INTERNATIONAL GENERAL
INSURANCE HOLDINGS LTD.

Annual Report 2023

ALWAYS LOOKING BEYOND

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FORWARD LOOKING STATEMENTS DISCLOSURE

This Annual Report 2023 contains certain statements that are "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. You should not place undue reliance on such statements because they are subject to numerous uncertainties and factors relating to IGI's operations and business environment, all of which are difficult to predict and many of which are beyond IGI's control. Forward-looking statements include information concerning IGI's possible or assumed future results of operations, including descriptions of our business strategy. These statements are often, but not always, made through the use of words or phrases such as "believe," "anticipate," "could," "may," "would," "should," "intend," "plan," "potential," "will," "expect," "believe," "continue," "strategy," "outlook" and similar expressions. Such statements are qualified by the inherent risks and uncertainties surrounding future expectations generally, and may differ materially from actual future experience. For a more detailed discussion of such risks and uncertainties, see IGI's annual report on Form 20-F for the year ended December 31, 2023, including those under "Risk Factors" therein, and in the Company's other filings with the SEC. IGI undertakes no obligation to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

GLOBALLY CONNECTED

1. BERMUDA
Park Place, 1st Floor,
55 Par-la-Ville Road,
Hamilton HM 01 Bermuda

2. CASABLANCA
32-42, Bd Abdelmoumen
Residence Walili 25
4th Floor P.O. Box 20000
Casablanca Morocco

3. LONDON
15-18 Lime Street
London EC3M 7AN England

4. OSLO
c/o Tyveholmen AS
7 etg, Tjuvholmenallé 19
0252 Oslo Norway

5. MALTA
3rd Floor - Development House
St. Anne Street Floriana
FRN 9010 Malta

6. AMMAN
74 Abdel Hamid Sharaf St.
P.O. Box 941428
Amman 11194 Jordan

7. DUBAI
Office 606, Level 6, Tower 1
Al Fattan Currency House
Dubai International
Financial Centre
P.O. Box 506646, Dubai
United Arab Emirates

8. KUALA LUMPUR
29th Floor, Menara TA One
Jalan P Ramlee 50250
Kuala Lumpur Malaysia

9. LABUAN
Level 1, LOT 7, Block F
Saguking Commercial Building
Jalan Patau – Patau
87000 Labuan Malaysia

ABOUT US

IGI has been a successful niche player in the insurance and reinsurance specialty markets for more than 20 years. Formed in 2001 in Amman, Jordan, the company began underwriting operations in 2002 writing five specialty lines of business. Today, IGI writes a diverse global portfolio of specialty lines.

From its beginnings, IGI's focus has been on serving our clients, capital strength and preservation, and generating shareholder value through responsive and focused underwriting in markets we know and understand. The result is a demonstrated track record of compounded annual double-digit total value creation. While we have evolved and grown significantly since 2002, the key cultural attributes that have made us successful remain embedded throughout our Company today.

AM Best
Stable Outlook

S&P
Stable Outlook

IGI

We are an international specialist insurance and reinsurance group, registered in Bermuda and listed on Nasdaq Capital Markets under the symbol "IGIC".

Our business

Established in 2001, we are an entrepreneurial business with a diversified risk portfolio of Energy, Property, General Aviation, Construction & Engineering, Ports & Terminals, Marine Cargo, Marine Trades, Contingency, Political Violence, Financial Institutions, General Third-Party Liability (Casualty), Legal Expenses, Professional Indemnity, D&O, Marine Liability, and Reinsurance Treaty Business.

We are truly international

Registered in Bermuda, we have offices in Bermuda, London, Amman, Malta, Dubai, Oslo, Casblanca, and Kuala Lumpur. We have long standing relationships in these regions, providing a high level of cultural compatibiity and service to our clients and brokers.

An entrepreneurial success story

IGI has a long track record of success. Over the past 5 years, we have grown our premiums at a compounded annual rate of more than 18%, while achieveing an average combined ratio of 85.0% and an average core operating return on equity of 16.7%.

LETTER FROM THE EXECUTIVE CHAIRMAN

To My Fellow Shareholders

2023 was an exceptional year for IGI. On virtually every measure, our financial results were outstanding and exceeded the record results achieved in 2022.

We grew our gross premium portfolio by a healthy 18.3% with a combined ratio of 76.7% and delivered a core operating return on average equity of 28.1%. Our shareholders were rewarded with a 61% increase in share price. In addition, and consistent with our long-standing promise to shareholders, we returned approximately $33 million in capital in the form of dividends and share repurchases. Our strategy has always reflected our belief that we will generate the best returns for our shareholders through our underwriting – growing when our markets are favorable, and when we have excess capital, return it to our shareholders who have put their trust in us. I am very pleased with our most recent decision to pay a $0.50 per share special cash dividend for 2023 in addition to our regular quarterly dividends.

These results were achieved during a year in which we effected a successful CEO transition – our first in 22 years, opened a new office in Oslo – our eighth, while building out our product offerings and skillsets in other offices. During 2023, we also executed two successful capital markets transactions. It would be fair to say that 2023 was not just an active year for IGI in terms of seizing opportunities that would both expand and diversify our footprint, but also in continuing to build a strong foundation that would effectively and efficiently service our growing company.

I said in my letter to you a year ago that our success is not just in the numbers we publish, but in the people that make up the IGI family. The results that you are seeing from IGI are the consequence of a consistently well-executed strategy, and a deep understanding of who we are and what our capabilities are.

I am exceedingly proud of everyone at IGI for their resilience, discipline, and consistent and high-quality communication and collaboration. Again, I truly believe that we have a uniqueness in the set of values that we live by, call it the IGI culture, our DNA, or our corporate character. Throughout what was in many ways a challenging year, we remained steadfastly focused, ultimately producing what are exceptional results and delivering on our promises largely because of our ability to maintain that cultural integrity that defines us. What's most important to us is our ability to remain true to who we are and continue to do what we do best, but always strive to do it better.

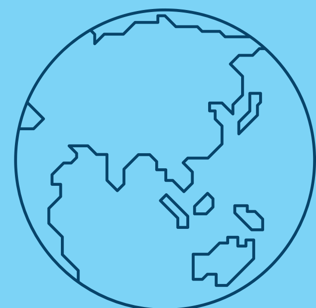
I thank every member of the IGI family for their dedication and commitment in continuing to advance our goal of creating consistent and sustainable long-term value for our shareholders through responsible and selective underwriting, and targeted growth and diversification.

On behalf of my fellow Directors, to our brokers, our clients, shareholders and all our stakeholders, thank you for your continued support of IGI.

Wasef S Jabsheh
Executive Chairman

Europe, Africa & Middle East

The Americas



Asia

BUILDING ON STRONG FOUNDATIONS

“Throughout what was in many ways a challenging year, we remained steadfastly focused, ultimately producing what are exceptional results and delivering on our promises largely because of our ability to maintain that cultural integrity that defines us. “

Wasef S Jabsheh
Executive Chairman

SHAPING THE FUTURE

We will continue to be responsible stewards of shareholder capital, while building on the strong foundations of the past two decades.

Waleed Jabsheh
President & CEO

YEAR IN REVIEW
REPORT FROM THE PRESIDENT & CEO

It gives me great pleasure and pride to be writing to you for the first time as IGI's Chief Executive Officer, a position I took on in mid-2023. I have been entrusted with great responsibility in taking over this role from my father and IGI founder, Wasef Jabsheh, who has built and led IGI's successful track record for over two decades. I have been asked several times how I will put my own mark on IGI and what I will do differently. The simple answer is nothing dramatic; I will continue our focus on profitably growing and diversifying our portfolio, executing with precision, maintaining high-quality service to our clients, and actively and efficiently managing the capital entrusted to us so that we continue to generate strong shareholder value. Most importantly, as we grow and evolve, preserving our unique IGI culture is one of my single biggest priorities as that is what has driven our history of success.

From our outset as a single modest office with three employees to a $600 million-plus market capitalized public company with over 400 people across eight offices globally, we have been able to maintain our small company culture, one that feels like a family, with a high level of engagement and commitment across all levels of our organization. It is a culture that fosters and drives the attitudes, actions and decisions of our people. This gives us a uniqueness that is not easy to replicate but can be difficult to maintain as we grow. I am especially proud of all our people for the decisions made throughout 2023 in anticipating and responding to challenging and shifting market conditions.

In 2023, we achieved record results across virtually all financial metrics, surpassing 2022 which was the best year in our Company's history. Given the challenging market and economic conditions, as well as an increasingly concerning geo-political global landscape, this speaks solidly to our steadfast focus on intelligently managing our capital, moving swiftly to those areas of our business with the highest margins, actively positioning our investment portfolio, and ultimately returning excess capital to our shareholders.

Our strategy is simple. We focus on specialty risks with an "underwriting first" philosophy, as that is where we believe we can achieve the best returns and add the most value for all our stakeholders. We are a predominantly facultative – or individual risk – underwriter, we understand our exposures and our capabilities, ensuring we stay within our well-defined risk appetite and risk tolerances. We focus on what we can do and do it well, while always striving to improve. Working off a single balance sheet across our group means we can make decisions quickly and intelligently and we are not competing with ourselves. Every team member understands what their individual and collective responsibility is, and also how what they do impacts the end result. We are details focused, we have a deep understanding of our markets with people on the ground providing cultural compatibility, we communicate with transparency, and we execute with precision.

Ultimately, we will continue to be responsible stewards of shareholder capital, while building on the strong foundations of the past two decades.

We focus on what we can do and do it well, while always striving to improve. Working off a single balance sheet across our group means we can make decisions quickly and intelligently and we are not competing with ourselves.

FINANCIAL RESULTS

We produced record results again in 2023, exceeding the record results posted in 2022. Book value per share was $12.40 at year end 2023, representing growth of 36.7% from year end 2022 and 67.3% for the 15 quarters since we became a public company. Growth in book value per share is our most important measure, as increases over time are a key indicator of long-term shareholder value creation.

We reported record core operating income of $133.8 million, representing an increase of 42.5% over 2022. On a per share basis, core operating income increased 48.5%. Return on average shareholders' equity was 24.8% and core operating return on average shareholders' equity was 28.1%, 4.4 points above that of 2022.

During 2023, we grew our underwriting portfolio by 18.3% or $106.7 million to $688.7 million. To provide context on our growth in recent years, we have grown our business by almost 50% over the past three years. We generated record underwriting profit, with $183.1 million in underwriting income, representing an increase of 23.2% over 2022. Our combined ratio for 2023 was 76.7%, representing a 1.8-point improvement on 2022, and almost 10 points from 2021.

We saw solid growth in both the Short-tail and Reinsurance Segments during 2023, but we took an increasingly more cautious view in our Long-tail Segment where renewal rates, while still adequate, have trended down in many lines for the past 8 quarters and competition is intensifying. We expect this to continue in 2024.

We continued to grow our balance sheet during 2023 while remaining fully unlevered. Total assets increased 16.3% to $1.8 billion and total equity increased 31.5%, comfortably surpassing the half a billion dollar mark to $540.5 million in 2023.

Our investment portfolio remains conservatively positioned with 96% of invested assets in fixed income securities, term deposits and cash and cash equivalents. Throughout 2023, we took action to mitigate inflationary impacts by keeping the duration of our bond portfolio relatively steady with 2022, ending 2023 at an average duration of 3.2 years. Our fixed income portfolio is well-diversified by sector and by geography, with 76% having a credit rating of "A" or above and improved our overall average credit rating to "A". We reported an increase in net investment income of almost 250% to $50.2 million and we expect that given the current interest rate environment, investment income will continue to grow through 2024. We will continue to look for opportunities to generate higher yields on our fixed income portfolio while maintaining our low risk profile.

From a capital management perspective, we are increasingly demonstrating our ability to pull the right levers to maximise shareholder value. During 2023, we continued to repurchase common shares under our existing 5 million common share repurchase authorization. In addition, during the year, we redeemed all outstanding warrants for cash at a total cost of $16.3 million. And as our Board stated in 2022 when we amended our dividend policy, we would consider special dividends as and when appropriate. I am pleased that our Board has declared a special cash dividend of 50 cents per common share for 2023, alongside the regular quarterly dividends.

For the remainder of 2024, as market opportunities remain relatively healthy overall in short-tail and reinsurance lines, we will prioritise using our capital to grow our business with the emphasis on maximising the overall profitability profile of IGI.

We continued to grow our balance sheet during 2023 while remaining fully unlevered. Total assets increased 16.3% to $1.8 billion and total equity increased 31.5%, comfortably surpassing the half a billion dollar mark to $540.5 million in 2023.

REACHING FURTHER

SUPPORTING GROWTH & SUCCESS

CORPORATE CITIZENSHIP 2023

Intrinsic to our IGI culture is investing time, compassion, and necessary funding in the many territories around the world where we live and work with the ultimate goal of making a positive impact for our colleagues, clients, shareholders, communities, and our planet. Individually and collectively, we feel a deep sense of responsibility to purposeful engagement in the well-being of our communities from many perspectives including socially, economically and environmentally.

OPERATIONAL RESILIENCE

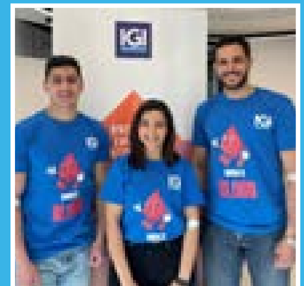
One of our biggest focuses as we continue to grow is having the right infrastructure and the right people to support our growth, while preserving our culture and those unique attributes that have driven our success from the beginning.

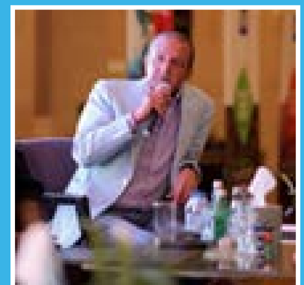
To this end, we took a number of significant steps during 2023 to enhance our operations and provide greater efficiency. In line with the growth of our portfolio in recent years, we continued to expand our underwriting and operational capabilities, adding a total of 47 new people across our offices. This includes Bermuda where we added risk and actuarial talent, and Oslo where we completed the acquisition of energy MGA EIO with a view to increasing our product offering in the Nordic markets, while adding capabilities in our other regional offices. We also continued to supplement talent in our London underwriting center and Amman operational center. And importantly, we replaced what were previously outsourced roles with dedicated in-house teams to provide for greater control and efficiency.

These efforts are continuing in 2024. Having multiple functions represented across all our offices along with greater in-house capabilities allows us to equip and empower our people with sound information to make intelligent decisions, adapt quickly, efficiently and effectively to changing environments and find opportunities to continue to deliver on our promise of generating strong value for our shareholders.

During 2023, we continued the support of charitable causes that align with our values – education, medical research and health initiatives, the arts and youth initiatives. Several years ago, we established The Hana Project, a research program at the Department of Neurological Science at the University of California, San Francisco School of Medicine focused exclusively on the development of improved therapies for glioblastoma patients, and our support continues today.

In Bermuda, where IGI is domiciled and where we continued to build out our on-the-ground presence in 2023, we are partners with PALS, which provides vital support for cancer patients and their families, and the Bermuda Education Network, which provides learning support for teachers and students in the Island’s public education sector.





OUTLOOK FOR 2024

As we did during 2023, our industry continues to face significant challenges: extreme weather, political and social polarity, and economic instability in many regions across the globe. Our sole purpose at IGI is to provide peace of mind in times of uncertainty and this has never been more in demand than it is today.

While many areas of our business remain robust, many have become more pressured as competition is increasing and it is getting more challenging to find business that meets our risk adjusted return requirements. We have grown significantly over the past several years and while we expect to continue to grow during 2024, we are not averse to putting our foot on the brakes where and when required. We are maximizing current opportunities, while laying the foundation for tomorrow, so that we continue to navigate market cycles and allocate our capital in the most efficient manner.

The significant enhancements we have made over the past several years have allowed us to enter new lines of business, expand into new geographies, make investments in our existing teams, and hire judiciously to build out new teams, while ensuring that we have the right technology and operational infrastructure in place. As always, our promise is to service our clients' growing needs with efficiency, transparency and intelligence, so that we are always creating shareholder value.

In London, we continued our long-time support of Haven House Children's Hospice, which serves families in large areas northeast of central London, and PalMusic UK, through the Edward Said National Conservatory, providing musical education to and promoting young Palestinian musicians.

And in Jordan, where more than half of our 400-plus people are based and where we have long been active and strong supporters of our communities, we provided critical care and compassionate funding for cancer patients from Gaza being treated at the King Hussein Cancer Foundation and Center in Jordan, and we continued our educational support of underprivileged Jordanian children and young women.

OUR THANKS

I want to thank all our people for their support, collaboration and leadership and their consistent dedication and commitment to fulfilling our promise to stakeholders and each other. I am excited to work together, to continue to challenge each other and ourselves.

I look forward to working with our Board of Directors to steer IGI forward. Together, we face the remainder of 2024 and beyond with confidence and excitement at the opportunities in front of us, and a commitment to continuing the record that we have built at IGI.

Most importantly, I thank our shareholders for their continued confidence and support.

Waleed Jabsheh
President & CEO

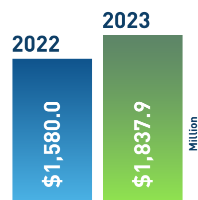
D&I continues to be a critical part of our culture at IGI as we believe that diverse and inclusive businesses are more innovative, creative and successful in the long-term. IGI is spread across 8 offices around the world, but our people represent many more countries, communities and cultures.

We embrace our differences by focusing on mutual respect, inclusion, collaboration and empowerment. Among our many initiatives, we continued to support the Lloyd's of London "Dive In Festival" promoting diversity and inclusion in insurance for the sixth consecutive year.

FINANCIAL HIGHLIGHTS

TOTAL ASSETS

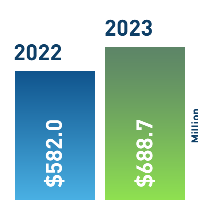
$1.8b



+ 16.3%

GROSS WRITTEN PREMIUMS

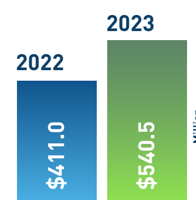
$688.7m



+ 18.3%

TOTAL EQUITY

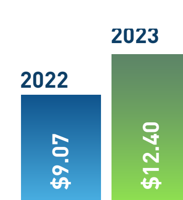
$540.5m



+ 31.5%

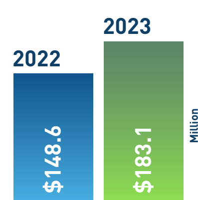
BOOK VALUE PER SHARE

$12.40



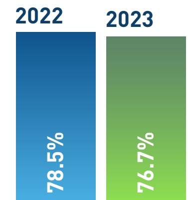
+ 36.7%

UNDERWRITING INCOME



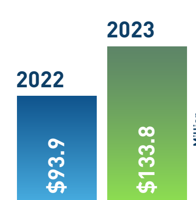
+ 23.2%

COMBINED RATIO



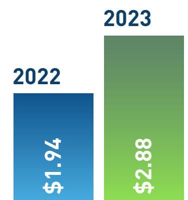
+ 1.8bps IMPROVEMENT

CORE OPERATING INCOME



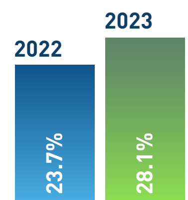
+ 42.5%

CORE OPERATING EARNINGS PER SHARE



+ 48.5%

CORE OPERATING RETURN ON AVERAGE EQUITY



+ 4.4bps IMPROVEMENT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report:

Commission File Number: 001-39255

International General Insurance Holdings Ltd.

(Exact name of Registrant as specified in its charter)

Not applicable	**Bermuda**
(Translation of Registrant's name into English)	(Jurisdiction of incorporation or organization)

74 Abdel Hamid Sharaf Street, P.O. Box 941428, Amman 11194, Jordan
+962 6 562 2009
(Address of principal executive offices)

Rawan Alsulaiman
74 Abdel Hamid Sharaf Street, P.O. Box 941428, Amman 11194, Jordan
+962 6 562 2009
Rawan.Alsulaiman@iginsure.com
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common shares, $0.01 par value per share	IGIC	The Nasdaq Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

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Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 46,074,179

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Note — Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "accelerated filer," "large accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☒	Non-accelerated filer ☐
		Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☒

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒	International Financial Reporting Standards as issued by the International Accounting Standards Board ☐	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

INTERNATIONAL GENERAL INSURANCE HOLDINGS LTD.

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FORWARD-LOOKING STATEMENTS

Some of the statements in this annual report on Form 20-F (this “annual report”) of International General Insurance Holdings Ltd., a Bermuda exempted company (“we,” “IGI” or the “Company”), constitute forward-looking statements that do not directly or exclusively relate to historical facts. You should not place undue reliance on such statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include information concerning our possible or assumed future results of operations, including descriptions of our business strategy. These statements are often, but not always, made through the use of words or phrases such as ability,” “anticipate,” “believe,” “budget,” “can,” “contemplate,” “continue,” “could,” “design,” “estimate,” “expect,” “forecast,” “hope,” “impact,” “intend,” “may,” “outlook,” “plan,” “positioned,” “potential,” “predict,” “project,” “seek,” “should,” “strategy,” “target,” “value,” “will,” “would” and similar expressions. You should read statements that contain these words carefully because they:

- discuss future expectations;
- contain projections of future results of operations or financial condition; or
- state other “forward-looking” information.

All such forward-looking statements involve estimates and assumptions that are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the results expressed in the statements. We believe it is important to communicate our expectations to our security holders. However, there may be events in the future that we are not able to predict accurately or over which they have no control. The risk factors and cautionary language discussed in this annual report provide examples of risks, uncertainties and events that may cause actual results to differ materially from the expectations described by us in such forward-looking statements, including among other things:

- changes in demand for IGI’s services together with the possibility that IGI may be adversely affected by other economic, business, and/or competitive factors globally and in the regions in which it operates;
- competition, the ability of IGI to grow and manage growth profitably and IGI’s ability to retain its key employees;
- changes in applicable laws or regulations;
- the outcome of any legal proceedings that may be instituted against the Company;
- the effects of the hostilities between Russia and Ukraine and the sanctions imposed on Russia by the United States, European Union, United Kingdom and others;
- the effects of the military conflict between Israel and Hamas and the humanitarian crisis resulting therefrom;
- the inability to maintain the listing of the Company’s common shares on Nasdaq; and
- other risks and uncertainties indicated in IGI’s filings with the SEC, including the risks discussed under the “Risk Factors” section and elsewhere in this annual report on Form 20-F.

These risks could cause actual results to differ materially from those implied by the forward-looking statements contained in this annual report.

All forward-looking statements included herein attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except to the extent required by applicable laws and regulations, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events.

IMPORTANT INFORMATION ABOUT U.S. GAAP AND NON-GAAP FINANCIAL MEASURES

Our financial statements are prepared in accordance with United States Generally Accepted Accounting Principles (referred to in this annual report as "U.S. GAAP" or "GAAP"). We refer in various places within this annual report to core operating income and core operating return on average equity, which are non-GAAP measures that are more fully explained in "*Operating and Financial Review and Prospects*." The presentation of this non-GAAP information is not meant to be considered in isolation or as a substitute for our consolidated financial results prepared in accordance with U.S. GAAP.

FREQUENTLY USED TERMS

As used in this annual report, unless the context otherwise requires or indicates, references to "we," "us," "our," "IGI," the "Group" and the "Company," refer to International General Insurance Holdings Ltd., a Bermuda exempted company, and its consolidated subsidiaries subsequent to the Business Combination and references to "IGI Dubai" refer to our wholly owned subsidiary International General Insurance Holdings Limited, a company organized under the laws of the Dubai International Financial Centre, on a stand-alone basis.

In this annual report:

"**2020 Plan**" means the 2020 Omnibus Incentive Plan of the Company.

"**Amended and Restated Bye-laws**" means the amended and restated bye-laws of the Company.

"**Business Combination Agreement**" means the Business Combination Agreement, dated as of October 10, 2019, as amended, by and among Tiberius, IGI Dubai, the Purchaser Representative, the Seller Representative and, pursuant to a joinder thereto, the Company and Merger Sub.

"**Business Combination**" means the Merger, the Share Exchange and the other transactions contemplated by the Business Combination Agreement that were completed on March 17, 2020.

"**Cash Consideration**" means an aggregate of $80.0 million paid to the Sellers in connection with the Share Exchange.

"**Closing**" means the closing of the Business Combination on March 17, 2020.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**Companies Act**" means the Companies Act of 1981 of Bermuda, as amended.

"**Company**" or "**IGI**" or "**Group**" means International General Insurance Holdings Ltd., a Bermuda exempted company, which became the parent company of Tiberius and IGI Dubai as a result of the Business Combination.

"**Equity Consideration**" means common shares of the Company issued to the Sellers equal in value to the Transaction Consideration minus the Cash Consideration.

"**Exchange Act**" means the U.S. Securities Exchange Act of 1934, as amended.

"**Exchange Shares**" means common shares of the Company equal in value to the total Transaction Consideration less $80.0 million of Cash Consideration issued to former shareholders of IGI Dubai in exchange for their IGI Dubai shares.

"**IFRS**" refers to International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

"**IGI Dubai**" means International General Insurance Holdings Ltd., a company organized under the laws of the Dubai International Financial Centre, which became a subsidiary of the Company as a result of the Business Combination.

"**IGI Bermuda**" means International General Insurance Co. Ltd.

"**IGI Europe**" means International General Insurance Company (Europe) Ltd

"**IGI Nordic**" means International General Insurance Company Nordic AS

"**IGI UK**" means International General Insurance Company (UK) Limited.

"**Insurance Act**" means the Insurance Act of 1978 of Bermuda, as amended, and related rules and regulations.

"**IRS**" means the Internal Revenue Service of the United States.

"**Jabsheh Director**" means a director appointed by Wasef Jabsheh in accordance with the Amended and Restated Bye-laws.

"**Jabsheh Family**" means members of Wasef Jabsheh's immediate family and/or natural lineal descendants of Wasef Jabsheh or a trust or other similar entity established for the exclusive benefit of Wasef Jabsheh and his immediate family and natural lineal descendants.

"**Labuan Branch**" means the Labuan Branch of International General Insurance Co. Ltd.

"**Merger**" means the merger of Merger Sub with and into Tiberius, with Tiberius surviving such merger.

"**Merger Sub**" means Tiberius Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of the Company that merged with and into Tiberius as part of the Business Combination.

"**Nasdaq**" means the Nasdaq Capital Market.

"**Non-Competition Agreement**" means the Non-Competition and Non-Solicitation Agreement, dated October 10, 2019, among Wasef Jabsheh, Tiberius and, pursuant to a joinder thereto, the Company.

"**Ominvest**" means Oman International Development & Investment Company SAOG.

"**private warrants**" means 4,500,000 warrants of the Company issued in exchange for 4,500,000 Tiberius private warrants at the closing of the Business Combination.

"**Purchaser Representative**" means Lagniappe Ventures LLC, a Delaware limited liability company.

"**Registration Rights Agreement**" means the registration rights agreement, dated as of March 17, 2020, by and among the Company, the Purchaser Representative, and the Sellers party thereto as "Investors" thereunder.

"**Sarbanes-Oxley Act**" means the U.S. Sarbanes-Oxley Act, as amended.

"**SEC**" means the U.S. Securities and Exchange Commission.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended.

"**Sellers**" means the shareholders of IGI who are parties to the Share Exchange Agreements.

"**Seller Representative**" means Wasef Jabsheh, who executed the Business Combination Agreement in his capacity as the representative of the Sellers.

"**Share Exchange**" means the exchange of all of the share capital of IGI Dubai as part of the Business Combination for a combination of our common shares and aggregate cash consideration of $80.0 million.

"**Share Exchange Agreements**" means the Share Exchange Agreements, dated October 10, 2019 or otherwise prior to the Closing, by and among the holders of all of the outstanding share capital of IGI Dubai, Tiberius and the Seller Representative and, pursuant to a joinder thereto, the Company.

"**Sponsor**" means Lagniappe Ventures LLC, a Delaware limited liability company.

"**Sponsor Share Letter**" means the letter agreement between the Sponsor, Tiberius, IGI Dubai, Wasef Jabsheh and Argo Re Limited, dated October 10, 2019, to which the Company became a party after the date thereof by executing and delivering a joinder thereto.

"**Tiberius**" means Tiberius Acquisition Corporation, a Delaware corporation, which became a subsidiary of the Company as a result of the Business Combination, and which has subsequently been dissolved.

"**Tiberius common stock**" means shares of common stock of Tiberius, par value $0.0001 per share.

"**Tiberius warrant**" means a warrant to purchase one share of Tiberius common stock at a price of $11.50 per share.

"**Transaction Consideration**" means the total consideration paid by the Company to the Sellers for their shares of IGI as part of the Business Combination, consisting of Cash Consideration and Equity Consideration.

"**USD**" or "**$**" means the currency in dollars of the United States of America.

"**U.S. GAAP**" means United States generally accepted accounting principles.

"**warrant**" means a warrant to purchase one common share of the Company at a price of $11.50 per share.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

An investment in our securities carries a significant degree of risk. You should carefully consider the following risks and other information in this annual report, including our consolidated financial statements and related notes included herein, in connection with your ownership of our securities. If any of the events described below occur, our business and financial results could be adversely affected in a material way. This could cause the trading price of our securities to decline, perhaps significantly, and you therefore may lose all or part of your investment. The risks set out below are not exhaustive and do not comprise all of the risks associated with an investment in the Company. Additional risks and uncertainties not currently known to us or which we currently deem immaterial may also have a material adverse effect on our business, financial condition, results of operations, prospects and/or its share price.

Summary of Risk Factors

The following is a summary of certain, but not all, of the risks that could adversely affect our business, operations and financial results. If any of the risks actually occur, our business could be materially impaired, the trading price of our common shares could decline, and you could lose all or part of your investment.

<u>Risks Relating to the Insurance and Reinsurance Industry</u>

- If our underwriters fail to assess accurately the underwritten risks or fail to comply with internal guidelines on underwriting, our premiums may prove to be inadequate to cover the losses associated with such risks.
- The insurance and reinsurance industries are highly competitive.
- Consolidation in the insurance and reinsurance industry could adversely impact us.
- Our operating results are affected by the cyclicality of the insurance and reinsurance industry.
- If market conditions cause reinsurance to be more costly or unavailable, we may be required to bear increased risks or reduce the level of our underwriting commitments.
- The Company and its operating subsidiaries are subject to extensive laws and regulations. Any failure to comply with existing regulations or material changes in regulations could have a material adverse effect on us.
- Increasing barriers to free trade and the free flow of capital and fluctuations in the financial markets could adversely affect the insurance and reinsurance industry and our business.

- Public health crises, illness, epidemics or pandemics, including the COVID-19 pandemic, could adversely impact our business, operating results and financial condition.
- Potential government intervention in the insurance industry and instability in the marketplace for insurance products could hinder our flexibility and negatively affect our business opportunities.
- Claims arising from catastrophic events are unpredictable and could be severe.
- Changing climate conditions may increase the frequency and severity of catastrophic events and thereby adversely affect our business.
- Our investment portfolio and political risk underwriting exposures may be materially adversely affected by global climate change regulation and other factors.
- Emerging claim and coverage issues, such as (but not limited to) bad faith claims or disputed policy terms, could have an adverse effect on our business.

Risks Relating to Our Business and Operations

- If our loss reserves are insufficient, it will have a negative impact on our results.
- Certain countries in which we operate are a high-risk environment for investment and business activities.
- We are subject to laws relating to anti-corruption, anti-money laundering and economic sanctions.
- We rely on brokers to source our business and we may suffer if our relationships with brokers deteriorate.
- We could be materially adversely affected if agents and other producers exceed their underwriting authority or if our agents, insureds or other parties commit fraud or breach obligations owed to us.
- We may be exposed to claims for large losses related to uncorrelated events that occur at the same time.
- The availability of reinsurance and retrocessional coverage to limit our exposure to risks may be limited.
- We may be faced with a liquidity shortfall following a large loss or a series of large losses due to the settlement of claims prior to the receipt of monies due under outwards reinsurance arrangements.
- If our risk management and loss mitigation methods fail to adequately manage our exposure to losses, the losses we incur could be materially higher than our expectations.
- Many of our assets are invested in fixed maturity securities and are subject to market fluctuations and global interest rates.
- Losses on our investments may reduce our overall capital and profitability.
- If our determination of the amount of allowances and impairments taken on our investments turns out to be incorrect, this could have a material adverse effect on our results of operations and financial condition.
- A decline in the ratings of our operating subsidiaries could adversely affect our business.
- The risk associated with underwriting treaty reinsurance business could adversely affect us.
- Deterioration in the creditworthiness of, defaults by, commingling of funds by, or reputational issues related to our counterparties could adversely impact our financial condition and results of operations.
- Our operating results may be adversely affected by the failure of policyholders, brokers or others to honor their payment obligations.
- Our liquidity and counterparty risk exposures may be affected by the impairment of financial institutions.
- We are exposed to credit risk in certain areas of our operations.
- We may not be able to raise capital in the long term on favorable terms or at all.

- We are involved in legal and other proceedings from time to time, which could damage our reputation.
- Information technology systems that we use could fail or suffer a security breach, which could have a material adverse effect on us or result in the loss of sensitive information.
- Our operating results may be adversely affected by an unexpected accumulation of attritional losses.
- We are dependent on the use of third-party software, and any reduction in third-party product quality or failure to comply with our licensing requirements could have a material adverse effect on our business.
- We are exposed to fluctuations in exchange rates which may adversely affect our operating results.
- If actual renewals of our existing policies and contracts do not meet expectations, our future operating results could be materially adversely affected.

General Risk Factors

- A prolonged recession or deterioration in macroeconomic conditions could adversely affect our business.
- Changes in employment laws, taxation and compensation practice may limit our ability to attract senior employees.
- Changes in the accounting principles and financial reporting requirements could impact our reported financial results and reported financial condition.

RISK FACTORS

Risks Relating to the Insurance and Reinsurance Industry

If our underwriters fail to assess accurately the underwritten risks or fail to comply with internal guidelines on underwriting or their underwriting authority or if events or circumstances cause the underwriters' risk assessment to be incorrect, our premiums may prove to be inadequate to cover the losses associated with such risks.

Our underwriting results depend on whether the claims brought by policyholders are consistent with the assumptions and pricing models we use in underwriting and pricing our insurance covers. It is not possible to predict with certainty whether a single risk or a portfolio of risks underwritten by us will result in a loss, or the timing and severity of any loss that does occur. If our underwriters fail to assess accurately the underwritten risks or fail to comply with internal guidelines on underwriting or their underwriting authority or if events or circumstances cause the underwriters' risk assessment to be incorrect, our premiums may prove to be inadequate to cover the losses associated with such risks. Losses may also arise from events or exposures that are not anticipated when the coverage is priced. In addition to unanticipated events which increase losses beyond our expectations, we also face the risk of the potential unanticipated expansion of our exposures, particularly in long-tail liability lines of business. Any failure by us to manage the risks that we underwrite could have a material adverse effect on our results of operations and financial condition.

The insurance and reinsurance industries are highly competitive; competitive pressures may result in fewer policies underwritten, lower premium rates, increased expense for customer acquisition and retention and less favorable policy terms and conditions.

We operate in highly competitive markets. Customers may evaluate us and our competitors on a number of factors, including financial strength, underwriting capacity, expertise, local presence, reputation, experience and qualifications of employees, client relationships, geographic scope of business, products and services offered (including ease of doing business over the electronic placement platforms), premiums charged, ratings assigned by independent rating agencies, contract terms and conditions and the speed of claims payment.

Our competitors include independent reinsurance and insurance companies, subsidiaries or affiliates of established worldwide insurance companies, reinsurance departments of certain insurance companies and domestic and international underwriting operations. Some of these competitors have greater financial resources than we do and have established long term and continuing business relationships throughout the industry, which can be a significant competitive advantage. In addition, the lack of strong barriers to entry into the reinsurance business and the entry of alternative capital markets products and vehicles provide additional sources of insurance and reinsurance capacity and increased competition. We directly compete with large companies, smaller companies and other niche insurers and reinsurers. See *"Business — Competition"*.

Our competitors vary by offered product line and covered territory. We also compete with new companies that enter the insurance and reinsurance markets, particularly companies with new or "disruptive" technologies or business models. Capital markets participants have created alternative products that are intended to compete with reinsurance products. Recently, the insurance industry has faced increased competition from new underwriting capacity, such as the investment of significant amounts of capital by pension funds, mutual funds, hedge funds and other sources of alternative capital primarily into the natural catastrophe insurance and reinsurance businesses. In addition, technology companies and other third parties have created, and may in the future create, technology-enabled business models, processes, platforms or alternate distribution channels that may adversely impact our competitive position.

The nature of the competition we face may be affected by disruption and deterioration in global financial markets and economic downturns, including as a result of the war in Ukraine, the hostilities between Israel and Hamas and the effects of the COVID-19 pandemic, as well as by governmental responses thereto. For example, (i) government intervention might result in capital or other support for our competitors, (ii) governments may provide insurance and reinsurance capacity in markets and to consumers that we target, (iii) governments may take actions to reduce interest rates, impacting the value of and returns on fixed income investments or (iv) government intervention intended to protect consumers may restrict increases in premium rates.

Increased competition can result in fewer policies underwritten, lower premiums for the policies that are underwritten (over and above reductions due to favorable loss experience), increased expenses associated with acquiring and retaining business and policy terms and conditions that are less advantageous to us than we were able to obtain historically or that may be available to our competitors.

Consolidation in the insurance and reinsurance industry could adversely impact us.

The insurance and reinsurance industry, including our competitors, customers and insurance and reinsurance brokers, has been consolidating. There has been a large amount of merger and acquisition activity in the insurance and reinsurance sector in recent years which may continue. We may experience increased competition as a result of that consolidation, with larger entities having enhanced market power. Increased competition could result in fewer submissions, lower premium rates, less favorable policy terms and conditions and greater costs of customer acquisition and retention.

Should the market continue to consolidate, competitors may try to use their enhanced market power to obtain a larger market share through increased line sizes or through price competition. If competitive pressures reduce our prices, this could in turn lead to reduced premiums and a reduction in expected earnings. As the insurance industry consolidates, competition for customers will become more intense and the importance of sourcing and properly servicing each customer will become greater. We could incur greater expenses relating to customer acquisition and retention, further reducing our operating margins. In addition, insurance companies that merge may be able to spread their risks across a larger capital base so that they require less reinsurance. The number of companies offering reinsurance to competitors may decline. Reinsurance intermediaries could also continue to consolidate, potentially adversely impacting our ability to access business and distribute our products. We could also experience more robust competition from larger, better capitalized competitors. As a result of the consolidation in the industry, we may experience rate declines and possibly write less business. Any of the foregoing could adversely affect our business, results of operations, growth and prospects.

Our operating results are affected by the cyclicality of the insurance and reinsurance industry.

The insurance and reinsurance industry historically has been cyclical, with significant fluctuations in premium rates and operating results due to competition, the frequency and/or severity of catastrophic events, levels of underwriting capacity in the industry, changes in legislation, case law and prevailing concepts of liability, general economic and social conditions and other factors. Insurance and reinsurance underwriting capacity is related to prevailing premium rates, the level of insured losses and the level of surplus capacity that, in turn, might fluctuate in response to changes in return on investments earned in the insurance and reinsurance industry and other factors. These cycles, as well as other factors that influence aggregate supply and demand for insurance and reinsurance products, are outside of our control.

This cyclicality has produced periods characterized by intense price competition and widening coverage offerings due to excess underwriting capacity (a so-called “soft market”), with each line of business experiencing its own cycle. Where a line of business experiences soft market conditions, we may fail to obtain new insurance business in that line of business at the desired premium rates. In addition, the cycle may fluctuate as a result of changes in economic, legal, political and social factors. Since cyclicality is due in large part to the collective actions of insurers, reinsurers and general economic conditions and the occurrence of unpredictable events, we cannot predict the timing or duration of changes in the market cycle. If we fail to manage the cyclical nature of the insurance business, our operating results and financial condition could be materially adversely affected.

We operate a diversified business, writing insurance in a variety of lines of business and geographic markets. Different lines of business and different geographic markets can experience their own cycles and, therefore, the impact of various cycles will depend in part on the sectors of the insurance and reinsurance industry, as well as the geographic markets, in which we operate. In addition, increases in the frequency and severity of losses suffered by insurers can significantly amplify these cycles. The effects of such cyclicality could have a material adverse effect on our financial condition, results of operations or cash flows.

Furthermore, when interest rates are low, resulting in reduced investment market returns, alternative capital providers may be encouraged to enter the insurance market in order to achieve higher returns. This could have the effect of increasing the level of competition in the insurance market and applying pressure on premiums, which could affect the gross written premium (“GWP”) that we are able to generate.

Interest rate movements can also contribute to cyclicality in insurers' underwriting results. In a high-interest rate environment, increased investment returns may reduce insurers' required contribution from underwriting performance to achieve an attractive overall return. This may result in a less-disciplined approach to underwriting in the market generally as some underwriters could be inclined to offer lower premium rates to generate more business. We may therefore have to accept lower rates or broader coverage terms in order to remain competitive in the market, with the result that our premiums may be inadequate to cover the losses associated with such risks.

We may from time to time, as a result of the cyclicality of certain lines of business, decide to concentrate on fewer lines of business. As a consequence, we may be exposed to additional risk and may be required to hold more regulatory capital on the basis that the business, and hence the associated risk, is more concentrated, which in turn may affect the efficiency of our business and have a material adverse effect on our financial condition and results of operations.

If market conditions cause reinsurance to be more costly or unavailable, we may be required to bear increased risks or reduce the level of our underwriting commitments.

As part of our overall risk and capacity management strategy, we purchase reinsurance for certain amounts of risk underwritten by our insurance company subsidiaries, especially catastrophe risks and those risks with relatively high policy limits. We also purchase reinsurance on risks underwritten by others which we reinsure. Market conditions beyond our control determine the availability and cost of the reinsurance protection we seek to purchase, which may affect the level of our business and profitability. Our reinsurance contracts are generally subject to annual renewal, and we may be unable to maintain our current reinsurance contracts or to obtain other reinsurance contracts in adequate amounts and at favorable rates. In addition, we may be unable to obtain reinsurance on terms acceptable to us relating to certain lines of business that we intend to begin underwriting. If we are unable to renew our expiring contracts or to obtain new reinsurance contracts, either our net exposures would increase or, if we are unwilling to bear an increase in net exposures, we would have to reduce the level of our underwriting commitments, especially catastrophe exposed risks.

The Company and its operating subsidiaries are subject to extensive laws and regulations. Any failure to comply with existing regulations or material changes in the regulation of our operations could have a material adverse effect on us.

The Company and its subsidiaries, branches and offices are subject to the laws and regulations of a number of jurisdictions worldwide, including Bermuda, the UK, Malaysia, Malta, Jordan, Morocco, Norway and the UAE. Existing laws and regulations, among other things, limit the amount of dividends that can be paid by our subsidiaries, prescribe solvency and capital adequacy standards, impose restrictions on the amount and type of investments that can be held to meet solvency and capital adequacy requirements, require the maintenance of reserve liabilities, and require pre-approval of acquisitions and certain affiliate transactions. Failure to comply with these laws and regulations or to maintain appropriate authorizations, licenses, and/or exemptions under applicable laws and regulations may cause governmental authorities to preclude or suspend our subsidiaries from carrying on some or all of their activities, place one or more of them into rehabilitation or liquidation proceedings, impose monetary penalties or other sanctions on them or our affiliates, or commence insurance company delinquency proceedings against our insurance subsidiaries.

The application of these laws and regulations could affect our liquidity and ability to pay dividends, interest and other payments on securities, as applicable, and could restrict our ability to expand our business operations through acquisitions of new insurance subsidiaries. Furthermore, compliance with legal and regulatory requirements may result in significant expenses, which could have a negative impact on our profitability. We may not have or maintain all required licenses and approvals in every jurisdiction in which we operate and may not be able to fully comply with the wide variety of laws and regulations applicable to us or the relevant authority's interpretation of such laws and regulations. Some regulatory authorities have relatively broad discretion to grant, renew or revoke licenses and approvals. If we do not have the requisite licenses and approvals or do not comply with applicable regulatory requirements, the insurance regulatory authorities could preclude or temporarily suspend us from carrying on some or all of our business activities or impose monetary penalties on us. Also, changes in the level of regulation of the insurance industry in the jurisdictions in which we operate, or changes in laws or regulations themselves or interpretations by regulatory authorities, may further restrict the conduct of our business. In some instances, we follow

practices based on our interpretations of regulations or practices that we believe may be generally followed by the industry. These practices may turn out to be different from the interpretations of regulatory authorities. These types of actions could have a material adverse effect on our business.

We may not be able to maintain necessary licenses, permits, authorizations or accreditations in jurisdictions where we and our subsidiaries currently engage in business or obtain them in new jurisdictions, or may be able to do so only at significant cost. In addition, we may not be able to comply fully with, or obtain appropriate exemptions from, the wide variety of laws and regulations applicable to insurance or reinsurance companies. Although we have in place systems and controls designed to comply with applicable laws and regulations, there can be no assurance that we, our employees, or agents acting on our behalf are in full compliance with all applicable laws and regulations or their interpretation by the relevant authorities and, given the complex nature of the risks, it may not always be possible for us to ascertain compliance with such laws and regulations. Failure to comply with or to obtain appropriate authorizations and/or exemptions under any applicable laws or regulations could subject us to investigations, criminal sanctions or civil remedies, including fines, injunctions, loss of an operating license, reputational consequences, and other sanctions, all of which could have a material adverse effect on our business. Changes in the laws or regulations to which we and our subsidiaries are subject could also have a material adverse effect on our business. In addition, in most jurisdictions, government regulatory authorities have the power to interpret or amend applicable laws and regulations, and have discretion to grant, renew or revoke licenses and approvals we need to conduct our activities. Such authorities may require us to incur substantial costs in order to comply with such laws and regulations.

Our continued expansion into new businesses and markets has brought about additional requirements. While we believe that we have adopted appropriate risk management and compliance programs, compliance risks will continue to exist, particularly as we become subject to new rules and regulations. Any failure to comply with applicable laws, regulations and government interpretations of such laws and regulations could also subject us to fines, penalties, equitable relief and changes to our business practices. Compliance with applicable laws and regulations is time consuming and personnel-intensive. Changes in these laws and regulations could materially increase our direct and indirect compliance costs and other expenses of doing business and have a material adverse effect on our results of operations and financial condition.

We are subject to extensive regulatory supervision and may, from time to time, be subject to inquiries or investigations that could result in fines, sanctions, variation or revocation of permissions and authorizations, reputational damage or loss of goodwill.

The conduct of the insurance and reinsurance business is subject to significant legal and regulatory requirements as well as governmental and quasi-governmental supervision in the various jurisdictions in which our group operates. Our business activities are regulated by the Bermuda Monetary Authority ("BMA") in our Bermuda operations, the Prudential Regulation Authority ("PRA") and Financial Conduct Authority ("FCA") in our UK operations, the Malta Financial Services Authority ("MFSA") in our Malta operations, the Insurance Supervision Department, Central Bank of Jordan in our Jordanian operations, the Labuan Financial Services Authority in our operations in Malaysia, the Dubai Financial Services Authority in our operations in Dubai and the Casablanca Finance City for our operations in Morocco. This supervision and regulation are generally intended to be for the benefit of policyholders rather than shareholders or other investors. Among other things, the insurance laws and regulations applicable to us may:

- require the maintenance of certain solvency levels;
- restrict agreements with large revenue-producing agents;
- require obtaining licenses or authorizations from regulators;
- regulate transactions, including transactions with affiliates and intra-group guarantees;
- in certain jurisdictions, restrict the payment of dividends or other distributions;
- require the disclosure of financial and other information to regulators;
- impose restrictions on the nature, quality and concentration of investments;
- regulate the admissibility of assets and capital;

- provide for involvement in the payment or adjudication of catastrophe or other claims beyond the terms of the policies; and
- establish certain minimum operational requirements or customer service standards such as the timeliness of finalized policy language or lead time for notice of non-renewal or changes in terms and conditions.

As part of regular, mandated risk assessments, regulators may take steps that have the effect of restricting our business activities, which may in turn have a material impact on our ability to achieve growth objectives and earnings targets. For example, each regulated insurance business we operate is subject to a number of restrictions on assets we may hold under relevant regulations and tax rules, and regulators may, as has happened in the past, alter such restrictions, thus potentially affecting our investment policy and any associated projected income or growth return from our investments. In addition, based on our perceived risk profile, regulators may require additional regulatory capital to be held by us (including as part of guidance provided by the regulator to us on a confidential basis), which, among other things, may affect the business we can write and the amount of dividends we are able to pay out.

In addition, legislation and other regulatory initiatives taken or which may be taken in response to conditions in the financial markets, global supervision and other factors may lead to additional regulation of the insurance industry in the coming years.

The insurance and reinsurance industries have experienced substantial volatility as a result of investigations, litigation and regulatory activity by various insurance, governmental and enforcement authorities, concerning various practices within the insurance and reinsurance industry. If we or any of our subsidiaries were to be found to be in breach of any existing or new laws or regulations now or in the future, we would be exposed to the risk of intervention by regulatory authorities, including investigation and surveillance, and judicial or administrative proceedings. In addition, our reputation could suffer and we could be fined or prohibited from engaging in some or all of our business activities or could be sued by counterparties, as well as forced to devote significant resources to cooperate with regulatory investigations, any of which could have a material adverse effect on our results of operations.

Any future regulatory changes, litigation or failure to comply with applicable laws could result in the imposition of significant restrictions on our ability to do business, and could also result in suspensions, injunctions, monetary damages, fines or other sanctions, any or all of which could adversely affect our financial condition and results of operations. These events, if they occur, could affect the competitive market and the way we conduct our business and manage our capital and could result in lower revenues and higher costs. As a result, such actions could have a material adverse effect on our results of operations and financial condition.

Changes in accounting principles and financial reporting requirements could impact our reported financial results and reported financial condition.

Prior to January 1, 2023, the Company historically prepared its financial statements in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the International Accounting Standards Board. Beginning with its consolidated financial statements for fiscal periods ending after January 1, 2023, the Company has voluntarily changed its basis of accounting from IFRS to U.S. GAAP. This Form 20-F presents the Company’s audited financial statements in accordance with U.S. GAAP for the first time.

As a former preparer of IFRS financial statements, we have historically complied with IFRS 4, Insurance Contracts, which is applicable to the insurance industry. In May 2017, the IASB published its replacement standard on insurance accounting (IFRS 17, “Insurance Contracts”), which will have the effect of introducing fundamental changes to the reporting of insurance entities that prepare accounts according to IFRS. The effective date of IFRS 17 is for annual reporting periods beginning on or after January 1, 2023. Because the Company voluntarily changed its basis of accounting from IFRS to U.S. GAAP and presents its consolidated financial statements under U.S. GAAP effective January 1, 2023 (the “first reporting period”), the Company has discontinued the process of implementing IFRS 17.

The preparation of our consolidated financial statements in accordance with U.S. GAAP rather than IFRS has caused us to report results and could cause us to report results in the future which are different than what our results would have been had we continued to report in accordance with IFRS. Because our reported results for the year ended December 31, 2023 and for future periods may be different from our results had they been prepared under IFRS, you may not be able to meaningfully compare our prior financial statements under IFRS with our financial statements under U.S. GAAP.

In addition to the transitional adjustments arising from the change in the basis of accounting as described above, there have also been, and may continue to be, some reclassification adjustments to our balance sheet and income statement, without any impact on shareholders' equity and net income.

Going forward, changes in U.S. GAAP could require us to change the way in which our future results are determined or require a retrospective adjustment of reported results. Such changes could relate to the fair value of assets and liabilities, the recognition of revenue and expenses, the accounting for acquired entities, as well as related income tax effects. Any such changes could result in material changes to our financial results.

Increasing barriers to free trade and the free flow of capital and fluctuations in the financial markets could adversely affect the insurance and reinsurance industry and our business.

Political initiatives to restrict free trade and close markets, such as the UK's decision to withdraw from the EU on January 31, 2020 ("Brexit") and the U.S. decision to withdraw from the Trans-Pacific partnership and renegotiate or terminate existing bilateral and multilateral trade arrangements, could adversely affect the insurance and reinsurance industry and our business. The insurance and reinsurance industries are disproportionately impacted by restraints on the free flow of capital and risk because the value it provides depends on its ability to globally diversify risk. With respect to Brexit, in June 2021 we acquired an EU insurance operation in Malta, which enables IGI to pursue business in the EU, but also subjects us to regulation in the EU.

In addition, prolonged and severe disruptions in the overall public and private debt and equity markets, such as occurred during 2008 and in connection with the COVID-19 pandemic, could result in significant realized and unrealized losses. Public and private debt and equity markets may experience disruption in individual market sectors, such as has occurred in the energy sector.

Further, the impact on global markets from the outbreak of global pandemics such as COVID-19 is uncertain. The adoption of certain hygiene measures, including quarantining populations, as well as restrictions on travel and the closing of national borders may adversely affect our business. Any prolonged restrictive measures in order to control a contagious disease or other adverse public health developments in our targeted markets may have a material and adverse effect on our business operations.

Global markets are also highly susceptible to other macroeconomic disruptions, such as, for example, regional military conflicts. In 2022, Russian military forces launched a military action in Ukraine. In 2023, a military conflict erupted between Israel and Hamas. These and similar sustained conflicts and disruptions in the world have continued to date. The length, impact, and outcome of these ongoing military conflicts is highly unpredictable and could lead to further significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, trade disputes or trade barriers, changes in consumer or purchaser preferences, as well as an increase in insurance claims related to losses incurred in connection with any of the above disruptions.

Given ongoing global economic uncertainties, evolving market conditions may affect our results of operations, financial position and capital resources. In the event that there is additional deterioration or volatility in financial markets or general economic conditions, our results of operations, financial position, capital resources and competitive landscape could be materially and adversely affected.

Public health crises, epidemics or pandemics could adversely impact our business, operating results and financial condition.

Any significant public health crises, epidemics or pandemics, such as the COVID-19 outbreak, could lead to significant volatility, uncertainty and disruption in the global economy. Turbulence in the financial markets, including due to public health crises, epidemics or pandemics, may limit our ability to access the credit or equity markets. Moreover, public health crises, epidemics or pandemics could also cause other adverse economic effects, such as changes in interest rates, reduced liquidity and/or otherwise contribute to a continued slowdown in global economic conditions. Extreme market volatility caused by public health crises, epidemics or pandemics may leave us unable to react to market events in a timely manner and consistently with our historical practices in dealing with more orderly markets. As a result of public health crises, we may also face increased costs associated with claims under our policies, an increased number of customers experiencing difficulty paying premiums or policies being designated as "no lapse" for periods of time. The cost of reinsurance to us for these policies could increase, and we may encounter decreased

availability of such reinsurance. Continuation of these conditions may potentially affect (among other aspects of our business) the demand for and claims made under our policies, the ability of clients, counterparties and others to establish or maintain their relationships with us, our ability to access and efficiently use internal and external capital resources and our investment performance.

Further, from an operational perspective, our employees, sales associates, brokers and distribution partners, as well as the workforces of our vendors, service providers and counterparties, may also be adversely affected by public health crises or efforts to mitigate them, including government-mandated shutdowns, requests or orders for employees to work remotely, and other social distancing measures, which could result in an adverse impact on our ability to conduct our business. Disruption to our operations may also result if our employees, or those of our service partners and counterparties, are affected by travel restrictions, office closures and other measures impacting on working practices, such as the imposition of remote working arrangements, and quarantine requirements and isolation measures under local laws, social distancing and/or other psychosocial impacts. While such measures are in place, there may be an increase across the industry in attempts to compromise IT systems through phishing and social engineering tactics.

Any significant public health crises, epidemics or pandemics could adversely impact our business, operations and financial results. The impact of such events will depend on numerous evolving factors, many of which are not within our control and which we may not be able to accurately predict.

Ongoing political and economic uncertainties prevalent in Lebanon may adversely affect the fair value of the Group's equity interest in certain investment properties located in Lebanon.

The Group holds a 32.7% equity ownership interest in several companies located in Beirut and registered in Lebanon, with the Group's investment amounting to $3.5 million as of December 31, 2023. These companies are engaged in the leasing of commercial buildings which are in the nature of investment property. The real estate market in Lebanon has changed significantly since the onset of the financial crisis that affected the country. Due to the relatively limited amount of information available under prevailing market conditions, and as a result of artificial demand created by investors outside the professional real estate development industry, who primarily aim to divest from cash assets into more secure holdings, prices found on the market are uncertain. Furthermore, since most property owners only accept payments in U.S. Dollar and not in local Lebanese currency, demand for commercial buildings has dropped considerably. Accordingly, prices found on the market as of December 31, 2023, including achieved sales prices, are only indicative and may not hold if the market were to be corrected.

Legislation enacted in Bermuda as to economic substance may affect our operations.

Pursuant to the Economic Substance Act 2018 (as amended) of Bermuda and its related regulations (together, the "ES Act") that came into force on January 1, 2019, a registered entity other than an entity which is resident for tax purposes in certain jurisdictions outside Bermuda ("non-resident entity") that carries on as a business any one or more of the "relevant activities" referred to in the ES Act must comply with economic substance requirements. The ES Act may require in-scope Bermuda entities which are engaged in such "relevant activities" to be directed and managed in Bermuda, have an adequate level of qualified employees in Bermuda, incur an adequate level of annual expenditure in Bermuda, maintain physical offices and premises in Bermuda or perform core income-generating activities in Bermuda. The list of "relevant activities" includes carrying on any one or more of the following activities: banking, insurance, fund management, financing, leasing, headquarters, shipping, distribution and service center, intellectual property and holding entities.

The ES Act could affect the manner in which we operate our business, which could adversely affect our business, financial condition and results of operations. For purposes of the ES Act, we believe that the Company is a "pure equity holding company". The economic substance requirements for a "pure equity holding company" are less onerous than those for entities which are carrying out other relevant activities (pure equity holding entities are subject to minimum economic substance requirements). As such, and as long as it does not carry on any other "relevant activity", we would not expect to be required to take additional actions beyond the minimum economic substance requirements for the purposes of compliance with the ES Act. Entities like IGI that are not in scope are only required to file a "nil" declaration. However, our expectations could change subject to further amendment and guidance on the interpretation of the ES Act. With respect to IGI Bermuda, for the purposes of the ES Act, we believe IGI Bermuda is carrying on the relevant activity of "insurance". IGI Bermuda's compliance with its regulatory requirements under the Insurance Act and the Companies Act 1981 of Bermuda, as amended (the "Companies Act") will assist in evidencing its compliance

with the economic substance requirements under the ES Act, but may not be conclusive. From time to time we engage in dialogue, communication and written correspondence with the Registrar of Companies of Bermuda (the "Registrar") regarding our compliance with economic substance requirements. The Registrar may from time to time require further information or request documentation from us regarding our compliance with economic substance requirements, may require us to enhance our infrastructure in Bermuda or remediate asserted non-compliance and may impose civil penalties if we are not in compliance with applicable regulations. IGI Bermuda may need to continue to enhance its infrastructure in Bermuda for the purpose of satisfying economic substance requirements under the ES Act and this may result in, among other things, some additional operational cost.

An entity which is in-scope of the ES Act is required to complete and file a declaration form as to its compliance with its economic substance requirements no later than six months after the last day of its previous financial year. The Registrar will have regard to the information provided in the declaration form in making his assessment of the entity's compliance with the economic substance requirements under the ES Act. Entities like IGI that are not in scope are only required to file a "nil" declaration.

Potential government intervention in the insurance industry and instability in the marketplace for insurance products could hinder our flexibility and negatively affect the business opportunities that may be available to us in the market.

Government intervention in the insurance industry and the possibility of future government intervention have created uncertainty in the insurance and reinsurance markets. Governmental authorities worldwide have become increasingly interested in potential risks posed by the insurance industry as a whole to commercial and financial systems in general, and there could be increased regulatory intervention in the insurance and reinsurance industries in the future.

Government regulators are generally concerned with the protection of policyholders to the exclusion of other constituencies, including shareholders of insurers. While we cannot predict the exact nature, timing or scope of possible governmental initiatives, such proposals could adversely affect our business by, among other things:

- providing insurance and reinsurance capacity in markets and to consumers that we target;
- requiring our participation in industry pools and guaranty associations;
- expanding the scope of coverage under existing policies (for example, following large disasters);
- further regulating the terms of insurance and reinsurance policies;
- mandating that insurers provide coverage for areas such as terrorism, where insurance might otherwise be difficult to obtain; or
- disproportionately benefiting the companies of one country over those of another.

Government intervention has in the recent past taken the form of financial support of certain companies in the insurance and reinsurance industry. Governmental support of individual competitors can lead to increased pricing pressure and a distortion of market dynamics. The insurance industry is also affected by political, judicial and legal developments that may create new and expanded theories of liability, which may result in unexpected claims frequency and severity and delays or cancellations of products and services by insureds, insurers and reinsurers which could adversely affect our business.

European legislation known as "Solvency II" was introduced with effect from January 1, 2016 and governs the prudential regulation of insurers and reinsurers. Solvency II requires insurers and reinsurers in Europe to meet risk-based solvency requirements. Solvency II covers three main areas: (i) the valuation of assets and liabilities on a Solvency II economic basis and risk-based solvency and capital requirements; (ii) governance requirements effecting the key functions of compliance, internal audit, actuarial and risk management; and (iii) new supervisory legal entity and group reporting and disclosure requirements, including public disclosures. Solvency II imposes governance requirements on groups with insurers and/or reinsurers operating in the European Economic Area and imposes significant requirements for EU-based regulated companies which require substantial documentation and

implementation effort. Following the UK's departure from the EU it is anticipated that there would be a divergence between UK and EU regulatory systems as the UK determines which EU laws and regulations to maintain and which to replace.

The BMA has also implemented and imposed additional requirements on the commercial insurance companies it regulates, driven, in large part, by Solvency II. The European Commission has adopted a decision concluding that Bermuda meets the full equivalence criteria under Solvency II.

Additionally, governments and regulatory bodies may take unpredictable action to ensure continued supply of insurance, particularly where a given event leads to withdrawal of capacity from the market. For example, regulators may seek to force us to offer certain covers to (re)insureds, constrain our flexibility to apply certain terms and conditions or constrain our ability to make changes to the pricing of our contracts. There can be no assurance as to the effect that any such governmental or regulatory actions will have on the financial markets generally or on our competitive position, business and financial condition.

We cannot predict the exact nature, timing or scope of any possible governmental initiatives and any such proposals could adversely affect our business. We may not be able to comply fully with, or obtain desired exemptions from, revised statutes, regulations and policies that currently, or may in the future, govern the conduct of our business. Failure to comply with, or to obtain desired authorizations and/or exemptions under, any applicable laws could result in restrictions on our ability to do business or undertake activities that are regulated in one or more of the jurisdictions in which we operate and could subject us to fines and other sanctions.

Claims arising from catastrophic events are unpredictable and could be severe.

Our operations expose us to claims arising out of unpredictable natural and other catastrophic events, such as hurricanes, windstorms, hailstorms, tornadoes, tsunamis, severe winter weather, earthquakes, floods, fires, explosions, global pandemics, political unrest, drilling, mining and other industrial accidents, cyber events and terrorism. In addition to the nature of the property business, economic and geographic trends affecting insured property, including inflation, property value appreciation and geographic concentration, tend to generally increase the size of losses from catastrophic events over time.

Actual losses from catastrophic events may vary materially from estimates due to the inherent uncertainties in making such determinations resulting from several factors, including potential inaccuracies and inadequacies in the data provided by clients, brokers and ceding companies, the modeling techniques and the application of such techniques, the contingent nature of business interruption exposures, the effects of any resultant demand surge on claims activity and attendant coverage issues.

The incidence and severity of catastrophes are inherently unpredictable and our losses from such catastrophes could be substantial. The extent of losses from such catastrophes is a function of the number, the frequency and severity of events, the total amount of insured exposure in the areas affected, the effectiveness of our catastrophe risk management program, and the adequacy of our reinsurance coverage. Increases in the value and concentrations of insured property and demographic changes more broadly, the effects of inflation and changes in weather patterns may increase the frequency or severity of claims from catastrophic events in the future. We may from time to time issue preliminary estimates of the impact of catastrophic events that, because of uncertainties in estimating certain losses, need to be updated as more information becomes available.

Our most significant catastrophe exposures are set forth below:

Natural catastrophes. The occurrence of natural catastrophes is inherently uncertain. Generally, over the past decade, insured losses for catastrophes have increased, due principally to weather-related catastrophes, including but not limited to the impact of global warming. The increasing concentrations of economic activities and people living and working in areas exposed to natural catastrophes have resulted in increased exposure for insurance providers. Increasing insurance penetration, growing technological vulnerability and higher property values have further compounded the insurance industry's exposure. A series of extreme weather events resulted in one of the most expensive years for natural catastrophes in 2017. Significant natural catastrophes affecting IGI in the recent past have included Hurricane Maria, Hurricane Irma and the September 2017 earthquake in Mexico. Our most significant claims relating to natural catastrophes, net of reinsurance, during the recent past have included claims relating to the Mexican floods and Hurricane Dorian in the Bahamas in 2019, the Puerto Rico Earthquake and Hurricane Laura in the state of Louisiana

in the United States in 2020, Hurricane Ida and the European Floods in 2021 and Hurricane Ian and Australia Floods in 2022. In 2023, the Turkey Earthquake and Cyclone Gabrielle resulted in gross and net reported claims of $15.0 million and $12.4 million, respectively. The possible effects of natural catastrophes could be compounded by climate change, severe weather, floods and drought, as well as adverse agricultural yields.

Man-made disasters. Complex technology intersecting with increased population density, infrastructure and higher rates of utilization of natural resources increase the likelihood and the magnitude of catastrophic man-made events caused by accident or negligence. Man-made disasters, as well as disasters that pose significant risk to the environment, bear particularly high potential for losses. Due to the uncertainty of the occurrence of, and loss from, man-made disasters, unexpected large losses could have a material adverse effect on our financial condition, results of operations and cash flow. Man-made disasters such as oil spills from offshore drilling could give rise not only to claims due to the damage caused by such events but also claims arising from governmental sanctions and civil litigation.

Global pandemics. The outbreak of a pandemic disease, like COVID-19, could have a material adverse effect on our liquidity, financial condition and the operating results of our business due to its impact on the economy and financial markets.

Terrorism. We face risks related to terrorist and criminal acts on a significant scale (including acts intended to cause strain on financial and other critical infrastructures, which, given the state of reliance on digital technology, could be triggered by cyber threats). Our exposure to terrorism and criminal acts arises mainly from the political violence line of business. However, conventions in the market limit or exclude certain terrorist acts in a number of lines of business. We closely monitor the amount and types of coverage we provide for terrorism risk under treaties. If we believe we can reasonably evaluate the risk of loss and charge an appropriate premium for such risk, we will underwrite terrorism exposure on a stand-alone basis. We generally seek to exclude terrorism from non-terrorism policies.

Cyber. Within our insurance portfolio we have limited exposure to cyber as a specific peril. Typically, we require market standard cyber exclusion clauses to be applied. We seek wherever possible to exclude losses resulting from cyber related events. Notwithstanding this, we do have a degree of potential exposure to losses arising following cyber-attacks (physical damage) where cover has been explicitly written back into policies (such as for Upstream Energy) and some exposure to ’silent cyber’ risks, meaning risks and potential losses associated with policies where cyber risk is neither specifically included nor excluded in the policies (such as D&O and financial institutions). In 2023, we actively participated in three cyber-related reinsurance treaties. These risks are written on a net basis and within a specifically defined risk appetite and capital tolerance. All three risks have either Event Limits or Loss Ratio Caps that enables us to quantify our worst-case downside risk.

Military conflicts. In 2022, Russian military forces launched a military action in Ukraine. The sustained conflict and disruption in the region have continued to date and may extend beyond Ukraine and Russia. In 2023, a military conflict erupted between Israel and Hamas and the conflict has expanded to Houthis launching a number of attacks on marine vessels traversing the Red Sea and disrupting shipping routes. These conflicts have resulted in significant volatility in commodity prices and the supply of energy and other resources, supply chain interruptions, political and social instability, trade disputes or trade barriers, any of which could adversely affect the number and amount of insurance claims related to losses incurred in connection with any of the above disruptions.

Systemic events. In addition to natural and man-made disasters, systemic financial risks have the potential to cause significant economic disruptions in a variety of geographies and sectors, due to the interconnectedness of the global economy, which could give rise to significant claims. The 2008 global financial crisis was one such event. In this context, such economic disruptions could adversely impact certain lines of business to which we are exposed including (but not necessarily limited to) our professional lines and financial institutions lines of business.

In general, while we hold capital to cover catastrophes and use geographic and line of business diversification and reinsurance to manage our exposure to risks, these measures may not be sufficient were we to face significant claims in excess of expected losses. Claims from catastrophic events could reduce our earnings and cause substantial volatility in our results of operations for any given period. A catastrophic event or multiple catastrophic events could also adversely affect our financial condition and our capital position. To meet our obligations with respect to claims from catastrophic events, we may be forced to liquidate some of our investments rapidly, which may involve selling a portion of our investments into a depressed market, which would decrease our returns from investments and could strain

our capital position. Our ability to write new insurance policies could also be impacted as a result of corresponding reductions in our capital. Any of these occurrences could have a material adverse effect on our results of operations and our financial condition.

Additionally, to help assess our exposure to losses from catastrophes we use computer-based models which simulate multiple scenarios using a variety of assumptions. These models are developed in part by third-party vendors and their effectiveness relies on the numerous inputs and assumptions contained within them, including, but not limited to, scientific research, historical data, exposure data provided by insureds and reinsureds, data on the terms and conditions of insurance policies and the professional judgment of our employees and other industry specialists. While the models have evolved considerably over time, they may not necessarily accurately measure the statistical distribution of potential future losses due to the inherent limitations of the inputs and assumptions on which they rely.

These limitations are evidenced by significant variation in the results obtained from different external vendor natural catastrophe models, material changes in model results over time due to refinement of the underlying data elements and assumptions and the uncertain predictive capability and performance of models over longer time intervals.

Due to the foregoing, it is possible that a catastrophic event or multiple catastrophic events could produce significant losses and have a material adverse effect on our business, results of operations and financial condition.

Changing climate conditions may increase the frequency and severity of catastrophic events and thereby adversely affect our business, financial condition and results of operations.

Over the past several years, changing weather patterns and climatic conditions, such as global warming, appear to have contributed to the unpredictability, frequency and severity of natural disasters and created additional uncertainty as to future trends and exposures. Although the loss experience of catastrophe insurers and reinsurers has historically been characterized as low frequency, climate change increases the frequency and severity of extreme weather events, such as hurricanes, tornadoes, windstorms, floods and other natural disasters. Many sectors to which we provide insurance and reinsurance coverage might be affected by climate change. The increased frequency and severity of extreme weather events could make it more difficult for us to predict and model catastrophic events, reducing our ability to accurately price our exposure to such events and mitigate our risks.

The effects of global warming and climate change cannot be predicted and may aggravate potential loss scenarios, risk modelling and financial performance. Increasing global average temperatures may continue in the future and could impact our business in the long-term. Claims for catastrophic events, or an unusual frequency of smaller losses in a particular period, could expose us to large losses, cause substantial volatility in our results of operations and could have a material adverse effect on our ability to write new business. Furthermore, climate change could lead to severe weather events spreading to parts of the world that have not previously experienced extreme weather conditions. Any of these occurrences may decrease the accuracy of our underwriting models and may result in us mispricing risk when writing our policies.

If climate change results in an increase in the frequency and severity of weather-related catastrophes, we may experience additional catastrophe-related losses or disruptions, which may be material. Additionally, we cannot predict how legal, regulatory and/or social responses to concerns around global climate change may impact our business. Although we attempt to manage our exposure to such events through the use of underwriting controls, risk models, and the purchase of third-party reinsurance, catastrophic events are inherently unpredictable and the actual nature of such events when they occur could be more frequent or severe than contemplated in our pricing and risk management expectations. As a result, the occurrence of one or more catastrophic events could have an adverse effect on our results of operations and financial condition.

Our investment portfolio exposures may be materially adversely affected by global climate change regulation and other factors.

World leaders met at the 2015 United Nations Climate Change Conference in December 2015 in Paris and agreed to limit global greenhouse gas emissions in the atmosphere to a level which would not increase the average global temperature by more than 2° Celsius, with an aspiration of limiting such increase to 1.5° Celsius (the "Paris Agreement"). In order for governments to achieve their existing and future international commitments to limit the concentration of greenhouse gases under the Paris Agreement, there is widespread consensus in the scientific community that a significant percentage of existing proven fossil fuel reserves must not be consumed. In addition,

divestment campaigns, which call on asset owners to divest from direct ownership of commingled funds that include fossil fuel equities and bonds, likewise signal a change in society's attitude towards the social and environmental externalities of doing business.

In addition, the 2023 UN Climate Change Conference (COP28) was held in Dubai and sought to accelerate action towards the goals of the Paris Agreement. The COP28 agreement, although not legally binding, includes pledges to move away from fossil fuels in power systems and triple new investments in renewable energy.

As a result of the above, energy companies and other companies engaged in the production or storage of fossil fuels may experience unexpected or premature devaluations or write-offs of their fossil fuel reserves. A material change in the asset value of fossil fuels or the securities of energy companies and companies in these other sectors may therefore materially adversely affect our investment portfolio and our results of operations and financial condition.

The effects of emerging claim and coverage issues, such as (but not limited to) bad faith claims or disputed policy terms, on our business are uncertain.

As industry practices and economic, legal, judicial, social, political, technological and environmental conditions change, unexpected and unintended issues related to claims and coverage may emerge, including new or expanded theories of liability. Claim and coverage issues can arise when the application of insurance policy language to potentially covered claims is unclear or disputed by the parties. When such issues emerge they may adversely affect our business by extending coverage beyond our underwriting intent or increasing the number or size of claims. In some instances, these coverage changes may not become apparent until after we have issued insurance contracts that are affected by such changes. As a result, the full extent of our liability under insurance policies may not be known for many years after the policies are issued. Emerging claim and coverage issues could therefore have an adverse effect on our operating results and financial condition. In particular, our exposure to casualty insurance lines increases our potential exposure to this risk due to the uncertainties of expanded theories of liability and the "long-tail" nature of these lines of business.

These issues may adversely affect our business by either extending coverage beyond our underwriting intent or by increasing the frequency and/or severity of claims. In some instances, these changes may not become apparent until sometime after we have issued the insurance or reinsurance contracts that are affected by the changes. In addition, our actual losses may vary materially from our current estimate of the loss based on a number of factors. Examples of emerging claims and coverage issues include, but are not limited to:

- judicial expansion of policy coverage and a greater propensity to grant claimants more favorable amounts and the impact of new theories of liability;
- plaintiffs targeting insurers, including us, in purported class action litigation relating to claims-handling and other practices;
- social inflation trends, including higher and more frequent claims, more favorable judgments and legislated increases;
- medical developments that link health issues to particular causes, resulting in liability claims;
- claims relating to unanticipated consequences of current or new technologies, including cyber-security related risks;
- claims relating to potentially changing climate conditions; and
- increased claims due to third-party funding of litigation.

These or other changes could impose new financial obligations on us by extending coverage beyond our underwriting intent or otherwise require us to make unplanned modifications to the products and services that we provide, or cause the delay or cancellation of products and services that we provide.

The monetary impact of certain claims may be difficult to predict or ascertain upon inception and potential losses from such claims can be significant. For example, the full extent of our liability and exposure from claims of bad faith is not ascertainable until the claim has been presented and investigated. As such, a significant award in monetary terms on the basis of bad faith could adversely affect our financial condition or operating results.

With respect to our casualty and specialty reinsurance operations, these legal and social changes and their impact may not become apparent until some time after their occurrence. For example, we could be deemed liable for losses arising out of a matter which we had not anticipated or had attempted to contractually exclude.

Potential efforts by us to exclude such exposures could, if successful, reduce the market's acceptance of our related products. The full effects of these and other unforeseen emerging claim and coverage issues are extremely hard to predict. As a result, the full extent of our liability under our coverages may not be known for many years after a contract is issued.

In addition, the potential passage of new legislation designed to expand the right to sue, to remove limitations on recovery, to extend the statutes of limitations or otherwise to repeal or weaken tort reforms could have an adverse impact on our business. The effects of unforeseen developments or substantial government intervention could adversely impact our ability to achieve our goals. The effects of these and other unforeseen emerging claim and coverage issues are difficult to predict and could harm our business and materially and adversely affect our results of operations.

Risks Relating to our Business and Operations

A deterioration in macroeconomic, political and other conditions, particularly in select parts of Europe, Central and South America, the Middle East and Africa, could adversely impact our financial performance.

We are an international business and are affected by economic, political and other macro conditions and industry specific conditions in certain markets in which we operate, including the UK, continental Europe, Central and South America, the Middle East and Africa.

Our international operations and investments expose us to increased political, operational and economic risks. Deterioration or volatility in foreign and international financial markets or general economic and political conditions could adversely affect our operating results, financial condition and liquidity. Economic imbalances and financial market turmoil could result in a widening of credit spreads and volatility in share prices. The publication of certain financial and economic data could indicate that global financial markets are deteriorating. These circumstances could lead to a decline in asset values and potentially reduce the demand for insurance due to limited economic growth prospects. Concerns about the economic conditions, capital markets, political and economic stability and solvency of certain countries have contributed to global market volatility. Political changes in the jurisdictions where we operate and elsewhere, some of which may be disruptive, can also interfere with the business of our customers and our activities in a particular location.

Economic conditions in the Middle East region affect us given that approximately 9% and 10% of our GWP generated in 2023 and 2022, respectively, originated from risks in this region. In addition, a significant portion of our investment assets are located in the MENA region. Since the start of the 2008 financial crisis, there has been a dampening or reversal of the high rates of growth that had been experienced by many countries within the broader Middle East region and in particular the Gulf Co-operation Council countries, comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates (the "GCC"). Since the first half of 2011 there has been significant political and social unrest in the Middle East region, including violent protests and armed conflict in a number of countries, such as Syria and Yemen, and most recently armed conflict between Israel and Hamas and the Houthi disruption of Red Sea international shipping routes. The situation has caused significant disruption to the economies of affected countries, which in some instances has led to an increase in premiums, but has overall had a destabilizing effect on insurance premiums. The bulk of our underwriting operations are based in London, with back and middle-office underwriting operations centralized in Jordan. Jordan has proven politically and socially stable to date, notwithstanding the recent events in the wider Middle East region. While a change in the political or social situation in Jordan could prove disruptive to our operations, we have the capacity to service our operations in Jordan from our London and Dubai offices should the situation change.

A deterioration in macroeconomic conditions globally may affect the decisions of current and prospective policyholders as to the level of insurance or reinsurance coverage which they purchase in any given year, which in turn may, where such parties decide to reduce or otherwise limit their expenditure on such coverage, affect the amount of business underwritten by us. Also, the nature of insurance liabilities is one of a promise to pay claims at a point in the future, meaning that a change in macroeconomic conditions leading to increased inflation may result in an increase in the value at which claims are paid. Our international operations also may be subject to a number of additional risks, particularly in emerging economies, including restrictions such as price controls, capital controls, currency exchange

limits, ownership limits and other restrictive or anti-competitive governmental actions or requirements. Any of the foregoing could have a material adverse effect on our financial performance, which in turn could have a material adverse effect on our business, financial condition and results of operations.

Estimating insurance reserves is inherently uncertain and, if our loss reserves are insufficient, it will have a negative impact on our results.

To recognize liabilities for outstanding claims, both known or unknown, insurers establish reserves, which is a balance sheet account entry representing estimates of future amounts needed to pay claims and related expenses with respect to insured events which have occurred. Estimates and assumptions relating to net reserves for unpaid loss and loss adjustment expenses are based on complex and subjective judgments, often including the interplay of specific uncertainties with related accounting and actuarial measurements. Such estimates are susceptible to change. For example:

- At the time of loss information available regarding the circumstances and the extent of a loss may not be fully known.
- It may not be clear whether the circumstances of a loss are covered.
- If a legal decision is required to resolve coverage this may take many years.
- The actions the insured takes to remediate the loss may affect the eventual loss amount (favorably or unfavorably).
- The availability of replacement parts, skilled labor, access to the loss site and the speed at which repairs can be undertaken may not be known for some time and may be subject to change.
- It may be many years before the occurrence of a loss becomes known.
- Where claims take a long time to settle, new information, changes in circumstances, legal decisions, rates of exchange and economic conditions (particularly claims inflation) may affect the value and validity of claims made.

When a claim is reported, a member of the claims team will establish a "case reserve". The case reserve will represent an estimate of the expected settlement amount and will be based on information about the specific claim at that time. The estimate represents an informed judgment based on general industry reserving practices, the experience and knowledge of the claims handler and practices of the claims team. If insufficient information is available, the claims handler may be unable to establish an estimate and will seek further information that will allow an informed estimate to be established. Claims reserves are also established to provide for:

- losses incurred but not reported to the insurer ("pure IBNR");
- potential changes in the adequacy of case reserves ("Incurred But Not Enough Reported" or "IBNER"); and
- the estimated expenses of settling claims, including both:
- Allocated Loss Adjustment Expenses: claims specific costs (such as legal, loss adjuster fees); and
- Unallocated Loss Adjustment Expenses: other general expenses (such as the costs of maintaining the claims handling function).

The timing of our results depends in large part on the extent to which the development and settlement of claims and reinsurance recoveries are consistent with the assumptions used to establish reserves. If expectations for and/or the actual cost of settlement increase or the timing of reporting and/or settlement changes than we face the risk that the reserves in our financial statements may be inadequate and need to be increased. In this event an increase in reserves would cause a reduction in our profitability and could result in operating losses and a reduction of capital.

Reserves are not an exact calculation of liability, but rather are estimates of the expected cost of settling claims. This process relies on the assumption that past experience, adjusted for the effects of current developments and anticipated trends, is an appropriate basis for projecting future claims development. The estimates are based on

actuarial and statistical projections of facts and circumstances known at the time of the review, estimates of trends in claim frequency, severity and other variable factors, including new bases of liability and general economic conditions. These variables can be affected by many factors, including internal and external events, such as changes in claims handling procedures, economic inflation, foreign currency movements, legal trends, legislative decisions and changes and the recognition of new sources of claims.

Potentially, claims may emerge, particularly claims arising from changes in the legal and regulatory environment, the type or magnitude of which we are unable to predict.

Reserves for inward reinsurance may be subject to greater uncertainty than for insurance primarily because, as a reinsurer, we rely on (i) the original underwriting decisions made by ceding companies and (ii) information and data provided by the ceding companies. As a result, we are subject to the risk that our ceding companies may not have adequately evaluated the risks reinsured by us and the premiums ceded may not adequately compensate us for the risks we assume. In addition, reinsurance reserves may be less reliable than insurance reserves because of the greater scope of losses underlying reinsurance claims, limitations in the information provided and the generally longer lapse of time from the occurrence of the event to the reporting of the loss to the reinsurer and its settlement.

The estimation of adequate reserves is more difficult and thus more uncertain for claims arising from "long-tail" policies, under which claims may not be paid until substantially beyond the end of the policy term. The estimation of such liabilities is subject to many complex variables, including the current legal environment, specific settlements that may be used as precedents to settle future claims, assumptions regarding trends with respect to claim frequency and severity, issues of coverage and the ability to locate defendants. Additional uncertainty also arises from the relative lack of development history, which limits the scope of experience on which estimates are based. This is partially mitigated by the use of and monitoring against market benchmarks.

While every effort is made to ensure we are reserved appropriately, changes in trends and other factors underlying our reserve estimates could result in our reserves being inadequate. Because setting reserves is inherently uncertain we cannot provide assurance that our current reserves will prove adequate considering subsequent events. If our loss reserves are determined to be inadequate, we will be required to increase our reserves at the time with a corresponding reduction in our net income for that period. Such adjustments could have a material adverse effect on our results and our financial condition.

There is a degree of uncertainty and a high-risk environment for investment and business activities in certain countries in which we operate.

Some of the countries in which we operate or may operate in the future are in various stages of developing institutions and legal and regulatory systems that are not yet as firmly established as they are in Western Europe and the U.S. Some of these countries are also in the process of transitioning to a market economy and, as a result, are experiencing changes in their economies and their government policies (including, without limitation, policies relating to foreign ownership, repatriation of profits, property and contractual rights and planning and permit-granting regimes) that may affect our investments in these countries and may expose us to the impact of political or economic upheaval, and we could be subject to unforeseen administrative or fiscal burdens.

The procedural safeguards of the legal and regulatory regimes in these countries are still developing and, therefore, existing laws and regulations may be applied inconsistently. Often, fundamental contract, property and corporate laws and regulatory regimes have only recently become effective, which may result in ambiguities, inconsistencies and anomalies in their interpretation and enforcement. In addition, legislation may often contemplate implementing regulations that have not yet been promulgated, leaving substantial gaps in the regulatory infrastructure. All of these weaknesses could affect our ability to enforce contractual rights or to defend ourselves against claims by others. Moreover, in certain circumstances, it may not be possible to obtain the legal remedies provided under current laws and regulations in a timely manner, or at all. The independence of the judicial systems and their immunity from economic, political and nationalistic influences in many of the countries in which we operate or may operate in the future remain largely untested. Instability and uncertainties relating to the legal and regulatory environment in these countries or other countries in which we may operate in the future could have a material adverse effect on our business, financial condition and results of operations.

We are subject to various laws, regulations and rules relating to sanctions, the violation of which could adversely affect our operations.

We recognize the US, the EU, the UK and the UN sanctions authorities (including, but not limited to the Office of Foreign Assets Control ("OFAC") and UK's HM Treasury) as our primary sanction authorities, insofar as the sanctions relate to any business being considered by us. Over the past 5 years, we received de minimis revenues relating to risks in Sudan, Cuba and Iran. Our business in these countries has been compliant with the applicable sanction programs. While we have complied fully with all applicable sanctions laws and regulations and have policies and procedures in place designed to ensure that we do not insure any activity that breaches applicable international sanctions, there remains the risk of an inadvertent breach which may result in lengthy and costly investigations followed by the imposition of fines or other penalties, any of which might have a material adverse effect on our financial condition and results of operations. Our business has been affected by the imposition of sanctions in regions that previously were important markets for us. To the extent that sanctions are imposed on any of our key markets, our business will be negatively impacted.

On February 24, 2022 the Russian Federation launched a full-scale military invasion into Ukraine. This has led to significant economic and humanitarian consequences for both countries and, among other things, has had a significant impact on the availability of energy and on global energy and commodities prices. As a result of the invasion, the US, UK and EU imposed wide-ranging sanctions on Russia and individuals and entities based outside of Russia that are connected to sanctions evasion, including those related to arms trafficking and illicit finance. Although we seek to ensure that all business with Russian exposure is compliant with the relevant sanction regime and our compliance team has managed the Russian exposure of our business and conducted the required asset freeze and/or termination of some of our business as per the applicable sanctions regime, the long-term impact of the invasion and sanctions continues to be unknown as the situation develops and our exposure levels may adversely affect our business. We continue to monitor the situation alongside potential exposure to IGI's balance sheet and the imposition of further sanctions.

We are subject to various anti-corruption and anti-money laundering laws, regulations and rules, the violation of which could adversely affect our operations.

Our activities are subject to applicable money laundering regulations and anti-corruption laws in the jurisdictions where we operate, including Bermuda, the United States, the UK and the EU, among others. For example, we are subject to the Bribery Act 2016 of Bermuda, the U.S. Foreign Corrupt Practices Act of 1977, and the UK Bribery Act 2010, which, among other matters, generally prohibit corrupt payments or unreasonable gifts to foreign governments or officials. We do business, and may continue to do business in the future, in countries and regions where governmental corruption has been known to exist, and where we may face, directly or indirectly, corrupt demands by officials, or the risk of unauthorized payments or offers of payments by one of our employees, consultants, sponsors or agents. Although we have in place systems and controls designed to comply with applicable laws and regulations (including continuing education and training programs), there is a risk that those systems and controls will not always be effective to achieve full compliance, as those laws and regulations are interpreted by the relevant authorities. Failure to accurately interpret or comply with or obtain appropriate authorizations and/or exemptions under such laws or regulations could subject us to investigations, criminal sanctions or civil remedies, including fines, injunctions, loss of an operating license, reputational consequences, and other sanctions, all of which could damage our business or reputation. Such damage could have a material adverse effect on our financial condition and results of operations.

We rely on brokers to source our business and our business may suffer should our relationship with brokers deteriorate.

We market our insurance and reinsurance worldwide through insurance and reinsurance brokers. Brokers are independent of the insurers they deal with. Our top 5 international brokers produced 61% of the gross written premiums of our underwriting operations for the year ended December 31, 2022 and 63% for the year ended December 31, 2023. Loss of all or a substantial portion of the business provided by one or more of these brokers could have a material adverse effect on our business. Due to the concentration of our brokers, our brokers may have increasing power to dictate the terms and conditions of our arrangements with them, which could have a negative impact on our business.

Maintaining good relationships with the brokers from whom we source the policies we underwrite is integral to our positive financial performance. Events could occur which may damage the relationship between us and a particular broker or broker group, which may result in that broker or broker group being unwilling to do business with us. The failure, inability or unwillingness of brokers to do business with us could have a material adverse effect on our financial performance.

Some of our competitors have higher financial strength ratings, offer a larger variety of products, set lower prices for insurance coverage, offer higher commissions and/or have had longer term relationships with the brokers we use than we do. This may adversely impact our ability to attract and retain brokers to sell our insurance products or brokers may increasingly promote products offered by other companies. The failure or inability of brokers to market our insurance products successfully, or the loss of all or a substantial portion of the business provided by these brokers, could have a material adverse impact on our business, financial condition and results of operations.

We could be materially adversely affected to the extent that managing general agents, general agents and other producers exceed their underwriting authority or if our agents, our insureds or other third parties commit fraud or otherwise breach obligations owed to us.

For certain business conducted by us, following our underwriting, financial, claims and information technology due diligence reviews, we authorize managing general agents, retail and wholesale brokers and other producers to write business on our behalf within underwriting authority prescribed by us. We rely on the underwriting controls of these agents to write business within the underwriting authorities provided by us. Although we have contractual protections in place in all instances and we monitor such business on an ongoing basis, our monitoring efforts may not be adequate or our agents may exceed their underwriting authority, commit fraud, or otherwise breach obligations owed to us. To the extent that our agents, our insureds or other third parties exceed their underwriting authority, commit fraud or otherwise breach obligations owed to us in the future, our financial condition and results of operations could be materially adversely affected.

We have a strong delegated authority risk management process established by the IGI UK board of directors and directly managed via quarterly meetings of its delegated authority committee which is attended by certain of our executive directors. In particular, we carry out detailed due diligence on all new agents with regular reviews upon renewal, put in place strong contracts, conduct regular audits and monitor monthly reports from agents. All agents are required to carry errors and omissions insurance which would respond in the event that these agents breach their delegated authority. However, there can be no assurance that the safeguards we implemented will be sufficient to fully protect us from losses resulting from violations of our policies and procedures.

We may be exposed to a series of claims for large losses in relation to uncorrelated events that occur at, or around, the same time, which in the aggregate may result in a material adverse effect on our operations.

We may be exposed to a series of claims for large losses in relation to uncorrelated and otherwise unrelated events which occur at, or around, the same time. Some of the more significant examples of large, uncorrelated events are terrorist attacks, fires, explosions or spills at a refinery, the collapse of a major office building, a series of simultaneous cyber-attacks, the collision of two ships, an explosion in a port and the loss of an airplane.

These risks are inherently unpredictable. It is difficult to predict the frequency of events of this nature and to estimate the amount of loss that any given occurrence will generate. Some of these large losses may also have the potential for exposure across multiple lines of business. While no such claims may be material to us, in the aggregate they could require us to recognize significant losses in a single reporting period, which could have a material adverse effect on our capital position, results of operations and financial condition in that particular reporting period. It is also possible that such losses could exceed the reinstatement capacity of our reinsurance coverage, which would have a material adverse effect on our results of operations.

The availability of reinsurance, retrocessional coverage, and capital market transactions to limit our exposure to risks may be limited which could adversely affect our financial condition and results of operations.

As is common practice within the insurance industry, we transfer a portion of the risks insured under our policies to other companies through the purchase of reinsurance. This reinsurance is maintained to protect the insurance and reinsurance subsidiaries against the severity of losses on individual claims, an unusual series of which can produce an

aggregate extraordinary loss. Although reinsurance does not discharge our subsidiaries from their primary obligation to pay for losses insured under the policies they issue, reinsurance does make the assuming reinsurer liable to the insurance subsidiaries for the reinsured portion of the risk.

Our reinsurance program uses various methods, such as proportional, non-proportional and facultative reinsurance, to mitigate risks across our underwriting portfolio, in return for which we cede to third-party reinsurers a certain percentage of our GWP in any given year. That percentage was 33% for the year ended December 31, 2022 and 28% for the year ended December 31, 2023. The program is finite and absolute in the protection offered, meaning that events outside of its scope would not be covered, and does not offer unlimited protection against highly extreme but improbable events.

Our reinsurance programs are usually purchased annually, with different programs expiring throughout the year. The amount of coverage purchased is determined by our risk appetite and underlying exposure base together with the price, quality and availability of such coverage. Coverage purchased for one year will not necessarily conform to purchases for another year, which may result in variation as to the extent of the coverage year-on-year, even though some policies we issue are multi-year policies. In addition, reinsurance cessation and commencement terms, timing and cost could leave us with an exposure where intended reinsurance protection is either omitted or only partially effective. One or more of our reinsurers could become insolvent, which could cause a portion of our reinsurance protection to become ineffective. In addition, reinsurers may not always honor their commitments or we may have disagreements with reinsurers with respect to the extent of their obligations, which could result in our having greater exposure than anticipated. A failure by reinsurers to cover their portion of our liabilities, and/or disputes with reinsurers over the extent or applicability of their obligations to us, could depending on the amounts involved have a material adverse effect on our results of operations and business.

The availability and cost of reinsurance protection is subject to market conditions, which are beyond our control. Economic conditions could have a material impact on our ability to manage our risk aggregations through reinsurance or capital markets transactions. As a result of such market conditions and other factors, we may not be able to successfully mitigate risk through reinsurance and retrocessional arrangements. There is no guarantee that our desired amounts of reinsurance or retrocessional reinsurance will be available in the marketplace in the future. In addition to capacity risk, the remaining capacity may not be on terms we deem appropriate or acceptable or with companies with whom we want to do business.

If the reinsurance industry were to suffer future substantial losses, the effect could be to limit the availability of appropriate or acceptable reinsurance coverage for us, which in the event of losses in our risk portfolio could have a material adverse effect on our financial condition and results of operations.

We may be faced with a liquidity shortfall following a large loss or a series of large losses due to the settlement of claims prior to the receipt of monies due under outwards reinsurance arrangements.

As with all insurance companies, we use our liquidity to fund our insurance and reinsurance obligations, which may include large and unpredictable claims (including catastrophe claims). While we seek to manage carefully our exposure to catastrophe risk and while we have a liquidity policy which seeks to ensure sufficient liquidity to withstand claim scenarios at the extreme end of the business plan projections by reference to actual losses in relation to catastrophe events may differ materially from the losses that we estimate, given the significant uncertainties with respect to the estimates and the unpredictable nature of catastrophes. In such scenarios, we may be faced with a shortfall where we are required to settle claims arising under insurance contracts or where we are required to increase the amount of resources required to be held. In such scenarios, we may be required to (a) liquidate investments (including some of our less liquid investments), which may be constrained as a consequence of macroeconomic conditions beyond our control or (b) delay or vary the implementation of our strategic plans so as to maintain appropriate liquidity. Any of the foregoing may affect the amount of business that we can write, as well as our revenue and profitability.

If our risk management and loss mitigation methods fail to adequately manage our exposure to losses, the losses we incur could be materially higher than our expectations and our financial condition and results of operations could be materially adversely affected.

We historically have sought and will continue to seek to manage our exposure to insurance and reinsurance losses through a number of loss limitation methods, including internal risk management procedures, writing a number of our inwards reinsurance contracts on an excess of loss basis, enforcement and oversight of our underwriting processes,

outwards reinsurance protection, adhering to maximum limitations on policies whether written on a proportional, first loss, Excess of Loss (XOL) or Possible Maximum Loss (PML) Maximum Foreseeable Loss (MFL) basis, written in defined geographical zones, limiting program size for each client, establishing per risk and per occurrence limitations for each event, employing coverage restrictions and following prudent underwriting guidelines for each program written.

We also seek to limit our loss exposure through geographic diversification. Geographic zone limitations involve significant underwriting judgments, including the determination of the area of the zones and the inclusion of a particular policy within a particular zone's limits. In addition, various provisions contained in our insurance policies and reinsurance contracts, such as limitations or exclusions from coverage or choice of forum clauses negotiated to limit our risks, may not be enforceable in the manner we intend, as it is possible that a court or regulatory authority could nullify or void an exclusion or limitation, or legislation could be enacted modifying or barring the use of these exclusions and limitations. We cannot be sure that these loss limitation methods will effectively prevent a material loss exposure which could have a material adverse effect on our results of operations or financial condition.

Underwriting is a matter of judgment, involving assumptions about matters that are inherently unpredictable and beyond our control, and for which historical experience and probability analysis may not provide sufficient guidance. We have made significant investments through vendor models to develop analytic and modeling capabilities to facilitate our underwriting, risk management, capital modeling and allocation, and risk assessments relating to the risks we assume. These models and other tools help us to manage our risks, understand our capital utilization and risk aggregation, inform management and other stakeholders of capital requirements and seek to improve the risk/return profile or optimize the efficiency of the amount of capital we apply to cover the risks in the individual contracts we sell and in our portfolio as a whole. However, given the inherent uncertainty of modeling techniques and the application of such techniques, the possibility of human or systems error, the challenges inherent in consistent application of complex methodologies in a fluid business environment and other factors, our models, tools and databases may not accurately address the risks we currently cover or the emergence of new matters which might be deemed to impact certain of our coverages.

Many of our methods of managing risk and exposures are based upon observed historical market behavior and statistic-based historical models. As a result, these methods may not predict future exposures, which could be significantly greater than historical measures indicate. These uncertainties can include, but are not limited to, the following:

- The models do not address all the possible hazard characteristics of a catastrophe peril (e.g., the precise path and wind speed of a hurricane);
- The models may not accurately reflect the true frequency of events;
- The models may not accurately reflect a risk's vulnerability or susceptibility to damage for a given event characteristic;
- The models may not accurately represent loss potential to reinsurance contract coverage limits, terms and conditions; and
- The models may not accurately reflect the impact on the economy of the area affected or the financial, judicial, political, or regulatory impact on insurance claim payments during or following a catastrophe event.

Accordingly, our models may understate the exposures we are assuming. Conversely, our models may prove too conservative and contribute to factors which may impede our ability to grow in respect of new markets or perils or in connection with our current portfolio of coverages or the loss environment otherwise may prove more benign than our capital loading for catastrophes or other modeled losses. In such case of excess capital, we may make a judgment about redeploying the capital in lines of businesses or pursuing other capital management activities, such as dividends or share repurchases, which judgment may also depend on modeling techniques and results. If capital models prove inadequate, our result of operations and financial condition may be materially adversely impacted.

Other risk management methods depend on the evaluation of information regarding markets, policyholders or other matters that are publicly available or otherwise accessible to us. This information may not always be accurate, complete, up-to-date or properly evaluated. For example, much of the information that we enter into our risk modelling

software is based on third-party data that we do not control, and estimates and assumptions that are dependent on many variables, such as assumptions about loss adjustment expenses, insurance-to-value and post-event loss amplification (the temporary local inflation of costs for building materials and labor resulting from increased demand for rebuilding services in the aftermath of a catastrophe).

Accordingly, if the estimates and assumptions that we enter into our risk models are incorrect, or if such models prove to be an inaccurate forecasting tool, the losses we might incur from an actual catastrophe could be materially higher than our expectation of losses generated from modelled catastrophe scenarios, and our financial condition and results of operations could be adversely affected.

We also seek to manage our loss exposure through loss limitation provisions in the policies we issue to customers, such as limitations on the amount of losses that can be claimed under a policy, limitations or exclusions from coverage and provisions relating to choice of forum. These contractual provisions may not be enforceable in the manner that we expect or disputes relating to coverage may not be resolved in our favor. If the loss limitation provisions in our policies are not enforceable or disputes arise concerning the application of such provisions, the losses we might incur from a catastrophic event could be materially higher than our expectations and our financial condition and results of operations could be adversely affected.

In relation to catastrophe risk, we monitor and control the accumulation of risk for a large number of realistic disaster scenario events. There are specific scenarios for natural, man-made and economic disasters, and for different business lines. The assumptions made in such scenarios may not be an accurate guide to actual losses that ultimately are incurred in respect of a particular catastrophe.

No assurances can be made that these loss limitation methods will be effective and mitigate our loss exposure. One or more catastrophic events, other loss events, or severe economic events could result in claims that substantially exceed our expectations, or the protections set forth in our policies could be voided, which, in either case, could have a material adverse effect on our financial condition or results of operations, possibly to the extent of reducing or eliminating shareholders' equity.

A significant amount of our assets are invested in fixed maturity securities and are subject to market fluctuations.

Our investment portfolio includes a substantial amount of fixed maturity securities. As of December 31, 2023, our investment in fixed maturity securities was approximately $767.6 million, or 68% of our total investment and cash portfolio, including cash and cash equivalents. As of that date, our portfolio of fixed maturity securities consisted of corporate securities (98.4%) and government securities (1.6%).

The fair value of these assets and the investment income from these assets fluctuate depending on general economic and market conditions. The fair value of fixed maturity securities generally decreases as interest rates rise. If significant further inflation or further increases in interest rates were to occur, the fair value of our fixed maturity securities would be negatively impacted. Conversely, if interest rates decline, investment income earned from future investments in fixed maturity securities will be lower. Some fixed maturity securities, such as mortgage-backed and other asset-backed securities, also carry prepayment risk as a result of interest rate fluctuations. Additionally, in a low interest rate environment, we may not be able to successfully reinvest the proceeds from maturing securities at yields commensurate with our target performance goals.

The value of investments in fixed maturity securities is subject to impairment as a result of deterioration in the credit worthiness of the issuer, default by the issuer (including states and municipalities) in the performance of its obligations in respect of the securities and/or increases in market interest rates. To a large degree, the credit risk we face is a function of the economy; accordingly, we face a greater risk in an economic downturn or recession. During periods of market disruption, it may be difficult to value certain of our securities, particularly if trading becomes less frequent and/or market data becomes less observable. There may be certain asset classes that were acquired in active markets with significant observable data that become illiquid due to the current financial environment. In such cases, more securities may require additional subjectivity and management judgment.

Although we attempt to manage these risks through the use of investment guidelines and other oversight mechanisms and by diversifying our portfolio and emphasizing preservation of principal, our efforts may not be successful. Impairments, defaults and/or rate increases could reduce our net investment income and net realized investment gains or result in investment losses. Investment returns are currently, and will likely continue to remain,

under pressure due to continued inflation, actions by the Federal Reserve, economic uncertainty, more generally, and the shape of the yield curve. As a result, our exposure to the risks described above could materially and adversely affect our results of operations, liquidity and financial condition.

Losses on our investments may reduce our overall capital and profitability.

Our invested assets include a substantial amount of interest rate and credit sensitive instruments such as corporate debt securities. Fluctuations in interest rates may affect our future returns on such investments, as well as the market values of, and corresponding levels of capital gains or losses on, such investments. Interest rates are highly sensitive to many factors, including governmental monetary policies, domestic and international economic and political conditions and other factors beyond our control. A decline in interest rates improves the market value of existing instruments but reduces returns available on new investments, thereby negatively impacting our future investment returns. Conversely, rising interest rates reduce the market value of existing investments but should positively impact our future investment returns. During periods of declining market interest rates, we could be forced to reinvest the cash we receive as interest or return of principal on our investments in lower-yielding instruments. Issuers of fixed income securities could also decide to redeem such securities early in order to borrow at lower market rates, which would increase the percentage of our investment portfolio that we would have to reinvest in lower-yielding investments of comparable credit quality or in lower credit quality investments offering similar yields. Given current high interest rate levels, in the future we are likely to be subject to the effects of potentially lower rates. Although we attempt to manage the risks of investing in a changing interest rate environment, we might not be able to mitigate interest rate sensitivity completely, and a significant or prolonged increase or decrease in interest rates could have a material adverse effect on our results of operations or financial condition.

We are exposed to counterparty risk in relation to our investments, including holdings of debt instruments to which we are a party. In particular, our business could suffer significant losses due to defaults on corporate bonds and ratings downgrades.

Furthermore, as a result of holding debt securities, we are exposed to changes in credit spreads. Widening credit spreads could result in a reduction in the value of fixed income securities that we hold but increase investment income related to purchases of new fixed income securities, whereas tightening of credit spreads will generally increase the value of fixed income securities at higher yields that we hold but decrease investment income generated through purchases of any new fixed income securities.

We also hold equity securities. Equity investments are subject to volatility in prices based on market movements, which can impact the gains that can be achieved. We periodically adjust the accounting book values of our investment portfolio ("mark-to-market") which could result in increased volatility and uncertainty surrounding reported profits and net asset values at any point in time.

We also invest to a limited extent in real estate in Jordan and Lebanon. Real estate is subject to price volatility as a result of interest rate movements and general market conditions, which can impact the value of the real estate portfolio and the rent chargeable to tenants.

Moreover, a major loss, series of losses or reduction in premium income could result in a sustained cash outflow requiring early realization, which may involve selling a portion of our investments into a depressed market, which could decrease our returns from investments and strain our capital position.

Furthermore, challenging market conditions are likely to make our assets less liquid, particularly affecting those assets which are by their nature already inherently less liquid. If, in such conditions, we require significant amounts of cash on short notice in excess of normal cash requirements (for example, to meet higher-than-anticipated claims) or are required to post or return collateral in connection with certain of our reinsurance contracts, credit agreements or invested portfolio, we may have difficulty selling any of our less liquid investments in a timely manner, or may be forced to sell them for less than we otherwise would have been able to realize if sold in other circumstances.

Market volatility, changes in interest rates, changes in credit spreads and defaults, a lack of pricing transparency, market illiquidity, declines in equity prices, and foreign currency movements, alone or in combination, could have a material adverse effect on our results of operations and financial condition through realized losses, impairments or changes in unrealized positions. Although we attempt to protect our investment portfolio against the foregoing risks,

we cannot ensure that such measures will be effective. In addition, a decrease in the value of our investments may result in a reduction in overall capital, which may have a material adverse effect on our results of operations and our financial condition.

Our results of operations, liabilities and investment portfolio may be materially affected by conditions affecting the level of interest rates in the global capital markets and major economies, such as central bank policies on interest rates and the rate of inflation.

As a global insurance and reinsurance company, we are affected by the monetary policies of the Bank of England, the European Central Bank, the Board of Governors of the U.S. Federal System and other central banks around the world. Since the financial crisis of 2007 and 2008, these central banks have taken a number of actions to spur economic activity, such as keeping target interest rates low and supporting the prices of financial assets through "quantitative easing". Unconventional monetary policy from the major central banks, and reversal of such policies, and moderate global economic growth remain key uncertainties for markets and our business.

Our exposure to interest rate risk relates primarily to the market price and yield variability of outstanding fixed income instruments that are associated with changes in prevailing interest rates. Our investment portfolio contains interest rate-sensitive instruments, such as fixed income securities which have been, and will likely continue to be, affected by variations in the level of interest rates, whether due to changes in central bank monetary policies, domestic and international fiscal policies as well as more general economic and political conditions, resulting levels of inflation and other factors beyond our control.

Interest rates are highly sensitive to the foregoing factors. For example, inflation could lead to higher interest rates and falling fixed income prices, causing the current unrealized loss position in our fixed income portfolio to increase. As a result of the higher interest rate environment, we have captured the opportunity of elevated yield curves across the major currencies, and heavily invested in high-grade bonds generating higher investment yield during the year 2023. However, these assets are riskier in nature, with potentially greater volatility based upon changes in economic factors.

Steps that may be taken by central banks to raise interest rates in the future in order to combat inflation could, in turn, lead to an increase in our loss costs. Changes in the level of inflation also could result in an increased level of uncertainty in our estimation of loss reserves for our specialty long-tail segment lines of business. As a result of the above factors, our business, financial condition, liquidity or operating results could be adversely affected.

The determination of the amount of expected credit losses (ECL) taken on our investments involves the estimation of uncertainties which, if they turn out to be incorrect, could have a material adverse effect on our results of operations and financial condition.

We perform an ECL assessment for our investments not held at fair value through profit or loss. ECL for an investment contract is based on the difference between the contractual cash flows due in accordance with the investment contract and all the cash flows that we expect to receive with respect to such contract, discounted at an approximation of the original effective interest rate. The assessment of ECL is sensitive to changes in underlying circumstances, the applicable interest rate environment and the existing economic conditions outlook. Assessing the accuracy of the level of ECL recorded in our financial statements is inherently uncertain given the subjective nature of the process which may result in additional ECL being taken in the future with respect to events that may impact specific investments.

We cannot guarantee that our reinsurers will pay in a timely fashion, if at all, and, as a result, we could experience losses.

We purchase reinsurance by transferring part of the risk that we have assumed, known as ceding, to a reinsurance company in exchange for part of the premium we receive in connection with the risk. Although reinsurance makes the reinsurer contractually liable to us to the extent the risk is transferred or ceded to the reinsurer, it does not relieve us, the reinsured, of our liability to our policyholders. Our reinsurers may not pay the recoverable reinsurance that they owe to us or they may not pay such recoverables on a timely basis. Accordingly, we bear credit risk with respect to our reinsurers, and if our reinsurers fail to pay us, our financial results would be adversely affected. Underwriting results and investment returns of some of our reinsurers may affect their future ability to pay claims. In addition, from time to time we engage in disputes with reinsurers regarding their contractual obligations, which may involve arbitration or litigation and could involve amounts that are material. As of December 31, 2023, the amount owed to us from our

reinsurers for paid claims was approximately $10.8 million and the portion of our case reserves due from reinsurers was approximately $117.4 million. A failure by reinsurers to cover their portion of our liabilities, and/or disputes with reinsurers over the extent or applicability of their obligations to us, could depending on the amounts involved have a material adverse effect on our results of operations and business.

Our operating subsidiaries are rated and a decline in any of these ratings could adversely affect our standing among brokers and customers and cause our premiums and earnings to decrease.

Ratings have become an increasingly important factor in establishing the competitive position of insurance and reinsurance companies. Rating agencies represent independent opinions of the financial strength of insurers and reinsurers and their ability to meet policyholder obligations. We currently hold financial strength ratings assigned by third-party rating agencies which assess and rate the claims paying ability and financial strength of insurers and reinsurers. The ratings of our operating subsidiaries are subject to periodic review by, and may be placed on credit watch, revised downward or revoked at the sole discretion of A.M. Best Inc. or S&P Global Ratings. We currently hold a stable outlook rating of "A (Excellent)" from A.M. Best Inc. and a stable outlook rating of "A-" from S&P.

If the ratings of our operating subsidiaries are reduced from their current levels by A.M. Best Inc. or S&P Global Ratings, our competitive position in the insurance industry might suffer and it might be more difficult for us to market our products, expand our insurance and reinsurance portfolio and renew our existing insurance and reinsurance policies and agreements. A downgrade may also require us to establish trusts or post letters of credit for ceding company clients and could trigger provisions allowing some clients to terminate their insurance and reinsurance contracts with us. Some contracts also provide for the return of the premium for the unexpired periods to the ceding client in the event of a rating downgrade. It is increasingly common for our reinsurance contracts to contain such terms. A significant downgrade could result in a substantial loss of business as ceding companies and brokers that place such business move to other reinsurers with higher claims-paying and financial strength ratings and therefore could have a material adverse effect on our results of operations and financial condition.

A.M. Best and S&P Global Ratings periodically review our ratings and may revise them downward or revoke them at their sole discretion based primarily on their analysis of our balance sheet strength (including capital adequacy and claims and claim adjustment expense reserve adequacy), operating performance and business profile. Factors that could affect such an analysis include but are not limited to:

- if we change our business practices from our organizational business plan in a manner that no longer supports our ratings;
- if unfavorable financial, regulatory or market trends affect us, including excess market capacity;
- if our losses exceed our loss reserves;
- if we have unresolved issues with government regulators;
- if we are unable to retain our senior management or other key personnel;
- if a rating agency has concerns with the quality of our risk management;
- if our investment portfolio incurs significant losses; or
- if the rating agencies alter their capital adequacy assessment methodology in a manner that would adversely affect our ratings.

These and other factors could result in a downgrade of our ratings. A downgrade of our ratings could cause our current and future brokers and agents, retail brokers and insureds to choose other, more highly-rated competitors. A downgrade of our ratings could also increase the cost or reduce the availability of reinsurance to us, increase collateral required for our assumed reinsurance business, or trigger termination of assumed and/or ceded reinsurance contracts. A downgrade could also adversely limit our access to the capital markets, which may increase the cost of debt.

In addition, in view of the earnings and capital pressures recently experienced by many financial institutions, including insurance companies, it is possible that rating organizations will heighten the level of scrutiny that they apply to such institutions, will increase the frequency and scope of their credit reviews, will request additional information from the companies that they rate and may increase the capital and other requirements employed in the

rating organizations' models for maintenance of certain ratings levels. It is possible that such reviews of the Company may result in adverse ratings consequences, which could have a material adverse effect on our financial condition and results of operations. A downgrade or withdrawal of any rating could severely limit or prevent us from writing new and renewal insurance or reinsurance contracts.

The risk associated with underwriting treaty reinsurance business could adversely affect us.

Like other reinsurers, our reinsurance group does not separately evaluate each of the individual risks assumed under reinsurance treaties. Therefore, we are largely dependent on the original underwriting decisions made by ceding companies. We are subject to the risk that the ceding companies may not have adequately evaluated the risks to be reinsured and that the premiums ceded may not adequately compensate us for the risks we assume.

Consistent with market practice, much of our treaty reinsurance business allows the ceding company to terminate the contract below a certain threshold. Whether a cedent would exercise any of these rights could depend on various factors, such as the reason for and extent of such downgrade, the prevailing market conditions and the pricing and availability of replacement reinsurance coverage. We cannot predict to what extent these contractual rights would be exercised, if at all, or what effect this would have on our financial condition or future operations, but the effect could be material.

A failure in or damage to our operational systems or infrastructure, or those of third parties, could disrupt our businesses and have a material adverse effect on our financial condition and results of operations.

Our business is highly dependent on our ability to process, on a daily basis, a large number of transactions across numerous and diverse markets in many currencies. In particular, we rely on the ability of our employees, our internal systems and systems operated by third parties on behalf of the London insurance market, including technology centers, to process a high volume of transactions. As our client base and geographical reach expands, developing and maintaining our operational systems and infrastructure requires continuing investment. Our financial, accounting, data processing and other operating systems and facilities may fail to operate properly or become disabled as a result of events that are wholly or partially beyond our control, adversely affecting our ability to process these transactions or provide these services.

In addition, our operations rely on the secure processing, storage and transmission of confidential and other information in our computer systems and networks. We rely on these systems for critical elements of our business processes, including, for example, entry and retrieval of individual risk details, premium and claims processing, monitoring aggregate exposures and financial and regulatory reporting. Although we take industry standard protective measures and endeavor to modify them as circumstances warrant, our computer systems, software and networks may be vulnerable to unauthorized access, computer viruses or other malicious code and other events that could have a security impact.

We routinely transmit and receive personal, confidential and proprietary information by email and other electronic means. We have discussed and worked with clients, vendors, service providers, counterparties and other third parties to develop secure transmission capabilities, but we do not have, and may be unable to put in place, secure capabilities with all of our clients, counterparties and other third parties and we may not be able to ensure that these third parties have appropriate controls in place to protect the confidentiality of the information. An interception, misuse or mishandling of personal, confidential or proprietary information being sent to or received from a client, counterparty or other third party could result in legal liability and/or regulatory action (including, without limitation, under data protection and privacy laws and standards) and reputational harm.

If one or more of such events occur, this potentially could jeopardize our or our clients' or counterparties' confidential and other information processed and stored in, and transmitted through, computer systems and networks, or otherwise cause interruptions or malfunctions in our, our clients', our counterparties' or third parties' operations, which could result in significant losses or reputational damage. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures, and we may be subject to litigation and financial losses that are either not insured against or not fully covered through any insurance maintained by us. Any expansion of existing or new laws and regulations regarding data protection could further increase our liability should protected data be mishandled or misused.

While we have developed and implemented disaster recovery systems which we believe are sufficient for our business needs, it is always possible that we could suffer data losses for numerous reasons and we could potentially be affected by acts of terrorism or nuclear, chemical, biological or radiological exposure. Such exposures may be uninsurable and, were they to occur on our premises or those of third parties with or through which we conduct our business, they could prevent us from carrying on that business, which could have a material adverse effect on our results of operations.

We have outsourced certain technology and business process functions to third parties and may continue to do so in the future. Our outsourcing of certain technology and business process functions to third parties may expose us to increased risk related to data security, service disruptions or the effectiveness of our control system, which could result in monetary and reputational damage or harm to our competitive position. These risks could grow as vendors increasingly offer cloud-based software services rather than software services which can be run within our data centers.

Any of the foregoing could have a material adverse effect on our financial condition and results of operations.

We could be adversely affected by the loss of one or more key employees or by an inability to attract and retain qualified personnel, which could negatively affect our financial condition, results of operations, or ability to realize our strategic business plan.

Our success has depended and will continue to depend on the continued services and continuing contributions of our underwriters, management and other key personnel and our ability to continue to attract, motivate and retain the services of qualified personnel. While we have entered into employment contracts or letters of appointment with such key personnel, the retention of their services cannot be guaranteed. We may also encounter unforeseen difficulties associated with the transition of members of our senior management team to new or expanded roles necessary to execute our strategic and tactical plans from time to time.

The pool of talent from which we actively recruit is limited. Although, to date, we have not experienced difficulties in attracting and retaining key personnel, the inability to attract and retain qualified personnel could have a material adverse effect on our financial condition and results of operations. In addition, our underwriting staff is critical to our success in the production of business. While we do not consider any of our key executive officers or underwriters to be irreplaceable, the loss of the services of key executive officers or underwriters or the inability to hire and retain other highly qualified personnel in the future could delay or prevent us from fully implementing our business strategy which could affect our financial performance.

Special considerations apply to our Bermuda operations. Under Bermuda law, non-Bermudians, other than spouses of Bermudians and individuals holding permanent or working resident certificates, are not permitted to engage in any gainful occupation in Bermuda without a work permit issued by the Bermuda Government. A work permit is only granted or extended if the employer can show that, after a proper public advertisement, no Bermudian, spouse of a Bermudian or individual holding a permanent or working resident certificate, who meets the minimum standards reasonably required for the position, is available. The Bermuda Government places a six-year term limit on individuals with work permits, subject to specified exemptions for persons deemed to be key employees of businesses with a significant physical presence in Bermuda. No assurances can be given that any work permit will be issued or, if issued, renewed upon the expiration of the relevant term.

Offices in other jurisdictions, such as Dubai, may have residency and other mandatory requirements that affect the composition of our local boards of directors, executive teams and choice of third-party service providers. Due to the competition for available talent in such jurisdictions, we may not be able to attract and retain personnel as required by our business plans, which could disrupt operations and adversely affect our financial performance.

Our success will depend in part upon our continuing ability to recruit and retain employees of suitable skill and experience, and we may find that we are not able to recruit sufficient or qualified staff, or that the individuals that we would like to recruit will not be able to obtain the necessary work permits if required or that we will not be able to retain such staff. The loss of the services of one, or some of, the underwriters, management or other key personnel or the inability to recruit and retain staff of suitable quality could adversely affect our ability to continue to conduct our business, which could have a material adverse effect on our results of operations and financial condition.

We enter into various contractual arrangements with third parties generally, including brokers, with respect to insurance, reinsurance and financing arrangements; any deterioration in the creditworthiness of, defaults by, commingling of funds by, or reputational issues related to, counterparties or other third parties with whom we transact business could adversely impact our financial condition and results of operations.

We are exposed to credit risk relating to policyholders, independent agents and brokers. For example, our policyholders, independent agents or brokers may not pay a part of or the full amount of premiums owed to us, and our brokers or other third-party claim administrators may not deliver amounts owed on claims under our insurance and reinsurance contracts for which we have provided funds. If the counterparties or other third parties with whom we transact business default or fail to meet their payment obligations, it could materially adversely affect our financial condition and results of operations. If the counterparties or other third parties with whom we transact business experience reputational issues, they may in turn cause other counterparties, third parties or customers to question our reputation in respect of choosing to enter into contractual arrangements with such counterparties.

As credit risk is generally a function of the economy, we face a greater credit risk in an economic downturn. While we attempt to manage credit risks through underwriting guidelines, collateral requirements and other oversight mechanisms, our efforts may not be successful. For example, to reduce such credit risk, we may require certain third parties to post collateral for some or all of their obligations to us. In cases where we receive pledged securities and the applicable counterparty is unable to honor its obligations, we may be exposed to credit risk on the securities pledged and/or the risk that our access to that collateral may be stayed as a result of bankruptcy. In cases where we receive letters of credit from banks as collateral and one of our counterparties is unable to honor its obligations, we are exposed to the credit risk of the banks that issued the letters of credit. During 2023, no third parties were required to post collateral for our benefit.

Brokers present a credit risk to us. We will pay amounts owed on valid claims under our insurance and reinsurance contracts to brokers, and these brokers, in turn, will pay these amounts over to the clients making the claim under the policy underwritten by us. If a broker fails to make such a payment, it is possible that we will be liable to the client for the deficiency in a particular jurisdiction because of local laws or contractual obligations under the applicable Terms of Business Agreement in place and settlement terms and conditions as set out in the relevant contract. Likewise, in certain jurisdictions, when the insured or ceding insurer pays premiums for these policies to brokers for payment over to us, these premiums might be considered to have been paid and the insured or ceding insurer will no longer be liable to us for those amounts only where the broker was appointed as our agent under the applicable Terms of Business Agreement in place and underlined terms and conditions as set out in the relevant contract, whether or not we have actually received the premiums from the broker, while leaving us at risk in respect of the underlying policy. These risks are heightened during periods characterized by financial market instability and/or an economic downturn or recession. Consequently, we assume a degree of credit risk associated with our brokers. We have experienced some losses related to this credit risk in the past.

In addition, brokers generally are entitled to commingle payments made by, or owing to, us, with their other client monies. These commingled funds owing to us could then be claimed by other creditors or otherwise disposed of, which could prevent us from recovering the amount due. However, the majority of insurance policies have Premium Payment Warranties that enable us to cancel coverage in case of non-payment of premiums. Of the brokers with whom we transact business, as of December 31, 2023, 81.7% were located in the UK, 5.7% were located elsewhere in Europe, 11.6% were located in the MENA region, Africa or Asia, the majority of which were from subsidiaries of UK brokers, and 1.0% were located in North, South and Central America and Australasia.

Our operating results may be adversely affected by the failure of policyholders, brokers or other intermediaries to honor their payment obligations.

In accordance with industry practice, we generally pay amounts owed on claims under our insurance and reinsurance contracts to brokers and these brokers, in turn, pay these amounts to the clients that purchased insurance and reinsurance from us. In some jurisdictions where we write a significant amount of business, depending on whether the broker is our agent or the client’s agent, if a broker fails to make such a payment it is highly likely that we will be liable to the client for the deficiency because of local laws or contractual obligations. Likewise, when the client pays premiums for policies to brokers for payment to us, these premiums are generally considered to have been paid and,

in most cases, the client will no longer be liable to us for those amounts whether or not we have actually received the premiums. Consequently, we assume a degree of credit risk associated with brokers with respect to most of our (re) insurance business.

In addition, bankruptcy, liquidity problems, distressed financial conditions or the general effects of economic recession may increase the risk that policyholders may not pay a part of, or the full amount of, premiums owed to us despite an obligation to do so. While a majority of our policies include a premium payment warranty, it is possible that some policies may not permit us to cancel our insurance even if we have not received payment. If non-payment becomes widespread, whether as a result of bankruptcy, lack of liquidity, adverse economic conditions, operational failure, delay due to litigation, bad faith and fraud or other events, it could have a material adverse impact on our business and operating results.

Our liquidity and counterparty risk exposures may be adversely affected by the impairment of financial institutions.

We routinely execute transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks and other institutions. We are exposed to the risk that these counterparties are unable to make payments or provide collateral to a third party when required, or that securities that we own are required to be sold at a loss in order to meet liquidity, collateral or other payment requirements. In addition, our investments in various fixed income securities issued by financial institutions expose us to credit risk in the event of default by these issuers. With respect to derivatives transactions that require exchange of collateral, due to mark to market movements, our risk may be exacerbated in the event of default by a counterparty. Any such losses could materially and adversely affect our business and operating results. In such an event, we may not receive the collateral due to us from the defaulted counterparty.

We are exposed to credit risk in certain areas of our business operations.

In addition to exposure to credit risk related to our investment portfolio, and reliance on brokers and other agents, we are subject to credit risk with respect to our reinsurance because the ceding of risk to reinsurers and retrocessionaires does not relieve us of our liability to the clients or companies we insure or reinsure. Our reinsurers may not pay the reinsurance recoverables that they owe to us or they may not pay such recoverables on a timely basis. The collectability of reinsurance is subject to the solvency of the reinsurers, interpretation and application of contract language and other factors. We are selective in regard to our reinsurers, placing reinsurance with those reinsurers with stronger financial strength ratings from A.M. Best or S&P Global Ratings, a sovereign rating or a combination thereof. Despite strong ratings, the financial condition of a reinsurer may change based on market conditions. In certain instances, we may also require assets in trust, letters of credit or other acceptable collateral to support balances due. However, there is no certainty that we can collect on these collateral agreements in the event of a reinsurer's default.

Additionally, we write retrospectively rated policies (i.e., policies in which premiums are adjusted after the policy period based on the actual loss experience of the policyholder during the policy period). In this instance, we are exposed to credit risk to the extent the adjusted premium is greater than the original premium. Although we have not experienced any material credit losses to date, an increased inability of our policyholders to meet their obligations to us could have a material adverse effect on our financial condition and results of operations.

Although we have not experienced any material credit losses to date, an inability of our reinsurers or retrocessionaires to meet their obligations to us could have a material adverse effect on our financial condition and results of operations. Our losses for a given event or occurrence may increase if our reinsurers or retrocessionaires dispute or fail to meet their obligations to us or the reinsurance protections purchased by us are exhausted or are otherwise unavailable for any reason. Our failure to establish adequate reinsurance arrangements or the failure of our existing reinsurance arrangements to protect us from overly concentrated risk exposure could adversely affect our financial condition and results of operations.

We may be forced to retain a higher proportion of risks than we would otherwise prefer, incur additional expense, or purchase reinsurance from companies with a higher credit risk or we may underwrite fewer or smaller contracts or seek alternatives such as, for example, risk transfer to capital markets. Any of these factors could negatively impact our financial performance.

We may not be able to raise capital in the long term on favorable terms or at all.

Each of our regulated underwriting entities is required to meet stipulated regulatory capital requirements. These include capital requirements imposed by the UK PRA, the MFSA and the BMA.

While the specific regulatory capital requirements vary between jurisdictions, under applicable regulatory regimes, required capital can be impacted by items such as line of business mix, product type, underwriting premium volume and reserves. The regulatory capital requirements that we may have to comply with are subject to change due to factors beyond our control. In general, regulatory capital requirements are expected to evolve over time as regulators continue to respond to demands for tighter controls over financial institutions, and the expectation is that these requirements will only become more stringent.

An inability to meet applicable regulatory capital requirements in the longer term due to factors beyond our control may lead to intervention by a relevant regulator which, in the interests of customer security, may require us to take steps to restore regulatory capital to acceptable levels, potentially by requiring us to raise additional funds through financings or to reduce or cease to write new business. To the extent we are required to raise additional external funding in the longer term, macroeconomic factors could impact our ability to access the capital markets and the bank funding market and the ability of counterparties to meet their obligations to us.

To the extent that cash flows generated by our operations are insufficient to fund future operating requirements, or that our capital position is adversely impacted by a decline in the fair value of our investment portfolio, losses from catastrophic events or otherwise, we may need to raise additional funds through financings or curtail our growth. Any further equity or debt financings, or capacity needed for letters of credit, if available at all, may be on terms that are unfavorable to us. Our ability to raise such capital successfully would depend upon the facts and circumstances at the time, including our financial position and operating results, market conditions, and applicable legal issues. If we are unable to obtain adequate capital when needed, our business, results of operations and financial condition would be adversely affected. We also may be required to liquidate fixed maturities or equity securities, which may result in realized investment losses.

Our access to capital may be impaired if regulatory authorities or rating agencies take negative actions against us. Our inability to obtain adequate capital when needed could have a negative impact on our ability to invest in, or take advantage of opportunities to expand our businesses, such as possible acquisitions or the creation of new ventures. Any of these effects could have a material adverse effect on our results of operations and financial condition.

Our future capital requirements depend on many factors, including our ability to write new business successfully, deploy capital into more profitable business lines, identify acquisition opportunities, manage investments and preserve capital in volatile markets, and establish premium rates and reserves at levels sufficient to cover losses. Our operations are subject to significant volatility in capital due to our exposure to potentially significant catastrophic events. We monitor our capital adequacy on an ongoing basis. To the extent our funds are insufficient to fund future operating requirements or cover claims losses, we may need to raise additional funds through corporate finance transactions or curtail our growth and reduce our liabilities. Any such financing, if available at all, may be on terms that are not favorable to us. Our ability to raise such capital successfully would depend upon the facts and circumstances at the time, including our financial position and operating results, market conditions and applicable regulatory filings and legal issues. If we cannot obtain adequate capital on favorable terms, or obtain it at all, our business, financial condition and operating results could be adversely affected.

We are involved in legal and other proceedings from time to time, and we may face damage to our reputation or legal liability as a result.

In the ordinary course of business, we are involved in lawsuits, arbitrations and other formal and informal dispute resolution procedures in a variety of jurisdictions, the outcomes of which will determine our rights and obligations under insurance, reinsurance and other contractual agreements or under tort laws or other legal obligations. Any lawsuit brought against us or legal proceeding that we may bring to enforce our rights could result in substantial costs, divert the time and attention of our management, result in counterclaims (whether meritorious or as a litigation tactic), result in substantial monetary judgments or settlement costs and harm our reputation, any of which could seriously harm our business.

From time to time, we may institute or be named as a defendant in legal proceedings, and we may be a claimant or respondent in arbitration proceedings. These proceedings have in the past involved, and may in the future involve, coverage or other disputes with ceding companies, disputes with parties to which we transfer risk under reinsurance arrangements, disputes with other counterparties or other matters. We are also involved, from time to time, in investigations and regulatory proceedings, certain of which could result in adverse judgments, settlements, fines and other outcomes. We could also be subject to litigation risks arising from potential employee misconduct, including non-compliance with internal policies and procedures. We cannot determine with any certainty what new theories of recovery may evolve or what their impact may be on our business. Multi-party or class action claims may present additional exposure to substantial economic, non-economic or punitive damage awards. The loss of even one of these claims, if it results in a significant damage award or a judicial ruling that was otherwise detrimental, could create a precedent in the industry that affects a great many future or unrelated claims and so could have a material adverse effect on our operating results and financial condition.

We are not currently subject to any pending litigation which individually or in the aggregate would reasonably be expected to have a material adverse effect on our business, financial condition or results of operations. However, in the future, substantial legal liability could materially adversely affect our business, financial condition and results of operations, and could cause significant reputational harm.

Information technology systems that we use could fail or suffer a security breach, which could have a material adverse effect on us or result in the loss of sensitive information.

Our business is dependent upon the operational effectiveness and security of our enterprise systems and those maintained by third parties. Among other things, we rely on these systems to interact with producers, insureds, customers, clients, and other third parties, to perform actuarial and other modeling functions, to underwrite business, to prepare policies and process premiums, to process claims and make claims payments, to prepare internal and external financial statements and information, as well as to engage in a wide variety of other business activities. A significant failure of our enterprise systems, or those of third parties upon which we may rely, whether because of a natural disaster, network outage or a cyber-attack on our systems, could compromise our personal, confidential and proprietary information as well as that of our customers and business partners, impede or interrupt our business operations and result in other negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny and fines, litigation and monetary and reputational damages.

In addition, our computer systems and network infrastructure present security risks and could be susceptible to hacking, computer viruses, data breaches, or ransomware attacks. Any such failure could affect our operations and could materially adversely affect our results of operations by requiring us to expend significant resources to correct the defect, as well as by exposing us to litigation or losses not covered by insurance. Although we have business continuity plans and other safeguards in place, our business operations may be materially adversely affected by significant and widespread disruption to our physical infrastructure or operating systems and those of third-party service providers that support our business.

Our operations rely on the secure processing, transmission and storage of confidential information in our computer systems and networks and the cloud. Our technologies, systems and networks may become the target of cyber-attacks or information security breaches that could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of our or our insureds' or reinsureds' confidential, proprietary and other information, or otherwise disrupt our or our insureds', reinsureds' or other third-parties' business operations, which in turn may result in legal claims, regulatory scrutiny and liability, reputational damage, the incurrence of costs to eliminate or mitigate further exposure and the loss of customers. Although to date we have not experienced any material losses relating to cyber-attacks or other information security breaches, there can be no assurance that we will not suffer such losses in the future. While we make efforts to maintain the security and integrity of our information technology networks and related systems, and have implemented various measures and an incident response protocol to manage the risk of, or respond to, a security breach or disruption, there can be no assurance that our security efforts and measures will be effective or that attempted security breaches or disruptions would not be successful or damaging. Our risk and exposure to these matters remains heightened because of, among other things, the evolving nature of these threats and the outsourcing of some of our business operations. As a result, cyber-security and the continued development and enhancement of our controls, processes and practices designed to protect our systems, computers,

software, data and networks from attack, damage or unauthorized access remain a priority. As cyber-threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities.

Although we have implemented controls and have taken protective actions to reduce the risk of an enterprise failure and protect against a security breach, such measures may be insufficient to prevent, or mitigate the effects of, a global natural disaster, cyber-attack, or other disruption on our systems that could result in liability to us, cause our data to be corrupted or stolen and cause us to commit resources, management time and money to prevent or correct those failures.

Moreover, employee or agent negligence, error or misconduct may be difficult to detect and prevent, and could materially adversely affect our operations.

It is not always possible for us to prevent or detect employee or agent negligence, error and misconduct and the precautions taken to prevent or detect this activity may not be effective in all cases. Resultant losses could have a material adverse effect on our business, results of operations and financial condition.

Our business depends on our ability to process a large number of increasingly complex transactions. If any of our operational, accounting, or other data processing systems fail or have other significant shortcomings, we could be materially adversely affected. Moreover, third parties with whom we do business, including vendors that provide services or security solutions for our operations, could also be sources of operational and information security risk to us, including from breakdowns, failures, or capacity constraints of their own systems or employees. Any of these occurrences could diminish our ability to operate our business, or cause financial loss, potential liability to insureds, inability to secure insurance, reputational damage or regulatory intervention, which could materially adversely affect us.

Disruptions or failures in the physical infrastructure or operating systems that support our business and customers, or cyber-attacks or security breaches of the networks, systems or devices that our customers use to access our products and services, could result in customer attrition, regulatory fines, penalties or intervention, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, any of which could materially adversely affect our financial condition or results of operations.

Our operating results may be adversely affected by an unexpected accumulation of attritional losses.

In addition to our exposures to catastrophes and other large losses as discussed above, our operating results may be adversely affected by unexpectedly large accumulations of attritional losses. Attritional losses are defined as losses from claims excluding catastrophes and large one-off claims. We seek to manage this risk by using appropriate underwriting processes to guide the pricing, terms and acceptance of risks. These processes, which may include pricing models, are intended to ensure that premiums received are sufficient to cover the expected levels of attritional losses and a contribution to the cost of catastrophes and large losses where necessary. However, it is possible that our underwriting approaches or our pricing models may not work as intended and that actual losses from a class of risks may be greater than expected. Our pricing models are also subject to the same limitations as the models used to assess our exposure to catastrophe losses noted above. Accordingly, these factors could adversely impact our business, financial condition and/or results of operations.

We are dependent on the use of third-party software and data, and any reduction in third-party product quality or any failure to comply with our licensing requirements could have a material adverse effect on our business, financial condition or results of operations.

We rely on third-party software and data in connection with our underwriting, claims, investment, accounting and finance activity. We depend on the ability of third-party software and data providers to deliver and support reliable products, enhance their current products, develop new products on a timely and cost-effective basis, and respond to emerging industry standards and other technological changes. Third-party software and data we use may become obsolete or incompatible with versions of products that we will be using in the future, or may lead to temporary or permanent data loss when upgraded to newer versions.

We anticipate that we will continue to rely on such third-party software in the future. Although we believe that there are commercially reasonable alternatives to the third-party software we currently license, this may not always be the case, or it may be difficult or costly to replace such software. In addition, integration of new third-party software may require significant work and require substantial investment of our time and resources. Our use of additional or alternative third-party software would require us to enter into license agreements with third parties, which may not be available on commercially reasonable terms or at all. Many of the risks associated with the use of third-party software cannot be eliminated, and these risks could negatively affect our business.

We also monitor our use of third-party software and data to comply with applicable license requirements. Despite our efforts, such third parties may challenge our use of such software and data, resulting in loss of rights or costly legal actions. Our business could be materially adversely affected if we are not able, on a timely basis, to effectively replace the functionality provided by software or data that becomes unavailable or fails to operate effectively for any reason. Any of the foregoing could have a material adverse effect on our results of operations.

If we are unable to keep pace with the technological advancements in the insurance industry, our ability to compete effectively could be impaired.

We are committed to developing and maintaining information technology systems that will allow our insurance subsidiaries to compete effectively. There can be no assurance that the development of current technology for future use will not result in our being competitively disadvantaged, especially with those carriers that have greater resources. If we are unable to keep pace with the advancements being made in technology, our ability to compete with other insurance companies who have advanced technological capabilities will be negatively affected. Further, if we are unable to effectively execute and update or replace our key legacy technology systems as they become obsolete or as emerging technology renders them competitively inefficient, our competitive position and cost structure could be adversely affected.

Compliance with laws and regulations governing the processing of personal data and information may impede our services or result in increased costs. The failure to comply with such data privacy laws and regulations could result in material fines or penalties imposed by data protection or financial services conduct regulators and/or awards of civil damages and any data breach may have a material adverse effect on our reputation, results of operations or financial condition, or have other adverse consequences.

Our business relies on the processing of data in many jurisdictions and the movement of data across national borders. The collection, storage, handling, disclosure, use, transfer and security of personal information that occurs in connection with our business is subject to federal, state and foreign data privacy laws. These legal requirements are not uniform and continue to evolve, and regulatory scrutiny in this area is increasing around the world. In many cases, these laws apply not only to third-party transactions, but also to transfers of information among us and our subsidiaries. Privacy and data protection laws may be interpreted and applied differently from country to country and may create inconsistent or conflicting requirements.

One leading data protection law is the General Data Protection Regulation (the “GDPR”), which came into force throughout the EU in May 2018 and has extra-territorial effect. The GDPR applies not only to companies in the EU but also to companies anywhere in the world that collect personal data from individuals in the EU in connection with offering goods or services to such individuals or monitoring their behavior in the EU. It also imposes obligations on EU companies processing data of non-EU citizens. The GDPR imposes extensive requirements regarding the processing of personal data and confers rights on data subjects including the “right to be forgotten” and the right to “portability” of personal data. The GDPR imposes significant punishments for non-compliance which could result in a penalty of up to 4% of a company’s global annual revenue. Many other jurisdictions around the world also have enacted privacy and data protection laws, and these laws continue to evolve and expand.

Compliance with the enhanced obligations imposed by the GDPR and other privacy and data protection laws requires investment in appropriate technical or organizational measures to safeguard the rights and freedoms of data subjects, which may result in significant costs to our business and may require us from time to time to further amend certain of our business practices. Enforcement actions, investigations and the imposition of substantial fines and penalties by regulatory authorities as a result of data security incidents and privacy violations have increased dramatically in recent years. The enactment of more restrictive laws, rules, regulations, or future enforcement actions or investigations could impact us through increased costs or restrictions on our business, and noncompliance could result in regulatory penalties, significant legal liability, and reputational damage and cause us to lose business.

In addition, unauthorized disclosure or transfer of sensitive or confidential client or Company data, whether through systems failure, employee negligence, fraud or misappropriation, by us or other parties with whom we do business, could subject us to significant litigation, monetary damages, regulatory enforcement actions, fines and criminal prosecution in one or more jurisdictions. Such events could also result in negative publicity and damage to our reputation and cause us to lose business, which could therefore have a material adverse effect on our results of operations.

We are exposed to fluctuations in exchange rates which may adversely affect our operating results.

We are exposed to currency risk mainly on insurance written premiums and incurred claims that are denominated in a currency other than our functional currency. The currencies in which these transactions are primarily denominated are Sterling (GBP), euro (EUR) and the Australian Dollar (AUD). As a significant portion of our transactions are denominated in U.S. Dollar, this reduces currency risk. Intra-group transactions are primarily denominated in U.S. Dollar.

Part of our monetary assets and liabilities are denominated in a currency other than our functional currency and are subject to risks associated with currency exchange fluctuation. We reduce some of this currency exposure by maintaining some of our bank balances in foreign currencies in which some of our insurance payables are denominated.

We are exposed to changes in exchange rates arising from the mismatch of cash flows due to currency exchange fluctuations.

We are also subject to currency translation risk, which arises from the translation into our functional currency for reporting purposes of income from operations conducted in other currencies, which can cause volatility in reported earnings from our business conducted overseas and translation gains and losses. In preparing our financial statements, we use period-end rates to translate all monetary assets and liabilities in foreign currencies in the balance sheet to our functional currency and presentational currency. The non-monetary assets and liabilities, namely unearned premium reserves, loss reserves and deferred acquisition costs, are measured at fair value and translated using the exchange rates as of the date of the measurement of fair value.

We write business on a worldwide basis, and our results of operations may be affected by fluctuations in the value of currencies other than the U.S. Dollar. The primary foreign currencies in which we operate are the euro, Sterling and the Australian Dollar. Changes in foreign currency exchange rates may reduce our revenues, increase our liabilities and costs and cause fluctuations in the valuation of our investment portfolio. We may therefore suffer losses solely as a result of exchange rate fluctuations. In order to mitigate our exposure to foreign currency fluctuations in our net insurance liabilities, we have invested and expect to continue to invest in securities denominated in currencies other than the U.S. Dollar. In addition, we may replicate investment positions in foreign currencies using derivative financial instruments. We cannot assure you that we will be able to manage these risks effectively or that they will not have an adverse effect on our business, financial condition or results of operations.

If actual renewals of our existing policies and contracts do not meet expectations, our gross written premiums in future fiscal periods and our future operating results could be materially adversely affected.

A majority of our insurance policies and reinsurance contracts are for a one-year term. We make assumptions about the renewal rate and pricing of the prior year's policies and contracts in our financial forecasting process. If actual renewals do not meet expectations, our gross written premiums in future fiscal periods and our future operating results and financial condition could be materially adversely affected.

Our efforts to expand in targeted geographical markets and lines of business may not be successful and may create enhanced risks.

A number of our planned business initiatives involve expanding in targeted geographical markets and lines of business. To develop new markets and business lines, we may need to make substantial capital and operating expenditures, which may adversely affect our results in the near term. In addition, the demand for our products in new markets and lines of business may not meet our expectations. To the extent we are able to expand in new markets and business lines, our risk exposures may change and the data and models we use to manage such exposures may not be as sophisticated as those we use in existing markets and business lines. This, in turn, could lead to losses in excess of expectations. Moreover, we are considering setting up new offices and increasing staff at existing offices as part of our

growth strategy. Such growth, which may include hiring additional underwriters, could make it more difficult for us to monitor and enforce compliance with internal underwriting authorities, limits and controls. We cannot be certain that we will be successful or identify attractive targets in these new markets.

Risks Relating to Ownership of Our Securities

Our main holding is our ownership of IGI Dubai (and, indirectly, IGI Dubai's subsidiaries) and such ownership may not be sufficient to pay dividends or make distributions or loans to enable us to pay any dividends on our common shares or satisfy other financial obligations.

We are a holding company and do not directly own any operating assets other than our ownership of interests in IGI Dubai. We depend on IGI Dubai for distributions, loans and other payments to generate the funds necessary to meet our financial obligations, including our expenses as a publicly traded company and to pay any dividends. The earnings from, or other available assets of, IGI Dubai may not be sufficient to make distributions or pay dividends, pay expenses or satisfy our other financial obligations.

Additionally, our primary operating subsidiary is IGI Bermuda, which is subject to Bermuda regulatory constraints that affect its ability to pay dividends on its common shares and make other distributions. Under the Insurance Act, and related regulations, IGI Bermuda, as a Class 3B insurer, is required to maintain certain minimum capital, liquidity and solvency levels and is prohibited from declaring or paying dividends that would result in noncompliance with this requirement. In addition, a Class 3B insurer is prohibited from declaring or paying any dividends, in any financial year which would exceed 25% of its total statutory capital and surplus, as shown on its previous financial year statutory balance sheet, unless at least seven days before payment of those dividends it files an affidavit with the BMA signed by at least two directors and by its principal representative in Bermuda, which states in the opinion of those signing, the declaration of those dividends will not cause the insurer to fail to meet its required solvency margin and minimum liquidity ratio. Further, with respect to the distribution of any contributed surplus, a Class 3B insurer must also submit an affidavit and obtain the BMA's prior approval before reducing its total statutory capital as shown in its previous year statutory balance sheet by 15% or more.

We are subject to numerous rules and regulations of the SEC and Nasdaq by virtue of being a publicly reporting company in the U.S.

Since March 2020, IGI has been subject to numerous rules, regulations, corporate governance requirements and other reporting obligations in the U.S. by virtue of being a publicly reporting company listed on Nasdaq in the U.S. These include numerous rules, regulations and requirements adopted by the SEC pursuant to the Securities Exchange Act of 1934, as amended the ("Exchange Act") and the Sarbanes-Oxley Act, as amended (the "Sarbanes-Oxley Act") and rules and regulations adopted by Nasdaq. The significant regulatory oversight and reporting obligations imposed on public companies require substantial attention from our senior management and from time to time could divert attention away from the day-to-day management of our businesses, which could have a material adverse effect on our business, financial condition and results of operations. Similarly, corporate governance obligations, including with respect to the development and implementation of appropriate corporate governance policies, and concurrent service on the board of directors and possibly multiple board committees, impose additional burdens on our non-executive directors.

As a result of these regulatory requirements, we have incurred higher costs associated with being a public company, including significant additional legal, compliance, accounting, reporting, insurance and other applicable costs following completion of the Business Combination. This includes hiring of more employees or engaging outside consultants to comply with these requirements.

The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We may need to hire more employees or engage outside consultants to comply with these requirements, which will increase our costs and expenses. Being a public company could make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. Being a public company could also make it more difficult and expensive for us to attract and retain qualified persons to serve on our board of directors, board committees or as executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common shares, SEC enforcement actions, fines, sanctions and other regulatory action and potentially civil litigation brought by shareholders or the SEC.

Failure to maintain effective internal control over financial reporting (ICOFR) could have a material adverse effect on our business, operating results and stock price.

Each year our management is required to evaluate the effectiveness of our internal control over financial reporting and of our disclosure controls and procedures. If we detect any material weaknesses and are unable to assert that our internal control over financial reporting is effective, we may fail to meet our future reporting obligations in a timely and reliable manner and our financial statements may contain material misstatements. Any such failure could also adversely cause our investors to have less confidence in the accuracy and completeness of our financial reports, which could have a material adverse effect.

If we are unable to remediate our material weaknesses in a timely manner or we identify additional material weaknesses, we may be unable to provide required financial information in a timely and reliable manner and we may incorrectly report financial information. Likewise, if our financial statements are not filed on a timely basis, we could be subject to sanctions or investigations by the stock exchange on which our common shares are listed, the SEC or other regulatory authorities. Failure to timely file will cause us to be ineligible to utilize short form registration statements on Form F-3, which may impair our ability to obtain capital in a timely fashion to execute our business strategies. In either case, there could result a material adverse effect on our business.

Beginning on January 1, 2023, our financial statements have been reported in accordance with U.S. GAAP rather than IFRS. Significant differences exist between IFRS and U.S. GAAP. The conversion from IFRS into U.S. GAAP and the preparation of our consolidated financial statements in accordance with U.S. GAAP has resulted, and may continue to result in the future, in changes in the application of accounting principles by our staff and, consequently, will affect our financial reporting processes and results.

We may issue additional common shares or other equity securities without shareholder approval, which would dilute your ownership interests and may depress the market price of our common shares.

We may issue additional common shares or other equity securities of equal or senior rank in the future in connection with, among other things, future acquisitions, without shareholder approval, in a number of circumstances.

Our issuance of additional common shares or other equity securities of equal or senior rank would have the following effects:

- our existing shareholders' proportionate ownership interest in the Company will decrease;
- the amount of cash available per share, including for payment of dividends in the future, may decrease;
- the relative voting strength of each previously outstanding common share may be diminished; and
- the market price of our common shares may decline.

You will have limited ability to bring an action against the Company or against its directors and officers, or to enforce a judgment against the Company or its director and officers, because the Company is incorporated in Bermuda, because the Company conducts its operations primarily outside of the United States and because a majority of the Company's directors and officers reside outside the United States.

We are an exempted company incorporated in Bermuda and, as a result, the rights of the holders of our common shares are governed by Bermuda law and our memorandum of association and our Amended and Restated Bye-laws. We conduct our operations through subsidiaries which are located primarily outside the U.S. All of our current assets are located outside the U.S., and substantially all of our business is conducted outside the U.S. All of our officers and a majority of our directors reside outside the U.S. and a substantial portion of the assets of those persons are located outside of the U.S. As a result, it could be difficult or highly challenging for you to effect service of process on these individuals in the U.S. in the event that you believe that your rights have been infringed under applicable securities laws or otherwise or to enforce in the U.S. judgments obtained in U.S. courts against the Company or those persons based on civil liability provisions of the U.S. securities laws. In addition, it is doubtful whether the courts in Bermuda will enforce judgments obtained in other jurisdictions, including the U.S., against the Company or its directors or officers under the securities laws of those jurisdictions or entertain actions in Bermuda against the Company or its directors

or officers under the securities laws of other jurisdictions. In addition, our Amended and Restated Bye-laws state that all disputes arising out of the Companies Act or out of or in connection with our Amended and Restated Bye-laws are subject to the exclusive jurisdiction of the Supreme Court of Bermuda.

Shareholders of Bermuda exempted companies such as the Company also have no general rights under Bermuda law to inspect corporate records and accounts other than rights to review the Company's memorandum of association and bye-laws, financial statements, minutes of the shareholder meetings and the shareholder register. This could make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, public shareholders might have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a U.S. company.

Our Amended and Restated Bye-laws designate the Supreme Court of Bermuda, to the fullest extent permitted by law, as the exclusive forum for certain types of actions and proceedings that may be initiated by our shareholders, which could limit our shareholders' ability to bring certain actions or proceedings in a forum of their choosing.

Our Amended and Restated Bye-laws provide that the Supreme Court of Bermuda will be, to the fullest extent permitted by law, the exclusive forum for any dispute that arises concerning the Companies Act or out of or in connection with our Amended and Restated Bye-laws, including any question regarding the existence and scope of any bye-law and/or whether there has been any breach of the Companies Act or the bye-laws by an officer or director (whether or not such a claim is brought in the name of a shareholder or in the name of the Company).

To the fullest extent permitted by law, the forum selection bye-law discussed above will apply to derivative actions or proceedings brought on behalf of the Company and arising under the Securities Act of 1933, as amended (the "Securities Act") or the Exchange Act, although we have been advised by the SEC that in the opinion of the SEC, our shareholders cannot waive compliance with federal securities laws and the rules and regulations thereunder. There is uncertainty as to whether a court would enforce such provision in connection with any such derivative action or proceeding arising under the Securities Act or the Exchange Act, and it is possible that a court could find the forum selection bye-law to be inapplicable or unenforceable.

This forum selection bye-law could limit the ability of our shareholders to bring certain actions or proceedings involving disputes with us or our directors, officers and other employees in a forum of our shareholders' choosing. If a court were to find the forum selection bye-law inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition.

U.S. persons who own our securities may have more difficulty in protecting their interests than U.S. persons who are shareholders of a U.S. corporation.

The Companies Act, which applies to the Company, differs in some material respects from laws generally applicable to U.S. corporations and their shareholders. These differences include, but are not limited to, the manner in which directors must disclose transactions in which they have an interest, the rights of shareholders to bring class action and derivative lawsuits, the scope of indemnification available to directors and officers and provisions relating to amalgamations, mergers and acquisitions and takeovers. Holders of our common shares may therefore have more difficulty protecting their interests than would shareholders of a corporation incorporated in a jurisdiction within the U.S.

Generally, the duties of directors and officers of a Bermuda company are owed to the company and not, in the absence of special circumstances, to the shareholders as individuals. Shareholders of Bermuda companies typically do not have rights to take action against directors or officers of the company and may only do so in limited circumstances. Class actions and derivative actions are typically not available to shareholders under Bermuda law. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or illegal, or would result in the violation of the company's memorandum of association or bye-laws. Our Amended and Restated Bye-laws state that all disputes arising out of the Companies Act or out of or in connection with the Amended and Restated Bye-laws are subject to the exclusive jurisdiction of the Supreme Court of Bermuda. This would make it more difficult to make certain claims against the Company or its

directors or officers in jurisdictions outside of Bermuda, including the U.S. Additionally, our Amended and Restated Bye-laws contain a waiver by the Company's shareholders of any claim or right of action, both individually and on the Company's behalf, against any of the Company's directors or officers. The waiver applies to any action taken by an officer or director, or the failure of an officer or director to take any action, in the performance of his or her duties, except with respect to any matter involving any fraud or dishonesty on the part of the officer or director. This waiver limits the right of shareholders to assert claims against the Company's officers and directors unless the act or failure to act involves fraud or dishonesty.

Nasdaq may delist our securities, which could limit investors' ability to engage in transactions in our securities and subject us to additional trading restrictions.

In order to list common shares and warrants, we were required to meet the Nasdaq initial listing requirements, including the requirement to have at least 300 round lot holders of our common shares, at least 50% of which must hold at least $2,500 of securities. Although we were able to meet those initial listing requirements, we may be unable to maintain the listing of our securities or comply with Nasdaq's continued listing requirements in the future.

If Nasdaq subsequently delists our securities, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- significantly reduced liquidity in the market for our common shares, which would make it more difficult for our shareholders to buy or sell our common shares, particularly in lesser volumes;
- a limited amount of news and analyst coverage for the Company; and
- a decreased ability to issue additional securities or obtain additional financing in the future or utilize common shares as consideration in potential future acquisitions or joint ventures.

In addition, the permission of the BMA is required, under the provisions of the Exchange Control Act, for all issuances and transfers of shares (which includes our common shares) of Bermuda companies to or from a non-resident of Bermuda for exchange control purposes, other than in cases where the BMA has granted a general permission. The BMA, in its notice to the public dated June 1, 2005, granted a general permission for the issue and subsequent transfer of any securities of a Bermuda company from and/or to a non-resident of Bermuda for exchange control purposes for so long as any "Equity Securities" of the company (which would include our common shares) are listed on an "Appointed Stock Exchange" (which would include Nasdaq). In granting the general permission the BMA accepts no responsibility for our financial soundness or the correctness of any of the statements made or opinions expressed in this annual report. If our common shares are delisted from Nasdaq and not otherwise listed on an Appointed Stock Exchange, the issue and transfer of our equity securities (which would include our common shares) would be subject to the prior approval of the BMA, unless the BMA has granted a general permission in respect of any such issue or transfer.

Provisions in our memorandum of association and our Amended and Restated Bye-laws may inhibit a takeover of us, which could limit the price investors might be willing to pay in the future for our securities and could entrench management.

Our Amended and Restated Bye-laws contain provisions that may discourage unsolicited takeover proposals that our shareholders may consider to be in their best interests. Among other provisions, the staggered board of directors and Wasef Jabsheh's director appointment rights may make it more difficult for our shareholders to remove incumbent management and accordingly discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities. For so long as Wasef Jabsheh, together with his family and/or affiliates, own at least 10% of our issued and outstanding common shares, Wasef Jabsheh will be entitled to appoint two directors to our board of directors. For so long as Wasef Jabsheh, together with his family and/or affiliates, own at least 5% of our issued and outstanding common shares, Wasef Jabsheh will be entitled to appoint one director to our board of directors. Other anti-takeover provisions in our Amended and Restated Bye-laws include the ability of our board of directors to issue preference shares with preferences and voting rights determined by the board of directors without shareholder approval, the indemnification of our officers and directors, the requirement that directors may only be removed from our board of directors for cause, the provision that shareholders may take specified action by written consent only if such action is by unanimous written consent, the requirement for the affirmative vote of 66% of the

directors then in office and holders of at least 66% of the voting shares to amend specified provisions in our Amended and Restated Bye-laws and the requirement that a business combination with a 15% shareholder must be approved by an affirmative vote of 66% of the voting shares owned by non-interested shareholders and our board of directors. These provisions could also make it difficult for our shareholders to take certain actions and limit the price investors might be willing to pay for our securities.

As a "foreign private issuer" under the rules and regulations of the SEC, we are permitted to, and will, file less or different information with the SEC than a company incorporated in the United States or otherwise subject to these rules, and will follow certain home country corporate governance practices in lieu of certain Nasdaq requirements applicable to U.S. issuers.

The Company is considered a "foreign private issuer" under the Exchange Act and is therefore exempt from certain rules under the Exchange Act. For example, we are not required to file current reports on Form 8-K or quarterly reports on Form 10-Q, and we are exempt from the U.S. proxy rules which impose certain disclosure and procedural requirements for U.S. proxy solicitations. We are not required to comply with Regulation FD, which imposes restrictions on the selective disclosure of material information to shareholders, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act. In addition, we are not required to file periodic reports and financial statements with the SEC as frequently or within the same time frames as U.S. companies with securities registered under the Exchange Act.

In addition, as a "foreign private issuer" whose common shares are listed on Nasdaq, we are permitted to follow certain home country corporate governance practices in lieu of certain Nasdaq requirements. Unlike the requirements of Nasdaq, the corporate governance practice and requirements in Bermuda do not require us to have a majority of independent directors; do not require us to establish a nomination committee or a nomination committee consisting of only independent directors; do not require us to have a compensation committee or a compensation committee consisting of only independent directors; and do not require us to hold regular executive sessions of the board of directors where only independent directors shall be present; and do not require shareholder approval for certain issuances of equity securities. Such Bermuda home country practices may afford less protection to holders of our common shares. We intend to voluntarily comply with certain Nasdaq corporate governance requirements, including having a majority of independent directors on the board of directors and establishing compensation and nomination committees of the board of directors, but we are not required to do so and may cease doing so at any time as long as we maintain our status as a "foreign private issuer."

We could lose our status as a "foreign private issuer" under current SEC rules and regulations if more than 50% of our outstanding voting securities become directly or indirectly held of record by U.S. holders and one of the following is true: (i) the majority of our directors or executive officers are U.S. citizens or residents; (ii) more than 50% of our assets are located in the United States; or (iii) our business is administered principally in the United States.

If we lose our status as a foreign private issuer in the future, we will no longer be exempt from the rules described above and, among other things, will be required to file periodic reports and annual and quarterly financial statements as if we were a company incorporated in the United States. If this were to happen, we would likely incur substantial costs in fulfilling these additional regulatory requirements and members of our management would likely have to divert time and resources from other responsibilities to ensuring these additional regulatory requirements are fulfilled.

We are an "emerging growth company" and, as a result of the reduced disclosure and governance requirements applicable to emerging growth companies, our common shares may be less attractive to investors.

We are an "emerging growth company" as defined in the JOBS Act and we intend to take advantage of some of the exemptions from reporting requirements that are available to emerging growth companies, including:

- not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting;
- reduced disclosure obligations regarding executive compensation in periodic reports and registration statements; and
- not being required to hold a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

We cannot predict if investors will find our common shares less attractive because we rely on these exemptions. If some investors find our common shares less attractive as a result, there may be a less active trading market for common shares and our share price may be more volatile. We may take advantage of these reporting exemptions until we are no longer an emerging growth company. We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of the Closing (i.e. 2025), (b) in which we have total annual gross revenue of at least $1.235 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common shares that is held by non-affiliates exceeds $700 million as of the prior June 30th, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. After we no longer qualify as an emerging growth company, if we are not an accelerated filer (which requires a market capitalization of at least $75 million) or a large accelerated filer (which requires a market capitalization of at least $700 million) we would continue to be exempt from the auditor attestation requirement for the assessment of our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002.

Former IGI Dubai shareholders will continue to exert significant influence over the Company as a result of their shareholdings, and their interests may not be aligned with those of the other shareholders.

As of December 31, 2023, former IGI Dubai shareholders beneficially owned more than 52% of our issued and outstanding common shares. The former IGI Dubai shareholders will continue to be able to exercise a significant degree of influence over the outcome of certain matters requiring an ordinary resolution of our shareholders including:

- the appointment and removal of directors;
- a change of control in the Company, which could deprive shareholders of an opportunity to earn a premium for the sale of their shares over the then prevailing market price;
- substantial mergers or other business combinations;
- the acquisition or disposal of substantial assets;
- the alteration of our share capital;
- amendments to our organizational documents; and
- the winding up of the Company.

Furthermore, as of December 31, 2023, Wasef Jabsheh, who was IGI Dubai's Founder, Chief Executive Officer and Vice Chairman and is currently our Executive Chairman, was our largest single shareholder and beneficially owned approximately 31.2% of our issued and outstanding common shares. Another former IGI Dubai shareholder, Oman International Development & Investment Company SAOG ("Ominvest"), beneficially owned approximately 20.8% of our issued and outstanding common shares as of December 31, 2023. Beneficial ownership is calculated in accordance with the rules and regulations of the SEC. Although there are corporate governance controls in place to mitigate conflicts of interest of members of senior management and major shareholders vis-à-vis the Company and minority shareholders, the former IGI Dubai shareholders may make decisions in respect of the business that do not serve the interests of the Company or the minority shareholders. Among other consequences, this concentration of ownership may have the effect of delaying or preventing a change in control and might therefore negatively affect the market price of our common shares.

The grant and future exercise of registration rights may adversely affect the market price of our common shares.

Pursuant to the registration rights agreement among Tiberius, the Sponsor and officers and directors of Tiberius, that was assumed by the Company in connection with the Business Combination, and the registration rights agreement among the Company, the Sponsor in its capacity as the Purchaser Representative, and certain former shareholders of IGI Dubai entered into at the closing of the Business Combination, we were required to file a resale registration statement shortly after Closing which registered for resale our common shares held by the Sponsor, the former officers and directors of Tiberius and former shareholders of IGI Dubai. In addition, the Sponsor, the former officers and directors of Tiberius and certain former shareholders of IGI Dubai can demand that the Company register their registrable securities under certain circumstances and also have piggyback registration rights for their securities in connection with certain registrations of securities that we undertake.

We were also required to file and maintain an effective registration statement under the Securities Act covering securities issued at Closing to investors pursuant to forward purchase contracts and securities issued at Closing to the PIPE Investors. The Company has an effective registration statement on Form F-3 filed with the SEC, which satisfies these requirements.

The registration of these securities pursuant to the registration statement or any future registration statement that the Company may file will permit the public resale of such securities, subject to any contractual lock-up restrictions. The registration and availability of such a significant number of securities for trading in the public market may have an adverse effect on the market price of our common shares.

Sales of a substantial number of our securities in the public market could adversely affect the market price of our common shares.

As of December 31, 2023, Wasef Jabsheh and Ominvest beneficially owned approximately 31.2% and 20.8% of our common shares, respectively. All of these shares and all of our common shares received by the former IGI Dubai shareholders in the Business Combination have been registered for resale on a registration statement on Form F-3 and are available for resale in the public market. Sales of a significant number of our common shares in the public market, or the perception that such sales could occur, could reduce the market price of our common shares.

In addition, our affiliates and the former IGI Dubai shareholders who received restricted securities in the Business Combination may sell our common shares pursuant to Rule 144 under the Securities Act, which became available to the Company, as a former shell company, on March 23, 2021 (one year after our filing with the SEC of a Shell Company Report on Form 20-F containing Form 10 type information reflecting the Business Combination). In these cases, the resales must meet the criteria and conform to the requirements of Rule 144.

So long as our registration statement on Form F-3 remains effective or upon satisfaction of the requirements of Rule 144 under the Securities Act, or another applicable exemption from registration, the former IGI Dubai shareholders may sell large amounts of our common shares in the open market or in privately negotiated transactions, which could have the effect of increasing the volatility in our share price or putting significant downward pressure on the price of our securities.

The issue of additional shares in the Company in connection with future acquisitions or pursuant to share incentive plans or otherwise may dilute all other shareholdings.

We may seek to raise financing to fund future acquisitions and other growth opportunities. We may, for these and other purposes, such as in connection with share incentive plans, issue additional equity or convertible equity securities that could dilute your ownership in the Company and may include terms that give new investors rights that are superior to yours. Any issuances by us of equity securities may be at or below the prevailing market price of our common shares and in any event may have a dilutive impact on your ownership interest, which could cause the market price of our common shares to decline.

The decision by our board of directors whether or not to declare dividends, and if so the amount declared, will be based on all relevant considerations, including market conditions and the views and recommendations of regulatory authorities.

Our board of directors will evaluate whether or not to pay dividends and, if so, whether to pay dividends on a quarterly, semi-annual or annual basis. The board of directors' evaluation will depend on numerous factors, including our results, market conditions, contractual obligations, legal restrictions and other factors deemed relevant by the board of directors. Among other things, in the current environment, the board of directors will take into consideration the views of regulators with respect to dividend policies of insurance companies as well as the board of directors' and management's evaluation of global market conditions. In addition, there are certain restrictions on the declaration and payment of dividends by the Company's insurance subsidiaries which such restrictions are further detailed in this annual report.

On April 8, 2020, the UK PRA issued a statement that "when insurers are considering whether or not to proceed with any dividend payments, their boards should pay close attention to the need to protect policyholders and maintain safety and soundness. Decisions regarding capital or significant risk management issues need to be informed by a range of scenarios, including very severe ones."

In addition, the European Insurance and Occupational Pension Authority ("EIOPA") stated in its December 2020 Financial Stability Report that it "strongly recommends insurers to maintain extreme caution and prudence within their capital management." EIOPA also stated that any dividend distributions "should not exceed thresholds of prudency and institutions should ensure that the resulting reduction in the quantity or quality of their own funds remains at levels appropriate to the current levels of risks."

In May 2022, the Company's board of directors determined that going forward the board intended to declare a \$0.01 per share dividend on a quarterly basis. However, the board of directors has not yet made any final decisions with respect to its dividend policy. Any decision to declare dividends will be made based on an evaluation and review of the Company's latest results and the Company's analysis of its pending claims, market conditions, and advice from the Company's regulators, among other factors. In addition, as a Bermuda exempted company, the Company must comply with the provisions of the Companies Act regulating the payment of dividends and making distributions from contributed surplus. The Company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that: (a) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (b) the realizable value of the company's assets would thereby be less than its liabilities.

Taxation Risks

Intra-group arrangements found not to be on arm's length terms may adversely affect our tax charge.

Trading relationships between our members in different jurisdictions will in general be subject to the transfer pricing regimes of the jurisdictions concerned. We intend to operate intra-group trading arrangements and relationships on demonstrable and documented arm's length terms. If, however, such trading arrangements were found not to be on arm's length terms, adjustments might be required to taxable profits in the relevant jurisdictions, which could lead to an increase in our overall tax charge; this could have a material adverse effect on our results of operations and financial condition.

Legislation to adopt these standards has been enacted or is currently under consideration in a number of jurisdictions, including country-by-country reporting. As a result, our earnings may be subject to income tax, or intercompany payments may be subject to withholding tax, in jurisdictions where they are not currently taxed or at higher rates of tax than currently taxed. The applicable tax authorities could also attempt to apply such taxes to past earnings and payments. Any such additional taxes could materially increase our effective tax rate. Also, the adoption of these standards may increase the complexity and costs associated with tax compliance and adversely affect our financial position and results of operations.

The Company could be or may become a passive foreign investment company, by reason of its subsidiaries failing to qualify as "qualified insurance corporations," which also could result in other adverse U.S. federal income tax consequences.

Significant potential adverse U.S. federal income tax consequences, including certain reporting requirements, generally apply to any U.S. person who owns shares in a passive foreign investment company (a "PFIC"). Although not free from doubt, we do not believe it is likely the Company will be classified as a PFIC for the current taxable year. However, we cannot provide assurance that the Company will not be a PFIC for the current year or will not become a PFIC in any future taxable year.

A non-U.S. corporation will be considered a passive foreign investment company for any taxable year if either at least 75% of its gross income for such taxable year is passive income or at least 50% of the value of its assets (based on an average of the quarterly values of the assets during a taxable year) is attributable to assets that produce or are held for the production of passive income. For purposes of the PFIC rules, a corporation is treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, at least 25% (by value) of the stock (the "Look-Through Rule").

Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business), passive assets generally include assets held for the production of such income, and gains from the disposition of passive assets are generally all included in passive income. Special rules apply, however, in determining whether the income of an insurance company is passive income for purposes of these rules. Specifically, income derived in the active conduct of an insurance business by a "qualified insurance corporation" (a "QIC") is excluded from the definition of passive income, even though that income would otherwise be considered passive (the "Insurance Company Exception"). The Insurance Company Exception provides a modified version of the Look-Through Rule which allows a QIC to treat certain income and assets of its non-QIC subsidiaries as active income or assets.

Although not free from doubt, the Company believes that between the Insurance Company Exception and the Look-Through Rule, a sufficient amount of its subsidiaries' income and assets will be treated as active for the Company not to qualify as a PFIC. We cannot provide assurance that the IRS will not successfully challenge our interpretation of the scope of the Insurance Company Exception and our qualification for the exception.

In addition, changes in law can adversely affect the Company and its subsidiaries' abilities to qualify for the Insurance Company Exception, modify the Look-Through Rule as applied for that exception, or otherwise cause the Company to qualify as a PFIC, possibly with retroactive effect. In particular, the U.S. Treasury has proposed regulations regarding the Insurance Company Exception. We cannot provide any assurance that such proposed regulations, when finalized, will not cause the Company to be treated as a PFIC. Further, the IRS may issue guidance that causes us to fail to qualify for the Insurance Company Exception on a prospective or retroactive basis.

Thus, although not free from doubt, the Company does not believe it is likely to be treated as a PFIC for the current year and does not believe it is likely to be so treated in foreseeable future years. However, the PFIC determination is factual in nature and is made annually. In particular, it will depend on the relative assets and insurance liabilities of the Company's subsidiaries and on the manner in which they conduct their businesses and how they are regulated.

Accordingly, no assurance can be given that the Company will not be a PFIC for the current year or will not become a PFIC in any future taxable year. A U.S. investor that owns Company common shares during any year in which the Company is a PFIC will generally be subject to adverse U.S. federal income tax consequences. See "*Taxation — Material United States Federal Income Tax Considerations — Passive Foreign Investment Company ("PFIC") Rules*."

Changes in tax law might adversely affect the Company or our shareholders.

The tax treatment of an investment in our common shares may be the subject of future tax legislation. For example, the TCJA among other things, made significant changes to the PFIC rules applicable to the taxation of U.S. holders of the Company's common shares (which are discussed in greater detail herein). Further changes in tax laws (including the PFIC rules) could adversely affect holders of our common shares.

No prediction can be made as to whether any particular proposed legislation will be enacted or, if enacted, what the specific provisions or the effective date of any such legislation would be, or whether it would have any effect on us. As such, we cannot assure you that future legislative, administrative or judicial developments will not result in an increase in the amount of U.S. tax payable by us or by an investor in our equity securities. If any such developments occur, it could have a material and adverse effect on an investor or our business, financial condition, results of operations and cash flows.

General Risk Factors

A prolonged recession or a period of significant turmoil in international financial markets could adversely affect our business, liquidity and financial condition and our share price.

In recent years, global financial markets have been characterized by volatility and uncertainty. Unfavorable economic conditions could increase our funding costs, limit our access to the capital markets or make credit harder to obtain. Uncertainties in the financial and commodity markets may also affect our counterparties which could adversely affect their ability to meet their obligations to us.

Deterioration or volatility in the financial markets or general economic and political conditions could result in a prolonged economic downturn or trigger another recession and our operating results, financial position and liquidity could be materially and adversely affected. Further, unfavorable economic conditions could have a material adverse effect on certain of the lines of business we write, including, but not limited to, political risks and professional liability.

International financial market disruptions such as the ones experienced in the last global financial crisis in 2008, as well as the economic effects caused by the COVID-19 pandemic, the war in Ukraine and the Israel-Hamas conflict along with the possibility of a prolonged recession, may potentially affect various aspects of our business, including the demand for and claims made under our products, counterparty credit risk, the ability of our customers, counterparties and others to establish or maintain their relationships with us, our ability to access and efficiently use internal and external capital resources and our investment performance. Volatility in the U.S. and other securities markets may also adversely affect our share price. Depending on future market conditions, we could incur substantial realized and unrealized losses in future periods, which may have an adverse impact on our results of operations, financial condition, credit ratings, insurance subsidiaries' capital levels and our ability to access capital markets.

Loss of business reputation or negative publicity could negatively impact our business and results of operations.

We are vulnerable to adverse market perception because we operate in an industry where integrity and customer trust and confidence are paramount. In addition, any negative publicity (whether accurate or inaccurate) associated with our business or operations could result in a loss of clients and/or business and could result in decreased demand. We also may be negatively impacted if competitors in one or more of our markets engage in practices resulting in increased public attention to our business. Accordingly, any mismanagement, fraud or failure to satisfy fiduciary responsibilities, or the negative publicity resulting from these or other activities or any allegation of such activities, could have a material adverse effect on our business and results of operations. These factors may further increase our costs of doing business and adversely affect our profitability by impeding our ability to market our products and services, requiring us to change our products or services or by increasing the regulatory burdens under which we operate.

Changes in employment laws, taxation and acceptable compensation practice may limit our ability to attract senior employees to our current operating platforms.

Our business and operations are, by their nature, international and we compete for senior employees on a global basis. Changes in local employment legislation, taxation and the approach of regulatory bodies to compensation practices within our operating jurisdictions may impact our ability to recruit or retain senior employees or the cost to us of doing so. Any failure to retain senior employees may adversely affect the strategic growth of our business and operating results.

We may be adversely impacted by inflation.

We monitor the risk that the principal markets in which we operate could experience increased inflationary conditions, which would, among other things, cause our costs to increase, and impact the performance of our investment portfolio. We believe the risk of inflation across our key markets is increasing. The impact of inflation on loss costs could be more pronounced for those lines of business that are considered to be long-tail in nature, as they require a relatively long period of time to finalize and settle claims. Changes in the level of inflation also result in an increased level of uncertainty in our estimation of loss reserves, particularly for specialty long-tail segment lines of business. The onset, duration and severity of an inflationary period cannot be estimated with precision.

Fluctuations in operating results, earnings and other factors, including incidents involving our customers and negative media coverage, may result in significant decreases in the price of our securities.

The stock markets experience volatility that is often unrelated to operating performance. These broad market fluctuations may adversely affect the trading price of our common shares and, as a result, there may be significant volatility in the market price of our common shares. If we are unable to operate profitably as investors expect, the market price of our common shares will likely decline when it becomes apparent that the market expectations may not be realized. In addition to operating results, many economic and seasonal factors outside of our control could have an adverse effect on the price of our common shares and increase fluctuations in our earnings. These factors include certain of the risks discussed herein, operating results of other companies in the same industry, changes in financial estimates or recommendations of securities analysts, speculation in the press or investment community, negative media coverage, the risk of potential legal proceedings or government investigations, the possible effects of war, terrorism and other hostilities (such as the war in Ukraine or the Israel-Hamas conflict), the effects of global pandemics such as the COVID-19 pandemic, adverse weather conditions, changes in general conditions in the economy or the financial markets or other developments affecting the insurance industry.

A market for our securities may not be sustained, which would adversely affect the liquidity and price of our securities.

Although our securities are listed on Nasdaq, there can be no assurances that an active trading market for our securities will be sustained. In addition, the price of our securities could fluctuate significantly for various reasons, many of which are outside our control, such as large purchases or sales of the common shares, legislative changes and general economic, political or regulatory conditions. The release of our financial results may also cause our share price to vary. If an active market for our securities does not develop, it may be difficult for you to sell our common shares you own or purchase without depressing the market price for the shares or to sell the shares at all. The existence of an active trading market for our securities will depend to a significant extent on our ability to continue to meet the Nasdaq listing requirements, which we may be unable to accomplish.

The price of our common shares may be volatile.

The price of our common shares may fluctuate due to a variety of factors, including:

- actual or anticipated fluctuations in our semi-annual and annual results and those of other public companies in the insurance and reinsurance industry;
- mergers and strategic alliances in the insurance and reinsurance industry;
- market prices and conditions in the insurance and reinsurance industry;
- changes in government regulation applicable us and our subsidiaries and the industry in which we operate;
- potential or actual military conflicts, acts of terrorism or the effects of global pandemics such as the novel coronavirus;
- the failure of securities analysts to publish research about the Company, or shortfalls in our operating results compared to levels forecast by securities analysts;
- announcements concerning us or our competitors; and
- the general state of the securities markets.

These market and industry factors may materially reduce the market price of our common shares, regardless of our operating performance.

Reports published by analysts, including projections in those reports that differ from our actual results, could adversely affect the price and trading volume of our common shares.

Securities research analysts from time to time may publish reports about our business, including estimated projections of our future performance. These projections may vary widely and may not accurately predict the results we achieve. Our share price may decline if our actual results do not match the projections of these securities research

analysts. Similarly, if one or more of the analysts who write reports on the Company downgrades our common shares or publishes inaccurate or unfavorable research about our business, our share price could decline. If one or more of these analysts ceases coverage of the Company or fails to publish reports on the Company regularly, our share price or trading volume could decline. While we expect research analyst coverage, if no analysts commence coverage of the Company, the trading price and volume for our common shares could be adversely affected.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

General

International General Insurance Holdings Ltd. was incorporated on October 28, 2019 under the laws of Bermuda as an exempted company solely for the purpose of effectuating the Business Combination, which was consummated on March 17, 2020, at which time we became a public company. Prior to the Business Combination, the Company owned no material assets and did not operate any business. We are the successor to the insurance business of International General Insurance Holdings, Ltd., a Dubai corporation founded in 2001.

Our registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. Our principal executive office is located at 74 Abdel Hamid Sharaf Street, PO Box 941428, Amman 11194, Jordan, and our telephone number is +962 6 562 2009. Our agent for service of process in the United States is Puglisi & Associates, located at 850 Library Avenue, Suite 204, Newark, DE 19711.

On October 10, 2019, IGI Dubai entered into the Business Combination Agreement (as amended, the "Business Combination Agreement") with Tiberius Acquisition Corporation, a Delaware corporation ("Tiberius"), Lagniappe Ventures LLC, a Delaware limited liability company (the "Sponsor"), Wasef Jabsheh (solely in his capacity as the representative of the holders of IGI Dubai's outstanding capital shares (the "Sellers")) and, pursuant to a joinder thereto, the Company and Tiberius Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of the Company ("Merger Sub").

Pursuant to the Business Combination Agreement, among other matters, on March 17, 2020 (1) Merger Sub merged with and into Tiberius, with Tiberius surviving the merger and each of the former security holders of Tiberius receiving securities of the Company (the "Merger") and (2) all of the outstanding share capital of IGI Dubai was exchanged by the Sellers for a combination of common shares of the Company and aggregate cash consideration of $80.0 million (the "Share Exchange" and, together with the Merger and the other transactions contemplated by the Business Combination Agreement, the "Business Combination").

In accordance with the terms and conditions of the Business Combination Agreement, each of Tiberius and IGI Dubai became a subsidiary of the Company and the Company became a new public company owned by the prior stockholders of Tiberius and the prior shareholders of IGI Dubai. Upon consummation of the Business Combination pursuant to the terms of the Business Combination Agreement, our common shares and warrants to purchase common shares became listed on Nasdaq.

Other than in connection with the Business Combination, since our incorporation, there have been no material changes to our share capital, mergers, amalgamations or consolidations of the Company or any of our significant subsidiaries, no acquisitions or dispositions of material assets other than in the ordinary course of business, no material changes in the mode of conducting our business, no material changes in the types of products produced or services rendered and no name changes. There have been no bankruptcy, receivership or similar proceedings with respect to the Company or its significant subsidiaries. There have been no public takeover offers by third parties for our shares nor any public takeover offers by us for the shares of another company which have occurred during the last or current financial years.

The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC which is accessible at *www.sec.gov*.

Our principal website address is *www.iginsure.com*. The information contained on our website does not form a part of, and is not incorporated by reference into, this annual report.

B. Business Overview

Securityholders should read this section in conjunction with the more detailed information about the Company contained in this annual report, including our audited financial statements and the other information appearing in the section entitled "Operating and Financial Review and Prospects."

General

We are a highly-rated global provider of specialty insurance and reinsurance solutions in over 200 countries and territories. We underwrite a diversified portfolio of specialty risks including energy, property, construction and engineering, ports and terminals, general aviation, political violence, professional lines, financial institutions, marine, contingency and treaty reinsurance. Our size affords us the ability to be nimble and seek out profitable niches that can generate attractive underwriting results. Our underwriting focus is supported by exceptional service to our clients and brokers. Founded in 2001, we and our predecessors have prudently grown our business with a focus on underwriting profitability.

Our primary objective is to underwrite specialty products that maximize return on equity subject to prudent risk constraints on the amount of capital we expose to any single event. We follow a careful and disciplined underwriting strategy with a focus on individually underwritten specialty risks through in-depth assessment of the underlying exposure. We use data analytics and modern technology to offer our clients flexible products and customized and granular pricing. We manage our risks through a variety of means, including contract terms, portfolio selection and underwriting and geographic diversification. Our underwriting strategy is supplemented by a comprehensive risk transfer program with reinsurance coverage from highly-rated reinsurers that we believe lowers our volatility of earnings and provides appropriate levels of protection in the event of a major loss event.

Our Executive Chairman, Wasef Jabsheh, with the assistance of our President and Chief Executive Officer, Walid Jabsheh, founded IGI in 2001. Wasef Jabsheh has over 50 years of industry experience. Under our management's leadership we have developed a culture of prudent and disciplined underwriting focused on generating superior risk-adjusted returns. Our "underwriting first" approach has led to a strong track record of profitable growth in our core lines of business and has allowed for successful expansion into new lines of business and geographic locations without compromising underwriting profitability. We have expanded our gross written premium ("GWP") from $467 million for the year ended December 31, 2020 (the year we became a public company) to $689 million for the year ended December 31, 2023, resulting in a compound annual growth rate (CAGR) of 13.8%, while delivering a consistently strong underwriting performance which is demonstrated by an average combined ratio of 82.7% over the same time period. Our growth and underwriting performance have allowed us to post consistently strong profitability levels with an unlevered return on average equity of 17.0% over the same time period with limited volatility through market cycles.

Our primary underwriting subsidiary, IGI Bermuda, is a class 3B insurance and reinsurance company regulated by the BMA. IGI Bermuda's subsidiary, IGI UK, underwrites UK and international domiciled business and risks that are predominantly sourced through London brokers and is regulated by the PRA and the FCA. We underwrite insurance in the EU through our Malta subsidiary, IGI Europe, which is regulated by the MFSA. We maintain our centralized operational functions in Amman, Jordan, complemented by offices in London and Dubai and our Asia Pacific hub in Kuala Lumpur, Malaysia. We are licensed as a Tier 2 reinsurer in Labuan, Malaysia and have a representative office in Casablanca, Morocco. We also operate in Norway through our Norway-based managing general agency IGI Nordic AS.

Our presence in various geographic locations provides us with access to global business in profitable niche markets. Our technical underwriting capabilities, client service, nimble culture and ability to quickly adapt to changing market conditions further support our strong market position and reputation as an expert in niche businesses in our core geographies.

Our Competitive Strengths

We believe we distinguish ourselves from our competitors as follows:

Market respected and highly effective management team

Our management team has an average of over 30 years of relevant experience working in insurance, reinsurance and capital markets in various countries. We are led by our Founder and Executive Chairman, Wasef Jabsheh, who has over 50 years of industry experience and has been recognized with multiple industry accolades. Our key management team has worked together for several years, providing stability and consistency of approach to the market. In addition, our senior management team takes a hands-on approach to the business and is readily accessible to the underwriters and other employees, making for a flat structure where decisions are made quickly. The management team has embedded a high performance, service-oriented culture within the Company, which has helped differentiate us in the market and resulted in IGI receiving the "Reinsurance Company of the Year" award at the 2020 Middle East Insurance Industry Awards.

Local knowledge and access to attractive geographies

Our local knowledge and presence in attractive markets is a competitive advantage. We have exposure in over 200 countries and territories in both mature and high-growth markets with attractive growth rates. Through our global platform with presence in various geographic locations, the vast experience of our senior management and underwriters and our long-standing relationships with an extensive network of specialty brokers, we have differentiated access to profitable niche businesses in our core markets, including the UK, continental Europe, Latin America, the Middle East and Asia.

Long-standing relationships with key brokers

Our longstanding relationships with brokers, and ultimately clients, enable us to receive a regular and sizeable flow of our preferred business. We source almost all of our business through brokers, with our top five international brokers producing 63% of our premiums in the year ended December 31, 2023. We have held relationships with many of those brokers since inception. We believe that we have been able to develop strong broker relationships through the high quality of service that we provide and also through our enhanced reputation in the marketplace.

A pillar of our high quality client service is prompt and professional claims management. We use Xchanging Insurance Services' electronic system for the majority of our premiums and claims, aligning our service levels with London market standards.

Geographically diverse, specialty and niche book of business

Since IGI's inception, management's objective has been to offer specialty and niche products requiring underwriting and technical skills balanced by geography and line of business. We actively manage our exposures by geographic zone to maintain a diverse portfolio of underlying risks. For the year ended December 31, 2023, we wrote 28.4% of our business in the United Kingdom, 13.0% in North America, 12.1% in Continental Europe, 7.0% in Latin America, 9.1% in the Middle East and 10.4% in Asia. The remaining business was underwritten in the Caribbean, Africa and Australasia. We currently underwrite business in three business segments through 13 lines of business spanning across attractive specialty and niche products. Of $688.7 million in gross written premiums for the year ended December 31, 2023, 32.9% was generated by our specialty long-tail segment, 58.2% by the specialty short-tail segment and 8.9% by the reinsurance segment.

Disciplined risk selection

Our underwriting approach combines decades of customized underwriting experience of our management and underwriting teams with sophisticated modelling tools that utilize actuarial data across all of our lines of business. Our analytical pricing framework is embedded in our business and is incorporated into our pricing metrics, underwriting and risk management. For the year ended December 31, 2023, 67.0% of our business was individually underwritten where our underwriters analyzed submissions and determined if the underlying risk of each contract met our overall risk and profitability requirements. In addition, 24.1% was sourced through Managing General Agents, that are

required to strictly adhere to our narrowly defined underwriting criteria and return thresholds and only 8.9% was originated through reinsurance treaties. We believe that our analytically-driven underwriting approach has been the foundation of our ability to generate attractive risk-adjusted underwriting margins.

Prudent risk management framework

We reduce the volatility of our operating results and manage our exposure to catastrophe events through several risk mitigation strategies, including the purchase of reinsurance from highly-rated reinsurers. We believe that our reinsurance program provides appropriate levels of protection and visibility into our earnings. In addition, our reinsurance coverage is highly tailored according to the underlying exposure.

Scalable technology-enabled operating platform

Operating a technology-enabled platform utilizing a "hub-approach" of maintaining a single profit center in Amman, Jordan has enabled us to optimize our cost base by offering cost-efficient central services. We have invested in technology that has identifiable benefits for our business across underwriting, actuarial, risk, capital and pricing functions among others. Since 2015 we have implemented a digital transformation initiative to proactively adapt to market changes and industry shifts. This focus on technology has enhanced our approach to clients, brokers and regulators, allowing for greater ease of doing business and transparency.

Our Strategy

We aim to continue creating superior long-term value for our shareholders by pursuing the following strategies:

Expand our presence in existing markets

Our size relative to the market opportunity positions us to execute on our strategy of growing in our already existing profitable markets and lines of business. We believe that we are well-positioned in the London and Middle Eastern markets to capitalize on the increasing focus in those markets on portfolio remediation to improve underwriting profitability. In addition, we believe we are beneficiaries of capacity reductions and withdrawals from specific classes of businesses by certain (re)insurers. Our differentiated product offerings, superior client service and robust capital position support our strategy to continue growing in our existing core markets.

Expand our presence to new specialty lines of business and markets

We seek to leverage our proven advantages of technical underwriting, local market knowledge, distribution relationships and financial strength to grow into adjacent lines and markets. We continually seek to evaluate additional lines of business and markets that will complement our core competencies and where we believe we can generate attractive risk-adjusted returns. For example, in 2021, we started underwriting our contingency line of business, which produced $3.9 million, $11.1 million and $19.7 million of premiums in 2021, 2022 and 2023, respectively. In 2021, we acquired our Malta subsidiary giving us the capability to continue to underwrite business throughout the European Economic Area ("EEA"). In April 2020, we expanded into the U.S. market and began writing excess and surplus lines of business. Most recently in March 2023, we acquired Energy Insurance Oslo AS ("EIO"), a managing general agency duly incorporated under the laws of Norway.

Maintain balance sheet strength and thorough reserves assessment

Our balance sheet strength underpins our clients' confidence in our business and uniquely positions us among other insurers and reinsurers of our size. We maintain a conservative balance sheet, which reflects our rigorous reserving practices, use of reinsurance and conservative investment policy. Our business profile including our well-diversified and profitable book of business, along with our strong capitalization, among other factors, led to "A" (Excellent)/Stable and "A-"/Stable ratings by A.M. Best and S&P Global Ratings, respectively.

We have a thorough reserving adequacy assessment process designed and overseen by qualified internal actuaries. The reserving committee is responsible to the board of directors for the governance of the reserving process and for the recommendation of the quantum of claims reserves to be booked. The committee includes members of senior management who represent underwriting, claims, outward reinsurance and finance. Key inputs to the committee include, but are not limited to, the quarterly actuarial reserve review, presented by the Group chief actuary, and discussions with the heads of claims, reinsurance and underwriting. Our policy is to reserve to a "best estimate" basis.

Maintain our conservative investment strategy

We have a conservative investment strategy, maintaining a short-to-medium term investment portfolio maturity profile with the purpose of providing sufficient liquidity and stable returns with limited volatility. We follow an "underwriting first" model and have designed an investment strategy that allows us to maximize our underwriting profits in a capital efficient manner. As of December 31, 2023, our investment portfolio was comprised primarily of cash and fixed income securities. Cash (including cash equivalents and term deposits) represented 28.6% of our invested assets and fixed income securities represented 67.8% of our invested assets as of December 31, 2023. Our fixed income portfolio is geographically diverse with a weighted-average modified duration of three years, with 75.6% of the securities in our portfolio having an S&P Global Ratings rating of 'A-' and above as of December 31, 2023.

Continue to purchase conservative reinsurance coverage, while optimizing for risk-adjusted returns

We believe that protecting our earnings and balance sheet through the use of reinsurance is critical in ensuring that we are able to meet obligations to our policyholders and generate strong returns for our shareholders. We are active purchasers of reinsurance and seek to find opportunities to maximize risk-adjusted results by finding dislocations and inefficiencies in the market. We plan to maintain a conservative, robust reinsurance program to help ensure that we are adequately protected against potential catastrophe losses while minimizing the volatility of our operating results.

Our Segments

We conduct our worldwide operations through three reportable segments under U.S. GAAP segment reporting: Specialty Long-tail, Specialty Short-tail and Reinsurance.

Our Specialty Long-tail segment includes (a) our professional lines (non-U.S.) business, which includes our professional indemnity, directors and officers, legal expenses and other casualty lines of business, (b) our financial institutions line of business, (c) our marine liability line of business and (d) our inherent defects insurance line of business. The lines of business in our specialty long-tail segment are generally characterized by claims that are often reported and ultimately paid or settled years, or even decades, after the related loss events occur. As a general rule, estimates of accident year or underwriting year ultimate losses for long-tail businesses are notably more uncertain than those for short-tail businesses.

Our Specialty Short-tail segment includes our energy (upstream, downstream, power and renewable), property, construction and engineering, political violence, ports and terminals, marine cargo, contingency and general aviation lines of business. The lines of business in our specialty short-tail segment generally include exposures for which losses are usually known and paid within a relatively short period of time after the underlying loss event has occurred. The underlying loss events typically tend to be of lower frequency and higher severity.

Our Reinsurance segment includes our inward reinsurance treaty business.

In addition, we have a corporate function ("Corporate"), which includes the activities of the parent company, and which carries out certain functions, including investment management. Corporate includes investment income on a managed basis and other non-segment expenses, predominantly general and administrative, stock compensation, finance and transaction expenses. Corporate also includes the activities of certain key executives such as the President and Chief Executive Officer, and Chief Financial Officer. Our corporate expenses and investment results are presented separately within the corporate segment section.

Specialty Long-tail Segment

Professional Lines

Our professional lines of business represented approximately 27.2% and 28.0% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Major subclasses within the professional lines of business include directors' and officers' insurance, legal expenses, professional indemnity, comprehensive commercial general liability, public liability, product liability, employers' liability, workers' compensation, event liability, completed operations liability and media and advertising liability. We primarily underwrite professional lines risks from Europe and the UK on a "primary" basis, meaning that loss up to a limit is covered primarily, or on an excess-of-loss basis.

Financial Institutions

Our financial institutions line of business represented approximately 3.8% and 4.2% of our GWP for the years ended December 31, 2023 and 2022, respectively.

The financial institutions business covers a range of risks including bankers' blanket bond, financial institutions professional indemnity, financial institutions directors' & officers' liability, plastic card fraud, electronic computer crime, vault risk, cash in transit, commercial crime and fidelity guarantee, and money.

Marine Liability

Our marine liability line of business represented approximately 0.8% and 0.5% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Our marine liability portfolio covers third-party liabilities related to marine risks, including ship repairer's liability, ship owner's protection and indemnity, Wharfinger's liability, Stevedore's liability, Charterer's liability and port and terminal excess liability. We focus our marine liability portfolio predominantly on Asia and Europe.

Inherent Defects Insurance

Our inherent defects insurance line of business represented approximately 1.1% of our GWP for both the years ended December 31, 2023 and 2022.

Our inherent defects insurance portfolio covers inherent defects insurance and insurance backed guarantee risks. We focus our inherent defects insurance portfolio predominantly on the UK and Europe.

Specialty Short-tail Segment

Energy

Our energy businesses represented approximately 21.2% and 17.1% of our GWP for the years ended December 31, 2023 and 2022, respectively. We have a lead capability in both upstream energy and downstream energy (oil & gas, petrochemicals, refining, conventional power and renewable energy), with a maximum exposure of $75 million and $50 million for any single risk in upstream and downstream energy, respectively. We have a strong presence in major energy insurance hubs and in 2018 began underwriting renewable energy.

Our upstream energy team covers the oil and gas industry both offshore and onshore. Our industry knowledge and products allow us to service a broad spectrum of clients involved with the construction, exploration & production, operating, contracting and decommissioning industries. Our focus is on operators and companies with proven track records and strong risk management policies worldwide, with a particular focus in the Middle East, the wider Afro-Asian region and Scandinavia, excluding named windstorms in the U.S. Gulf of Mexico area. We have a strong presence in major energy insurance hubs, namely the United Kingdom, Norway, the United Arab Emirates and Malaysia. Our clients in the upstream energy line of business include major oil and gas corporations, national and state-owned oil and gas operations, independent oil and gas companies, integrated energy companies, contractors and service industry companies.

Our downstream energy business provides expert insurance for a wide range of onshore energy plants around the world, with a particular focus in the Middle East, Afro-Asian, European and Latin American regions. We underwrite a portfolio of predominantly operating risks in the onshore energy sector, with an emphasis on operators and companies with proven track records and strong risk management policies, with a geographically diversified portfolio. Our clients in the downstream energy line of business include petrochemical operators, oil refineries, utilities, independent power producer (IPP) companies and energy pipeline operators. We insure a spread of operational risks including machinery breakdown and property damage, and associated loss of revenues.

We began underwriting renewable energy in 2018. Our renewable energy business provides expert insurance for a wide range of risks including: wind power (onshore and offshore), solar power (photovoltaic, concentrated, thermal and floating), bioenergy (biomass, biogas, biofuels and waste-to-energy), hydro, geothermal, wave & tidal, battery storage, and other emerging technologies, e.g. energy efficiency. We cover the full life-cycle of a renewable energy project, namely construction, marine and inland transit, operational and decommissioning, including associated loss of revenues, liabilities, as well as natural catastrophe risks. We write business on a worldwide basis.

Property

Our property business represented approximately 14.4% and 12.8% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Our property offering includes coverage for physical damage, machinery breakdown, business interruption and forestry. We cover a wide variety of risks from large hotels to industrial manufacturing. Our clients include a wide range of businesses involved in sectors such as leisure, commercial and industrial property, manufacturing, heavy industry and infrastructure, civil works and communications.

Construction & Engineering

Our construction and engineering business represented approximately 7.4% and 4.1% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Our construction and engineering line of business provides coverage with respect to construction all risks (CAR), civil engineering completed risks (CECR), machinery breakdown and business interruption (MB/BI), erection all risks (EAR) and contractors' plant and equipment (CPE/CPM). We focus our construction & engineering portfolio on construction all risks and erection all risks.

Political Violence

Our political violence portfolio represented approximately 2.6% and 1.7% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Our political violence line of business focuses on comprehensive sabotage and terrorism, strikes, riots, civil commotions, malicious damage, missing mutiny, coup d'etat, insurrection, revolution, rebellion, war and civil war. Our offering does not normally include risks associated with nuclear, chemical or biological terrorism, trade disruption insurance or standalone contingent business interruption risks. Our coverage generally includes physical loss or damage, business interruption, debris removal and third-party liability following a political violence peril.

Ports and Terminals

Our ports and terminals business represented approximately 4.3% and 3.9% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Our current offerings in this line of business include the handling of equipment, damage to port property, business interruption and damage to port craft, marine trade, liabilities to authorities and other liabilities. We primarily serve port authorities, terminal operators, stevedores, warehouse operators and depot operators. This also includes a variety of organizations specializing in other aspects of the shipping industry, including freight forwarders, non-vessel operating common carriers, ship managers, ship agents and ship brokers.

General Aviation

Our general aviation business represented approximately 2.8% and 3.2% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Our general aviation portfolio covers worldwide commercial and industrial operations, including coverage for hull, hull and spares, war and allied perils, third-party legal liability, general aviation premises, spares, passenger legal liability, personal accident and general aviation hangar keepers. We focus our general aviation portfolio on South and Central America, Europe, Asia and Africa.

Marine Cargo

Our marine cargo line of business represented approximately 2.6% and 1.8% of our gross written premium for the years ended December 31, 2023 and 2022, respectively.

Our marine cargo portfolio covers general cargo, oil, machinery and equipment, project cargo, war on land and freight forwarders. We cover cargo for physical loss or damage while in transit by air, land or sea for importers, exporters and manufacturers. We have a worldwide focus for our marine cargo portfolio.

Contingency

Our contingency line of business represented approximately 2.9% and 1.6% of our gross written premium for the years ended December 31, 2023 and 2022, respectively.

Our contingency portfolio covers all risks event cancellation, non-appearance, event terrorism and political violence perils, named peril cancellation, prize indemnity and bespoke non-physical damage business interruption, in each case excluding communicable disease. We have a worldwide focus for our contingency portfolio.

Reinsurance Segment

Our reinsurance business represented approximately 8.9% and 4.6% of our GWP for the years ended December 31, 2023 and 2022, respectively.

Our reinsurance portfolio includes primarily underwritten programs related to the marine liability, energy, property, engineering, motor, casualty and aviation sectors, and is concentrated in the MENA region and the wider Afro-Asian and European markets. Our reinsurance portfolio is primarily written on a non-proportional or excess-of-loss basis. Property reinsurance forms the most significant portion of our overall treaty reinsurance portfolio.

Our History

Our group was founded in 2001 and commenced operations in Jordan in 2002, underwriting business in the offshore energy, onshore energy, property, marine and engineering lines of business. In 2005, we raised $75 million of capital through a private placement and commenced underwriting our reinsurance portfolio. In 2006, we established a holding company in the DIFC and also established our Labuan branch, which is licensed to issue Labuan law-governed policies, including Islamic law-compliant re-takaful policies. In 2007, we established our Bermuda subsidiary and commenced underwriting our financial institutions portfolio. In 2009, we acquired SR Bishop which was renamed North Star Underwriting Limited (“North Star”). In 2009, we established our UK subsidiary, which commenced business in 2011. The UK subsidiary underwrites most of IGI’s UK-governed policies and serves as an important point of contact for brokers based in London. In June 2021, we acquired our Malta subsidiary so that we could continue to underwrite throughout the European Union. In March 2023, we completed the acquisition of Norway-based managing general agency EIO.

On March 17, 2020, we completed the Business Combination with Tiberius, as a result of which each of IGI Dubai and Tiberius became a subsidiary of the Company and the Company became a new public company owned by the prior stockholders of Tiberius and the prior shareholders of IGI Dubai. Upon consummation of the Business Combination, our common shares and warrants to purchase common shares were listed on Nasdaq. Our warrants have since all been repurchased or redeemed.

Platform Overview

We primarily underwrite business through IGI Bermuda, IGI UK and IGI Europe (which are subsidiaries of IGI Bermuda). Additionally, we issue Labuan-governed policies (through a capitalized Malaysian branch of IGI Bermuda) and are also licensed to issue Islamic re-takaful policies. The platforms through which IGI issues these policies are discussed below.

IGI Bermuda

IGI’s Bermuda-governed policies are issued pursuant to a license held by IGI Bermuda. The underwriting operations for the Bermuda-governed policies are located in IGI Underwriting Co. Ltd. (“IGI Underwriting”), which is registered and based in Amman, Jordan. When a Bermuda-governed policy is sourced through IGI’s office in the United Kingdom, the policy is referred to the office in Amman for formal underwriting approval. IGI Dubai also has underwriting authority to underwrite Bermuda-governed policies through an underwriting agency agreement, subject to authority limits, and IGI Morocco operates a representative office of IGI Bermuda in Casablanca which is authorized to issue Bermuda governed policies. IGI Bermuda has three additional wholly-owned subsidiaries: Specialty Mall Investment Co., which focuses on real estate properties, development, and leasing, IGI Services Limited, which focuses on owning and chartering aircraft and IGI Nordic, writing a portfolio of energy and construction business in Norway.

IGI UK

IGI's UK-governed policies are primarily underwritten by IGI UK based in London. IGI UK serves as an important point of contact for brokers based in London, through whom IGI sources the majority of its business. IGI also owns North Star, a specialty underwriting agency for writing marine liability and trade, war and special risks policies and which is based alongside IGI UK in IGI's London office. North Star is currently not transacting any business, but can easily be reactivated.

IGI Labuan Branch

International General Insurance Co. Ltd — Labuan Branch (the "Labuan Branch"), a second-tier reinsurer registered in Labuan, Malaysia, is licensed to issue Labuan law-governed policies, including Islamic law-compliant re-takaful policies. The Labuan Branch obtained the approval of the Labuan Financial Services Authority to engage the Labuan Financial Services Authority's Shariah Supervisory Council as its internal Shariah advisory board, which is permitted under the Directive on Islamic Financial Business in the Labuan International Offshore Financial Center. IGI's Labuan-based operation is supported by an Asia Pacific hub in Kuala Lumpur, which also serves as a point of contact for local brokers in Asia. Both Labuan-governed policies and Bermuda-governed policies sourced through the Labuan Branch are referred to IGI's Amman office for underwriting approval.

IGI Europe

IGI's Europe-governed policies are issued pursuant to a license held by IGI Europe. IGI Europe was acquired in 2021 in order to continue to underwrite business throughout the European Economic Area ("EEA") countries following Brexit.

Representation and Intermediate Offices (Non-Risk Bearing Companies)

IGI Morocco

IGI Bermuda operates a representative office of IGI Bermuda in Casablanca, which is regulated by Casablanca Finance City. Our Casablanca operations constitute our Africa hub and provide access to the Northern, Central and West African markets.

IGI Dubai

IGI Dubai is authorized as a category four entity by the Dubai Financial Services Authority and it operates as a marketing and intermediate office of IGI Bermuda in Dubai. Our Dubai operations constitute our Middle East hub and provide access to the MENA region including the Gulf Cooperation Council markets.

IGI Nordic AS (formerly, EIO)

IGI Nordic AS is a Norway-based managing general agency writing a portfolio of energy and construction business in Norway on behalf of IGI Bermuda.

Underwriting

Our underwriting process is managed by our experienced management team, which adheres to strict process controls. We have assembled a team of experienced lead underwriters and claims personnel with significant regional and international experience. This diverse array of talent and experience creates strategic advantages with regard to local knowledge, protocols and methods of business production. We have rigorous acceptance criteria for our underwriting risk, and will exit or reduce exposures in lines of business or client types that do not perform in accord with our expectations.

Each risk submitted to an underwriter is assessed on its own merits. The experience and expertise of senior management and the underwriters are ultimately the determining factor in deciding whether to underwrite a given risk. As a result, we rely on our underwriters' discretion in acquiring business. However, when exercising their discretion, the underwriters take into account key considerations, some of which may include the following:

- the type and level of risk assumed;
- the nature of the insured's operations;

- the pricing of the policy submitted and the pricing trend of similar policies in the market;
- the quality and specifications of the insured's assets;
- the insured's risk management program, if necessary, and, if required, surveys to be conducted on the insured's assets and operations;
- the adequacy of the insured's credit rating;
- the general terms and conditions of the policy submitted, with a preference for standard market wordings and clauses;
- the insured's loss record, including the record of the insured's losses divided by total premiums ("Burn Cost Analysis");
- the experience of the underwriters from their prior dealings with the insured, broker or ceding company, as applicable;
- the experience and reputation of the broker submitting the risk;
- the legal and general economic conditions of the insured's country of domicile;
- the insured's geographical location and trading territories;
- the adequacy of available reinsurance coverage, including coverage for catastrophe and the total combined risks that could be involved in a single loss event;
- our catastrophic aggregation capacity; and
- the approval of the broker by the compliance department according to the onboarding policy and the necessary sanctions screening.

Pursuant to our delegated authority matrix, which sets underwriting limits for each line of business and each underwriter, the underwriters have the authority to enter into binding policies. If a policy exceeds the underwriter's limits, the policy is then referred to our officer who has the authority to bind the policy. Management also receives periodic reports that allow them to oversee the business and identify underwritings that deviate from acceptable parameters, providing management the opportunity to intervene to rectify such deviations. Monthly key performance indicator reports are reviewed by the management team to monitor the performance of the underwriting teams.

Risk Management Strategy

We have a comprehensive risk management framework that defines the corporate risk appetite, risk strategy and the policies required to monitor, manage and mitigate the risk inherent in our business. In doing so, we aim to comply with corporate governance and industry best practice and to monitor risks against six main risk objectives: (i) ensuring losses remain within planned limits, (ii) ensuring volatility of results fall within planned limits, (iii) compliance with existing and emerging regulatory requirements, (iv) preserving rating agency credit ratings, (v) maintaining adequate solvency and liquidity, and (vi) avoiding any reputational risk. Below is a summary of our current risk governance arrangements and risk management strategy.

We operate an integrated enterprise-wide risk management strategy designed to deliver shareholder value in a sustainable and efficient manner while providing a high level of policyholder protection. The execution of our integrated risk management strategy is based on:

- the establishment and maintenance of an internal control and risk management system based on a three lines of defence approach to the allocation of responsibilities between risk accepting units (first line), risk management activity and oversight from other central control functions (second line) and independent assurance (third line);
- identifying material risks to the achievement of our objectives including emerging risks;
- the articulation of our risk appetite and a suite of key risk limits for each material component of risk where appropriate;

- the cascading of risk appetite and key risk limits for material risks to each operating subsidiary and, where appropriate, risk accepting business units;
- measuring, monitoring, managing and reporting risk positions and trends;
- the use, subject to an understanding of their limitations, of a range of deterministic and stochastic modelling techniques to test the risk and capital implications of strategic and tactical business decisions; and
- stress and scenario testing designed to help us better understand and develop contingency plans for the potential effects of extreme events or combinations of events on capital adequacy and liquidity.

The main types of risks that we face are summarized as follows:

Insurance risk: Insurance risk includes the risks of inappropriate underwriting, ineffective management of underwriting, inadequate controls over exposure management in relation to catastrophic events and insufficient reserves for losses including claims incurred but not reported.

Market risk: The risk of variation in the income generated by, and the fair value of, our investment portfolio, cash and cash equivalents and derivative contracts including the effect of changes in foreign currency exchange rates.

Credit risk: The risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Liquidity risk: The risk that we will not be able to meet our commitments associated with insurance contracts and financial liabilities as they fall due.

Operational risk: The risk of loss resulting from inadequate or failed internal processes, personnel or systems, or from external events.

Strategic risk: The risk of adverse impact on shareholder value or income and capital of adverse business decisions, poor execution or failure to respond to market changes.

Regulatory risk: The risk of non-compliance with regulatory requirements, including ensuring we understand and comply with changes to those requirements, is assessed and managed as an operational risk. There is a residual risk that changes in regulation could impact our ability to operate profitably in some jurisdictions or some lines of business.

Taxation risk: The risk that we do not understand, plan for and manage our tax obligations is assessed and managed as operational risk. There is a residual risk that changes in taxation could impact our ability to operate profitably in some jurisdictions or some lines of business.

Environmental, Social and Governance (ESG) risk: The risk that environmental, social and governance factors could cause reputational or financial harm to our business.

Emerging risk: The risk that events or issues not previously identified or fully understood could impact our operations or financial results.

We divide risks into "core" and "non-core" risks. Core risks comprise those risks which are inherent in the operation of our business, including insurance risks in respect of our underwriting operations and market and liquidity risks in respect of our investment activity. We intentionally expose the Company to core risks with a view to generating shareholder value but seek to manage the resulting volatility in our earnings and financial condition within the limits defined by our risk appetite. However, these core risks are intrinsically difficult to measure and manage and we may not, therefore, be successful in this respect. All other risks, including regulatory and operational risks, are classified as non-core. We seek, to the extent we regard as reasonably practicable and economically viable, to avoid or minimize our exposure to non-core risks.

Marketing and Distribution

We source our business primarily through brokers, with 63% of 2023 premiums coming from five producing brokers. Given our regional focus, we also make use of a range of smaller, more regional brokers, such as NASCO, UIB, Fenchurch Faris and Chedid Re. Currently, our largest broker relationships as measured by gross written premiums are with Arthur J. Gallagher, Marsh, Aon, Willis and Howden Broking Group.

Claims Management

We offer prompt and professional claims service to our policyholders and service providers. Our claims department works closely with our underwriting team in order to achieve a synchronized and efficient process for managing claims. Technology is deeply embedded in our claims process, improving accuracy and efficiency. Our systems allow us to review real-time, detailed information on our current claims activity across our Company.

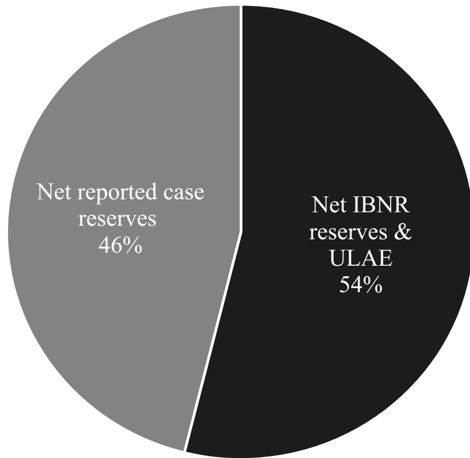
The key responsibilities of our claims management department are to:

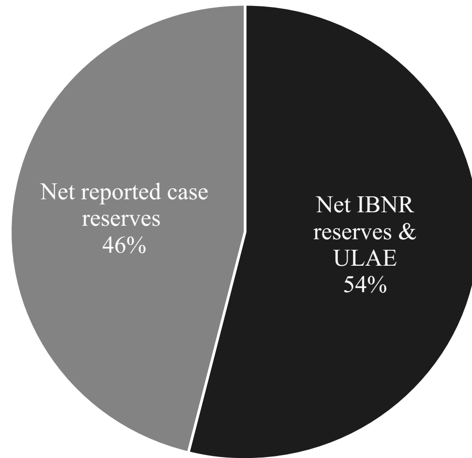
- process, manage and resolve reported insurance or reinsurance claims efficiently and accurately in order to ensure the proper application of intended coverage, reserve in a timely fashion for the probable ultimate cost of both indemnity and expense and make timely payments in the appropriate amount on those claims for which we are legally obligated to pay;
- select appropriate counsel and experts for claims and manage claims-related litigation and regulatory compliance;
- contribute to the underwriting process by collaborating with both underwriting teams and senior management in terms of the evolution of policy language and endorsements and providing claim-specific feedback and education regarding legal activities;
- contribute to the analysis and reporting of financial data and forecasts by collaborating with the finance and actuarial functions relating to the drivers of actual claim reserve developments and potential for financial exposures on known claims; and
- support our marketing efforts through the quality of our claims service and in person support to our underwriting offices globally.

Reserving

When a claim is reported to us or when an event occurs, we establish loss reserves to cover our estimated ultimate losses under the insurance policies that we underwrite, and loss adjustment expenses relating to the investigation and settlement of policy claims. These reserves include estimates of the cost of the claims reported to us (case reserves) and estimates of the cost of claims that have been incurred but not yet reported ("IBNR") and are net of estimated related salvage, subrogation recoverables and reinsurance recoverables. The case reserve will represent an estimate of the expected settlement amount and will be based on information about the specific claim at that time. The estimate represents an informed judgment based on general industry case reserving practices, the experience and knowledge of the claims handler and practices of the claims team.

The following charts show the percentage breakdown of net reported case reserves and IBNR including ULAE reserves as of December 31, 2023 and 2022:





The reserving committee is responsible to the board of directors for the governance of the reserving process and for the recommendation of the quantum of claims reserves to be booked. The committee includes members of senior management who represent underwriting, claims, outward reinsurance and finance. The committee meets quarterly and agrees the carried reserve for each product line. Key inputs to the committee include but are not limited to the quarterly actuarial reserve review, presented by the Group chief actuary, and discussions with the heads of claims, reinsurance and underwriting. The committee also considers the findings of third-party independent actuarial reviews.

At present these reviews are undertaken every six months. In support of IGI's annual statutory submission to the BMA, a 'big four' actuarial consultant conducts an actuarial review of the loss reserves to support their statutory loss reserve opinion.

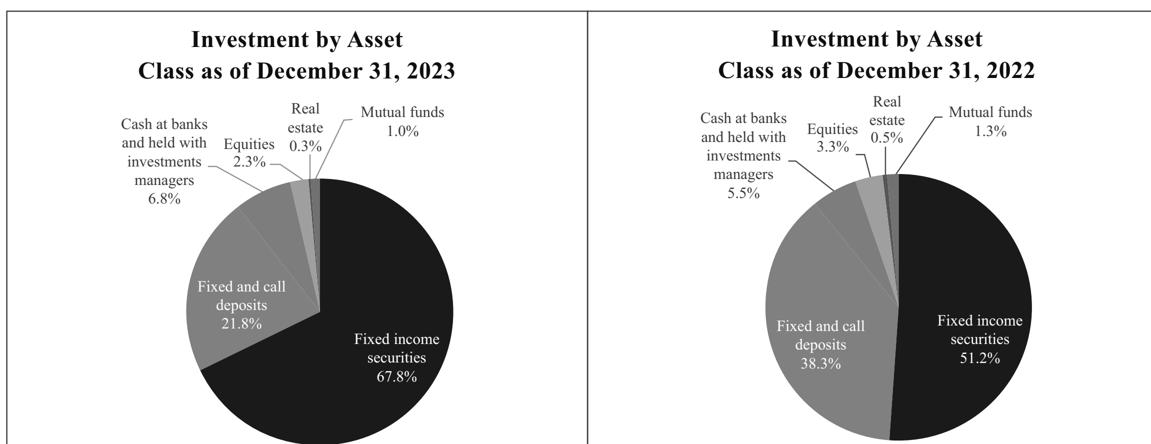
For additional information regarding our reserves, our reserves development and our reserves releasing, see "*Operating and Financial Review and Prospects — Reserves.*"

Investments

Investment income represents a component of our earnings. We collect premiums and are required to hold a portion of these funds in reserves until claims are paid. We invest these reserves primarily in fixed maturity investments. We manage most of our investment portfolio in-house, with the exception of approximately $21.8 million as of December 31, 2023 which is managed by a third-party investment advisor. Our investment team is responsible for implementing our investment strategy as set by the investment committee established by our management.

Our investments include a sizeable portfolio of high quality and diversified fixed income securities, term deposits and to a lesser extent a modest allocation to equities, mutual funds and real estate holdings.

The following charts show the percentage breakdown of our investment assets by class as of December 31, 2023 and 2022:



For additional information regarding our investments, see "*Operating and Financial Review and Prospects — Investments.*"

Reinsurance

We follow a common industry practice of reinsuring a portion of our exposures and paying to reinsurers a portion of the premiums received on the policies that we write. Reinsurance is purchased principally to reduce net liability on individual risks and to protect against catastrophic losses. Although reinsurance does not legally discharge an insurer from its primary liability for the full amount of the policies, it does make the assuming reinsurer contractually liable to the insurer to the extent of the reinsurance coverage. We monitor the financial condition of our reinsurers and attempt to place our coverages only with substantial, financially sound carriers. As a result, generally the reinsurers who reinsure our casualty insurance must have an A.M. Best rating of "A" (Excellent) or better.

Regulatory Overview

Bermuda Regulatory Considerations

Bermuda Insurance Regulation

The Insurance Act. The Insurance Act, which regulates the business of IGI Bermuda, provides that no person shall carry on insurance business in or from within Bermuda unless registered as an insurer under the Insurance Act by the BMA. The BMA, in deciding whether to grant registration, has broad discretion to act as it thinks fit in the public interest. The BMA is required by the Insurance Act to determine whether the applicant is a fit and proper body to be engaged in the insurance business and, in particular, whether it has, or has available to it, adequate knowledge and expertise. The registration of an applicant as an insurer is subject to its complying with the terms of its registration and such other conditions as the BMA may impose at any time. It is not necessary that the insurance company be incorporated in Bermuda. A foreign corporation may obtain a permit under the Companies Act to carry on business in Bermuda and then be registered as an insurer in Bermuda under the Insurance Act. (The Insurance Act does not distinguish between insurers and reinsurers: companies are registered (licensed) under the Insurance Act as "insurers" (although in certain circumstances a condition to registration may be imposed to the effect the company may carry on only reinsurance business). The Insurance Act uses the defined term "insurance business" to include reinsurance business. References herein to insurance companies include reinsurance companies.) The Insurance Act also grants to the BMA powers to supervise, investigate and intervene in the affairs of insurance companies. An Insurance Advisory Committee appointed by the Bermuda Minister of Finance advises the BMA on matters connected with the discharge of the BMA's functions and subcommittees thereof supervise, investigate and review the law and practice of insurance in Bermuda, including reviews of accounting and administrative procedures. The Insurance Act imposes on Bermuda insurance companies' solvency and liquidity standards, as well as auditing and reporting requirements. Bermuda is a Solvency II equivalent jurisdiction, meaning that Bermuda's laws and regulations broadly mirror the requirements

under the Solvency II regime. See “*Business — Regulatory Overview — UK Regulatory Framework*” and “*Operating and Financial Review and Prospects — Capital Requirements — PRA Requirements*.” Certain significant aspects of the Bermuda insurance regulatory framework applicable to Class 3B insurers are set forth below.

Classification of Insurers. The Insurance Act distinguishes between insurers carrying on long-term business, insurers carrying on general business and insurers carrying on special purpose business. There are two classifications of insurers carrying on special purpose business: special purpose insurers and collateralized insurers.

There are several classifications of insurers carrying on general business ranging from Class 1 insurers (pure captives) to Class 4 insurers (large commercial underwriters).

There are also several classifications of insurers carrying on long-term business ranging from Class A insurers to Class E insurers.

Classification as a Class 3B Insurer. A body corporate is registrable as a Class 3B insurer where (i) 50% or more of its net premiums written or (ii) 50% or more of its net loss and loss expense provisions, represent unrelated business and its total net premiums written from unrelated business are $50,000,000 or more. IGI Bermuda is registered as a Class 3B insurer with the BMA in Bermuda and is regulated as such under the Insurance Act.

Minimum Paid-Up Share Capital. A Class 3B insurer is required to maintain fully paid up share capital of at least US$120,000.

Principal Representative and Principal Office. A Class 3B insurer is required to maintain a principal office and to appoint and maintain a resident principal representative in Bermuda. IGI Bermuda has appointed Marsh IAS Services (Bermuda) Ltd. as its principal representative. The address of IGI Bermuda’s principal office is Park Place, 1st Floor, 55 Par-la-Ville Road, Hamilton HM11, Bermuda. Without a reason acceptable to the BMA, an insurer may not terminate the appointment of its principal representative, and the principal representative may not cease to act as such, unless 30 days’ notice in writing to the Authority is given of the intention to do so.

It is the duty of the principal representative to forthwith notify the BMA where the principal representative reaches the view that there is a likelihood of the insurer (for which the principal representative acts) becoming insolvent, or on it coming to the knowledge of the principal representative, or the principal representative having reason to believe that a reportable “event” has occurred. Examples of a reportable “event” include a failure by the insurer to comply substantially with a condition imposed upon it by the BMA relating to a solvency margin or a liquidity or other ratio, a significant loss reasonably likely to cause the insurer to fail to comply with its enhanced capital requirement (“ECR”) (discussed below) and the occurrence of a “material change” (as such term is defined under the Insurance Act) in its business operations.

Within 14 days of such notification to the BMA, the principal representative must furnish the BMA with a written report setting out all the particulars of the case that are available to the principal representative.

Where there has been a significant loss which is reasonably likely to cause the insurer to fail to comply with its ECR, the principal representative must also furnish the BMA with a capital and solvency return reflecting an ECR prepared using post-loss data. The principal representative must provide this within 45 days of notifying the BMA regarding the loss.

Furthermore, where a notification has been made to the BMA regarding a material change, the principal representative has 30 days from the date of such notification to furnish the BMA with unaudited interim statutory financial statements in relation to such period as the BMA may require, together with a general business solvency certificate in respect of those statements.

Head Office. A Class 3B insurer is required to maintain its head office in Bermuda. In determining whether the insurer satisfies this requirement, the BMA shall consider, inter alia, the following factors: (i) where the underwriting, risk management and operational decision making of the insurer occurs; (ii) whether the presence of senior executives who are responsible for, and involved in, the decision making related to the insurance business of the insurer are located in Bermuda; and (iii) where meetings of the board of directors of the insurer occur. In making its determination, the BMA may also have regard to (a) the location where management of the insurer meets to effect policy decisions of the insurer; (b) the residence of the officers, insurance managers or employees of the insurer; and (c) the residence of one or more directors of the insurer in Bermuda. This provision does not apply to an insurer that has a permit to conduct

business in Bermuda under the Companies Act or the Non-Resident Insurance Undertakings Act 1967. IGI Bermuda's Head Office remediation plan was assessed. It was concluded that, among other things, there must be a frequent presence of the senior executives who are responsible for and involved in the decision making related to the insurance business in Bermuda. IGI Bermuda may need to continue to enhance its infrastructure in Bermuda to ensure that it is managed and directed from Bermuda, which may result in additional operational cost. IGI Bermuda's Head Office remediation plan may be changed based on additional guidance by the BMA, subsequent legislative requirements and/or any other governmental issuances which may affect the interpretation of the Head Office requirements and thus impact IGI Bermuda's remediation plan.

Loss Reserve Specialist. A Class 3B insurer is required to appoint an individual approved by the BMA to be its loss reserve specialist. In order to qualify as an approved loss reserve specialist, the applicant must be an individual qualified to provide an opinion in accordance with the requirements of the Insurance Act and the BMA must be satisfied that the individual is fit and proper to hold such an appointment.

The Class 3B insurer is required to submit annually an opinion of its approved loss reserve specialist with its capital and solvency return in respect of its total general business insurance technical provisions (i.e. the aggregate of its net premium provisions, net loss and loss expense provisions and risk margin, as each is reported in the insurer's statutory economic balance sheet). The loss reserve specialist's opinion must state, among other things, whether or not the aggregate amount of technical provisions shown in the statutory economic balance sheet as at the end of the relevant financial year (i) meets the requirements of the Insurance Act and (ii) makes reasonable provision for the total technical provisions of the insurer under the terms of its insurance contracts and agreements.

Annual Financial Statements. A Class 3B insurer is required to prepare and submit, on an annual basis, audited IFRS or GAAP financial statements (as defined below) and audited statutory financial statements.

A Class 3B insurer is required to prepare and submit to the BMA financial statements which have been prepared under generally accepted accounting principles or international financial reporting standards ("GAAP financial statements").

The Insurance Act prescribes rules for the preparation and substance of statutory financial statements (which include, in statutory form, a balance sheet, an income statement, a statement of capital and surplus and notes thereto). The statutory financial statements include detailed information and analysis regarding premiums, claims, reinsurance and investments of the insurer.

The insurer's annual GAAP financial statements and the auditor's report thereon and the statutory financial statements are required to be filed with the BMA within four months from the end of the relevant financial year (unless specifically extended with the approval of the BMA).

The statutory financial statements do not form a part of the public records maintained by the BMA but the GAAP financial statements are available for public inspection.

Declaration of Compliance. At the time of filing its statutory financial statements, a Class 3B insurer is also required to deliver to the BMA a declaration of compliance, in such form and with such content as may be prescribed by the BMA, declaring whether or not the Class 3B insurer has, with respect to the preceding financial year (i) complied with all requirements of the minimum criteria applicable to it; (ii) complied with the minimum margin of solvency as at its financial year end; (iii) complied with the applicable ECR as at its financial year end; (iv) complied with applicable conditions, directions and restrictions imposed on, or approvals granted to, the Class 3B insurer; and (v) complied with the minimum liquidity ratio for general business as at its financial year end. The declaration of compliance is required to be signed by two directors of the Class 3B insurer, and if the Class 3B insurer has failed to comply with any of the requirements referenced in (i) through (v) above or observe any limitations, restrictions or conditions imposed upon the issuance of its license, if applicable, the Class 3B insurer will be required to provide the BMA with particulars of such failure in writing. A Class 3B insurer shall be liable to civil penalty by way of a fine for failure to comply with a duty imposed on it in connection with the delivery of the declaration of compliance.

Annual Statutory Financial Return and Annual Capital and Solvency Return. A Class 3B insurer is required to file with the BMA a statutory financial return no later than four months after its financial year end (unless specifically extended with the approval of the BMA).

The statutory financial return of a Class 3B insurer shall consist of (i) an insurer information sheet, (ii) an auditor's report, (iii) the statutory financial statements (including notes to the unconsolidated financial statements) and (iv) the statutory declaration of compliance.

The insurer information sheet shall state, among other matters, (i) whether the general purpose financial statements of the insurer for the relevant year have been audited and an unqualified opinion issued, (ii) the minimum margin of solvency applying to the insurer and whether such margin was met, (iii) whether or not the minimum liquidity ratio applying to the insurer for the relevant year was met and (iv) whether or not the insurer has complied with every condition attached to its certificate of registration. The insurer information sheet shall state if any of the questions identified in items (ii), (iii) or (iv) above is answered in the negative, whether or not the insurer has taken corrective action in any case and, where the insurer has taken such action, describe the action in an attached statement.

The directors are required to certify whether the minimum solvency margin has been met, and the independent approved auditor is required to state whether in its opinion it was reasonable for the directors to make this certification.

Where an insurer's accounts have been audited for any purpose other than compliance with the Insurance Act, a statement to that effect must be filed with the statutory financial return.

In addition, each year the insurer is required to file with the BMA a capital and solvency return along with its annual statutory financial return. The prescribed form of capital and solvency return comprises the insurer's Bermuda Solvency Capital Requirement ("BSCR") model or an approved internal capital model in lieu thereof (more fully described below), together with such schedules as prescribed by the Insurance (Prudential Standards) (Class 4 and Class 3B Solvency Requirement) Rules 2008, as amended from time to time.

Neither the statutory financial return nor the capital and solvency return is available for public inspection.

Quarterly Financial Return. A Class 3B insurer, not otherwise subject to group supervision, is required to prepare and file quarterly financial returns with the BMA on or before the last day of the months of May, August and November of each year. The quarterly financial returns consist of, among other matters: (i) quarterly unaudited financial statements for each financial quarter (which must minimally include a balance sheet and income statement and must also be recent and not reflect a financial position that exceeds two months) and (ii) a list and details of material intra-group transactions that the insurer is a party to and the insurer's risk concentrations that have materialized since the most recent quarterly or annual financial returns, details surrounding all intra-group reinsurance and retrocession arrangements and other intra-group risk transfer insurance business arrangements that have materialized since the most recent quarterly or annual financial returns and (iii) details of the ten largest exposures to unaffiliated counterparties and any other unaffiliated counterparty exposures exceeding 10% of the insurer's statutory capital and surplus.

Public Disclosures. Pursuant to the Insurance Act, all commercial insurers and insurance groups are required to prepare and file with the BMA, and also publish on their website, a financial condition report. The BMA has discretion to approve modifications and exemptions to the public disclosure rules, on application by the insurer if, among other things, the BMA is satisfied that the disclosure of certain information will result in a competitive disadvantage or compromise confidentiality obligations of the insurer.

Independent Approved Auditor. A Class 3B insurer must appoint an independent auditor who will audit and report on the insurer's GAAP financial statements and statutory financial statements, each of which are required to be filed annually with the BMA. The auditor must be approved by the BMA as the independent auditor of the insurer. If the insurer fails to appoint an approved auditor or at any time fails to fill a vacancy for such auditor, the BMA may appoint an approved auditor for the insurer and shall fix the remuneration to be paid to the approved auditor within 14 days, if not agreed sooner by the insurer and the auditor. IGI Bermuda's BMA-approved independent auditor is Ernst & Young Bermuda.

Non-insurance Business. No Class 3B insurer may engage in non-insurance business unless that non-insurance business is ancillary to its core business. Non-insurance business means any business other than insurance business and includes carrying on investment business, managing an investment fund as operator, carrying on business as a fund administrator, carrying on banking business, underwriting debt or securities or otherwise engaging in investment banking, engaging in commercial or industrial activities and carrying on the business of management, sales or leasing of real property.

Minimum Liquidity Ratio. The Insurance Act provides a minimum liquidity ratio for general business insurers. A Class 3B insurer engaged in general business is required to maintain the value of its relevant assets at not less than 75% of the amount of its relevant liabilities. Relevant assets include cash and time deposits, quoted investments, unquoted bonds and debentures, first liens on real estate, investment income due and accrued, accounts and premiums receivable, reinsurance balances receivable, funds held by ceding reinsurers and any other assets which the BMA, on application in any particular case made to it with reasons, accepts in that case.

There are certain categories of assets which, unless specifically permitted by the BMA, do not automatically qualify as relevant assets, such as unquoted equity securities, investments in and advances to affiliates and real estate and collateral loans.

The relevant liabilities are total general business insurance reserves and total other liabilities less deferred income taxes and letters of credit, guarantees and other instruments.

Minimum Solvency Margin and Enhanced Capital Requirements. The Insurance Act provides that the value of the statutory assets of an insurer must exceed the value of its statutory liabilities by an amount greater than its prescribed minimum solvency margin ("MSM").

The MSM that must be maintained by a Class 3B insurer with respect to its general business is the greater of (i) $1,000,000, or (ii) 20% of the first $6,000,000 of net premiums written; if in excess of $6,000,000, the figure is $1,200,000 plus 15% of net premiums written in excess of $6,000,000 or (iii) 15% of the aggregate of net loss and loss expense provisions and other insurance reserves or (iv) 25% of the ECR (as defined below) as reported at the end of the relevant year.

Class 3B insurers are also required to maintain available statutory economic capital and surplus at a level equal to or in excess of its ECR which is established by reference to either the BSCR model or an approved internal capital model.

The BSCR model is a risk-based capital model which provides a method for determining an insurer's capital requirements (statutory economic capital and surplus) by taking into account the risk characteristics of different aspects of the insurer's business. The BSCR formula establishes capital requirements for ten categories of risk: fixed income investment risk, equity investment risk, interest rate/liquidity risk, currency risk, concentration risk, premium risk, reserve risk, credit risk, catastrophe risk and operational risk. For each category, the capital requirement is determined by applying factors to asset, premium, reserve, creditor, probable maximum loss and operation items, with higher factors applied to items with greater underlying risk and lower factors for less risky items.

While not specifically referred to in the Insurance Act (or required thereunder), the BMA has also established a target capital level ("TCL") for each Class 3B insurer equal to 120% of its ECR. The TCL serves as an early warning tool for the BMA and failure to maintain statutory capital at least equal to the TCL will likely result in increased regulatory oversight.

Any Class 3B insurer which at any time fails to meet its MSM requirements must, upon becoming aware of such failure, immediately notify the BMA and, within 14 days thereafter, file a written report with the BMA containing particulars of the circumstances that gave rise to the failure and setting out its plan detailing specific actions to be taken and the expected timeframe in which the insurer intends to rectify the failure.

Any Class 3B insurer which at any time fails to meet its applicable ECR shall, upon becoming aware of that failure, or of having reason to believe that such a failure has occurred, immediately notify the BMA in writing and within 14 days of such notification file with the BMA a written report containing particulars of the circumstances leading to the failure; and a plan detailing the manner, specific actions to be taken and time within which the insurer intends to rectify the failure and within 45 days of becoming aware of that failure, or of having reason to believe that such a failure has occurred, furnish the BMA with (i) unaudited statutory economic balance sheets and unaudited interim statutory financial statements prepared in accordance with GAAP covering such period as the BMA may require; (ii) the opinion of a loss reserve specialist in relation to the total general business insurance technical provisions as set out in the economic balance sheet, where applicable; (iii) a general business solvency certificate in respect of the financial statements; and (iv) a capital and solvency return reflecting an ECR prepared using post failure data where applicable.

Eligible Capital. To enable the BMA to better assess the quality of the insurer's capital resources, a Class 3B insurer is required to disclose the makeup of its capital in accordance with the recently introduced '3-tiered eligible capital system'. Under this system, all of the insurer's capital instruments will be classified as either basic or ancillary capital which in turn will be classified into one of three tiers based on their "loss absorbency" characteristics. Highest quality capital will be classified as Tier 1 Capital, and lesser quality capital will be classified as either Tier 2 Capital or Tier 3 Capital. Under this regime, up to certain specified percentages of Tier 1, Tier 2 and Tier 3 Capital may be used to support the Class 3B insurer's MSM, ECR and TCL.

The characteristics of the capital instruments that must be satisfied to qualify as Tier 1, Tier 2 and Tier 3 Capital are set out in the Insurance (Eligible Capital) Rules 2012, and amendments thereto. Under these rules, Tier 1, Tier 2 and Tier 3 Capital may, until January 1, 2026, include capital instruments that do not satisfy the requirement that the instrument be non-redeemable or settled only with the issuance of an instrument of equal or higher quality upon a breach, or if it would cause a breach, of the ECR.

Where the BMA has previously approved the use of certain instruments for capital purposes, the BMA's consent will need to be obtained if such instruments are to remain eligible for use in satisfying the MSM and the ECR.

Code of Conduct. The Insurance Code of Conduct (the "Insurance Code of Conduct") prescribes the duties, standards, procedures and sound business principles with which all insurers registered under the Insurance Act must comply. The BMA will assess IGI Bermuda's compliance with the Insurance Code of Conduct in a proportional manner relative to the nature, scale and complexity of its business. Failure to comply with the requirements of the Insurance Code of Conduct will be taken into account by the BMA in determining whether IGI Bermuda is conducting its business in a sound and prudent manner as prescribed by the Insurance Act, may result in the BMA exercising its powers of intervention and investigation (see below) and will be a factor in calculating the operational risk charge under the insurer's BSCR or approved internal model. In December 2021, the BMA released a consultation paper on the revisions to the Insurance Code of Conduct and following a review of the public consultation feedback, the revisions to the Insurance Code of Conduct were finalized and became effective on 31 August 2022 (with a six-month transition period for conduct-related additions and a 12-month transition period to comply with the new provisions/amendments of all other sections of the document). The most significant changes to the Insurance Code of Conduct relate to corporate governance, including introducing a requirement that an insurer, such as IGI Bermuda, include an appropriate number of independent non-executive directors on its board. The BMA clarified that the revisions would not create a requirement for independent non-executive directors for all boards, but would be influenced by a number of factors, including the nature, size and complexity of the insurer's business, its business model and whether it is a part of an insurance group. The Insurance Code of Conduct was also amended to require board members to review and assess the fitness and propriety of board membership, committees, and chief and senior executives at least every three (3) years and/or upon a material change to business activities or risk profile. Other changes include a requirement for insurers, such as IGI Bermuda, to demonstrate the economic impact of risk mitigation techniques originating from reinsurance contracts and the addition of "Sustainability Risk" as a material risk that should be considered in risk management strategies.

Cyber Risk Code of Conduct. The BMA has recognized that cyber incidents can cause significant financial losses and/or reputational impacts across the insurance industry and has implemented the Insurance Sector Operational Cyber Risk Management Code of Conduct (the "Cyber Risk Code") to ensure that those operating in the Bermuda insurance sector can mitigate such risks. The Cyber Risk Code prescribes the duties, requirements, standards, procedures and principles which all insurers, insurance managers and insurance intermediaries (agents, brokers and insurance market place providers) registered under the Insurance Act must comply. The Cyber Risk Code is designed to promote the stable and secure management of information technology systems of regulated entities and requires that all registrants implement their own technology risk programmes, determine what their top risks are and develop an appropriate risk response. This requires all registrants to develop a cyber risk policy which is to be delivered pursuant to an operational cyber risk management programme and appoint an appropriately qualified member of staff or outsourced resource to the role of Chief Information Security Officer. The role of the Chief Information Security Officer is to deliver the operational cyber risk management programme.

It is expected that the cyber risk policy will be approved by the registrant's board of directors at least annually. The BMA will assess a registrant's compliance with the Cyber Risk Code in a proportionate manner relative to the nature, scale and complexity of its business. While it is acknowledged that some registrants will use a third party to provide technology services and that they may outsource their IT resources (for example, to an insurance manager

where applicable), when so outsourced, the overall responsibility for the outsourced functions will remain with the registrant's board of directors. Failure to comply with the requirements of the Cyber Risk Code will be taken into account by the BMA in determining whether a registrant is conducting its business in a sound and prudent manner, as prescribed by the Insurance Act, and may result in the BMA exercising its powers of intervention and investigation.

Recovery Planning. The Insurance Act was recently amended to empower the BMA to make rules for recovery planning. It is anticipated that when these rules are implemented, the BMA will require certain commercial insurers to develop recovery plans. Any requirement to prepare a recovery plan under such new rules or requirements shall take into account the nature, scale, complexity and risk profile of the insurance business so conducted by the insurer or insurance group.

Restrictions on Dividends and Distributions. A Class 3B insurer is prohibited from declaring or paying a dividend if it is in breach of its MSM, ECR or minimum liquidity ratio or if the declaration or payment of such dividend would cause such a breach. Where an insurer fails to meet its MSM or minimum liquidity ratio on the last day of any financial year, it will be prohibited from declaring or paying any dividends during the next financial year without the approval of the BMA.

In addition, a Class 3B insurer is prohibited from declaring or paying in any financial year dividends of more than 25% of its total statutory capital and surplus (as shown on its previous financial year's statutory balance sheet) unless it files (at least seven days before payment of such dividends) with the BMA an affidavit signed by at least two directors (one of whom must be a Bermuda resident director if any of the insurer's directors are resident in Bermuda) and the principal representative stating that it will continue to meet its solvency margin and minimum liquidity ratio. Where such an affidavit is filed, it shall be available for public inspection at the offices of the BMA.

Reduction of Capital. No Class 3B insurer may reduce its total statutory capital by 15% or more, as set out in its previous year's financial statements, unless it has received the prior approval of the BMA. Total statutory capital consists of the insurer's paid in share capital, its contributed surplus (sometimes called additional paid in capital) and any other fixed capital designated by the BMA as statutory capital (such as letters of credit).

A Class 3B insurer seeking to reduce its statutory capital by 15% or more, as set out in its previous year's financial statements, is also required to submit an affidavit signed by at least two directors (one of whom must be a Bermuda resident director if any of the insurer's directors are resident in Bermuda) and the principal representative stating that the proposed reduction will not cause the insurer to fail its relevant margins and such other information as the BMA may require. Where such an affidavit is filed, it shall be available for public inspection at the offices of the BMA.

Policyholder Priority. In the event of a liquidation or winding up of an insurer, policyholders' liabilities receive prior payment ahead of general unsecured creditors. Subject to the prior payment of preferential debts under the Employment Act 2000 and the Companies Act, the insurance debts of an insurer must be paid in priority to all other unsecured debts of the insurer. Insurance debt is defined as a debt to which an insurer is or may become liable pursuant to an insurance contract, excluding debts owed to an insurer under an insurance contract where the insurer is the person insured. Insurance contract is defined as any contract of insurance, capital redemption contract or a contract that has been recorded as insurance business in the financial statements of the insurer pursuant to the Insurance Accounts 1980 or the Insurance Account Rules 2016, as applicable.

Fit and Proper Controllers. The BMA maintains supervision over the controllers of all registered insurers in Bermuda.

A controller includes (i) the managing director of the registered insurer or its parent company; (ii) the chief executive of the registered insurer or of its parent company; (iii) a shareholder controller; and (iv) any person in accordance with whose directions or instructions the directors of the registered insurer or of its parent company are accustomed to act.

The definition of shareholder controller is set out in the Insurance Act but generally refers to (i) a person who holds 10% or more of the shares carrying rights to vote at a shareholders' meeting of the registered insurer or its parent company, or (ii) a person who is entitled to exercise 10% or more of the voting power at any shareholders' meeting of such registered insurer or its parent company, or (iii) a person who is able to exercise significant influence over the management of the registered insurer or its parent company by virtue of its shareholding or its entitlement to exercise, or control the exercise of, the voting power at any shareholders' meeting.

A shareholder controller that owns 10% or more but less than 20% of the shares as described above is defined as a 10% shareholder controller; a shareholder controller that owns 20% or more but less than 33% of the shares as described above is defined as a 20% shareholder controller; a shareholder controller that owns 33% or more but less than 50% of the shares as described above is defined as a 33% shareholder controller; and a shareholder controller that owns 50% or more of the shares as described above is defined as a 50% shareholder controller.

Where the shares of the registered insurer, or the shares of its parent company, are traded on a recognized stock exchange, and a person becomes a 10%, 20%, 33% or 50% shareholder controller of the insurer, that person shall, within 45 days, notify the BMA in writing that he has become such a controller. In addition, a person who is a shareholder controller of a Class 3B insurer whose shares or the shares of its parent company (if any) are traded on a recognized stock exchange must serve on the BMA a notice in writing that he has reduced or disposed of his holding in the insurer where the proportion of voting rights in the insurer held by him will have reached or has fallen below 10%, 20%, 33% or 50% as the case may be, not later than 45 days after such disposal.

Where the shares of an insurer, or the shares of its parent company, are not traded on a recognized stock exchange (i.e. private companies), the Insurance Act prohibits a person from becoming a shareholder controller unless he has first served on the BMA notice in writing stating that he intends to become such a controller and the BMA has either, before the end of 45 days following the date of notification, provided notice to the proposed controller that it does not object to his becoming such a controller or the full 45 days has elapsed without the BMA filing an objection. Where neither the shares of the insurer nor the shares of its parent company (if any) are traded on any stock exchange, the Insurance Act prohibits a person who is a shareholder controller of a Class 3B insurer from reducing or disposing of his holdings where the proportion of voting rights held by the shareholder controller in the insurer will reach or fall below 10%, 20%, 33% or 50%, as the case may be, unless that shareholder controller has served on the BMA a notice in writing stating that he intends to reduce or dispose of such holding.

Any person who contravenes the Insurance Act by failing to give notice or knowingly becoming a controller of any description before the required 45 days has elapsed is guilty of an offence and liable to a fine of $25,000 on summary conviction.

The BMA may file a notice of objection to any person who has become a controller of any description where it appears that such person is not, or is no longer, a fit and proper person to be a controller of the registered insurer. Before issuing a notice of objection, the BMA is required to serve upon the person concerned a preliminary written notice stating the BMA's intention to issue formal notice of objection. Upon receipt of the preliminary written notice, the person served may, within 28 days, file written representations with the BMA which shall be taken into account by the BMA in making its final determination. Any person who continues to be a controller of any description after having received a notice of objection shall be guilty of an offence and shall be liable on summary conviction to a fine of $25,000 (and a continuing fine of $500 per day for each day that the offence is continuing) or, if convicted on indictment, to a fine of $100,000 and/or two years in prison.

Notification by Registered Person of Change of Controllers and Officers. All registered insurers are required to give written notice to the BMA of the fact that a person has become, or ceased to be, a controller or officer of the registered insurer within 45 days of becoming aware of such fact. An officer in relation to a registered insurer means a director, chief executive or senior executive performing duties of underwriting, actuarial, risk management, compliance, internal audit, finance or investment matters.

Notification of Cyber Reporting Events. Every insurer is required to notify the BMA forthwith on it coming to the knowledge of the insurer, or where the insurer has reason to believe that a Cyber Reporting Event has occurred. Within 14 days of such notification the insurer must also furnish the BMA with a written report setting out all of the particulars of the Cyber Reporting Event that are available to it. A Cyber Reporting Event includes any act that results in the unauthorised access to, disruption, or misuse of electronic systems or information stored on such systems of an insurer, including breach of security leading to the loss or unlawful destruction or unauthorised disclosure of or access to such systems or information where there is a likelihood of an adverse impact to policyholders, clients or the insurer's insurance business, or an event that has occurred for which notice is required to be provided to a regulatory body or government agency.

Notification of Other Events. Every insurer is required to forthwith notify the BMA on it coming to the knowledge of the insurer, or where the insurer has reason to believe that the insurer has failed to comply with a condition imposed upon it by the BMA or that the insurer, or a shareholder controller or officer of the insurer is involved in any criminal proceedings whether in Bermuda or abroad.

Notification of Material Changes. All registered insurers are required to give notice to the BMA of their intention to effect a material change within the meaning of the Insurance Act. For the purposes of the Insurance Act, the following changes are material: (i) the transfer or acquisition of insurance business being part of a scheme falling under section 25 of the Insurance Act or section 99 of the Companies Act, (ii) the amalgamation with or acquisition of another firm, (iii) engaging in unrelated business that is retail business, (iv) the acquisition of a controlling interest in an undertaking that is engaged in non-insurance business which offers services and products to persons who are not affiliates of the insurer, (v) outsourcing all or substantially all of the company's actuarial, risk management, compliance or internal audit functions, (vi) outsourcing all or a material part of an insurer's underwriting activity, (vii) the transfer, other than by way of reinsurance, of all or substantially all of a line of business, (viii) the expansion into a material new line of business, (ix) the sale of an insurer, and (x) outsourcing of an officer role.

No registered insurer shall take any steps to give effect to a material change unless it has first served notice on the BMA that it intends to effect such material change and before the end of 30 days, either the BMA has notified such company in writing that it has no objection to such change or that period has lapsed without the BMA having issued a notice of objection.

Before issuing a notice of objection, the BMA is required to serve upon the person concerned a preliminary written notice stating the BMA's intention to issue a formal notice of objection. Upon receipt of the preliminary written notice, the person served may, within 28 days, file written representations with the BMA which shall be taken into account by the BMA in making its final determination.

Group Supervision. The BMA may, in respect of an insurance group, determine whether it is appropriate for it to act as its group supervisor. An insurance group is defined as a group of companies that conducts insurance business. The BMA may make such determination where it ascertains that (i) the group is headed by a "specified insurer" (that is to say, it is headed by either a Class 3A, Class 3B or Class 4 general business insurer or a Class C, Class D or Class E long term insurer or another class of insurer designated by order of the BMA); or (ii) where the insurance group is not headed by a "specified insurer", where it is headed by a parent company which is incorporated in Bermuda; or (iii) where the parent company of the group is not a Bermuda company, in circumstances where the BMA is satisfied that the insurance group is directed and managed from Bermuda or the insurer with the largest balance sheet total is a specified insurer.

Where the BMA determines that it should act as the group supervisor, it shall designate a specified insurer that is a member of the insurance group to be the designated insurer (the "Designated Insurer") and it shall give to the Designated Insurer and other applicable insurance regulatory authority written notice of its intention to act as group supervisor. Before the BMA makes a final determination whether or not to act as group supervisor, it shall take into account any written representations made by the Designated Insurer submitted within such period as is specified in the notice.

The BMA may exclude any company that is a member of an insurance group from group supervision on the application of the Designated Insurer, or on its own initiative, provided the BMA is satisfied that (i) the company is situated in a country or territory where there are legal impediments to cooperation and exchange of information, (ii) the financial operations of the company have a negligible impact on insurance group operations or (iii) the inclusion of the company would be inappropriate with respect to the objectives of group supervision.

The BMA may, on its own initiative or on the application of the relevant Designated Insurer, include within group supervision a company that is a member of the group that is not on the Register of Group Particulars (described below) if it is satisfied the financial operations of the company in question may have a material impact on the insurance group's operations and its inclusion would be appropriate having regard to the objectives of group supervision.

Once the BMA has been designated as group supervisor, the Designated Insurer must ensure that the insurance group of which it is a member appoints (i) an individual approved by the BMA who is qualified as a group actuary to provide an opinion on the insurance group's insurance technical provisions in accordance with the requirements of Schedule XIV "Group Statutory Economic Balance Sheet" of the Insurance (Prudential Standards) (Insurance Group Solvency Requirement) Rules 2011 and (ii) an auditor approved by the BMA to audit the financial statements of the group.

Pursuant to its powers under the Insurance Act, the BMA will maintain a register of particulars for every insurance group (the "Register of Group Particulars") for which it acts as the group supervisor, detailing the names and addresses of (i) the Designated Insurer; (ii) each member company of the insurance group falling within the scope of group supervision; (iii) the principal representative of the insurance group in Bermuda; (iv) other competent authorities supervising other member companies of the insurance group; and (v) the insurance group auditors. The Designated Insurer must immediately notify the BMA of any changes to the above details entered on the Register of Group Particulars.

As group supervisor, the BMA will perform a number of supervisory functions including (i) coordinating the gathering and dissemination of relevant or essential information for going concerns and emergency situations, including the dissemination of information which is of importance for the supervisory task of other competent authorities; (ii) carrying out supervisory reviews and assessments of the insurance group; (iii) carrying out assessments of the insurance group's compliance with the rules on solvency, risk concentration, intra-group transactions and good governance procedures; (iv) planning and coordinating through regular meetings held at least annually (or by other appropriate means) with other competent authorities, supervisory activities in respect of the insurance group, both as a going concern and in emergency situations; (v) coordinating enforcement actions that may need to be taken against the insurance group or any of its members; and (vi) planning and coordinating meetings of colleges of supervisors in order to facilitate the carrying out of the functions described above.

The BMA may, for the purposes of group supervision, make rules applying to Designated Insurers which take into account any activities of the insurance group of which they are members or of other members of the insurance group. Such rules may make provision for: the assessment of the financial situation of the insurance group; the solvency position of the insurance group (including the imposition of prudential standards in relation to ECR, capital and solvency returns, insurance reserves and eligible capital that must be complied with by the Designated Insurers); the system of governance and risk management of the insurance group; intra-group transactions and risk concentrations; and supervisory reporting and disclosure in respect of the insurance group.

In addition, the BMA may, after consultation with other competent authorities, determine whether an insurance group, for which the BMA is the group supervisor, is an internationally active insurance group under the Insurance Act. The Insurance Act also provides for a framework pursuant to which the BMA may designate a member of an Internationally Active Insurance Group (IAIG) as its 'head of the IAIG' for the purposes of IAIG supervision. In determining the member of an IAIG to be designated as the Head of the IAIG, the BMA shall have regard to the member that exercises control over all insurers in the group and other members of the group which may pose a risk to the insurance business of the group.

We are not currently subject to group supervision, but are currently in discussions with the BMA regarding its proposed institution of group-wide supervision by the BMA on the group**.**

Supervision, Investigation, Intervention and Disclosure. The BMA may, by notice in writing served on a registered person or a designated insurer, require the registered person or designated insurer to provide such information and/or documentation as the BMA may reasonably require with respect to matters that are likely to be material to the performance of its supervisory functions under the Insurance Act. In addition, it may require such person's auditor, underwriter, accountant or any other person with relevant professional skill of such registered person or designated insurer to prepare a report on any aspect pertaining thereto. In the case of a report, the person so appointed shall immediately give the BMA written notice of any fact or matter of which he becomes aware or which indicates to him that any condition attaching to his registration under the Insurance Act is not or has not or may not be or may not have been fulfilled and that such matters are likely to be material to the performance of its functions under the Insurance Act. If it appears to the BMA to be desirable in the interests of the clients of a registered person or relevant insurance group, the BMA may also exercise these powers in relation to subsidiaries, parent companies and other affiliates of the registered person or designated insurer.

If the BMA deems it necessary to protect the interests of the policyholders or potential policyholders of an insurer or insurance group, it may appoint one or more competent persons to investigate and report on the nature, conduct or state of the insurer's or the insurance group's business, or any aspect thereof, or the ownership or control of the insurer or insurance group. If the person so appointed thinks it necessary for the purposes of the investigation, such person may also investigate the business of any person who is or has been at any relevant time, a member of the insurance group or of a partnership of which the person being investigated is a member. In this regard, it shall be the duty of every person who is or was a controller, officer, employee, agent, banker, auditor, accountant, barrister and

attorney or insurance manager to produce to the person appointed such documentation as the appointed person may reasonably require for purposes of the investigation, and to attend and answer questions relevant to the investigation and to otherwise provide such assistance as may be necessary in connection therewith.

Where the BMA suspects that a person has failed to properly register under the Insurance Act or that a registered person or designated insurer has failed to comply with a requirement of the Insurance Act or that a person is not, or is no longer, a fit and proper person to perform functions in relation to a regulated activity, it may, by notice in writing, carry out an investigation into such person (or any other person connected thereto). In connection therewith, the BMA may require every person who is or was a controller, officer, employee, agent, banker, auditor, accountant, barrister and attorney or insurance manager to make a report and produce such documents in his care, custody and control and to attend before the BMA to answer questions relevant to the BMA's investigation and to take such actions as the BMA may direct. The BMA may also enter any premises for the purposes of carrying out its investigation and may petition the court for a warrant if it believes a person has failed to comply with a notice served on him or there are reasonable grounds for suspecting the completeness of any information or documentation produced in response to such notice or that its directions will not be complied with or that any relevant documents would be removed, tampered with or destroyed.

If it appears to the BMA that the business of the registered insurer is being conducted in a way that there is a significant risk of the insurer becoming insolvent or being unable to meet its obligations to policyholders, or that the insurer is in breach of the Insurance Act or any conditions imposed upon its registration, or the minimum criteria stipulated in the Insurance Act is not or has not been fulfilled in respect of a registered insurer, or that a person has become a controller without providing the BMA with the appropriate notice or in contravention of a notice of objection, or the registered insurer is in breach of its ECR, or that a designated insurer is in breach of any provision of the Insurance Act or the regulations or rules applicable to it, the BMA may issue such directions as it deems desirable for safeguarding the interests of policyholders or potential policyholders of the insurer or the insurance group. The BMA may, among other things, direct an insurer, for itself and in its capacity as designated insurer of the insurance group of which it is a member, (a) not to take on any new insurance business, (b) not to vary any insurance contract if the effect would be to increase the insurer's liabilities, (c) not to make certain investments, (d) to realize certain investments, (e) to maintain in, or transfer to the custody of, a specified bank, certain assets, (f) not to declare or pay any dividends or other distributions or to restrict the making of such payments, (g) to limit its premium income, (h) not to enter into specified transactions with any specified person or persons of a specified class, (i) to provide such written particulars relating to the financial circumstances of the insurer as the BMA thinks fit, (j) (as an individual insurer only and not in its capacity as designated insurer) to obtain the opinion of a loss reserve specialist and submit it to the BMA and/or (k) to remove a controller or officer.

The BMA has the power to assist other regulatory authorities, including foreign insurance regulatory authorities, with their investigations involving insurance and reinsurance companies in Bermuda if it is satisfied that the assistance being requested is in connection with the discharge of regulatory responsibilities and that such cooperation is in the public interest. The grounds for disclosure by the BMA to a foreign regulatory authority without consent of the insurer are limited and the Insurance Act provides for sanctions for breach of the statutory duty of confidentiality.

Cancellation of Insurer's Registration. An insurer's registration may be cancelled by the BMA at the request of the insurer or on certain grounds specified in the Insurance Act. Failure by the insurer to comply with its obligations under the Insurance Act or if, the BMA believes that the insurer has not been carrying on business in accordance with sound insurance principles, would be examples of such grounds.

Certain Other Bermuda Law Considerations. All Bermuda "exempted companies" are exempt from certain Bermuda laws restricting the percentage of share capital that may be held by non-Bermudians. However, exempted companies may not participate in certain business transactions, including (1) the acquisition or holding of land in Bermuda except that required for their business and held by way of lease or tenancy for a term not exceeding more than 50 years or, with the consent of the Minister of Economic Development (the "Minister") granted in his discretion, land which is used to provide accommodation or recreational facilities for officers and employees of the company for a term not exceeding 21 years, (2) the taking of mortgages on land in Bermuda to secure an amount in excess of $50,000 without the consent of the Minister, (3) the acquisition of any bonds or debentures secured by any land in Bermuda, other than certain types of Bermuda government securities or securities issued by Bermuda public authorities, or

(4) the carrying on of business of any kind in Bermuda, except in furtherance of business carried on outside Bermuda or under license granted by the Minister. Generally it is not permitted without a special license granted by the Minister to insure Bermuda domestic risks or risks of persons of, in or based in Bermuda.

All Bermuda companies must comply with the provisions of the Companies Act regulating the payment of dividends and the making of distributions from contributed surplus. A company may not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that: (a) the company is, or would after the payment be, unable to pay its liabilities as they become due; or (b) the realizable value of the company's assets would thereby be less than its liabilities.

Under the Economic Substance Act 2018 and related regulations thereunder (collectively, the "ESA"), each entity resident in Bermuda that carries on a "relevant activity" is required to comply with the economic substance requirements under the ESA, unless resident for tax purposes in a jurisdiction outside Bermuda that is not on the EU list of non-cooperative jurisdictions for tax purposes. Engaging in insurance business in accordance with the Insurance Act constitutes a "relevant activity".

In relation to carrying on the relevant activity of insurance, compliance with the ESA also requires compliance with requirements in the Companies Act relating to corporate governance and requirements of the Insurance Act and other instruments (including the Insurance Code of Conduct) made thereunder. The Registrar of Companies will have regard to an insurer's compliance with the Insurance Act and the Companies Act in his assessment of compliance with economic substance requirements and on the basis that an insurer complies with such requirements, the insurer will generally be considered to operate in Bermuda with adequate substance. An insurer will be required to complete and file a declaration form, and the Registrar of Companies will also have regard to the information provided in the declaration form in making his assessment of compliance with economic substance requirements.

Bermuda Exchange Control Regulation. The permission of the BMA is required, under the provisions of the Exchange Control Act 1972 of Bermuda and related regulations, for all issuances and transfers of shares (which includes our common shares) of Bermuda companies to or from a non-resident of Bermuda for exchange control purposes, other than in cases where the BMA has granted a general permission. The BMA, in its notice to the public dated June 1, 2005, has granted a general permission for the issue and subsequent transfer of any securities of a Bermuda company from and/or to a non-resident of Bermuda for exchange control purposes for so long as any "Equity Securities" of the company (which include our common shares) are listed on an "Appointed Stock Exchange" (which include Nasdaq). In granting the general permission the BMA accepts no responsibility for our financial soundness or the correctness of any of the statements made or opinions expressed in this annual report.

Although IGI Bermuda is incorporated in Bermuda, IGI Bermuda is classified as a non-resident of Bermuda for exchange control purposes by the BMA. Other than transferring Bermuda Dollars out of Bermuda, there are no restrictions on IGI Bermuda's ability to transfer funds into and out of Bermuda or to pay dividends in currency other than Bermuda Dollars to nonresidents of Bermuda who are holders of our common shares.

Personal Information Protection Act 2016. Bermuda's principal data protection and privacy legislation is the Personal Information Protection Act 2016 ("PIPA"). At present, the majority of the operative provisions of PIPA (which include: conditions for use and consent to use of personal information, specific obligations on organizations that use personal information, overseas data transfer assessment obligations and access, rectification and erasure rights for individuals) are not yet in force in Bermuda. In June 2023, the Bermuda Government and the Office of the Privacy Commissioner for Bermuda announced that the remaining operative provisions of PIPA will become fully implemented on 1 January 2025.

PIPA (once in force) applies to every organization (which includes any individual, entity or public authority) that uses personal information in Bermuda where that personal information is used by automated or other means which form, or are intended to form, part of a structured filing system. For the purposes of PIPA, "personal information" means any information about an identified or identifiable individual (meaning a natural person), and "use" or "using" are very broadly defined and effectively include possessing or carrying out any operation on personal information. To the extent that IGI Holdings and IGI Bermuda use or holds individuals' personal information in Bermuda, it will be in scope and must comply with the provisions of PIPA.

UK Regulatory Framework

General. UK insurance companies are regulated by the PRA and the FCA. The PRA is responsible for the prudential regulation of banks, building societies, credit unions, insurers and major investment firms and the FCA is responsible for the prudential regulation of all other firms and the conduct of business regulation of all authorised financial services firms. A subsidiary of IGI, IGI UK, is authorized by the PRA to effect and carry out (re)insurance contracts in the UK in all classes of general (non-life) business and is regulated by both the PRA and the FCA.

Following Brexit, the UK began a process of "onshoring" EU legislation whereby the UK replicated EU law in UK legislation and regulation and then amended it so that it would be operationally effective following the end of the Brexit transition period on December 31, 2020. As an automatic consequence of the UK's departure from the EU's single market, passporting rights to and from the UK ended at the end of the transition period. Passporting is the exercise of the right available to a firm authorised in one EEA member state to carry on certain activities covered by an EU single market directive in another EEA member state, on the basis of its home state authorisation. For firms based in the UK, this meant the loss of access to EU markets. As of the end of the transition period, IGI UK has lost its passporting rights in the EU, such that it can no longer write insurance business in European Economic Area ("EEA") countries under the "freedom of services" regime or write insurance business through a place of business in an EEA member state under the "freedom of establishment" regime using the rights contained in the European Council's Solvency II Directive. IGI is currently engaging with relevant EU member states to ensure adherence to individual run-off regimes that have been established. In addition, in June 2021 IGI acquired an EU insurance operation in Malta, which enables IGI to pursue business in the EU.

Restrictions on Dividend Payments. The company law of England and Wales prohibits English companies, including IGI UK, from declaring dividends to their shareholders unless they have profits available for distribution. The determination of whether a company has profits available for distribution is based on its accumulated realized profits and other distributable reserves less its accumulated realized losses. While the UK insurance regulatory rules impose no statutory restrictions on a general insurer's ability to declare a dividend, the PRA's rules require each authorized insurance company within its jurisdiction to maintain its solvency margin at all times. For ordinary share capital to count as tier 1 capital for solvency purposes, dividends must be capable of being cancelled at any time prior to payment, and the PRA can prohibit a UK insurance company from paying a dividend.

Solvency Requirements. Under the EU directive covering capital adequacy, risk management and regulatory reporting for insurers (the "Solvency II Directive"), an insurer has the option of seeking the approval of a full or partial internal model from its regulator or to use a standard formula to calculate its capital requirements. The provisions of the Solvency II Directive were implemented in the UK by the Solvency 2 Regulations 2015 (SI 2015/575) and through the PRA Rulebook and supervisory statements published by the PRA. In light of Brexit, the UK has onshored the Solvency II regime and amended the rules so that firms can continue to operate effectively after the end of the transitional period. The UK is currently consulting on making certain amendments to Solvency II as implemented in the UK.

Onshored Solvency II Regime Reports and Returns. Under the onshored Solvency II regime, IGI UK is required to disclose to the PRA quarterly and annually Quantitative Reporting Templates ("QRTs"). The QRTs report quantitative information on a Solvency II and local GAAP basis including, among other things, the balance sheet and own funds, Solvency II capital position, invested assets, premiums, claims and technical provisions, reinsurance and group specific information. IGI UK must also complete a set of annual National Specific Templates ("NSTs") which are only applicable to solo firms (i.e., specific companies as against groups). An annual Solvency and Financial Condition Report ("SFCR"), which must include a mixture of narrative information and a sub-set of the QRTs, must also be submitted and posted on IGI's website. Similarly, IGI UK must submit an annual Own Risk and Solvency Assessment ("ORSA") to the PRA. The ORSA report is produced annually and provides a summary of all of the activity and processes during the preceding year to assess and report on risks and ensure that our overall solvency needs are met at all times including a forward-looking assessment. It also explains the linkages between business strategy, business planning and capital and risk management processes.

Change of Control Prior Notifications. The PRA (in consultation with the FCA) regulates the acquisition of "control" of any UK insurance company which is authorized under the Financial Services and Markets Act 2000 ("FSMA"). The FCA regulates the acquisition of "control" of authorized firms that are only authorized and regulated by the FCA. Any legal entity or individual that (together with any person with whom they are "acting in concert") directly or indirectly acquires 10% or more of the shares in a UK authorized insurance company, or their parent company, or is

entitled to exercise or control the exercise of 10% or more of the voting power in such authorized insurance company or their parent company, would be considered to have acquired "control" for the purposes of the relevant legislation, as would a person who had significant influence over the management of such authorized insurance company by virtue of their shareholding or voting power in the authorized insurance company or parent. A purchaser of 10% or more of the common shares of the Company would therefore be considered to have acquired "control" of IGI UK. Under FSMA, any person proposing to acquire "control" over a UK authorized insurance company must give prior notification to the PRA of their intention to do so. The PRA would then have up to 60 working days (which may be extended by up to a further 30 working days) to consider that person's application to acquire "control." Acquiring control without having made the relevant prior application and having received the PRA's approval (following consultation with the FCA) would constitute a criminal offense by the controller. In addition, if IGI UK fails to notify the PRA of the proposed change of control this could also result in action being taken against IGI UK. A person who is already deemed to have "control" will require prior approval of the PRA and the FCA if such person increases their level of "control" beyond certain percentages. These percentages are 20%, 30% and 50%. Similar requirements apply in relation to the acquisition and increase of control of a UK authorized person which is an insurance intermediary except that application for approval is made to, and decided by, the FCA and the threshold triggering the requirement for prior approval is 20% of the shares or voting power in the insurance intermediary or its parent company.

Senior Managers and Certification Regime. In December 2019, the FCA and PRA extended the application of the Senior Managers & Certification Regime ("SM&CR"), which previously applied to UK-regulated entities in the banking sector, to insurers, reinsurers, insurance intermediaries and other UK-regulated entities. The Senior Managers & Certification Regime is an enhanced individual accountability framework which built upon and replaced the previous regulatory framework of the Senior Insurance Managers Regime and the Approved Persons regime. The SM&CR seeks to ensure that senior persons who are effectively running insurance firms, or who have responsibility for other key functions at those firms, meet standards of fitness and propriety for acting with integrity, honesty and skill and that there is a clear allocation of responsibilities between senior managers.

Insurance Distribution Directive. On October 1, 2018, the Insurance Distribution Directive ("IDD") came into force. IDD applies to all those who conduct insurance distribution to clients, such as insurers (i.e., IGI UK) and insurance intermediaries (including firms such as banks or retailers who provide insurance alongside their primary business), and whose clients range from individual consumers to large multinational organizations. The main provisions of IDD include conduct of business obligations, remuneration disclosure, cross-selling limitations and professional training requirements. As a result of Brexit and following the end of the transitional period on December 31, 2020, the Insurance Distribution (Amendment) (EU Exit) Regulations 2019 came into effect to address the deficiencies in retained EU law relating to the IDD arising from Brexit. Under the European Union (Withdrawal) Act 2018, directly applicable EU legislation made under the IDD was onshored and became part of the UK law at the end of the Brexit transitional period.

PRA requirements

IGI UK is subject to regulation by the UK FCA and the UK PRA. The onshored Solvency Capital Requirement ("SCR") for IGI UK is governed by the onshored Solvency II regime which sets rules governing the level and quality of capital held by an insurer and the capital requirements applicable to that firm.

The onshored Solvency II measure of available capital ("Own Funds") uses UK GAAP shareholders' funds as a starting point and applies a number of specific adjustments prescribed under onshored Solvency II. The primary adjustments reflect the fact that onshored Solvency II is based on the principle of an economic balance sheet — outstanding reserves and associated reinsurance recoverables being considered on a discounted best-estimate basis. A full reconciliation between the onshored Solvency II and UK GAAP bases is provided in the annual Solvency & Financial Condition Report published on IGI's website (*www.iginsure.com*).

The onshored Solvency II measure of required capital, the SCR, is calibrated using the Value at Risk (VaR) of the basic own funds of an insurance or reinsurance undertaking subject to a confidence level of 99.5% over a one-year year period, with a minimum of €4.0 million. IGI UK has chosen the onshored Solvency II Standard Formula (the "Standard Formula") method to calculate its SCR.

IGI UK has assessed the appropriateness of the Standard Formula on both a qualitative and quantitative basis and considers it to provide an appropriate fit to IGI UK's business and risk profile.

Specifically, the assessment confirms that the Standard Formula:

- captures the full scope of risks to which the Company is exposed and for which the holding of capital is an appropriate response;
- is sufficiently sensitive to future changes in the risk profile on both the asset and liabilities side of the balance sheet including the influence of outward reinsurance arrangements;
- has been applied in full with no application of undertaking specific parameters, simplifications or transitional measures; and
- is applied with no consideration for the risk absorbing effect of technical provisions and deferred taxes resulting in an SCR requirement that is more prudent.

The Standard Formula SCR and associated onshored Solvency II Own Funds are recalculated at least quarterly and at other times in response to an actual or projected material change in the risk profile and the results reported in full to the Audit, Risk and Compliance Committee of the UK Board in addition to being communicated to the IGI Bermuda and IGI Holdings Boards.

The adequacy of the IGI UK's Own Funds to meet the SCR is monitored on an ongoing basis and particularly in the event of an anticipated or actual material impairment in the level of Own Funds.

IGI UK's audited statutory financial statements submitted to the PRA reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI UK's actual statutory capital surplus, which exceeded the PRA's requirements by 52% and 57% in 2022 and 2021, respectively. IGI UK's draft financial statements for the year ended December 31, 2023 also reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI UK's actual statutory capital surplus, which exceeded the PRA's requirements by 76%.

Dubai International Financial Centre ("DIFC")

IGI, our wholly owned subsidiary, is currently organized under the laws of the DIFC. The DIFC is a financial free zone with its own civil and commercial laws established in the Emirate of Dubai pursuant to Law No. (9) of 2004 issued by the Ruler of Dubai. The DIFC operates within a unique legal and regulatory framework that is distinct from those applicable in the rest of the United Arab Emirates (the "UAE"). Such framework was achieved through a synthesis of UAE federal law and Dubai law, pursuant to: (i) an amendment to Article (121) of the UAE Constitution which deals with the division of powers between Federal and Emirati authorities and allows enacting a financial free zone law, which in turn allows an Emirati Government to create a financial free zone within a particular Emirate; (ii) the enactment of the Federal Law No. (8) of 2004 which exempts financial free zones from all UAE federal civil and commercial laws, thereby permitting the DIFC to have its own civil and commercial laws modelled closely on international standards and principles of common law (although UAE criminal law still applies); and (iii) the Cabinet Resolution No. (28) of 2007 on the Executive Regulations of the Federal Law No. (8) of 2004.

Companies operating in the DIFC are subject to the DIFC Companies Law No. (5) of 2018, the DIFC Operating Law No. (7) of 2018, the DIFC Companies and Operating Regulations as well as other DIFC commercial legislation.

The DFSA administers the DIFC Regulatory Law, DIFC Law No. (1) of 2004. The DIFC Regulatory Law establishes the constitution of the DFSA and enables the creation of the regulatory framework within which entities may be licensed, authorized, registered and supervised by the DFSA.

Dubai Financial Services Authority ("*DFSA*")

The DFSA is a financially and administratively independent body that was established on September 13, 2004 by Law No. (9) of 2004 issued by the Ruler of Dubai. The DFSA acts as the independent financial regulator in the DIFC, supervising regulated companies and monitoring their compliance with applicable laws and regulations. The DFSA's powers as a regulator are granted to it under the provisions of DIFC Regulatory Law. As a result of such provisions, the DFSA is authorized to establish rules that enable it to respond swiftly to market developments and business needs. The DFSA has authority and responsibility for implementing the core financial services related laws that are applicable in the DIFC, including the DIFC Regulatory Law No. (1) of 2004, the DIFC Collective Investment Law No. (2) of 2010, the DIFC Markets Law No. (1) of 2012, the DIFC Law Regulating Islamic Financial Business No. (13) of 2004 and the Investment Trust Law No. (5) of 2006. Furthermore, subsidiary legislation is provided by

"Rules" set out in the "DFSA Rulebook," which is issued under the DIFC Regulatory Law. The DFSA Rulebook is made up of topic-area modules which specify their scope and the audience to whom they apply. The DFSA Rulebook contains additional commentary as guidance which is designed to assist DIFC participants in complying with their legal and related obligations. Certain other matters that are not Rules, such as application forms and returns, are contained in the DFSA Sourcebook modules, which also comprise topic-area modules.

Legislation, rules and regulations governing companies incorporated in the DIFC and financial activities in the DIFC are available on the websites of the DIFC and the DFSA at *www.difc.ae* and *www.dfsa.ae*, respectively. We have not independently verified the information contained on these websites and cannot provide any assurance as to the accuracy or completeness of such information. The information contained on these websites does not form a part of, and is not incorporated by reference into, this annual report.

Money Laundering and Financial Crime Regime in the UAE

IGI is registered in the DIFC and is subject to DFSA supervision for the purpose of anti-money laundering compliance in the DIFC. Under Article 70(3) of the DIFC Regulatory Law, the DFSA has jurisdiction for the regulation of anti-money laundering in the DIFC and is the relevant authority that licenses and supervises Relevant Persons in the DIFC for the purposes of the UAE Federal legislation relating to money laundering, terrorist financing, the financing of unlawful organizations or sanctions non-compliance. Further, the UAE criminal law applies in the DIFC and, therefore, companies registered in the DIFC must be aware of their obligations in respect of UAE criminal law as well as the DIFC Regulatory Law. Relevant UAE criminal laws include, but are not limited to, Federal Law No. 20 of 2018 regarding combating money laundering and terrorist financing, Federal Law No. 7 of 2014 regarding combating terrorism offenses, the implementing regulations under those laws and the UAE Penal Code.

Labuan, Malaysia

International General Insurance Co. Ltd. — Labuan Branch (the "Labuan Branch"), a branch of IGI for purposes of engaging in business in Malaysia, is licensed by the Labuan Financial Services Authority as a "second-tier offshore reinsurer," which means that local brokers may only offer reinsurance business to IGI after first offering it to first-tier reinsurers.

The Labuan Branch is licensed to issue Labuan law-governed policies, including Islamic law-compliant re-takaful policies. The Labuan Branch obtained the approval of the Labuan Financial Services Authority to engage the Labuan Financial Services Authority's Shariah Supervisory Council as its internal Shariah advisory board, which is permitted under the Directive on Islamic Financial Business in Labuan International Offshore Financial Center.

MFSA requirements

Following its acquisition in June 2021, IGI Europe is subject to regulation by the MFSA. The Solvency Capital Requirement (SCR) for IGI Europe is governed by the Solvency II regime which sets rules governing the level and quality of capital held by an insurer and the capital requirements applicable to that firm.

The Solvency II measure of required capital, the SCR, is calibrated using the Value at Risk (VaR) of the basic own funds of an insurance or reinsurance undertaking subject to a confidence level of 99.5% over a one-year period, with a minimum of €4.0 million. IGI Europe has chosen the Solvency II Standard Formula (the "Standard Formula") method to calculate its SCR.

IGI has assessed the appropriateness of the Standard Formula on both a qualitative and quantitative basis and considers it to provide an appropriate fit to the Company's business and risk profile.

Specifically, the assessment confirms that the Standard Formula:

- captures the full scope of risks to which the Company is exposed and for which the holding of capital is an appropriate response;
- is sufficiently sensitive to future changes in the Company's risk profile on both the asset and liabilities side of the balance sheet including the influence of outward reinsurance arrangements;

- has been applied in full with no application of undertaking specific parameters, simplifications or transitional measures; and
- is applied with adjustment for the risk absorbing effect of technical provisions and deferred taxes.

The Standard Formula SCR and associated Solvency II Own Funds are recalculated at least quarterly and at other times in response to an actual or projected material change in the risk profile and the results reported in full to the board of directors of IGI Europe in addition to being communicated to the boards of directors of IGI and IGI Bermuda.

The adequacy of the Company's Own Funds to meet the SCR is monitored on an ongoing basis and particularly in the event of an anticipated or actual material impairment in the level of Own Funds.

IGI Europe's audited statutory financial statements submitted to the MFSA reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI Europe's actual statutory capital surplus. IGI Europe's draft financial statements for the year ended December 31, 2023 also reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI Europe's actual statutory capital surplus, which exceeded the MFSA's requirements by 108%.

Jordan

Our subsidiary, I.G.I Underwriting/Jordan 'Exempted' ("IGI Underwriting"), which is based in Amman, Jordan, is subject to regulation of the Insurance Supervision Department of Central Bank of Jordan. The Insurance Supervision Department replaced the Insurance Commission of Jordan pursuant to the restructuring of Institutions and Government Departments Law No 17 of 2014, Article D. The Central Bank of Jordan assumed the role of insurance supervisor and regulator from the Ministry of Industry, Trade and supply in June 2021 following the enactment of the Insurance Regulatory Law No 12 of 2021 and an insurance supervision department was established thereafter. IGI Underwriting is licensed in Jordan under Instruction No. (4) of 2010 "Instructions of Licensing and Regulating the Business & Responsibilities of the Coverholder." As a licensed offshore entity, IGI Underwriting is required to update certain information with the Insurance Supervision Department annually, including information regarding the following:

- the business conducted by IGI Underwriting during the year;
- the names of insurance and reinsurance companies with which IGI Underwriting has concluded binding authorities and the date of termination of each authority;
- a valid insurance policy possessed by IGI Underwriting; and
- any other data, documents or information required by the Director General of the Insurance Supervision Department.

Morocco

A representative office of International General Insurance Co. Ltd., which is based in Morocco and serves as our Africa hub, is regulated by the Casablanca Finance City.

Competition

The insurance and reinsurance industries are mature and highly competitive. Competition varies significantly on the basis of product and geography. Insurance and reinsurance companies compete on the basis of many factors, including premium charges, general reputation and perceived financial strength, the terms and conditions of the products offered, ratings assigned by independent rating agencies, speed of claims payments, reputation and experience in the particular risk to be underwritten, quality of service, the jurisdiction where the reinsurer or insurer is licensed or otherwise authorized, capacity and coverages offered and various other factors. Increased competition could result in fewer submissions for our products and services, lower rates charged, slower premium growth and less favorable policy terms and conditions, any of which could adversely impact our growth and profitability.

We compete with major U.S., UK, Bermudian, European and other domestic and international insurers and reinsurers and underwriting syndicates from Lloyd's, some of which have longer operating histories, more capital and/or more favorable ratings than we do, as well as greater marketing, management and business resources. We also compete with capital market participants that create alternative products, such as catastrophe bonds, that are intended to compete with traditional reinsurance products. In addition to asset managers and reinsurers who provide collateralized reinsurance and retrocessional coverage, the availability of these non-traditional products could reduce the demand for both traditional insurance and reinsurance products.

In recent years, various institutional investors have increasingly sought to participate in the property and casualty insurance and reinsurance industries. Well-capitalized new entrants to the property and casualty insurance and reinsurance industries, or existing competitors that receive substantial infusions of capital, provide increasing competition, which may adversely impact our business and profitability. Further, an expanded supply of reinsurance capital may lower costs for insurers that rely on reinsurance and, as a consequence, those insurers may be able to price their products more competitively.

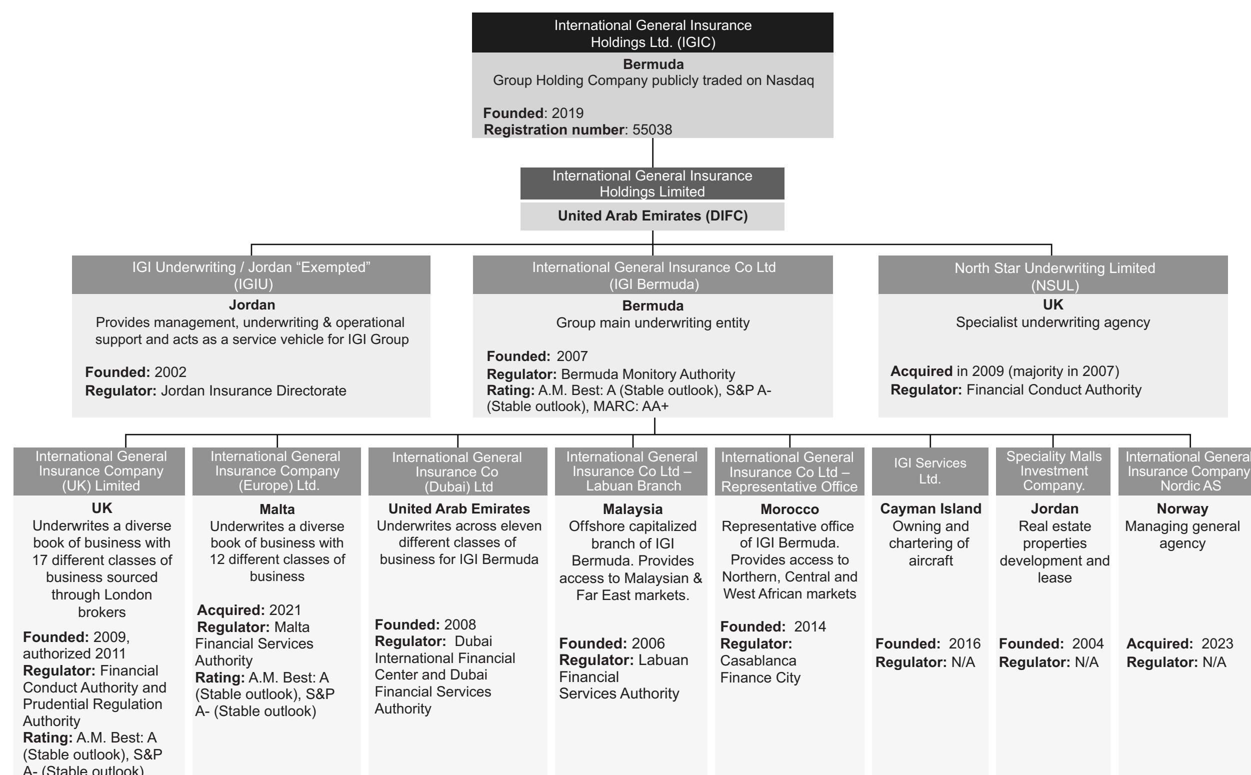
Litigation and Arbitration

There are no governmental, legal or arbitration proceedings to which we are a party which are expected to have a material effect on our financial position or profitability (including any such proceedings which are pending or threatened or which we are aware of), except as stated below. However, in any given year, litigation could arise which might have an adverse effect on our results for such year. See "*Risk Factors — Risks Relating to Our Business and Operations — We are involved in legal and other proceedings from time to time, and we may face damage to our reputation or legal liability as a result*".

In addition, it is not unusual for commercial insurers to engage in disputes with reinsurers regarding the contractual obligations of such reinsurers. Reinsurance is an important risk mitigation measure because it enables us to cede portions of our underwriting risk to others. Although reinsurance does not discharge our subsidiaries from their primary obligation to pay for losses insured under the policies they issue, reinsurance does make the assuming reinsurer liable to the insurance subsidiaries for the reinsured portion of the risk. As of December 31, 2023, the amount owed to us from our reinsurers for paid claims was approximately $10.8 million and the portion of our case reserves due from reinsurers was approximately $117.4 million. In some cases, there can be disputes with reinsurers over their contractual obligations and their understanding of our maximum liability for the underlying insurance policy which is being reinsured. Insurers can seek to avoid reinsurance policies for a variety of reasons, including allegations that they did not appreciate our maximum liability. In some cases, these disputes and disagreements can result in arbitration or even litigation, initiated in some cases by us and in some cases by our reinsurers.

C. Organizational Structure

The following diagram depicts the organizational structure of the Company and its subsidiaries as of the date of this annual report.



D. Property, Plants and Equipment

IGI leases properties in each of the jurisdictions where it operates pursuant to long-term leases. The Company also directly holds a commercial building located in Amman, Jordan. Refer to Note 2(h) to the Consolidated Financial Statements in Item 18 of this annual report for further details about property and equipment. IGI does not consider any of these properties and leases to be material to its business.

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

This section should be read in conjunction with the "Business" section and the consolidated financial statements of IGI which are included elsewhere in this annual report. The financial information contained herein is taken or derived from such consolidated financial statements, unless otherwise indicated. The following discussion contains forward-looking statements. Our actual results could differ materially from those that are discussed in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this annual report, particularly under "Risk Factors."

Introduction

We are a highly-rated global provider of specialty insurance and reinsurance solutions in over 200 countries and territories. We underwrite a diversified portfolio of specialty risks including energy, property, construction and engineering, ports and terminals, general aviation, political violence, professional lines (non-U.S.), financial institutions, marine and treaty reinsurance. Our size affords us the ability to be nimble and seek out profitable niches that can generate attractive underwriting results. Our underwriting focus is supported by exceptional service to our clients and brokers. Founded in 2001, we and our predecessors have prudently grown our business with a focus on underwriting profitability and risk-adjusted shareholder returns.

Our primary objective is to underwrite specialty products that maximize return on equity subject to prudent risk constraints on the amount of capital we expose to any single event. We follow a careful and disciplined underwriting strategy with a focus on individually underwritten specialty risks through in-depth assessment of the underlying exposure. We use data analytics and modern technology to offer our clients flexible products and customized and granular pricing. We manage our risks through a variety of means, including contract terms, portfolio selection and underwriting and geographic diversification. Our underwriting strategy is supplemented by a comprehensive risk transfer program with reinsurance coverage from highly-rated reinsurers that we believe lowers our volatility of earnings and provides appropriate levels of protection in the event of a major loss event.

We conduct our worldwide operations through three reportable segments under U.S. GAAP segment reporting: specialty long-tail, specialty short-tail and reinsurance. Our specialty long-tail segment includes (a) our professional lines of business, which includes our professional indemnity, directors and officers, legal expenses, intellectual property and other casualty lines of business, (b) our financial institutions line of business, (c) our marine liability line of business and (d) our inherent defects insurance line of business. Our specialty short-tail segment includes our energy (upstream, downstream and renewable), property, construction and engineering, political violence, ports and terminals, general aviation, marine cargo and contingency lines of business. Our reinsurance segment includes our inward reinsurance treaty business.

In addition, we have a corporate function ("Corporate") which includes the activities of our holding company and certain functions, including investment management. Corporate includes investment income on a managed basis and other non-segment expenses, predominantly general and administrative, stock compensation, finance and transaction expenses. Corporate also includes the activities of certain key executives such as the President and Chief Executive Officer, and Chief Financial Officer. Our corporate expenses and investment results are presented separately within the corporate segment section.

Description of Certain Income Statement Line Items

The definition and method of calculation of certain line items from IGI's consolidated income statement are provided below:

Gross written premiums

Gross written premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered into during the accounting period. They are recognized on the date on which the policy commences. Premiums include any adjustments arising in the accounting period for premiums receivable in respect of business

written in prior accounting periods. Rebates that form part of the premium rate, such as no-claim rebates, are deducted from the gross premium; others are recognized as an expense. Premiums also include estimates for pipeline premiums, representing amounts due on business written but not yet notified. We generally estimate the pipeline premium based on management's judgment and prior experience.

Ceded written premiums

Ceded written premiums comprise the total premiums payable for the reinsurance cover provided by retrocession contracts entered into during the year and are recognized on the date on which the policy incepts. Premiums include any adjustments arising in the accounting period in respect of reinsurance contracts incepting in prior accounting periods.

Net change in unearned premiums

Unearned premiums related to gross written premiums constitutes the proportion of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a pro rata basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

Unearned reinsurance premiums related to ceded written premiums constitute the proportion of premiums written in a year that relate to periods of risk after the reporting date. Unearned reinsurance premiums are deferred over the term of the underlying direct insurance policies for risk-attaching contracts and over the term of the reinsurance contract for losses-occurring contracts.

Investment income

Investment income is comprised of interest and dividend income, net of investment custodian fees and other investment expenses.

Net realized gain (loss) on investments

Net realized gain and loss on investments is comprised of realized gain and loss on the sale of fixed maturity securities available-for-sale at fair value, equity securities at fair value and other investments.

Net unrealized gain (loss) on investments

Net unrealized gain (loss) on investments includes unrealized loss on revaluation of equity securities at fair value and other investments, in addition to the unrealized gain (loss) on equity-method investments at fair value which the Company has elected to account for using the fair value option.

Change in allowance for expected credit losses on investments

Change in allowance for expected credit losses on investments include an allowance for expected credit losses (ECLs) for fixed maturity securities available-for-sale at fair value and fixed maturity securities held to maturity.

Change in fair value of derivative financial liabilities

The Company's derivative financial liabilities include its warrants and outstanding earn out shares, which must be recorded at fair value with subsequent changes in fair value recorded in the consolidated statement of income at the end of each reporting period. The Company repurchased and redeemed all of its outstanding Warrants in September and October 2023.

Other revenues

Other revenues comprise mainly chartered flights revenues and rental income.

Net loss and loss adjustment expenses

Losses, comprising amounts payable to contract holders and third parties and related loss adjustment expenses, net of salvage and other recoveries, are charged to income as incurred. Losses comprise the estimated amounts payable, in respect of losses reported to us and those not reported at the consolidated statement of financial position date.

We generally estimate our losses based on appointed loss adjusters or leading underwriters' recommendations. In addition, a provision based on management's judgment and our prior experience is maintained for the cost of settling losses incurred but not reported at the consolidated statement of financial position date.

Net loss and loss adjustment expenses constitute losses and loss adjustments expenses net of reinsurers' share of loss.

Net policy acquisition expenses

Net policy acquisition expenses represent commissions paid in relation to the acquisition and renewal of insurance and retrocession contracts which are deferred and expensed over the same period over which the corresponding premiums are recognized in accordance with the earning pattern of the underlying contract. Net policy acquisition expenses are net of ceding commissions received on business ceded under certain reinsurance contracts.

General and administrative expenses

General and administrative expenses is comprised of human resources expenses, business promotion, travel and entertainment expenses, statutory, advisory and rating expenses, information technology and software expenses, office operation expenses, depreciation and amortization, bank charges and board of directors' expenses.

Change in allowance for expected credit losses on receivables

Change in allowance for expected credit losses on receivables includes an allowance for expected credit losses on premiums receivables and reinsurance recoverables.

Other expenses

Other expenses consist mainly of aircraft operational cost and depreciation.

Net foreign exchange gain (loss)

Gain (loss) on foreign exchange represents gains and/or losses incurred as a result of foreign currency transactions.

Income tax expense

Income tax expense reflects (1) income tax payable by IGI Labuan in accordance with the Labuan Business Activities Tax Act 1990, (2) tax payable by IGI Casablanca pursuant to the Casablanca Finance City Tax Code, (3) corporate tax payable by IGI UK and North Star Underwriting Limited in accordance with UK tax law and (4) corporate tax payable by IGI Europe in accordance with Malta income tax law. IGI Bermuda is a tax-exempt company. IGI Holdings (a DIFC-registered company) and IGI Dubai are not subject to income tax according to the UAE tax law, and IGI Underwriting is a tax-exempt company in Jordan. IGI Nordic AS is subject to income tax according to Norwegian tax law.

A. Operating Results

The following section reviews IGI's results of operations during the years ended December 31, 2023, 2022 and 2021. The discussion includes presentations of IGI's results on a consolidated basis and on a segment-by-segment basis. As of January 1, 2023, IGI began to prepare its consolidated financial statements in accordance with U.S. GAAP. Prior to January 1, 2023, IGI's financial statements were prepared in accordance with IFRS as adopted by the International Accounting Standards Board. Accordingly, the results of operations for the year ended December 31, 2023 have been prepared in accordance with U.S. GAAP and the results of operations for the years ended December 31, 2022 and 2021, which were previously prepared in accordance with IFRS, are presented in accordance with U.S. GAAP.

Results of Operations — Consolidated

The following table summarizes IGI's consolidated statement of income for the years indicated:

	Year Ended December 31		
	2023	2022	2021
		($) in millions	
Gross written premiums	688.7	582.0	537.2
Ceded written premiums	(191.5)	(189.2)	(157.9)
Net written premiums	**497.2**	**392.8**	**379.3**
Net change in unearned premiums	(50.0)	(16.4)	(42.7)
Net premiums earned	**447.2**	**376.4**	**336.6**
Investment Income	40.4	20.9	14.5
Net realized gain (loss) on investments	6.7	(0.7)	0.3
Net unrealized gain (loss) on investments	2.7	(5.5)	(3.7)
Change in allowance for expected credit losses on investments	0.4	(0.3)	(0.1)
Change in fair value of derivative financial liabilities	(27.3)	4.6	0.7
Other revenues	1.9	2.4	2.1
Total revenues	**472.0**	**397.8**	**350.4**
Expenses			
Net loss and loss adjustment expenses	(189.1)	(157.6)	(173.0)
Net policy acquisition expenses	(75.0)	(70.2)	(59.6)
General and administrative expenses	(78.9)	(67.2)	(58.2)
Change in allowance for expected credit losses on receivables	(2.5)	(3.2)	(3.3)
Other expenses	(5.6)	(4.0)	(4.3)
Net foreign exchange gain (loss)	5.1	(3.5)	(3.4)
Total expenses	**(346.0)**	**(305.7)**	**(301.8)**
Income before income taxes	**126.0**	**92.1**	**48.6**
Income tax expense	(7.8)	(2.9)	(1.8)
Net income	**118.2**	**89.2**	**46.8**
Basic earnings per share attributable to equity holders	**$ 2.58**	**1.85**	**0.98**
Diluted earnings per share attributable to equity holders	**$ 2.55**	**1.84**	**0.98**

Year ended December 31, 2023 compared to year ended December 31, 2022 (Consolidated)

	Year Ended December 31	
	2023	2022
	($) in millions	
Gross written premiums	688.7	582.0
Ceded written premiums	(191.5)	(189.2)
Net written premiums	**497.2**	**392.8**
Net change in unearned premiums	(50.0)	(16.4)
Net premiums earned	**447.2**	**376.4**
Investment income	40.4	20.9
Net realized gain (loss) on investments	6.7	(0.7)
Net unrealized gain (loss) on investments	2.7	(5.5)
Change in allowance for expected credit losses on investments	0.4	(0.3)
Change in fair value of derivative financial liabilities	(27.3)	4.6
Other revenues	1.9	2.4
Total revenues	**472.0**	**397.8**

	Year Ended December 31	
	2023	2022
	($) in millions	
Expenses		
Net loss and loss adjustment expenses	(189.1)	(157.6)
Net policy acquisition expenses	(75.0)	(70.2)
General and administrative expenses	(78.9)	(67.2)
Change in allowance for expected credit losses on receivables	(2.5)	(3.2)
Other expenses	(5.6)	(4.0)
Net foreign exchange gain (loss)	5.1	(3.5)
Total expenses	**(346.0)**	**(305.7)**
Income before income taxes	**126.0**	**92.1**
Income tax expense	(7.8)	(2.9)
Net Income	**118.2**	**89.2**
Basic earnings per share attributable to equity holders	**$ 2.58**	**1.85**
Diluted earnings per share attributable to equity holders	**$ 2.55**	**1.84**

Gross written premiums

Gross written premiums increased 18.3% from $582.0 million in 2022 to $688.7 million in 2023. This was primarily due to 26.2% growth (or $83.3 million) in the specialty short-tail segment, and 94.0% growth (or $29.6 million) in the reinsurance segment, which was partially offset by a 2.7% decline (or $6.2 million) in the specialty long-tail segment. The increase in gross written premiums was the result of new business generated across most of the lines in our short-tail segment and our reinsurance segment, supported by the increase in overall premium renewal rates in these segments and benefitting from sustained hard market conditions in many of our reinsurance and short-tail lines.

Ceded written premiums

Ceded written premiums increased 1.2% from $189.2 million in 2022 to $191.5 million in 2023. The increase in ceded written premiums was due to the increase in gross written premiums, offset by a 10.7% decrease in facultative reinsurance purchases within the short-tail segment.

Net change in unearned premiums

Net change in unearned premiums increased more than two-fold from expense of $16.4 million in 2022 to expense of $50.0 million in 2023. The increase in net change in unearned premiums of $33.6 million was due to the increase in net written premiums in our short-tail segment and our reinsurance segment.

Net premiums earned

As a result of the foregoing, net premiums earned increased 18.8% from $376.4 million in 2022 to $447.2 million in 2023.

Investment income

Investment income (comprised of interest and dividend income, net of investment custodian fees and other investment expenses) increased 93.3% from $20.9 million in 2022 to $40.4 million in 2023. This was primarily due to a $19.4 million increase in interest income which was attributable to the rise in interest rates compared to the same period of 2022 along with a greater amount of funds invested in fixed maturity securities.

Net realized gain (loss) on investments

Net realized gain (loss) on investments reflects a net gain of $6.7 million in 2023 compared to a net loss of $0.7 million in 2022. This change was primarily due to a realized gain on the sale of equity securities benefiting from positive market conditions.

Net unrealized gain (loss) on investments

Net unrealized gain (loss) on investments reflects a net gain of $2.7 million in 2023 compared to a net loss of $5.5 million in 2022. This change was due to a mark to market revaluation gain recorded on equity securities and other investments during the year ended December 31, 2023 compared to an unrealized loss in the year ended December 31, 2022. This was offset by the unrealized loss on equity-method investments at fair value which decreased from a gain of $0.3 million in the year ended December 31, 2022 to a loss of $1.4 million in the year ended December 31, 2023.

Change in fair value of derivative financial liabilities

Change in fair value of derivative financial liabilities decreased from a gain of $4.6 million in 2022 to a loss of $27.3 million in 2023. The change of $31.9 million was a result of (1) the increase in the fair value of warrants upon settlement of warrants in cash pursuant to the Company's offer to purchase all of its outstanding warrants at an average purchase price of $0.95 per warrant in cash and related redemption of warrants, and (2) the increase in the fair value of the earnout shares which was driven by an increase in the quoted market price of IGI's common shares, as the market price crossed the first tranche in the vesting schedule of the earnout shares.

Net loss and loss adjustment expenses

Net loss and loss adjustment expenses increased 20.0% from $157.6 million in 2022 to $189.1 million in 2023. This was primarily due to the increase in current accident year losses in all segments in 2023 compared to 2022, which also included a higher current year catastrophe ("CAT") losses within the short-tail and reinsurance segments. The increase in current accident year losses was partially offset by higher favorable development on loss reserves from prior accident years within the short-tail and reinsurance segments. See "*Operating and Financial Review and Prospects — Reserves — Reserving Results & Development*."

IGI's loss ratio increased by 0.4 percentage points from 41.9% for the year ended December 31, 2022 to 42.3% for the year ended December 31, 2023. This increase was primarily attributable to a lower favorable development on loss reserves from prior accident years, which was $39.3 million or 8.8 percentage points for the year ended December 31, 2023, compared to $42.0 million or 11.2 points for the year ended December 31, 2022. In addition, the increase in IGI's loss ratio was attributable to the higher current accident year CAT losses, which were $38.3 million or 8.6 points for the year ended December 31, 2023, compared to $24.4 million or 6.5 points for the year ended December 31, 2022.

The tables below outline reported incurred losses on catastrophe events in the years ended December 31, 2023 and 2022.

	For the Year Ended December 31, 2023	
	Gross Incurred Amount	**Net Incurred Amount**
	($ in millions)	
Catastrophe Event		
Turkey Earthquake	10.6	9.3
Cyclone Gabrielle	4.4	3.1
Hurricane Otis	7.5	2.5
Oman Adverse Weather Conditions	1.3	1.2
Hawaii Wildfires	1.1	1.1
Other	9.2	8.3
Provided during the year related to prior accident years	8.2	4.1
Total	**42.3**	**29.6**

	For the Year Ended December 31, 2022	
	Gross Incurred Amount	Net Incurred Amount
	($ in millions)	
Catastrophe Event		
Hurricane Ian	2.2	2.1
Australia Floods	1.8	1.8
Adverse High Wind – Event Cancelation	1.1	0.9
Typhoon Hinnamnor	0.8	0.8
Kuwait Flood	0.8	0.7
Other	5.8	5.1
Provided during the year related to prior accident years	28.3	19.0
Total	**40.8**	**30.5**

Net policy acquisition expenses

Net policy acquisition expenses increased 6.8% from $70.2 million in 2022 to $75.0 million in 2023. The net policy acquisition expense ratio for 2022 was 18.7% compared to 16.8% for 2023. The decrease of 1.9 percentage points was primarily attributable to a higher retention ratio under the short-tail segment, coupled with growth in net premiums earned.

General and administrative expenses

General and administrative expenses increased by 17.4% from $67.2 million in 2022 to $78.9 million in 2023. This was primarily due to new hires, professional fees and IT related expenses.

Change in allowance for expected credit losses on receivables

Change in allowance for expected credit losses on receivables decreased from $3.2 million in 2022 to $2.5 million in 2023. This decrease was mainly due to recording of an allowance in the year ended December 31, 2022 as a result of the economic sanctions imposed on Russia related to the invasion of Ukraine, which was largely reversed in the year ended December 31, 2023.

Other Expenses

Other expenses increased from $4.0 million in 2022 to $5.6 million in 2023. This increase was mainly due to $1.9 million of expenses related to the repurchase of and redemption of warrants for cash in 2023.

Net foreign exchange gain (loss)

Net foreign exchange gain for the year ended December 31, 2023 was $5.1 million compared to a loss of $3.5 million for the year ended December 31, 2022. This was primarily attributable to a greater degree of positive currency movement in our major transactional currencies, primarily the Pound Sterling and the Euro, against the U.S. Dollar.

Year ended December 31, 2022 compared to year ended December 31, 2021 (Consolidated)

	Year Ended December 31	
	2022	**2021**
	($) in millions	
Gross written premiums	582.0	537.2
Ceded written premiums	(189.2)	(157.9)
Net written premiums	**392.8**	**379.3**
Net change in unearned premiums	(16.4)	(42.7)
Net premiums earned	**376.4**	**336.6**
Investment income	20.9	14.5
Net realized (loss) gain on investments	(0.7)	0.3
Net unrealized loss on investments	(5.5)	(3.7)
Change in allowance for expected credit losses on investments	(0.3)	(0.1)
Change in fair value of derivative financial liabilities	4.6	0.7
Other revenues	2.4	2.1
Total revenues	**397.8**	**350.4**
Expenses		
Net loss and loss adjustment expenses	(157.6)	(173.0)
Net policy acquisition expenses	(70.2)	(59.6)
General and administrative expenses	(67.2)	(58.2)
Change in allowance for credit losses on financial assets	(3.2)	(3.3)
Other expenses	(4.0)	(4.3)
Net foreign exchange loss	(3.5)	(3.4)
Total expenses	**(305.7)**	**(301.8)**
Income before income tax	**92.1**	**48.6**
Income tax expense	(2.9)	(1.8)
Net income	**89.2**	**46.8**
Basic earnings per share attributable to equity holders	**$ 1.85**	**0.98**
Diluted earnings per share attributable to equity holders	**$ 1.84**	**0.98**

Gross written premiums

Gross written premiums increased 8.3% from $537.2 million in 2021 to $582.0 million in 2022. This was primarily due to 10.1% growth (or $29.0 million) in the specialty short-tail segment, 3.7% growth (or $8.4 million) in the specialty long-tail segment and 30.7% growth (or $7.4 million) in the reinsurance segment. The increase in gross written premiums was primarily due to new business generation and an increase in overall renewal premium rates by 5.8% on average, which was partially offset by currency exchange rates resulting in devaluation of premiums denominated in Pound Sterling and Euro due to the strengthening of the U.S. Dollar against these currencies.

Ceded written premiums

Ceded written premiums increased 19.8% from $157.9 million in 2021 to $189.2 million in 2022. The increase in ceded written premiums was due to an $18.4 million increase in facultative reinsurance purchases and an $11.6 million increase in non-proportional reinsurance purchases within the specialty short-tail segment primarily driven by growth in gross written premiums in the short-tail segment.

Net change in unearned premiums

Net change in unearned premiums decreased from an expense of $42.7 million in 2021 to an expense of $16.4 million in 2022. The decrease in net change in unearned premiums of $26.3 million was due to a higher rate of release of earned premiums written in prior years, principally in the short-tail segment, in 2022 compared to 2021.

Net premiums earned

As a result of the foregoing, net premiums earned increased 11.8% from $336.6 million in 2021 to $376.4 million in 2022.

Investment income

Investment income increased 44.1% from $14.5 million in 2021 to $20.9 million in 2022. This was primarily due to a $6.3 million increase in interest income which was attributable to the rise in interest rates compared to the same period of 2021 along with a greater amount of funds invested in fixed maturity securities and bank term deposits.

Net unrealized loss on investments

Net unrealized loss on investments reflects a net loss of $5.5 million in 2022 compared to a net loss of $3.7 million in 2021. This change was primarily due to a mark to market revaluation loss of $5.8 million on equity securities in 2022 compared to a $5.3 million unrealized loss on equity-method investment at fair value, offset by a $1.6 million mark to market revaluation gain on equity securities in 2021.

Change in fair value of derivative financial liabilities

Change in fair value of derivative financial liabilities increased from a gain of $0.7 million in 2021 to a gain of $4.6 million in 2022. This increase was due to the decrease in the fair market value of the warrants from $12.9 million as of December 31, 2021 to $10.0 million as of December 31, 2022, in addition to the decrease in the fair market value of the earnout shares from $15.5 million as of December 31, 2021 to $13.8 million as of December 31, 2022.

Net loss and loss adjustment expenses

Net loss and loss adjustment expenses decreased 8.9% from $173.0 million in 2021 to $157.6 million in 2022. This was primarily due to a higher favorable development on loss reserves from prior accident years in 2022 compared to 2021 and a favorable foreign currency devaluation impact on net outstanding claims denominated in Pound Sterling and Euro compared to the U.S. Dollar as a result of the strengthening of the U.S. Dollar in 2022. See "*Management's Discussion and Analysis of Financial Condition and Results of Operation — Reserves — Reserving Results & Development*."

IGI's loss ratio decreased by 9.5 percentage points from 51.4% for the year ended December 31, 2021 to 41.9% for the year ended December 31, 2022. This decrease was primarily attributable to a favorable development on loss reserves from prior accident years, which was $42.0 million or 11.2 percentage points for the year ended December 31, 2022, compared to $16.1 million or 4.8 percentage points for the year ended December 31, 2021. The higher favorable development on loss reserves from prior accident years in 2022 compared to 2021 was also attributable to the currency devaluation impact on loss reserves denominated in Pound Sterling and Euro compared to the U.S. Dollar on a year-over-year basis. In addition, the decline in the loss ratio was attributable to the lower current accident year CAT losses, which were $24.4 million or 6.5 percentage points for the year ended December 31, 2022, compared to $28.9 million or 8.6 percentage points for the year ended December 31, 2021.

The tables below outline reported incurred losses on catastrophe events in the years ended December 31, 2022 and 2021.

	For the Year Ended December 31, 2022	
	Gross Incurred Amount	Net Incurred Amount
	($ in millions)	
Catastrophe Event		
Hurricane Ian	2.2	2.1
Australia Floods	1.8	1.8
Adverse High Wind – Event Cancelation	1.1	0.9
Typhoon Hinnamnor	0.8	0.8
Kuwait Flood	0.8	0.7
Other	5.8	5.1
Provided during the year related to prior accident years	28.3	19.0
Total	**40.8**	**30.5**

	For the Year Ended December 31, 2021	
	Gross Incurred Amount	Net Incurred Amount
	($ in millions)	
Catastrophe Event		
European Floods	6.8	6.8
South Africa Riots	5.8	4.4
Hurricane Ida	2.5	2.5
Cyclone Shaheen	0.7	0.6
Cyclone Nora	0.5	0.5
Other	3.0	2.2
Provided during the year related to prior accident years	15.9	13.3
Total	**35.2**	**30.3**

Net policy acquisition expenses

Net policy acquisition expenses increased 17.8% from $59.6 million in 2021 to $70.2 million in 2022. The increase was primarily due to the increase in net premiums earned in 2022 compared to 2021. The net policy acquisition expense ratio for 2021 was 17.7% compared to 18.7% for 2022.

General and administrative expenses

General and administrative expenses increased by 15.5% from $58.2 million in 2021 to $67.2 million in 2022. This was primarily due to an increase in employee-related costs primarily as a result of increased salary costs due to new hires, an increase in business travel as global COVID-19 travel restrictions were lifted, and investment in technology infrastructure to support the Company's growth.

Results of Operations — Specialty Long-tail Segment

The following table summarizes the results of operations of IGI's specialty long-tail segment for the years indicated:

	Year Ended December 31		
	2023	**2022**	**2021**
		($) in millions	
Gross written premiums	226.9	233.1	224.7
Ceded written premiums	(73.9)	(65.6)	(56.7)
Net written premiums	**153.0**	**167.5**	**168.0**
Net change in unearned premiums	4.8	(0.1)	(4.2)
Net premiums earned (a)	**157.8**	**167.4**	**163.8**
Net loss and loss adjustment expenses (b)	(69.2)	(50.5)	(84.7)
Net policy acquisitions expenses (c)	(31.2)	(33.1)	(29.9)
Underwriting income	**57.4**	**83.8**	**49.2**
Loss ratio (b)/(a)	43.9%	30.2%	51.7%
Net policy acquisition expense ratio (c)/(a)	19.8%	19.8%	18.3%

Gross written premiums

Gross written premiums in the specialty long-tail segment decreased 2.7% from $233.1 million in 2022 to $226.9 million in 2023. This was primarily due to a negative rate movement of 1.2% in renewed business and the decline in new business because of the cautious and selective approach driven by the softness in the market for this segment which in several previous years demonstrated compounded growth.

Gross written premiums in the specialty long-tail segment increased 3.7% from $224.7 million in 2021 to $233.1 million in 2022. The increase was primarily due to an increase in the professional lines of business due to a positive rate movement of 9.4% in renewed business which in turn was largely offset by the increased currency devaluation impact on Pound Sterling-denominated premiums in 2022 compared to 2021. The increase in professional lines was partially offset by a decrease in renewal business and lower positive rate movement in the financial institutions line of business.

Ceded written premiums

Ceded written premiums in the specialty long-tail segment increased from $65.6 million in 2022 to $73.9 million in 2023. The increase was primarily due to increased quota share reinsurance purchases in the professional lines and financial institutions line of business, in addition to increased non-proportional reinsurance purchases in the professional lines.

Ceded written premiums in the specialty long-tail segment increased from $56.7 million in 2021 to $65.6 million in 2022. The increase was primarily due to an increase in non-proportional reinstatement premium cost incurred in the financial institutions line of business relating to the attributable non proportional reinsurance recoveries in that line of business.

Net change in unearned premiums

Net change in unearned premiums in the specialty long-tail segment increased from expense of $0.1 million in 2022 to income of $4.8 million in 2023. The net change was primarily driven by the decrease in gross written premiums, coupled with higher release of earned premiums related to prior underwriting years in 2023 compared to 2022.

Net change in unearned premiums in the specialty long-tail segment decreased from expense of $4.2 million in 2021 to expense of $0.1 million in 2022. The net change was primarily driven by higher release of earned premiums related to prior underwriting years in 2022 compared to 2021.

Net premiums earned

As a result of the foregoing, net premiums earned in the specialty long-tail segment decreased 5.7% from $167.4 million in 2022 to $157.8 million in 2023, and net premiums earned in the specialty long-tail segment increased 2.2% from $163.8 million in 2021 to $167.4 million in 2022.

Net loss and loss adjustment expenses

Net loss and loss adjustment expenses in the specialty long-tail segment increased by 37.0% from $50.5 million in 2022 to $69.2 million in 2023. This was primarily due to the increase in current accident year losses of $5.8 million within this segment on a comparative basis, in addition to $12.9 million of lower favorable development on loss reserves from prior accident years in 2023 compared to 2022.

The loss ratios in the long-tail segment were 30.2% and 43.9% in 2022 and 2023, respectively. The increase in the ratio was mainly driven by a higher level of net loss and loss adjustment expenses and lower net premiums earned on a comparative basis. Net loss and loss adjustment expenses in the specialty long-tail segment decreased by 40.4% from $84.7 million in 2021 to $50.5 million in 2022. This was primarily due to higher favorable development of net loss reserves from prior accident years, which were also positively affected by the currency devaluation impact on loss reserves denominated in Pound Sterling and Euro in 2022.

The loss ratios in the long-tail segment were 51.7% and 30.2% in 2021 and 2022, respectively. The decrease in the ratio was mainly driven by a lower level of net loss and loss adjustment expenses and higher net premiums earned on a comparative basis.

Policy acquisition expenses

Policy acquisition expenses in the specialty long-tail segment decreased by 5.7% from $33.1 million in 2022 to $31.2 million in 2023. The net policy acquisition expense ratio for each of 2023 and 2022 was 19.8%.

Policy acquisition expenses in the specialty long-tail segment increased by 10.7% from $29.9 million in 2021 to $33.1 million in 2022. The net policy acquisition expense ratio for 2022 was 19.8% compared to 18.3% for 2021.

Results of Operations — Specialty Short-tail Segment

The following table summarizes the results of operations of IGI's specialty short-tail segment for the years indicated:

	Year Ended December 31		
	2023	**2022**	**2021**
		($) in millions	
Gross written premiums	400.7	317.4	288.4
Ceded written premiums	(117.6)	(123.6)	(101.2)
Net written premiums	**283.1**	**193.8**	**187.2**
Change in unearned premiums	(46.9)	(15.1)	(35.2)
Net premiums earned (a)	**236.2**	**178.7**	**152.0**
Net loss and loss adjustment expenses (b)	(93.1)	(90.0)	(72.4)
Net policy acquisitions expenses (c)	(36.0)	(31.5)	(26.3)
Underwriting income	**107.1**	**57.2**	**53.3**
Loss ratio (b)/(a)	39.4%	50.4%	47.6%
Net policy acquisition expenses ratio (c)/(a)	15.2%	17.6%	17.3%

Gross written premiums

Gross written premiums in the specialty short-tail segment increased by 26.2% from $317.4 million in 2022 to $400.7 million in 2023. This was primarily due to the increase in average renewal premium rates of 9.0% and growth in new business in 2023. Most of our lines of business contributed to growth in gross written premiums in this segment.

Gross written premiums in the specialty short-tail segment increased by 10.1% from $288.4 million in 2021 to $317.4 million in 2022. The increase in gross written premiums was in all lines of business, other than in ports and terminals and engineering, primarily due to new business generated across all lines of business, as well as rate increases on existing business of 5.2%.

Ceded written premiums

Ceded written premiums in the specialty short-tail segment decreased by 4.9% from $123.6 million in 2022 to $117.6 million in 2023. This decrease was primarily due to lower facultative reinsurance purchases recorded.

Ceded written premiums in the specialty short-tail segment increased by 22.1% from $101.2 million in 2021 to $123.6 million in 2022. This increase was primarily due to an increase in facultative reinsurance purchases.

Net change in unearned premiums

Net change in unearned premiums increased from an expense of $15.1 million in 2022 to an expense of $46.9 million in 2023. This increase was in line with the increase in net written premiums recorded in this segment on a comparative basis.

Net change in unearned premiums decreased from an expense of $35.2 million in 2021 to an expense of $15.1 million in 2022. The decrease was due to a higher release of earned premiums written in prior years in 2022 compared to 2021.

Net premiums earned

As a result of the foregoing, net premiums earned in the specialty short-tail segment increased 32.2% from $178.7 million in 2022 to $236.2 million in 2023.

As a result of the foregoing, net premiums earned in the specialty short-tail segment increased 17.6% from $152.0 million in 2021 to $178.7 million in 2022.

Net loss and loss adjustment expenses

Net loss and loss adjustment expenses in the specialty short-tail segment increased by 3.4% from $90.0 million in 2022 to $93.1 million in 2023. This was primarily due to a $10.4 million increase in current accident losses, offset by $7.3 million of higher favorable development on loss reserves from prior accident years in 2023 compared to 2022.

Net loss and loss adjustment expenses in the specialty short-tail segment increased by 24.3% from $72.4 million in 2021 to $90.0 million in 2022. This was primarily due to an increase in current accident year losses. This was partially offset by net favorable development of net loss reserves from prior accident years for most lines of business in the short-tail segment, which were positively affected by the currency devaluation impact on loss reserves denominated in Euro.

The short-tail segment loss ratio decreased by 11.0 percentage points to 39.4% for the year ended December 31, 2023 as compared to 50.4% during the year ended December 31, 2022. The decrease in the ratio was mainly driven by higher net premiums earned on a comparative basis.

The short-tail segment loss ratio decreased by 2.8 percentage points to 50.4% for the year ended December 31, 2022 as compared to 47.6% during the year ended December 31, 2021.

Net policy acquisition expenses

Policy acquisition expenses in the specialty short-tail segment increased by 14.3% from $31.5 million in 2022 to $36.0 million in 2023. The increase was primarily due to an increase in net premiums earned in 2023 compared to 2022. The net policy acquisition expense ratio for 2023 was 15.2% compared to 17.6% in 2022. The decrease in the net policy acquisition expense ratio was primarily attributable to a higher retention ratio in the short-tail segment, coupled with growth in net premiums earned.

Policy acquisition expenses in the specialty short-tail segment increased by 19.8% from $26.3 million in 2021 to $31.5 million in 2022. The increase was primarily due to the increase in net premiums earned in 2022 compared to 2021. The net policy acquisition expense ratio for 2022 was 17.6% compared to 17.3% in 2021.

Results of Operations — Reinsurance Segment

The following table summarizes the results of operations of IGI's reinsurance segment for the years indicated:

	Year Ended December 31		
	2023	**2022**	**2021**
		($) in millions	
Gross written premiums	61.1	31.5	24.1
Ceded written premiums	—	—	—
Net written premiums	**61.1**	**31.5**	**24.1**
Change in unearned premiums	(7.9)	(1.2)	(3.3)
Net premiums earned (a)	**53.2**	**30.3**	**20.8**
Net loss and loss adjustment expenses (b)	(26.8)	(17.1)	(15.9)
Net policy acquisitions expenses (c)	(7.8)	(5.6)	(3.4)
Underwriting income	**18.6**	**7.6**	**1.5**
Loss ratio (b)/(a)	50.4%	56.4%	76.4%
Net policy acquisition expenses ratio (c)/(a)	14.7%	18.5%	16.3%

Gross written premiums

Gross written premiums in the reinsurance segment increased 94.0% from $31.5 million in 2022 to $61.1 million in 2023, benefitting from growth in both new business premiums and renewal premiums under proportional and non-proportional lines of business. Also, growth in gross written premiums was supported by the increase in average renewal premium rates of 25.4%.

Gross written premiums in the reinsurance segment increased 30.7% from $24.1 million in 2021 to $31.5 million in 2022, primarily due to growth in new and renewal premiums and the increase in average renewal premium rates of 5.4%.

Net change in unearned premiums

Net change in unearned premiums in the reinsurance segment increased from an expense of $1.2 million in 2022 to an expense of $7.9 million in 2023. This increase was in line with the increase in net written premiums recorded in this segment on a comparative basis.

Net change in unearned premiums in the reinsurance segment decreased from an expense of $3.3 million in 2021 to an expense $1.2 million in 2022.

Net premiums earned

As a result of the foregoing, net premiums earned in the reinsurance segment increased 75.6% from $30.3 million in 2022 to $53.2 million in 2023.

As a result of the foregoing, net premiums earned in the reinsurance segment increased 45.7% from $20.8 million in 2021 to $30.3 million in 2022.

Net loss and loss adjustment expenses

Net loss and loss adjustment expenses in the reinsurance segment increased 56.7% from $17.1 million in 2022 to $26.8 million in 2023. This was primarily due to the increase in current year accident year losses by $14.0 million on a comparative basis, which also included a higher level of catastrophe losses, mainly related to the Turkey earthquake in 2023. The increase in current year losses was partially offset by a positive change of $4.3 million from unfavorable development on loss reserves from prior accident years in 2022 compared to favorable development in 2023.

Net loss and loss adjustment expenses in the reinsurance segment increased by 7.5% from $15.9 million in 2021 to $17.1 million in 2022.

Loss ratios for the reinsurance segment for the three years ended December 31, 2023, 2022 and 2021 were as follows:

- 50.4% in 2023
- 56.4% in 2022
- 76.4% in 2021

The decrease in the loss ratios in 2023 and 2022 was mainly driven by higher net premiums earned on a comparative basis.

Net policy acquisition expenses

Net policy acquisition expenses in the reinsurance segment increased by 39.3% from $5.6 million in 2022 to $7.8 million in 2023. The net policy acquisition expense ratio for 2023 was 14.7% compared to 18.5% for 2022. The decrease in the net policy acquisition expense ratio was primarily attributable to growth in net premiums earned.

Net policy acquisition expenses in the reinsurance segment increased by 64.7% from $3.4 million in 2021 to $5.6 million in 2022. The net policy acquisition expense ratio for 2022 was 18.5% compared to 16.3% for 2021.

Non-GAAP Financial Measures

In presenting our results, management has included and discussed certain non-GAAP financial measures. We believe that these non-GAAP measures, which may be defined and calculated differently by other companies, explain and enhance investor understanding of our results of operations. However, these measures should not be viewed as a substitute for those determined in accordance with U.S. GAAP.

Core operating income

"Core operating income" measures the performance of our operations without the influence of after-tax gains or losses on investments and foreign currencies and other items as noted in the table below. We exclude these items from our calculation of core operating income because the amount of these gains and losses is heavily influenced by, and fluctuates in part according to, economic and other factors external to the Company and/or transactions or events that are typically not a recurring part of, and are largely independent of, our core underwriting activities and including them distorts the analysis of trends in our operations. We believe the reporting of core operating income enhances an understanding of our results by highlighting the underlying profitability of our core insurance operations. Our underwriting profitability is impacted by earned premium growth, the adequacy of pricing, and the frequency and severity of losses. Over time, such profitability is also influenced by underwriting discipline, which seeks to manage the Company's exposure to loss through favorable risk selection and diversification, IGI's management of claims, the use of reinsurance and the ability to manage the expense ratio, which the Company accomplishes through the management of acquisition costs and other underwriting expenses.

In addition to presenting net income for the period determined in accordance with U.S. GAAP, we believe that showing "core operating income" provides investors with a valuable measure of profitability and enables investors, rating agencies and other users of our financial information to more easily analyze the Company's results in a manner similar to how management analyzes the Company's underlying business performance. Core operating income is calculated by the addition or subtraction of certain income statement line items from net income for the year, the most directly comparable U.S. GAAP financial measure, as illustrated in the table below.

Return on average equity and core operating return on average equity, which are both non-GAAP financial measures, represent the returns generated on common shareholders' equity during the year.

	Year Ended December 31		
	2023	2022	2021
		($) in millions	
Net income for the year	**118.2**	**89.2**	**46.8**
Reconciling items between net income for the period and core operating income:			
Net realized (gain) loss on investments	(6.7)	0.7	(0.3)
Net unrealized (gain) loss on investments (tax adjusted)[1]	(2.6)	5.4	3.8
Change in allowance for expected credit losses on investments	(0.4)	0.4	0.1
Change in fair value of derivative financial liabilities	27.3	(4.6)	(0.7)
Expenses related to conversion of warrants in cash[2]	1.9	—	—
Net foreign exchange (gain) loss (tax adjusted)[1]	(3.9)	2.8	3.3
Core operating income	**133.8**	**93.9**	**53.0**
Average shareholders' equity[3]	475.7	396.0	369.6
Return on average equity[4]	24.8%	22.5%	12.7%
Core operating return on average equity[4 and 5]	28.1%	23.7%	14.3%
Basic core operating earnings per share[6]	2.92	1.95	1.11
Diluted core operating earnings per share[6]	2.88	1.94	1.11

(1) Represents a non-GAAP financial measure as line-item balances have been adjusted for the related tax impact.
(2) This expense is included in the 'Other expenses' line item in the Consolidated Statement of Income.
(3) Represents the total shareholders' equity at the reporting period end plus the total shareholders' equity as of the beginning of the reporting period, divided by 2.
(4) Return on average equity and core operating return on average equity, both non-GAAP financial measures, represent the returns generated on common shareholders' equity during the year.
(5) Represents core operating income for the year divided by average shareholders' equity.
(6) Represents core operating income attributable to vested equity holders divided by weighted average number of vested common shares diluted as follows:

	Year Ended December 31		
	2023	2022	2021
(in millions of U.S. Dollars, except per share information)			
Core operating income for the year	133.8	93.9	53.0
Minus: Core operating income attributable to the earnout shares	8.5	5..2	2.4
Minus: Dividends attributable to the restricted share awards	—	0.1	0.1
Core operating income available to common shareholders (a)	**125.3**	**88.6**	**50.5**
Weighted average number of shares – basic (in millions of shares) (b)	42.9	45.5	45.5
Weighted average number of shares – diluted (in millions of shares) (c)	43.5	45.7	45.5
Basic core operating earnings per share (a/b)	**2.92**	**1.95**	**1.11**
Diluted core operating earnings per share (a/c)	**2.88**	**1.94**	**1.11**

B. Liquidity and Capital Resources

Our principal sources of capital are equity and external reinsurance. The principal sources of funds for our operations are insurance and reinsurance premiums and investment returns. The principal uses of our funds are to pay claims benefits, related expenses, other operating costs and dividends to shareholders.

We have not historically incurred debt. As of December 31, 2023, we had $1.8 million of letters of credit outstanding to the order of reinsurance companies for collateralizing insurance contract liabilities in accordance with reinsurance arrangements. As of December 31, 2022, we had $2.9 million of letters of credit. In addition, as of December 31, 2023 and 2022, we had outstanding an approximately $0.3 million letter of guarantee for the benefit of Friends Provident Life Assurance Limited for collateralizing IGI's rent payment obligation for one of its offices.

Our current arrangements with bankers for the issue of letters of credit require us to provide collateral in the form of investments whereby the issued letters of credit do not exceed 70% of the collateralized investment. As at December 31, 2023 and 2022, these investments amounted to $2.6 million and $4.2 million, respectively. We do not consider that this unduly restricts our liquidity at this time.

In 2021, we signed a legally non-binding agreement with the University of California, San Francisco Foundation to contribute an aggregate amount of $1.25 million in five installments over five years to support cancer research projects. As of December 31, 2023, we have paid $0.75 million and the remaining two instalments totaling $0.5 million will be made equally between 2024 and 2025.

We have historically paid regular dividends to our shareholders. In March 2021, we declared a dividend of $0.17 per share, and in August 2021 we declared a dividend of $0.16 per share. In March 2022, we declared a dividend of $0.19 per share, in May, August and November 2022, we declared dividends of $0.01 per share, respectively, and in March, May, August and November 2023, we declared dividends of $0.01 per share, respectively.

Our overall capital requirements are based on regulatory capital adequacy and solvency margins and ratios imposed by the BMA and by the FCA and the PRA in the United Kingdom. In addition, we set our own internal capital policies. Our overall capital requirements can be impacted by a variety of factors including economic conditions, business mix, the composition of our investment portfolio, year-to-year movements in net reserves, our reinsurance program and regulatory requirements.

Capital position

We are a holding company with no direct source of operating income. We are therefore dependent on our capital raising abilities and dividend payments from our subsidiaries. The ability of our subsidiaries to distribute cash to us to pay dividends is limited by regulatory capital requirements.

Our operations generate cash flow as a result of the receipt of premiums in advance of the time when claim payments are required. Net cash from operating activities, together with other available sources of liquidity, historically has enabled us to meet our long-term liquidity requirements. We expect that net cash from operating activities will enable us to meet our long-term liquidity requirements for at least the next 12 months.

We target a solvency ratio of more than 120% of the group capital requirement to ensure capital strength, enable opportunistic growth and support a stable dividend policy.

Cash flows

IGI has three main sources of cash flows: operating activities, investing activities and financing activities. The movement in net cash provided by or used in operating, investing and financing activities is provided in the following table:

	Year Ended December 31		
	2023	**2022**	**2021**
		($) in millions	
Net cash flows from operating activities	$ 196.6	154.9	175.3
Net cash flows used in investing activities	(90.4)	(246.6)	(51.5)
Net cash flows used in financing activities	(49.1)	(12.5)	(15.1)
Net change in cash and cash equivalents	57.1	(104.2)	108.7

Net cash flows from operating activities

Net cash flows from operating activities increased by $41.7 million from net cash inflow of $154.9 million for the year ended December 31, 2022 compared to net cash inflow of $196.6 million for the year ended December 31, 2023. This increase was primarily due to growth in business.

Net cash flows from operating activities decreased by $20.4 million from net cash inflow of $175.3 million for the year ended December 31, 2021 compared to net cash inflow of $154.9 million for the year ended December 31, 2022. This decrease was primarily due to growth in business being offset by the increase in cash outflows related to the settlement of loss and loss adjustment expenses.

Net cash flows used in investing activities

Net cash flows used in investing activities decreased from net cash outflow of $246.6 million for the year ended December 31, 2022 to net cash outflow of $90.4 million for the year ended December 31, 2023. This was primarily due to a positive movement on the term deposits and short-term investments combined, which was offset by higher purchases of fixed maturity securities, available-for-sale, equity securities and other investments.

Net cash flows used in investing activities increased from net cash outflow of $51.5 million for the year ended December 31, 2021 to net cash outflow of $246.6 million for the year ended December 31, 2022. This was primarily due to negative movement on the term deposits and short-term investments combined.

Net cash flows used in financing activities

Net cash flows used in financing activities increased from a net cash outflow of $12.5 million for the year ended December 31, 2022 to a net cash outflow of $49.1 million for the year ended December 31, 2023. The cash outflow from financing activities for the year ended December 31, 2023 primarily represented a cash payment for the repurchase of common shares of $31.1 million and cash payment for the repurchase and redemption of warrants of $16.3 million.

Net cash flows used in financing activities decreased from a net cash outflow of $15.1 million for the year ended December 31, 2021 to a net cash outflow of $12.5 million for the year ended December 31, 2022. The cash outflow from financing activities in the year ended December 31, 2022 primarily represented a dividend payment of $10.1 million and the repurchase of common shares of $2.4 million compared to $15.1 million of dividend payment for the year ended December 31, 2021.

Ratings

In November 2021, A.M. Best Company ("A.M. Best") reaffirmed the ratings of our insurance subsidiaries (IGI Bermuda, IGI UK and IGI Europe) with an "A" (Excellent)/Stable. This rating reflects A.M. Best's view of our financial strength, underwriting performance and ability to meet obligations to policyholders. In November 2022 and November 2023, A.M. Best reaffirmed our rating with an "A" (Excellent)/Stable.

In April 2023, S&P Global Ratings ("S&P") reaffirmed our financial strength with an "A-"/Stable.

Capital Requirements

We are subject to regulatory and internal management capital requirements.

BMA requirements

IGI Bermuda is regulated by the BMA and as such is subject to the BMA's capital requirements. For purposes of IGI Bermuda's capital requirements, the BMA considers the combination of risk bearing entities that consolidate into IGI Bermuda in addition to treating other companies in the IGI group as "investments in affiliates" and so assesses the capital and solvency of the group as a whole. IGI Bermuda holds sufficient capital adequacy and solvency margins as mandated by the statutory capital requirements of the BMA.

IGI Bermuda holds a class 3B insurance license which is given to large commercial insurers with net written premiums exceeding $50 million. IGI Bermuda generated net written premiums of $497.2 million, $392.8 million, and $379.3 million in 2023, 2022 and 2021, respectively.

The Insurance Act provides that the statutory assets of a general business insurer must exceed its statutory liabilities by an amount greater than the prescribed MSM which varies with the type of registration of the insurer under the Insurance Act.

For Class 3B licensed entities the MSM is the greater of:

- $1 million;
- for insurers with net premium income (the "NPI") of up to $6 million, 20% of NPI, and for insurers with NPI of greater than $6 million, the aggregate of $1.2 million plus 15% of the amount by which NPI exceeds $6 million;
- 15% of the aggregate of net loss and loss expense provisions and other general business insurance reserves; or
- 25% of the ECR (as defined below) as reported at the end of the relevant year.

As such, the MSM required of IGI was $65.0 million, $57.8 million and $58.3 million, in each of 2023, 2022 and 2021, respectively.

The BMA also requires Class 3B insurers to maintain an additional amount of statutory capital and surplus equal to, or exceeding, the ECR, which is established by reference to either the BSCR or an approved internal capital model. The BSCR is calculated based on models provided by the BMA. The ECR required of IGI Bermuda was $260.0 million, $230.8 million and $233.4 million in each of 2023, 2022 and 2021, respectively.

The BMA also established a TCL above the ECR which insurers are expected to hold at least in total equivalent to 120% of the ECR ("the Target Capital"). The TCL required of IGI Bermuda was $312.0 million, $277.0 million and $280.1 million in each of 2023, 2022 and 2021, respectively.

IGI Bermuda's 2023 draft statutory financial statements, and 2022 and 2021 audited statutory financial statements submitted to the BMA reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI's actual statutory capital surplus, which exceeded the BMA's requirements and was 211%, 179% and 162% in 2023, 2022 and 2021, respectively:

	Year Ended December 31		
	2023*	2022**	2021
		($) in millions	
BMA regulatory requirements			
Minimum Margin of Solvency (MSM)	65.0	57.8	58.3
Enhanced Capital Requirement (ECR)	260.0	230.8	233.4
Target Capital Level (TCL)	312.0	277.0	280.1
IGI Bermuda's statutory capital and surplus	**548.7**	**413.8**	**377.5**
Bermuda Solvency Capital Requirement Ratio	211	179	162
Headroom over TCL	236.7	136.8	97.4

* The 2023 figures are based on IGI Bermuda's draft statutory financial statements.

** The 2022 figures have been updated based on IGI Bermuda's final statutory financial statements.

PRA requirements

IGI UK is subject to regulation by the UK FCA and the UK PRA. The Solvency Capital Requirement ("SCR") for IGI UK is governed by the Solvency II regime which sets rules governing the level and quality of capital held by an insurer and the capital requirements applicable to that firm.

The Solvency II measure of available capital ("Own Funds") uses UK GAAP shareholders' funds as a starting point and applies a number of specific adjustments prescribed under Solvency II. The primary adjustments reflect the fact that Solvency II is based on the principle of an economic balance sheet — outstanding reserves and associated reinsurance recoverables being considered on a discounted best-estimate basis. A full reconciliation between the Solvency II and UK GAAP bases is provided in the annual Solvency & Financial Condition Report published on IGI's website (*www.iginsure.com*).

The Solvency II measure of required capital, the SCR, is calibrated using the Value at Risk (VaR) of the basic own funds of an insurance or reinsurance undertaking subject to a confidence level of 99.5% over a one-year period, with a minimum of €3.7 million. IGI UK has chosen the Solvency II Standard Formula (the "Standard Formula") method to calculate its SCR.

IGI has assessed the appropriateness of the Standard Formula on both a qualitative and quantitative basis and considers it to provide an appropriate fit to the Company's business and risk profile.

Specifically, the assessment confirms that the Standard Formula:

- captures the full scope of risks to which the Company is exposed and for which the holding of capital is an appropriate response;
- is sufficiently sensitive to future changes in the risk profile on both the asset and liabilities side of the balance sheet including the influence of outward reinsurance arrangements;
- has been applied in full with no application of undertaking specific parameters, simplifications or transitional measures; and
- is applied with an adjustment for the risk absorbing effect of technical provisions and deferred taxes.

The Standard Formula SCR and associated Solvency II Own Funds are recalculated at least quarterly and at other times in response to an actual or projected material change in the risk profile and the results reported in full to the Audit, Risk and Compliance Committee of the UK Board in addition to being communicated to the IGI Bermuda and IGI Holdings Boards.

The adequacy of the Company's Own Funds to meet the SCR is monitored on an ongoing basis and particularly in the event of an anticipated or actual material impairment in the level of Own Funds.

IGI UK's audited statutory financial statements submitted to the PRA reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI UK's actual statutory capital surplus, which exceeded the PRA's requirements by 52% and 57% in 2022 and 2021, respectively. IGI UK's draft financial statements for the year ended December 31, 2023 reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI UK's actual statutory capital surplus, which exceeded the PRA's requirements by 76%.

MFSA requirements

Following its acquisition in June 2021, IGI Europe is subject to regulation by the MFSA. The Solvency Capital Requirement (SCR) for IGI Europe is governed by the Solvency II regime which sets rules governing the level and quality of capital held by an insurer and the capital requirements applicable to that firm.

The Solvency II measure of required capital, the SCR, is calibrated using the Value at Risk (VaR) of the basic own funds of an insurance or reinsurance undertaking subject to a confidence level of 99.5% over a one-year period, with a minimum of €3.7 million. IGI Europe has chosen the Solvency II Standard Formula (the "Standard Formula") method to calculate its SCR.

IGI has assessed the appropriateness of the Standard Formula on both a qualitative and quantitative basis and considers it to provide an appropriate fit to the Company's business and risk profile.

Specifically, the assessment confirms that the Standard Formula:

- captures the full scope of risks to which the Company is exposed and for which the holding of capital is an appropriate response;
- is sufficiently sensitive to future changes in the risk profile on both the asset and liabilities side of the balance sheet including the influence of outward reinsurance arrangements;
- has been applied in full with no application of undertaking specific parameters, simplifications or transitional measures; and
- is applied with adjustment for the risk absorbing effect of technical provisions and deferred taxes.

The Standard Formula SCR and associated Solvency II Own Funds are recalculated at least quarterly and at other times in response to an actual or projected material change in the risk profile and the results are reported in full to the board of directors of IGI Europe in addition to being communicated to the board of directors of IGI and IGI Bermuda.

The adequacy of the Company's Own Funds to meet the SCR is monitored on an ongoing basis and particularly in the event of an anticipated or actual material impairment in the level of Own Funds.

IGI Europe's audited statutory financial statements submitted to the MFSA reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI Europe's actual statutory capital surplus. IGI Europe's draft financial statements for the year ended December 31, 2023 and audited financial statements for the years ended December 31, 2022 and 2021 reflect the foregoing capital adequacy and solvency margin requirements, as well as IGI Europe's actual statutory capital surplus, which exceeded the MFSA's requirements by 108%, 107% and 140% for the years ended December 31, 2023, 2022 and 2021, respectively.

Derivative Financial Liabilities

In connection with the consummation of our business combination with Tiberius, we issued 4,500,000 private warrants and 12,750,000 public warrants. We repurchased and redeemed all public and private warrants in 2023. Prior to the repurchase and redemption, we recognized the warrants as liabilities at fair value and adjusted the instruments to fair value at each reporting period. The earnout shares issued to former shareholders of IGI and Tiberius are accounted for as a derivative financial liability because the earnout triggering events that determine the number of earnout shares to be vested include multiple settlement alternatives and events that are not solely indexed to the common shares of the Company. The earnout shares are subject to remeasurement at each balance sheet date until vested, and any change in fair value is recognized in the Group's consolidated statement of income.

Investments

Our primary investment objectives are to maintain liquidity, preserve capital and generate a stable level of investment income. We purchase securities that we believe are attractive on a relative value basis and seek to generate returns in excess of predetermined benchmarks. Our investment strategy has historically been established by our investment team and has historically been approved by our board of directors. The strategy is comprised of high-level objectives and prescribed investment guidelines which govern asset allocation. In accordance with our investment guidelines, we maintain certain minimum thresholds of cash, short-term investments, and highly-rated fixed maturity securities relative to our consolidated net reserves and estimates of probable maximum loss exposures to provide necessary liquidity in a wide range of reasonable scenarios. As such, we structure our managed cash and investment portfolio to support policyholder reserves and contingent risk exposures with a liquid portfolio of high quality fixed-income investments with a comparable duration profile.

In 2023, we managed most of our investment portfolio in-house, with the exception of approximately $21.8 million which was managed by a third-party investment advisor. Our investment team is responsible for implementing the investment strategy as set by the investment committee established by our management and routinely monitors the portfolio to ensure that these parameters are met.

The fair value of our investments, cash and cash equivalents and restricted cash as of December 31, 2023 and December 31, 2022 was as follows:

	Fair Value	
Asset Description	**December 31, 2023**	**December 31, 2022**
Fixed income securities	767.6	491.1
Fixed and call deposits	247.2	366.9
Cash at banks and held with investments managers	77.1	52.3
Equities	26.2	31.4
Real estate	3.5	4.9
Mutual funds	11.1	12.2
Total	1,132.7	958.8

The following table shows the distribution of bonds and debt securities with fixed interest rates according to the international rating agencies' classifications as of December 31, 2023:

Rating Grade	Bonds	Unquoted Bonds	Total
		($) in millions	
AAA	18.8	—	18.8
AA	152.0	—	152.0
A	408.3	—	408.3
BBB	186.1	—	186.1
BB	0.2	—	0.2
Not Rated	0.2	2.0	2.2
Total	**765.6**	**2.0**	**767.6**

The following table summarizes our investment results as of December 31, 2023, 2022 and 2021:

	Year Ended December 31		
	2023	2022	2021
	($) in millions, unless otherwise specified		
Average investments[1]	1,029.1	882.9	797.3
Investment income[2]	40.5	20.9	14.5
Investment yield[3]	3.9%	2.4%	1.8%

(1) Includes investments and cash and cash equivalents. The average balance represents the investments at the reporting period end plus the investments as of the beginning of the reporting period, divided by 2.
(2) Represents interest and dividend income, net of investment custodian fees and other investment expenses.
(3) Represents investment income divided by average investments.

For comparison, the following are the coupon returns for the Barclays U.S. Aggregate Bond Index and the dividend returns for the S&P 500® Index:

	As of December 31		
	2023	2022	2021
	%		
Barclays US Aggregate Bond Index	3.1	2.7	2.4
S&P 500® Index (dividend return)	1.5	1.7	1.3

The cost or amortized cost and carrying value of our fixed-maturity investments as of December 31, 2023 is presented below by contractual maturity. Actual maturities could differ from contractual maturities because borrowers may have the right to call or prepay certain obligations with or without call or prepayment penalties.

	As of December 31, 2023	
	Cost	Carrying Value
	($) in millions	
2024	82.5	80.5
2025	150.9	145.4
2026	202.9	195.4
2027	61.0	57.8
2028	118.0	116.7
2029	62.5	60.8
2030	7.9	7.0
2031	16.6	15.4
2032	2.2	1.9
2033	15.2	15.8
After 2033	75.3	70.9
Total	**795.0**	**767.6**

Reinsurance

We follow customary industry practice of reinsuring a portion of our exposures in exchange for paying reinsurers a part of the premiums received on the policies we write. Our reinsurance program enhances the quality of our core operations by reducing exposure to potential catastrophe and other high severity losses, limiting volatility in underwriting performance, and providing us with greater visibility into our future earnings. Although reinsurance does not legally discharge an insurer from its primary liability for the full amount of the policies, it does make the assuming reinsurer liable to the insurer to the extent of the reinsurance coverage. We monitor the financial condition of our reinsurers and place our coverages only with generally financially sound carriers. Reinsurance coverage and retentions vary depending on the line of business, location of the risk and nature of loss. Our reinsurance purchases include the following:

- We purchase property, onshore energy and engineering reinsurance to reduce our exposure to large individual property losses and catastrophe events. The following is a summary of significant property reinsurance treaties in effect as of July 1, 2023. Our per risk reinsurance covers losses in respect of property and engineering from an entry point of $10.0 million up to $50.0 million PML. Meanwhile in respect of onshore energy, we purchase from an entry point of $12.5 million up to $50.0 million PML. PML error is purchased beyond the aforementioned limits for a further $22.5 million. Our catastrophe reinsurance purchase is $75.0 million with a reinstatable limit above an entry point of $15.0 million.

- We purchase offshore energy reinsurance to reduce our exposure to large losses. As of July 1, 2023, our maximum platform exposure was $75.0 million. Our offshore reinsurance protection has an entry point of $15.0 million and provides coverage up to a further $82.5 million covering an element of "clash coverage" for a moveable risk relating to a fixed platform. The maximum "moveable risks" coverage is $25.0 million.

- Casualty reinsurance treaties — We purchase casualty reinsurance to reduce our exposure to large losses by virtue of a 20% Quota Share Treaty. This Quota Share Treaty covers professional indemnity, director and officers, financial institutions and warranty and indemnity business written or controlled by our London office underwriters.

- Other reinsurance — Depending on the operating unit, we purchase specific additional reinsurance to supplement the above programs.

Our reinsurance strategy is generally driven by our objective to maximize risk adjusted returns and informed by our capital position and cost of reinsurance coverage. We buy property reinsurance to reduce exposure to large individual property losses and catastrophe events. We buy casualty reinsurance to reduce exposure to large liability losses. We purchase facultative and other reinsurance to balance our book of business and optimize our returns. We monitor the reinsurance market closely and at times will cede a greater proportion of our premiums if the availability and cost of reinsurance improves the overall risk and profitability profile of our business. Conversely, when the reinsurance markets are less attractive, we will seek to retain a greater portion of the premiums we write. Our reinsurance purchasing strategy impacts our financial results as our net premiums may increase or decrease depending on our reinsurance program.

We buy our casualty reinsurance on a "risk attaching" basis. Under risk attaching treaties, all claims from policies incepting during the year of the reinsurance contract are covered even if they occur after the expiration date of the reinsurance contract. If we are unable to renew or replace our existing reinsurance coverage, protection for unexpired policies would remain in place until their expiration. In such case, we could revise our underwriting strategy for new business to reflect the absence of reinsurance protection. Property catastrophe reinsurance is generally placed on a "losses occurring basis," whereby only claims occurring during the year are covered. If we are unable to renew or replace these reinsurance coverages, unexpired policies would not be protected, and therefore we would seek to purchase run off coverage.

Reinsurance Recoverables

At December 31, 2023, approximately 75.6% of IGI's reinsurance recoverables on unpaid and paid losses (not including ceded unearned premiums) of $223.1 million were due from carriers which had a "A-" or higher rating from a major rating agency. The largest reinsurance recoverables from any one carrier was approximately 8.0% of total shareholders' equity available to IGI at December 31, 2023.

The following table shows credit ratings of our top 5 reinsurers as of December 31, 2023, and the unpaid and paid reinsurance recoverable from such reinsurers as of both December 31, 2023 and December 31, 2022 (dollars in millions):

Reinsurer rating	Percentage of total reinsurance recoverables	Reinsurance Recoverable at December 31, 2023	Reinsurance Recoverable at December 31, 2022
B++	19.3%	$ 43.1	$ 23.4
A+	15.7%	$ 35.0	$ 31.8
A++	6.1%	$ 13.7	$ 12.5
A+	5.9%	$ 13.1	$ 8.4
A	5.0%	$ 11.2	$ 9.9
Total		**$ 116.1**	**$ 86.0**

Reserves

To recognize liabilities for unpaid loss and loss adjustment expenses, both known or unknown, insurers establish reserves, which is a balance sheet account entry representing estimates of future amounts needed to pay claims and related expenses with respect to insured events which have occurred. Estimates and assumptions relating to reserves for net loss and loss adjustment expenses are based on complex and subjective judgments, often including the interplay of specific uncertainties with related accounting and actuarial measurements. Such estimates are susceptible to change. For example:

- At the time of loss information available regarding the circumstances and the extent of a loss may not be fully known.
- It may not be clear whether the circumstances of a loss are covered.
- If a legal decision is required to resolve coverage this may take many years.
- The actions the insured takes to remediate the loss may affect the eventual loss amount (favorably or unfavorably).
- For this purpose, the term "loss" refers to a claim and the direct costs associated with claims settlement. Except where specific reference to the costs associated with claims settlement is made, the term "claim" and "loss" are used interchangeably.
- The availability of replacement parts, skilled labor, access to the loss site and the speed at which repairs can be undertaken many not be known for some time and may be subject to change.
- It may be many years before the occurrence of a loss becomes known.
- Where claims take a long time to settle new information, changes in circumstances, legal decisions, rates of exchange and economic conditions (particularly claims inflation) may affect the value and validity of claims made.

When a claim is reported, a member of the claims team will establish a "case reserve". The case reserve will represent an estimate of the expected settlement amount and will be based on information about the specific claim at that time. The estimate represents an informed judgment based on general industry reserving practices, the experience and knowledge of the claims handler and practices of the claims team. If insufficient information is available, the claims handler may be unable to establish an estimate and will seek further information that will allow an informed estimate to be established. Claims reserves are also established to provide for:

- losses Incurred But Not Reported to the insurer ("pure IBNR");
- potential changes in the adequacy of case reserves ("Incurred But Not Enough Reported" or "IBNER"); and
- the estimated expenses of settling claims, including both:

- Allocated Loss Adjustment Expenses: claims specific costs (such as legal, loss adjuster fees); and
- Unallocated Loss Adjustment Expenses: other general expenses (such as the costs of maintaining the claims handling function).

The timing of our results depends in large part on the extent to which the development and settlement of claims and reinsurance recoveries are consistent with the assumptions used to establish reserves. If expectations for and/or the actual cost of settlement increase or the timing of reporting and/or settlement changes, then we face the risk that the reserves in our financial statements may be inadequate and need to be increased. In this event an increase in reserves would cause a reduction in our profitability and could result in operating losses and a reduction of capital.

The Reserving Committee

The reserving committee is responsible to the board of directors for the governance of the reserving process and for the recommendation of the quantum of claims reserves to be booked. The committee includes members of senior management who represent the underwriting, claims, outward reinsurance, actuarial and finance departments. The committee meets quarterly and agrees the carried reserve for each product line. Key inputs to the committee include but are not limited to the quarterly actuarial reserve review, presented by the Group Chief Actuary, and discussions with the heads of claims, reinsurance and underwriting. The committee also considers findings of external actuarial reviews.

External (independent) Actuarial Review

Independent reviews of IGI's reserves have been undertaken by a third-party actuarial consultancy since 2009. At present these reviews are undertaken every twelve months.

We undertake statutory submissions to the BMA and the National Association of Insurance Commissioners. Actuarial opinions are required to support the annual return. These opinions and the actuarial reviews of reserves supporting these opinions are undertaken by an independent international actuarial consultant.

Actuarial Review

In preparation for the recommendations to the reserving committee, our actuarial team undertakes a review of the reserves each quarter using a range of widely accepted actuarial methodologies and additional approaches as appropriate. The reserving process utilizes proprietary and commercially available actuarial models. Our experience is augmented by comparison to industry loss development patterns and other information.

Reserves are not an exact calculation of liability, but rather are estimates of the expected cost of settling claims. This process relies on the assumption that past experience, adjusted for the effects of current developments and anticipated trends, is an appropriate basis for projecting future claims development. The estimates are based on actuarial and statistical projections of facts and circumstances known at the time of the review, estimates of trends in claim frequency, severity and other variable factors, including new bases of liability and general economic conditions. These variables can be affected by many factors, including internal and external events, such as changes in claims handling procedures, economic inflation, foreign currency movements, legal trends, legislative decisions and changes and the recognition of new sources of claims.

Potentially, claims may emerge, particularly claims arising from changes in the legal and regulatory environment, the type or magnitude of which we are unable to predict.

Reserves for inward reinsurance may be subject to greater uncertainty than for insurance primarily because, as a reinsurer, we rely on (i) the original underwriting decisions made by ceding companies and (ii) information and data provided by the ceding companies. As a result, we are subject to the risk that our ceding companies may not have adequately evaluated the risks reinsured by us and the premiums ceded may not adequately compensate us for the risks we assume. In addition, reinsurance reserves may be less reliable than insurance reserves because of the greater scope of losses underlying reinsurance claims, limitations on information provided and the generally longer lapse of time from the occurrence of the event to the reporting of the loss to the reinsurer and its settlement.

The estimation of adequate reserves is more difficult and thus more uncertain for claims arising from "long-tail" policies, under which claims may not be paid until substantially beyond the end of the policy term. The estimation of such liabilities is subject to many complex variables, including the current legal environment, specific settlements that may be used as precedents to settle future claims, assumptions regarding trends with respect to claim frequency and severity, issues of coverage and the ability to locate defendants. Additional uncertainty also arises from the relative lack of development history which also limits the scope of experience on which estimates are based. This is partially mitigated by the use and monitoring against market benchmarks.

While every effort is made to ensure we are reserved appropriately, changes in trends and other factors underlying our reserve estimates could result in our reserves being inadequate. Because setting reserves is inherently uncertain, we cannot provide assurance that our current reserves will prove adequate considering subsequent events. If our loss reserves are determined to be inadequate, we will be required to increase our reserves at the time with a corresponding reduction in our net income for that year. Such adjustments could have a material adverse effect on our results and our financial condition.

Actuarial Methodologies

The main methodologies used to project claims to ultimate include resolution but are not limited to:

Chain Ladder Method: Using a development triangle[1] of cumulative claims amounts, a set of incremental development factors are calculated. The development factor is equal to the ratio of the cumulative claims at each development period to that at the previous development period. These development factors are then applied to the most recent data point in the triangle to project the current claims to ultimate resolution.

In selecting appropriate development factors, a number of important considerations are made which require actuarial judgement. These include, but are not limited to, the following general principles:

- Periods of larger claims volume and more mature development provide more credibility and should be given a larger weighting.
- Typical claims development would generally expect to show a smooth and monotonically decreasing incremental pattern from period to period.
- Trends of the individual factors within each development, origin period and calendar year within the triangle are evaluated.
- The relevance of historical experience from older accident years used in projecting the future development of more recent accident years must be considered given changes in the mix of business, claims settlement processes, reinsurance protections and claims inflation within a class of business over time.
- Whether claims development is expected to continue beyond the period over which we have historic data available must be considered.

Where the credibility of the experience is considered insufficient to enable the selection of development factors thought to be representative of future claims development, a relevant market benchmark pattern may be considered, where available. Such patterns could be drawn from published industry information (e.g. LMA Lloyd's triangles, ABI or broker industry sector studies) and/or the actuary's own wider market experience. They would then be adjusted as far as is practicably possible and proportionate to the materiality of the business to capture known and expected differences in the development characteristics between the benchmark and class of business modelled.

Initial Expected Loss Ratio ("IELR") Method: This method estimates ultimate claims for each line of business and origin period to be equal to an IELR multiplied by the expected ultimate premium. The unpaid (IBNR) claims is the difference between these estimates and the current paid (or case reported) claims.

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1 Development triangle means values (in this case, cumulative paid or case reported claims) organized by year of origin (typically the applicable accident year) and development period (typically the number of quarters since the commencement of the original period).

Each year the IELRs are derived for each line of business as part of the business planning process. Where relevant and credible data is available, a "bridging" process is used to inform the selection of the IELRs and itself divides each IELR into the following components:

- Small Losses (individual losses below a specified threshold);
- Large Risk Losses (risk losses greater than a specified threshold);
- Modelled Catastrophe Losses (losses arising from perils in countries modelled by our natural catastrophe modelling software, currently Verisk); and
- Non-Modelled Losses.

The modelling process first considers the IELRs gross of outward reinsurance and then derives the anticipated outward reinsurance recoveries resulting from the gross assumptions. The reinsurance program is modelled within a capital modelling package (currently Aon's Tyche).

The aim of the bridging process is to restate trended and developed experience for each past year as if it was the experience in the underwriting year. Then the accident year loss ratios are derived by unwinding the underwriting year results by half a year. This calculation involves:

- For premiums: Estimating the premium that would be charged for the same group of risks (to the extent that sufficient information and time allows this will consider real rate changes, changes in the mix of business, line sizes, attachment points and limits).
- For claims: Modifying past claims amounts for claims inflation, changes in coverage, line size and limits (to the extent that sufficient information and time allows this will consider claims inflation, changes in the mix of business, line sizes, attachment points and limits).

With the exception of Modelled Losses, an IELR is selected using a credibility-weighted average of the as-if'd, trended and developed loss ratios. The IELR for Modelled Losses are taken as being equal to a judgmental average of the loss ratio derived from the Average Annual Loss ("AAL"), from IGI's Natural Catastrophe model, and the as-if'd, trended and developed loss ratios for Modelled business experienced historically.

Bornhuetter-Ferguson ("BF") method: This method is a blend of the Chain Ladder and IELR methods. Estimates can be made based on both paid claims and case reported claims.

- For paid claims: The BF paid estimate is equal to the paid claims plus the IELR Method ultimate claims multiplied by the expected percentage estimated to be unpaid (derived from the paid claims Chain Ladder Method).
- For case reported claims: The BF case reported estimate is equal to the case reported claims plus the IELR Method ultimate claims multiplied by the expected percentage estimated to be unreported (derived from the case reported claims Chain Ladder Method).

Other Methodologies: Additional exposure-based methodologies may be used where enough information is available and the materiality of the business, claims or the potential exposures involved are not adequately captured in a development triangle. Examples include:

- large exposures to known natural catastrophes (such as hurricanes, earthquakes and flood);
- large exposures to specific risk losses; and
- long-tailed low frequency, high severity classes.

Reserve for Unallocated Loss Adjustment Expenses ("ULAE")

ULAE amounts are expenses arising from administering claims that are not directly attributable to individual claims. These include claims department salaries, an apportionment of the utilities, computer depreciation, office buildings depreciation, IT software expenses and investment expenses (Solvency II only) and the outward reinsurance department salaries. IGI expresses ULAE as a percentage of the gross unpaid reserves (case estimates and IBNR). IGI estimates ULAE reserves using methods that include but are not limited to:

- *Claims staffing Method:* This methodology assumes that the ULAE expenditures track in proportion with the number of claims processed, by way of:
- New claims reported during each calendar year.
- Claims remaining open at the end of each calendar year.
- Claims closed during each calendar year.
- *Paid-to-Paid ratio:* This method assumes that the historic ratio of ULAE to claims paid is consistent and that future ULAE is proportional to the unpaid claims.
- *The Kittle Ratio:* This method is similar to the Paid-to-Paid method, but assumes that future ULAE is proportional to the value of claims reported and claims settled.

Ceded Reinsurance and Net IBNR

The outward reinsurance department determines outward reinsurance recoveries arising on case reported claims each month end by the application of the outwards program.

Reserves for outward reinsurance recoveries on estimated IBNR claims are determined by the application of reinsurance recovery ("RI") ratios to the estimated gross IBNRs. This process is undertaken by line of business and by year. The derivation of the RI ratio considers each type of reinsurance (Facultative, Proportional Treaty and Excess of Loss Treaty) separately. Broadly speaking, estimates of the RI ratio develops over time, commencing at the business plan assumption (for each reinsurance type) and ending-up as the ratios experienced. Between these times, an approximate subdivision of IBNR is made between pure IBNR and IBNER. The RI ratio applicable to pure IBNR being the business plan assumption and to the IBNER being a judgmental selection based on the ratio currently experienced.

Reserving Results & Development

As paid and incurred claims experience develop, our reserves are adjusted depending on how the actual development compares to that expected. This forms part of the regular reserving process, with the adequacy of reserves reviewed on a quarterly basis. If the claims experience is positive relative to expectations, the excess reserve is released in the year under review. Conversely, reserve deficiencies result in a negative charge to the current year profits.

The following table provides a reconciliation of the beginning of year and end of year reserves for the financial years 2021 to 2023 and demonstrates the reserve surplus and deficiencies recognized over this year.

IGI Booked Reserves

($) in millions	Year Ended December 31 2023	2022	2021
Net reserve for unpaid loss and loss adjustment expenses beginning of year	$ 447.4	$ 395.5	$ 309.8
Loss and loss adjustment expenses incurred, net of reinsurance:			
Current accident year	228.4	199.5	193.8
Previous accident years	(39.3)	(42.0)	(20.8)
Total	$ 636.5	$ 553.0	$ 482.8
Loss and loss adjustment expenses paid, net of reinsurance:			
Current accident year	25.8	14.9	16.1
Previous accident years	110.8	90.7	71.2
Total	$ 136.6	$ 105.6	$ 87.3
Reserve for unpaid loss and loss adjustment expenses at end of period	712.1	636.2	577.6
Reinsurance recoverable on unpaid loss and loss adjustment expenses, net of allowance for expected credit losses	212.2	188.8	182.1
Net reserve for unpaid loss and loss adjustment expenses at end of the year	$ 499.9	$ 447.4	$ 395.5

The following table sets out our claims reserving provisions including ULAE as of December 31, 2023 and 2022:

Change in Case Reserves, IBNR and ULAE

($) in millions	As of December 2023	As of December 2022	Difference
Gross Reported Case Reserve	$ 345.4	$ 308.6	$ 36.8
Reinsurance Reported Case Reserve	$ 117.0	$ 101.7	$ 15.3
Net Reported Case Reserve	$ 228.4	$ 206.9	$ 21.5
Net IBNR Reserves & ULAE	$ 271.5	$ 240.5	$ 31.0
Net reserve for unpaid loss and loss adjustment expenses	$ 499.9	$ 447.4	$ 52.5

For the year ended December 31, 2022, net ultimate losses increased by $199.6 million for accident year 2022 and decreased by $42.0 million for accident years 2021 and prior. The decrease in prior years' ultimate losses is split between $32.8 million for the long-tail business, $10.1 million for the short-tail business and an increase of $0.9 million for the reinsurance book.

For the year ended December 31, 2023, the net ultimate loss increased by $228.4 million for accident year 2023 and decreased by $39.3 million for accident years 2022 and prior. The decrease in prior years' ultimate losses is split between $16.9 million for the short-tail business, $19.2 million for the long-tail business and $3.2 million for the reinsurance business. Assumptions for future inflation have been updated to reflect an increase in the costs of goods and some services and an anticipated knock-on change in wage-related costs. The decrease in ultimate losses is however driven by consistent favorable claims experience.

Reserve releases/strengthening.

Best Estimate: IGI's actuarial recommended reserve is a "best estimate" of the outstanding (unpaid) claims liabilities (the Actuarial Best Estimate). This is intended to represent the mathematical expected value of the distribution of reasonably foreseeable outcomes of the unpaid liabilities. The best estimate does not knowingly contain any prudence or bias in either direction. While the estimates are likely to change as future experience emerges, any changes would only arise as a result of experience being better or worse than current expectations, or from changes in our view of the market. These changes will not be as a result of gradual release of implicit or explicit margins as our results contain no margins.

Booked Reserves: The reserving committee is responsible to the board of directors for the governance of the reserving process and for the recommendation of the quantum of claims reserves to be booked. Key inputs to the committee include but are not limited to the quarterly Actuarial Reserve Review, presented by the Group Chief Actuary, discussions with the heads of claims, reinsurance and underwriting and findings of external actuarial reviews. The booked reserves may differ from the actuarial best estimate.

Time value of money: As of the date of this annual report, the reserves (determined under U.S. GAAP) make no explicit allowance for the time value of money (i.e. reserves are not discounted).

Reserve Strengthening/Reserving Release: Reserve strengthening is the term used when the reserves established previously are no longer considered sufficient and are increased. The reserve strengthening will give rise to a charge against profits during that reporting year, reducing the profit for that year, possibly giving rise to an overall loss. Reserve release has the opposite effect.

The table below indicates that during each of the years ended December 31, 2023, 2022 and 2021, IGI has recorded reserving releases (item (C)).

Increases in Reserves/Decreases in Reserves: The size of reserves is determined by many factors. Key drivers that cause increases in the volume of reserves held include:

- An increase in the volume of business written;
- A change in the mix of business written toward business that takes a longer period to settle;
- Incidence of large risk or natural catastrophes; and
- Reserve strengthening.

As of December 31, 2023, 2022 and 2021, IGI had $271.5 million, $240.5 million and $208.5 million of incurred but not reported (IBNR) loss reserves including ULAE, respectively, net of reinsurance.

Change in IGI Booked Net IBNR & ULAE

	Year Ended December 31		
($) in millions	**2023**	**2022**	**2021**
Carrying balance of IBNR Reserves in Balance Sheet at beginning of the year (A)	$ 240.5	$ 208.6	$ 157.5
Subsequent Movement in Following Financial year:			
IBNR Reserves moved to Incurred Reserves (**B**)	(85.1)	(57.1)	(66.7)
IBNR Reserves release pertaining to prior years (**C**)	(39.3)	(42.0)	(20.7)
IBNR Reserves added for new accident year (**D**)	155.4	131.0	138.5
Net charge to P/L (B+C+D) = (F)	$ 31.0	$ 31.9	$ 51.1
Carrying balance of IBNR Reserves in Balance Sheet ending balance (A+F)	$ 271.5	$ 240.5	$ 208.6

Ultimate Claims Development

The table below shows the development of IGI's net ultimate losses and loss adjustment expenses by accident year.

($) in millions	Initial	1+	2+	3+	4+	5+	6+	7+	8+	9+	10+	Net Premiums Earned
2013.	123.6	121.7	120.6	117.1	109.5	107.7	107.6	107.3	107.1	105.6	105.5	180.6
2014.	115.9	90.1	79.2	73.3	70.1	66.8	65.6	65.5	66.4	66.6		189.5
2015.	92.9	87	79.8	75.3	73.1	72.6	71.9	72.4	72.4			155.8
2016.	98.8	94.1	90.1	85.4	89.2	89.2	89.8	89.1				157.9
2017.	110.3	117.2	116.4	113.9	112.0	111.8	109.6					146.7
2018.	94.3	105	108.5	113.0	103.1	110.7						183.3
2019.	124.4	115.7	100.1	107.0	105.3							215.5
2020.	157.8	155.6	145.9	150.8								283.5
2021.	193.8	162.9	142.3									336.6
2022.	199.5	172.2										376.4
2023.	228.4											447.2

For additional information about our reserves and reserves development, see Note 6 to IGI's consolidated financial statements included elsewhere in this annual report.

Effects of Inflation

Inflation may have a material effect on our consolidated results of operations by its effect on interest rates and on the cost of settling claims. The potential exists after a catastrophe or other large property loss for the development of inflationary pressures in a local economy as the demand for services, such as construction, typically surges. The cost of settling claims may also be increased by global commodity price inflation. We take both these factors into account when setting reserves for any events where we think they may be material.

Our calculation of reserves for net loss and loss adjustment expenses includes assumptions about future payments for settlement of claims and claims-handling expenses. To the extent inflation causes these costs to increase above reserves established for these claims, we will be required to increase our loss reserves with a corresponding reduction in earnings. The actual effects of inflation on our results cannot be accurately known until claims are ultimately settled.

In addition to general price inflation, we are exposed to a persistent long-term upwards trend in the cost of judicial awards for damages. We take this into account in our pricing and reserving of our professional lines of business. We also take into account the projected impact of inflation on the likely actions of central banks in the setting of short-term interest rates and consequent effects on the yields and prices of fixed interest securities. If inflation, interest rates and bond yields increase, this would result in a decrease in the market value of certain of our fixed interest investments. See "*Risk Factors — Risks Relating to Our Business and Operations — Our results of operations, liabilities and investment portfolio may be materially affected by conditions impacting the level of interest rates in the global capital markets and major economies, such as central bank policies on interest rates and the rate of inflation*."

C. Research and Development, Patents and Licenses, etc.

We had no significant research and development policies or activities for the years ended December 31, 2023, 2022 and 2021. We do not have any patents or licenses that are material for conducting our business, except as described in this annual report.

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events for the current fiscal year that will have a material effect on our net revenues, income, profitability, liquidity or capital reserves, or that caused the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

E. Critical Accounting Estimates

The preparation of our consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities, if any. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. We evaluate our estimates regularly using information that we believe to be relevant.

Reserve for unpaid loss and loss adjustment expenses

Considerable judgement by management is required in the estimation of amounts due to contract holders arising from claims made under insurance contracts. Such estimates are necessarily based on assumptions about several factors involving varying, and possibly significant, degrees of judgement and uncertainty and actual results may differ from management's estimates resulting in future changes in estimated liabilities.

In particular, estimates have to be made for both the expected ultimate cost of claims reported and the expected ultimate cost of claims incurred but not yet reported (IBNR) at the balance sheet date. The primary technique adopted by management in estimating the cost of notified and IBNR claims is that of using past claim settlement trends to predict future claims settlement trends. Claims requiring court or arbitration decisions are estimated individually. Independent loss adjustors normally estimate property claims. Management reviews its provisions for claims incurred, and claims incurred but not reported, on a quarterly basis.

Total carrying amount of reserve for unpaid loss and loss adjustment expenses as at December 31, 2023 and 2022 was $712.1 million and $636.2 million, respectively. As at December 31, 2023 and 2022, gross incurred but not reported claims (IBNR) amounted to $366.7 million and $327.7 million respectively out of the total reserve for unpaid loss and loss adjustment expenses. Total carrying amount of reserve for unpaid loss and loss adjustment expenses net of reinsurance as at December 31, 2023 and 2022 was $499.9 million and $447.4 million, respectively.

Sensitivities

The following tables show the effect on estimated net reserves for unpaid loss and loss adjustment expenses as at December 31, 2023 of a change in two of the most critical assumptions in establishing reserves: (i) loss emergence patterns, accelerated or decelerated by three and six months; and (ii) expected loss ratios varied by plus or minus ten percent. Accelerated loss emergence patterns indicate a higher development percentage of losses, therefore requiring lower IBNR than previously expected and hence resulting in a lower ultimate.

Management believes that these scenarios present a reasonable range of variability around the booked reserves using standard actuarial techniques. Loss reserves may vary beyond these scenarios in periods of heightened or reduced claim activity. The reserves resulting from the changes in the assumptions are not additive and should be considered separately. The following tables vary the assumptions employed therein independently. In addition, the tables below do not adjust any parameters other than the ones described above.

Change in assumption	Reserve for unpaid loss and loss adjustment expenses, net of reinsurance recoverable
	($ in millions)
Accelerated pattern*	$ 451.6
Unchanged	$ 499.9
Decelerated pattern*	$ 558.7

* Accelerated/Decelerated patterns are shifted by 6 months for long-tail segment and 3 months for short-tail and reinsurance segments.

Change in assumption	Reserve for unpaid loss and loss adjustment expenses, net of reinsurance recoverable
	($ in millions)
10% favorable	$ 470.2
Unchanged	$ 499.9
10% unfavorable	$ 528.7

Fair Value Measurements of Certain Financial Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Refer to Item 18, Notes 2(s) and 15 to the Consolidated Financial Statements under "Fair Value" for information on the valuation techniques, including significant inputs and assumptions generally used in estimating the fair values of our financial instruments.

Premiums representing amounts due on business written but not yet reported

In addition to reported premium income, we also include an estimate for pipeline premiums representing amounts due on business written but not yet reported. This is based on management's judgement of market conditions and historical data using premium development patterns evident from active underwriting periods to predict ultimate premiums trends at the close of the fiscal period.

Allowance for Expected Credit Losses — Fixed Maturity Available-For-Sale Securities

Fixed maturity available-for-sale securities are reported at fair value at the balance sheet date and are presented net of an allowance for expected credit losses. A fixed maturity available-for-sale security is impaired if the fair value of the investment is below amortized cost. For fixed maturity securities, the evaluation for a credit loss is generally based on the present value of expected cash flows of the security as compared to the amortized cost. On a quarterly basis, the Group evaluates all fixed maturity available-for-sale securities for impairment losses. Details regarding our processes for the identification of impairments of fixed maturity available-for-sale securities and the recognition of the related impairment losses are disclosed in Note 2(a) to the Consolidated Financial Statements in Item 18 of this report. At December 31, 2023 and 2022, we recorded an allowance for expected credit losses of $353 thousand and $195 thousand respectively, and for the years ended December 31, 2023, we recorded impairment losses of $158 thousand (2022: $195 thousand) (refer to Note 3 for further details).

Allowance for Expected Credit losses — Premiums Receivable

The Group reports its Premiums receivable net of any allowance for expected credit losses. The Group monitors credit risk associated with premiums receivable through its ongoing review of amounts outstanding, aging of the receivable, historical loss data, and counterparty financial strength measures. The allowance also includes estimated uncollectible amounts related to dispute risk. Any allowance for credit losses is charged to "Change in allowance for expected credit losses on receivables" in the period the receivable is recorded and revised in subsequent periods to reflect changes in the Group's estimate of expected credit losses.

Allowance for Expected Credit losses — Reinsurance Recoverables

The Company reports its reinsurance recoverables net of an allowance for estimated uncollectible reinsurance, including expected credit losses. The allowance is based upon our ongoing review of amounts outstanding, length of collection periods, changes in reinsurer credit standing, disputes, applicable coverage defenses and other relevant factors. The Company uses a rating-based method to estimate the uncollectible reinsurance reserves due to credit losses. Under this method, reinsurance credit risk is estimated by considering the reinsurers probability of default. Additionally, reinsurance recoverables balances are evaluated to identify any dispute risk and when required, an additional reserve is recorded. Amounts deemed to be uncollectible, including amounts due from known insolvent reinsurers, are written off against the allowance. Changes in the allowance, as well as any subsequent collections of amounts previously written off, are reported as part of "Change in allowance for expected credit losses on receivables".

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following table sets forth our current directors and executive officers:

Directors and Executive Officers	Age	Position/Title
Wasef Salim Jabsheh	81	Executive Chairman of the Board
Walid Wasef Jabsheh	47	President, Chief Executive Officer and Director
David Anthony	69	Director
Michael T. Gray	63	Director
David King	78	Director
Wanda Mwaura	51	Director
Andrew J. Poole	43	Director
Hatem Wasef Jabsheh	44	Chief Operating Officer
Pervez Rizvi	62	Chief Financial Officer
Andreas Loucaides	71	Chief Executive Officer, IGI UK

The business address of Wasef Salim Jabsheh, Hatem Wasef Jabsheh and Pervez Rizvi is 74 Abdel Hamid Sharaf Street, P.O. Box 941428, Amman 11194, Jordan. The business address of Walid Wasef Jabsheh, David Anthony, David King and Andreas Loucaides is 15-18 Lime Street, London, EC3M 7AN, United Kingdom. The business address of Michael T. Gray and Andrew J. Poole is 3601 N Interstate 10 Service Rd W, Metairie, LA, 70002, United States. The business address of Wanda Mwaura is Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda.

Biographical information concerning our directors and executive officers listed above is set forth below.

Wasef Jabsheh serves as our Executive Chairman of the Board, a position he has held since July 1, 2023. Previously, Wasef Jabsheh served as our Chief Executive Officer between March 17, 2020 and June 30, 2023. Wasef Jabsheh founded IGI in 2001 and served as the Chief Executive Officer and Vice Chairman of IGI Dubai from 2011 until March 17, 2020. Wasef Jabsheh has specialized in marine and energy insurance for more than 50 years in various prominent roles with the Kuwait Insurance Co and with ADNIC (the Abu Dhabi National Insurance Company) from the mid-1970s to the late 1980s. In 1989, Mr. Jabsheh established Middle East Insurance Brokers and two years later founded International Marine & General Insurance Co. He also served as a member of the board of directors of HCC Insurance Holdings Inc. from 1994 until 1997.

Walid Jabsheh has served as our Chief Executive Officer since July 1, 2023 and as our President and a Director since March 17, 2020. Walid Jabsheh joined IGI in 2002 and, prior to his current role at the Company, served as the President of IGI Dubai where he played a pivotal role in the growth and development of IGI Dubai. Walid Jabsheh began his career at Manulife Reinsurance in Toronto, Canada and later joined LDG Reinsurance Corporation, a subsidiary of Houston Casualty Co, in 1998 where he served as Senior Underwriter managing a $30 million book of treaty and facultative business.

David Anthony has served as an independent non-executive Director since March 17, 2020. Mr. Anthony previously served as a non-executive Director on the board of IGI Holdings Dubai Limited from July 2018 through March 2020.From March 1994 to June 2018, Mr. Anthony was a Director and Senior Analyst with S&P Global Ratings (formerly Standard & Poor's), where he was a lead rating analyst and a Chair of its Insurance Rating Committee. Before joining S&P Global Ratings, Mr. Anthony was Senior Relationship Manager and Vice President, European Insurance Banking Group, at Citibank N.A. London from June 1987 to April 1992, and senior insurance analyst at Moody's Investors Service, New York, from April 1992 to March 1994. Mr. Anthony has more than 35 years of experience analyzing the insurance and reinsurance industries. During his career he has worked extensively in Europe, the Middle East, North Africa and the United States. Mr. Anthony holds a Master of Science degree in Economic History from the University of London.

Michael T. Gray has served as a Director since March 17, 2020. Mr. Gray has over 30 years of leadership experience in the insurance industry. He served on the board of Delwinds Insurance Acquisition Corp., a company formed for the purpose of effecting a business combination, which went public in December 2020 and closed its initial business combination with FOXO Technologies Inc. in September 2022. He served as the Executive Chairman and Chief Executive Officer of Tiberius from its inception until the closing of the business combination between

IGI and Tiberius in March 2020. He is the principal executive and President of The Gray Insurance Company, a middle-market property and casualty insurance company. Mr. Gray became President of The Gray Insurance Company in 1996. In addition to his role at The Gray Insurance Company, Mr. Gray has served as Chairman of the board of the Louisiana Insurance Guaranty Association since 2008 (director since 1995), director of the American Property Casualty Insurance Association (APCI) since 2019 (and was director of the predecessor organizations American Insurance Association since 2011 and Property Casualty Insurers Association of America since 2010), director of the Tulane University Family Business Center Advisory Council since 2008 and, from 1999 to 2003, served on the board of directors of Argo Group International Holdings (NASDAQ: AGII), a global property and casualty, specialty insurance, and reinsurance products provider. Mr. Gray was the Chairman of the board of Family Security, a personal lines/homeowners insurance company, in which The Gray Insurance Company held an ownership interest from 2013 to 2015. This culminated in the sale of the company, which Mr. Gray led, to United Insurance Holding Corporation (NASDAQ: UIHC). The parent of The Gray Insurance Company, Gray & Company, has acquired or developed several businesses under Mr. Gray's guidance, including surplus lines insurance and title insurance, casualty and surety insurance, oil production and exploration facilities, technology development and real estate. Mr. Gray holds a B.A. from Southern Methodist University and an MBA from Tulane University. Mr. Gray graduated from the Harvard Business School "Presidents Program in Leadership" in 2020.

David King has served as a Director since March 17, 2020. Mr. King served as a Non-Executive Director on the board of our wholly-owned subsidiary, International General Insurance Holdings Limited, a company organized under the laws of the Dubai International Financial Centre ("IGI Dubai"), from November 2012 through 2020. He also served as Non-Executive Chairman and a member of the audit committee of International General Insurance Company (UK) Limited, our wholly-owned subsidiary, until March 17, 2022. He has served as Non-executive Chairman, Audit Committee member and Nomination and Renumeration Committee member of Stratos Markets Limited since October 2023. Prior to that, from 2014 until October 2023, Mr. King was Non-executive Chairman, Audit Committee member and Nomination and Renumeration Committee member of Forex Capital Markets Ltd. . From 2010 to 2012, Mr. King was executive director of Middle East business development at China Construction Bank International. Prior to that, he was the director of finance and administration of the London Metal Exchange between 1987 and 1989, chief executive officer of The London Metal Exchange from 1989 to 2001, managing director and acting Chief Executive of the Dubai Financial Services Authority from 2003 to 2005 and managing director of global banking in the MENA division of HSBC Bank Middle East Limited from 2005 to 2008. David King is a fellow in the Association of Chartered Certified Accountants and holds a Master of Business Administration from Cranfield University.

Wanda Mwaura has served as a Director since March 17, 2020. Ms. Mwaura has more than 28 years of financial services experience, with extensive reinsurance, accounting and advisory experience. She began her career in the insurance industry at Ernst & Young Ltd. ('EY') in 1996, specializing in financial services and reinsurance. Ms. Mwaura was at EY from 1996 through 2013, including serving as a Partner from 2005 to 2013. She later served as the Head of External Reporting and Accounting Policy at PartnerRe, a leading global reinsurer, from October 2013 to February 2017, and as External Reporting Director and Chief Accounting Officer at PartnerRe from February 2017 to July 2019 and, since August 2019, has been the sole proprietor of Consult.bm, a non-executive director and consulting services provider to various entities in Bermuda. Ms. Mwaura is a non-executive director for a Bermuda regulated bank and a London Stock Exchange listed independent exploration and production company serving as audit committee member and audit and risk committee chair, respectively. She also serves as the Executive Director of the Bermuda Public Accountability Board in Bermuda. Ms. Mwaura holds a Bachelor of Commerce (Co-op) degree from Dalhousie University and is a Chartered Professional Accountant (CPA) and a member of CPA Bermuda.

Andrew J. Poole has served as a Director since March 17, 2020. Mr. Poole previously served as a non-executive Director of FOXO Technologies Inc. from the September 2022 closing of a business combination with Delwinds Insurance Acquisition Corp. (Delwinds), a blank check company which went public in December 2020 with $201.250 million held in trust, until November 2023. He was previously Chairman of the Board of Directors and Chief Executive Officer of Delwinds. Mr. Poole has over 19 years of diversified investment experience. Mr. Poole was the Chief Investment Officer of Tiberius, a blank check company which went public in March 2018 and which consummated its initial business combination with IGI. Concurrently, from 2015 through December 2022, Mr. Poole was an investment consultant at The Gray Insurance Company. Mr. Poole's most recent role prior to joining Tiberius and The Gray Insurance Company was as Partner and Portfolio Manager at Scoria Capital Partners, LP, a long/short equity hedge fund, where he managed a portion of the firm's capital including insurance sector investments from 2013 to 2015. Prior to Scoria, Mr. Poole held various positions at Diamondback Capital Management from 2005 to 2012 (including Portfolio Manager from 2011 onwards) and SAC Capital from 2004 to 2005, both of which are

multi-strategy multi-manager cross capital structure long/short hedge funds. Earlier, Mr. Poole started his career at Swiss Re (SIX: SREN) working in facultative property placements in 2003 and was on the Board of Family Security, a personal lines insurance company, from 2013 to 2015 prior to the sale of the company to American Coastal Insurance Corporation (Nasdaq: ACIC) (f/k/a United Insurance Holdings Corporation). Mr. Poole is a graduate of The George Washington University.

Hatem Jabsheh has served as our Chief Operating Officer since March 17, 2020. Mr. Jabsheh has been IGI's Group Chief Operating Officer since 2017, and IGI's Chief Investment Officer since 2010. Mr. Jabsheh began his career in 2001 with Spear, Leads, and Kellogg, a subsidiary of Goldman Sachs. He worked in several pits at the CBOE (Chicago Board Options Exchange) and CME (Chicago Mercantile Exchange) as a primary market maker. He then moved to Amman, Jordan in 2004 to set up Indemaj Financial, an asset management and brokerage company, which he successfully sold in 2009. In 2006, Mr. Jabsheh set up Indemaj Technology, an open-source web development company, which was also later sold in 2012. His 22-year professional career spans executive roles in the asset management sector and reinsurance, all underscored by an aim to promote innovation and transformation. He is actively involved in the tech community, promoting disruption within the reinsurance industry. Mr. Jabsheh currently serves on the boards of the Swiss Jordanian Business Club and the United Cable Industries Company. Hatem Jabsheh is a graduate of Marquette University with a dual major in International Business and Finance and a minor in History.

Pervez Rizvi has served as our Chief Financial Officer since March 17, 2020. Mr. Rizvi has served as the Group Chief Financial Officer of IGI Dubai since 2015. He has over 38 years of experience out of which 35 years are in the insurance and banking sectors. He obtained a Bachelor of Commerce in Accounts and Management followed by a CA (India) and a CPA (USA). Mr. Rizvi is a member of the Institute of Chartered Accountants of India. Mr. Rizvi began his insurance career with the Life Insurance Corporation of India in 1989 and later worked with a number of financial institutions and insurance companies in the Middle East and Far East including HSBC Bank in the UAE and Malaysia and Zurich Financial Services in DIFC, Dubai.

Andreas Loucaides has served as the Chief Executive Officer of IGI UK since 2015. He began his career in the insurance industry in 1971, joining syndicate 702 at Lloyd's which was sold to Markel in 2000. He later founded a startup insurance company, PRI Group Plc (an FSA licensed A- rated AIM listed company with a market cap of £120 million) in 2002 as Chief Executive Officer. Following the profitable sale of PRI Group plc to Brit Holdings, Mr. Loucaides joined Catlin UK in 2004 as the Chief Executive Officer. In 2008, he joined Jubilee Group at Lloyd's as the CEO, overseeing the sale to Ryan Specialty Group in 2011. In 2012, Mr. Loucaides joined Lloyd's Syndicate 2526, assisting with its sale to AmTrust and supporting AmTrust in its purchase of Sagicor at Lloyd's.

Classification of Directors

Our board of directors is comprised of seven directors. Our Amended and Restated Bye-laws provide that our board of directors is divided into three classes designated as Class I, Class II and Class III with as nearly equal a number of directors in each group as possible. The Class I Directors were initially elected for a one-year term of office, the Class II Directors were initially elected for a two year term of office and the Class III Directors were initially elected for a three-year term of office. At each annual general meeting, successors to the class of directors whose term expires at that annual general meeting shall be elected for a three-year term. A director will hold office until the annual general meeting for the year in which his or her term expires, subject to his or her office being vacated in accordance with our Amended and Restated Bye-laws.

David Anthony and David King are Class I Directors with terms expiring at our 2024 annual general meeting. Wanda Mwaura and Andrew Poole are Class II Directors with terms expiring at our 2025 annual general meeting. Wasef Jabsheh, Walid Jabsheh and Michael Gray are Class III Directors with terms expiring at our 2026 annual general meeting.

Our Amended and Restated Bye-laws provide that, if an eligible shareholder intends to nominate a person for election as a director, (a) at an annual general meeting, such notice must be given not less than 90 days nor more than 120 days before the anniversary of the last annual general meeting or, in the event the annual general meeting is called for a date that is not 30 days before or after such anniversary, the notice must be given not later than ten days following the earlier of the date on which notice of the annual general meeting was posted to shareholders or the date on which public disclosure of the date of the annual general meeting was made and (b) at a special general meeting, such notice must be given not later than 10 days following the earlier of the date on which notice of the special general meeting was posted to shareholders or the date on which public disclosure of the date of the special general meeting

was made. An eligible shareholder is a shareholder holding in the aggregate at least 5% of our issued and outstanding share capital who has held such amount for at least three years following the date of adoption of the Amended and Restated Bye-Laws.

The directors are elected with a plurality of the votes cast by the shareholders and there is no cumulative voting for elections of directors, subject to the following:

- for so long as Wasef Jabsheh, his family and/or their affiliates own at least 10% of our issued and outstanding common shares and provided that Wasef Jabsheh remains a shareholder, Wasef Jabsheh is entitled to appoint and classify two directors to the board of directors;
- for so long as Wasef Jabsheh, his family and/or their affiliates own at least 5% of our issued and outstanding common shares and provided that Wasef Jabsheh remains a shareholder, Wasef Jabsheh is entitled to appoint and classify one director to the board of directors; and
- the remaining directors are elected by the shareholders.

Currently, Mr. Jabsheh's appointed directors — Wasef Jabsheh and Walid Jabsheh — are serving as Class III Directors with their terms expiring at our 2026 annual general meeting.

Family Relationships

Wasef Jabsheh, our Executive Chairman, is the father of Walid Jabsheh, our President and Chief Executive Officer, and Hatem Jabsheh, our Chief Operating Officer. He is also the father of Hani Jabsheh, who was a non-executive director of IGI Dubai until shortly after the consummation of the Business Combination, and the uncle of Mohammad Abu Ghazaleh, who was the Chairman of the board of directors of IGI Dubai until shortly after the consummation of the Business Combination.

B. Compensation

The aggregate amount of cash compensation, consisting of salaries, bonuses and other short-term benefits paid by us to our executive officers collectively during 2023, was approximately $6.7 million for services in all capacities. In addition, we have accrued $2.1 million of long-term benefits as of December 31, 2023 (in the form of the earn-out value of shares) in connection with the grant of restricted shares to certain executive officers.

The aggregate amount of cash compensation paid and accrued to our non-employee directors during 2023 was approximately $0.5 million.

In February 2023, our board of directors approved the grant of an aggregate of 379,000 restricted shares to certain executive officers. These shares vest in three equal installments on January 2, 2024, January 2, 2025 and January 2, 2026. The aggregate grant date fair value of the restricted shares granted to these executive officers was approximately $3.1 million.

In March 2023, our board of directors awarded 129,808 restricted shares to Wasef Jabsheh. These shares vest in three equal installments on January 2, 2024, January 2, 2025 and January 2, 2026. The grant date fair value of these restricted shares was $1.1 million.

Executive Officer Compensation

Our policies with respect to the compensation of our executive officers are administered by our board of directors in consultation with our compensation committee. The compensation policies followed by us are intended to provide for compensation that is sufficient to attract, motivate and retain executives of outstanding potential and to establish an appropriate relationship between executive compensation and the creation of shareholder value. To meet these goals, the compensation committee is charged with recommending executive compensation packages to our board of directors.

Equity-based compensation is an important foundation of the executive compensation package as we believe it is important to maintain a strong link between executive incentives and the creation of shareholder value. We believe that equity-based compensation can be an important component of the total executive compensation package for maximizing shareholder value while, at the same time, attracting, motivating and retaining high-quality executives.

We intend to be competitive with other similarly situated companies in the insurance industry. The compensation decisions regarding our executives are based on our need to attract individuals with the skills necessary for us to achieve our business plan, to reward those individuals fairly over time, and to retain those individuals who continue to perform at or above our expectations.

As of the date of this annual report, we have not adopted any formal or informal policies or guidelines for allocating compensation between long-term and currently paid out compensation, between cash and non-cash compensation, or among different forms of compensation.

In addition to the guidance provided by our compensation committee, we may utilize the services of third parties from time to time in connection with the hiring and compensation awarded to executive employees. This could include subscriptions to executive compensation surveys and other databases.

Director Compensation

We have established a compensation program for our directors who are not executive officers of the Company, which consists of an annual retainer, meeting fees for attending board and committee meetings, and a fee for serving as chairman of a committee. We will also reimburse our directors for reasonable documented expenses incurred in connection with the performance of their duties as directors, including travel expenses in connection with their attendance at board and committee meetings. Our directors who are also executive officers of the Company will not receive additional compensation for serving as directors.

Executive Compensation Components

Base Salary. We seek to maintain base salary amounts at or near the industry norms, while avoiding paying amounts in excess of what we believe is necessary to motivate executives to meet corporate goals. Base salaries are generally reviewed annually, subject to the terms of employment agreements, and the compensation committee and board will seek to adjust base salary amounts to realign such salaries with industry norms after taking into account individual responsibilities, performance and experience.

Annual Bonuses. We utilize cash incentive bonuses for executives to focus them on achieving key operational and financial objectives within a yearly time horizon. Near the beginning of each year, our board of directors, upon the recommendation of the compensation committee and subject to applicable employment agreements, will determine performance parameters for appropriate executives. At the end of each year, the board of directors and compensation committee will determine the level of achievement for each corporate goal.

Equity Awards. We have established an equity incentive plan to incentivize our employees, consultants, advisors and other persons who perform services for us. A description of the 2020 Omnibus Equity Incentive Plan and the awards that may be made under this plan is set forth in the section entitled "— *Description of the 2020 Omnibus Incentive Plan*." Equity awards constitute a significant portion of executive compensation.

Severance Benefit. Other than as provided in applicable employment agreements, we currently have no severance benefits plan. We may consider the adoption of a severance plan for executive officers and other employees in the future.

Employment Agreements

We have previously entered into employment agreements with our Executive Chairman, President and Chief Executive Officer, and Chief Operating Officer. In preparing these employment agreements, the Company utilized certain benchmarking data prepared by a third party. The employment agreements have a fixed term of three years, with annual renewals thereafter, subject to termination after a specified notice period. Each executive is entitled to an annual salary, to be reviewed each year, an annual target bonus opportunity (calculated as a percentage of salary), and an annual long term incentive opportunity (calculated as a percentage of salary), with cash amounts being paid in U.S. Dollar. The annual long term incentive opportunities are 150%, 150% and 100% of the executive's base salary, respectively. Due to his expatriate status working in the United Kingdom, the President and Chief Executive Officer is entitled to a tax-gross up with respect to his base salary and bonus, and a housing allowance of up to £120,000 annually. The Executive Chairman, President and Chief Executive Officer are entitled to the use of private aircraft in connection with their travel outside of Jordan. The employment agreements contain severance provisions whereby, if

the executive is terminated other than for cause or resigns for good reason, then the executive will be paid a lump sum payment calculated based on his salary and bonus. If the executive is terminated for cause, the agreements provide that the executive would receive no amounts other than amounts accrued at the date of termination and any vested benefits under company benefit plans. The executives' employment would automatically terminate upon a change of control and, in this event, the executive would receive a severance benefit equal to three times the officer's highest salary, bonus and equity award over the prior three years, and in connection with such a change of control and termination of employment, all unvested equity awards would become fully vested. The agreements also contain limitations on outside activities, include confidentiality obligations, and include covenants restricting the solicitation of employees and customers and a non-compete for 12 months following termination of employment. The employment agreements are governed by English law.

Description of the 2020 Omnibus Incentive Plan

We previously adopted the 2020 Omnibus Incentive Plan (the "2020 Plan") prior to the consummation of the Business Combination with Tiberius, and the plan was approved by Tiberius' shareholders at the Tiberius special meeting related to the Business Combination. The 2020 Plan provides for grants of stock options, share appreciation rights, restricted shares, other share-based awards and other cash-based awards. Directors, officers and other employees of the Company and its affiliates, as well as others performing consulting or advisory services for the Company and its affiliates, are eligible for grants under the 2020 Plan. The purpose of the 2020 Plan is to provide incentives that will attract, retain and motivate high performing officers, directors, employees and consultants by providing them with appropriate incentives and rewards either through a proprietary interest in our long-term success or compensation based on their performance in fulfilling their personal responsibilities. Set forth below is a summary of the material terms of the 2020 Plan.

Administration. The 2020 Plan is administered by any committee of our board of directors duly authorized by our board of directors to administer the plan (and, if no committee is so authorized, by our board of directors). For purposes of this discussion, the body that administers the 2020 Plan is referred to as the "Administrator." The body that currently administers the 2020 Plan is our board of directors. Among the Administrator's powers is to determine the form, amount and other terms and conditions of awards; clarify, construe or resolve any ambiguity in any provision of the 2020 Plan or any award agreement; amend the terms of outstanding awards; and adopt such rules, forms, instruments and guidelines for administering the 2020 Plan as it deems necessary or proper. The Administrator has authority to administer and interpret the 2020 Plan, to grant discretionary awards under the 2020 Plan, to determine the persons to whom awards will be granted, to determine the types of awards to be granted, to determine the terms and conditions of each award, to determine the number of common shares to be covered by each award, to make all other determinations in connection with the 2020 Plan and the awards thereunder as the Administrator deems necessary or desirable and to designate authority under the 2020 Plan to our employees, directors, officers and/or professional advisors. To the extent we seek to obtain the benefit of exemptions available under Rule 16b-3 under the Exchange Act, the applicable compensation may be approved by "non-employee directors".

Available Shares. The aggregate number of our common shares that may be issued or used for reference purposes under the 2020 Plan or with respect to which awards may be granted may not exceed 4,844,730 common shares (10% of the shares issued and outstanding upon the consummation of the Business Combination). The shares available for issuance under the 2020 Plan may be, in whole or in part, either our authorized and unissued common shares or common shares held in or acquired for our treasury. The number of shares available for issuance under the 2020 Plan may be subject to adjustment in the event of a reorganization, share split, merger, amalgamation or similar change in the corporate structure. In the event of any of these occurrences, we may make any adjustments it considers appropriate to, among other things, the number and kind of shares, options or other securities available for issuance under the plan or covered by grants previously made under the 2020 Plan. In general, if awards under the 2020 Plan are for any reason cancelled, or expire or terminate unexercised, the shares covered by such awards may again be available for the grant of awards under the 2020 Plan. In addition, no non-employee director may receive awards under the 2020 Plan in any fiscal year for service as a director having an aggregate maximum value exceeding $500,000.

Eligibility for Participation. Directors, officers, and employees of, and consultants to, the Company or any of its affiliates, are eligible to receive awards under the 2020 Plan.

Award Agreements. Awards granted under the 2020 Plan are evidenced by award agreements, which need not be identical, that provide additional terms, conditions, restrictions and/or limitations covering the grant of the award, including, without limitation, additional terms providing for the acceleration of exercisability or vesting of awards in the event of a change of control or conditions regarding the participant's employment, as determined by the Administrator.

Stock Options. The Administrator may grant nonqualified stock options to eligible individuals and incentive stock options only to eligible employees. The Administrator will determine the number of our common shares subject to each option, the term of each option, which may not exceed 10 years, or five years in the case of an incentive stock option granted to a 10 percent shareholder, the exercise price, the vesting schedule, if any, and the other material terms of each option. No incentive stock option or nonqualified stock option may have an exercise price less than the fair market value of a common share of the Company at the time of grant or, in the case of an incentive stock option granted to a 10 percent shareholder, 110% of such share's fair market value. Options will be exercisable at such time or times and subject to such terms and conditions as determined by the Administrator at grant, and the exercisability of such options may be accelerated by the Administrator.

Share Appreciation Rights. The Administrator may grant share appreciation rights ("SARs") either with a stock option, which may be exercised only at such times and to the extent the related stock option is exercisable (a "Tandem SAR"), or independent of a stock option (a "Non-Tandem SAR"). An SAR is a right to receive a payment in our common shares or cash, as determined by the Administrator, equal in value to the excess of the fair market value of one common share of the Company on the date of exercise over the exercise price per share established in connection with the grant of the SAR. The term of each SAR may not exceed 10 years. The exercise price per share covered by a SAR will be the exercise price per share of the related stock option in the case of a Tandem SAR and will be the fair market value of our common shares on the date of grant in the case of a Non-Tandem SAR. The Administrator may also grant limited SARs, either as Tandem SARs or Non-Tandem SARs, which may become exercisable only upon the occurrence of a change in control, as defined in the 2020 Plan, or such other event as the Administrator may designate at the time of grant or thereafter.

Restricted Shares. The Administrator may award common shares that are subject to specified restrictions. Except as otherwise provided by the Administrator upon the award of restricted shares, the recipient generally has the rights of a shareholder with respect to the shares, including the right to vote the restricted shares and, conditioned upon the expiration of the applicable restricted period, the right to receive dividends and transfer such shares, subject to the conditions and restrictions generally applicable to restricted shares or specifically set forth in the recipient's restricted shares agreement. Unless the Administrator determines otherwise at the time of award, the payment of dividends, if any, will be deferred until the expiration of the applicable restriction period.

Recipients of restricted shares are required to enter into a restricted shares agreement with us that states the restrictions to which the shares are subject, which may include satisfaction of pre-established performance goals, and the criteria or date or dates on which such restrictions will lapse.

If the grant of restricted shares or the lapse of the relevant restrictions is based on the attainment of performance goals, the Administrator will establish for each recipient the applicable performance goals, formulae or standards and the applicable vesting percentages with reference to the attainment of such goals or satisfaction of such formulae or standards while the outcome of the performance goals is substantially uncertain. Such performance goals may incorporate provisions for disregarding, or adjusting for, changes in accounting methods, corporate transactions, including, without limitation, dispositions and acquisitions, and other similar events or circumstances. The performance goals for performance-based restricted shares generally may be based on one or more criteria determined from time to time by the Administrator.

Other Share-Based Awards. The Administrator may, subject to limitations under applicable law, make a grant of such other share-based awards, including, without limitation, performance share units, dividend equivalent units, share equivalent units, restricted share units and deferred share units under the 2020 Plan that are payable in cash or denominated or payable in or valued by our common shares or factors that influence the value of such shares. The Administrator may determine the terms and conditions of any such other awards, which may include the achievement of certain minimum performance goals and/or a minimum vesting period. The performance goals for performance-based other share-based awards generally may be based on one or more criteria determined from time to time by the Administrator.

Other Cash-Based Awards. The Administrator may grant awards payable in cash. Cash-based awards will be in such form, and dependent on such conditions, as the Administrator will determine, including, without limitation, being subject to the satisfaction of vesting conditions or awarded purely as a bonus and not subject to restrictions or conditions. If a cash-based award is subject to vesting conditions, the Administrator may accelerate the vesting of such award in its discretion.

Performance Awards. The Administrator may grant a performance award to a participant payable upon the attainment of specific performance goals. If the performance award is payable in cash, it may be paid upon the attainment of the relevant performance goals either in cash or in restricted shares, based on the then current fair market value of such shares, as determined by the Administrator. Based on service, performance and/or other factors or criteria, the Administrator may, at or after grant, accelerate the vesting of all or any part of any performance award.

Performance Goals. Awards that are granted, vest or are paid based on attainment of specified performance goals may be subject to any one or more criteria determined from time to time by the Administrator in its sole discretion taking into account the requirements of applicable law and customary market compensation practices. These performance goals may be based on the attainment of a certain target level of, or a specified increase or decrease in, one or more measures selected by the Administrator. Performance goals may also be based on an individual participant's performance goals, as determined by the Administrator. In addition, all performance goals may be based upon the attainment of specified levels of the Company's performance, or the performance of a subsidiary, division or other operational unit, under one or more of the measures described above relative to the performance of other corporations. The Administrator may designate additional business criteria on which the performance goals may be based or adjust, modify or amend those criteria.

Change in Control. In connection with a change in control, as defined in the 2020 Plan, the Administrator may accelerate vesting of outstanding awards under the 2020 Plan. In addition, such awards may be, in the discretion of the Administrator: (1) assumed and continued or substituted in accordance with applicable law; (2) purchased by the Company for an amount equal to the excess of the price of a common share of the Company paid in a change in control over the exercise price of the awards; or (3) cancelled if the price of a common share of the Company paid in a change in control is less than the exercise price of the award. The Administrator may also provide for accelerated vesting or lapse of restrictions of an award at any time.

Shareholder Rights. Except as otherwise provided in the applicable award agreement, and with respect to an award of restricted shares, a participant has no rights as a shareholder with respect to our common shares covered by any award until the participant is registered as the holder of such shares in our register of members.

Amendment and Termination. Notwithstanding any other provision of the 2020 Plan, our board of directors may at any time amend any or all of the provisions of the 2020 Plan, or suspend or terminate it entirely, retroactively or otherwise, subject to shareholder approval in certain instances if required by applicable law; provided, however, that, unless otherwise required by law or specifically provided in the 2020 Plan, the rights of a participant with respect to awards granted prior to such amendment, suspension or termination may not be adversely affected without the consent of such participant.

Transferability. *A*wards granted under the 2020 Plan generally are nontransferable, other than by will or the laws of descent and distribution, except as determined by the Administrator.

Recoupment of Awards. The 2020 Plan provides that awards granted under the 2020 Plan are subject to any recoupment policy that we may have in place or any obligation that we may have regarding the clawback of "incentive-based compensation" under the Exchange Act or under any applicable rules and regulations promulgated by the SEC.

Effective Date; Term. The 2020 Plan was adopted by our board of directors and became effective on March 17, 2020. No award will be granted under the 2020 Plan on or after the 10-year anniversary of the 2020 Plan. Any award outstanding under the 2020 Plan at the time of termination will remain in effect until such award is exercised or has expired in accordance with its terms.

C. Board Practices

Independence of Directors

As a foreign private issuer, we are not required to have a majority of independent directors. However, five out of seven members of our board of directors — David Anthony, Michael Gray, David King, Wanda Mwaura and Andrew Poole — are "independent" directors under Nasdaq rules.

Board Leadership Structure

Wasef Jabsheh serves as Executive Chairman of the board of directors. Wasef Jabsheh previously served as our Chairman of the board of directors and Chief Executive Officer. On June 30, 2023, Mr. Jabsheh resigned from the position of Chief Executive Officer and, on July 1, 2023, was appointed Executive Chairman, while Walid Jabsheh was appointed as our Chief Executive Officer. We believe that having Wasef Jabsheh act as our Executive Chairman and Walid Jabsheh acting as President and Chief Executive Officer is most appropriate at this time for us because it provides us with consistent and efficient leadership, both with respect to our operations and the leadership of the board of directors. In particular, having Wasef Jabsheh act as our Executive Chairman and Walid Jabsheh acting as President and Chief Executive Officer increases the effectiveness of our board's deliberations and the Company's day-to-day operations, and ensures the consistent implementation of our strategies.

We believe that the separation of the roles of Executive Chairman and Chief Executive Officer, together with the significant responsibilities of the board's independent directors, provides an appropriate balance between leadership and independent oversight.

Committees of the Board of Directors

We have established a separately standing audit committee, compensation committee and nominating/governance committee.

Audit Committee

The members of IGI's audit committee are David Anthony, David King and Wanda Mwaura. Wanda Mwaura is the chair of the audit committee. The audit committee must be composed exclusively of "independent directors," as defined by the rules and regulations of the SEC. Each of the members of our audit committee is independent under SEC and Nasdaq rules. Wanda Mwaura serves as the audit committee financial expert (within the meaning of SEC regulations). The Company has adopted an audit committee charter which sets forth the requirements for audit committee members and the responsibilities of the audit committee.

The audit committee is responsible for the appointment, compensation, retention and oversight of the auditors, review of the results and scope of the audit and other accounting related services and review of our accounting practices and systems of internal accounting and disclosure controls. The audit committee pre-approves auditing services and permitted non-audit services to be performed for the Company by the independent auditor. The audit committee also reviews the independence and quality control procedures of the auditors and the experience and qualifications of the auditor's senior personnel that are providing audit services to the Company. The audit committee's duties include meeting with management and the auditors in connection with the annual audit, overseeing the internal auditor or internal audit function, and reviewing with management the risk assessment and risk management policies of the company and the voluntary earnings press releases.

The audit committee may delegate to the chair of the audit committee, any of the members of the audit committee, or any subcommittee, the responsibility and authority for any particular matter within its powers and authority. However, subcommittees do not have the authority to engage independent legal counsel, accounting experts or other advisors unless expressly granted such authority by the audit committee.

Nominating/Governance Committee

As a foreign private issuer, the Company is not required to have a nominating/governance committee or a nominating/governance committee composed entirely of independent directors. However, IGI's board of directors has a nominating/governance committee with a majority of independent directors. The members of the nominating/governance

committee are Walid Jabsheh, Michael Gray and David King. David King is the chair of the nominating/governance committee. The nominating/governance committee is responsible for overseeing the selection of persons to be nominated to serve on our board of directors, advising the board of directors and making recommendations regarding appropriate corporate governance practices, and leading the board of directors in the annual performance evaluation of the board of directors and its committees.

Compensation Committee

As a foreign private issuer, the Company is not required to have a compensation committee or a compensation committee consisting only of independent directors. However, our board of directors has established a compensation committee consisting of a majority of independent directors. The members of the compensation committee are Walid Jabsheh, David Anthony and Andrew Poole. David Anthony is the chair of the compensation committee.

The Company has adopted a compensation committee charter which sets forth the requirements for compensation committee members and the responsibilities of the compensation committee. The 2020 Omnibus Incentive Plan of the Company is administered by the full board of directors. The purpose of the compensation committee is to review, evaluate and approve compensation paid to our officers and directors. The compensation committee will review director compensation and make recommendations to the board of directors regarding the form and amount of director compensation. Walid Jabsheh does not participate in compensation committee discussions regarding his own compensation.

Corporate Governance Practices

We are a "foreign private issuer" under applicable U.S. federal securities laws. As a result, we are permitted to follow certain corporate governance rules that conform to Bermuda requirements in lieu of certain Nasdaq corporate governance rules. We have certified to Nasdaq that our corporate governance practices are in compliance with, and are not prohibited by, the laws of Bermuda. The corporate governance practices that we follow in lieu of Nasdaq's corporate governance rules are as follows:

- In lieu of the requirement to comply with Rule 5605(e)(1), which requires the director nomination process to be determined by a majority of the independent directors or a nominations committee comprised solely of independent directors, our nominating/governance committee (which is responsible for director nominations) consists of a majority of independent directors but does not consist solely of independent directors.

- In lieu of the requirement to comply with Rule 5605(d)(2), which requires a compensation committee comprised of at least two members, each of whom must be an independent director as defined under Rule 5605(a)(2), our compensation committee consists of a majority of independent directors but does not consist solely of independent directors.

- In lieu of the requirement to comply with Rule 5605(b)(2), which requires regularly scheduled meetings at which only independent directors are present ("executive sessions"), we do not have regularly scheduled executive sessions.

Although not required by the rules and regulations of Nasdaq, the Company has adopted corporate governance guidelines which govern certain aspects of its corporate governance and board and committee practices.

Codes of Conduct

The Company has adopted a Corporate Code of Business Conduct and Ethics applicable to all of its directors, officers and employees. The Code of Business Conduct and Ethics covers, among other things, conflicts of interest, company books and records, use of company property, payments of gifts, corporate opportunities, compliance, extension of credit to officers and directors, confidentiality and employee relations.

The Company has also adopted a Financial Code of Ethics applicable to the Chief Executive Officer, Chief Financial Officer, Senior Vice President — Finance, Controller or certain other officers performing similar functions. The Financial Code of Ethics provides that each officer must act ethically with honesty and integrity (including ethical handling of conflicts of interest), provide full and accurate disclosure in SEC filings and public communications, comply with applicable laws and regulations, act in good faith, responsibly, with due care, competence and diligence,

promote honest and ethical behavior by others, respect the confidentiality of information acquired in the course of employment, responsibly use and maintain all assets and resources employed or entrusted to the officer, and promptly internally report violations of this Financial Code to the designated Compliance Officer and in the case of the CFO and CEO, to the Board of Directors and/or Audit Committee of the Board of Directors.

Approval of Certain Transactions

Our Amended and Restated Bye-laws provide that the board of directors may approve the following transactions only if each Jabsheh Director then in office votes in favor of such transactions:

- sell or dispose of all or substantially all of the assets of the Company and its subsidiaries on a consolidated basis;
- enter into any transaction in which one or more third parties acquire or acquires 25% or more of the Company's common shares;
- enter into any merger, consolidation, or amalgamation with an aggregate value equal to or greater than $75 million (exclusive of inter-company transactions);
- alter the size of the board of directors;
- incur debt in an amount of $50 million (or other equivalent currency) or more; and
- issue common shares (or securities convertible into common shares) in an amount equal to or greater than 10% of the then issued and outstanding common shares of the Company.

D. Employees

As of December 31, 2023, 2022 and 2021, we had 401, 355 and 287 employees, respectively. The following table shows the number of employees, including management staff, by geography and function as of December 31, 2023.

	Underwriting	Underwriting Support	Claims and reinsurance	Finance, administration and investments	IT	Other	Total
Amman	37	95	23	35	20	28	238
London	46	13	10	12	15	17	113
Dubai	10	1	—	2	—	2	15
Casablanca	5	—	—	1	—	—	6
Labuan	3	—	—	2	9	—	14
Malta	3	1	—	—	7	—	11
Bermuda	1	1	—	1	—	1	4
Norway	1	—	—	—	—	—	1
Total	**106**	**111**	**33**	**53**	**51**	**48**	**402**

We consider our relationship with our employees to be good and have not experienced interruptions to operations due to labor disagreements.

E. Share Ownership

Ownership of the Company's shares by its executive officers and directors is set forth in Item 7.A of this annual report.

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation.

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

The following table sets forth information regarding beneficial ownership of the Company's common shares based on 46,074,179 common shares issued and outstanding as of December 31, 2023, with respect to beneficial ownership of our shares by:

- each person known by us to be the beneficial owner of more than 5% of our issued and outstanding common shares;
- each of our executive officers and directors; and
- all our executive officers and directors as a group.

The information provided in the table is based on Schedules 13D and 13G filed with the SEC and the beneficial owners' questionnaire responses provided to IGI. In accordance with SEC rules, individuals and entities named below are shown as having beneficial ownership over common shares they own or have the right to acquire within 60 days, as well as common shares for which they have the right to vote or dispose of such common shares. Also, in accordance with SEC rules, for purposes of calculating percentages of beneficial ownership, common shares which a person has the right to acquire within 60 days are included both in that person's beneficial ownership as well as in the total number of common shares issued and outstanding used to calculate that person's percentage ownership but not for purposes of calculating the percentage for other persons.

Except as indicated by the footnotes below, we believe that the persons named below have sole voting and dispositive power with respect to all common shares that they beneficially own. The common shares owned by the persons named below have the same voting rights as the common shares owned by other holders. We believe that, as of December 31, 2023, approximately 20.7 million of our common shares, or 45% of our total outstanding common shares, we held by 18 U.S. record holders.

Unless otherwise indicated, the business address of each beneficial owner listed in the tables below is c/o International General Insurance Holdings Ltd., 74 Abdel Hamid Sharaf Street, P.O. Box 941428, Amman 11194, Jordan.

Name and Address of Beneficial Owner	Number of Common Shares Beneficially Owned	Percentage of Outstanding Common Shares[1]
Directors and Executive Officers		
Wasef Salim Jabsheh[2]	14,373,211	31.2%
Walid Wasef Jabsheh[3]	500,594	1.1%
Hatem Wasef Jabsheh[4]	367,857	*
Pervez Rizvi[5]	75,000	*
Andreas Loucaides[6]	80,000	*
Michael T. Gray[7]	2,713,503	5.9%
Andrew J. Poole[8]	648,592	1.4%
David Anthony	*	*
David King	*	*
Wanda Mwaura	*	*
All directors and executive officers as a group (ten individuals)	18,758,757	40.7%
Five Percent or Greater Shareholders		
Oman International Development & Investment Company SAOG[9]	9,575,138	20.8%
Royce & Associates, LP[10]	3,750,321	8.2%

* Less than 1%

(1) Based on 46,074,179 common shares of the Company issued and outstanding as of December 31, 2023.

(2) As of December 31, 2023, Wasef Salim Jabsheh's 14,373,211 common shares beneficially owned included 400,000 contingent then unvested common shares (which vested in January 2024) and 131,148 contingent unvested common shares that vest at $15.25 per share. Mr. Jabsheh has the right to vote and receive dividends with respect to these contingent unvested common shares. As of December 31, 2023, his shares also included 273,456 restricted shares for which he has the right to vote, of which 137,124 vest on January 2, 2024, 93,063 vest on January 2, 2025 and 43,270 vest on January 2, 2026. Wasef Jabsheh's ownership does not include 1,267,576 common shares beneficially owned by his adult children, as Mr. Jabsheh does not have the right to vote or dispose of such common shares and thus does not have beneficial ownership of such common shares. Mr. Jabsheh is the Executive Chairman of the Company's board of directors.

(3) As of December 31, 2023, Walid Wasef Jabsheh's ownership included 82,455 common shares owned by his wife Zeina Salem Al Lozi, for which common shares he disclaims beneficial ownership. As of December 31, 2023, his shares also included 111,667 restricted shares for which he has the right to vote, of which 53,333 vest on January 2, 2024, 38,334 vest on January 2, 2025 and 20,000 vest on January 2, 2026. Mr. Jabsheh's ownership does not include 766,982 common shares beneficially owned by his brothers or 14,373,211 common shares beneficially owned by his father, as Mr. Jabsheh does not have the right to vote or dispose of such common shares and thus does not have beneficial ownership of such common shares. Mr. Jabsheh is currently the President and Chief Executive Officer of the Company and is the son of Wasef Jabsheh.

(4) As of December 31, 2023, Hatem Wasef Jabsheh's ownership includes 25,879 common shares owned by his wife Sarah Ann Bystrzycki, for which common shares he disclaims beneficial ownership. As of December 31, 2023, his shares also included 73,333 restricted shares for which he has the right to vote, of which 35,000 vest on January 2, 2024, 24,999 vest on January 2, 2025 and 13,334 vest on January 2, 2026. Mr. Jabsheh's ownership does not include 899,719 common shares beneficially owned by his brothers or 14,373,211 common shares beneficially owned by his father, as Mr. Jabsheh does not have the right to vote or dispose of such common shares and thus does not have beneficial ownership of such common shares. Mr. Jabsheh is currently the Chief Operating Officer of the Company and is the son of Wasef Jabsheh.

(5) As of December 31, 2023, his shares included 43,333 restricted shares, of which 20,000 vest on January 2, 2024, 14,999 vest on January 2, 2025 and 8,334 vest on January 2, 2026.

(6) As of December 31, 2023, his shares included 51,667 restricted shares, of which 23,333 vest on January 2, 2024, 18,334 vest on January 2, 2025 and 10,000 vest on January 2, 2026.

(7) As of December 31, 2023, Michael T. Gray's beneficial ownership of 2,713,503 common shares included (1) 1,408,191 common shares owned by the Gray Insurance Company, of which Michael T. Gray is President, (2) 668,861 contingent unvested common shares owned by Mr. Gray, including 122,032 contingent then unvested common shares (which vested in January 2024), 417,396 common shares that vest at $14.00 per share and 251,465 common shares that vest at $15.25 per share, with respect to which Mr. Gray has the right to vote and receive dividends and (3) 85,448 unvested common shares owned by his wife Linda Gray, for which shares he disclaims beneficial ownership, including 13,184 contingent then unvested common shares (which vested in January 2024), 45,096 common shares that vest at $14.00 per share and 27,168 common shares that vest at $15.25 per share. Mr. Gray's ownership does not include 34,264 common shares owned by his adult son Joe Skuba. The business address of each of The Gray Insurance Company and Michael T. Gray is 3601 N Interstate 10 Service Rd W Metairie, LA 70002. Mr. Gray was previously the Chairman and Chief Executive Officer of Tiberius Acquisition Corp. ("Tiberius") prior to the consummation of the business combination between the Company and Tiberius and is currently a director of the Company.

(8) As of December 31, 2023, Andrew J. Poole's beneficial ownership included 85,448 contingent unvested common shares, including 13,184 contingent then unvested common shares (which vested in January 2024), 45,096 common shares that vest at $14.00 per share and 27,168 common shares that vest at $15.25 per share. Mr. Poole has the right to vote and receive dividends with respect to these contingent unvested common shares. Mr. Poole's ownership also includes 55,485 common shares owned by his wife Sarah Karp, 230,000 common shares owned by his son Torin Perry Poole, 3,227 common shares owned by his daughter Mila Adeline Poole, and 2,863 common shares owned by his daughter Isla Dae Poole, for all of which he disclaims beneficial ownership. The business address of Andrew Poole is 3601 N Interstate 10 Service Rd W Metairie, LA 70002. Mr. Poole was previously the Chief Investment Officer of Tiberius prior to the consummation of the business combination between the Company and Tiberius and is currently a director of the Company.

(9) According to a Schedule 13D/A filed with the SEC on March 17, 2023, Omnivest owned 9,575,138 shares. The business address of Ominvest is Madinat Al Erfaan, Muscat Hills, Block No 9993, Building No. 95, Seventh Floor, Sultanate of Oman.

(10) According to a Schedule 13G filed with the SEC on January 30, 2024, Royce & Associates, LP beneficially owned 3,750,321 common shares of the Company as of December 31, 2023. Royce & Associates, LP's shares are beneficially owned by one or more registered investment companies or other managed accounts that are investment management clients of Royce & Associates, LP. The interest of one account, Royce Small-Cap Total Return Fund, an investment company registered under the Investment Company Act of 1940 and managed by Royce & Associates, LP, amounted to 2,674,312 common shares.

We are not aware of any arrangement that may, at a subsequent date, result in a change of control of the Company.

B. Related Party Transactions

Transactions Related to the Business Combination

Sponsor Share Letter

Simultaneously with the execution of the Business Combination Agreement on October 10, 2019, the Sponsor, Tiberius, IGI Dubai, Wasef Jabsheh and Argo entered into the Sponsor Share Letter, to which the Company became a party by executing and delivering a joinder thereto, pursuant to which the Sponsor agreed:

(a) to transfer to Wasef Jabsheh at the Closing (i) 4,000,000 of its Tiberius private warrants (which became our private warrants at the Closing) and (ii) 1,000,000 of its Tiberius founder shares (represented by our common shares issued in exchange therefor in the Merger) (the "Jabsheh Earnout Shares"), with such Jabsheh Earnout Shares being subject to certain vesting and share acquisition provisions as set forth therein;

(b) to transfer to Argo at the Closing (i) 500,000 of its Tiberius private warrants (which became our private warrants at the Closing) and (ii) 39,200 of its Tiberius founder shares (represented by our common shares issued in exchange therefor in the Merger) (the "Argo Earnout Shares"), with such Argo Earnout Shares being subject to certain vesting and share acquisition provisions as set forth therein;

(c) effective upon the consummation of the Business Combination to subject 1,973,300 of its remaining Tiberius founder shares (represented by our common shares issued in exchange therefor in the Merger) (the "Sponsor Earnout Shares" and, together with the Jabsheh Earnout Shares and the Argo Earnout Shares, the "Earnout Shares") to potential vesting and share acquisition obligations as set forth therein;

(d) to waive its right to convert any loans outstanding to Tiberius into Tiberius warrants and/or warrants of the Company so long as such loans are repaid at Closing; and

(e) to not, without the prior written consent of IGI, seek or agree to a waiver or amendment of or terminate the provisions of the Tiberius Insider Letter regarding the Sponsor's agreements therein not to redeem any of its Tiberius securities in connection with the Closing, not to transfer any of its Tiberius securities prior to the Closing and to vote in favor of the Business Combination at the special meeting of Tiberius stockholders that was held on March 13, 2020.

In addition, on March 16, 2020, the Sponsor agreed to transfer to Wasef Jabsheh at the Closing an additional 131,148 of its Earnout Shares (represented by our common shares issued in exchange therefor in the Merger) that are subject to potential vesting and share acquisition obligations (the "Share Transfer Letter").

The Earnout Shares cannot be transferred by any of Wasef Jabsheh, Argo or the Sponsor unless and until they vest in accordance with the requirements of the Sponsor Share Letter and except as otherwise permitted by the Sponsor Share Letter, including with the of all consent of all of the parties to the Sponsor Share Letter. Any Earnout Shares that fail to vest on or prior to the eight-year anniversary of the Closing (the period from the Closing until such date, the "Earnout Period") will be transferred to the Company for cancellation. Unless and until any Earnout Shares are transferred to the Company for cancellation, each of Wasef Jabsheh, Argo and the Sponsor will own all rights to such Earnout Shares, including the right to vote such shares and to receive dividends.

Pursuant to the terms of the Sponsor Share Letter, Earnout Shares vest and are no longer subject to acquisition by the Company for cancellation as follows:

Holder	Number of Earnout Shares	Company Share Price Threshold*
Wasef Jabsheh	131,148	15.25
	400,000	12.75
	131,148	15.25
Argo	39,200	12.75
Sponsor and its transferees	800,000	11.50
	160,800	12.75
	550,000	14.00
	331,352	15.25

* Based on the closing price of our common shares on the principal exchange on which such securities are then listed or quoted for 20 trading days over a 30 trading day period at any time during the Earnout Period (in each case subject to equitable adjustment for share splits, share dividends, reorganizations, combinations, recapitalizations and similar transactions)

Additionally, all Earnout Shares will automatically vest and no longer be subject to acquisition by the Company for cancellation if after the Closing (1) the Company engages in a "going private" transaction pursuant to Rule 13e-3 under the Exchange Act or otherwise ceases to be subject to reporting obligations under Sections 13 or 15(d) of the Exchange Act, (2) the Company's common shares cease to be listed on a national securities exchange or (3) the Company is subject to a change of control.

The Tiberius private warrants and the Earnout Shares transferred by the Sponsor to Wasef Jabsheh and Argo under the Sponsor Share Letter and the Share Transfer Letter were transferred to them as "permitted transferees" and each of Wasef Jabsheh and Argo agreed to be bound by the transfer restrictions set forth in the Warrant Agreement and the Insider Letter with respect to such securities.

In addition, on February 12, 2020, Tiberius, the Sponsor, the Company and IGI Dubai entered into a letter agreement (the "Letter Agreement") in which (1) the Sponsor agreed to forfeit 180,000 shares of Tiberius common stock at Closing and (2) Tiberius agreed to use its reasonable best efforts to repurchase 3,000,000 warrants from a warrant holder at Closing for an aggregate purchase price of $4,275,000.

Pursuant to the Sponsor Shares Letter, the Share Transfer Letter and the Letter Agreement, at the Closing:

- the Sponsor transferred to Wasef Jabsheh at (i) 4,000,000 of its Tiberius private warrants (which became our private warrants at the Closing) and (ii) 1,131,148 of its Tiberius founder shares (represented by our common shares issued in exchange therefor in the Merger);
- the Sponsor transferred to Argo (i) 500,000 of its Tiberius private warrants (which became our private warrants at the Closing) and (ii) 39,200 of its Tiberius founder shares (represented by our common shares issued in exchange therefor in the Merger);
- the Sponsor forfeited 180,000 shares of Tiberius common stock; and
- Tiberius repurchased 3,000,000 warrants from a warrant holder for an aggregate purchase price of $4,275,000.

On April 6, 2020, the Sponsor distributed all of its 2,902,152 common shares, including 1,842,152 common shares subject to vesting, to its members. The members of the Sponsor, who include, among others, Michael Gray and Andrew Poole, are subject to the transfer restrictions and vesting set forth in the Sponsor Share Letter and the Insider Letter with respect to such common shares.

On October 4, 2023, we completed the repurchase and redemption of all outstanding public and private warrants, including warrants held by Mr. Jabsheh and Argo.

As of December 13, 2023, the Company's common shares traded at or above the price of $11.50 per shares for 20 trading days over a 30 trading day period, which caused certain number of the Earnout Shares to vest in accordance with the requirements of the Sponsor Share Letter. As of January 23, 2024, the Company's common shares traded at or above the price of $12.75 per shares for 20 trading days over a 30 trading day period, which caused an additional number of the Earnout Shares to vest in accordance with the requirements of the Sponsor Share Letter.

As a result of vesting of certain Earnout Shares at $11.50 and $12.75 thresholds, as of the date of this annual report, the outstanding unvested number of Earnout Shares was as follows:

Holder	Number of Earnout Shares	Company Share Price Threshold
Wasef Jabsheh	131,148	15.25
Sponsor and its transferees	550,000	14.00
	331,352	15.25

Registration Rights Agreement with Former IGI Dubai Shareholders

At the Closing, the Company, the Purchaser Representative and the Sellers entered into a Registration Rights Agreement (the "Registration Rights Agreement") that became effective upon the consummation of the Business Combination. Under the Registration Rights Agreement, the Sellers hold registration rights that obligate the Company to register for resale under the Securities Act all or any portion of the Exchange Shares (including any additional Exchange Shares issued after the Closing for the Transaction Consideration adjustments) and any Tiberius securities transferred to such Seller under the Sponsor Share Letter (collectively, the "Registrable Securities"). Under the Registration Rights Agreement, Sellers holding at least 25% of the Registrable Securities as of the Closing (after giving effect thereto) are entitled to make a written demand for registration under the Securities Act of all or part of their Registrable Securities. Subject to certain exceptions, if at any time after the Closing, the Company proposes to file a registration statement under the Securities Act with respect to its securities, under the Registration Rights Agreement, it will be required to give notice to the Sellers as to the proposed filing and offer the Sellers holding Registrable Securities an opportunity to register the sale of such number of Registrable Securities as requested by the Sellers in writing. In addition, under the Registration Rights Agreement, subject to certain exceptions, Sellers holding at least 25% of the Registrable Securities as of the Closing (after giving effect thereto) are entitled to request in writing that the Company register the resale of any or all of such Registrable Securities on Form S-3 or F-3 and any similar short-form registration that may be available at such time. The Company also agreed to file within 30 days after the Closing a resale registration statement on Form F-1, F-3, S-1 or S-3 covering all Registrable Securities and to use its commercially reasonable efforts to cause such registration statement to be declared effective as soon as possible thereafter. The Company initially filed such registration statement on Form F-1 with the SEC on April 14, 2020, and it was declared effective on April 27, 2020. The Company replaced the registration statement on Form F-1 with a new registration statement on Form F-3, which was declared effective by the SEC in November 2021.

Under the Registration Rights Agreement, the Sellers are required to immediately discontinue disposition of their Registrable Securities under our resale registration statement upon receipt of a notice from the Company of certain events specified in the Registration Rights Agreement, including, among others, a notice that the financial statements contained in the registration statement become stale, that the registration statement or prospectus included therein contains a material misstatement or omission due to a bona fide business purpose or if transacting in our securities by "insiders" is suspended pursuant to a written insider trading compliance program because of the existence of material non-public information.

Under the Registration Rights Agreement, we agreed to indemnify the Sellers and certain persons or entities related to the Sellers such as their officers, directors, employees, agents and representatives against any losses or damages resulting from any untrue statement or omission of a material fact in any registration statement or prospectus pursuant to which they sell Registrable Securities, unless such liability arose from their misstatement or omission, and the Sellers including Registrable Securities in any registration statement or prospectus agreed to indemnify the Company and certain persons or entities related to the Company such as its officers and directors and underwriters against all losses caused by their material misstatements or omissions in those documents.

Amended & Restated Bye-laws

Nomination of Directors. Our Amended and Restated Bye-laws provide that our directors will be elected by the shareholders at an annual general meeting or at any special general meeting called for that purpose, subject to the following:

- Wasef Jabsheh is entitled to appoint and classify two directors (such Wasef Jabsheh-appointed directors, "Jabsheh Directors") for so long as (1) Wasef Jabsheh, members of Wasef Jabsheh's immediate family and/or natural lineal descendants of Wasef Jabsheh or a trust or other similar entity established for the exclusive benefit of Jabsheh and his immediate family and natural lineal descendants (the "Jabsheh Family") and/or their affiliates own at least 10% of our issued and outstanding common shares and (2) Wasef Jabsheh is a shareholder of the Company; and

- Wasef Jabsheh will be entitled to appoint and classify one Jabsheh Director for so long as (1) Wasef Jabsheh, the Jabsheh Family and/or their affiliates own at least 5% (but less than 10%) of our issued and outstanding common shares and (2) Wasef Jabsheh is a shareholder of the Company.

Removal of Directors. Our shareholders entitled to vote for the election of directors may, at any special general meeting convened and held in accordance with the Amended and Restated Bye-laws, remove a director only with cause, provided that the notice of any such meeting convened for the purpose of removing a director must contain a statement of the intention so to do and be served on such director not less than 14 days before the meeting and at such meeting the director will be entitled to be heard on the motion for such director's removal; provided further that a Jabsheh Director may only be removed by Wasef Jabsheh by notice in writing to the Jabsheh Director and the secretary, so long as Wasef Jabsheh is entitled to appoint such director in accordance with the Amended and Restated Bye-laws.

Approval of Certain Transactions. Our board of directors may approve the following transactions only if each Jabsheh Director then in office votes in favor of such transactions:

- sell or dispose of all or substantially all of the assets of the Company and its subsidiaries on a consolidated basis;

- enter into any transaction in which one or more third parties acquire or acquires 25% or more of the Company's common shares;

- enter into any merger, consolidation, or amalgamation with an aggregate value equal to or greater than $75 million (exclusive of inter-company transactions);

- alter the size of the board of directors;

- incur debt in an amount of $50 million (or other equivalent currency) or more; and

- issue common shares (or securities convertible into common shares) in an amount equal to or greater than 10% of the then issued and outstanding common shares of the Company.

Non-Competition Agreement

Simultaneously with the execution of the Business Combination Agreement on October 10, 2019, Wasef Jabsheh, Tiberius, IGI Dubai and the Purchaser Representative entered into a Non-Competition and Non-Solicitation Agreement (the "Non-Competition Agreement"), to which the Company became a party by executing and delivering a joinder thereto, in favor of Tiberius, the Company, IGI Dubai and their respective successors, affiliates and subsidiaries (collectively, the "Covered Parties") relating to the Covered Parties' business after the Closing. The Non-Competition Agreement became effective upon the consummation of the Business Combination. Under the Non-Competition Agreement, for a period of three (3) years after the Closing (the "Restricted Period"), Wasef Jabsheh and his controlled affiliates will not, without the Company's prior written consent, anywhere in Asia, Africa, the Middle East, Central America, South America, Continental Europe or in any other markets in which the Covered Parties are engaged, or are actively contemplating to become engaged, in the Business, as of the date of the Closing or during the Restricted Period, directly or indirectly engage in the business (or own, manage, finance or control, or become engaged or serve as an officer, director, employee, member, partner, agent, consultant, advisor or representative of, an entity that engages in the business) of commercial property and casualty insurance and reinsurance (collectively, the "Business"). However, Wasef Jabsheh and his controlled affiliates may own passive investments of no more than 3% of the total outstanding equity interests of a competitor that is publicly traded, so long as Wasef Jabsheh and his controlled affiliates and their respective equity holders, directors, officers, managers and employees who were involved with

the business of any of the Covered Parties are not involved in the management or control of such competitor. Under the Non-Competition Agreement, during the Restricted Period, Wasef Jabsheh and his controlled affiliates also will not, without the Company's prior written consent, (i) solicit or hire the Covered Parties' employees, consultants or independent contractors as of the Closing, during the Restricted Period or at any time within the six (6) month period prior to such solicitation, or (ii) solicit or induce the Covered Parties' customers as of the Closing, during the Restricted Period or at any time within the 6 month period prior to such solicitation. Wasef Jabsheh also agreed to certain confidentiality obligations with respect to the information of the Covered Parties.

Our Related Party Transaction Policy and Practices

Related Party Transaction Policy

Our board of directors has adopted a written related party transactions policy. For purposes of the policy, interested transactions include transactions, arrangements or relationships generally involving amounts greater than $120,000 in the aggregate in which the Company is a participant and a related party has a direct or indirect interest. Related parties are deemed to include directors, director nominees, executive officers, beneficial owners of more than five percent of our voting securities, or an immediate family member of the preceding group.

Employment Agreements

We have entered into employment agreements with our Executive Chairman, President and Chief Executive Officer, and Chief Operating Officer. The employment agreements have a fixed term of three years, with annual renewals thereafter, subject to termination after a specified notice period. Each executive is entitled to an annual salary, to be reviewed each year, an annual target bonus opportunity (calculated as a percentage of salary), and an annual long term incentive opportunity (calculated as a percentage of salary), with cash amounts being paid in USD. For further details on our employment agreements, see the section entitled "*Executive Compensation — Employment Agreements*."

Indemnification Agreements

We have entered into indemnification agreements with each of our directors and executive officers. The indemnification agreements provide, to the fullest extent permitted under law, indemnification against all expenses, judgments, fines and amounts paid in settlement relating to, arising out of or resulting from indemnitee's status as a director, officer, employee or agent of the Company or any other corporation, limited liability company, partnership or joint venture, trust or other enterprise which such person is or was serving at the Company's request. In addition, the indemnification agreements provide that the Company will advance, to the extent not prohibited by law, the expenses incurred by the indemnitee in connection with any proceeding, and such advancement will be made within 30 days after the receipt by the Company of a statement requesting such advances from time to time, whether prior to or after final disposition of any proceeding.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

For consolidated financial statements and other financial information, see Item 18 of this annual report.

For a discussion of legal proceedings involving the Company, see Note 21 to the IGI audited consolidated financial statements included in this annual report and the section entitled "*Item 4. Information on the Company — B. Business Overview — Litigation*," which is incorporated by reference herein.

Our board of directors will evaluate whether or not to pay dividends and, if so, whether to pay dividends on a quarterly, semi-annual or annual basis, depending on our results, market conditions, contractual obligations, legal restrictions and other factors deemed relevant by the board of directors.

B. Significant Changes

None.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Our common shares are listed on Nasdaq under the symbol IGIC. Holders of our common shares should obtain current market quotations for their securities. There can be no assurance that our common shares will remain listed on Nasdaq. If we fail to comply with the Nasdaq listing requirements, our common shares could be delisted from Nasdaq. A delisting of our common shares will likely affect the liquidity of our common shares and could inhibit or restrict our ability to raise additional financing. See the section entitled "*Risk Factors — Risks Relating to Ownership of Our Securities — Nasdaq may delist our securities, which could limit investors' ability to engage in transactions in our securities and subject us to additional trading restrictions*."

B. Plan of Distribution

Not applicable.

C. Markets

A discussion of all stock exchanges and other regulated markets on which our securities are listed is provided under "*— A. Offer and Listing Details*" of this annual report and is incorporated herein by reference.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The following description includes a summary of specified provisions of our memorandum of association and our Amended and Restated Bye-laws. This description is qualified by reference to our memorandum of association and our Amended and Restated Bye-laws which are incorporated by reference as exhibits to this annual report.

General

International General Insurance Holdings Ltd. is an exempted company incorporated under the laws of Bermuda and registered with the Registrar of Companies in Bermuda under registration number 55038. The Company was incorporated on October 28, 2019 under the name International General Insurance Holdings Ltd. Its registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. Prior to the Business Combination, the Company owned no material assets and did not operate any business.

The objects of our business are unrestricted, and the Company has the capacity of a natural person. We can therefore undertake activities without restriction on our capacity.

Other than in connection with the Business Combination, since our incorporation, there have been no material changes to our share capital, mergers, amalgamations or consolidations of the Company or any of our significant subsidiaries, no acquisitions or dispositions of material assets other than in the ordinary course of business, no material changes in the mode of conducting our business, no material changes in the types of products produced or services

rendered and no name changes. There have been no bankruptcy, receivership or similar proceedings with respect to the Company or its significant subsidiaries. There have been no public takeover offers by third parties for our shares nor any public takeover offers by us for the shares of another company which have occurred during the last or current financial years.

Pre-emptive Rights

Our Amended and Restated Bye-laws do not provide shareholders with pro rata preemptive rights to subscribe for any newly issued common shares. Additionally, the Companies Act does not provide shareholders with a statutory preemptive right.

Repurchase of Shares

Our board of directors may exercise all of the powers to purchase for cancellation or acquire our shares as treasury shares in accordance with the Companies Act. On a reacquisition of shares, such shares may be cancelled (in which event, our issued but not our authorized capital will be diminished accordingly) or held as treasury shares. Such purchases may only be effected out of the capital paid up on the purchased shares or out of the funds otherwise available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose.

Alteration of Share Capital

We may, if authorized by a resolution of our shareholders, increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce the share capital in any manner permitted by the Companies Act.

Variation of Rights

If at any time we have more than one class of shares, the rights attaching to any class, unless otherwise provided for by the terms of issue of the relevant class, may be varied with the sanction of a resolution passed by a majority of the votes cast at a general meeting of the relevant class of shareholders at which a quorum consisting of at least two persons holding or representing one-third of the issued shares of the relevant class is present. Our Amended and Restated Bye-laws specify that the creation or issue of shares ranking equally with existing shares will not, unless expressly provided by the terms of issue of existing shares, vary the rights attached to existing shares. In addition, the creation or issue of preference shares ranking prior to common shares will not be deemed to vary the rights attached to common shares or, subject to the terms of any other series of preference shares, to vary the rights attached to any other series of preference shares.

Transfer of Shares

Our board of directors may in its absolute discretion and without assigning any reason refuse to register the transfer of a share which is not fully paid. Our board of directors may also refuse to recognize an instrument of transfer of a share unless it is accompanied by the relevant share certificate and such other evidence of the transferor's right to make the transfer as our board of directors shall reasonably require. The board of directors shall refuse to register a transfer unless all applicable consents, authorizations and permissions of any governmental body or agency in Bermuda have been obtained, may decline to register any transfer of shares if it appears to the directors, in their reasonable discretion, that any non-de minimis adverse tax, regulatory or legal consequence to the Company, any subsidiary of the Company or the Company's affiliates would result from such transfer; or may decline to register any transfer of shares if the transferee shall not have been approved by applicable governmental authorities outside of Bermuda if such approval is required in respect of such transfer. Subject to these restrictions, a holder of common shares may transfer the title to all or any of its common shares by completing a form of transfer in the form set out in our Amended and Restated Bye-laws (or as near thereto as circumstances admit) or in such other common form as the board of directors may accept. The instrument of transfer must be signed by the transferor and transferee, although in the case of a fully paid share our board of directors may accept the instrument signed only by the transferor.

Notwithstanding anything to the contrary in the Amended and Restated Bye-laws, our shares may be transferred without a written instrument if transferred by an appointed agent and in any form or manner which is in accordance with the rules or regulations of an appointed stock exchange (which includes the Nasdaq Capital Market) on which the shares are listed or admitted to trading.

General Meetings

An annual general meeting will be held each year in accordance with the requirements of the Companies Act and our Amended and Restated Bye-laws at such time and place as our board of directors appoints. Our board of directors or the chairman may also, whenever in its judgment it is necessary, convene general meetings other than annual general meetings which are called special general meetings. Bermuda law and the Amended and Restated Bye-laws provide that a special general meeting must be called upon the request of shareholders holding not less than one-tenth of the paid-up capital of the Company carrying the right to vote at general meetings. Any annual general meeting and special general meeting must be called by not less than fourteen (14) days' prior notice in writing. A notice of meeting must include the place, day and time of the meeting and, in the case of an annual general meeting, that the election of directors will take place thereat and any other business to be conducted at the meeting, and, in the case of a special general meeting, the general nature of the business to be considered at the meeting. This notice requirement is subject to the ability to hold such meetings on shorter notice if such notice is agreed: (i) in the case of an annual general meeting by all of the shareholders entitled to attend and vote at such meeting; or (ii) in the case of a special general meeting by a majority in number of the shareholders entitled to attend and vote at the meeting holding not less than 95% in nominal value of the shares entitled to vote at such meeting. A shareholder may appoint a proxy to attend and vote at the general meeting by providing notice in writing to us at our registered office or at such other place or in such manner as specified in the notice of the general meeting.

The Executive Chairman, if present, and if not, the President and Chief Executive Officer, if present, and if not, any person appointed by our board of directors will act as chairman of the meeting. In their absence and if no one is appointed by our board of directors as chairman of such meeting, a chairman of the meeting will be appointed or elected by those present at the meeting and entitled to vote.

Board and Shareholder Ability to Call Special Meetings

Our Amended and Restated Bye-laws provide that (a) the board of directors or the chairman of the Company may convene a special general meeting whenever in their judgment such meeting is necessary and (b) the board of directors must convene a special general meeting at the request of shareholders holding not less than one-tenth of the paid-up share capital of the Company with the right to vote at general meetings.

Shareholder Meeting Quorum

Our Amended and Restated Bye-laws provide that at any general meeting of shareholders, two or more persons present at the start of the meeting, representing in person or by proxy in excess of 50% of the total voting rights of all issued and outstanding shares of the Company entitled to vote at such general meeting, shall be the quorum for the transaction of business provided, however, that if at any time there is only one shareholder, one shareholder present in person or by proxy shall form a quorum for the transaction of business at any general meeting held during such time.

Voting Rights

Subject to any restrictions for the time being lawfully attached to any class of shares, every shareholder who is present in person or by proxy at a general meeting shall be entitled to one vote on a show of hands and be entitled to one vote for every share of which he is a holder on a vote taken by poll, and any question proposed for the consideration of the shareholders at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with the Amended and Restated Bye-laws, and in the case of an equality of votes, the resolution will fail.

Shareholder Action by Written Consent

The Companies Act provides that, unless otherwise provided in a company's bye-laws, shareholders may take any action by resolution in writing provided that notice of such resolution is circulated, along with a copy of the resolution, to all shareholders who would be entitled to attend a meeting and vote on the resolution. Such resolution in writing must be signed by the shareholders of the company who, at the date of the notice, represent such majority of votes as would be required if the resolution had been voted on at a meeting of the shareholders. The Companies Act provides that the following actions may not be taken by resolution in writing: (1) the removal of the company's auditors and (2) the removal of a director before the expiration of his or her term of office. Under the Amended and Restated Bye-laws, anything which may be done by resolution at a general meeting of shareholders, or by resolution

at a meeting of any class of the shareholders (other than the actions referred to in the preceding sentence) may without a meeting and without any previous notice being required, be done by unanimous written resolution signed by or on behalf of all shareholders entitled to attend and vote at such a meeting.

Access to Books and Records and Dissemination of Information

Members of the general public have a right to inspect the public documents of a company available at the office of the Registrar of Companies in Bermuda. These documents include the company's memorandum of association, including its objects and powers, and certain alterations to the memorandum of association. The shareholders have the additional right to inspect the bye-laws of the company, minutes of general meetings and the company's audited financial statements, which must be presented to the annual general meeting. The register of members of a company is also open to inspection by shareholders and by members of the general public without charge. The register of members is required to be open for inspection for not less than two hours in any business day (subject to the ability of a company to close the register of members for not more than thirty days in a year). A company is required to maintain its share register in Bermuda but may, subject to the provisions of the Companies Act, establish a branch register outside of Bermuda. A company is required to keep at its registered office a register of directors and officers that is open for inspection for not less than two hours in any business day by members of the public without charge. A company is also required to file with the Registrar of Companies in Bermuda a list of its directors to be maintained on a register, which register will be available for public inspection subject to such conditions as the Registrar may impose and on payment of such fee as may be prescribed. Bermuda law does not, however, provide a general right for shareholders to inspect or obtain copies of any other corporate records.

Classified Board

Our Amended and Restated Bye-laws provide that our board of directors shall consist of such number of directors as the board may from time to time determine in accordance therewith. Upon and since the consummation of the Business Combination, our board of directors consists of 7 directors. Our Amended and Restated Bye-laws provide that the directors are divided into three classes designated Class I, Class II and Class III, with each class of directors consisting, as nearly as possible, of one-third of the total number of directors constituting the entire board of directors. The Class I directors are initially elected for a one-year term of office, the Class II directors are initially elected for a two year term of office and the Class III directors are initially elected for a three-year term of office. At each annual general meeting, successors to the class of directors whose term expires at that annual general meeting will be elected for a three-year term. If the number of directors is changed, any increase or decrease will be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any director of any class elected to fill a vacancy will hold office for a term that will coincide with the remaining term of the other directors of that class, but in no case will a decrease in the number of directors shorten the term of any director then in office. A director appointed by Mr. Jabsheh will be classified by Mr. Jabsheh in accordance with the Amended and Restated Bye-laws, provided that no such classification will change the classification of any other director then serving. Currently, Mr. Jabsheh's appointed directors — Wasef Jabsheh and Walid Jabsheh — are serving as Class III Directors with their terms expiring at our 2026 annual general meeting.

Appointment and Election of Directors

Our directors are, subject to Wasef Jabsheh's rights to appoint directors, elected by the shareholders at an annual general meeting or at any special general meeting called for that purpose, subject to the following:

- Wasef Jabsheh is entitled to appoint and classify two directors (such Wasef Jabsheh-appointed directors, "Jabsheh Directors") for so long as (1) Wasef Jabsheh, the Jabsheh Family and/or their affiliates own at least 10% of our issued and outstanding common shares and (2) Wasef Jabsheh is a shareholder of the Company; and
- Wasef Jabsheh is entitled to appoint and classify one Jabsheh Director for so long as (1) Wasef Jabsheh, the Jabsheh Family and/or their affiliates own at least 5% (but less than 10%) of our issued and outstanding common shares and (2) Wasef Jabsheh is a shareholder of the Company.

An eligible shareholder wishing to propose for election as a director someone who is not an existing director or is not proposed by our board of directors must give notice of the intention to propose the person for election. Where a director is to be elected at an annual general meeting, that notice must be given not less than 90 days nor more than

120 days before the anniversary of the last annual general meeting prior to the giving of the notice or, in the event the annual general meeting is called for a date that is not 30 days before or after such anniversary the notice must be given not later than 10 days following the earlier of the date on which notice of the annual general meeting was posted to shareholders or the date on which public disclosure of the date of the annual general meeting was made. Where a director is to be elected at a special general meeting, that notice must be given not later than 10 days following the earlier of the date on which notice of the special general meeting was posted to shareholders or the date on which public disclosure of the date of the special general meeting was made. An eligible shareholder is a shareholder holding at least 5% of the issued and outstanding share capital of the Company who has held such amount for at least three years following the date of adoption of the Amended and Restated Bye-laws.

Removal of Directors

Our Amended and Restated Bye-laws provide that shareholders entitled to vote for the election of directors may, at any special general meeting convened and held in accordance with the Amended and Restated Bye-laws, remove a director only with cause, by the affirmative vote of shareholders holding at least a majority of the total voting rights of all shareholders having the right to vote at such meeting, provided that the notice of any such meeting convened for the purpose of removing a director must contain a statement of the intention so to do and be served on such director not less than 14 days before the meeting and at such meeting the director will be entitled to be heard on the motion for such director's removal; provided further that a Jabsheh Director may only be removed by Wasef Jabsheh by notice in writing to the Jabsheh Director and the secretary, so long as Wasef Jabsheh is entitled to appoint such director in accordance with the Amended and Restated Bye-laws. For purposes of this provision, "cause" means a conviction for a criminal offence involving fraud or dishonesty or civil liability in respect of any action involving fraud or dishonesty.

Proceedings of Board of Directors

Our Amended and Restated Bye-laws provide that our business is to be managed and conducted by our board of directors. Bermuda law permits individual and corporate directors and there is no requirement in the Amended and Restated Bye-laws or Bermuda law that directors hold any of our shares. There is also no requirement in the Amended and Restated Bye-laws or Bermuda law that our directors must retire at a certain age.

The remuneration of our directors is determined by the board of directors from time to time at a duly authorized meeting. Our directors may also be paid all travel, hotel and other expenses properly incurred by them in connection with our business or their duties as directors.

Provided a director discloses a direct or indirect interest in any contract or arrangement or proposed contract or arrangement with us as required by Bermuda law, such director is entitled to vote in respect of any such contract or arrangement in which he or she is interested and/or be counted in the quorum for the meeting at which such contract or arrangement is to be voted on.

A director (including the spouse or children of the director or any company of which such director, spouse or children own or control more than 20% of the capital or loan debt) cannot borrow from us (except loans made to directors who are bona fide employees or former employees, pursuant to an employee share scheme) unless shareholders holding 90% of the total voting rights have consented to the loan.

Approval of Certain Transactions

Our board of directors may approve the following transactions only if each Jabsheh Director then in office votes in favor of such transactions:

- sell or dispose of all or substantially all of the assets of the Company and its subsidiaries on a consolidated basis;
- enter into any transaction in which one or more third parties acquire or acquires 25% or more of the Company's common shares;
- enter into any merger, consolidation, or amalgamation with an aggregate value equal to or greater than $75 million (exclusive of inter-company transactions);

- alter the size of the board of directors;
- incur debt in an amount of $50 million (or other equivalent currency) or more; and
- issue common shares (or securities convertible into common shares) in an amount equal to or greater than 10% of the then issued and outstanding common shares of the Company.

Amalgamations, Mergers and Business Combinations

The amalgamation or merger of a Bermuda company with another company or corporation (other than certain affiliated companies) requires the amalgamation or merger agreement to be approved by the company's board of directors and by its shareholders. Unless the company's bye-laws provide otherwise, the approval of 75% of the shareholders voting at such meeting is required to approve the amalgamation or merger agreement, and the quorum for such meeting must be two persons holding or representing more than one-third of the issued shares of the company. The Amended and Restated Bye-laws provide that an amalgamation, consolidation or a merger (other than with a wholly owned subsidiary or as described below) that has been approved by the board of directors must only be approved by a majority of the votes cast at a general meeting of the shareholders at which the quorum shall be two or more persons present in person and representing in person or by proxy in excess of 50% of all issued and outstanding common voting shares. Any other amalgamation or merger or other business combination (as defined in the Amended and Restated Bye-laws) not approved by our board of directors must be approved by the holders of not less than 66 2/3% of all votes attaching to all shares then in issue entitling the holder to attend and vote on the resolution.

Dissenter's Rights

Under Bermuda law, in the event of an amalgamation or merger of a Bermuda company with another company or corporation, including a public Bermuda company, a shareholder of the Bermuda company who did not vote in favor of the amalgamation or merger and is not satisfied that fair value has been offered for such shareholder's shares may, within one month of notice of the shareholders meeting, apply to the Supreme Court of Bermuda to appraise the fair value of those shares. These approval rights did not apply to the Business Combination because the Company was not a party to any amalgamation or merger contemplated by the Business Combination.

Approval of Business Combinations with Interested Shareholders

Bermuda law does not prohibit companies from engaging in certain business combinations with an interested shareholder. However, the Amended and Restated Bye-laws contain provisions regarding business combinations (including mergers, amalgamations or consolidations) with interested shareholders. These provide that, in addition to any other approval that may be required by applicable law, if the business combination is with an interested shareholder, approval is required from (1) a majority of the board of directors, including each Jabsheh Director in the event such amalgamation, consolidation or merger has an aggregate value equal to or greater than $75 million (exclusive of inter-company transactions), and (2) an affirmative vote of at least 66.7% of all the issued and outstanding voting shares of the Company that are not owned by the interested shareholder (subject to certain exceptions). An interested shareholder means any person (other than Wasef Jabsheh, the Company and any entity directly or indirectly wholly-owned or majority-owned by the Company) that (i) is the owner of 15% or more of the issued and outstanding voting shares of the Company, (ii) is an affiliate or associate of the Company and was the owner of 15% or more of the issued and outstanding voting shares of the Company at any time within the three-year period immediately prior to the date on which it is sought to be determined whether such person is an interested shareholder or (iii) is an affiliate or associate of any person listed in (i) or (ii) above.

Limitations on Director Liability and Indemnification of Directors and Officers

Section 98 of the Companies Act provides generally that a Bermuda company may indemnify its directors, officers and auditors against any liability which by virtue of any rule of law would otherwise be imposed on them in respect of any negligence, default, breach of duty or breach of trust, except in cases where such liability arises from fraud or dishonesty of which such director, officer or auditor may be guilty in relation to the company. Section 98 further provides that a Bermuda company may indemnify its directors, officers and auditors against any liability incurred by them in defending any proceedings, whether civil or criminal, in which judgment is awarded in their favor or in which they are acquitted or granted relief by the Supreme Court of Bermuda pursuant to section 281 of the Companies Act.

The Amended and Restated Bye-laws provide that the directors, resident representative, secretary and other officers acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable to the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. We may also enter into an indemnification agreement with any director or officer of the Company.

In addition, the Amended and Restated Bye-laws provide that the Company may (i) purchase and maintain insurance for the benefit of any director or officer against any liability incurred by such person under the Companies Act in his or her capacity as a director or officer of the Company or indemnifying such director or officer in respect of any loss arising or liability attaching to him or her by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the director or officer may be guilty in relation to the Company or any of its subsidiaries and (ii) advance moneys to a director or officer for the costs, charges and expenses incurred by the director or officer in defending any civil or criminal proceedings against him or her, on condition that the director or officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him or her.

Class Actions and Derivative Suits

Class actions and derivative actions are generally not available to shareholders under Bermuda law. The Bermuda courts, however, would ordinarily be expected to permit a shareholder to commence an action in the name of a company to remedy a wrong to the company where the act complained of is alleged to be beyond the corporate power of the company or illegal, or would result in the violation of the company's memorandum of association or bye-laws. Furthermore, consideration would be given by a Bermuda court to acts that are alleged to constitute a fraud against the minority shareholders or, for instance, where an act requires the approval of a greater percentage of the company's shareholders than that which actually approved it.

When the affairs of a company are being conducted in a manner which is oppressive or prejudicial to the interests of some part of the shareholders, one or more shareholders may apply to the Supreme Court of Bermuda, which may make such order as it sees fit, including an order regulating the conduct of the company's affairs in the future or ordering the purchase of the shares of any shareholders by other shareholders or by the company.

The Amended and Restated Bye-laws provide that each of our shareholders waives any claim or right of action such shareholder might have, whether individually or by or in the right of the Company, against any director or officer of the Company on account of any action taken by such director or officer, or the failure of such director or officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, except in respect of any fraud or dishonesty of such director or officer.

Exclusive Forum

Our Amended and Restated Bye-laws provide that the Supreme Court of Bermuda will be, to the fullest extent permitted by law, the exclusive forum for any dispute that arises concerning the Companies Act or out of or in connection with the Amended and Restated Bye-laws, including any question regarding the existence and scope of any bye-law and/or whether there has been any breach of the Companies Act or the bye-laws by an officer or director (whether or not such a claim is brought in the name of a shareholder or in the name of the Company).

To the fullest extent permitted by law, the forum selection bye-law discussed above will apply to derivative actions or proceedings brought on behalf of the Company and arising under the Securities Act or the Exchange Act, although our shareholders cannot waive compliance with the federal securities laws and the rules and regulations

thereunder. There is uncertainty as to whether a court would enforce such provision in connection with any such derivative action or proceeding arising under the Securities Act or the Exchange Act, and it is possible that a court could find the forum selection bye-law to be inapplicable or unenforceable in such a case.

Amendment of Memorandum of Association and Bye-laws

Bermuda law provides that the memorandum of association of a company may be amended by a resolution passed at a general meeting of shareholders. Our Amended and Restated Bye-laws provide that no bye-law shall be rescinded, altered or amended, and no new bye-law shall be made, unless it shall have been approved by a resolution of our board of directors and by a resolution of our shareholders. In the case of certain bye-laws, such as the bye-laws relating to the term, election and removal of directors, classes and powers of directors, approval of business combinations and amendment of bye-law provisions, the required resolutions must include the affirmative vote of at least 66% of our directors then in office and of at least 66% percent of the votes attaching to all shares issued and outstanding.

Under Bermuda law, the holders of an aggregate of not less than 20% in par value of the company's issued share capital or any class thereof have the right to apply to the Supreme Court of Bermuda for an annulment of any amendment of the memorandum of association adopted by shareholders at any general meeting, other than an amendment which alters or reduces a company's share capital as provided in the Companies Act. Where such an application is made, the amendment becomes effective only to the extent that it is confirmed by the Bermuda court. An application for an annulment of an amendment of the memorandum of association must be made within 21 days after the date on which the resolution altering the company's memorandum of association is passed and may be made on behalf of persons entitled to make the application by one or more of their number as they may appoint in writing for the purpose. No application may be made by shareholders voting in favor of the amendment.

Capitalization of Profits and Reserves

Pursuant to the Amended and Restated Bye-laws, our board of directors may (i) capitalize any part of the amount of our share premium or other reserve accounts or any amount credited to our profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro-rata (except in connection with the conversion of shares) to the shareholders; or (ii) capitalize any sum standing to the credit of a reserve account or sums otherwise available for dividend or distribution by paying up in full, partly paid or nil paid shares of those shareholders who would have been entitled to such sums if they were distributed by way of dividend or distribution.

Untraced Shareholders

Our Amended and Restated Bye-laws provide that our board of directors may forfeit any dividend or other monies payable in respect of any shares which remain unclaimed for six years from the date when such monies became due for payment (or such other period of time as may be required pursuant to the listing requirements of Nasdaq or such other stock exchange or quotation system applicable to our shares, provided that such other period of time is not less than six years). In addition, we are entitled to cease sending dividend warrants and checks by post or otherwise to a shareholder if such instruments have been returned undelivered to, or left uncashed by, such shareholder on at least two consecutive occasions or, following one such occasion, reasonable enquires have failed to establish the shareholder's new address. This entitlement ceases if the shareholder claims a dividend or cashes a dividend check or a warrant.

Certain Provisions of Bermuda Law

Exchange Control

We have been designated by the BMA as a non-resident for Bermuda exchange control purposes. This designation allows us to engage in transactions in currencies other than the Bermuda dollar, and there are no restrictions on our ability to transfer funds (other than funds denominated in Bermuda dollars) in and out of Bermuda or to pay dividends to United States residents who are holders of our common shares. The BMA has given its consent for the issue and free transferability of all of our common shares to and between non-residents of Bermuda for exchange control purposes, provided our shares remain listed on an appointed stock exchange, which includes Nasdaq. Approvals or permissions

given by the BMA do not constitute a guarantee by the BMA as to our performance or our creditworthiness. Accordingly, in giving such consent or permissions, the BMA shall not be liable for the financial soundness, performance or default of our business or for the correctness of any opinions or statements expressed in this annual report. Certain issues and transfers of common shares involving persons deemed resident in Bermuda for exchange control purposes require the specific consent of the BMA.

Share Certificates

In accordance with Bermuda law, share certificates are only issued in the names of companies, partnerships or individuals. In the case of a shareholder acting in a special capacity (for example as a trustee), certificates may, at the request of the shareholder, record the capacity in which the shareholder is acting. Notwithstanding such recording of any special capacity, we are not bound to investigate or see to the execution of any such trust.

Membership

Under the Companies Act, only those persons who agree to become members of a Bermuda company and whose names are entered on the register of members of such company are deemed members. A Bermuda company is not bound to see to the execution of any trust, whether express, implied or constructive, to which any of its shares are subject and whether or not the company had notice of such trust. Accordingly, persons holding shares through a trustee, nominee or depository will not be recognized as members of a Bermuda company under Bermuda law and may only have the benefit of rights attaching to the shares or remedies conferred by law on members through or with the assistance of the trustee, nominee or depository.

C. Material Contracts

Business Combination Agreement

On October 10, 2019, IGI Dubai entered into the Business Combination Agreement with Tiberius, the Sponsor (solely in its capacity as the Purchaser Representative), Wasef Jabsheh (solely in his capacity as the representative of the Sellers) and, pursuant to a joinder thereto, the Company and Merger Sub.

In connection with the Business Combination Agreement, all shareholders of IGI Dubai entered into Share Exchange Agreements with IGI Dubai, Tiberius and the Seller Representative, pursuant to which the Company became a party thereafter upon execution of a joinder thereto.

Pursuant to the Business Combination Agreement, among other matters, on March 17, 2020 (the “Closing”) (1) Merger Sub merged with and into Tiberius, with Tiberius surviving the merger and each of the former security holders of Tiberius receiving securities of the Company (the “Merger”) and (2) all of the outstanding share capital of IGI Dubai (the “Purchased Shares”) was exchanged by the Sellers for a combination of common shares of the Company and aggregate cash consideration of $80.0 million (the “Share Exchange” and, together with the Merger and the other transactions contemplated by the Business Combination Agreement, the “Business Combination”).

As a result of and upon consummation of the Business Combination, each of Tiberius and IGI Dubai became a subsidiary of the Company and the Company became a new public company owned by the prior stockholders of Tiberius and the prior shareholders of IGI Dubai. Upon consummation of the Business Combination pursuant to the terms of the Business Combination Agreement, our common shares and warrants to purchase common shares became listed on Nasdaq under the symbols IGIC and IGICW, respectively.

The total consideration paid by the Company to the Sellers (the “Transaction Consideration”) was equal to (i) the sum of (the “Adjusted Book Value”) (A) the total consolidated book equity value of IGI Dubai and its subsidiaries as of the most recent month end of IGI Dubai prior to the Closing (the “Book Value”), plus (B) the amount of IGI Dubai’s out-of-pocket transaction expenses which reduced the Book Value from what it would have been if such expenses had not been incurred, multiplied by (ii) 1.22, and multiplied by (iii) a fraction equal to (A) the total number of Purchased Shares divided by (B) the total number of issued and outstanding IGI Dubai shares as of the Closing.

$80,000,000 of the Transaction Consideration was paid in cash (the “Cash Consideration”), with each Purchased Share acquired for cash paid based on a value equal to two times Adjusted Book Value per share. The Purchased Shares paid with the Cash Consideration were allocated among the Sellers based on an agreed upon formula, with

Wasef Jabsheh receiving $65,000,000 of the Cash Consideration, Wasef Jabsheh's family members receiving no Cash Consideration and the remaining Sellers receiving the remaining $15,000,000 pro rata based on the Purchased Shares owned by each such remaining Seller.

The remaining Transaction Consideration was paid by the Company to the Sellers by delivery of the Exchange Shares equal in value to the Transaction Consideration less the Cash Consideration (the "Equity Consideration"), with each Exchange Share valued at the price per share at which each Tiberius share of common stock was redeemed or converted pursuant to the redemption by Tiberius of its public stockholders in connection with Tiberius' initial business combination, as required by its amended and restated certificate of incorporation and Tiberius' initial public offering prospectus. The Exchange Shares were allocated among the Sellers pro rata based on the total number of Purchased Shares held by them after deducting the number of Purchased Shares paid for with the Cash Consideration.

Registration Rights Agreement with Former IGI Dubai Shareholders

At the Closing, the Company, the Purchaser Representative and the Sellers entered into a Registration Rights Agreement that became effective upon the consummation of the Business Combination. See "*Major Shareholders and Related Party Transactions — Related Party Transactions.*"

Founders Registration Rights Agreement

Tiberius, the Sponsor and the other Holders named therein are party to a registration rights agreement, dated as of March 15, 2018. At the closing of the Business Combination, the Company, Tiberius and the holders of a majority of the "Registrable Securities" thereunder entered into an amendment to such agreement whereby the Company assumed Tiberius's obligations under the agreement (collectively, the "Founders Registration Rights Agreement"). Pursuant to the Founders Registration Rights Agreement, the Company agreed to file within 30 days after the Closing a resale registration statement on Form F-1, F-3, S-1 or S-3 covering all "Registrable Securities" thereunder and to use its commercially reasonable efforts to cause such registration statement to be declared effective as soon as possible thereafter. The Company initially filed such registration statement with the SEC on April 14, 2020, and it was declared effective on April 27, 2020. This registration statement was replaced by a new registration statement on Form F-3, which was declared effective by the SEC in November 2021.

We may delay the filing or the effectiveness of, or suspend the use of such registration statement for not more than 30 days if such filing, the effectiveness or continued use of the registration statement, as the case may be (i) would, in the good faith judgment of the Chief Executive Officer or principal financial officer of the Company, after consultation with counsel to the Company, require the Company to disclose material non-public information that has not been, and is otherwise not required to be, disclosed to the public, and the Company has a bona fide business purpose for not making such information public, or (ii) would require the inclusion in such registration statement of financial statements that are unavailable to the Company for reasons beyond the Company's control. If the Company exercises these rights, the holders of Registrable Securities agreed to, immediately upon their receipt of a notice from us, to suspend the use of the prospectus relating any sale of their Registrable Securities. The holders of Registrable Securities are also required to discontinue any sale of their Registrable Securities upon receipt of written notice from the Company that our resale registration statement or prospectus relating to such registration statement contains a material misstatement or omission.

Subscription Agreements with PIPE Investors

Simultaneously with the execution of the Business Combination Agreement on October 10, 2019, Tiberius entered into subscription agreements (each, a "PIPE Subscription Agreement") with certain investors (the "PIPE Investors"), pursuant to which Tiberius agreed to issue and sell to the PIPE Investors an aggregate of $23,611,809 of Tiberius common stock at a price of $10.20 per share immediately prior to, and subject to, the Closing, which became the Company's common shares in the Business Combination. At the Closing, Tiberius issued 2,314,883 shares of Tiberius common stock to the PIPE Investors, which were exchanged for 2,314,883 common shares of the Company in the Merger. The PIPE Investors were given registration rights in the PIPE Subscription Agreements pursuant to which the Company, as the successor to Tiberius, is required to file a resale registration statement for the shares issued to the PIPE Investors within 30 days after the Closing and use its commercially reasonable efforts to have the registration statement declared effective as soon as practicable after the filing thereof. The Company initially filed

such registration statement with the SEC on April 14, 2020, and it was declared effective on April 27, 2020. This registration statement was replaced by a new registration statement on Form F-3, which was declared effective by the SEC in November 2021.

Under the PIPE Subscription Agreements, the Company may delay filing or suspend the use of any such registration statement if it determines that an amendment to the registration statement is required in order for the registration statement to not contain a material misstatement or omission, or if such filing or use could materially affect a bona fide business or financing transaction of the Company or would require premature disclosure of information that could materially adversely affect the Company (each such circumstance, a "Suspension Event"). Upon receipt of any written notice from the Company of any Suspension Event, the PIPE Investors are required to immediately discontinue offers and sales of our securities under the registration statement and to maintain the confidentiality of any information included in such written notice delivered by the Company unless otherwise required by applicable law.

Forward Purchase Commitments

In connection with its initial public offering in 2018, Tiberius obtained forward purchase commitments from four investors who committed to purchase Tiberius securities for $25 million in connection with Tiberius's initial business combination. Prior to the Closing, The Gray Insurance Company, an affiliate of the Sponsor, assumed the rights and obligations of one of these four investors under his forward purchase contract and his PIPE Subscription Agreement. At the Closing, Tiberius issued 2,900,000 share of Tiberius common stock to the four investors that were exchanged for 2,900,000 common shares of the Company in the Merger. Following the consummation of the Business Combination, pursuant to the Founders Registration Rights Agreement, as amended at the Closing, the Company is required to file and maintain an effective registration statement under the Securities Act covering the resale of the securities issued to the four investors pursuant to the forward purchase contracts. The Company initially filed such registration statement with the SEC on April 14, 2020, and it was declared effective on April 27, 2020. This registration statement was replaced by a new registration statement on Form F-3, which was declared effective by the SEC in November 2021.

Tiberius Insider Letter

Pursuant to the letter agreement, dated as of March 15, 2018 (the "Tiberius Insider Letter"), among Tiberius, the Sponsor and certain directors and officers of Tiberius (collectively, the "Insiders"), the Sponsor and each Insider agreed that they will not transfer any founder shares (or shares issuable upon conversion of the founder shares) until the earlier of (A) one year after the completion of Tiberius's initial business combination or (B) subsequent to Tiberius's initial business combination, (x) if the last sale price of the Tiberius common Stock equals or exceeds $12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days after Tiberius's initial business combination or (y) the date on which Tiberius completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of its stockholders having the right to exchange their shares of Tiberius common stock for cash, securities or other property. Following the closing of the Business Combination, the lock-up restrictions set forth in the Tiberius Insider Letter applied with respect to our common shares issued to the Sponsor (Lagniappe) and subsequently distributed to the Sponsor's members, and to Insiders (four former directors of Tiberius) and their permitted transferees (Wasef Jabsheh and Argo) in exchange for their founder shares. The lock-up period set forth in the Tiberius Insider Letter ended on March 17, 2021.

Other Material Contracts

Other material contracts of the Company, including agreements entered into prior to the Business Combination, the Sponsor Share Letter, Registration Rights Agreements with Former IGI Dubai Shareholders, the Non-Competition Agreement, and employment agreements with our Executive Chairman, President and Chief Executive Officer, and Chief Operating Officer, are described elsewhere in this annual report or in the information incorporated by reference herein.

D. Exchange Controls

See "*Item 10. Additional Information — B. Memorandum and Articles of Association — Certain Provisions of Bermuda Law — Exchange Control*".

E. Taxation

Material United States Federal Income Tax Considerations

The following discussion is a summary under present law of certain material United States federal income tax considerations to U.S. holders (as defined below) of our common shares (which we refer to as our "securities") that own or dispose of our common shares. This discussion addresses only those security holders that hold their securities as a capital asset within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Code"), and does not address all the United States federal income tax consequences that may be relevant to particular holders in light of their individual circumstances (such as a shareholder owning directly, indirectly or constructively 5% or more of our common shares) or to holders that are subject to special rules, such as:

- insurance companies;
- real estate investment trusts or regulated investment companies;
- persons who hold or receive our common shares as compensation;
- individual retirement and other tax-deferred accounts;
- persons whose functional currency (as defined in Section 985 of the Code) is not the U.S. Dollar;
- financial institutions;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt organizations;
- dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting;
- persons holding our common shares as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or other integrated investment; and
- Non-U.S. holders (as defined below).

For purposes of this discussion, a "U.S. holder" is a beneficial owner of our securities that is:

- a citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any political subdivision thereof;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- any trust if (1) a U.S. court is able to exercise primary supervision over the administration of such trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) it has a valid election in place to be treated as a U.S. person.

The term "Non-U.S. holder" means a beneficial owner of our securities other than a U.S. holder or an entity (or arrangement) treated as a partnership for U.S. federal income tax purposes.

If an entity (or arrangement) treated as a partnership for U.S. federal income tax purposes holds our securities the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our securities and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

This discussion is based upon the Code, applicable U.S. treasury regulations thereunder, published rulings and court decisions, all as currently in effect as of the date hereof, and all of which are subject to change or differing interpretation, possibly with retroactive effect. Tax considerations under state, local and non-U.S. laws, or federal laws other than those pertaining to the income tax, are not addressed.

Except for the discussion under "Passive Foreign Investment Company ("PFIC") Rules" this discussion assumes that the Company is not, and will not, in the foreseeable future, be a "passive foreign investment company" for U.S. federal income tax purposes.

THE U.S. FEDERAL INCOME TAX TREATMENT OF HOLDERS OF OUR SECURITIES DEPENDS IN SOME INSTANCES ON DETERMINATIONS OF FACT AND INTERPRETATIONS OF COMPLEX PROVISIONS OF U.S. FEDERAL INCOME TAX LAW FOR WHICH NO CLEAR PRECEDENT OR AUTHORITY MAY BE AVAILABLE. IN ADDITION, THE U.S. FEDERAL INCOME TAX TREATMENT OF HOLDING OUR COMMON SHARES TO ANY PARTICULAR SHAREHOLDER WILL DEPEND ON THE SHAREHOLDER'S PARTICULAR TAX CIRCUMSTANCES. YOU ARE URGED TO CONSULT YOUR TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE, LOCAL, AND NON-U.S. INCOME AND OTHER TAX CONSEQUENCES TO YOU, IN LIGHT OF YOUR PARTICULAR INVESTMENT OR TAX CIRCUMSTANCES, OF ACQUIRING, HOLDING, AND DISPOSING OF OUR COMMON SHARES.

Taxation of Dividends and Other Distributions on Our Common Shares

Subject to the discussion below under "*Passive Foreign Investment Company ("PFIC") Rules*," the gross amount of distributions made by the Company to you with respect to the common shares (including the amount of any taxes withheld therefrom) will generally be includable in your gross income as dividend income on the date of receipt by you, but only to the extent that the distribution is paid out of the Company's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent that the amount of the distribution exceeds the Company's current and accumulated earnings and profits (as determined under U.S. federal income tax principles), it will be treated first as a tax-free return of your tax basis in your common shares, and to the extent the amount of the distribution exceeds your tax basis, the excess will be taxed as capital gain. The Company does not intend to calculate its earnings and profits under U.S. federal income tax principles. Therefore, you should expect that a distribution will be treated as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above.

With respect to non-corporate U.S. holders, including individual U.S. holders, dividends will be taxed at the lower capital gains rate applicable to qualified dividend income, provided that (1) the common shares are readily tradable on an established securities market in the United States, (2) the Company is not a passive foreign investment company (as discussed below) for either the taxable year in which the dividend is paid or the preceding taxable year, and (3) certain holding period requirements are met. You are urged to consult your tax advisors regarding the availability of the lower rate for dividends paid with respect to our common shares. With respect to corporate U.S. holders, the dividends will generally not be eligible for the dividends-received deduction allowed to corporations in respect of dividends received from other U.S. corporations.

Taxation of Dispositions of Common Shares

Subject to the discussion below under "*Passive Foreign Investment Company ("PFIC") Rules*," you will recognize taxable gain or loss on any sale, exchange or other taxable disposition of our common share equal to the difference between the amount realized (in U.S. Dollar) for the common share and your tax basis (in U.S. Dollar) in the common share. The gain or loss will be capital gain or loss. If you are a non-corporate U.S. holder, including an individual U.S. holder, who has held the common shares for more than one year, you may be eligible for reduced tax rates on any such capital gains. The deductibility of capital losses is subject to limitations.

Passive Foreign Investment Company ("PFIC") Rules

Although not free from doubt, the Company does not believe it is likely to be classified as a PFIC for the current taxable year. A non-U.S. corporation is considered a PFIC for any taxable year if either:

- at least 75% of its gross income for such taxable year is passive income; or

- at least 50% of the value of its assets (based on an average of the quarterly values of the assets during a taxable year) is attributable to assets that produce or are held for the production of passive income (the "asset test").

For purposes of the PFIC rules, a corporation is treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, at least 25% (by value) of the stock (the "Look-Through Rule"). Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business), passive assets generally include assets held for the production of such income, and gains from the disposition of passive assets are generally all included in passive income.

Special rules apply, however, in determining whether the income of an insurance company is passive income for purposes of these rules. Specifically, income derived in the active conduct of an insurance business by a "qualified insurance corporation" (a "QIC") is excluded from the definition of passive income, even though that income would otherwise be considered passive (the "Insurance Company Exception"). Pursuant to the Insurance Company Exception, (a) passive income does not include income that a QIC derives in the active conduct of an insurance business or income of a look-through subsidiary, and (b) passive assets do not include assets of a QIC available to satisfy liabilities of the QIC related to its insurance business, if the QIC is engaged in the active conduct of an insurance business, or assets of a look-through subsidiary.

Under certain proposed regulations, a QIC is in the "active conduct" of an insurance business only if it satisfies either a "factual requirements" test or an "active conduct percentage" test. The factual requirements rest requires that the officers and employees of the QIC carry out substantial managerial and operational activities on a regular and continuous basis with respect to its core functions and that they perform virtually all of the active decision-making functions including those relevant to underwriting functions. The active conduct percentage test generally requires that (i) the total costs incurred by the QIC with respect to its officers and employees for services rendered with respect to its core functions (other than investment activities) equal or exceed 50 percent of total costs incurred by the QIC with respect to its officers and employees and any other person or entities for services rendered with respect to its core functions (other than investment activities) and (ii) to the extent the QIC outsources any part of its core functions to unrelated entities, officers and employees of the QIC with experience and relevant expertise must select and supervise the person that performs the outsourced functions, establish objectives for performance of the outsourced functions and prescribe rigorous guidelines relating to the outsourced functions which are routinely evaluated and updated. Under certain exceptions, however, a QIC (a) that has no or only a nominal number of employees, or (b) that is a vehicle that (x) has the effect of securitizing or collateralizing insurance risks underwritten by other insurance or reinsurance companies or (y) is an insurance linked securities fund that invests in securitization vehicles, is deemed not engaged in the active conduct of an insurance business. A QIC's officers and employees include those of certain affiliates for these purposes. The 2021 Final Regulations contain guidance on the application of the Look-Through Rule which allows a portion of assets and income of certain look-through subsidiaries of a QIC to be treated as active.

Based on the gross assets, and claims and claim adjustment expenses, reserves of certain of its subsidiaries and local regulatory requirements relating to such reserves, and based on the manner in which its subsidiaries conducts and expects to continue to conduct its business, the Company expects a sufficient amount of its income and assets to be treated as active income or assets of a QIC or that will be treated as active income or assets of a QIC under the Look-Through Rule such that it will not be classified as a PFIC.

Thus, although not free from doubt, the Company does not believe it is likely to be treated as a PFIC for the current year and does not believe it is likely to be so treated in foreseeable future years. Whether the Company is a PFIC is a factual determination made annually, and the Company's status could change depending upon, among other things, the manner in which the Company and its subsidiaries conduct their business. Accordingly, no assurance can be given that the Company is not currently or will not become a PFIC in the current or any future taxable year.

In addition, changes in law can adversely affect the Company and its subsidiaries' abilities to qualify for the Insurance Company Exception, modify the Look-Through Rule as applied for that exception, or otherwise cause the Company to qualify as a PFIC, possibly with retroactive effect. In particular, the U.S. Treasury has proposed regulations regarding the Insurance Company Exception. We cannot provide any assurance that such proposed regulations, when finalized, will not cause the Company to be treated as a PFIC. Further, the IRS may issue guidance that causes us to fail to qualify for the Insurance Company Exception on a prospective or retroactive basis.

If the Company is a PFIC for any year during which you hold the Company's common shares, it will continue to be treated as a PFIC for all succeeding years during which you hold common shares. However, if the Company ceases to be a PFIC and you did not previously make a timely "mark-to-market" election as described below, you may avoid some of the adverse effects of the PFIC regime by making a "purging election" (as described below) with respect to the common shares.

If the Company is a PFIC for any taxable year(s) during which you hold common shares, you will be subject to special tax rules with respect to any "excess distribution" that you receive and any gain you realize from a sale or other disposition (including a pledge) of the common shares, unless, with respect to your common shares, you make a "mark-to-market" election as discussed below. Distributions you receive in a taxable year that are greater than 125% of the average annual distributions you received during the shorter of the three preceding taxable years or your holding period for the common shares will be treated as an excess distribution. Under these special tax rules:

- the excess distribution or gain will be allocated ratably over your holding period for the common shares or warrants;
- the amount allocated to your current taxable year, and any amount allocated to any of your taxable year(s) prior to the first taxable year in which the Company was a PFIC, will be treated as ordinary income, and
- the amount allocated to each of your other taxable year(s) will be subject to the highest tax rate in effect for that year and the interest charge generally applicable to underpayments of tax will be imposed on the resulting tax attributable to each such year.

The tax liability for amounts allocated to years prior to the year of disposition or "excess distribution" cannot be offset by any net operating losses for such years, and gains (but not losses) realized on the sale of the common shares cannot be treated as capital, even if you hold the common shares as capital assets.

A U.S. holder of "marketable stock" (as defined below) in a PFIC may make a mark-to-market election for such stock to elect out of the tax treatment discussed above. If you make a mark-to-market election for the first taxable year which you hold (or are deemed to hold) our common shares and for which the Company is determined to be a PFIC, you will include in your income each year an amount equal to the excess, if any, of the fair market value of the common shares as of the close of such taxable year over your adjusted basis in such common shares, which excess will be treated as ordinary income and not capital gain. You are allowed an ordinary loss for the excess, if any, of the adjusted basis of the common shares over their fair market value as of the close of the taxable year. However, such ordinary loss is allowable only to the extent of any net mark-to-market gains on the common shares included in your income for prior taxable years. Amounts included in your income under a mark-to-market election, as well as gain on the actual sale or other disposition of the common shares, are treated as ordinary income. Ordinary loss treatment also applies to any loss realized on the actual sale or disposition of the common shares, to the extent that the amount of such loss does not exceed the net mark-to-market gains previously included for such common shares. Your basis in the common shares will be adjusted to reflect any such income or loss amounts. If you make a valid mark-to-market election, the tax rules that apply to distributions by corporations which are not PFICs would apply to distributions by the Company, except that the lower applicable capital gains rate for qualified dividend income discussed above under *"— Taxation of Dividends and Other Distributions on Our Common Shares"* generally would not apply.

The mark-to-market election is available only for "marketable stock", which is stock that is traded in other than de minimis quantities on at least 15 days during each calendar quarter ("regularly traded") on a qualified exchange or other market (as defined in applicable U.S. Treasury regulations), including Nasdaq. If our common shares are regularly traded on Nasdaq Capital Market and if you are a holder of common shares, the mark-to-market election would be available to you were the Company to be or become a PFIC.

Alternatively, a U.S. holder of stock in a PFIC may make a "qualified electing fund" election with respect to such PFIC to elect out of the tax treatment discussed above. A U.S. holder who makes a valid qualified electing fund election with respect to a PFIC will generally include in gross income for a taxable year such holder's pro rata share of the corporation's earnings and profits for the taxable year. However, the qualified electing fund election is available only if such PFIC provides such U.S. holder with certain information regarding its earnings and profits as required under applicable U.S. Treasury regulations. The Company does not currently intend to prepare or provide the information that would enable you to make a qualified electing fund election. If you hold common shares in any

taxable year in which the Company is a PFIC, you will be required to file U.S. IRS Form 8621 in each such year and provide certain annual information regarding such common shares, including regarding distributions received on the common shares and any gain realized on the disposition of the common shares.

If you do not make a timely "mark-to-market" election (as described above), and if the Company were a PFIC at any time during the period you hold its common shares, then such common shares will continue to be treated as stock of a PFIC with respect to you even if the Company ceases to be a PFIC in a future year, unless you make a "purging election" for the year the Company ceases to be a PFIC. A "purging election" creates a deemed sale of such common shares at their fair market value on the last day of the last year in which the Company is treated as a PFIC. The gain recognized by the purging election will be subject to the special tax and interest charge rules treating the gain as an excess distribution, as described above. As a result of the purging election, you will have a new basis (equal to the fair market value of the common shares on the last day of the last year in which the Company is treated as a PFIC) and holding period (which new holding period will begin the day after such last day) in your common shares for tax purposes.

You are urged to consult your tax advisors regarding the application of the PFIC rules to your investment in our common shares and the elections discussed above, in particular any U.S. holders of warrants should consult their advisors regarding whether any such elections are available to warrants and the effect of making such election with respect to warrants.

Possible Constructive Distributions

Subject to the discussion below under "*Passive Foreign Investment Company ("PFIC") Rules*," the terms of each warrant provide for an adjustment to the number of common shares for which the warrant may be exercised or to the exercise price of the warrant in certain events. An adjustment which has the effect of preventing dilution generally is not taxable. You would, however, be treated as receiving a constructive distribution from us if, for example, the adjustment increases your proportionate interest in our assets or earnings and profits (e.g., through an increase in the number of common shares that would be obtained upon exercise) as a result of a distribution of cash to the holders of common shares which is taxable to the U.S. holders of such shares as described under "— *Taxation of Dividends and Other Distributions on Our Common Shares*" above. Such constructive distribution would be subject to tax as described under that section in the same manner as if you received a cash distribution from us equal to the fair market value of such increased interest.

Information Reporting and Backup Withholding

Certain non-corporate U.S. holders are required to report information to the IRS relating to an interest in "specified foreign financial assets," including shares and warrants issued by a non-U.S. corporation. These rules also impose penalties if a U.S. holder is required to submit such information to the IRS and fails to do so.

Dividend payments with respect to our common shares and proceeds from the sale, exchange or redemption of our common shares and warrants may be subject to information reporting to the IRS and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. holder who furnishes a correct taxpayer identification number and makes any other required certification or who otherwise establishes an exemption from backup withholding. U.S. holders are urged to consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against your U.S. federal income tax liability, and you may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the IRS and timely furnishing any required information.

Bermuda Tax Considerations

Under present Bermuda law, no Bermuda withholding tax on dividends or other distributions, or any Bermuda tax computed on profits or income or on any capital asset, gain or appreciation will be payable by us or applicable to our operations, and there is no Bermuda tax in the nature of estate duty or inheritance tax applicable to our shares, debentures or other obligations held by non-residents of Bermuda.

However, Bermuda enacted the Corporate Income Tax Act 2023 on 27 December 2023 (the "CIT Act"). Entities subject to tax under the CIT Act are the Bermuda constituent entities of multi-national groups. A multi-national group is defined under the CIT Act as a group with entities in more than one jurisdiction with consolidated revenues of at least EUR750 million for two of the four previous fiscal years. If Bermuda constituent entities of a multi-national group are subject to tax under the CIT Act, such tax is charged at a rate of 15% of the net income of such constituent entities (as determined in accordance with the CIT Act, including after adjusting for any relevant foreign tax credits applicable to the Bermuda constituent entities). No tax is chargeable under the CIT Act until tax years starting on or after 1 January 2025. The Company is not currently considered to be part of an in-scope multi-national group. It is possible that the CIT Act may have an adverse effect on our results of operations going forward.

Tax Assurance

We have obtained an assurance from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1966 that, in the event that any legislation is enacted in Bermuda imposing any tax computed on profits or income, or computed on any capital asset, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not, until March 31, 2035, be applicable to us or to any of our operations or to our shares, debentures or other obligations except insofar as such tax applies to persons ordinarily resident in Bermuda or is payable by us in respect of real property owned or leased by us in Bermuda. However, if we are a Bermuda constituent entity with any tax liability under the CIT Act, such tax liability will apply notwithstanding the assurance given to us pursuant to the Exempted Undertakings Protection Act 1966.

Taxation of Shareholders

Shareholders should seek advice from their tax advisor to determine the taxation to which they may be subject based on the shareholder's circumstances.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

Documents concerning the Company that are referred to in this annual report may be inspected at our principal executive offices at 74 Abdel Hamid Sharaf Street, P.O. Box 941428, Amman 11194, Jordan or as otherwise set out in this annual report.

We are subject to the informational requirements of the Exchange Act that are applicable to foreign private issuers. Accordingly, we are required to file or furnish reports and other information with the SEC, including annual reports on Form 20-F and reports on Form 6-K. The SEC also maintains a website at *www.sec.gov* that contains reports and other information that we file with or furnish electronically with the SEC. You may read and copy any report or document we file, including the exhibits, at the SEC's public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room.

We maintain a corporate website at *www.iginsure.com.* Information contained on, or that can be accessed through, our website does not constitute a part of this annual report.

Shareholders may also request a hard copy of our 2023 Annual Report on Form 20-F, free of charge, from International General Insurance Holdings Ltd., 74 Abdel Hamid Sharaf Street, P.O. Box 941428, Amman 11194, Jordan, Attention: Investor Relations.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our executive officers, directors and principal and selling shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16

of the Exchange Act. In addition, we will not be required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. domestic companies whose securities are registered under the Exchange Act.

Members of the general public have a right to inspect the public documents of a company available at the office of the Registrar of Companies in Bermuda. These documents include the company's memorandum of association, including its objects and powers, and certain alterations to the memorandum of association. The shareholders have the additional right to inspect the bye-laws of the company, minutes of general meetings and the company's audited financial statements, which must be presented to the annual general meeting. The register of members of a company is also open to inspection by shareholders and by members of the general public without charge. The register of members is required to be open for inspection for not less than two hours in any business day (subject to the ability of a company to close the register of members for not more than thirty days in a year). A company is required to maintain its share register in Bermuda but may, subject to the provisions of the Companies Act, establish a branch register outside of Bermuda. A company is required to keep at its registered office a register of directors and officers that is open for inspection for not less than two hours in any business day by members of the public without charge. A company is also required to file with the Registrar of Companies in Bermuda a list of its directors to be maintained on a register, which register will be available for public inspection subject to such conditions as the Registrar may impose and on payment of such fee as may be prescribed. Bermuda law does not, however, provide a general right for shareholders to inspect or obtain copies of any other corporate records.

I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

Market risk is the risk of economic losses due to adverse changes in the estimated fair value of a financial instrument as the result of changes in interest rates, equity prices, foreign currency exchange rates and commodity prices. The primary components of market risk affecting us are credit risk, interest rate risk, foreign currency risk and equity price risk. We do not have significant exposure to commodity risk.

Credit risk

Credit risk is the potential loss resulting from adverse changes in an issuer's ability to repay its debt obligations. We have exposure to credit risk as a holder of fixed maturity investments. Our risk management strategy and investment policy are designed to primarily invest in debt instruments of high credit quality issuers and to limit the amount of credit exposure with respect to particular ratings categories and any one issuer. At December 31, 2023, our fixed-maturity portfolio, had an average rating of "A". Additionally, at December 31, 2023, approximately 76% of our fixed-maturity portfolio was rated "A-" or better by at least one internationally recognized rating organization. Our policy is to invest in investment grade securities and to minimize investments in fixed maturities that are unrated or rated below investment grade. At December 31, 2023, approximately 0.1% of our fixed-maturity portfolio was unrated or rated below investment grade. We monitor the financial condition of all of the issuers of fixed-maturity securities in our portfolio.

In addition, we are subject to credit risk with respect to our third-party reinsurers. Although our third-party reinsurers are obligated to reimburse us to the extent we cede risk to them, we are ultimately liable to our policyholders on all risks we have ceded. As a result, reinsurance contracts do not limit our ultimate obligations to pay claims covered under the insurance policies we issue and we might not collect amounts recoverable from our reinsurers. We address this credit risk by selecting reinsurers with high credit rating at the time we enter into the agreement and by performing, along with our reinsurance broker, periodic credit reviews of our reinsurers. If one of our reinsurers suffers a credit downgrade, we may consider various options to lessen the risk of asset impairment.

Interest rate risk

Interest rate risk is the risk that we will incur economic losses due to adverse changes in interest rates. The primary market risk to the investment portfolio is interest rate risk associated with investments in fixed-maturity securities. Fluctuations in interest rates have a direct effect on the market valuation of these securities. When market

interest rates rise, the fair value of our fixed-maturity securities decreases. Conversely, as interest rates fall, the fair value of our fixed-maturity securities increases. We manage this interest rate risk by investing in securities with varied maturity dates and by managing the duration of our investment portfolio to the duration of our reserves. Expressed in years, duration is the weighted average payment period of cash flows, where the weighting is based on the present value of the cash flows. We set duration targets for our fixed-maturity investment portfolios after consideration of the estimated duration of our liabilities and other factors. The weighted-average modified duration of the portfolio was three years as of December 31, 2023.

The table below illustrates the sensitivity of the fair value of our fixed-maturity securities to selected hypothetical changes in interest rates as of December 31, 2023 and 2022.

	Fair value	Estimated change in fair value	Estimated % Increase (Decrease) in Fair Value
	($ in millions)	($ in millions)	
December 31, 2023			
125 basis points increase	$ 737.8	$ (29.8)	(3.9%)
75 basis points increase	$ 749.7	$ (17.9)	(2.3%)
Unchanged	$ 767.6	$ —	—
75 basis points decrease	$ 785.5	$ 17.9	2.3%
125 basis points decrease	$ 797.4	$ 29.8	3.9%

	Fair value	Estimated change in fair value	Estimated % Increase (Decrease) in Fair Value
	($ in millions)	($ in millions)	
December 31, 2022			
125 basis points increase	$ 472.7	$ (18.4)	(3.7%)
75 basis points increase	$ 480.0	$ (11.1)	(2.2%)
Unchanged	$ 491.1	$ —	—
75 basis points decrease	$ 502.1	$ 11.1	2.3%
125 basis points decrease	$ 509.5	$ 18.4	3.8%

Foreign currency risk

Our reporting and the functional currency of our operations is the U.S. Dollar. As at December 31, 2023, approximately 82% of our cash and investments was held in U.S. Dollar and U.S. Dollar pegged currencies (2022 — 82%), and approximately 18% was in currencies other than the U.S. Dollar and U.S. Dollar pegged currencies (2022 — 18%). For the year ended December 31, 2022, 49% of our gross premiums were written in currencies other than the U.S. Dollar and U.S. Dollar pegged currencies (2022 — 51%).

Other foreign currency amounts are remeasured to U.S. Dollar and the resulting foreign exchange gains or losses are reflected in the statements of income. The remeasurement is calculated using current exchange rates for the balance sheets and average exchange rates for the statements of income. We may experience exchange losses to the extent that our foreign currency exposure is not properly managed which would in turn adversely affect our results of operations and financial condition. Management estimates that a 10% change in the exchange rate between Pound Sterling and U.S. Dollar, as an example, as at December 31, 2023 would have impacted reported comprehensive income by approximately $2.5 million (2022 — $4.1 million). We will continue to manage our foreign currency risk by seeking to match our liabilities under insurance and reinsurance policies that are payable in foreign currencies with investments that are denominated in those currencies.

Equity Price Risk

Equity price risk is the potential loss arising from changes in the market value of equity investments. As detailed in the table below, we are directly exposed to this risk through our investment in equity investments, which are traded on internationally recognized stock exchanges. The following table summarizes a hypothetical 10% increase or decline in the market value of our equity investments, direct private equity investments, private equity funds and hedge funds, holding all other factors constant, at the dates indicated.

	For the Year Ended December 31,	
	2023	2022
	($) in millions	
Equity securities, at fair value	$ 26.2	$ 31.4
Other investments	11.1	12.2
Total carrying value of investments exposed to equity price risk	**$ 37.3**	**$ 43.6**
Impact of a hypothetical 10% increase in the carrying value of investments exposed to equity price risk	$ 3.7	$ 4.4
Impact of a hypothetical 10% decrease in the carrying value of investments exposed to equity price risk	$ (3.7)	$ (4.4)

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None, except as described elsewhere in this annual report or in the information incorporated by reference herein.

The Company filed a registration statement on Form F-3 with the SEC on April 2, 2021, and it was declared effective on November 3, 2021 (File No. No. 333-254986). The registration statement relates to, among other things, the issuance of up to 17,250,000 of our common shares, including (i) 12,750,000 common shares issuable upon the exercise of our public warrants issued in exchange for 12,750,000 public warrants of Tiberius, and, (ii) 4,500,000 common shares issuable upon the exercise of our warrants issued in exchange for 4,500,000 Tiberius private warrants. On October 4, 2023, the Company completed its purchase and redemption of all public and private warrants.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

As required by Rules 13a-15(b) and 15d-15(b) under the Exchange Act, our management, with the participation of our President and Chief Executive Officer, and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this annual report on Form 20-F. Based on such evaluation, our President and Chief Executive Officer, and Chief Financial Officer have concluded that, as of December 31, 2023, the disclosure controls and procedures were effective at the reasonable assurance level in ensuring that:

- information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the President and Chief Executive Officer, and Chief Financial Officer, to allow timely decisions regarding required disclosure; and
- such information is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective, and management is required to apply its judgement in evaluating and implementing possible controls and procedures.

B. Management's Annual Report on Internal Controls over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with U.S. GAAP.

Due to inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2023 based upon criteria set forth in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this assessment, management has concluded that the Company's internal control over financial reporting was effective as at December 31, 2023.

C. Attestation Report of Registered Public Accounting Firm

We are exempt from the requirement of an attestation report of our registered public accounting firm while we are an emerging growth company under the rules of the SEC.

D. Changes in Internal Control Over Financial Reporting

None.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that Wanda Mwaura, the chair of the audit committee of our board of directors, is an "audit committee financial expert" as defined by Item 16A of Form 20-F. All members of the audit committee are independent directors as defined in the Nasdaq listing requirements and Rule 10A-3 under the Exchange Act.

ITEM 16B. CODE OF ETHICS

The Company has adopted a Financial Code of Ethics applicable to the President and Chief Executive Officer, Chief Financial Officer, Senior Vice President — Finance, Controller and certain other officers performing similar functions. A copy of our Financial Code of Ethics may be obtained, without charge, by sending a request to International General Insurance Holdings Ltd., 74 Abdel Hamid Sharaf Street, P.O. Box 941428, Amman 11194, Jordan, attention: Chief Legal Officer; or by email to: Rawan.Alsulaiman@iginsure.com, attention: Chief Legal Officer. Any amendment to this Financial Code may be made only by the Company's board of directors. If an amendment to this Financial Code is made, appropriate disclosure will be made in a Current Report on Form 6-K, by posting on the Company's website or by other electronic means, or at the latest, in the annual report on Form 20-F to the extent required by the rules and regulations of the SEC and the listing requirements of Nasdaq.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table represents aggregate fees billed to us for professional services rendered by our independent registered public accounting firm, Ernst & Young LLP (London, United Kingdom, Auditor Firm ID: 1438), for the last two fiscal years ended December 31, 2023 and December 31, 2022.

	For the Year Ended December 31,	
	2023	2022
	($) in thousands	
Audit Fees	$ 2,700	$ 1,639
Tax Fees	5	5
All Other Fees	75	69
Total	**$ 2,780**	**$ 1,713**

Audit Fees

Audit Fees consisted of fees for the audit of the consolidated financial statements and assistance with and review of documents filed with the SEC, in addition to the audit fees of the Group's subsidiaries.

Tax Fees

Tax Fees for the fiscal year ended December 31, 2023 and 2022 relate to corporate tax compliance services for two of the Group's subsidiaries.

All Other Fees

All Other Fees relate to permitted advisory services, which relate to review of loss reserves engagement and statutory returns for two of the Group's subsidiaries.

Audit Committee Pre-Approval

Our audit committee pre-approves auditing services and permitted non-audit services to be performed for us by our independent auditor, including the fees and terms thereof (subject to certain de minimis exceptions provided by law or regulation). There were no services approved by the audit committee pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

Each of the services described in this Item 16C was approved by the audit committee. There were no hours expended on the principal accountant's engagement to audit the Company's financial statements for the most recent fiscal year that were attributed to work performed by persons other than the principal accountant's full-time, permanent employees.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

We do not rely on any exemptions from the listing standards for our audit committee.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares That May Yet be Purchased Under the Plans or Programs
January 2023	2,271,775	8.60	2,271,775	2,417,683
February 2023	—	—	2,271,775	2,417,683
March 2023	176,040	8.33	2,447,815	2,241,643
April 2023	116,316	8.37	2,564,131	2,125,327
May 2023	103,630	8.68	2,667,761	2,021,697
June 2023	104,014	9.00	2,771,775	1,917,683
July 2023	—	—	2,771,775	1,917,683
August 2023	133,584	10.67	2,905,359	1,784,099
September 2023	113,899	10.99	3,019,258	1,670,200
October 2023	168,668	11.11	3,187,926	1,501,532
November 2023	130,076	11.29	3,318,002	1,371,456
December 2023	103,236	12.18	3,421,238	1,268,220

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

We are a "foreign private issuer" under applicable U.S. federal securities laws. As a result, we are permitted to follow certain corporate governance rules that conform to Bermuda requirements in lieu of certain Nasdaq corporate governance rules. We will certify to Nasdaq that our corporate governance practices are in compliance with, and are not prohibited by, the laws of Bermuda. The corporate governance practices that we follow in lieu of Nasdaq's corporate governance rules are as follows:

- In lieu of the requirement to comply with Rule 5605(e)(1), which requires the director nomination process to be determined by a majority of the independent directors or a nominations committee comprised solely of independent directors, our nominating/governance committee (which is responsible for director nominations) consists of a majority of independent directors but does not consist solely of independent directors.
- In lieu of the requirement to comply with Rule 5605(d)(2), which requires a compensation committee comprised of at least two members, each of whom must be an independent director as defined under Rule 5605(a)(2), our compensation committee consists of three members, two of which are independent, comprising a majority of independent directors, but it does not consist solely of independent directors. Given the size of the Company, we believe that the committee as currently composed is well situated and has access to the best information to make compensation decisions for the Company.
- In lieu of the requirement to comply with Rule 5605(b)(2), which requires regularly scheduled meetings at which only independent directors are present ("executive sessions"), we do not intend to have regularly scheduled executive sessions.

We intend to voluntarily comply with certain Nasdaq corporate governance requirements, including having a majority of independent directors and establishing compensation and nominating/governance committees of the board of directors, but we are not required to do so pursuant to Bermuda requirements and may cease doing so at any time as long as we maintain our status as a "foreign private issuer."

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

The Company adopted its updated Insider Trading Policy on November 16, 2023. A copy of the Insider Trading Policy is filed as an exhibit to this annual report.

ITEM 16K. CYBERSECURITY

We maintain a robust and comprehensive approach to cybersecurity and continuously improve its focus and approach. Cybersecurity encompasses the protection of information assets, systems, networks, and data from cyber threats, breaches, and unauthorized access. Cybersecurity plays a crucial role in safeguarding our intellectual property, sensitive information, and financial assets, and is integral to maintaining trust and confidence among customers, investors, regulators, and other stakeholders. To date, we have not suffered any material cybersecurity incidents requiring action or reporting to regulators.

Potential Cyber Risks

- **Sophisticated Cyber Threats:** We face risks from increasingly sophisticated and evolving cyber threats, including malware, man in the middle, phishing attacks, ransomware, and social engineering techniques.

- **Operational Disruption Risk:** Cybersecurity incidents, such as ransomware attacks, distributed denial-of-service (DDoS) attacks, or system outages, could disrupt the company's operations and impact its ability to deliver products and services to customers. Operational disruptions may result in revenue loss, customer dissatisfaction, contractual penalties, and long-term reputational damage.

- **Data Breaches:** There is a risk of unauthorized access, disclosure, or theft of sensitive Company's and customers' data, which could result in financial losses, reputational damage, and regulatory penalties.

- **Third-Party Risks:** Dependencies on third-party vendors, suppliers, or service providers expose the Company to cybersecurity risks, including supply chain attacks, data breaches, and vulnerabilities in third-party systems.

- **Regulatory Compliance:** Failure to comply with cybersecurity regulations and standards, such as GDPR, SOX, and country specific regulatory requirements, may result in legal and financial consequences, including fines, penalties, and lawsuits.

- **Insider Threats:** Risks from insider threats, including malicious employees, contractors, or business partners with access to sensitive information, pose a significant cybersecurity risk to the Company's operations and data security.

- **Legacy Systems and Infrastructure:** Legacy systems, outdated software, and inadequate cybersecurity controls increase the Company's vulnerability to cyber threats, exploits, and security breaches.

- **Cyber Insurance Coverage:** Inadequate or insufficient cyber insurance coverage may leave the Company exposed to financial losses and liabilities resulting from cyber incidents, data breaches, and regulatory fines.

- **Geopolitical and Economic Factors:** Risks from geopolitical tensions, economic instability, and regulatory changes may impact the Company's cybersecurity posture, operations, and business continuity.

- **Cybersecurity Talent Shortage:** Difficulty in attracting, retaining, and training skilled cybersecurity professionals may hinder the Company's ability to effectively mitigate cyber risks and respond to security incidents.

- **Cloud Computing Risks:** Reliance on cloud computing services and infrastructure introduces risks related to data security, privacy, compliance, and service availability.

- **Emerging Technologies:** Adoption of emerging technologies, such as Internet of Things (IoT), artificial intelligence (AI), and blockchain, may introduce new cybersecurity risks and vulnerabilities that are currently being assessed prior to adoption. Restrictions on blockchain are being imposed due to its unregulated position. In addition, AI is being adopted in the form of machine learning and pattern based recognition as opposed to generative AI due to concerns around open access to data and limited transparency of target destination of data storage.

Financial Impact

The financial impact of cybersecurity incidents can be significant, encompassing direct costs associated with incident response, remediation, and recovery efforts, as well as indirect costs related to business interruption, legal fees, regulatory fines, and loss of market value. Cybersecurity incidents may also lead to increased insurance premiums and decreased investor confidence.

Mitigation Efforts

The Company has implemented various measures to mitigate cybersecurity risks, including:

- Implementing robust cybersecurity policies, procedures, and controls.

- Investing in cybersecurity technologies, such as SIEM with associated SOC, firewalls, intrusion detection systems, and encryption solutions.

- Conducting regular cybersecurity risk assessments and vulnerability scans.
- Providing cybersecurity awareness training for employees and contractors.
- Developing and testing incident response plans to ensure timely detection, containment, and recovery from cybersecurity incidents.
- Engaging with external cybersecurity experts, industry partners, and government agencies to share threat intelligence and best practices.
- Alignment to new regulations such as DORA and Ops Resilience and identification of Important business services along with the corresponding measures required by IT to improve RTO and RPO (Recovery time objective and Recovery Point Objective).

Cybersecurity Governance

Our cybersecurity risks management and related governance safeguards and oversight include, but are not limited to the following:

Board Oversight:

- The board of directors is responsible for overall governance oversight in conjunction with the Group CISO overseeing cybersecurity risks and the establishment of cybersecurity governance policies.
- The Group CTIO also acts at the Company's CISO and is a Cybersecurity specialist supported by security engineers in the IT Department.

Executive Leadership:

Our executive leadership, including the CEO and other senior executives, are actively involved in cybersecurity governance through the IT Committee (IT Steerco) lead by the Group CTIO. These leaders set our cybersecurity strategy, approve cybersecurity policies and procedures, and review cybersecurity risk assessments and incident reports. The Group CTIO (Chief Information Security Officer (CISO)) is also responsible for implementing cybersecurity measures and reporting to senior management and the board.

Cybersecurity Policies and Procedures:

The Company maintains comprehensive cybersecurity policies and procedures to guide its cybersecurity efforts. These policies cover areas such as access controls, data encryption, incident response, employee training, and third-party risk management. Policies are regularly reviewed and updated to address emerging threats and changes in regulations or industry standards.

Risk Management Framework:

The Company follows a structured risk management framework to identify, assess, and mitigate cybersecurity risks. This framework includes risk assessments, threat intelligence analysis, vulnerability scanning, and penetration testing. Risks are prioritized based on their potential impact on our operations, reputation, and financial stability.

Compliance and Standards:

The Company complies with relevant cybersecurity regulations, industry standards, and best practices. This includes compliance with laws such as the General Data Protection Regulation (GDPR), The Company also adheres to the cybersecurity framework of the National Institute of Standards and Technology (NIST) and is also aligning to the International Organization for Standardization (ISO) 27001. IGI's cybersecurity practices are also reviewed as part of the annual SOX/ITGC process.

Employee Training and Awareness:

Our employees receive regular training and we develop awareness programs to educate employees about cybersecurity risks and best practices. Training covers topics such as phishing awareness, password security, data handling procedures, and incident reporting. Employees are encouraged to remain vigilant and report any suspicious activity promptly.

Third-Party Risk Management:

The Company assesses and manages cybersecurity risks associated with third-party vendors, suppliers, and service providers. This includes conducting due diligence on third-party cybersecurity practices, including contractual obligations for cybersecurity controls, incident response requirements, and ongoing monitoring of third-party performance.

Incident Response Plan:

The Company maintains a robust incident response plan to address cybersecurity incidents promptly and effectively. The plan defines roles and responsibilities for responding to incidents, establishes communication protocols, and outlines procedures for containing and mitigating the impact of incidents. The plan is regularly tested through tabletop exercises and incident simulations to ensure preparedness.

Performance Metrics and Reporting:

Key performance indicators (KPIs) are used to measure the effectiveness of the Company's cybersecurity governance efforts. Metrics include, among others, the number of security incidents detected and resolved, average incident response times, employee compliance with cybersecurity policies, and the frequency of security training sessions. Regular reporting to senior management and the board of directors ensures transparency and accountability regarding cybersecurity performance.

Continuous Improvement:

The Company is committed to continuous improvement in cybersecurity governance. This includes ongoing reviews of cybersecurity policies and procedures, assessments of emerging threats and technologies, and investments in cybersecurity tools and capabilities. Lessons learned from cybersecurity incidents are used to inform improvements and enhance our overall cybersecurity posture.

This comprehensive overview of cybersecurity governance demonstrates IGI's commitment and robust approach to managing cybersecurity risks effectively and safeguarding its information assets. It provides investors, regulators, and other stakeholders with confidence in the Company's ability to navigate the complex and evolving cybersecurity landscape.

PART III

ITEM 17. FINANCIAL STATEMENTS

See Item 18.

ITEM 18. FINANCIAL STATEMENTS

The financial statements of the Company are included in this annual report. Our financial statements are on pages F-1 to F-46.

ITEM 19. EXHIBITS

EXHIBIT INDEX

Exhibit No.	Description
1.1	Memorandum of Association of the Company (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form F-4 (File No. 333-235427) filed with the SEC on December 9, 2019).
1.2	Amended and Restated Bye-Laws of the Company (incorporated by reference to Exhibit 1.2 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).
2.1	Specimen Common Share Certificate of the Company (incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form F-4 (File No. 333-235427) filed with the SEC on February 10, 2020).
2.5	Description of Securities (incorporated by reference to Exhibit 2.5 filed with the Company's Annual Report filed on Form 20-F (File No. 001-39255) filed with the SEC on April 1, 2021).
4.1†	Business Combination Agreement, dated as of October 10, 2019, by and among Tiberius Acquisition Corporation, Lagniappe Ventures LLC in the capacity as the Purchaser Representative thereunder, International General Insurance Holdings Ltd. and Wasef Jabsheh in the capacity as the Seller Representative thereunder, and the Company and Merger Sub pursuant to a joinder thereto (incorporated by reference to Exhibit 2.1 to Tiberius's current report on Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.2	First Amendment to the Business Combination Agreement, dated as of February 12, 2020 (incorporated by reference to Exhibit 2.2 to the Company's Registration Statement on Form F-4 (File No. 333-235427) filed with the SEC on February 18, 2020).
4.3	Letter Agreement, dated as of March 15, 2018, by and between Tiberius, its officers, directors and Lagniappe Ventures LLC (incorporated by reference to Exhibit 10.1 to Tiberius's current report on Form 8-K (File No. 001-38422) filed with the SEC on March 21, 2018).
4.4	Registration Rights Agreement, dated as of March 15, 2018, among Tiberius, Lagniappe Ventures LLC and the other parties thereto (incorporated by reference to Exhibit 10.3 to Tiberius's current report on Form 8-K (File No. 001-38422) filed with the SEC on March 21, 2018).
4.5	Securities Subscription Agreement, dated as of December 30, 2015, between Tiberius and Lagniappe Ventures LLC (incorporated herein by reference to Exhibit 10.5 to Tiberius's Registration Statement on Form S-1 (File No. 333-223098) filed with the SEC on February 20, 2018).
4.6	Form of Share Exchange Agreement by and among IGI Dubai, Tiberius, the shareholder of IGI Dubai party thereto as a Seller, Wasef Jabsheh in the capacity as the Seller Representative thereunder, and the Company pursuant to a joinder thereto (incorporated by reference to Exhibit 10.1 to Tiberius's current report Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.7	Share Exchange Agreement, dated as of October 10, 2019, by and among IGI Dubai, Tiberius, Wasef Jabsheh as a Seller thereunder, Wasef Jabsheh in the capacity as the Seller Representative thereunder, and the Company pursuant to a joinder thereto (incorporated by reference to Exhibit 10.2 to Tiberius's current report Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.8	Share Exchange Agreement, dated as of October 10, 2019, by and among IGI Dubai, Tiberius, Argo Re Limited as a Seller thereunder, Wasef Jabsheh in the capacity as the Seller Representative thereunder, and the Company pursuant to a joinder thereto (incorporated by reference to Exhibit 10.3 to Tiberius's current report Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).

Exhibit No.	Description
4.9	Share Exchange Agreement, dated as of October 10, 2019, by and among IGI Dubai, Tiberius, Oman International Development & Investment Company SAOG as a Seller thereunder, Wasef Jabsheh in the capacity as the Seller Representative thereunder, and the Company pursuant to a joinder thereto (incorporated by reference to Exhibit 10.4 to Tiberius's current report Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.10	Non-Competition Agreement, dated as of October 10, 2019, by Wasef Jabsheh in favor of and for the benefit of Tiberius, IGI Dubai, pursuant to a joinder thereto, the Company, and each of their respective present and future affiliates, successors and direct and indirect subsidiaries (incorporated by reference to Exhibit 10.5 to Tiberius's current report Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.11	Letter Agreement, dated as of October 10, 2019, by and among Lagniappe Ventures LLC, Tiberius, IGI Dubai, Wasef Jabsheh, Argo Re Limited and, pursuant to a joinder thereto, the Company (incorporated by reference to Exhibit 10.9 to Tiberius's current report Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.12	Registration Rights Agreement, dated as of March 17, 2020, by and among the Company, Lagniappe Ventures LLC in the capacity as the Purchaser Representative, and the Sellers party thereto as "Investors" thereunder (incorporated by reference to Exhibit 10.13 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).
4.13	Forward Purchase Contract, dated as of November 9, 2017, between the Registrant and Church Mutual Insurance Company (incorporated by reference to Exhibit 10.9 to Tiberius's Registration Statement on Form S-1 (File No. 333-223098) filed with the SEC on March 7, 2018).
4.14	Forward Purchase Contract dated November 30, 2017 between the Registrant and Fayez Sarofim (incorporated by reference to Exhibit 10.10 to Tiberius's Registration Statement on Form S-1 (File No. 333-223098) filed with the SEC on March 7, 2018).
4.15	Forward Purchase Contract, dated as of January 19, 2018, between the Registrant and Imua T Capital Investments, LLC (incorporated by reference to Exhibit 10.11 to Tiberius's Registration Statement on Form S-1 (File No. 333-223098) filed with the SEC on March 7, 2018).
4.16	Forward Purchase Contract, dated as of January 11, 2018, between the Registrant and Peter Wade (incorporated by reference to Exhibit 10.12 to Tiberius's Registration Statement on Form S-1 (File No. 333-223098) filed with the SEC on March 7, 2018).
4.17	Amendment, dated as of March 17, 2020, to Registration Rights Agreement by and among Tiberius, the Company, Lagniappe Ventures LLC and the other "Holders" party thereto (incorporated by reference to Exhibit 10.18 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).
4.18	Form of Subscription Agreement, dated as of October 10, 2019, between Tiberius and the subscriber named therein (incorporated by reference to Exhibit 10.12 to Tiberius's current report on Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.19	Form of Subscription Agreement, dated as of October 10, 2019, between Tiberius and each of Michael Gray, Andrew Poole and the Gray Insurance Company (incorporated by reference to Exhibit 10.13 to Tiberius's current report on Form 8-K (File No. 001-38422) filed with the SEC on October 17, 2019).
4.20	Letter Agreement, dated as of February 12, 2020, among Tiberius, the Sponsor, the Company and IGI Dubai (incorporated herein by reference to Exhibit 10.28 to the Company's Registration Statement on Form F-4 (File No. 333-235427) filed with the SEC on February 18, 2020).
4.21	Share Transfer Agreement, dated as of March 16, 2020, among Lagniappe Ventures, LLC, Wasef Jabsheh, and International General Insurance Holdings Ltd. (incorporated by reference to Exhibit 10.25 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).
4.22	2020 Omnibus Incentive Plan of the Company (incorporated by reference to Exhibit 10.26 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).
4.23	Form of Restricted Shares Agreement Pursuant to the 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.27 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).
4.24	Form of Restricted Share Unit Agreement Pursuant to the 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.28 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).

Exhibit No.	Description
4.25	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.29 to the Company's shell company report on Form 20-F (File No. 001-39255) filed with the SEC on March 23, 2020).
4.26*	Form of Employment Agreement of the Registrant's senior executive officers.
8.1*	List of Subsidiaries of the Company.
11.1*	Insider Trading Policy of the Company adopted on November 16, 2023.
12.1*	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.
12.2*	Certification of the Principal Financial Officer pursuant to Rule 13a-14(e) of the Securities Exchange Act of 1934.
13.1*	Certification of the Principal Executive Officer pursuant to 18 U.S.C. 1350.
13.2*	Certification of the Principal Financial Officer pursuant to 18 U.S.C. 1350.
15.1*	Consent of Ernst & Young LLP.
15.2*	Consent of Ernst & Young LLP.
97.1*	Executive Compensation Clawback Policy of the Company adopted on November 30, 2023.
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

† Schedules to this exhibit have been omitted pursuant to the Instructions as to Exhibits of Form 20-F. The Registrant hereby agrees to furnish a copy of any omitted schedules to the SEC upon request

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this report on its behalf.

April 8, 2024

INTERNATIONAL GENERAL INSURANCE HOLDINGS LTD.

By: /s/ Walid Jabsheh

Name: Walid Jabsheh

Title: President and Chief Executive Officer

International General Insurance Holdings Ltd.

Consolidated Financial Statements

As of December 31, 2023 and 2022 and for the Years Ended December 31, 2023, 2022 and 2021

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of
International General Insurance Holdings Ltd.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of International General Insurance Holdings Ltd. (the Company) as of December 31, 2023 and 2022, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedules I and III (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2019.

London, United Kingdom
8 April 2024

CONSOLIDATED BALANCE SHEETS

As At December 31, 2023 and 2022

(Expressed in thousands of U.S. Dollars, "USD", except share and per share data)	***As At December 31,***	
	2023	*2022*
	USD '000	*USD '000*
ASSETS		
Investments		
Fixed maturity securities available-for-sale, at fair value (amortized cost: USD 789,619 – 2023, USD 538,311 – 2022, net of allowance for expected credit losses: USD 353 – December 31, 2023, USD 195 – December 31, 2022)	**765,590**	489,081
Equity securities, at fair value (cost: USD 24,056 – 2023, USD 31,906 – 2022)	**26,208**	31,410
Other investments, at fair value (cost: USD 11,302 – 2023, USD 12,996 – 2022)	**11,060**	12,237
Short-term investments	**42,157**	265,691
Term deposits	**105,137**	31,335
Equity-method investments measured at fair value	**3,522**	4,907
Fixed maturity securities held to maturity	**1,994**	1,994
Total investments	**955,668**	836,655
Cash and cash equivalents	**177,022**	122,143
Accrued investment income	**11,471**	6,301
Premiums receivable, net of allowance for expected credit losses (USD 11,302 – 2023, USD 9,085 – 2022)	**245,217**	210,402
Reinsurance recoverable, net of allowance for expected credit losses (USD 4,034 – 2023, USD 3,954 – 2022)	**223,083**	194,412
Ceded unearned premiums	**98,013**	94,409
Deferred policy acquisition costs, net of ceding commission	**65,272**	57,941
Deferred tax assets, net	**4,157**	5,788
Other assets	**57,997**	51,974
TOTAL ASSETS	**1,837,900**	1,580,025
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Reserve for unpaid loss and loss adjustment expenses	**712,098**	636,245
Unearned premiums	**443,525**	389,860
Insurance and reinsurance payables	**89,704**	90,354
Other liabilities	**34,853**	28,821
Derivative financial liabilities	**17,290**	23,805
TOTAL LIABILITIES	**1,297,470**	1,169,085
COMMITMENT AND CONTINGENCIES (NOTE 11)		
SHAREHOLDERS' EQUITY		
Common shares (authorized: 750,000,000 shares at USD 0.01 par value per share; issued and outstanding: 44,500,879 shares – 2023, 46,013,309 shares – 2022)	**445**	460
Additional paid-in capital	**137,623**	147,934
Treasury shares (3,800 shares–2023, 1,668 shares–2022)	**(49)**	(14)
Accumulated other comprehensive loss, net of taxes	**(20,638)**	(44,044)
Retained earnings	**423,049**	306,604
TOTAL SHAREHOLDERS' EQUITY	**540,430**	410,940
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,837,900**	1,580,025

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENTS OF INCOME

For the years ended December 31, 2023, 2022 and 2021

	Year Ended December 31,		
	2023	*2022*	*2021*
(Expressed in thousands of U.S. Dollars, "USD", except per share data)	***USD '000***	*USD '000*	*USD '000*
REVENUES:			
Gross written premiums	**688,678**	581,983	537,236
Ceded written premiums	**(191,465)**	(189,158)	(157,923)
Net written premiums	**497,213**	392,825	379,313
Net change in unearned premiums	**(50,061)**	(16,434)	(42,682)
Net premiums earned	**447,152**	376,391	336,631
Investment income	**40,460**	20,947	14,487
Net realized gain (loss) on investments	**6,723**	(687)	308
Net unrealized gain (loss) on investments	**2,684**	(5,512)	(3,709)
Change in allowance for expected credit losses on investments	**368**	(361)	(66)
Change in fair value of derivative financial liabilities	**(27,289)**	4,603	670
Other revenues	**1,862**	2,442	2,056
Total revenues	**471,960**	397,823	350,377
EXPENSES:			
Net loss and loss adjustment expenses	**(189,087)**	(157,562)	(173,039)
Net policy acquisition expenses	**(74,976)**	(70,199)	(59,622)
General and administrative expenses	**(78,927)**	(67,243)	(58,228)
Change in allowance for expected credit losses on receivables	**(2,452)**	(3,238)	(3,262)
Other expenses	**(5,594)**	(3,961)	(4,230)
Net foreign exchange gain (loss)	**5,124**	(3,454)	(3,368)
Total expenses	**(345,912)**	(305,657)	(301,749)
Income before income taxes	**126,048**	92,166	48,628
Income tax expense	**(7,854)**	(2,932)	(1,814)
Net income	**118,194**	89,234	46,814
Earnings per share			
Basic earnings per share attributable to equity holders	**2.58**	1.85	0.98
Diluted earnings per share attributable to equity holders	**2.55**	1.84	0.98

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2023, 2022 and 2021

	Year Ended December 31,		
	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
Net income	**118,194**	89,234	46,814
Other comprehensive income (loss), net of taxes:			
Change in unrealized gains or losses in investments	**23,379**	(49,073)	(9,979)
Foreign currency translation adjustment	**27**	(57)	(16)
Other comprehensive income (loss)	**23,406**	(49,130)	(9,995)
Total comprehensive income	**141,600**	40,104	36,819

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
For the years ended December 31, 2023, 2022 and 2021

	Common shares at par value	*Additional paid-in capital*	*Treasury shares*	*Accumulated other comprehensive income (loss)*	*Retained earnings*	*Total Shareholders' Equity*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
As at January 1, 2021	456	146,825	—	15,081	195,836	358,198
Net Income	—	—	—	—	46,814	46,814
Other comprehensive loss	—	—	—	(9,995)	—	(9,995)
Total comprehensive income	—	—	—	(9,995)	46,814	36,819
Issuance of common shares under share-based compensation plan	3	1,190	—	—	—	1,193
Dividends paid (USD 0.33 per share)	—	—	—	—	(15,128)	(15,128)
Balance as at December 31, 2021	459	148,015	—	5,086	227,522	381,082
Net Income	—	—	—	—	89,234	89,234
Other comprehensive loss	—	—	—	(49,130)	—	(49,130)
Total comprehensive income	—	—	—	(49,130)	89,234	40,104
Issuance of common shares under share-based compensation plan	4	2,296	—	—	—	2,300
Purchase of treasury shares	—	—	(2,394)	—	—	(2,394)
Cancellation of treasury shares	(3)	(2,377)	2,380	—	—	—
Dividends paid (USD 0.22 per share)	—	—	—	—	(10,152)	(10,152)
Balance as at December 31, 2022	460	147,934	(14)	(44,044)	306,604	410,940
Net Income	**—**	**—**	**—**	**—**	**118,194**	**118,194**
Other comprehensive income	**—**	**—**	**—**	**23,406**	**—**	**23,406**
Total comprehensive income	**—**	**—**	**—**	**23,406**	**118,194**	**141,600**
Issuance of common shares under share-based compensation plan	**5**	**3,244**	**—**	**—**	**—**	**3,249**
Purchase of treasury shares	**—**	**—**	**(31,090)**	**—**	**—**	**(31,090)**
Cancellation of treasury shares	**(34)**	**(31,021)**	**31,055**	**—**	**—**	**—**
Vesting of Earnout Shares	**14**	**17,466**	**—**	**—**	**—**	**17,480**
Dividends paid (USD 0.04 per share)	**—**	**—**	**—**	**—**	**(1,749)**	**(1,749)**
Balance as at December 31, 2023	**445**	**137,623**	**(49)**	**(20,638)**	**423,049**	**540,430**

See accompanying notes to the consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023, 2022 and 2021

	Year Ended December 31,		
	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	**118,194**	89,234	46,814
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	**2,546**	3,082	2,771
Deferred tax expense (benefit)	**1,441**	(307)	(462)
(Gain) loss on disposal of property and equipment	**(89)**	112	10
Net realized (gain) loss on investments	**(6,723)**	687	(308)
Net unrealized (gain) loss on investments	**(2,684)**	5,512	3,709
Change in allowance for expected credit losses on investments	**(368)**	361	66
Change in fair value of derivative financial liability	**27,289**	(4,603)	(670)
Share-based compensation expense	**3,249**	2,300	1,193
Leases expenses	**771**	963	1,047
Amortization of net premium on investments	**2,083**	2,191	1,703
Tax adjustment due to US GAAP conversion	**(1,949)**	665	138
Change in:			
Premiums receivable	**(34,815)**	(8,625)	(18,818)
Reinsurance recoverables	**(28,671)**	(3,857)	17,140
Ceded unearned premiums	**(3,604)**	(9,046)	(8,254)
Deferred policy acquisition costs, net of ceding commission	**(7,331)**	(1,174)	(9,514)
Accrued investment income	**(4,909)**	(831)	(492)
Other assets	**(1,809)**	(2,144)	499
Reserve for unpaid loss and loss adjustment expenses	**75,853**	58,598	79,065
Unearned premiums	**53,665**	25,480	50,650
Insurance and reinsurance payables	**(650)**	(2,516)	2,167
Operating lease liabilities payments	**(913)**	(1,035)	(781)
Other liabilities	**6,032**	(170)	7,619
Net cash provided by operating activities	**196,608**	154,877	175,292
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equity securities and other investments	**(17,368)**	(1,607)	(5,212)
Purchase of fixed maturity securities available-for-sale	**(313,002)**	(189,832)	(160,299)
Proceeds from maturity of fixed maturity securities held to maturity	**526**	312	169
Proceeds from sale/maturity of fixed maturity securities available-for-sale	**59,031**	60,972	116,697
Proceeds from sale of equity securities and other investments	**34,976**	1,413	6,349
Purchases of property and equipment and Intangible assets	**(3,248)**	(1,275)	(2,381)
Proceeds from sale of property and equipment	**89**	543	1,120
Change in term deposits	**(73,802)**	12,353	(4,986)
Change in short-term investments	**223,534**	(129,413)	(2,768)
Acquisition of a subsidiary	**(1,101)**	—	(146)
Net cash used in investing activities	**(90,365)**	(246,534)	(51,457)

CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)

For the years ended December 31, 2023, 2022 and 2021

	Year Ended December 31,		
	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
FINANCING ACTIVITIES			
Dividends paid	**(1,749)**	(10,152)	(15,128)
Repurchase of common shares under share repurchase program	**(31,090)**	(2,394)	—
Warrants redemption	**(16,324)**	—	—
Net cash flows used in financing activities	**(49,163)**	(12,546)	(15,128)
NET CHANGE IN CASH, AND CASH EQUIVALENTS AND RESTRICTED CASH	**57,080**	(104,203)	108,707
Cash, cash equivalents and restricted cash at the beginning of the year	**137,943**	242,146	133,439
CASH, CASH EQUIVALENTS AND RESTRICTED CASH AT THE END OF THE YEAR	**195,023**	137,943	242,146
Supplemental Cash Flow Information:			
Income tax paid	**(6,635)**	(2,760)	(2,328)

See accompanying notes to the consolidated financial statements

1. ORGANIZATION

International General Insurance Holdings Ltd. ("the Company") is an exempted limited liability company registered and incorporated in Bermuda under the Companies Act of 1981 on October 28, 2019. The Company's registered office is at Clarendon House, 2 Church Street, Hamilton, HM11, Bermuda.

The principal activities of the Company are to primarily provide insurance and reinsurance on a worldwide basis through its principal wholly owned subsidiaries and branches, including International General Insurance Co. Ltd, International General Insurance Company (UK) Ltd, International General Insurance Company (Europe) SE, International General Insurance Company (Dubai) Ltd, IGI Nordic AS and International General Insurance Co. Ltd — Labuan Branch. The Company and its subsidiaries operate in Bermuda, United Kingdom, Jordan, Morocco, Malaysia, Malta, Norway, United Arab Emirates and the Cayman Islands. International General Insurance Holdings Ltd. and its subsidiaries and branches are collectively referred to hereinafter as the Company or the Group.

On March 17, 2020, the definitive business agreement (the "Business Combination") between International General Insurance Holdings Limited — Dubai ("IGI") and Tiberius Acquisition Corp. (NASDAQ: TIBR) ("Tiberius"), a publicly traded special purpose acquisition company, and certain related parties, was effective. As a result of the completion of the Business Combination, the Company became a new public company listed on the Nasdaq Capital Market under the symbol "IGIC" and owned by the former stockholders of Tiberius and the former shareholders of IGI and each of IGI and Tiberius became the Company's subsidiaries.

The transaction was accounted for as a reverse recapitalization in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under this method of accounting, while the Company is the legal acquirer of both IGI and Tiberius, IGI has been identified as the accounting acquirer of Tiberius for accounting purposes.

On March 25, 2023, the Group completed the acquisition of Energy Insurance Oslo AS, a Norwegian managing general agency that the Group has had an exclusive underwriting arrangement with since 2009. The Company was renamed IGI Nordic AS and will broaden the Group's presence in the Nordic markets across various business lines. The purchase consideration as well as the amounts recognized for assets acquired and liabilities are not material to the Group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Effective January 1, 2023, the Company transitioned from International Financial Reporting Standards ("IFRS") accepted by the International Accounting Standards Board to U.S. GAAP. The accompanying consolidated financial statements and notes thereto, including all prior periods presented, have been presented under U.S. GAAP.

Any references in these notes to applicable accounting guidance are meant to refer to the authoritative U.S. GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB").

The consolidated financial statements comprise the financial statements of International General Insurance Holdings Ltd. and its subsidiaries and have been presented in United States Dollars ("USD") which is also the Group's functional currency. All intercompany transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated in full.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP required management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ materially from those estimates and assumptions. The Company's principal estimates include:

- Reserve for unpaid loss and loss adjustment expenses;
- Premiums representing amounts due on business written but not yet reported;
- Allowance for expected credit losses on premiums receivable, reinsurance recoverables and certain investments including available-for-sale fixed maturity securities;
- Fair value measurements of certain financial assets and financial liabilities.

(a) Investments

Investments in fixed maturity investments include corporate and government bonds. Equity securities include common stock. Other investments consist of mutual funds.

The Group currently classifies substantially all of its fixed maturity investments as "available-for-sale" and, accordingly, they are carried at fair value with the changes in fair value recorded as an unrealized gain or loss component of accumulated other comprehensive income in shareholders' equity. The fair value of fixed maturity securities is generally determined from quotations received from nationally recognized pricing services, or when such prices are not available, by valuation performed by independent third-party valuation service providers. Upon derecognition, the cumulative fair value change recognized in other comprehensive income is reclassified to the consolidated statement of income. Realized gains and losses on disposition of investments are based on specific identification of the investments sold on the trade date.

Investments in fixed maturity investments held to maturity are carried at amortized cost when the Group has the ability and positive intent to hold these securities until maturity. When the Group do not have the ability or positive intent to hold bonds until maturity, these securities are classified as available-for-sale.

Interest income is recognized using the effective interest method and reflects amortization of premium and accretion of discount. Premiums and discounts arising from the purchase of bonds classified as available-for-sale are treated as adjustments to effective interest rate over their estimated holding periods, until maturity, or call date, if applicable.

The Group periodically reviews its investments to identify and evaluate credit based impairments related to the Company's available-for-sale investments. The estimated credit losses are calculated by comparing expected future cash flows to be collected to the amortized cost of the security. Estimates of expected future cash flows consider among other things, macroeconomic conditions as well as the financial condition, near-term and long-term prospects for the issuer, and the likelihood of the recoverability of principal and interest.

The Group recognises expected credit losses on available-for-sale securities through an allowance account. For available-for-sale securities that the Group does not intend to sell or for which it is more likely than not it will not be required to sell prior to the anticipated recovery in value, the credit component of the impairment is separated from the component related to all other market factors and reported in Change in allowance for expected credit losses on investments in the consolidated statements of income. The impairment related to all other market factors is reported as a fair value movement in a separate component of shareholder's equity in other comprehensive income (loss). The expected credit loss allowance account is adjusted for any additional credit losses or subsequent recoveries and the cost basis of the fixed maturity security is not adjusted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

For impaired available-for-sale securities that the Group intends to sell or for which it is more likely than not that it will be required to sell before an anticipated recovery in value, the full amount of the impairment is recognised in Change in allowance for expected credit losses on investments in the consolidated statement of income and the cost basis of the fixed maturity security is adjusted to reflect the recognised realized loss. The new cost basis is not adjusted for any recoveries in fair value.

The Group reports accrued investment income separately from fixed maturity securities and has elected to not measure an allowance for expected credit losses for accrued investment income. The write-off of investment income accrued for fixed maturities that are in arrears for more than 30 days on interest payments is recognized as a loss in net realized investment gains (losses), in the period of the default, in the consolidated statement of income.

Investments in equity securities may be accounted for using (i) the fair value option if elected, (ii) fair value through earnings if fair value is readily determinable or (iii) for equity investments without readily determinable fair values, the measurement alternative to measure at cost adjusted for any impairment and observable price changes, as applicable. The election to use the measurement alternative is made for each eligible investment.

The Group's investment portfolio includes equity securities and other investments that are accounted for at fair value. Such holdings primarily include publicly traded common stocks and funds. Dividend income on equities and other investments is reflected in investment income. Changes in fair value on equity securities and other investments are included in "Net unrealized gain (loss) on investments" in the consolidated statements of income.

Under the fair value option, we may elect to measure at fair value equity method investments that are not otherwise required to be carried at fair value. Subsequent changes in fair value for designated items are reported in earnings. The Company has elected the fair value option to account for certain equity method investments in which the Company has significant influence. The Company believes the fair value option best reflects the underlying economics of the investment.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank balances, short-term deposits, and highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and are subject to insignificant risk of changes in fair value.

(c) Term deposits

The term deposits are interest bearing bank deposits held with foreign banks and have original maturities over 12 months and are carried at amortized cost, which approximates fair value.

(d) Short-term Investments

Short-term investments include term deposits that have original maturities greater than three months but less than one year at the date of purchase. These are carried at amortised cost, which approximates fair value.

(e) Restricted Cash

Restricted cash represents amounts held for the benefit of third parties or is legally or contractually restricted as to withdrawal or usage by the Company. Such amounts are included in "Other assets" on the Company's consolidated balance sheets.

(f) Receivables

Insurance receivables are recognized when due and are measured on initial recognition at the face value of the consideration to be received net of any allowance for expected credit losses. The Group monitors credit risk associated with premiums receivable through its ongoing review of amounts outstanding, aging of the receivable, historical loss

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

data, and counterparty financial strength measures. Any allowance for expected credit losses is charged to "Change in allowance for expected credit losses on receivables" in the period. The receivable is recorded and revised in subsequent periods to reflect changes in the Company's estimate of expected credit losses.

Reinsurance recoverables represent amounts of paid loss and loss adjustment expenses, case reserves and incurred but not reported ("IBNR") amounts ceded to reinsurers under reinsurance contracts. Amounts recoverable from reinsurers are estimated in a manner consistent with the associated claim liability. The Company reports its reinsurance recoverables net of an allowance for estimated uncollectible reinsurance, including expected credit losses. The allowance is based upon our ongoing review of amounts outstanding, length of collection periods, changes in reinsurer credit standing, disputes, applicable coverage defenses and other relevant factors. The Company uses a rating-based method to estimate the uncollectible reinsurance reserves due to credit losses. Under this method, reinsurance credit risk is estimated by considering the reinsurers probability of default. Additionally, reinsurance recoverables balances are evaluated to identify any dispute risk and when required, an additional reserve is recorded. Amounts deemed to be uncollectible, including amounts due from known insolvent reinsurers, are written off against the allowance. Changes in the allowance, as well as any subsequent collections of amounts previously written off, are reported as part of "Change in allowance for expected credit losses on receivables".

(g) Derivative financial instruments

Derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Warrants are accounted for as derivative financial instruments (a financial liability) as they give the holder the right to obtain a variable number of common (ordinary) shares, dependent on the characteristics of the warrant holder and the occurrence of some uncertain future events that are not within the control of the Group.

The Warrants were to lapse and expire after five years from the closing of the Business Combination between IGI and Tiberius; however, all the outstanding Warrants were redeemed during 2023 following the offer announced by the Company on July 28, 2023.

Earnout Shares issued to former shareholders of IGI and Tiberius are accounted for as Derivative financial instruments (a financial liability) because the earnout triggering events that determine the number of Earnout Shares to be earned include multiple settlements alternatives and events that are not solely indexed to the common stock of the Company.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the consolidated statement of income as the Group has not designated derivative financial instruments under hedging arrangements.

(h) Other assets

Other assets consist of prepaid expenses, refundable deposits, restricted cash, funds held in trust accounts, property and equipment, intangible assets and operating lease assets.

Property and equipment are capitalized and carried at cost less accumulated depreciation and are reported in "other assets" in the consolidated balance sheets. Depreciation is calculated using a straight-line method over the estimated useful lives of the assets, generally three to fifty years. Land is not depreciated. The accumulated depreciation for property and equipment was USD 20,499 thousand and USD 20,527 thousand at December 31, 2023 and December 31, 2022, respectively. The net book value of our property and equipment at December 31, 2023 and December 31, 2022 was USD 24,022 thousand and USD 24,547 thousand, respectively.

Intangible assets include computer software and software licenses. Costs incurred to develop software programs to be used solely to meet the Company's internal needs have been capitalized as computer software within other intangible assets. These intangible assets are amortized on a straight-line basis over their estimated economic useful

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

lives of 5 years. The straight-line method of amortization reflects an appropriate allocation of the costs of the intangible assets to earnings in proportion to the amount of economic benefits obtained by the Company in each reporting period. For intangible assets considered to have an indefinite life, the Company performs a qualitative assessment annually to determine whether it is more likely or not that the intangible asset is impaired. Goodwill is assessed annually for impairment or more frequently if circumstances indicate an impairment may have occurred.

In the ordinary course of business, the Group renews and enters into new leases for office real estate and other assets. At the lease inception date, the Group determines whether a contract contains a lease and recognizes operating lease Right-of-use (ROU) assets and operating lease liabilities based on the present value of future minimum lease payments over the lease term. As the Group's leases do not disclose the implicit interest rate, the Group uses incremental borrowing rates to calculate the present value of future lease payments. Operating lease costs are recognized on a straight-line basis over the lease term. Renewal options are evaluated prior to the expiration date and recorded upon exercise. ROU assets are reported at cost less accumulated depreciation and depreciated over the lease term.

(i) Premiums

Premiums are recorded as written on the inception date of the policy and are earned primarily on a pro rata basis over the term of the coverage provided. Unearned premiums include the portion of premiums written relating to the unexpired terms of the coverage.

Premiums include any adjustments arising in the accounting period for premiums receivable in respect of business written in prior accounting periods. Rebates that form part of the premium rate, such as no-claim rebates, are deducted from the gross premium; others are recognized as an expense.

The Group also assumes reinsurance risk in the normal course of business and reinsurance premiums are typically earned over the same period as the underlying policies or risks covered by the contract. Reinsurance premiums for assumed business are estimated based on information received from reinsurers and ceding companies. Any subsequent differences that arise on these estimates are recorded in periods in which they are determined.

Premiums also include estimates for pipeline premiums, representing amounts due on business written but not yet notified. The Group generally estimates the pipeline premium based on management's judgment and prior experience of market conditions and historical data using premium development patterns evident from active underwriting years to predict ultimate premiums trends at the close of the fiscal period.

(j) Reserve for unpaid loss and loss adjustment expenses

A reserve is held for losses, comprising amounts payable to contract holders and third parties and related loss adjustment expenses, net of salvage and other recoveries, and this is charged to income as incurred. The reserve for unpaid loss and loss adjustment expenses comprises the estimated amounts payable, in respect of losses reported to the Group and those not reported at the consolidated balance sheets date.

The Group generally estimates its losses based on inputs from appointed loss adjusters or leading underwriters' recommendations. In addition, a provision based on management's judgement and the Group's prior experience is maintained for the cost of settling losses incurred but not reported at the consolidated balance sheets date. The Group does not discount its reserves for unpaid loss and loss adjustment expenses, as the Group measures its insurance contract liabilities on an undiscounted basis.

(k) Deferred policy acquisition costs

Acquisition costs that are directly related and incremental to the successful acquisition or renewal of business are deferred and expensed over the same period over which the corresponding premiums are recognised, in accordance with the earning pattern of the underlying contract. The Company's insurance and reinsurance operations capitalize

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

incremental direct external costs that result from acquiring a contract but do not capitalize salaries, benefits and other internal underwriting costs. Policy acquisition costs are net of ceding commissions received on business ceded under certain reinsurance contracts.

(l) Premium deficiency test

A premium deficiency occurs if the sum of expected loss and loss adjustment expenses, unamortized acquisition costs exceed related unearned premiums and anticipated investment income on in-force business. A premium deficiency is recognized by charging unamortized acquisition costs to expense to the extent required in order to eliminate the deficiency. A liability is accrued for the excess deficiency if the premium deficiency exceeds the unamortized acquisition costs.

(m) Reinsurance

The Group cedes insurance risk in the normal course of business for all of its businesses to increase capacity and to limit its exposure to large losses and event. The Group uses pro rata and facultative reinsurance contracts. Reinsurance premiums ceded under prospective reinsurance contracts comprise the total premiums payable for the reinsurance cover provided by retrocession contracts entered into during the year and are recognized on the date on which the policy incepts. Reinsurance ceded premiums are accounted for on a basis consistent with that used in accounting for the original policies issued and the terms of the reinsurance contracts. Reinsurance ceding commissions are recognized as a reduction to acquisition costs.

The Group has non-proportional excess-of-loss (“XOL”) reinsurance contracts designed to mitigate the Group’s net exposure of losses that exceed a specified limit including catastrophe losses.

The XOL costs are determined at the inception of the reinsurance contract and are payable upfront in the form of ‘Minimum and Deposit Premium’ (“MDP”) subject to premium adjustment at the end of the contract period. Deferred premiums are calculated on a pro rata basis based on the type of the XOL reinsurance contract and included in ceded unearned premiums.

Excess of loss reinsurance also includes reinstatement premium and related cash flows within the boundary of the initial reinsurance contract arising from usage of primary reinsurance coverage limit. Reinstatement occurs at predetermined rates without giving the reinsurer any right to exit or reprice the contract. This implies expected cash flows related to the reinstatement premium shall be within the boundary of the initial reinsurance contract and are not related to future contracts.

Reinstatement premiums are recognized and expensed at the time a loss event occurs. The accrual of reinstatement premiums is based on an estimate of losses and loss adjustment expenses, which reflects management’s judgment.

Reinsurance recoverables represent balances due from reinsurance companies. Ceded reinsurance arrangements do not relieve the Group from its obligations to policyholders.

Reinsurance recoverables are the amounts recoverable from reinsurers for paid and unpaid loss and loss adjustment expenses, including amounts receivable for unsettled losses and those incurred but not reported.

Reinsurance recoverables are estimated in a manner consistent with the outstanding loss provision or settled losses associated with the reinsurer’s policies and are in accordance with the related reinsurance contract.

Reinsurance assets or liabilities are derecognized when the contractual rights are extinguished or expire or when the contract is transferred to another party.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(n) Equity settled share-based compensation plan

The Group operates an equity-settled share-based plan to its employees, under which the Group receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the equity instruments is recognized as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted, at the grant date. The grant date fair value of restricted shares is determined based on the closing quoted prices of the Company's share on Nasdaq on the grant dates. For awards with graded vesting schedules only subject to service conditions, such as the Restricted Shares Awards ("RSAs"), compensation expense is recognized on a straight-line basis over the requisite service period for the entire award. Forfeitures of share-based compensation awards are recognized as they occur.

(o) Treasury shares

Treasury shares are common shares purchased by the Company and not subsequently cancelled. These shares are recorded at cost and result in a reduction of the Company's shareholders' equity in its consolidated balance sheets.

(p) Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated balance sheets only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expense are not offset in the consolidated statement of income unless required or permitted by any accounting standard or interpretation.

(q) Foreign currencies

Assets and liabilities of foreign operations whose functional currency is not the U.S. Dollar are translated at the prevailing exchange rates at each balance sheet date. Revenues and expenses of such foreign operations are translated at average exchange rates during the year. The net effect of the translation adjustments for foreign operations is included in accumulated other comprehensive income, net of applicable deferred income tax. Monetary assets and liabilities, such as premiums receivable and the reserve for unpaid loss and loss adjustment expenses, denominated in foreign currencies are revalued at the exchange rate in effect at the balance sheet date with the resulting foreign exchange gains and losses included in net income. Accounts that are classified as non-monetary, such as deferred acquisition costs and the unearned premium reserves, are not revalued. In the case of foreign currency denominated fixed maturity securities which are classified as "available-for-sale," the change in exchange rates between the local currency in which the investments are denominated and the Company's functional currency at each balance sheet date is included in unrealized appreciation or decline in value of securities, a component of accumulated other comprehensive income, net of applicable deferred income tax.

Translation gains and losses related to our foreign operations are recorded as a component of shareholders' equity in the consolidated balance sheets. At December 31, 2023, 2022 and 2021, the total cumulative foreign currency translation adjustments were a loss of USD 396 thousand, USD 423 thousand and USD 366 thousand, respectively.

(r) Taxation

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date in the countries where the Group operates and generates taxable income.

Deferred tax assets and liabilities result from temporary differences between the amounts recorded in the consolidated financial statements and the tax basis of the Company's assets and liabilities.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is more likely than not that taxable income will be available against which the deductible temporary differences, and the carry forward of unused tax credit and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and a valuation allowance is recognized against the deferred tax assets to the extent that it is more likely than not that the deferred tax assets will not be recoverable.

Tax benefits relating to uncertain tax positions are only recognized when the uncertain tax position meets a more likely than not recognition threshold to be recognized.

(s) Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(t) Segment reporting

Reporting segments and segment measures are discussed and disclosed in note 17 Segment information.

Recent accounting pronouncements

Recently Issued Accounting Standards Adopted

There are no new recently issued accounting standards adopted by the Group that have a material impact on the Group's consolidated financial statements.

Recently Issued Accounting Standards Not Yet Adopted

Accounting Standards Update ("ASU") 2023-09, Income Taxes — Improvements to Income Tax Disclosures (Topic 740)

In December 2023, the FASB issued an ASU to address improvements to income tax disclosures which requires disaggregated information about a company's effective tax rate reconciliation as well as information on income taxes paid. The standard is effective for public companies for annual periods beginning after December 15, 2024, with early adoption permitted. The standard will be applied on a prospective basis with the option to apply it retrospectively. The Company is assessing the impact of this standard.

Accounting Standards Update ("ASU") 2023-07, Segment Reporting — Improvements to Reportable Segment Disclosures (Topic 280)

In November 2023, the FASB issued an ASU to address improvements to reportable segment disclosures. The standard primarily requires the following disclosure on an annual and interim basis: (1) significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss; and (2) other segment items and description of its composition. The standard also requires current annual disclosures about a reportable segment's profits or losses and assets to be disclosed in interim periods and the title and position of the CODM with an explanation of how the CODM uses the reported measures of segment profits or losses in assessing segment performance. The guidance is effective for public companies for fiscal years beginning after December 15, 2023 and interim periods in fiscal years within fiscal years beginning after December 15, 2024, with early adoption permitted. The amendment is applied retrospectively to all prior periods presented. The Company is assessing the impact of this standard.

3. INVESTMENTS

Fixed maturity securities available-for-sale, at fair value

The following tables summarize the Company's fixed maturity available-for-sale securities at December 31, 2023 and 2022:

	December 31, 2023				
	Amortised cost basis	***Gross unrealized gains***	***Gross unrealized losses***	***Allowance for expected credit losses***	***Fair value***
	USD '000	***USD '000***	***USD '000***	***USD '000***	***USD '000***
Foreign governments	**13,067**	**70**	**(738)**	**—**	**12,399**
Corporate bonds	**776,552**	**7,950**	**(30,958)**	**(353)**	**753,191**
Total	**789,619**	**8,020**	**(31,696)**	**(353)**	**765,590**

	December 31, 2022				
	Amortised cost basis	*Gross unrealized gains*	*Gross Unrealized losses*	*Allowance for expected credit losses*	*Fair value*
	USD'000	*USD'000*	*USD'000*	*USD'000*	*USD'000*
Foreign governments	8,625	4	(607)	—	8,022
Corporate bonds	529,686	22	(48,454)	(195)	481,059
Total	538,311	26	(49,061)	(195)	489,081

The following tables summarize gross unrealized losses and estimated fair value for available-for-sale securities by length of time that the securities have continuously been in an unrealized loss position:

	December 31, 2023					
	Less than 12 months		***12 months or more***		***Total***	
	Fair value	***Gross unrealized loss***	***Fair value***	***Gross unrealized loss***	***Fair value***	***Gross unrealized loss***
	USD '000	***USD '000***	***USD '000***	***USD '000***	***USD '000***	***USD '000***
Foreign governments	**—**	**—**	**8,152**	**(738)**	**8,152**	**(738)**
Corporate bonds	**38,929**	**(517)**	**401,900**	**(30,441)**	**440,829**	**(30,958)**
Total	**38,929**	**(517)**	**410,052**	**(31,179)**	**448,981**	**(31,696)**

	December 31, 2022					
	Less than 12 months		*12 months or more*		*Total*	
	Fair value	*Gross unrealized loss*	*Fair value*	*Gross unrealized loss*	*Fair value*	*Gross unrealized loss*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
Foreign governments	3,154	(178)	4,666	(429)	7,820	(607)
Corporate bonds	298,607	(23,860)	173,002	(24,594)	471,609	(48,454)
Total	301,761	(24,038)	177,668	(25,023)	479,429	(49,061)

At December 31, 2023, the Company held 272 (2022: 300) fixed-maturity securities in an unrealized loss position with a total estimated fair value of USD 448,981 thousand (2022: USD 479,429 thousand) and gross unrealized losses of USD 31,696 thousand (2022: USD 49,061 thousand). Of these securities, 241 (2022: 95) were in a continuous unrealized loss position for greater than 12 months. The Company regularly reviews all fixed-maturity securities within its investment portfolio to determine whether a credit loss has occurred. At December 31, 2023, 76% of the Company's fixed-maturity securities were rated "A-" or better, and 0.1% were below investment grade or not rated.

3. INVESTMENTS (cont.)

All of the Company's fixed maturity securities made expected coupon payments under the contractual terms of the securities. Based on the Company's review as of December 31, 2023, unrealized losses were caused by interest rate changes or other market factors and were not credit-specific issues.

The contractual maturities of the Company's fixed maturity available-for-sale securities are shown in the following table:

	December 31, 2023		*December 31, 2022*	
	Fair value	**Amortized cost**	**Fair value**	**Amortized cost**
	USD '000	***USD '000***	*USD '000*	*USD '000*
Due in one year or less	**78,459**	**79,334**	34,658	35,742
Due after one you through to five years	**515,337**	**530,182**	362,368	388,764
Due after five you through to ten years.	**100,801**	**103,933**	64,409	75,576
Due after ten years	**70,993**	**76,170**	27,646	38,229
	765,590	**789,619**	489,081	538,311

Allowance for expected credit losses

The following tables provide the movement of the allowance for expected credit losses of the Company's fixed maturity available-for-sale debt securities:

	December 31, 2023	*December 31, 2022*
	Corporate Bonds	
	USD '000	*USD '000*
Balance at beginning of year	**195**	—
Additions for current year allowance for expected credit losses	**158**	195
Balance at end of year	**353**	195

Investment Income

	Year ended December 31,		
	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Interest income	**39,750**	20,381	14,049
Dividends from other investments	**236**	144	78
Dividends from equities	**752**	571	705
Investment's custodian fees and other investments expenses	**(278)**	(149)	(345)
	40,460	20,947	14,487

Net realized gain (loss) on investments

	Year Ended December 31,		
	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Realized loss on sale of fixed maturity securities available-for-sale	**(477)**	(619)	(88)
Realized gain (loss) on sale of equity securities	**7,200**	(68)	396
	6,723	(687)	308

3. INVESTMENTS (cont.)

Net unrealized gain (loss) on investments

	Year Ended December 31,		
	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
Unrealized gain (loss) on equity securities	**3,080**	(3,561)	707
Unrealized gain (loss) on other investments	**989**	(2,225)	912
Unrealized (loss) gain on equity-method investments at fair value	**(1,385)**	274	(5,328)
	2,684	(5,512)	(3,709)

Change in allowance for expected credit losses on investments

	Year Ended December 31,		
	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
Change in allowance for expected credit losses for fixed maturity securities available-for-sale	**(158)**	(195)	—
Change in allowance for expected credit losses on fixed maturity securities held to maturity	**526**	(166)	(66)
	368	(361)	(66)

4. RECEIVABLES

Premiums receivable

The following table provides the balance of premiums receivable, net of allowance for expected credit losses, at December 31, 2023 and 2022:

	December 31, 2023	*December 31, 2022*
	USD ’000	*USD ’000*
Premiums receivable	**256,519**	219,487
Less: Allowance for expected credit losses	**(11,302)**	(9,085)
	245,217	210,402

As at December 31, 2023, USD 11,748 thousand of the total premiums receivable balance has been due for settlement for more than one year. The Company assesses the recoverability of premium receivables through a review of policies and the concentration of receivables by region.

The movement in the allowance for expected credit losses for the years ended December 31, 2023 and 2022 is as follows:

	December 31, 2023	*December 31, 2022*
	USD ’000	*USD ’000*
Opening balance	**9,085**	5,804
Change in allowance for expected credit losses	**2,372**	3,275
Write-offs	**(155)**	6
Ending balance	**11,302**	9,085

4. RECEIVABLES (cont.)

Reinsurance recoverables

The Group's placement of reinsurance is diversified such that it is neither dependent on a single reinsurer nor are the operations of the Group substantially dependent upon any single reinsurance contract. Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. Credit risk exists with reinsurance ceded to the extent that any reinsurer is unable to meet the obligations assumed under the reinsurance agreements. Allowances are established for amounts deemed uncollectible. The Company evaluates the financial condition of its reinsurers and monitors concentration of credit risk arising from its exposure to individual reinsurers.

The following table provides the balance of reinsurance recoverables, net of allowance for expected credit losses, at December 31, 2023 and 2022:

	December 31, 2023	*December 31, 2022*
	USD '000	*USD '000*
Reinsurance recoverables on unpaid losses	**212,610**	189,125
Less: Allowance for expected credit losses	**(361)**	(325)
	212,249	188,800
Reinsurance recoverables on paid losses	**14,507**	9,241
Less: Allowance for expected credit losses	**(3,673)**	(3,629)
	10,834	5,612
	223,083	194,412
% due from carriers rated "A-" or higher by major rating agencies	**76%**	85%
% due from all other rated carriers	**24%**	15%
% due from all other carriers with no rating by major rating agencies	**—**	—
Largest balance due from any one carrier as a % of total shareholders' equity	**8%**	7%

The movement in the allowance for expected credit losses for the years ended December 31, 2023 and 2022 is as follows:

	December 31, 2023	*December 31, 2022*
	USD '000	*USD '000*
Opening balance	**3,954**	3,990
Change in allowance for expected credit losses	**80**	(36)
Ending balance	**4,034**	3,954

5. RESTRICTED CASH

Other assets include restricted cash in the amount of USD 13,001 thousand placed in a trust account in favor of the National Association of Insurance Commissioners (NAIC) to secure policyholders' obligations in relation to US surplus and excess lines business (December 31, 2022: USD 10,800 thousand). In addition, this item includes a restricted call deposit in the amount of USD 5,000 thousand (December 31, 2022: USD 5,000 thousand) placed in favor of the Group as collateral against reinsurance arrangements. The interest earned on this deposit is recognized as a liability and transferred to the reinsurance company on a semi-annual basis.

5. RESTRICTED CASH (cont.)

The following table details a reconciliation of cash and restricted cash within the consolidated balance sheets:

	December 31, 2023	*December 31, 2022*
	USD '000	*USD '000*
Cash and cash equivalents	**177,022**	122,143
Restricted cash (included within other assets)	**18,001**	15,800
Total cash, cash equivalents and restricted cash	**195,023**	137,943

6. RESERVES FOR UNPAID LOSS AND LOSS ADJUSTMENT EXPENSES

To recognize liabilities for unpaid losses, both known or unknown, the company establishes reserves, which is a balance sheet account entry representing estimates of future amounts needed to pay claims and related expenses. The reserves are comprised of case reserves, incurred but not reported claims ("IBNR") and the estimated expenses of settling claims, including claims specific costs (such as legal, loss adjuster fees).

Case Reserves: When a claim is reported, a member of the claims team will establish a "case reserve". The case reserve will represent an estimate of the expected settlement amount and will be based on information about the specific claim at that time. The estimate represents an informed judgment based on general industry practices, the experience and knowledge of the claims handler and practices of the claims team.

IBNR: The IBNR is established as an estimate for losses incurred but not reported to the insurer at the reporting date. IBNR is often associated with the lag between an event occurring and the reporting to the Insurance company. The estimated IBNR also includes an allowance for the potential development in the adequacy of case reserves, namely "Incurred But Not Enough Reported" or "IBNER", and all related claims expenses.

Management estimates the ultimate losses and loss adjustment expenses using a range of widely accepted actuarial methodologies and additional approaches as appropriate. The main methodologies used to project claims to ultimate include but are not limited to:

Chain Ladder Method: Using a development triangle of cumulative claims amounts, a set of incremental development factors are calculated. The development factor is equal to the ratio of the cumulative claims at each development period to that at the previous development period. These development factors are then applied to the most recent data point in the triangle to project the current claims to ultimate resolution. The development patterns are derived from the company's experience and where the credibility of the experience is considered insufficient to enable the selection of development factors thought to be representative of future claims development, a relevant market benchmark pattern may be considered, where available.

Initial Expected Loss Ratio ("IELR") Method: This method estimates ultimate claims for each line of business and origin period to be equal to an IELR multiplied by the expected ultimate premium. The unpaid (IBNR) claims is the difference between these estimates and the current paid (or case reported) claims.

The IELRs are derived for each line of business as part of the business planning process. Where relevant and credible data is available, a "bridging" process is used to inform the selection of the IELRs and itself divides each IELR into the following components: Small losses, large risk losses, modelled catastrophe losses (losses arising from perils in countries modelled by our natural catastrophe modelling software, currently Verisk) and non-modelled Losses (losses could include but not limited to man-made "catastrophes" or natural catastrophes in countries not modelled by Verisk).

The modelling process first considers the IELRs gross of outward reinsurance and then derives the anticipated outward reinsurance recoveries resulting from the gross assumptions. The reinsurance program is modelled within a capital modelling package (currently Aon's Tyche integrated modelling ecosystem). The aim of the bridging process is

6. RESERVES FOR UNPAID LOSS AND LOSS ADJUSTMENT EXPENSES (cont.)

to restate trended and developed experience for each past year as if it was the experience in the underwriting year. Then the accident year loss ratios are derived by unwinding the underwriting year results by half a year. This restatement involves:

Bornhuetter-Ferguson ("BF") method: This method is a blend of the Chain Ladder and IELR methods. Estimates can be made based on both paid claims and case reported claims.

For paid claims: The BF paid estimate is equal to the paid claims plus the IELR Method ultimate claims multiplied by the expected percentage estimated to be unpaid (derived from the paid claims Chain Ladder Method).

For case reported claims: The BF case reported estimate is equal to the case reported claims plus the IELR Method ultimate claims multiplied by the expected percentage estimated to be unreported (derived from the case reported claims Chain Ladder Method).

Ceded Reinsurance and Net IBNR: The outward reinsurance department determines outward reinsurance recoveries arising on case reported claims each month end by the application of the outwards program.

Reserves for outward reinsurance recoveries on estimated IBNR claims are determined by the application of reinsurance recovery ratios to the estimated gross IBNRs. This process is undertaken by line of business and by year. The derivation of the reinsurance recovery ratio considers each type of reinsurance (Facultative, Proportional Treaty and Excess of Loss Treaty) separately, with the estimates of the reinsurance recovery ratio developing over time depending on actual claims experience.

The key assumptions in calculating the most recent reserves are reviewed each quarter and adjusted where necessary. There were no significant changes in the gross or ceded methodology and assumptions during the most recent reporting period.

The following table represents an analysis of loss and loss adjustment expenses and a reconciliation of the beginning and ending reserve for unpaid loss and loss adjustment expenses:

	Year Ended December 31		
	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
Reserve for unpaid loss and loss adjustment expenses	**636,245**	577,650	498,582
Reinsurance recoverable on unpaid loss and loss adjustment expenses, net of allowance for expected credit losses	**(188,800)**	(182,124)	(188,738)
Net reserve for unpaid loss and loss adjustment expenses at beginning of year	**447,445**	395,526	309,844
Loss and loss adjustment expenses incurred, net of reinsurance:			
Current accident year	**228,381**	199,577	193,811
Prior accident years	**(39,294)**	(42,015)	(20,772)
Total loss and loss adjustment expenses incurred, net of reinsurance	**189,087**	157,562	173,039
Loss and loss adjustment expenses paid, net of reinsurance:			
Current accident year	**(25,875)**	(14,886)	(16,061)
Prior accident years	**(110,844)**	(90,721)	(71,247)
Total loss and loss adjustment expenses paid, net of reinsurance	**(136,719)**	(105,607)	(87,308)
Change in allowance for expected credit losses on reinsurance recoverables on unpaid loss and loss adjustment expenses	**36**	(36)	(49)
Net reserve for unpaid loss and loss adjustment expenses at end of year	**499,849**	447,445	395,526
Reinsurance recoverable on unpaid loss and loss adjustment expenses, net of allowance for expected credit losses	**212,249**	188,800	182,124
Reserve for unpaid loss and loss adjustment expenses at end of year	**712,098**	636,245	577,650

6. RESERVES FOR UNPAID LOSS AND LOSS ADJUSTMENT EXPENSES (cont.)

Development on Prior Loss Reserves:

For the year ended December 31, 2023, the net ultimate loss increased by USD 228,381 thousand for accident year 2023 and decreased by USD 39,294 thousand for accident years 2022 and prior. The decrease in prior years' ultimate losses is comparable to USD 42,015 thousand in 2022 and is split between USD 19,193 for the long-tail business, USD 16,915 thousand for the short-tail business and USD 3,186 thousand for the reinsurance business. Assumptions for future inflation have been updated to reflect the increase in the costs of goods and some services and an anticipated knock-on change in wage-related costs. The decrease in ultimate losses is however driven by consistent favorable claims experience.

Claims development

The following tables provide information about incurred and paid claims development, net of reinsurance, as well as cumulative claims frequency. The tables include IBNR reserves plus expected development on reported claims, and the cumulative number of reported claims as at December 31, 2023. Cumulative number of reported claims is reported on a per claim basis.

Information about incurred and paid claims development for the years ended December 31, 2014 to December 31, 2022 is presented as unaudited supplementary information.

Incurred Losses and Loss Adjustment Expenses, Net of Reinsurance – Specialty Long-tail

	For the years ended December 31 Unaudited Prior Years										As of December 31, 2023	
Accident year	*2014*	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*IBNR liabilities and expected development on reported claims*	*Cumulative number of reported claims*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*		
2014.	3,291	8,443	9,215	10,013	12,513	11,825	11,549	11,396	11,256	11,455	4	508
2015.	—	3,633	8,137	8,073	11,031	9,885	9,467	8,895	9,257	9,237	11	738
2016.	—	—	2,758	7,868	17,376	15,373	17,299	17,096	16,830	16,099	810	922
2017.	—	—	—	4,542	25,186	27,658	28,840	26,826	25,431	23,894	1,291	1,523
2018.	—	—	—	—	42,580	44,766	45,182	41,041	35,191	43,288	8,568	2,303
2019.	—	—	—	—	—	61,152	62,689	50,375	54,433	53,582	7,792	3,743
2020.	—	—	—	—	—	—	85,084	90,179	82,863	84,893	12,915	3,267
2021.	—	—	—	—	—	—	—	100,084	78,749	61,989	22,989	2,394
2022.	—	—	—	—	—	—	—	—	83,392	73,707	45,179	2,167
2023.	—	—	—	—	—	—	—	—	—	88,444	74,112	2,138
Total										466,588		

Cumulative Paid Claims and Claim Adjustment Expenses, Net of Reinsurance – Specialty Long-tail

	For the years ended December 31 Unaudited Prior Years									
Accident year	*2014*	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
2014.	1,444	5,681	7,392	7,694	9,092	10,583	10,867	11,074	11,132	11,253
2015.	—	941	2,128	4,535	5,675	6,240	6,841	7,007	6,919	8,422
2016.	—	—	792	2,639	5,119	7,071	7,981	12,074	13,405	14,111
2017.	—	—	—	509	4,877	11,092	15,967	18,242	19,297	20,324
2018.	—	—	—	—	2,807	10,915	17,326	20,715	24,993	29,334
2019.	—	—	—	—	—	4,463	17,503	22,951	31,363	36,508
2020.	—	—	—	—	—	—	4,573	22,884	39,541	52,719
2021.	—	—	—	—	—	—	—	4,519	14,775	24,693
2022.	—	—	—	—	—	—	—	—	3,293	15,322
2023.	—	—	—	—	—	—	—	—	—	4,985
Total										217,671
All outstanding liabilities prior to 2014, net of reinsurance										2,892
Reserve for unpaid loss and loss adjustment expenses, net of reinsurance										251,809

6. RESERVES FOR UNPAID LOSS AND LOSS ADJUSTMENT EXPENSES (cont.)

Incurred Losses and Loss Adjustment Expenses, Net of Reinsurance – Specialty Short-tail

	For the years ended December 31 Unaudited Prior Years										*As of December 31, 2023*	
Accident year	*2014*	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*IBNR liabilities and expected development on reported claims*	*Cumulative number of reported claims*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*		
2014.	48,946	55,148	55,047	53,272	51,712	50,646	49,956	49,931	50,102	50,087	3	2,047
2015.	—	44,305	58,417	58,008	57,282	57,524	57,475	57,206	57,101	57,209	14	1,832
2016.	—	—	55,683	67,098	64,789	63,532	65,074	65,498	65,806	65,778	—	2,191
2017.	—	—	—	52,715	75,847	74,425	71,505	71,543	71,516	71,012	114	2,536
2018.	—	—	—	—	43,103	49,054	52,999	59,265	59,144	58,488	155	2,356
2019.	—	—	—	—	—	50,247	43,406	41,649	41,433	40,646	223	2,156
2020.	—	—	—	—	—	—	57,745	50,876	51,517	55,102	1,453	1,892
2021.	—	—	—	—	—	—	—	74,394	64,493	60,008	3,200	2,080
2022.	—	—	—	—	—	—	—	—	100,030	85,522	8,159	2,481
2023.	—	—	—	—	—	—	—	—	—	109,997	64,895	1,851
Total										653,849		

Cumulative Paid Claims and Claim Adjustment Expenses, Net of Reinsurance – Specialty Short-tail

	For the years ended December 31 Unaudited Prior Years									
Accident year	*2014*	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
2014.	10,356	36,942	42,468	48,346	49,373	49,496	49,359	49,414	49,657	49,688
2015.	—	16,300	36,771	50,581	52,759	55,976	56,154	56,181	56,724	56,808
2016.	—	—	15,751	44,609	59,442	62,054	62,665	64,112	64,914	65,172
2017.	—	—	—	16,317	39,217	50,218	58,223	63,029	67,460	67,334
2018.	—	—	—	—	17,087	34,338	47,573	51,100	51,232	54,285
2019.	—	—	—	—	—	8,654	21,029	30,993	33,847	35,043
2020.	—	—	—	—	—	—	6,737	17,591	26,771	29,869
2021.	—	—	—	—	—	—	—	10,396	29,782	43,704
2022.	—	—	—	—	—	—	—	—	10,428	40,185
2023.	—	—	—	—	—	—	—	—	—	15,517
Total										457,605
All outstanding liabilities prior to 2014, net of reinsurance										2,063
Reserve for unpaid loss and loss adjustment expenses, net of reinsurance										198,307

Incurred Losses and Loss Adjustment Expenses, Net of Reinsurance – Reinsurance

	For the years ended December 31 Unaudited Prior Years										*As of December 31, 2023*	
Accident year	*2014*	*2015*	*2016*	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*IBNR liabilities and expected development on reported claims*	*Cumulative number of reported claims*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*	
2014.	6,444	6,613	6,157	5,661	5,133	5,139	4,998	5,007	5,005	5,019	1	250
2015.	—	2,100	4,385	5,888	6,419	6,187	6,050	6,149	6,012	5,946	4	230
2016.	—	—	3,299	5,891	7,303	7,403	7,594	7,476	7,183	7,209	22	305
2017.	—	—	—	9,563	15,243	14,758	15,150	15,783	14,989	14,704	124	423
2018.	—	—	—	—	10,092	11,168	9,225	9,073	8,718	8,901	67	437
2019.	—	—	—	—	—	14,333	11,363	10,936	11,062	11,039	168	490
2020.	—	—	—	—	—	—	11,437	10,900	11,526	10,785	348	455
2021.	—	—	—	—	—	—	—	17,788	19,628	20,346	1,274	431
2022.	—	—	—	—	—	—	—	—	16,184	12,971	1,244	397
2023.	—	—	—	—	—	—	—	—	—	29,940	16,349	248
Total										126,860		

6. RESERVES FOR UNPAID LOSS AND LOSS ADJUSTMENT EXPENSES (cont.)

Cumulative Paid Claims and Claim Adjustment Expenses, Net of Reinsurance – Reinsurance
For the years ended December 31
Unaudited Prior Years

Accident year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000
2014	745	5,106	5,024	4,709	4,704	4,821	4,832	4,958	4,961	5,006
2015	—	(178)	2,881	4,649	5,395	5,659	5,738	5,734	5,745	5,842
2016	—	—	359	3,106	5,223	6,102	6,612	6,804	6,872	6,952
2017	—	—	—	2,593	7,436	9,375	12,633	12,815	13,156	13,257
2018	—	—	—	—	131	5,675	6,999	7,365	7,610	7,882
2019	—	—	—	—	—	2,527	7,207	8,532	9,256	9,680
2020	—	—	—	—	—	—	97	3,123	4,304	5,240
2021	—	—	—	—	—	—	—	1,179	8,154	13,437
2022	—	—	—	—	—	—	—	—	951	5,316
2023	—	—	—	—	—	—	—	—	—	5,373
Total										77,985
All outstanding liabilities prior to 2014, net of reinsurance										497
Reserve for unpaid loss and loss adjustment expenses, net of reinsurance										49,372

The following table presents unaudited supplementary information about the average annual percentage payout of incurred claims, net of reinsurance for the year ended December 31, 2023:

	Average Annual Percentage Payout of Insurance Claims by Age, Net of Reinsurance								
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Specialty Long-tail	32%	23%	17%	11%	7%	5%	3%	1%	1%
Specialty Short-tail	53%	25%	11%	6%	3%	1%	1%	—	—
Reinsurance	46%	23%	13%	7%	4%	3%	2%	1%	1%

The following table provides a reconciliation of the net incurred and paid loss development tables to the reserve for unpaid loss and loss adjustment expenses as at December 31, 2023:

	As of December 31, 2023
	USD ’000
Net outstanding liabilities	
Specialty Long-tail	**251,809**
Specialty Short-tail	**198,307**
Reinsurance	**49,372**
Reserve for unpaid loss and loss adjustment expenses	**499,488**
Allowance for expected credit losses on reinsurance recoverables	**361**
Reserve for unpaid loss and loss adjustment expenses, net of allowance	**499,849**
Reinsurance recoverable on unpaid loss and loss adjustment expenses	
Specialty Long-tail	**105,186**
Specialty Short-tail	**107,424**
Reinsurance	**—**
Total reinsurance recoverable on unpaid loss and loss adjustment expenses	**212,610**
Allowance for expected credit losses on reinsurance recoverables	**(361)**
Total reinsurance recoverable on unpaid loss and loss adjustment expenses, net of allowance for expected credit losses	**212,249**
Total gross reserves for unpaid loss and loss adjustment expenses	**712,098**

7. PREMIUMS AND REINSURANCE INFORMATION

The Group purchases reinsurance as part of its risk mitigation programme. Reinsurance ceded is placed on both a proportional and non-proportional basis. The proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Group to certain classes of business. Non-proportional reinsurance is primarily excess-of-loss reinsurance designed to mitigate the Group's net exposure to catastrophe losses and large claims. Retention limits for the excess-of-loss reinsurance vary by class of business. Also, a significant portion of the reinsurance is affected under the facultative reinsurance contracts to cover a single risk exposure.

The following table sets forth the effect of reinsurance activity on written and earned premiums and on net loss and loss adjustment expenses:

	Year Ended December 31,		
	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Written premiums:			
Direct	**348,418**	301,291	267,451
Assumed	**340,260**	280,692	269,785
Ceded	**(191,465)**	(189,158)	(157,923)
Net	**497,213**	392,825	379,313
Earned premiums:			
Direct	**321,556**	284,436	251,672
Assumed	**313,458**	272,067	234,914
Ceded	**(187,862)**	(180,112)	(149,955)
Net	**447,152**	376,391	336,631
Loss and loss adjustment expense:			
Direct	**141,092**	112,078	128,730
Assumed	**122,688**	123,128	70,056
Ceded	**(74,693)**	(77,644)	(25,747)
Net	**189,087**	157,562	173,039

8. DEFERRED POLICY ACQUISITION COSTS, NET OF CEDING COMMISSIONS

	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Balance at beginning of year	**57,941**	56,767	49,452
Acquisition costs deferred	**82,307**	71,373	66,937
Amortization of deferred acquisition costs	**(74,976)**	(70,199)	(59,622)
Balance at end of year	**65,272**	57,941	56,767

9. LEASES

The Group leases space for offices in Bermuda, UK, UAE, Malaysia, Malta and Morocco. All of these leases are classified as operating leases, and the Group has recognized ROU assets as below. These leases have a remaining lease term ranging between 2 to 9 years, some of which include options to renew the lease term. Additional information of the Group's leases are as follows:

	2023	*2022*
	USD '000	*USD '000*
Cash payments included in the measurement of lease liabilities in operating cash flows	**913**	1,035
Cash payments included in the measurement of lease liabilities in financing cash flows	**35**	7
Right-of-use assets	**2,083**	2,614
Operating lease liability	**2,133**	2,663
Operating lease charge	**771**	963
Weighted average discount rate (%)	**4.3%**	4.0%
Weighted average remaining lease term (years)	**3.5**	3.2

Right-of-use assets are included in "Other assets" while the operating lease liability is included in "Other liabilities".

The following table presents the contractual maturities of the Company's operating lease liabilities at December 31, 2023:

Years Ending December 31,	***USD '000***
2024	**966**
2025	**774**
2026	**348**
2027	**83**
2028 and after	**306**
Total undiscounted lease liability	**2,477**
Less: present value adjustment	**(344)**
Operating lease liability	**2,133**

10. DERIVATIVE FINANCIAL LIABILITIES

Warrants

In connection with the reverse recapitalization, the Group issued 17,250,000 warrants, including (i) 12,750,000 warrants issued to former stockholders of Tiberius (the "Public Warrants") and (ii) 4,500,000 warrants that were issued in exchange for 4,500,000 Tiberius warrants transferred to former shareholders of IGI (the "Private Warrants").

The Public Warrants and Private Warrants broadly had similar terms.

On July 28, 2023, the Company announced that it had commenced an offer to purchase all of its outstanding Warrants. As per the terms of the tender, the Company offered to purchase the Warrants (at a price of USD 0.95 per warrant) from any warrant holder who does not validly withdraw from the offer or who has not exercised their warrants by the expiration date (September 19, 2023). Any warrant holder who has validly withdrawn from the offer before the expiration date will be given an additional 14 days after expiration date to exercise their warrants before they would be obliged to accept the offer at USD 0.86 per warrant.

As of the expiration date, 12,047,600 public warrants had been validly tendered and not validly withdrawn from the offer, and 4,500,000 private warrants had been validly tendered and not validly withdrawn from the offer. As of October 4, 2023 (14 days after expiration date), for the remaining 702,400 public warrants, the offer was deemed to be accepted and payment of USD 0.86 per warrant was made for redemption.

10. DDERIVATIVE FINANCIAL LIABILITIES (cont.)

The following table summarizes the impact of this transaction for the year ended December 31, 2023:

	2023
	USD '000
Fair value loss	**(6,453)**
Gain on derecognition of warrants	**134**
Total amount recognised in consolidated statement of income in change in fair value of derivative financial liabilities	**(6,319)**

The following table is a summary of the number of shares of IGI's common stock issuable upon exercise of warrants outstanding at December 31, 2022:

	Number of shares	Exercise price (USD)	Redemption price (USD)	Expiration date	Classification	Fair value gain for 2022 (USD '000)	Fair value at December 31, 2022 (USD '000)
Public warrants	12,750,000	11.5	18.0	March 17, 2025	Liability	2,168	7,395
Private warrants	4,500,000	11.5	18.0	March 17, 2025	Liability	765	2,610

See also Note 20.

Earnout Shares classified as liability

Earnout Shares issued to former stockholders of Tiberius and former shareholders of IGI are accounted for as liability classified instruments because the earnout triggering events that determine the number of Earnout Shares to be earned include multiple settlements alternatives and events that are not solely indexed to the common stock of the Company.

The fair value of this liability is determined using a Monte Carlo simulation model. This approach takes into account the share price as at the Valuation Date, the threshold price for vesting, expected volatility (estimated using historical share price movements of comparable companies), expected dividend yield, the risk-free rate, and the earn out period up to March 17, 2028.

The Earnout Shares are subject to vesting at stock prices ranging from USD 11.50 to 15.25.

On December 13, 2023, the first vesting threshold of the Earnout Shares was achieved. Accordingly, 1,400,000 were transferred to equity and no longer considered a liability.

The following table summarizes the assumptions used in estimating the fair value of the Earnout Shares at each of the relevant year:

	December 31, 2023	*December 31, 2022*
Stock price (USD)	**12.88**	8.00
Expected volatility (%)	**25.0%**	27.5%
Risk free rate (%)	**3.91%**	3.98%
Expected term (in years)	**4.21**	5.21
Expected dividends (%)	**0.31%**	0.50%

The table below illustrates the movement on the Earnout Shares during the year:

	December 31, 2023	*December 31, 2022*
	USD '000	*USD '000*
Fair value of Earnout Shares at the beginning of the year	**13,800**	15,470
Change in fair value	**20,970**	(1,670)
Transfer of the vested Earnout Shares to equity	**(17,480)**	—
Fair value of Earnout Shares at the end of year	**17,290**	13,800

11. COMMITMENTS, CONTINGENCIES AND OTHER ITEMS

Concentrations of credit risk

The areas where significant concentrations of credit risk may exist include fixed maturity securities, cash and cash equivalents, premiums receivables and reinsurance recoverables. The Company limits the amount of credit exposure to issuers and there were no fixed maturity securities in any single issuer exceeding 5% of the aggregate fixed maturity securities portfolio as at December 31, 2023. The Company holds cash and cash equivalents in several banks and ensures that there are no significant concentrations of credit risk in any bank. Refer to "Note 3. Investments" for information with respect to investments and to "Note 4. Receivables" with respect to premiums receivable and reinsurance recoverables.

Letters of Credit and other commitments

As of the date of the consolidated financial statements, the Group is contingently liable for the following:

- Letters of credit amounting to USD 1,826 thousand to the order of reinsurance companies for collateralizing insurance contract liabilities in accordance with the reinsurance arrangements (December 31, 2022: USD 2,917 thousand).

  The Company's current arrangements with our bankers for the issue of letters of credit require us to provide collateral in the form of investments whereby the issued letters of credit do not exceed 70% of the collateralized investment. As at December 31, 2023 and 2022, these investments amounted to USD 2,608 thousand and USD 4,167 thousand, respectively. We do not consider that this unduly restricts our liquidity at this time.

- Letter of guarantee amounting to USD 307 thousand to the order of Friends Provident Life Assurance Limited for collateralizing a rent payment obligation in one of the Group entity's office premises (December 31, 2022: USD 292 thousand).

- In 2021, the Group signed a legally non-binding agreement with the University of California, San Francisco Foundation to contribute an amount of USD 1,250 thousand in five instalments over five years to support cancer research projects. As at December 31, 2023, the Group has paid USD 750 thousand and the remaining two instalments amounted to USD 500 thousand shall be made equally over the years from 2024 to 2025.

12. SHAREHOLDERS' EQUITY

Common shares

Under the Amended and Restated Bye-laws, the authorized share capital of the Group consists of 750,000,000 common shares, par value USD 0.01 per share, and 100,000,000 preference shares, par value USD 0.01 per share. As at December 31, 2023, the share capital was 44,500,879 (December 31, 2022: 46,013,309) common shares issued and outstanding (including 39,200 common shares ("Earnout Shares") as at December 31, 2023 and 2022 subject to vesting but which are issued and outstanding for purposes of voting and receipt of dividends), and no preference shares issued and outstanding. All of the issued and outstanding common shares are fully paid.

12. SHAREHOLDERS' EQUITY (cont.)

The following table sets out the number of common shares issued and outstanding as at December 31, 2023 and December 31, 2022:

	December 31, 2023	
	Number of shares	***Par value***
		USD '000
Common shares (par value of USD 0.01)	**43,584,549**	**436**
Earnout Shares* (par value of USD 0.01)	**39,200**	**—**
Common shares under share-based compensation plan (par value of USD 0.01) (note 18)	**877,130**	**9**
	44,500,879	**445**

	December 31, 2022	
	Number of shares	*Par value*
		USD '000
Common shares (par value of USD 0.01)	45,306,928	453
Earnout Shares* (par value of USD 0.01)	39,200	—
Common shares under share-based compensation plan (par value of USD 0.01) (note 18)	667,181	7
	46,013,309	460

* Earnout Shares are considered outstanding shares and have dividend and voting rights, however, the Earnout Shares are non-transferable by their holders until they vest and, if the Earnout Shares do not vest on or prior to March 17, 2028, they will be cancelled by the Company.

Treasury shares

On 23 May 2022, the Group announced that the Board of Directors has approved a repurchase authorization of up to 5 million of its issued and outstanding common shares. This authorization, which does not have an expiration date, replaced the Group's prior authorization of an aggregate consideration of up to USD 5,000 thousand, which was terminated. The table below illustrates the movement on the treasury shares during the year:

	December 31, 2023	
	Number of shares	***Par value***
		USD '000
Balance at the beginning of year	**1,668**	**14**
Purchases	**3,421,238**	**31,090**
Cancellation	**(3,419,106)**	**(31,055)**
Balance at the end of year	**3,800**	**49**

	December 31, 2022	
	Number of shares	*Par value*
		USD '000
Balance at the beginning of year	—	—
Purchases	310,542	2,394
Cancellation	(308,874)	(2,380)
Balance at the end of year	1,668	14

13. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

A summary of changes in accumulated other comprehensive income (loss), net of taxes (where applicable) by component for the years ended December 31, 2023, 2022 and 2021 is presented below:

	December 31,		
	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Unrealized gains (losses) on fixed maturity securities arising during the year, net of taxes	**23,856**	(48,454)	(9,891)
Reclassification of net realized losses included in net income	**(477)**	(619)	(88)
Foreign currency translation adjustments	**27**	(57)	(16)
Other comprehensive income (loss)	**23,406**	(49,130)	(9,995)

The amounts reclassified from accumulated other comprehensive (loss) income shown in the above table have been included in the following captions in our Consolidated Statements of Income (Loss):

	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Realized gains and losses on securities:			
Net realized investment losses	**(538)**	(627)	(120)
Income tax benefit	**61**	8	32
Net of taxes	**(477)**	(619)	(88)

14. TAXATION

The following is a summary of the Company's income (loss) before taxes allocated between domestic and foreign operations:

	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Domestic:			
Bermuda	**91,769**	72,827	37,423
Foreign:			
U.K.	**28,494**	17,029	11,493
Other*	**5,785**	2,310	(288)
Income before taxes	**126,048**	92,166	48,628

- International General Insurance Holdings Ltd. is not subject to income tax according to the tax law in Bermuda.
- International General Insurance Co. Ltd is a tax-exempt company according to the tax law in Bermuda.
- IGI UK and North Star Underwriting Limited are subject to corporate taxation in accordance with the UK Tax Law. An increase from the current 19% UK corporation tax rate to 25%, effective from 1 April 2023, was announced in the Budget on 3 March 2021 and enacted on 10 June 2021.

* Income (loss) before taxes in "Other" mostly relates to subsidiaries and branches operating in Labuan, Morocco, Jordan, Norway, and U.A.E. with the following tax rules applicable:

- International General Insurance Company (Europe) SE (IGI Europe) is subject to the normal standard rate in Malta of 35%.

14. TAXATION (cont.)

- According to the Labuan Business Activity Tax Law, Labuan registered entities are subject to 3% tax on the audited net income.
- IGI Casablanca — Representative Office has no income sources. According to Casablanca Finance City Tax Code, regional offices are taxed at a rate of 10%. The taxable base is 5% of the operating cost.
- I.G.I Underwriting is a tax-exempt company in Jordan as its main business activity is to act as an underwriting agent in respect of insurance and reinsurance business written outside Jordan.
- IGI Nordic is subject to the normal standard rate in Norway of 25%.
- International General Insurance Holdings Limited and International General Insurance Company (Dubai) Ltd. are not subject to income tax according to the tax law in UAE.

Income tax expense (benefit) is comprised as follows:

	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
Current income tax expense (benefit):			
Current income tax charge	**6,401**	3,261	2,179
Amounts in respect of prior years	**12**	(22)	97
Deferred tax expense:			
Origination and reversal of temporary differences	**1,165**	(310)	(462)
Amounts in respect of prior years	**276**	3	—
Income tax expense for the year	**7,854**	2,932	1,814

As noted above, the tax rate in Bermuda, the Company’s country of domicile, is currently zero. Application of the statutory income tax rate for operations in other jurisdictions produces a differential to the expected income tax expense as shown below. The reconciliation between the income tax expense and the amount that would result from applying the statutory rate for the Company for the years ended December 31, 2023, 2022 and 2021 is provided below

Reconciliation of tax expense and the accounting income multiplied by the applicable tax rate is as follows:

	2023	*2022*	*2021*
	USD ’000	*USD ’000*	*USD ’000*
Income tax at expected tax rate of zero percent	**—**	—	—
Foreign statutory tax rates differential	**7,825**	3,027	1,838
Non-deductible expenses	**60**	73	80
Other	**(31)**	(168)	(104)
Income tax expense (benefit) for the year	**7,854**	2,932	1,814

14. TAXATION (cont.)

The significant components of the deferred income tax assets and liabilities were as follows:

	December 31, 2023	*December 31, 2022*
	USD '000	*USD '000*
Deferred tax assets:		
Operating loss carryforwards	**76**	398
Foreign exchange valuations	**—**	334
Allowance for expected credit losses	**363**	175
Unrealized losses on investments	**3,961**	4,877
Other deferred tax assets	**171**	4
Total deferred tax assets	**4,571**	5,788
Deferred tax liabilities:		
Foreign exchange valuations	**(220)**	—
Other deferred tax valuation	**(194)**	—
Total deferred tax liabilities	**(414)**	—
Net deferred tax asset	**4,157**	5,788

At December 31, 2023 and 2022 the Company had operating losses of USD 217 thousand and USD 1,138 thousand in Malta. The operating losses are available to offset future taxable income and do not expire.

On December 27, 2023, the Government of Bermuda enacted the Corporate Income Tax Act 2023, which will apply a 15% corporate income tax to certain Bermuda businesses that are part of Multinational Enterprise Groups ("MNE Group"). The corporate income tax will take effect from January 1, 2025. An in scope MNE Group is an MNE Group if, with respect to any fiscal year beginning on or after January 1, 2025, the MNE Group has annual revenue of EUR 750 million or more in the consolidated financial statements of the ultimate parent entity for at least two of the four fiscal years immediately preceding such fiscal year. Based on these provisions, the Company is not currently considered an in scope MNE Group.

An increase from the current 19% UK corporation tax rate to 25%, effective from April 1, 2023, was announced in the Budget on March 3, 2021 and enacted on June 10, 2021. As a result, UK deferred tax balances have been revalued to take this rate change into account, where relevant.

In January 2022, the Ministry of Finance in the UAE announced that it will introduce federal Corporate tax (CT) on the net profits of businesses. The tax will become applicable on 1 January 2024.

At December 31, 2023, the Group's current income tax payable (included in "Other liabilities") was USD 2,854 thousand. The tax returns that remain subject to examination by major tax jurisdictions are as follows:

At December 31, 2023	***Open Tax Years***
Major tax Jurisdiction	
UK	2023
Malta	2021 – 2023

15. FAIR VALUE

The Group uses the fair value hierarchy discussed in note 2 for determining and disclosing the fair value of financial instruments by valuation techniques.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement of the asset or liability. The Group's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and the Group considers factors specific to the asset or liability.

In order to determine if a market is active or inactive for a security, the Group considers a number of factors, including, but not limited to, the spread between what a seller is asking for a security and what a buyer is bidding for the same security, the volume of trading activity for the security in question, the price of the security compared to its par value (for fixed maturity investments), and other factors that may be indicative of market activity.

During 2023, corporate bonds available-for-sale amounting to USD 58,764 thousand were transferred from level 1 to level 2 as at December 31, 2023. In addition, corporate bonds available-for-sale amounting to USD 52,494 thousand were transferred from level 2 to level 1 as at December 31, 2023. These transfers between levels 1 and 2 occur depending on the input that is significant to the fair value measurement of the financial assets.

There was a transfer of an equity security investment amounting to USD 6,990 thousand out of Level 3 into Level 1 during the year ended December 31, 2023 as a result of the investment now having a quoted price in an active market.

Below is a summary of the assets and liabilities that are measured at fair value on a recurring basis and also represents the carrying amount on the Group's consolidated balance sheets:

	December 31, 2023			
	Level 1	*Level 2*	*Level 3*	*Total Fair Value*
	USD ’000	*USD ’000*	*USD ’000*	*USD ’000*
Assets measured at fair value:				
Fixed maturity available-for-sale securities:				
Foreign governments	**2,915**	**9,484**	**—**	**12,399**
Corporate bonds	**240,716**	**512,475**	**—**	**753,191**
Total	**243,631**	**521,959**	**—**	**765,590**
Equity securities	**26,208**	**—**	**—**	**26,208**
Other Investments	**—**	**11,060**	**—**	**11,060**
Fair value option:				
Equity-method investments measured at fair value	**—**	**—**	**3,522**	**3,522**
	269,839	**533,019**	**3,522**	**806,380**
Liabilities measured at fair value:				
Derivative financial liabilities (Earnout Shares)	**—**	**—**	**17,290**	**17,290**

15. FAIR VALUE (cont.)

	December 31, 2022			
	Level 1	*Level 2*	*Level 3*	*Total Fair Value*
	USD '000	*USD '000*	*USD '000*	*USD '000*
Assets measured at fair value:				
Fixed maturity available-for-sale securities:				
Foreign governments	1,235	6,787	—	8,022
Corporate bonds	99,731	381,328	—	481,059
Total	100,966	388,115	—	489,081
Equity securities	24,046	—	7,364	31,410
Other Investments	—	12,237	—	12,237
Fair Value option:				
Equity-method investments measured at fair value	—	—	4,907	4,907
	125,012	400,352	12,271	537,635
Liabilities measured at fair value:				
Derivative financial liabilities (Warrants and Earnout Shares)	—	10,005	13,800	23,805

Fixed Maturity available-for-sale securities

Fixed maturity available-for-sale securities included in Level 1 and Level 2 consist of the majority of the Group's investments in corporate and non-US government securities. The Group's fixed maturity available-for-sale securities are primarily priced using pricing services from pricing vendors. Generally, the pricing vendors provide pricing for a high volume of liquid securities that are actively traded. For securities that do not trade on an exchange, the pricing services generally utilize market data and other observable inputs in matrix pricing models to determine a reasonable fair value. Observable inputs include, but are not limited to, investment yields, credit risks and spreads, reported trades, bids, offers, and reference data and industry and economic events. As the significant inputs used in the pricing process are observable market inputs, the fair value of these securities is classified within Level 1 and Level 2.

Equity Securities and Other investments

The Group's exchange traded equity securities are included in Level 1 as their fair values are based on quoted market prices in active markets. Other investments consist primarily of mutual funds that generally trade daily and as the fair values are based on observable market inputs. The fair values are included in Level 2 of the fair value hierarchy. The Group has a small number of securities included in Level 3 due to a lack of an available independent pricing source and as the significant inputs used to price these securities are unobservable, the fair values are classified as Level 3.

Equity-method investments measured at fair value

The Group accounts for its equity method investments using the fair value option.

The fair value of the Group's investment was determined using the adjusted net asset value ("NAV") approach. As significant inputs used in the valuation process are unobservable market inputs, the fair value of the investment is classified as Level 3. The unobservable inputs may cause significant increases or decreases in the fair value.

15. FAIR VALUE (cont.)

Derivative financial liabilities

The Group's Public and Private Warrants broadly had similar terms with certain differences in few features and the fair values were based on the quoted price of the Public Warrants listed on Nasdaq. See Note 20 for redemption of Private Warrants during the year ended December 31, 2023. Although the fair values are based on observable market inputs, the fair values are classified as Level 2 due to lack of sufficient trading volume.

The earn out shares issued to Tiberius former stockholders and IGI former shareholders are valued using a Monte Carlo simulation model. This approach takes into account the share price as at the valuation date, the threshold price for vesting, expected volatility, expected dividend yield, the risk-free rate, and the earn out period up to March 17, 2028. As the significant inputs used to price the earn out shares are unobservable, the fair values are classified as Level 3. The unobservable inputs and assumptions used in the valuation may cause significant increases or decreases in the fair value.

Refer to Note 10 — Derivative Financial Liabilities for additional information related to the fair values and types of derivatives entered into by the Group.

Level 3 Assets and Liabilities Measured at Fair Value

Below is a summary of quantitative information regarding the significant unobservable inputs (Level 3) used in determining the fair value of assets and liabilities measured at fair value on a recurring basis:

As at December 31, 2023	*Fair Value (Level 3) USD'000*	*Valuation Technique*	*Unobservable Inputs*	*Low*	*High*	*Weighted Average or Actual*
Equity-method investments measured at fair value.	3,522	Adjusted net asset value ("NAV") approach	Sale price (per square meter) of the underlying properties owned by the investees	N/A	N/A	N/A
Derivative financial liabilities. .	17,290	Monte Carlo Simulation approach	Volatility of IGI's share price	20%	30%	25%

As at December 31, 2022	*Fair Value (Level 3) USD'000*	*Valuation Technique*	*Unobservable Inputs*	*Low*	*High*	*Weighted Average or Actual*
Equities	6,990	Multiples based valuation approach	Enterprise value to earnings before interest, tax, depreciation and amortization	7.9	8.7	8.3
			Price to earnings	10.3	11.4	10.9
			Price to book value of shares	1.1	1.2	1.1
	374	Multiples based valuation approach	Enterprise value to sale multiple	1.1	1.7	1.4
Equity-method investments measured at fair value.	4,907	"Adjusted net asset value ("NAV") approach"	Sale price (per square meter) of the underlying properties owned by the investees	N/A	N/A	N/A
Derivative financial liabilities. .	13,800	Monte Carlo Simulation approach	Volatility of IGI's share price	25%	30%	27.5%

15. FAIR VALUE (cont.)

The following table presents a reconciliation of the beginning and ending balances for all financial assets and liabilities measured at fair value on a recurring basis using Level 3 inputs for 2023 and 2022:

	Equity Securities	*Equity-method investees*	*Derivative financial liabilities (Earnout Shares)*
	USD '000	*USD '000*	*USD '000*
Year Ended December 31, 2023			
Balance at beginning of year	**7,364**	**4,907**	**(13,800)**
Change in fair value included in earnings	**(374)**	**(1,385)**	**(20,970)**
Vesting of Earnout Shares	**—**	**—**	**17,480**
Transfer in and/or out of Level 3	**(6,990)**	**—**	**—**
Balance at end of year	**—**	**3,522**	**(17,290)**
Year Ended December 31, 2022			
Balance at beginning of year	7,046	4,633	(15,470)
Change in fair value included in earnings	318	274	1,670
Balance at end of year	7,364	4,907	(13,800)

There are no active markets for the equity-method investments measured at fair value.

Financial Instruments Disclosed, But Not Carried, At Fair Value:

The Company uses various financial instruments in the normal course of its business. The carrying values of cash and cash equivalents, term deposits, short-term investments, accrued investment income, certain other assets and other liabilities not included herein approximated their fair values.

16. EARNINGS PER SHARE

Basic earnings per share represents the net income attributable to the ordinary shareholders divided by the weighted average number of common shares outstanding during the years.

Diluted earnings per share represents the net income attributable to the ordinary shareholders divided by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The Company has 1,612,500 unvested Earnout Shares outstanding as at and for the year ended December 31, 2023. These Earnout Shares contain a non-forfeitable right to dividends and hence are considered as participating securities. The two-class method was applied to compute basic earnings per share attributable to common shareholders.

Unvested restricted shares awards have been included in the diluted weighted-average common shares outstanding using the treasury stock method.

The outstanding warrants have not been factored in diluted earnings per share computation for 2022 and 2021, as the average market price of ordinary shares at the end of the year does not exceed the exercise price of the warrants. In 2023, the Company repurchased all the outstanding warrants.

16. EARNINGS PER SHARE (cont.)

The following table reflects the income and share data used in the basic and diluted earnings per share calculations:

	Year ended December 31,		
	2023	*2022*	*2021*
(In USD '000 except share and per share data)			
Net Income	**118,194**	89,234	46,814
Less: net income attributable to the Earnout Shares	**(7,469)**	(4,906)	(1,968)
Less: dividends attributable to the common shares under share-based compensation plan	**(30)**	(147)	(131)
Net income available to common shareholders	**110,695**	84,181	44,715
Weighted average number of shares – basic	**42,943,535**	45,546,262	45,470,957
Common shares under share-based compensation plan	**525,341**	120,872	70,060
Weighted average number of shares – diluted	**43,468,876**	45,667,134	45,541,017
Basic earnings per share	**2.58**	1.85	0.98
Diluted earnings per share	**2.55**	1.84	0.98

17. SEGMENT INFORMATION

The Group's chief operating decision maker ("CODM") is the Executive Committee, which periodically reviews financial information at the business line level. Each of the business lines in which the Group operates are considered operating segments.

The Group has aggregated operating segments into the following reporting segments for the purposes of its consolidated financial statements:

1. Specialty Long-tail (comprising business lines with underwriting risks assumed in form of liability insurance and of a long-term nature with respect to related claims).
2. Specialty Short-tail (comprising business lines with underwriting risks assumed in the form of property and specialty line insurance and of short-term nature with respect to related claims).
3. Reinsurance which covers the assumed reinsurance treaty business lines.

Segment performance is evaluated based on net underwriting results and is measured consistently with the overall net underwriting results in the consolidated financial statements.

The Group also has general and administrative expenses, investment income, net realized gain (loss) on investments, net unrealized gain (loss) on investments, change in allowance for expected credit losses on investments, net foreign exchange gain (loss), change in allowance for expected credit losses on receivables, other expenses/revenues, change in fair value of derivative financial liabilities and income tax expense. These financial items are presented under "Corporate and Other" in the tables below as the Group does not allocate them to individual reporting segments. The Group does not allocate assets to individual reporting segments as the segmentation of assets and liabilities is not undertaken for any of the board, CODM and management analysis. In view of this, the Group does not disclose asset information by segment.

17. SEGMENT INFORMATION (cont.)

The following tables summarizes the Group's underwriting income or loss by segment, together with a reconciliation of underwriting income or loss to net income for the year.

a) Segment disclosure for the Group's consolidated operations is as follows:

	Year Ended December 31, 2023					
	Specialty Long-tail	*Specialty Short-tail*	**Reinsurance**	*Sub Total*	*Corporate and Other*	**Total**
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
Underwriting revenues						
Gross written premiums	**226,862**	**400,682**	**61,134**	**688,678**	**—**	**688,678**
Ceded written premiums	**(73,900)**	**(117,565)**	**—**	**(191,465)**	**—**	**(191,465)**
Net written premiums	**152,962**	**283,117**	**61,134**	**497,213**	**—**	**497,213**
Net change in unearned premiums	**4,760**	**(46,925)**	**(7,896)**	**(50,061)**	**—**	**(50,061)**
Net premiums earned	**157,722**	**236,192**	**53,238**	**447,152**	**—**	**447,152**
Underwriting deductions						
Net policy acquisition expenses	**(31,160)**	**(35,997)**	**(7,819)**	**(74,976)**	**—**	**(74,976)**
Net loss and loss adjustment expenses	**(69,250)**	**(93,085)**	**(26,752)**	**(189,087)**	**—**	**(189,087)**
Underwriting income	**57,312**	**107,110**	**18,667**	**183,089**	**—**	**183,089**
General and administrative expenses	**—**	**—**	**—**	**—**	**(78,927)**	**(78,927)**
Investment income	**—**	**—**	**—**	**—**	**40,460**	**40,460**
Net realized gain on investments	**—**	**—**	**—**	**—**	**6,723**	**6,723**
Net unrealized gain on investments	**—**	**—**	**—**	**—**	**2,684**	**2,684**
Change in allowance for expected credit losses on investments	**—**	**—**	**—**	**—**	**368**	**368**
Change in allowance for expected credit losses on receivables	**—**	**—**	**—**	**—**	**(2,452)**	**(2,452)**
Other revenues	**—**	**—**	**—**	**—**	**1,862**	**1,862**
Other expenses	**—**	**—**	**—**	**—**	**(5,594)**	**(5,594)**
Change in fair value of derivative financial liabilities	**—**	**—**	**—**	**—**	**(27,289)**	**(27,289)**
Net foreign exchange gain	**—**	**—**	**—**	**—**	**5,124**	**5,124**
Income (loss) before tax	**57,312**	**107,110**	**18,667**	**183,089**	**(57,041)**	**126,048**
Income tax expense	**—**	**—**	**—**	**—**	**(7,854)**	**(7,854)**
Net income	**57,312**	**107,110**	**18,667**	**183,089**	**(64,895)**	**118,194**

17. **SEGMENT INFORMATION** (cont.)

	Year Ended December 31, 2022					
	Specialty Long-tail	*Specialty Short-tail*	Reinsurance	*Sub Total*	*Corporate and Other*	Total
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
Underwriting revenues						
Gross written premiums	233,046	317,412	31,525	581,983	—	581,983
Ceded written premiums	(65,555)	(123,603)	—	(189,158)	—	(189,158)
Net written premiums	167,491	193,809	31,525	392,825	—	392,825
Net change in unearned premiums	(125)	(15,096)	(1,213)	(16,434)	—	(16,434)
Net premiums earned	167,366	178,713	30,312	376,391	—	376,391
Underwriting deductions						
Net policy acquisition expenses	(33,066)	(31,525)	(5,608)	(70,199)	—	(70,199)
Net loss and loss adjustment expenses	(50,530)	(89,942)	(17,090)	(157,562)	—	(157,562)
Underwriting income	83,770	57,246	7,614	148,630	—	148,630
General and administrative expenses	—	—	—	—	(67,243)	(67,243)
Investment income	—	—	—	—	20,947	20,947
Net realized gain on investments	—	—	—	—	(687)	(687)
Net unrealized loss on investments	—	—	—	—	(5,512)	(5,512)
Change in allowance for expected credit losses on investments	—	—	—	—	(361)	(361)
Change in allowance for expected credit losses on receivables	—	—	—	—	(3,238)	(3,238)
Other revenues	—	—	—	—	2,442	2,442
Other expenses	—	—	—	—	(3,961)	(3,961)
Change in fair value of derivative financial liabilities	—	—	—	—	4,603	4,603
Net foreign exchange loss	—	—	—	—	(3,454)	(3,454)
Income (loss) before tax	83,770	57,246	7,614	148,630	(56,464)	92,166
Income tax expense	—	—	—	—	(2,932)	(2,932)
Net income	83,770	57,246	7,614	148,630	(59,396)	89,234

17. SEGMENT INFORMATION (cont.)

	Year Ended December 31, 2021					
	Specialty Long-tail	*Specialty Short-tail*	Reinsurance	*Sub Total*	*Corporate and Other*	Total
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
Underwriting revenues						
Gross written premiums	224,717	288,425	24,094	537,236	—	537,236
Ceded written premiums	(56,683)	(101,240)	—	(157,923)	—	(157,923)
Net written premiums	168,034	187,185	24,094	379,313	—	379,313
Net change in unearned premiums	(4,242)	(35,168)	(3,272)	(42,682)	—	(42,682)
Net premiums earned	163,792	152,017	20,822	336,631	—	336,631
Underwriting deductions						
Net policy acquisition expenses	(29,881)	(26,310)	(3,431)	(59,622)	—	(59,622)
Net loss and loss adjustment expenses	(84,662)	(72,418)	(15,959)	(173,039)	—	(173,039)
Underwriting income	49,249	53,289	1,432	103,970	—	103,970
General and administrative expenses	—	—	—	—	(58,228)	(58,228)
Investment income	—	—	—	—	14,487	14,487
Net realized gain on investments	—	—	—	—	308	308
Net unrealized loss on investments	—	—	—	—	(3,709)	(3,709)
Change in allowance for expected credit losses on investments	—	—	—	—	(66)	(66)
Change in allowance for expected credit losses on receivables	—	—	—	—	(3,262)	(3,262)
Other revenues	—	—	—	—	2,056	2,056
Other expenses	—	—	—	—	(4,230)	(4,230)
Change in fair value of derivative financial liabilities	—	—	—	—	670	670
Net foreign exchange loss	—	—	—	—	(3,368)	(3,368)
Income (loss) before tax	49,249	53,289	1,432	103,970	(55,342)	48,628
Income tax expense	—	—	—	—	(1,814)	(1,814)
Net income	49,249	53,289	1,432	103,970	(57,156)	46,814

The table below presents long-lived assets by geographic location:

	December 31, 2023	*December 31, 2022*
	USD '000	*USD '000*
Middle East	**21,346**	21,765
Africa	**96**	188
UK	**1,839**	2,482
Asia	**17**	8
Europe	**458**	20
North America	**266**	84
	24,022	24,547

Long-lived assets for this purpose consist of property and equipment.

17. SEGMENT INFORMATION (cont.)

The following summary presents the Group's gross written premiums based on the location of the insured risk for the years ended December 31, 2023, 2022 and 2021

	2023	*2022*	*2021*
	USD '000	*USD '000*	*USD '000*
Africa	**33,312**	32,700	27,325
Asia	**71,685**	54,697	54,962
Australasia	**20,286**	19,478	23,095
Caribbean Islands	**27,904**	30,446	29,781
Central America	**26,740**	25,338	27,735
Europe	**83,614**	51,746	48,034
Middle East	**62,708**	58,906	52,745
North America	**89,610**	61,661	32,272
South America	**21,671**	20,706	20,401
UK	**195,504**	190,019	194,075
Worldwide	**55,644**	36,286	26,811
Total	**688,678**	581,983	537,236

18. SHARE-BASED COMPENSATION

During 2020, the Board of Directors approved the Group's share-based employee compensation plan, the 2020 Omnibus Incentive Plan ("the Plan"). Under the Plan, the Group granted new restricted shares to designated employees, with the following salient features:

	2020 Grant	**2021 Grant 1**	**2021 Grant 2**	**2022 Grant 1**	**2022 Grant 2**	**2023 Grant 1**	**2023 Grant 2**
Grant date	October 7, 2020	February 16, 2021	March 31, 2021	February 9, 2022	March 24, 2022	February 8, 2023	March 23, 2023
First vesting date (tranche 1)	January 2, 2021	January 2, 2022	January 2, 2022	January 2, 2023	January 2, 2023	January 2, 2024	January 2, 2024
Second vesting date (tranche 2)	January 2, 2022	January 2, 2023	January 2, 2023	January 2, 2024	January 2, 2024	January 2, 2025	January 2, 2025
Third vesting date (tranche 3)	January 2, 2023	January 2, 2024	Janary 2, 2024	January 2, 2025	January 2, 2025	January 2, 2026	January 2, 2026
Total number of restricted shares awards	134,500	180,000	132,190	279,000	149,377	379,000	129,808
Number of restricted shares awards vesting each period	44,833	60,000	44,063	93,000	49,792	126,333	43,269
Grant date fair value per share (USD)	7.90	7.94	8.17	7.76	7.23	8.30	8.32

The grant date fair value of restricted shares was determined based on the closing quoted prices of the Company's share on Nasdaq on the grant dates.

The restricted share awards vest on the condition that the participants are in continued employment with the Company or any of its subsidiaries on the applicable vesting date. There are no other vesting conditions.

For the year ended December 31, 2023, share-based compensation expense of USD 3,249 thousand (2022: USD 2,300) was recorded in the consolidated statement of income, within the general and administrative expenses and with a corresponding impact on common shares and additional paid-in capital as shown in the consolidated statement of changes in equity.

18. SHARE-BASED COMPENSATION (cont.)

A summary of restricted shares activity under the share-based compensation plan for the year ended December 31, 2023 is as follows:

	Number of shares	Weighted average Grant date fair value per share	Aggregate value
		USD	USD '000
RSAs granted and unvested at beginning of year	667,181	7.74	5,161
Granted	508,808	8.30	4,223
Vested	(298,859)	7.79	(2,327)
RSAs granted and unvested at end of year	877,130	8.05	7,057

The weighted average grant-date fair value per share of the Company's restricted stock awards granted during the year ended December 31, 2023 and 2022 was USD 8.30 and USD 7.58, respectively. The fair value of restricted share awards that vested during the year ended December 31, 2023 and 2022 was USD 2,327 thousand and USD 1,171 thousand, respectively. As of December 31, 2023, there was USD 3,920 thousand of total unrecognized compensation expense related to restricted shares compensation plan granted by IGI. The weighted-average period over which this expense is expected to be recognized is 3 years.

19. STATUTORY INFORMATION

The Company's insurance and reinsurance subsidiaries are subject to insurance and/or reinsurance laws and regulations in the jurisdictions in which they operate. These regulations include certain restrictions on the amount of dividends or other distributions available to shareholders without prior approval of the insurance regulatory authorities.

The actual statutory capital and surplus for the Group's principal operating subsidiaries at December 31, 2023 and 2022 is summarized as follows:

	Year Ended December 31,	
	2023	2022
	USD '000	*USD '000*
Actual statutory capital and surplus		
Bermuda	**548,714**	413,790
United Kingdom	**165,657**	89,127
Labuan branch	**33,321**	29,373
Malta	**22,732**	8,239

As at December 31, 2023 and 2022, actual statutory capital and surplus for the Group's principal operating subsidiaries substantially exceeded the regulatory requirements.

	Year Ended December 31,		
	2023	2022	2021
	USD '000	*USD '000*	*USD '000*
Statutory net income (loss)			
Bermuda	**144,063**	78,493	41,827
United Kingdom	**27,147**	11,077	8,631
Labuan branch	**5,000**	1,853	2,279
Malta	**1,256**	(579)	(835)

19. STATUTORY INFORMATION (cont.)

Bermuda

The Group's primary operating subsidiary is IGI Bermuda, which is subject to Bermuda regulatory constraints that affect its ability to pay dividends on its common shares and make other distributions. Under the Bermuda Insurance Act 1978, as amended (the "Insurance Act"), and related regulations, IGI Bermuda, as a Class 3B insurer, is required to maintain certain minimum capital, liquidity and solvency levels and is prohibited from declaring or paying dividends that would result in non-compliance with this requirement.

Under the Insurance Act, the Company is subject to capital requirements calculated using the Bermuda Solvency and Capital Requirement model ("BSCR model"), which is a standardized statutory risk-based capital model used to measure the risk associated with the Company's assets, liabilities and premiums. Under the BSCR model, the Company's required statutory capital and surplus is referred to as the enhanced capital requirement ("ECR"). The Company is required to calculate and submit the ECR to the Bermuda Monetary authority ("BMA") annually. Following receipt of the submission of the Company's ECR, the BMA has the authority to impose additional capital requirements or capital add-ons, if it deems necessary. If an insurer fails to maintain or meet its ECR, the BMA may take various degrees of regulatory action. As at December 31, 2023 and 2022, the Company met its ECR.

Under the Insurance Act, a Class 3B is restricted with respect to the payment of dividends and is prohibited from declaring or paying in any financial year dividends of more than 25% of its total statutory capital and surplus (as shown on its previous financial year's statutory balance sheet) unless it files, at least seven days before payment of such dividends, with the BMA an affidavit stating that it will continue to meet the required margins following the declaration of those dividends.

The Company met such Bermuda requirements for the years ended December 31, 2023 and 2022.

United Kingdom

The Group's United Kingdom operating subsidiary is regulated by the Prudential Regulation Authority ("PRA") and is subject to insurance solvency regulations which specify the minimum amount and type of capital that must be held in addition to the insurance liabilities.

Since 1 January 2016 the Company has been subject to the Solvency II regime and is required to meet a Solvency Coverage Ratio ("SCR") which is calibrated to seek to ensure a 99.5% confidence of the ability to meet its obligations over a 12-month time horizon. The Company calculates its SCR in accordance with the standard formula prescribed in the Solvency II regulations as the assumptions underlying the standard formula are considered to be a good fit for the Company's risk profile.

Under U.K. law, the Company is restricted from declaring a dividend to its shareholder unless the Company has "profits available for distribution." The calculation as to whether a company has sufficient profits is based on its accumulated realized profits minus its accumulated realized losses. U.K. insurance regulatory laws do not prohibit the payment of dividends, but the PRA or Financial Conduct Authority, as applicable, requires that insurance companies and insurance intermediaries maintain certain solvency margins and may restrict the payment of a dividend by the Company.

The Company met such United Kingdom requirements for the years ended December 31, 2023 and 2022.

Labuan Branch

The Group's Labuan Branch is subjected to minimum capital requirements under the Labuan Financial Services and Securities Act 2010.

19. STATUTORY INFORMATION (cont.)

The Labuan Branch monitors and ensures its capital is within the minimum solvency margins requirements under the Labuan Financial Services and Securities Act 2010 at all times. If there are any large event which will affect the Labuan Branch's ability to maintain solvency margins requirements, the branch will notify the head office to cash call in advance.

As at December 31, 2023 and 2022, the Labuan Branch met such Labuan minimum solvency margin requirements.

Malta

The Group's operating subsidiary is regulated by the Malta Financial Services Authority.

The company is subject to the Solvency II regime and is required to meet an SCR which is calibrated to seek to ensure a 99.5% confidence of the ability to meet its obligations over a 12-month time horizon. The Company calculates its SCR in accordance with the standard formula prescribed in the Solvency II regulations as the assumptions underlying the standard formula are considered to be a good fit for the Company's risk profile.

The Company met such Malta requirements for the year ended December 31, 2023 and 2022.

20. RELATED PARTIES

The Company purchased all of the outstanding 4,000,000 Private Warrants owned by Wasef Jabsheh (the Executive Chairman) for USD 3,800 thousand as part of the offer to purchase all of its outstanding Warrants announced on July 28, 2023 and completed on September 19, 2023.

In 2023, the Group rented a boat for business promotion from a company owned by a major shareholder. The total expense charged to the general and administrative expenses was USD 206 thousand.

21. LEGAL PROCEEDINGS

The Group, in common with the insurance industry in general, is subject to litigation and arbitration in the normal course of its business. As of December 31, 2023, the Group was not a party to any litigation or arbitration which is expected by management to have a material adverse effect on the Group's results of operations and financial condition and liquidity.

22. SUBSEQUENT EVENTS

On March 11, 2024, the Company's Board of Directors declared a dividend for the period October 1, 2023 — December 31, 2023 of USD 0.51 per share. The dividend is payable on April 22, 2024 to shareholders of record on April 1, 2024.

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International General Insurance Holdings Ltd.
Schedule I — Investments
As at December 31, 2023

Column A	Column B	Column C	Column D
Type of investment	**Cost[(1)]**	**Value**	**Amount at which shown in the balance sheet**
	USD '000	**USD '000**	**USD '000**
Fixed maturities:			
Bonds:			
Foreign governments	10,087	9,376	9,376
Public utilities	32,278	32,175	32,175
All other corporate bonds	722,068	706,549	706,549
Redeemable preferred stock	25,186	19,484	19,484
Total fixed maturities	**789,619**	**767,584**	**767,584**
Equity securities:			
Common stocks:			
Public utilities	20	20	20
Banks, trust and insurance companies	9,509	10,859	10,859
Industrial, miscellaneous and all other	13,553	14,811	14,811
Nonredeemable preferred stocks	975	518	518
Total equity securities	**24,056**	**26,208**	**26,208**
Short-term investments	**42,157**	**42,157**	**42,157**
Other long-term investments[(2)]	**116,340**	**116,197**	**116,197**
Equity-method investments measured at fair value	**8,210**	**3,522**	**3,522**
Total investments	**938,225**	**955,668**	**955,668**

(1) Original cost of fixed maturities reduced by repayments and adjusted for amortization of premiums or accrual of discounts.
(2) Includes other investments and term deposits.

International General Insurance Holdings Ltd.
Schedule III — Supplementary Insurance Information
As At and For the Years Ended December 31, 2023, 2022 and 2021

Column A	Column B	Column C	Column D	Column F	Column G	Column H	Column I	Column J	Column K
Segment	Deferred policy acquisition costs, net	Reserve for unpaid loss and loss adjustment expenses	Unearned premiums	Gross written premiums	Investment income	Net loss and loss adjustment expenses	Net policy acquisition expenses	General and administrative expenses	Net written premiums
	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000	USD ’000
December 31, 2023									
Long-tail	33,386	356,995	180,410	226,862	—	(69,250)	(31,160)	—	152,962
Short-tail	28,984	305,731	245,500	400,682	—	(93,085)	(35,997)	—	283,117
Reinsurance	2,902	49,372	17,615	61,134	—	(26,752)	(7,819)	—	61,134
Corporate and other	—	—	—	—	40,460	—	—	(78,927)	—
Total	**65,272**	**712,098**	**443,525**	**688,678**	**40,460**	**(189,087)**	**(74,976)**	**(78,927)**	**497,213**
December 31, 2022									
Long-tail	33,950	321,600	179,421	233,046	—	(50,530)	(33,066)	—	167,491
Short-tail	22,625	274,804	200,720	317,412	—	(89,942)	(31,525)	—	193,809
Reinsurance	1,366	39,841	9,719	31,525	—	(17,090)	(5,608)	—	31,525
Corporate and other	—	—	—	—	20,947	—	—	(67,243)	—
Total	**57,941**	**636,245**	**389,860**	**581,983**	**20,947**	**(157,562)**	**(70,199)**	**(67,243)**	**392,825**
December 31, 2021									
Long-tail	N/A	N/A	N/A	224,717	—	(84,662)	(29,881)	—	168,034
Short-tail	N/A	N/A	N/A	288,425	—	(72,418)	(26,310)	—	187,185
Reinsurance	N/A	N/A	N/A	24,094	—	(15,959)	(3,431)	—	24,094
Corporate and other	N/A	N/A	N/A	—	14,487	—	—	(58,228)	—
Total	**N/A**	**N/A**	**N/A**	**537,236**	**14,487**	**(173,039)**	**(59,622)**	**(58,228)**	**379,313**

BOARD OF DIRECTORS

International General Insurance Holdings Ltd.

WASEF JABSHEH
Executive Chairman
(International General
Insurance Holdings Ltd.)

DAVID ANTHONY
Independent Director

MICHAEL GRAY
Independent Director

WALEED JABSHEH
Director
(President & CEO, International General
Insurance Holdings Ltd.)

DAVID KING
Independent Director

WANDA MWAURA
Independent Director

ANDREW POOLE
Independent Director

SHAREHOLDER INFORMATION

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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
Ernst & Young LLP
25 Churchill Place
London E14 5EY

TRANSFER AGENT
Continental Stock Transfer & Trust Company
1 State Street
New York, New York 10004-1561

MARKET INFORMATION
The common shares of International General Insurance Holdings Ltd. are listed on the Nasdaq Capital Market under the symbols IGIC.

ADDITIONAL INFORMATION
Copies of IGI's Annual Report, Forms 20-F, or other reports filed or furnished with the Securities and Exchange Commission, are available on the Company website at www.iginsure.com, or can be mailed by requesting a hard copy from the Head of Investor Relations at robin.sidders@iginsure.com.

For more information visit: www.iginsure.com/investors

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