LANCASHIRE HOLDINGS LIMITED

DIVERSIFIED PORTFOLIO AND DISCIPLINED UNDERWRITING DELIVER STRONG RETURNS IN H1 2026

29 July 2026
Hamilton, Bermuda

Lancashire Holdings Limited ("Lancashire" or "the Group") today announces its results for the six months ended 30 June 2026.

- Stable top line and strong combined ratio, in line with our expectations
- Diversified underwriting portfolio and efficient use of reinsurance
- Disciplined approach and focused investment aligned to market opportunities
- Continued excellent capital strength; interim dividend of 7.5 cents per common share
- On track to deliver high-teens RoE for full year 2026

For the six months ended	30 June 2026 $m	30 June 2025 $m
Highlights		
Gross premiums written	1,315.0	1,356.2
Insurance revenue	930.0	930.1
Insurance service result	198.8	155.7
Net investment return	51.3	108.2
Profit after tax	141.7	109.2
Financial ratios		
Net insurance ratio	71.5%	78.6%
Combined ratio (discounted)	80.7%	87.4%
Combined ratio (undiscounted)	90.8%	97.8%
Total investment return	1.2%	3.7%
Per share data		
Diluted book value per share	$5.92	$6.08
Change in diluted book value per share ("RoE")	9.7%	7.6%
Dividends per common share paid in the financial year[1]	$0.65	$0.40
Diluted earnings per share	$0.56	$0.44

1. Includes special dividend of 50 cents per share paid in April 2026 in respect of the year ended 31 December 2025.

Alex Maloney, Group Chief Executive Officer, commented

"The first half of 2026 demonstrated the strength of Lancashire's strategy in action. Our diversified portfolio, disciplined underwriting and strong capital position have produced an excellent return for shareholders while we continue to invest for future growth.

For the first six months of the year, the Group delivered a healthy profit of $141.7 million, resulting in an annualised RoE of 19.6%, reflecting the quality of our underwriting portfolio and strong capital base. These results further demonstrate our ability to generate attractive returns through different stages of the market cycle.

In line with our expectations of a broadly stable top line, gross premiums written were $1,315.0 million and insurance revenue was $930.0 million. The Group RPI for the first six months of the year was 92%, which is reflective of some softening - but not soft - market conditions and, importantly, rating adequacy remains across most lines of business.

Although the loss environment during the first half was less active than 2025, it was by no means benign. Against this backdrop, Lancashire delivered another strong result. Our exposure to losses arising from events in the Middle East remains manageable and we have established reserves for expected claims to date, which are not material to the Group. We have also increased our reserve for the MV Dali Baltimore Bridge loss to our full policy limits, thereby capping any further downside from this event.

Our investment portfolio also performed well notwithstanding the mark-to-market impact of higher government bond yields over the period. The portfolio remains high quality and short duration, consistent with our approach to risk management and capital preservation.

We have also continued to invest in talent and products to enhance our underwriting capabilities and support long-term value creation.

In June, we announced the expansion of Lancashire Insurance US's product portfolio to include financial lines, inland marine, and environmental liability classes. We have also added some new niche underwriting lines to our London portfolio and will continue to pursue opportunities aligned with market conditions.

Our ability to attract high-calibre talent across the business remains a clear competitive advantage and is supported by the strong and positive culture that we have built across the Lancashire Group.

Looking ahead, we remain on track to deliver our guidance given at the start of the year of a high-teens RoE for 2026 and we are well positioned to manage the next phase of the cycle, in which we expect rates will continue to reflect the excess capacity in the industry. In this context, we will draw on our considerable experience and expertise to remain disciplined, and we have the agility to deploy capital where we see the best returns. Lancashire's strong capital base, robust reserves, and more efficient use of reinsurance provide important levers to underpin performance and to manage the business through the cycle.

As we enter the second half of the year, I would like to thank colleagues across the Lancashire Group for their continued hard work and commitment. With a diversified business, clear strategy, talented teams, and strong culture, we are well positioned to sustain our momentum and generate attractive returns for our shareholders."

Underwriting results

For the six months ended	**30 June 2026**			**30 June 2025**		
	Reinsurance $m	**Insurance $m**	**Total $m**	**Reinsurance $m**	**Insurance $m**	**Total $m**
Gross premiums written	749.2	565.8	1,315.0	815.6	540.6	1,356.2
RPI	91%	93%	92%	97%	96%	96%
Insurance revenue	437.0	493.0	930.0	450.6	479.5	930.1
Insurance service result	**125.5**	**73.3**	**198.8**	**80.4**	**75.3**	**155.7**
Net insurance ratio	**62.5%**	**79.8%**	**71.5%**	**78.3%**	**78.9%**	**78.6%**

Gross premiums written

On an underlying basis, which excludes the significant impact of reinstatement premiums in the prior period, gross premiums written in the first six months of 2026 decreased by 1% year-on-year to $1,315.0 million.

In the reinsurance segment, we saw lower level of inwards reinstatement premiums and executed a planned reduction in inwards property retrocession business, which was partially offset by growth in energy, marine and aviation treaty lines. In the insurance segment growth was broad based across the energy, marine and casualty lines of business. The Group acquired 100% of the underwriting capacity of Syndicate 2010 for the 2026 and subsequent underwriting years, increasing the overall consolidated

Group share of gross premiums written. This has helped to offset the softening market conditions. The overall RPI for the Group for the period was 92%.

Insurance revenue

Insurance revenue was flat for the first six months of 2026 compared with the same period in 2025. Gross premiums earned, the key driver of insurance revenue, as a percentage of gross premiums written was 83.0% for 2026 compared with 81.9% for 2025. The increased percentage reflects premium earnings from prior underwriting years where the business saw substantial growth.

Allocation of reinsurance premiums

Allocation of reinsurance premiums increased by $28.2 million, or 14%, during the first six months of 2026 compared with the same period in 2025. The allocation of reinsurance premiums as a percentage of insurance revenue for the Group was 24.9%, compared with 21.9% in the prior year period. In 2026, the Group purchased more proportional outwards reinsurance protection than in the first half of 2025 with much of this shift covering the property reinsurance and insurance lines of business.

Net loss environment

During the first six months of 2026, the Group experienced net losses (undiscounted, excluding reinstatement premiums) from catastrophe, weather and large loss events totalling $60.1 million. None of the catastrophe or large risk event losses was individually material for the Group. This is a significant reduction compared with the prior year period (2025: $211.2 million) in which the California wildfires represented the majority of the net losses.

Favourable prior accident year loss development for the undiscounted net movement in loss reserves was $21.8 million during the first six months of 2026. This is significantly lower than the $109.1 million released in the same period in 2025, where we recognised releases across a number of prior year catastrophe events. For 2026, favourable development was seen primarily on the 2023 and 2025 accident years, partially offset by adverse development on the 2024 accident year following an increase in our reserves on the MV Dali Baltimore Bridge loss to our full policy limits, thereby capping any further downside from this event.

The Group remains conservatively reserved with a net discounted risk adjustment of $286.7 million and an 85% confidence level. Our consistently prudent approach to reserving is demonstrated by positive prior year reserve development in every financial year since the Group’s inception.

Net discounting benefit

The table below shows the total net impact of discounting in respect of both insurance contracts issued, and reinsurance contracts held, by financial statement line item.

	30 June 2026			30 June 2025		
For the six months ended	**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	**83.5**	**(13.1)**	**70.4**	**102.0**	**(26.3)**	**75.7**
Unwind of discount	(51.3)	11.6	(39.7)	(50.3)	11.5	(38.8)
Impact of change in assumptions	19.5	(3.8)	15.7	(22.7)	4.8	(17.9)
Finance (expense) income	**(31.8)**	**7.8**	**(24.0)**	**(73.0)**	**16.3**	**(56.7)**
Total net discounting income (expense)	**51.7**	**(5.3)**	**46.4**	**29.0**	**(10.0)**	**19.0**

The total impact of discounting for the first six months of 2026 was a net benefit of $46.4 million, compared with a net benefit of $19.0 million for the same period in 2025, primarily due to higher market rates across all our major currencies in the period. The unwind of discount continues to increase following growth in the discount provision over recent years in what has been a relatively high discount rate environment.

Investments

For the six months ended	30 June 2026 $m	30 June 2025 $m
Total net investment return	51.3	108.2

Total investment return, including net investment income and net realised and unrealised gains and losses, was $51.3 million for the first six months of 2026 compared with $108.2 million for the same period in 2025. Net investment income, excluding realised and unrealised gains and losses, of $78.3 million was at a similar level to the prior year period (2025: $81.3 million).

The total investment return of 1.2% (1.4% excluding foreign exchange gains and losses) included a negative unrealised mark-to-market impact of $29.6 million (2025: $31.0 million unrealised gain). This was driven by higher Treasury rates in the period, due to the impact of geopolitical risks, higher energy prices, and increased market volatility, partially offset by a modest tightening in credit spreads. The private investment funds contributed positive returns during the period.

The managed portfolio was invested as follows:

As at	30 June 2026 $m	31 December 2025 $m
Fixed maturity securities	2,758.4	2,810.2
Managed cash and cash equivalents	213.7	161.2
Private investment funds	308.7	291.2
Hedge funds	7.1	8.8
Other investments	0.4	(0.3)
Total	**3,288.3**	**3,271.1**

Key investment portfolio statistics for our fixed maturity securities and managed cash and cash equivalents were:

As at	30 June 2026	31 December 2025
Duration	2.1 years	2.1 years
Credit quality	AA-	A+
Book yield	4.6%	4.6%
Market yield	4.7%	4.4%

Other income

Other income of $15.2 million (2025: $3.7 million) mainly comprised consortium fees and profit commissions where we have expanded our use of consortia to generate fee income, particularly in the aviation and construction classes.

Operating expenses

For the six months ended	30 June 2026 $m	30 June 2025 $m
Operating expenses - fixed	111.0	103.5
Operating expenses - variable	19.0	19.9
Total operating expenses	**130.0**	**123.4**
Directly attributable expenses allocated to insurance service expenses	(65.6)	(59.2)
Other operating expenses	**64.4**	**64.2**

The Group continues to invest in profitable growth opportunities in its established markets, including the US. Consequently, total operating expenses increased by 5% year-on-year, reflecting an increase in headcount and the impact of acquiring 100% of Syndicate 2010's underwriting capacity.

In the first six months of 2026, $65.6 million of operating expenses were directly attributable to the fulfillment of insurance contracts issued, and have therefore been re-allocated to insurance service expenses and form part of the insurance service result. This compares with $59.2 million for the same period in 2025, and is reflective of the increase within the Group's operating expense base.

Capital

As at 30 June 2026, total capital available to Lancashire was approximately $2.0 billion, comprising shareholders' equity of $1.5 billion and $0.5 billion of long-term debt. Tangible capital was approximately $1.7 billion. Leverage was 23.1% on total capital and 26.6% on tangible capital. Total capital and total tangible capital as at 31 December 2025 were $2.0 billion and $1.7 billion, respectively.

Dividends

On 28 July 2026, Lancashire's Board of Directors declared an interim dividend of $0.075 (approximately £0.06) per common share, which will result in an aggregate payment of approximately $18.0 million. The dividend will be paid in pounds sterling on 4 September 2026 (the "Dividend Payment Date") to shareholders of record on 7 August 2026 (the "Record Date") using the £ / $ spot market exchange rate at 12 noon London time on the Record Date.

Financial information

The Unaudited Condensed Interim Financial Statements for the six months ended 30 June 2026 are published on Lancashire's website at www.lancashiregroup.com.

Analyst and investor earnings conference call

There will be an analyst and investor conference call on the results at 1pm UK time / 9am Bermuda time / 8am EST on Wednesday 29 July 2026. The conference call will be hosted by Lancashire management.

Participant registration and access information:

Audio conference call access:

https://emportal.ink/4vIOYl1

Please register at this link to obtain your personal audio conference pin and call details.

Webcast access:

https://onlinexperiences.com/Launch/QReg/ShowUUID=87F4C625-CD4D-463A-9556-40A532642469

Please use this link to register and access the call via webcast.

A webcast replay facility will be available for 12 months and accessible at:
https://www.lancashiregroup.com/en/investors/results-reports-and-presentations.html

For further information, please contact:

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About Lancashire

Lancashire, through its operating subsidiaries, is a provider of global specialty insurance and reinsurance products. The Group companies carry the following ratings:

	Financial Strength Rating[1]	**Financial Strength Outlook**[1]	**Long Term Issuer Rating**[2]
A.M. Best	A (Excellent)	Stable	bbb+
S&P Global Ratings	A	Stable	BBB+
Moody's	A3	Stable	Baa2

1. Financial Strength Rating and Financial Strength Outlook apply to Lancashire Insurance Company Limited and Lancashire Insurance Company (UK) Limited.
2. Long Term Issuer Rating applies to Lancashire Holdings Limited.

Lancashire Syndicates Limited benefits from Lloyd's ratings: A.M. Best: A+ (Excellent); S&P Global Ratings: AA- (Very Strong); and Fitch: AA- (Very Strong).

Lancashire's common shares trade in the equity shares (commercial companies) category of the Main Market of the London Stock Exchange under the ticker symbol LRE. Lancashire has its head office and registered office at Power House, 7 Par-la-Ville Road, Hamilton HM 11, Bermuda.

The Bermuda Monetary Authority is the Group Supervisor of the Lancashire Group.

For more information, please visit Lancashire's website at www.lancashiregroup.com.

This release contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR. Upon the publication of this release via the Regulatory Information Service, this inside information will be considered to be in the public domain. The information was submitted for publication, through the agency of the contact persons set out above, at 07:00 UK time on 29 July 2026.

Alternative Performance Measures (APMs)

As is common practice within the insurance industry, the Group also utilises certain non-GAAP measures to evaluate, monitor and manage the business and to aid users' understanding of the Group. Management believes that APMs are important for understanding the Group's overall results of operations, and may be helpful to investors and other interested parties who may benefit from having a consistent basis for comparison with other companies within the industry. However, these measures may not be comparable to similarly labelled measures used by companies inside or outside the insurance industry. In addition, the information contained herein should not be viewed as superior to, or a substitute for, the measures determined in accordance with the accounting principles used by the Group for its unaudited condensed interim consolidated financial statements or in accordance with GAAP.

In compliance with the Guidelines on APMs of the European Securities and Markets Authority and as suggested by the Financial Reporting Council, as applied by the Financial Conduct Authority, information on APMs which the Group use is described below. This information is not subject to the external auditor's independent review report.

All amounts, excluding share data, ratios, percentages, or where otherwise stated, are in millions of US dollars.

Net insurance ratio:

Ratio, in per cent, of net insurance expenses to net insurance revenue. Net insurance expenses represent the insurance service expenses less amounts recoverable from reinsurers. Net insurance revenue represents insurance revenue less allocation of reinsurance premium.

For the six months ended 30 June	2026	2025
Insurance service expenses	593.9	792.1
Amounts recoverable from reinsurers	(94.5)	(221.3)
Net insurance expenses	**499.4**	**570.8**
Insurance revenue	930.0	930.1
Allocation of reinsurance premium	(231.8)	(203.6)
Net insurance revenue	**698.2**	**726.5**
Net insurance ratio	**71.5%**	**78.6%**

Operating expense ratio:

Ratio, in per cent, of other operating expenses, excluding equity-based compensation expense, to net insurance revenue.

For the six months ended 30 June	2026	2025
Other operating expenses	64.4	64.2
Net insurance revenue	698.2	726.5
Operating expense ratio	**9.2%**	**8.8%**

Combined ratio (discounted):

Ratio, in per cent, of the sum of net insurance expenses plus other operating expenses to net insurance revenue.

For the six months ended 30 June	2026	2025
Net insurance ratio	71.5%	78.6%
Operating expense ratio	9.2%	8.8%
Combined ratio (discounted)	**80.7%**	**87.4%**

Combined ratio (undiscounted) (KPI):

Ratio, in per cent, of the sum of net insurance expenses plus other operating expenses to net insurance revenue. This ratio excludes the impact of the discounting recognised within net insurance expenses.

For the six months ended 30 June	2026	2025
Combined ratio (discounted)	80.7%	87.4%
Discount included in net insurance expenses	70.4	75.7
Net insurance revenue	698.2	726.5
Discounting impact on combined ratio	10.1%	10.4%
Combined ratio (undiscounted)	**90.8%**	**97.8%**

Diluted book value per share ('DBVS') attributable to the Group:

Calculated based on the value of the total shareholders' equity attributable to the Group, divided by the sum of all shares and dilutive restricted stock units (as calculated under the treasury stock method), assuming all are exercised.

As at	30 June 2026	31 December 2025
Shareholders' equity attributable to the Group	1,490.0	1,509.3
Common voting shares outstanding*	243,222,429	242,559,721
Shares relating to dilutive restricted stock	8,533,468	8,555,268
Fully converted book value denominator	251,755,897	251,114,989
Diluted book value per share	**$5.92**	**$6.01**

*Common voting shares outstanding comprise issued share capital less amounts held in trust.

Change in DBVS (KPI):

The internal rate of return of the change in DBVS in the period plus accrued dividends. Sometimes referred to as RoE.

As at	30 June 2026	31 December 2025
Opening DBVS	$6.01	$6.03
Q1 dividend per share	$0.50	$0.25
Q2 dividend per share	$0.15	$0.15
Q3 dividend per share	—	$0.075
Q4 dividend per share	—	$0.75
Closing DBVS	$5.92	$6.01
Change in DBVS	**9.7%**	**20.9%**

Total investment return (KPI):

Total investment return in percentage terms is calculated by dividing the total net investment return, excluding interest income on non-managed cash and cash equivalents, by the investment portfolio net asset value, including managed cash and cash equivalents, on a daily basis. These daily returns are then geometrically linked to provide a total return for the period, which includes the net impact of foreign exchange. The total investment return can be approximated by dividing the total net investment return, excluding interest on non-managed cash and cash equivalents, and including net foreign exchange gains and losses related to investments and managed cash and cash equivalents, by the average portfolio net asset value, including managed cash and cash equivalents.

For the six months ended 30 June	2026	2025
Net investment return	51.3	108.2
Less interest income on non-managed cash and cash equivalents	(5.8)	(7.6)
Net foreign exchange (losses)/gains related to investments and managed cash and cash equivalents	(4.9)	15.7
Net investment return adjusted for interest and foreign exchange	**40.6**	**116.3**
Average invested assets including managed cash and cash equivalents*	3,279.7	3,211.4
Approximate total investment return	1.2%	3.6%
Reported total investment return	**1.2%**	**3.7%**

*Calculated as the average between the opening and closing investments and managed cash and cash equivalents.

Total shareholder return (KPI):

Determined using the simple method of calculating the increase/(decrease) in the Group's share price, adjusted for dividends (included at the ex-dividend date) as recalculated below. This measurement basis will generally approximate the increase/(decrease) in share price in the period measured on a total return basis, which assumes the reinvestment of dividends.

As at	30 June 2026	31 December 2025
Opening share price	$8.62	$8.25
Q1 dividend per share	$0.50	$0.25
Q2 dividend per share	$0.15	$0.15
Q2 closing share price	$8.55	—
Q3 dividend per share	—	$0.075
Q4 dividend per share	—	$0.75
Q4 closing share price	—	$8.62
Total shareholder return	**6.7%**	**19.4%**

Gross premiums written:

The Group adopted IFRS 17 on 1 January 2023. Under IFRS 4, the previous insurance accounting standard, the Group reported gross premiums written on the consolidated statement of comprehensive income as amounts payable by the insured, excluding any taxes or duties levied on the premium, including brokerage and commission deducted by intermediaries and any inwards reinstatement premiums. The Group continues to report gross premiums written as a growth metric and non-GAAP APM.

The table below reconciles gross premiums written on an IFRS 4 basis to insurance revenue on an IFRS 17 basis.

For the six months ended 30 June	**2026**	**2025**
Gross premiums written	1,315.0	1,356.2
Change in unearned premiums	(223.5)	(246.0)
Gross premiums earned	**1,091.5**	**1,110.2**
Adjust for reinstatement premiums	(15.4)	(41.2)
Less commission and non-distinct investment components	(146.1)	(138.9)
Total insurance revenue	**930.0**	**930.1**

Gross premiums written under management (KPI):

The gross premiums written under management equals the total of the Group's consolidated gross premiums written, plus the external names portion of the gross premiums written in Syndicate 2010.

For the six months ended 30 June	**2026**	**2025**
Gross premiums written by the Group	1,315.0	1,356.2
LSL Syndicate 2010 - external Names portion of gross premiums written (unconsolidated)	3.4	53.5
Total gross premiums written under management	**1,318.4**	**1,409.7**

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 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 2025 AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2026. IN ADDITION TO THOSE FACTORS CONTAINED IN THE GROUP'S 2025 ANNUAL REPORT AND ACCOUNTS AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2026, ANY FORWARD-LOOKING STATEMENTS CONTAINED IN THIS RELEASE MAY BE AFFECTED BY: A CONTINUATION OR ESCALATION OF GLOBAL OR REGIONAL TRADE DISRUPTION ARISING FROM THE CONFLICT IN THE MIDDLE EAST AND THE CONSEQUENT ECONOMIC UNCERTAINTY WHICH MAY AFFECT (RE)INSURANCE DEMAND OR THE PERFORMANCE OF OUR INVESTMENT PORTFOLIO. 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.

Consolidated statement of comprehensive income

For the six months ended 30 June	2026 $m	2025 $m
Insurance revenue	930.0	930.1
Insurance service expenses	(593.9)	(792.1)
Insurance service result before reinsurance contracts held	**336.1**	**138.0**
Allocation of reinsurance premium	(231.8)	(203.6)
Amounts recoverable from reinsurers	94.5	221.3
Net (expense) income from reinsurance contracts held	**(137.3)**	**17.7**
Insurance service result	**198.8**	**155.7**
Net investment return	51.3	108.2
Finance expense from insurance contracts issued	(31.8)	(73.0)
Finance income from reinsurance contracts held	7.8	16.3
Net insurance and investment result	**226.1**	**207.2**
Share of profit of associate	0.3	1.8
Other income	15.2	3.7
Net foreign exchange gains (losses)	4.1	(1.4)
Other operating expenses	(64.4)	(64.2)
Equity based compensation	(12.7)	(11.4)
Financing costs	(17.6)	(17.1)
Profit before tax	**151.0**	**118.6**
Tax charge	(9.3)	(9.4)
Profit after tax	**141.7**	**109.2**
Earnings per share		
Basic	$0.58	$0.45
Diluted	$0.56	$0.44

Consolidated statement of financial position

As at	30 June 2026 $m	31 December 2025 $m
Assets		
Cash and cash equivalents	610.1	561.4
Accrued interest receivable	24.8	24.6
Investments	3,074.6	3,109.9
Reinsurance contract assets	661.4	717.8
Other receivables	47.9	101.2
Corporation tax receivable	0.3	0.4
Deferred tax asset	1.2	—
Investment in associate	4.1	4.8
Right-of-use assets	21.6	22.7
Property, plant and equipment	8.5	8.2
Intangible assets	251.6	253.0
Total assets	**4,706.1**	**4,804.0**
Liabilities		
Insurance contract liabilities	2,631.7	2,712.1
Other payables	87.4	89.8
Corporation tax payable	7.2	—
Deferred tax liability	13.1	15.6
Lease liabilities	29.0	29.7
Long-term debt	447.7	447.5
Total liabilities	**3,216.1**	**3,294.7**
Shareholders’ equity		
Share capital	122.0	122.0
Own shares	(5.6)	(8.7)
Other reserves	1,242.6	1,249.6
Retained earnings	131.0	146.4
Total shareholders’ equity	**1,490.0**	**1,509.3**
Total liabilities and shareholders’ equity	**4,706.1**	**4,804.0**

Consolidated statement of cash flows

For the six months ended 30 June	2026 $m	2025 $m
Cash flows from operating activities		
Profit before tax	151.0	118.6
Adjustments for:		
Tax paid	(5.7)	(2.1)
Depreciation	4.1	3.3
Amortisation of intangible assets	1.4	1.5
Interest expense on long-term debt	12.9	12.9
Interest expense on lease liabilities	0.9	0.6
Interest income	(70.8)	(71.7)
Dividend income	(7.5)	(9.9)
Net realised (gains) losses on investments	(5.8)	1.3
Net unrealised losses (gains) on investments	29.6	(31.0)
Equity based compensation	12.7	11.4
Foreign exchange (gains) losses	(3.2)	2.1
Share of profit of associate	(0.3)	(1.8)
Changes in operational assets and liabilities		
Insurance and reinsurance contracts	(20.8)	55.8
Other assets and liabilities	(18.4)	(35.1)
Net cash flows from operating activities	**80.1**	**55.9**
Cash flows from investing activities		
Interest income received	70.6	69.5
Dividend income received	7.5	9.9
Purchase of property, plant and equipment	(2.0)	(0.6)
Internally generated intangible asset	—	(1.2)
Investment in associate	0.9	2.9
Purchase of investments	(697.5)	(780.9)
Proceeds on sale of investments	780.5	707.5
Net cash flows from investing activities	**160.0**	**7.1**
Cash flows used in financing activities		
Interest paid	(12.9)	(12.9)
Lease liabilities paid	(3.3)	(3.2)
Dividends paid	(157.1)	(96.5)
Shares purchased by the trust	(9.9)	—
Distributions by trust	(6.7)	(3.8)
Net cash flows used in financing activities	**(189.9)**	**(116.4)**
Net increase (decrease) in cash and cash equivalents	50.2	(53.4)
Cash and cash equivalents at beginning of period	561.4	684.3
Effect of exchange rate fluctuations on cash and cash equivalents	(2.6)	16.6
Effect of other items on cash and cash equivalents[1]	1.1	5.7
Cash and cash equivalents at end of period	**610.1**	**653.2**

1. Other items includes the effect of prior underwriting years of account losses and loss adjustment expenses, and reinsurance recoveries, being reinsured to close into the oldest open underwriting year of account, to the extent where the Group's syndicate participation has changed between those years of account.