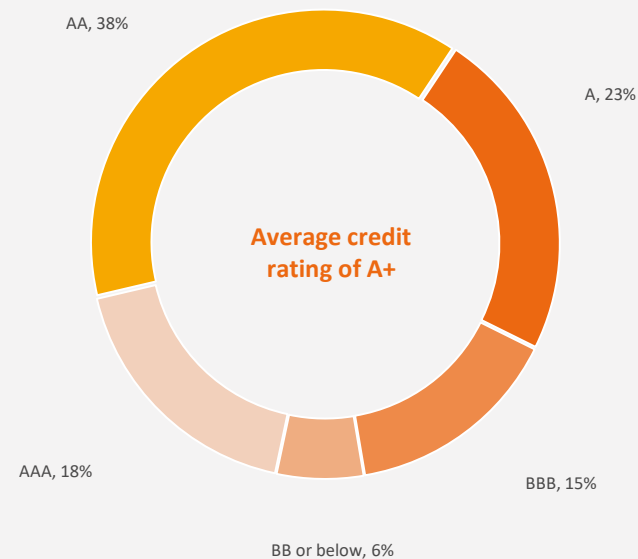


- Reinsurance: Property was the most significant contributor to growth with strong new business and RPIs. Exposure increases on renewal of some large contracts drove growth in property treaty and in specialty.
- RPI was 103% for the segment.
- Insurance: Growth predominantly due to new business and exposure increases within the property class.
- RPI was 105% for the segment.

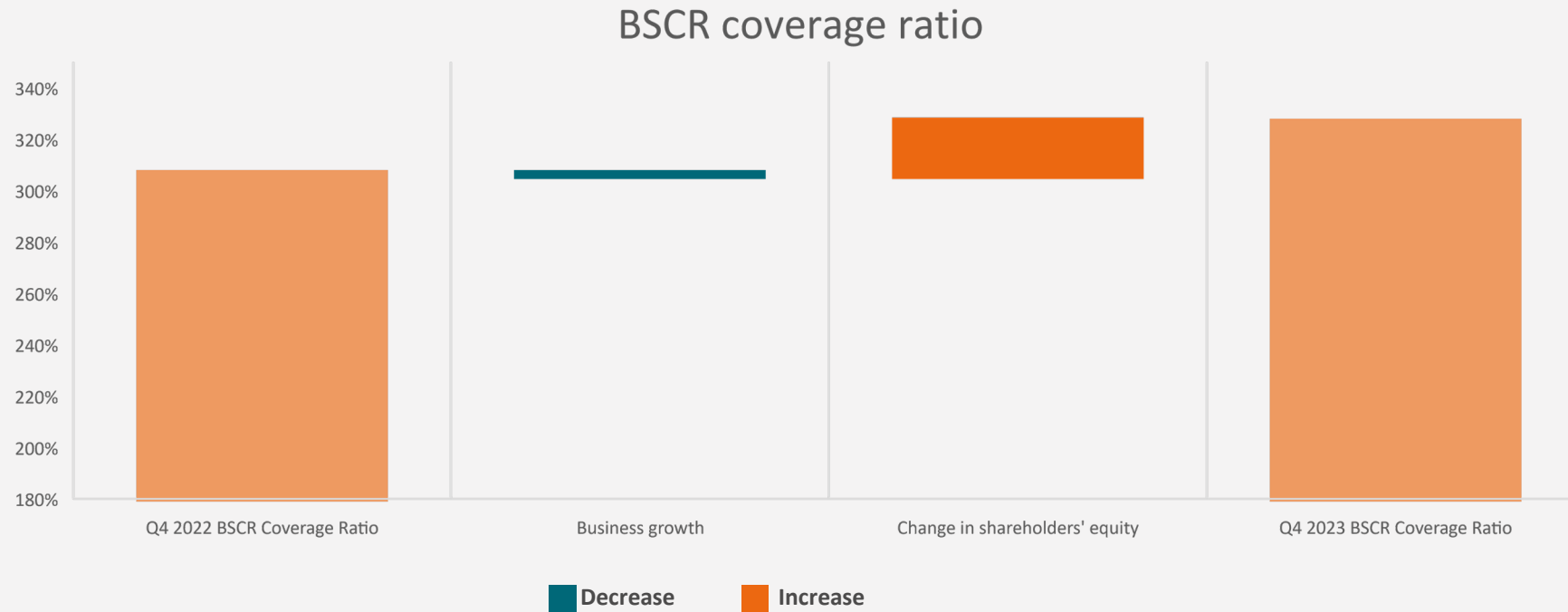
Asset Allocation
total investment portfolio and managed cash



Credit Quality
fixed maturities and managed cash



- Total investment portfolio and managed cash as at 31 March 2024 was \$2,824.9 million.
- Total net investment return of 0.9%, primarily driven by higher yields and interest rate volatility.



Note: Applying a stress scenario which incorporates a net loss catastrophe event (representative of our 1 in 100 Gulf of Mexico wind PML at \$300.5 million) at 31 December 2023 our ECR ratio would be approximately 283%. Incorporating the Group's capital actions (special dividend and ordinary dividend) announced with the year-end 2023 results of approximately \$155.0 million, our ECR ratio is approximately 305%.

- **There is no change to our long-term strategy.** Disciplined growth is important to balance returns over the longer term. This approach to growth will allow Lancashire to mitigate the weaker years through portfolio optimisation and we expect this to enhance returns over the cycle.
- **Our business has strengthened and is more resilient.**
- **We remain strongly capitalised to deliver on our long-term strategy.** We continue to navigate the insurance cycle and manage the business for the long term.
- **We see strong opportunities in 2024.** We will continue to grow while the opportunity persists in an attractive rating environment.
- **We continue to remain disciplined in our underwriting,** while taking advantage of the stronger market conditions.

No change to 2024 guidance

- In an average loss year, we would expect the 2024 undiscounted combined ratio to be around the mid-80% range.
- This would result in an RoE, as measured by change in DBVS, of around 20%.

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