CEO Letter

Dear Fellow Shareholders, As I reflect on the achievements of 2024, Fidelis Insurance Group made significant progress in strengthening all aspects of our business and enhancing the value proposition that we deliver to our stakeholders. I am proud of our team's efforts to build on this strong foundation and we continue to demonstrate the benefits of our capital strength, scale, lead positioning and deep rooted relationships.

Throughout the year, we capitalized on high-quality, profitable underwriting opportunities, delivered significant top-line growth, and expanded our diversified portfolio, including the addition of new distribution channels such as Lloyd's Syndicate 3123, engaging with new clients across new geographies. Additionally, we returned excess capital to our shareholders through the initiation of our dividend policy and share repurchase program. Our strategic asset allocation and focused approach to optimizing our investment portfolio within our risk appetite led to increased investment income. Furthermore, we welcomed our first partners outside of our cornerstone relationship with The Fidelis Partnership, marking a pivotal step in our growth and diversification strategy.

Our goal remains to further strengthen Fidelis' position as a leading global specialty insurer by leveraging strategic partnerships to deliver compelling returns through the cycle. As we enter 2025, we are well-capitalized and positioned to drive profitable growth. Our underwriting talent, market access, financial strength and disciplined approach to capital management will continue to differentiate our business and enable us to deliver sustainable value for all our stakeholders.

"We enter 2025 well-capitalized and positioned to drive profitable growth."

2024 FINANCIAL RESULTS

$4.8bn	$3.0bn	$4.4bn	23.0%	$11.8bn
Cash & Invested Assets	Total Capital	Total Gross Premiums Written (GPW)	GPW Growth YOY	Total Assets

2024 FINANCIAL RESULTS

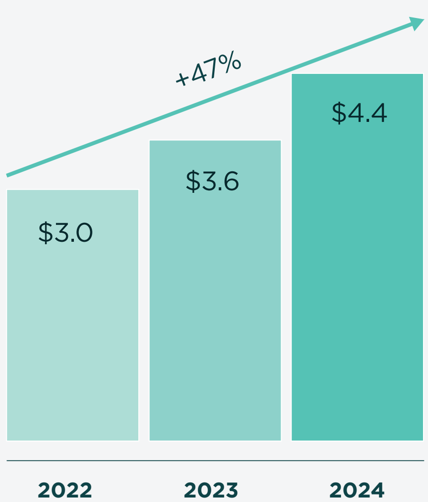
In 2024, we delivered on our growth objectives for the year, increasing gross premiums written 23% to $4.4 billion with a renewal price index (RPI) across our portfolio of 111%. In our Insurance segment, gross premiums written increased 20% to $3.5 billion, driven primarily by our direct property, marine, and structured credit insurance portfolios. Reinsurance premiums grew 40% to $865 million, as we capitalized on favorable market conditions.

We generated a combined ratio of 99.7%, operating net income of $137 million, and operating return on average equity (ROAE) of 5.6%. These results are inclusive of net adverse prior year period development in our Aviation and Aerospace line of business during the fourth quarter related to business underwritten in Add 2021 and 2022 (pre-bifurcation) and impacted by the ongoing Russia-Ukraine aviation litigation. In respect of the aviation litigation, we have been judiciously settling claims to de-risk our overall exposure – lowering potential downside risk and providing greater certainty to our shareholders. Excluding this net adverse prior year development, we would have exceeded our long-term ROAE target.

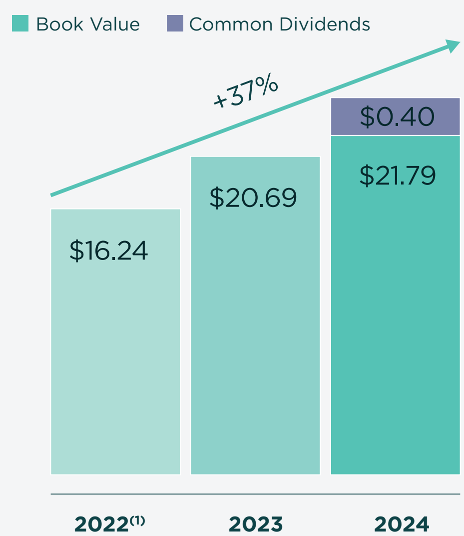
Our net investment income increased to $191 million, growing 59% from 2023 driven by an increase in investible assets and a higher earned yield on our fixed income portfolio and cash balances. We ended the year with $11.8 billion in total assets and $4.8 billion in cash and invested assets. Our book value per diluted common share was $21.79 at year end 2024. Taking into account the $0.40 common share dividends paid in 2024, this is an increase of 7.2% from the end of 2023.

FINANCIAL HIGHLIGHTS

Gross Premium Written
(in billions of dollars)



Book Value Per Diluted Common Share
(in dollars per common share)



(1) – As of the Separation Transactions on January 3, 2023

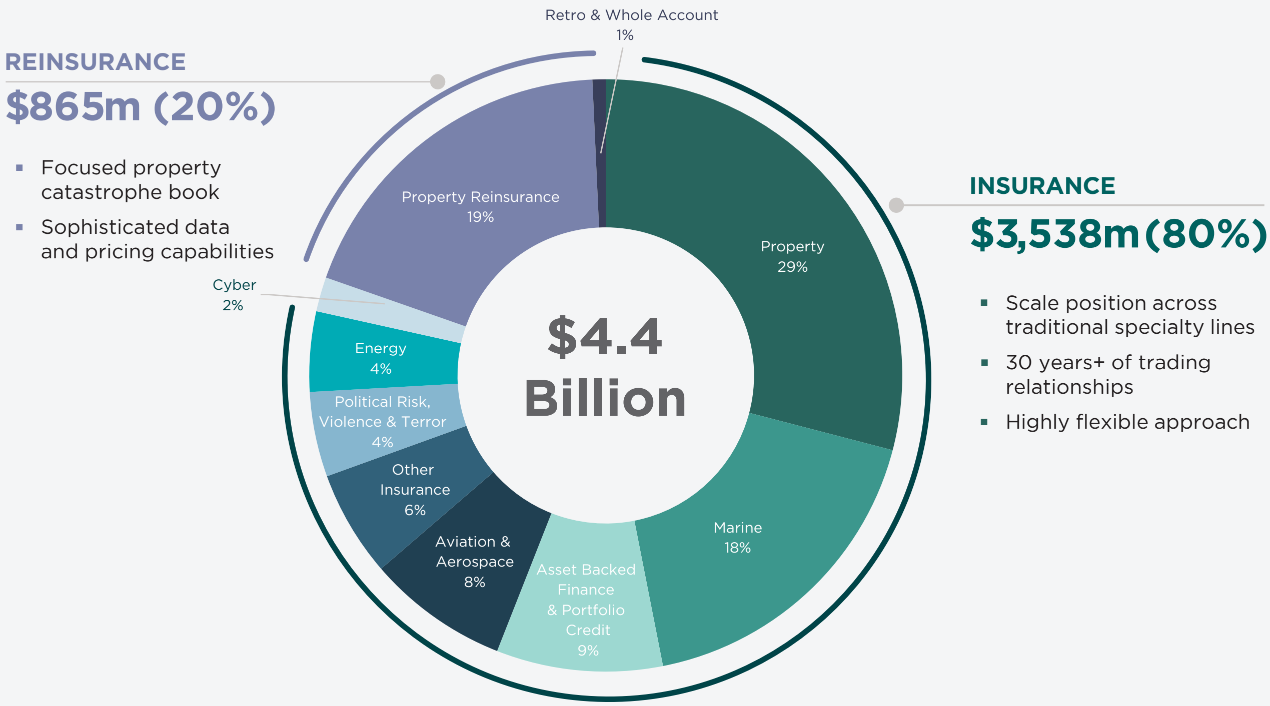
A FOCUS ON DELIVERING PROFITABLE UNDERWRITING

In 2024, our gross premiums written growth reflected both strong retention rates and continued expansion through new business, demonstrating the benefits of our scale, capital strength, and lead positioning across a high-quality, mature portfolio of specialty insurance and reinsurance risks.

Our Insurance segment includes the major specialty lines of business and other highly tailored products, where the buying motivation is often driven by regulatory capital relief, capital efficiency or transaction facilitation. Our Reinsurance segment consists of an actively managed, property reinsurance book, providing reinsurance worldwide on a proportional or excess of loss basis.

A MATURE AND WELL-POSITIONED PORTFOLIO

Gross Premiums Written



Because we lead on the majority of the deals we participate in, we are positioned to secure preferential rates, terms, and conditions across our key classes. This allows us to maintain a disciplined and nimble approach to underwriting. We believe this underwriting strategy allows us to deliver attractive risk-adjusted returns over the long term by managing through cycles and strategically deploying capital to the most attractive market opportunities.

Additionally, we also pursued opportunities for growth through new origination channels to broaden the footprint of our business and to continue driving growth across our Insurance and Reinsurance lines of business. This included entering Lloyd's through a variable quota share with a focused participation in The Fidelis Partnership Syndicate 3123, providing access to an enhanced ratings platform, global licensing and Lloyd's only business. We also continued to diversify into new markets, including gaining direct access to Middle Eastern business through The Fidelis Partnership's new Abu Dhabi office, creating opportunities with new clients.

While The Fidelis Partnership remains our cornerstone partner and the benchmark for any new partnership is high, we have also announced new strategic partnerships to diversify and strengthen our portfolio. Commencing January 1, 2025, our partnership with Euclid Mortgage provides an opportunity to support a new partner with proven expertise in an attractive line of business. Additionally, our small capped quota share of Traveler's cyber book adds another component to our relationship with Travelers.

A DISCIPLINED APPROACH TO CAPITAL MANAGEMENT

We ended the year with a strong, highly rated balance sheet and total capital of $3.0 billion. Active capital management remains a cornerstone of our strategy as we focus on proactively managing and allocating capital to maintain our financial strength, drive profitable underwriting, and create value for our shareholders.

> **"We focus on proactively managing and allocating capital to maintain our financial strength, drive profitable underwriting, and create value for our shareholders."**

In 2024, our strong capital position enabled us to pursue strategic growth opportunities, while also opportunistically returning excess capital to shareholders. We continue to believe investing in our business and deploying capital into attractive underwriting opportunities will deliver the best returns over the long-term, and this remains our top priority.

Beyond this, outwards reinsurance is a key part of our strategy, serving as a flexible and aligned source of capital. In 2024, we further enhanced our overall outwards reinsurance program with the issuance of two new tranches of our Herbie Re catastrophe bond providing an additional $525 million in collateralized reinsurance protection for Named Storm and Earthquake Covered Events in the U.S. for a multi-year period. As we did in 2024, we once again renewed the majority of our outwards reinsurance protection on January 1, 2025, including our 20% whole account quota share agreement with Travelers.

Finally, we remain committed to returning excess capital to our shareholders, and in 2024, we returned $152 million to common shareholders through our dividends and share repurchases.

SUPPORTING OUR PEOPLE, COMMUNITIES, AND THE ENVIRONMENT

Natural catastrophe losses made 2024 the sixth most costly year in insurance history. The escalating frequency of these natural disasters underscores the essential role of insurers and reinsurers, and emphasizes the necessity for premium rates and coverage terms and conditions to accurately reflect the evolving risk landscape. We are committed to taking actions with the best interests of our shareholders, customers, colleagues, and the environment in mind, and to pursue a strategy that reflects the markets in which we operate.

We are also committed to supporting our employees. We know that our people are our greatest competitive advantage – they bring the extensive underwriting, capital, and investment management expertise that enables us to offer unique solutions to our customers and partners. In 2024, we welcomed Jason Kittinger as Group Chief Operating Officer, bringing a wealth of experience to bolster our operational capabilities. Jason, a seasoned professional with two decades of industry experience, has a proven track record in financial leadership and operational excellence, all of which will further strengthen our operating processes. I look forward to working closely with him in the years ahead.

LOOKING AHEAD

As we look ahead to 2025 and beyond, we believe we are well positioned to create long-term value for our shareholders. Even after years of compound rate improvement across most lines of business, we continue to see attractive opportunities for growth and sustained strong margins across our portfolio. Our strong balance sheet, scale, agility, and deep relationships with brokers and clients position us well to strategically pursue the opportunities that align with our risk appetite, while maintaining our disciplined approach to underwriting, investments and capital management.

“We continue to see attractive opportunities for margin-accretive growth across our book.”

In closing, I’d like to say thank you to my colleagues for your immense contributions this year and always, to our customers and partners for trusting in us and choosing to do business with us, and to my fellow shareholders for your continued belief and support.

Sincerely,

Dan Burrows
Group Chief Executive Officer & Director,
Fidelis Insurance Group