International General Insurance Holdings

Third Quarter 2026 Investor Conference Call

November 4, 2026, at 9:00 a.m. Eastern

CORPORATE PARTICIPANTS

Robin Sidders – *Head of Corporate Relations*

Wasif Jabsheh –*Executive Chairman*

Waleed Jabsheh – *President and Chief Executive Officer*

PRESENTATION

Operator
Good day, welcome to the International General Insurance Holdings Limited Third Quarter 2026 Financial Results Conference Call. All participants are in listen only mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero.

After today's presentation, there will be an opportunity to ask questions. To ask questions, you may press star then number one on your telephone keypad. To withdraw your question, press star then two. Please note that this event is being recorded.

I would now like to turn the conference over to Robin Sidders, Head of Corporate Relations. Please go ahead.

Robin Sidders
Thank you and good morning, and welcome to today's conference call. We will be discussing financial results for the third quarter and 9 months of 2026.

You will have seen our results press release which we issued after the market closed yesterday. If you would like a copy of the press release, it is available in the Investors section of our website at iginsure.com. We have also posted a supplementary investor presentation, which can be found on our website in the Investors section under Presentations.

On today's call is our Executive Chairman of IGI, Wasef Jabsheh; President and CEO, Waleed Jabsheh; and Chief Financial Officer, Pervez Rizvi. As always, Wasef will begin the call with some high-level comments before handing over to Waleed to talk you through the key drivers of our results for the third quarter and first 9 months of 2026 and finish up with our views on the market and our outlook for the remainder of the year and into 2027. At that point, we will open the call up for Q&A.

I will begin with the customary Safe Harbor language. Our speakers' remarks may contain forward-looking statements Some of the forward-looking statements can be identified by the use of forward-looking words. We caution you such forward-looking statements should not be regarded as a representation by us that the future plans, estimates or expectations contemplated by us will in fact be achieved. Forward-looking statements involve risks, uncertainties and assumptions. Actual events or results may differ materially from those projected in the forward-looking statements due to a variety of factors including the risk factors set out in the company's Annual Report on Form 20-F for the year ended 12/31/2025, the company's reports on Form 6-K and other filings with the SEC, as well as our results press release issued yesterday. We undertake no obligation to update or revise publicly any forward-looking statements which speak only as of the date they are made.

During this call, we will use certain non-GAAP financial measures. For a reconciliation of those non-GAAP financial measures to the nearest GAAP measure, please see our earnings release which has been filed with the SEC and is available on our website.

With that, I will turn the call over to our Executive Chairman, Wasef Jabsheh.

Wasef Salim Jabsheh
Thank you, Robin. And good day, everyone. Thank you for joining us on today's call. IGI generated strong profitability in both the third quarter and first 9 months of 2026, culminating returns on average shareholders' equity of 16.9%, and 13.8%, respectively. We delivered these results while returning close to $80 million to shareholders in dividends and share buybacks.

Market conditions continue to be more challenging than a year ago. And the pace of deterioration in some areas is accelerating. More broadly speaking, we are seeing an unprecedented level of global uncertainty and instability. At IGI, our purpose is to provide peace of mind in terms of uncertainty. Our people, their experience and expertise demonstrated over almost 25 years have built a level of resilience in IGI that will continue to serve us well in the years ahead.

Our focus remains as always on risk adjusted returns and active cycle management. We have executed our strategy consistently and have built IGI into a strong and dependable partner to our clients. We have significant diversification which provides us plenty of optionality throughout market cycles. This is what drives the consistency in our long-term track record of high-quality financial results and shareholder value creation.

I will now hand over to Waleed to discuss the numbers in more detail and talk about our outlook, and I remain on the call for any questions at the end.

Waleed Wasef Jabsheh
Good morning, everyone. Thank you all for joining us and thanks, Wasef.

Now, we are very quickly approaching the end of the year and the beginning of 2027, which, as Wasef alluded to, will be the year that we celebrate our 25th anniversary since starting operations in Jordan back in 2002. I just want to reflect for a moment on what this year has meant for us at IGI and all that we have achieved.

I am very particularly pleased with our performance so far in 2026. We have delivered excellent results and have clearly demonstrated the strength, the stability, and resilience of our company. This year, we experienced the single largest loss event in our history with the war in the Middle East, and this occurred in one of our core regions, where about two-thirds of our people are based across our offices in Amman and Dubai. We came together as a company working together, supporting each other, and supporting our clients, some of whom represent the longest standing relationships we have. That it is the culture we foster.

Not much has changed in 25 years, and that is a good thing. The foundation we have built at IGI ensures we are prepared to face a changing landscape. Now these are clearly very challenging times for insurance and reinsurance markets alike and this is only heightened by the increasing level of uncertainty and stability that we are seeing across the globe.

For IGI, our structure and our strategy are specifically designed to manage and mitigate volatility as much as possible. Navigating difficult market conditions is nothing new for us. We have experienced soft markets and tough times both as a company and as an industry in the past. About 10 years ago, back in 2017, we were in the throes of a soft market. That year, we experienced one of the heaviest lost years for natural catastrophes in the industry's history. That was the year of, you will recall, Hurricanes Harvey, Irma, and Maria. In the same year, there were also a number of other natural catastrophes.

Our financial results that year were significantly impacted by these events, and that was the one year in the past ten years where we reported combined ratio above 100%. We came in at around 105%.

Now, you may think I am rambling on, but I say all this to make the distinction between IGI 10 years ago and IGI today. I mean, we were less than half the size we are today in terms of gross written premium, we were a predominantly short tail company, and we had significantly less diversification both from product and geography perspectives. Today, we are now writing around 25 lines of business serviced

from our 9 offices worldwide, including our latest platform in India.

For a company of our size, this is a significant and quite unique level of diversification, and this is our strength. Where one line or one territory is under pressure, others may be heading in the opposite direction. So, this diversification gives us the levers that we have spoken about in previous quarters to work with. Every line, every region where we are operating in has its own experts, people who are experienced, people who have been through soft market cycles, and people who understand the dynamics of their business and their market.

Add to that the fact that we have tripled the size of our balance sheet over the past decade. We have built significant strength, stability, and resilience in our company. And we have achieved all this by design; slowly, methodically, and purposefully. I will talk a little later more about specific market conditions, opportunities we are seeing, specifically those arising from our entry into the Indian market and also the launch of our MGA platform in Bermuda, Cipher Underwriting. But specifically, to the results for the third quarter and the first 9 months, let me focus on some of the key points.

Growth in premiums came in at just under $120 million for the third quarter and just under $520 million for the first 9 months of the year, which represents an 8.9% and 1.4% decline over the same periods last year. I would note that in spite of increasingly challenging market conditions, top line is holding up relatively well, so this level of decline is not concerning at all. It just really means that we are executing our strategy as we should.

Net premiums earned were just under $125 million and $360 million for the third quarter and first 9 months, respectively. That represents an increase of 8.5% and 5.3% respectively over the same periods last year.

Underwriting income also holding up by like $43 million for Q3 and $110 million for the first 9 months. The combined ratio of 85.7% for the third quarter includes 6.9 points of CAT losses, now 2.6 points of that related to the war, and then 7.1 points of favorable prior year reserve development. The combined ratio of 90.1% for the first 9 months includes 14.8 points of CAT losses, Again, primarily related to the war in the Middle East, and just under 11 points of favorable prior year reserve development.

A quick point on the increase in the net policy acquisition expense ratio, which went from 15.9% to 19.4% in Q3, because the comparison is a bit distorted by two things: the lower realized foreign exchange gains and higher gross commission expenses across all segments in 2026. So, on an FX neutral basis, it would have been 18.4% for the third quarter of ’25 versus 19.4% for the current-year third quarter. Now this was specific to the third quarter comparison. The 9-month periods are more in line.

Just turning to our segment results. Conditions, as I said, are getting tougher in our short tail segment with rate reductions and decreases in most lines of business. But while the top line overall is down in the segment in both Q3 and the first 9 months, net earned premiums were up 2.8% and 3.7% over the same periods, respectively. Now there is quite a lot of variation in the level of adequacy from one line to another. Underwriting income for both Q3 and the first 9 months of the year was down year over year due to the elevated loss activity, most of which is war related, but still came in healthy at $20.3 million for the third quarter and over $45 million for the first 9 months. And this is what really speaks to how we manage risk and the resilience we have built in our business.

In the reinsurance segment, underwriting income improved to $12.7 million in Q3, representing an increase of over 22% over the same period in 2025. Now we have stated before this is a segment where we have taken a number of actions to add to our capabilities and product offerings. Now both gross written and net earned premiums were up in the quarter versus Q3 last year. But for the first 9 months,

both gross written and net earned premiums were down, primarily due to the nonrenewal of the two sizable reinsurance programs in the first quarter of the year, which we have mentioned on previous calls. Underwriting income in the segment was broadly stable for the first 9 months when compared to the same period of last year.

In the long tail segment, gross premiums written in the third quarter were fairly steady with the same period in 2025. But on a net earned basis, premiums were up almost 15% leading to underwriting income of about $10 million. For the first 9 months, both gross written and net earned premiums were up 4.3% and 16.4% respectively, driven by new business in most of our lines in the segment.

Underwriting income for the first 9 months increased substantially to just under $33 million versus $1 million for the same period last year. But I would note here that the 2025 underwriting income in this segment was quite considerably negatively impacted by the FX movement. So, if we want to compare on a like for like basis, we are talking about $32.9 million as a profit compared to around $18 million last year, which is still quite a significant improvement.

You will also note a fairly big reduction in the level of ceded premium in this segment for both the third quarter, but especially for the first 9 months. That is mainly driven by the nonrenewal of the large professional indemnity binder, which we spoke about last year and the sizable quota share reinsurance program that's set behind that. So overall, in conclusion for this segment, we continue to be cautiously optimistic about market conditions stabilizing from here.

Now all in, we delivered net income of $28 million or $0.66 per share for Q3 this year versus $33.5 million or $0.75 per share for Q3 last year. For the first 9 months, net income was $70.5 million or $1.65 per share versus $94.9 million or $2.14 per share last year.

Return on average equity was just under 17%, and core operating return on average equity was the same at 16.9%, and that is for Q3. For the first 9 months, return on average equity and corporate return on average equity came in at 13.7% and 13.8% respectively, all in line with our long-term averages.

Now turning to the balance sheet, total assets were $2.11 billion. Total investments in cash, $1.28 billion. Our allocation to fixed income securities, which are up 78% of our investments in cash portfolio generated $14.2 million and $42.8 million in investment income in Q3 and the first 9 months respectively with a yield of 4.4% as of the end of Q3. We also pushed the duration out slightly to 3.7 years from 3.5 at the end of last quarter.

During the third quarter, we repurchased a little over 148 thousand common shares at an average price per share of $24.68. Year to date, we have purchased just under 900,000 shares at an average price of $24.37. At the end of Q3, we had 3.8 million common shares remaining under our existing 5 million common share repurchase authorization.

Total equity was just over $663 million at the end of Q3 compared to $710 million at the end of 2025. Now that includes capital return to shareholders of just under $80 million comprised of about $58 million in dividends, including the special we distributed earlier in the year in April of $1.15 and a further roughly $22 million in share repurchases. I should also note that total equity was impacted by negative mark to market movements on the bond portfolio amounting to about $44 million for the first 9 months and $29 million for the third quarter alone. And just a reminder here again that we hold our portfolio to maturity.

Book value per share was $15.99 at the end of Q3. Now that is a decline of 5.4% from December or end of last year primarily due to the negative mark to market movements I just mentioned.

So, as I said at the outset, very strong fundamental results in the third quarter and first 9 months, especially considering the overall market softening and the heightened level of loss activity in the first 6 months of the year. And more broadly, the greater level of economic and geopolitical uncertainty.

Now this provides a good point for me to turn to our view of the markets and the opportunities that we are seeing. If we start with the reinsurance portfolio, margins there are still relatively healthy but competitive pressures, as I am sure you are all aware, are becoming increasingly prevalent. Pressure on property rates specifically is driving overall reinsurance pricing pressure. The opportunities in this segment are more concentrated on the specialty treaty lines such as marine, energy, PB, terror. Now these are areas where there have been significant risk and war losses. And then also, of course, cyber is another area where we have been adding to our capabilities.

Now on that note, just over a month ago, we announced the launch of Cipher Underwriting. Cipher is a specialty treaty MGA focused on cyber. It will be run out of Bermuda, which IGI owns 60% of. This is for us very much a long-term play. Our entry now positions us well in the market as market conditions in cyber stabilize and improve. And like everything we do, we will grow this book cautiously. Since our announcement, Cipher has secured all the necessary regulatory approvals and begun operations. Cipher is led by Ari Chatterjee, who is a cyber reinsurance specialist and who is helped to set market standards on data and policy wordings.

Now the initial focus for Cipher is on addressing the growing demand for cyber reinsurance with lead underwriting capabilities targeting high growth emerging risks. This is a very exciting development for IGI, and it adds to our growing specialty treaty capabilities and the overall diversification of our portfolios. But I echo what I said earlier, we will be growing this book very cautiously.

Another avenue for treaty growth is our new India platform in GIFT City, which we announced back in June. Now with India being one of the fastest growing economies in the world, the opportunities here, not just in India but the whole Indian subcontinent, are quite abundant. Especially in specialist niche areas like cyber, surety, and liability business. But this also provides an opportunity to market a slew of other lines of business within our portfolio, including construction and engineering, which we already write there as well as ports and terminals, marine cargo, PV, and some professional lines also.

Now, we have assembled a strong local team with deep knowledge of the Indian market, a strong understanding of how business is conducted. We are expecting the team to be fully in place by the end of January, but most will be in place by November. Obviously, with recent regulatory changes, there is a significant advantage to being on the ground here where we will be considered a preferred market.

Now this is very much consistent with our approach across all our markets, and that is combining IGI's technical expertise with disciplined underwriting with local talent, cultural compatibility, and fluency.

Now to the markets for short tail lines, we continue to see opportunities in the PV line coming out of the Middle East following the war and we have grown our PV portfolio by about 50%. So, it is important to note, and I have said this before, it is coming from a relatively modest base. Now not only has pricing significantly improved, but terms and conditions have also strengthened across the markets we write and the GCC region especially. But as we said on prior calls, it is important to note that we have adjusted our own PV gross line sizes leading to reduced war exposure over this time period.

On a positive note, we are definitely seeing more discipline in the markets there; however, it is still somewhat disappointing that the market corrections so far have been limited to the Middle East and not the broader PV markets. But we expect we may see some broader improvements to come given the rising stability in the world. Just as an example, we have all seen what has been taking place in a number

of countries in Europe over the last several weeks.

Elsewhere, we are also seeing opportunities in certain marine lines like cargo, specifically cargo war and war on land, also as a result of the conflict, as well as marine trades. Now while the opportunity is not significant so far, we have taken advantage where appropriate.

And in the more specialist lines, like in construction engineering, we are seeing healthy conditions and deal flow. We are still seeing an increase in infrastructure projects globally. Some slowdown in certain parts of the world, but still very positive in regard, and contingency also continues to develop for us.

Now that leaves our two biggest lines, property and energy, and that is where we are seeing the most pressure. First, on the commercial property side, the rates continue to be relatively adequate even though we are seeing reductions of about 15% or so across the board. Rates on the international property book are definitely holding up better than the US. But from both angles, it is clearly tougher now than it was a year ago.

Similarly, in the energy book, rates are coming down quite rapidly despite an abundance of loss activity both on the downstream side, power and renewable side, and the upstream side. Now we have seen some signs of pushback from the market following these losses. Not enough to really get too optimistic, but we are hopeful this could be the signs of the tide turning.

In our long tail segment, we continue to see new opportunities and good deal flow in professional indemnity, as well as some of the more niche segments of this business like marine liability, which we have talked about in prior calls. Now with respect to marine liability, this is very clearly an opportunity for us to capitalize on improved pricing and demand that resulted from the Baltimore Bridge loss. So, we expect to continue to grow our direct marine liability book and we have actually already tripled the size of that book so far this year. And it is widely expected that renewal rates for 2027 will remain healthy and attractive.

As far as the geographic regions go, we have already covered the Middle East and India. For the US, Europe, and Asia, the story is similar to what we said on previous calls and we are continuing as always to leverage our presence, our expertise and our relationships for new opportunities.

So, our markets are in transition and are continuing to evolve, some in good ways and others not in such good ways. As we all know, this is the nature of our business. But at IGI, we will continue to do what we do best. We have outstanding teams with deep technical expertise, we are disciplined in our risk management, we execute consistently, and we have significant portfolio diversification.

Now this high-performance culture, along with our longstanding values, principles, and entrepreneurial spirit has always guided us and continues to be central to our business and our track record of success. And I will be very clear on this, we do not and we will not compromise these under pressure. It is this that provides us a solid foundation for sustained strong performance and value creation. Over almost a quarter of a century now, we have built an impressive track record, one that clearly demonstrates the excellent earnings power of our business. We have the experience, and we have built a level of resilience in IGI that will continue to drive our success forward for the benefit of all our stakeholders. So, we look forward to what is to come for what is left of 2026 and to celebrating our 25th anniversary year next year, and we remain steadfastly focused on protecting our existing portfolio and capitalizing on the many opportunities that our strategy provides.

I am going to pause here, and we will turn it over for questions, please. Operator, we are ready to take the first question.

QUESTION AND ANSWERS

Operator
We will now begin the question-and-answer session. To ask a question, you may press star then one on your telephone keypad. If you are using a speakerphone, please pick up your headset before pressing the keys. To withdraw your question, press star then two. At this time, we will pause momentarily to assemble our roster.

The first question comes from Michael Phillips of Oppenheimer. Go ahead please.

Michael Phillips
Walid, just a quick numbers question to make sure I heard you correctly. On the [indiscernible] expense ratio, did you say 18.4% for the quarter excluding FX impact?

Waleed Wasef Jabsheh
Yes, that is right. For third quarter last year.

Michael Phillips
Thank you. Then I guess on the commission piece of that then, was there anything anomalous just to the quarter or is that increase there more because of changing mix of the business?

Waleed Wasef Jabsheh
I think it is a bit of both, Mike, because the business mix is changing slightly. Not enough to really move it that much for the quarter, but definitely the business mix will impact that. But then also, it is the market conditions as well. I mean, as you are aware, in hard markets, we can push acquisition costs down. And vice versa in softer markets, brokers and clients will push acquisition costs up. So, the simple answer is it is a combination of both.

Michael Phillips
Thanks. And I guess on the short tail lines, it sounds like your commentary sort of sounded like even last quarter, there has been some industry losses in energy, I think you said downstream last quarter, but despite that there is still not been a turn. So maybe what we are seeing with short tail this quarter might be what we should expect to see in the near term horizon?

Waleed Wasef Jabsheh
I think it is safe to say that in the near-term horizon, that statement would be accurate. And I am talking predominantly from a top line perspective. Our underwriting strategy and reinsurance purchasing strategy is modified depending on where we are in the cycle, and that should hopefully mitigate the impact of deteriorating market conditions. But these are volatile lines of business and we will manage our exposures to ensure that we mitigate that volatility as much as possible. But there is no doubt that the rates have been reducing those lines of business for a couple of years now, and we do not see the market changing its tone or tune in any meaningful way, at least not yet.

Michael Phillips
Thanks, Waleed. Maybe just one more. It’s been about a year since your upgrade, I think, almost a year ago. Because of that, are you seeing more at bats, if you will, because of the upgrade? And if you are, does that business look any different than what you would have seen otherwise maybe in terms of size or mix or returns or anything?

Waleed Wasef Jabsheh
It has definitely helped. I will be honest with you, it has not been life changing for us, but it has definitely

helped. It has opened up opportunities for us to explore. We have capitalized on some of those opportunities, but has not been significant.

That said, we are working on opportunities that have arisen now as a result of our upgrade that could be more meaningful in 2027 and onwards. But it has definitely lifted the profile, opened up new doors, both to clients, cedents, and then obviously also to new business lines.

Michael Phillips
Okay. Thanks, Waleed. Congrats on the great results in a tough environment. Appreciate your time.

Waleed Wasef Jabsheh
Thank you, Mike.

Operator
The next question comes from Rowland Mayor of RBC Capital Markets. Go ahead please.

Rowland Mayor
Thank you, and good morning or I guess good afternoon over there, Waleed. I wanted to quickly start on the PV exposure in Europe. Should we expect some losses there in the fourth quarter? Do you not carry much Mainland Europe exposure?

Waleed Wasef Jabsheh
No, we do not anticipate much. To be totally honest with you, the events in Europe are more on the strike, civil commotion side, which tend to be covered under property placements, actually, more often than not in Europe. Our European book is predominantly a pure terrorism book. So these events would not fall under that type of coverage. So, no, we do not anticipate anything material coming out of it for us.

Rowland Mayor
Thank you. And I guess just moving on to Cipher, could you maybe walk through how that product will be structured or positioned? And then you gave the ownership percentage, but how much of the capacity are you providing to Cipher?

Waleed Wasef Jabsheh
So with Cipher, it is a good question, Roland. With Cipher, Ari, who I mentioned in the call, just to give some background, is somebody that we have known, someone that we have known and supported for many years prior to partnering up with him. So we are familiar with his underwriting philosophy and approach, and obviously we know what his results have been like. He has built portfolios in the past that we have supported and backed and done very well out of. So, when the opportunity came to partner up with him, and to do this in a more meaningful way, we jumped on the opportunity and we are now almost ready and set to go.

Now in terms of exposures and building the portfolio, and the capacity that is to be provided to Cipher, this is an exclusive relationship. We are the sole carrier for Cipher, at least for the time being. And conversely, Cipher will be the sole underwriter for us in these lines of business. So, we will be the primary carrier. We are out there putting together a retro program to protect this portfolio. Now the more support we can get, the more gross capacity we can deploy.

So, for us, it is not just simply by creating Cipher and IGI MGA, which sits under IGI managing agencies, we segment out the fee generating income side of the business, it is a multipronged approach. First and foremost, we love the guy. We love how he underwrites. We love his book. So that is the driver behind the partnership. But putting it under an MGA umbrella, we generate fees from the MGA large retro

program behind it, we generate fees from the retro program as well, plus we benefit from the hopefully positive profitable results of the underwriting portfolio.

I foresee that to be the landscape for Cipher and IGI for at least the first couple of years. And then the business can develop into expanding into other lines of business, other niche areas that potentially we could bring outside capacity to get involved. But the whole real intention behind or big part of it is that we own a portfolio, it is written on IGI paper and then we distribute it to others who want a piece of the action.

Rowland Mayor
That is super helpful. Thank you. And then if I could sneak in one more big picture question. Could you maybe talk about how interest rates impact your target combined ratios? Do you fully separate the margin decision from investments or do some of the long tail lines need to factor in the investment income component?

Waleed Wasef Jabsheh
Fully and completely separated, Roland. I do not have an answer to that question. Investment income is completely separate from any of our underwriting results, and we do not underwrite based on what the investment environment is or how much investment income we anticipate we can generate.

Rowland Mayor
I guess just on that, do you think your peers are doing the same or do you think we are starting to see some cash flow underwriting return to the market with interest rates where they are?

Waleed Wasef Jabsheh
I have no idea. Honestly, I have no idea.

Rowland Mayor
It was worth a try. Thank you for the answers. Congrats on almost 25 years.

Waleed Wasef Jabsheh
Thank you, Rowland. Thank you. Appreciate it.

CONCLUSION

Operator
This concludes our question-and-answer session. I would like to turn the conference back over to management for any closing remarks.

Waleed Wasef Jabsheh
I just want to thank you all for joining us today, and thank you, as always, for your continued support. If you have any additional questions, you can contact Robin and she will be happy to assist. And ahead of next quarter's call, I wish you all a Merry Christmas and a Happy New Year. Look forward to speaking to you in the New Year. Have a good day.

Operator
The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.