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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.**

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For immediate release

10 June 2020

**LANCASHIRE HOLDINGS LIMITED**  
**Results of Placing of New Common Shares**

Lancashire Holdings Limited (“**Lancashire**” or the “**Company**”) announces the successful completion of the placing of new common shares (with a par value of US\$0.50 per share in the capital of the Company) (the “**Common Shares**”) announced by the Company yesterday (the “**Placing**”).

A total of 39,568,089 new Common Shares (the “**Placing Shares**”) have been placed by Morgan Stanley & Co. International plc (“**Morgan Stanley**”) and Citigroup Global Markets Limited (“**Citigroup**”, together with Morgan Stanley, the “**Joint Bookrunners**”), at a price of 700 pence per Placing Share (the “**Placing Price**”).

The Placing raised gross proceeds of approximately £277 million. The Placing Price represents a discount of 3.6% to the closing share price of 726 pence on 9 June 2020.

The Placing Shares represent approximately 19.5% of the existing issued common share capital of the Company prior to the Placing.

Lancashire consulted with a number of its major shareholders prior to the Placing and has respected the principles of pre-emption through the allocation process. The Company is pleased by the strong support it has received from existing shareholders and new investors.

Applications have been made (i) to the Financial Conduct Authority (the “**FCA**”) for admission of the Placing Shares to the premium listing segment of the Official List of the FCA; and (ii) to London Stock Exchange plc (the “**London Stock Exchange**”) for admission of the Placing Shares to trading on its Main Market for listed securities (together, “**Admission**”).

Settlement for the Placing Shares and Admission are expected to take place on or before 8.00 a.m. (London time) on 12 June 2020. The Placing is conditional upon, among other things, Admission becoming effective. The Placing is also conditional upon the placing agreement

between the Company and the Joint Bookrunners (the “**Placing Agreement**”) not being terminated in accordance with its terms.

The Placing Shares will, when issued, be credited as fully paid and rank *pari passu* in all respects with each other and with the existing Common Shares of the Company, including, without limitation, the right to receive all dividends and other distributions declared, made or paid after the date of issue.

### **Total voting rights**

Following Admission, the Company will have 242,510,007 Common Shares in issue. There are no Common Shares held in treasury. Therefore, the Company hereby confirms that the total number of voting rights in the Company will, following Admission, be 242,510,007. This figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA’s Disclosure Guidance and Transparency Rules (the “DTRs”).

### **Market Abuse Regulation (MAR) Disclosure**

This Announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 (“**MAR**”). Upon the publication of this Announcement, the inside information will be considered to be in the public domain for the purposes of MAR.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this Announcement is being made on behalf of the Company by Christopher Head, Group Company Secretary.

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This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the “Important Notices” section of this Announcement.

### ***Important Notices***

This Announcement has been issued by, and is the sole responsibility of, the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Bookrunners or by any of their respective affiliates or agents as to, or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

Members of the public are not eligible to take part in the Placing. This Announcement is for information purposes only and is directed at and may only be communicated to (a) in the European Economic Area (“**EEA**”), persons who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation (Regulation (EU) 2017/1129) (“**Qualified Investors**”); and (b) in the United Kingdom, Qualified Investors who are also (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”).

Any investment or investment activity to which this Announcement relates is only available to, and will be engaged in only with, Relevant Persons. Persons distributing this Announcement must satisfy themselves that it is lawful to do so. This Announcement is for information purposes only and shall not constitute an offer to sell or issue or the solicitation of an offer to buy, subscribe for or otherwise acquire securities in any jurisdiction in which any such offer or solicitation would be unlawful. Any failure to comply with this restriction may constitute a violation of the securities laws of such jurisdictions. Persons needing advice should consult an independent financial adviser.

The distribution of this Announcement and the offering, placing and/or issue of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, the Joint Bookrunners or any of their respective affiliates, agents, directors, officers or employees that would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company and the Joint Bookrunners to inform themselves about and to observe any such restrictions.

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Neither this Announcement nor any part of it constitutes or forms part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States, Canada, Australia, the Republic of South Africa, Japan or any other jurisdiction in which the same would be unlawful. No public offering of the securities referred to herein is being made in any such jurisdiction.

This communication is not a public offer of securities for sale in the United States. The securities referred to herein have not been and will not be registered under the US Securities Act 1933, as amended (the “**Securities Act**”) or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold directly or indirectly in, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or any other jurisdiction of the United States. The securities referred to herein may not be offered and sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

This Announcement is for information purposes only and is directed at and may only be communicated to persons in Canada who are both “accredited investors” within the meaning of National Instrument 45-106 – *Prospectus Exemptions* (or section 73.3(1) of the *Securities Act* (Ontario), as applicable) and “permitted clients” within the meaning of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

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 MiFID II Product Governance Requirements) may otherwise have with respect thereto, the securities referred to herein have been subject to a product approval process, which has determined that such securities referred to herein 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 securities referred to herein may

decline and investors could lose all or part of their investment; the securities referred to herein offer no guaranteed income and no capital protection; and an investment in the securities referred to herein 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 Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners 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 securities referred to herein. Each distributor is responsible for undertaking its own target market assessment in respect of the securities referred to herein and determining appropriate distribution channels.

Certain statements contained in this Announcement constitute “forward-looking statements” with respect to the financial condition, performance, strategic initiatives, objectives, results of operations and business of the Company and its consolidated subsidiaries and subsidiary undertakings from time to time (the “**Group**”). All statements other than statements of historical facts included in this Announcement are, or may be deemed to be, forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “believes”, “anticipates”, “plans”, “projects”, “forecasts”, “guidance”, “intends”, “expects”, “estimates”, “predicts”, “may”, “can”, “likely”, “will”, “seeks”, “should”, or, in each case, their negative or comparable terminology and similar statements are of a future or forward-looking nature. 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 Company’s annual report and accounts for the year ended 31 December 2019 (the “**Annual Report and Accounts**”). In addition to those factors contained in the Annual Report and Accounts, any forward-looking statements contained in this Announcement may be affected by the impact of the COVID-19 pandemic on the Group’s clients, the securities in its investment portfolio and on global financial markets generally, as well as any governmental or regulatory changes or judicial interpretations, including policy coverage issues arising therefrom.

Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Announcement may not occur. The forward-looking statements contained in this Announcement speak only as of the date of this Announcement. The Company, its directors and the Joint Bookrunners each expressly disclaim any obligation or undertaking to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable law or regulation, the Listing Rules, MAR, the DTRs, the rules of the London Stock Exchange or the FCA.

Any indication in this Announcement of the price at which Common Shares of the Company have been bought or sold in the past cannot be relied upon as a guide to future performance.

No statement in this Announcement is intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company, as appropriate, for the current or future years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

Any estimates relating to loss events involve the exercise of considerable judgement and reflect a combination of ground-up evaluations, information available to date from brokers and insureds, market intelligence, initial and/or tentative loss reports and other sources. Judgements in relation to loss arising from natural catastrophe and man-made events are influenced by complex factors. The Group cautions as to the preliminary nature of the information used to prepare such estimates as subsequently available information may contribute to an increase in these types of losses.

The Group's reserves are estimated using actuarial and statistical projections based on the Group's expectations at the time of the ultimate settlement and administration of claims based on facts and circumstances then known, predictions of future events, estimates of future trends in claims severity and other variable factors such as inflation and new concepts of liability. As additional information is developed, it is necessary to revise estimated potential claims and therefore the Group's reserves. The inherent uncertainties of estimating claim reserves are exacerbated in respect of reinsurance by the significant periods of time that often elapse between the occurrence of an insured loss, the reporting of the loss to the primary insurer and, ultimately, to the reinsurer, and the primary insurer's payment of that loss and subsequent indemnification by the reinsurer.

Morgan Stanley is authorised by the Prudential Regulatory Authority (the "PRA") and regulated in the United Kingdom by the PRA and the FCA. Morgan Stanley is acting exclusively for the Company and no one else in connection with the Placing, the content of this Announcement and other matters described in this Announcement. Morgan Stanley will not regard any other person as its client in relation to the Placing, the content of this Announcement and other matters described in this Announcement and will not be responsible to anyone (including any placees) other than the Company for providing the protections afforded to its clients or for providing advice to any other person in relation to the Placing, the content of this Announcement or any other matters referred to in this Announcement.

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The Joint Bookrunners and their respective affiliates may have engaged in transactions with, and provided various commercial banking, investment banking, financial advisory transactions and services in the ordinary course of their respective businesses to, the Company and/or its affiliates for which they would have received customary fees and

commissions. The Joint Bookrunners and their respective affiliates may provide such services to the Company and/or its affiliates in the future.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into or forms part of this Announcement.

Following Admission, a secondary listing of the Placing Shares will be sought on the Bermuda Stock Exchange. The Placing Shares to be issued or sold pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange and the Bermuda Stock Exchange.