Lancashire

Investor Presentation: Half-year 2025

We Are Lancashire

Safe harbour statements

NOTE REGARDING FORWARD-LOOKING STATEMENTS:

CERTAIN STATEMENTS AND INDICATIVE PROJECTIONS (WHICH MAY INCLUDE MODELLED LOSS SCENARIOS) MADE IN THIS PRESENTATION 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 2024 AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2025. IN ADDITION TO THOSE FACTORS CONTAINED IN THE GROUP'S 2024 ANNUAL REPORT AND ACCOUNTS AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2025, ANY FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION MAY BE AFFECTED BY: THE IMPACT OF TRADE TARIFFS AND THE POSSIBILITY OF A CONTINUATION OR ESCALATION OF GLOBAL OR REGIONAL TRADE DISRUPTION ARISING THEREFROM AND THE CONSEQUENT ECONOMIC UNCERTAINTY WHICH MAY AFFECT (RE)INSURANCE DEMAND OR THE PERFORMANCE OF OUR INVESTMENT PORTFOLIO. ALL FORWARD-LOOKING STATEMENTS IN THIS PRESENTATION 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 PRESENTATION AND THE REPORT AND ACCOUNTS NOTED ABOVE WHICH COULD CAUSE ACTUAL RESULTS TO DIFFER BEFORE MAKING AN INVESTMENT DECISION.

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 ANNOUNCEMENT OF ITS RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024.

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.

Half-year 2025 highlights: Strong performance and increased resilience

Gross premiums written increased 5.8% year-on-year to $1,356.2 million. Insurance revenue increased 8.9% year-on-year to $930.1 million.

Insurance service result of $155.7 million, discounted combined ratio of 87.4%, undiscounted combined ratio of 97.8%.

Profit after tax of $109.2 million, resulting in a change in DBVS of 7.6%.

Total investment return of 3.7%, including unrealised gains and losses.

2025 RoE expected to be high-teens, upgraded from mid-teens, assuming a similar H2 loss environment to 2024.

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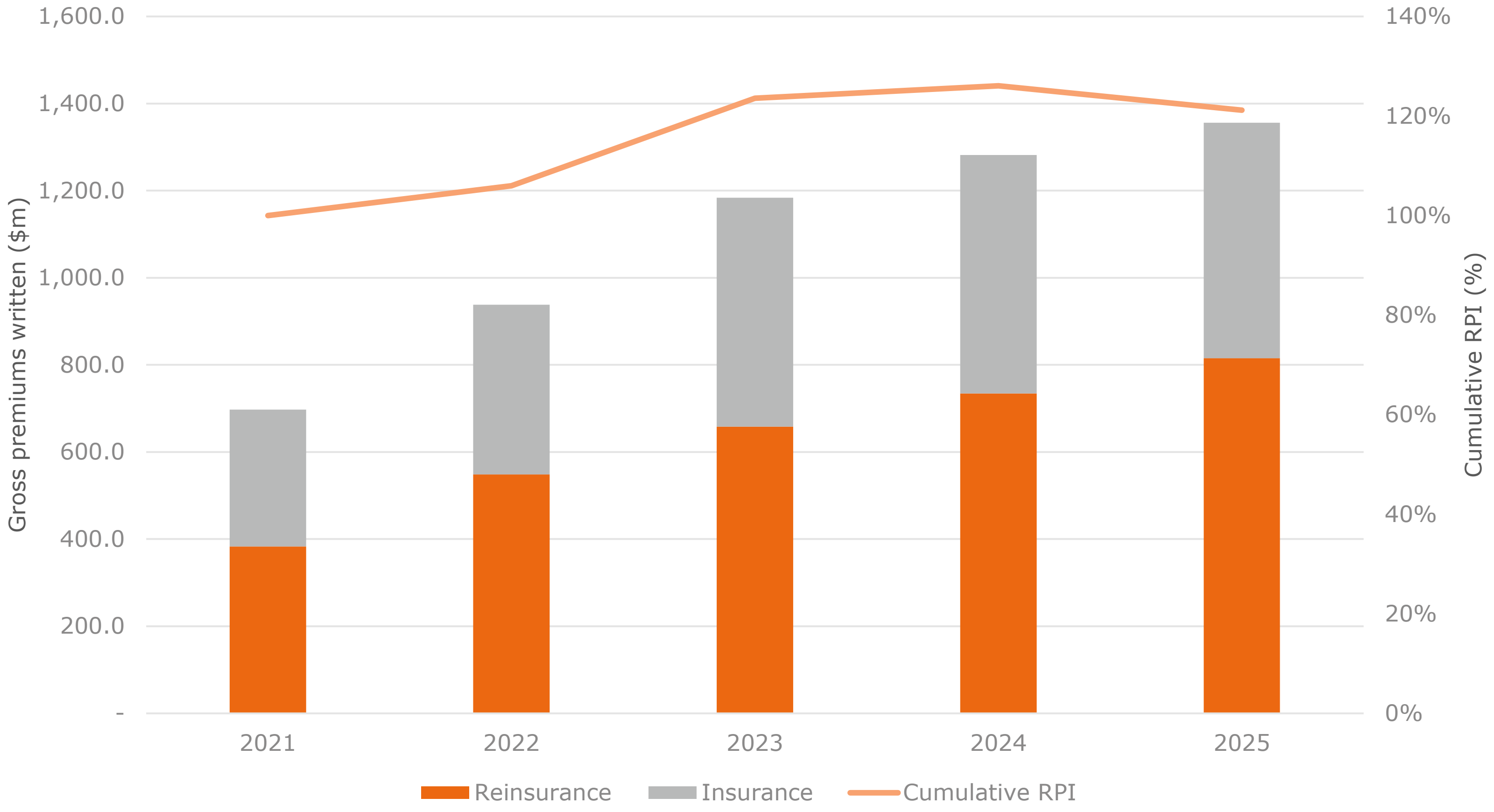
A diversified and profitable portfolio

Gross premiums written ($m) and cumulative Renewal Price Index (RPI) (%) for the first half 2021 to 2025



- Overall growth of 5.8%, or 2.5% excluding reinstatement premiums.
- Group RPI of 96%.
- Most lines remain well-priced and offer opportunities to grow selectively.
- Reinsurance growth driven by new business, reinstatement premiums in property, and bound prior-year premiums in casualty reinsurance. This offset decreases in property retro.
- Insurance growth in energy and marine was offset by rate decreases in property and the timing of aviation contracts.

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Half-year 2025 financial results summary

	Six months to 30 June 2025	Six months to 30 June 2024	Variance
	$m	$m	$m
Insurance revenue	**930.1**	854.1	76.0
Insurance service expenses	**(792.1)**	(472.2)	(319.9)
Insurance service result before reinsurance contracts held	**138.0**	381.9	(243.9)
Net income (expense) from reinsurance contracts held	**17.7**	(159.1)	176.8
Insurance service result	**155.7**	222.8	(67.1)
Net investment return	**108.2**	75.2	33.0
Finance expense from insurance contracts issued	**(73.0)**	(28.3)	(44.7)
Finance income from reinsurance contracts held	**16.3**	9.3	7.0
Net insurance and investment results	**207.2**	279.0	(71.8)
Profit before tax	**118.6**	213.6	(95.0)
Profit after tax	**109.2**	200.8	(91.6)
Net insurance ratio	**78.6%**	65.2%	(13.4%)
Operating expense ratio	**8.8%**	7.8%	(1.0%)
Combined ratio (discounted)	**87.4%**	73.0%	(14.4%)
Discounting impact on combined ratio	**10.4%**	9.2%	(1.2%)
Combined ratio (undiscounted)	**97.8%**	82.2%	(15.6%)
Interim dividend	**7.5 cents**	7.5 cents	-%

Half-year 2025 net loss environment

- The Group experienced net losses (undiscounted, excluding reinstatement premiums) from catastrophe, weather and large loss events totalling $211.2 million.
- Catastrophe and weather losses were $172.0 million. California wildfires represent the majority of this figure and our estimate of losses resulting from this event remains unchanged.
- The Group also experienced net losses (undiscounted, excluding reinstatement premiums) from large risk events totalling $39.2 million.
- None of the large risk event losses were individually material for the Group.
- No change to our conservative reserving philosophy with the net liability for insured claims corresponding to a confidence level of 85% as at 30 June 2025. This is within our preferred confidence level range of 80%-90%.

Prior year development

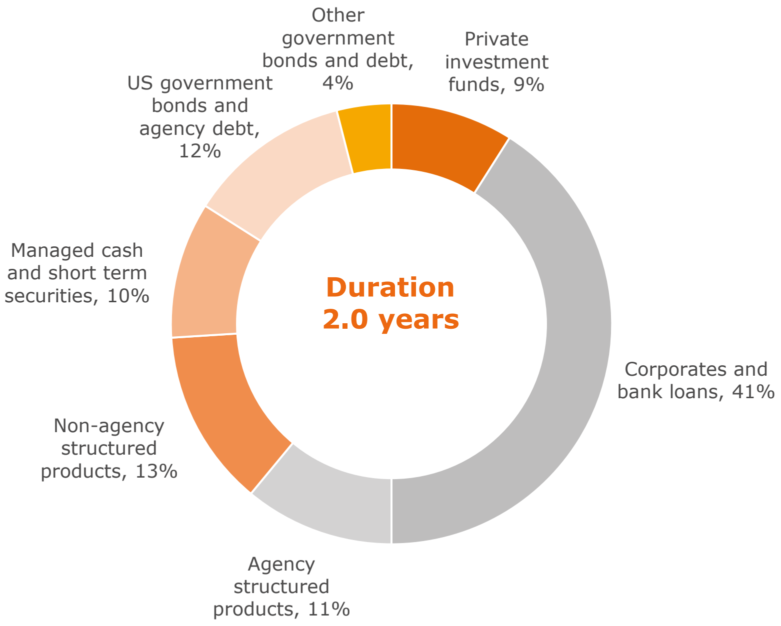
- Favourable prior accident year loss development for the undiscounted net movement in loss reserves was $109.1 million during the first six months of 2025.
- This was primarily due to general IBNR, catastrophe and large loss reserve releases on the 2024, 2023 and 2021 accident years.

Net discounting benefit

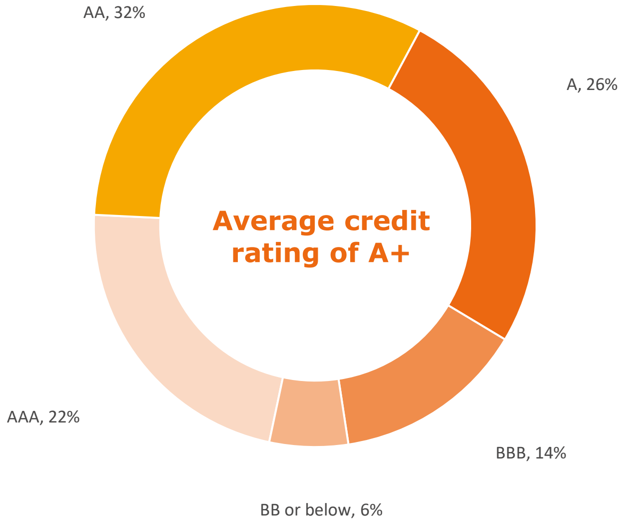
For the six months ended 30 June	2025			2024		
	Insurance contracts issued $m	Reinsurance contracts held $m	Total $m	Insurance contracts issued $m	Reinsurance contracts held $m	Total $m
Initial discount included in insurance service result	**102.0**	(26.3)	**75.7**	73.6	(14.6)	59.0
Unwind of discount	**(50.3)**	11.5	**(38.8)**	(47.1)	13.7	(33.4)
Impact of change in assumptions	**(22.7)**	4.8	**(17.9)**	18.8	(4.4)	14.4
Finance (expense) income	**(73.0)**	16.3	**(56.7)**	(28.3)	9.3	(19.0)
Total net discounting income (expense)	**29.0**	(10.0)	**19.0**	45.3	(5.3)	40.0

Investments: Conservative short duration portfolio

Asset Allocation
Total investment portfolio and managed cash

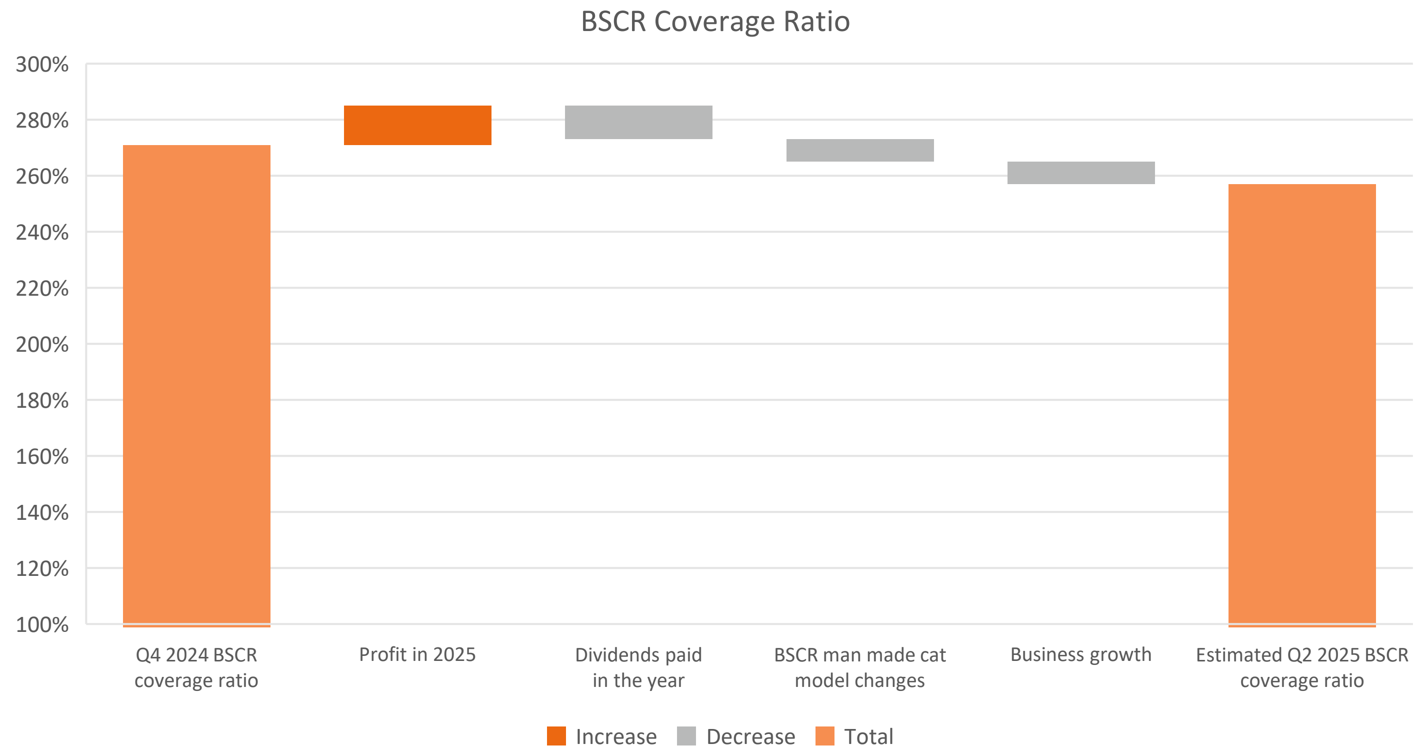


Credit Quality
Fixed maturities and managed cash



- Total investment portfolio and managed cash as at 30 June 2025 was $3,263.6 million.
- Total net investment return, including foreign exchange movements, of 3.7%.

Remaining strongly capitalised



Illustrative scenario impact on estimated BSCR Ratio	
Syndicate 2010 purchase of unaligned capacity	(8%)
Stress scenario (1 in 100 Gulf of Mexico wind PML) at $335 million	(38%)
Estimated annual transitional impact of new BMA man-made catastrophe model changes in 2026	(10%)

Estimated BSCR Coverage Ratio as at 30 June 2025 ≈257%

Note: The Q2 2025 BSCR Coverage Ratio is estimated and not the final result.

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Outlook

- With a strong balance sheet and conservative capital base, the Group remains well-positioned to support growth and shareholder returns.
- In light of our half-year performance, in a severe loss year with a similar level of catastrophe and large risk losses as 2024, in addition to the California wildfires, we would now expect to deliver a high teens RoE.
- We are better positioned, across various classes and geographies, than ever before with a robust, diversified and capital-efficient underwriting portfolio.
- Most lines remain fundamentally well-priced and offer opportunities to grow selectively after several years of rate increases and improvement of terms.
- Continued focus on disciplined underwriting and excellent capital management.

Lancashire

Appendix

Why invest in Lancashire?

- We are delivering lower volatility and more sustainable results due to:
- Strong underwriting and capital management.
- Ability to attract quality people and the breadth of our franchise.
- Entrepreneurial mindset and proven cycle management.

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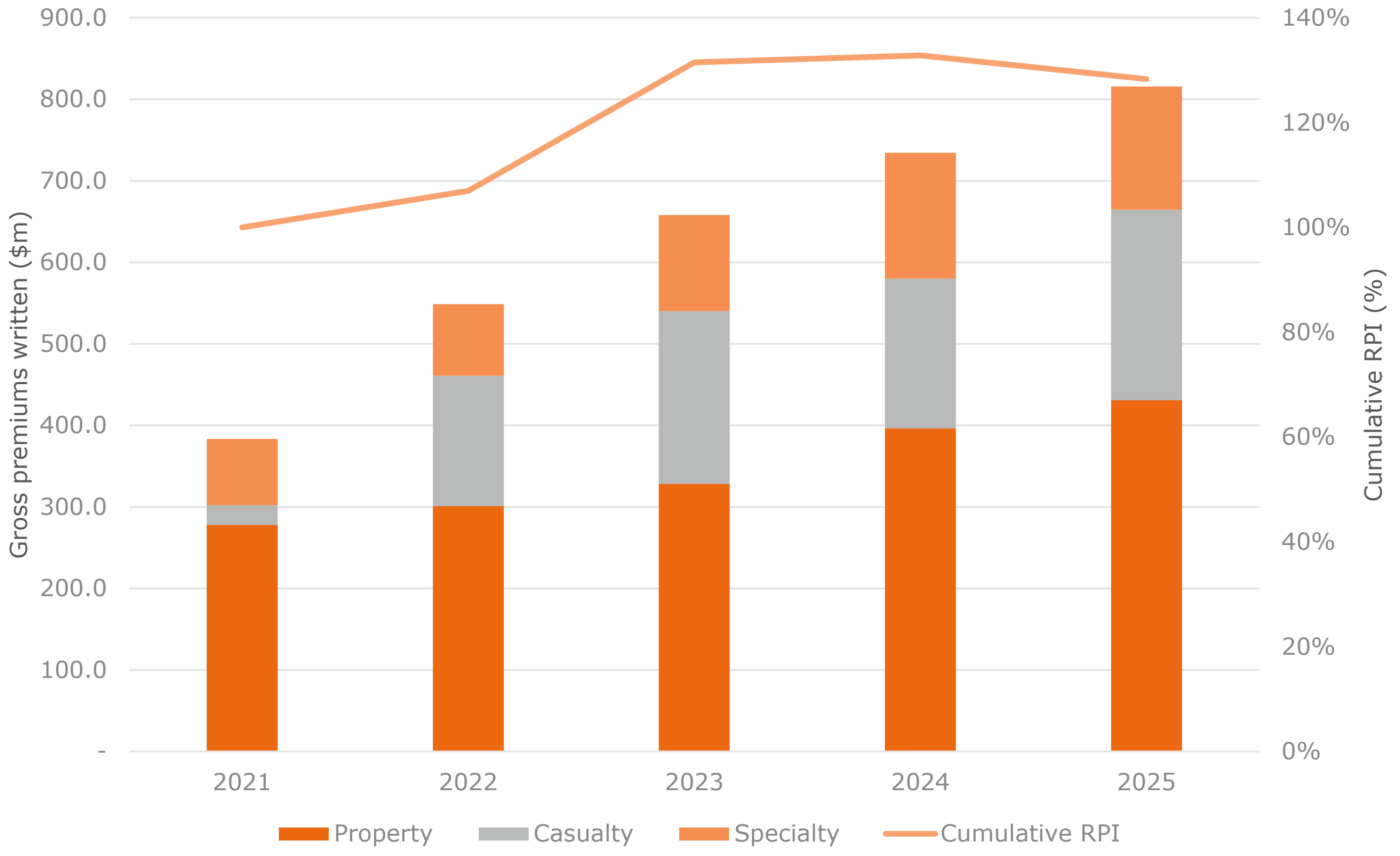
H1 2025: Reinsurance segment

Gross premiums written ($m) and cumulative Renewal Price Index (RPI) (%) for the first half 2021 to 2025



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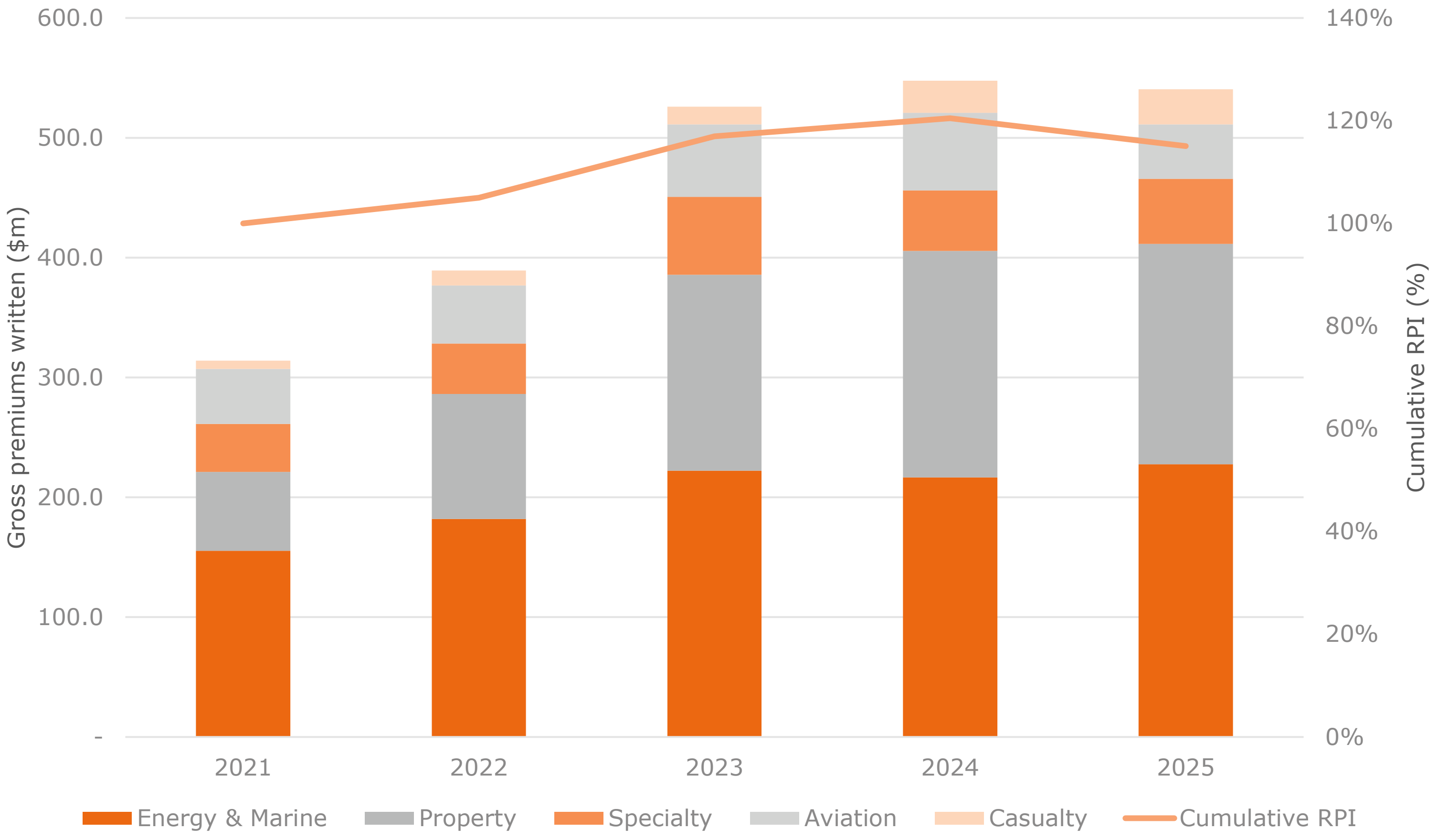
H1 2025: Insurance segment

Gross premiums written ($m) and cumulative Renewal Price Index (RPI) (%) for the first half 2021 to 2025



Lancashire Holdings Limited

Our products

Insurance

Aviation
- Space
- Aviation War and AV52
- Airline and Airline Deductible

Casualty
- Accident & Health / Casualty
- Professional Lines
- Financial Lines

Energy and Marine
- Energy Downstream / Energy Liability / Energy Upstream / Renewables
- Power / Marine Liability / Cargo and Specie
- Marine Hull and War

Property
- Construction
- Property D&F

Specialty
- Terror and Political Violence
- Political and Credit Risks

Reinsurance

Casualty
- General Liability
- Professional Lines
- Mortgage and Financial Lines
- Accident & Health Treaty

Property
- Property Catastrophe
- Property Proportional
- Property Risk Excess of Loss

Specialty
- Aviation
- Energy, Marine and Terror
- Property Retrocession

Recent diversification

2018: Downstream energy, Power, Aviation

2020-2021: Specialty reinsurance, Casualty reinsurance, Accident & Health

2021-2022: Australia property, Marine liability, Energy liability, Construction & Engineering, Mortgage & Financial lines

2023: Motor treaty, General Liability

2024: US operation

Our platforms

Lancashire Insurance Company (UK) Limited writes mostly direct insurance with a leading presence in the energy, terrorism, political risk, marine hull and AV52 markets from London.

Lancashire Insurance Company Limited, based in Bermuda, facilitates the acceptance of larger risks, both on its own account and as a reinsurer of the direct writers in the Group at Lancashire Insurance Company (UK) Limited and Lancashire Syndicates Limited. It writes the larger reinsurance and retrocession risks often of worldwide or super-regional cedents.

Lancashire Syndicates Limited

We manage two syndicates at Lloyd's of London, Syndicates 2010 and 3010.

The Lancashire Syndicates have the benefit of Lloyd's worldwide licences, security and ratings. and are able to access the EU single market through Lloyd's Europe.

Lancashire Underwriting Australia

Our Australian operation was established in 2021 as a Lloyd's Service Company which underwrites on behalf of Lancashire Syndicates Limited's managed Syndicates 3010 and 2010.

Lancashire Insurance US operates under a delegated underwriting arrangement with Lancashire's UK company platform and is focused on the US Excess and Surplus market.

Lancashire Capital Management

Lancashire Capital Management was formed in June 2013 and focuses on third-party funded, fully collateralised reinsurance across property catastrophe and specialty classes.

Lancashire Holdings Limited

Our focus

1

Underwriting will always come first

Profitable growth
We maximise the opportunities for growth and rigorously monitor and manage our risk exposures.

2

Balance risk and return through the cycle

Maximise risk-adjusted returns
We actively manage our capital and risk exposures to underwrite our core portfolio profitably through the cycle.

3

Insurance market employer of choice

Positive culture enables sustainability
We maintain our positive culture to attract and retain the best talent.

The Lancashire Way

Responsible
We focus on achieving tangible results with consistent standards across the Group.

Hard-working
We all have a stake in the Company's success and are proactive in contributing to our goals and vision.

Straight-talking
We feel empowered to share thoughts and ideas, because everyone's voice matters.

Collaborative
We work together towards common goals, share knowledge and support each other.

Positive
We engage with brokers, clients, communities, stakeholders and colleagues professionally and passionately as proud ambassadors of Lancashire.

Honesty and integrity in all we do is a given and The Lancashire Way reflects our true character and spirit.

Lancashire
Holdings Limited

Contacts

Investor Relations
Jelena Bjelanovic
Lancashire Holdings Limited
20 Fenchurch Street,
London, EC3M 3BY
E jelena.bjelanovic@lancashiregroup.com

Media
Peter Krinks
Lancashire Holdings Limited
20 Fenchurch Street,
London, EC3M 3BY
E peter.krinks@lancashiregroup.com

FTI Consulting
200 Aldersgate,
Aldersgate Street,
London, EC1A 4HD
E Tom.Blackwell@fticonsulting.com

Registered and Head Office, Bermuda
Lancashire Holdings Limited
Power House,
7 Par-la-Ville Road,
Hamilton HM 11,
Bermuda
E info@lancashiregroup.com

London Office, UK
Lancashire Holdings Limited
20 Fenchurch Street,
London, EC3M 3BY
E info@lancashiregroup.com