

QBE Insurance Group Limited 28 008 485 014
Level 18, 388 George St, Sydney NSW 2000 Australia
GPO Box 82, Sydney NSW 2001 Australia
Tel: +61 2 9375 4444
qbe.com



9 May 2025

The Manager
Market Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam,

1Q25 PERFORMANCE UPDATE

Please find attached an announcement for release to the market.

This release has been authorised by the QBE Board of Directors.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Carolyn Scobie', followed by a period.

Carolyn Scobie
Company Secretary
Attachment

1Q25 Performance update

QBE updates on recent trading performance through 1Q25 and reiterates full year outlook. Strong premium growth has continued in 2025, as market conditions generally remain supportive, while underwriting performance has remained resilient in light of a challenging quarter for catastrophes.

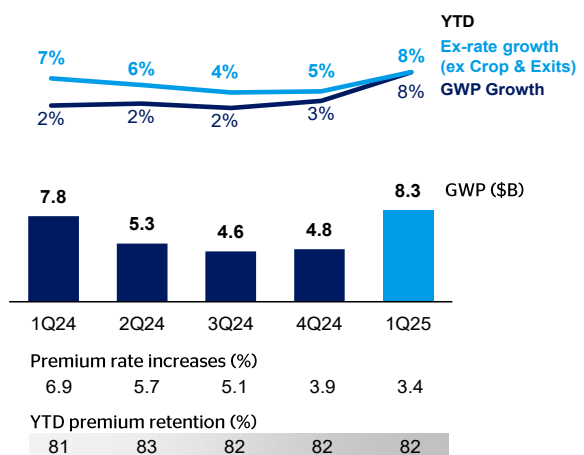
Premium growth

Gross written premium growth was strong in 1Q25, up 7% compared to the prior corresponding period, or 8% on a constant currency basis. Excluding premium rate increases of 3.4%, ex-rate growth of 7% was driven by ongoing and relatively broad momentum in International and North America.

1Q25 gross written premium growth included a ~\$100 million drag from the run-off of non-core lines in North America. Excluding this, ex-rate growth was 8% in the first quarter, and remains at 8% on further excluding Crop.

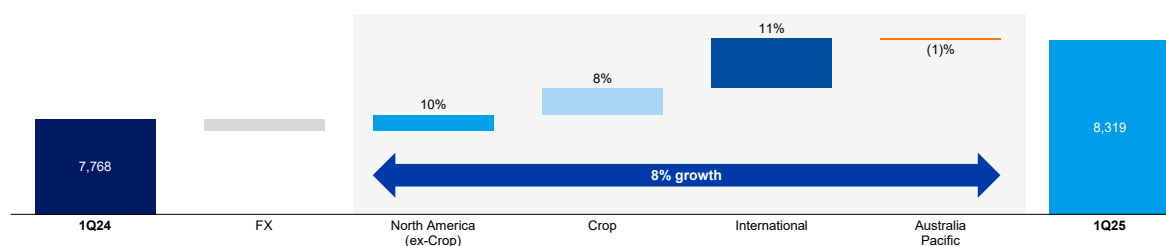
In Crop, QBE currently estimates moderate growth in FY25 gross written premium, although more stable net insurance revenue relative to FY24 given increased cessions to the federal risk pool.

Gross written premium metrics



Gross written premium growth of 8%

Growth ex-rate 7%



Underwriting performance

In the four months to April 2025, the net cost of catastrophe claims totalled approximately ~\$420 million, relative to QBE's first-half catastrophe allowance of \$549 million. Recent catastrophe activity was driven by the LA wildfires, flooding in Queensland, cyclone Alfred, and a series of convective storm events in North America. QBE's net exposure to the LA wildfires remains consistent with that outlined at our FY24 result.

Developments in global trade have been a key focus through the period. At present we expect any underwriting risks associated with initial trade disruption should be limited. Over the near-term, the proactive management of any emerging inflationary pressures will be our primary focus.

	\$M
CAT April YTD	~420
1H25 CAT allowance	549
2H25 allowance	611
FY25 CAT allowance	1,160

Investment performance

Investment returns for the quarter were positive, supported by favourable interest rates and strong risk asset performance. The 1Q25 exit core fixed income yield of 4.1% reduced slightly from the FY24 exit yield of 4.3%.

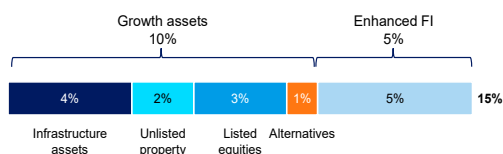
Total investment FUM for 1Q25 was \$31.6 billion, increasing from \$30.6 billion in FY24, with risk assets now accounting for ~15% of the portfolio. Lower risk-free rates resulted in an unrealised gain on core fixed income securities of ~\$50M, which was broadly offset by a claims liability discount benefit, resulting in a neutral impact from asset-liability management activities for the quarter.

Volatility in financial markets increased markedly through April, following the broad correction in response to the US government's April 2 tariff announcement. Our portfolio has exhibited pleasing resilience through this period and remains conservatively positioned. In the four months to April, preliminary total investment income is currently estimated at ~\$410 million.

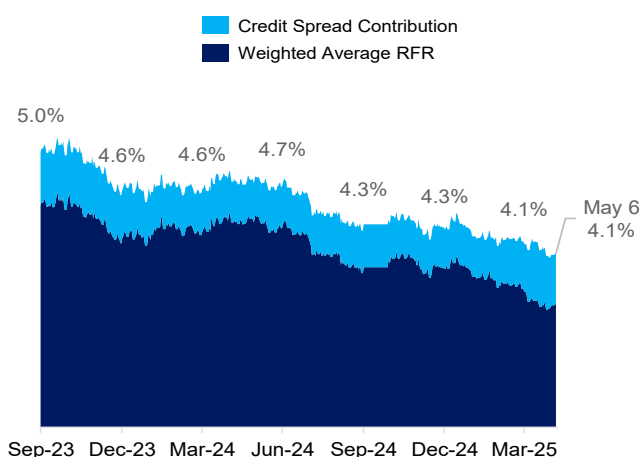
Investment return

	1Q25 \$M	1Q25 YTD %	APRIL YTD \$M
FI yield (ex risk-free rate)	294	1.1	~380
Credit spreads MTM	(32)	(0.1)	~(60)
Risk assets	85	1.9	~90
Expenses and other	(1)	(0.0)	~(0)
Net return	346	1.1	~410

Risk assets - 15% of total 1Q25 FUM



Core fixed income yield



Outlook

QBE confirms full year outlook, and continues to expect:

- FY25 constant currency gross written premium growth in the mid-single digits, inclusive of a ~\$250 million drag from the non-core run-off in North America.
- FY25 Group combined operating ratio of ~92.5%.

QBE will release its 1H25 result on Friday 8 August 2025.

Contact details

For further information, please contact:

Investor Relations

Ashley Dalziell
Group Head of Investor Relations
Tel: +61 2 9225 8868
investor.relations@qbe.com

Media Enquiries

Natalie Kitchen
Group Head of External Relations
Tel: +61 2 8275 9253
natalie.kitchen@qbe.com

QBE Insurance Group Limited

Level 18, 388 George Street, Sydney NSW 2000 Australia
telephone +61 2 9375 4444 | ABN 28 008 485 014 | www.qbe.com

Basis of presentation (unless otherwise stated)

1. All figures are expressed in US dollars.
2. Premium growth rates are quoted on a constant currency basis.
3. Premium rate change excludes North America Crop and/or Australian compulsory third party motor (CTP).
4. Funds under management comprise cash and cash equivalents, investments and investment properties.
5. Core fixed income excludes enhanced fixed income risk assets, which comprise emerging market debt, high yield debt and private credit.
6. Total core fixed income yield includes assets measured at fair value through profit and loss, and fair value through other comprehensive income.

Disclaimer

The information in this announcement provides an overview of the unaudited results for the March 2025 quarter and where relevant with the addition of April 2025.

This announcement should be read in conjunction with all information which QBE has lodged with the Australian Securities Exchange ('ASX'). Copies of those lodgements are available from either the ASX website www.asx.com.au or QBE's website www.qbe.com.

The information is supplied in summary form and is therefore not necessarily complete. Prior to making a decision in relation to QBE's securities, products or services, investors, potential investors and customers must undertake their own due diligence as to the merits and risks associated with that decision, which includes obtaining independent financial, legal and tax advice on their personal circumstances. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

This announcement contains certain 'forward-looking information' and 'forward-looking statements' within the meaning of applicable securities laws. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan', 'outlook' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of QBE that may cause actual results to differ materially from those either expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You are cautioned not to place undue reliance on forward-looking statements. Such forward-looking statements only speak as of the date of this announcement and QBE assumes no obligation to update such information.

Any forward-looking statements assume no material variation in catastrophe claims or premium rates relative to our business plans; no significant change in equity markets and interest rates; no major movement in budgeted foreign exchange rates; no material change to key inflation and economic growth forecasts; recoveries from our reinsurance panel; no unplanned asset sales and no substantial change in regulation. Should one or more of these assumptions prove incorrect, actual results may differ materially from the expectations described in this announcement.

This announcement does not constitute an offer or invitation for the sale or purchase of securities. In particular, this announcement does not constitute an offer of securities for sale in the United States, or to any person that is, or is acting for the account or benefit of, any U.S. person, or in any other jurisdiction in which such an offer would be illegal. Securities of QBE may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. persons without registration under the Securities Act or an exemption from registration.

Appendix

Premium rate change and retention metrics¹

	1Q24	2Q24	3Q24	4Q24	1Q25
North America					
+8.1% YTD	◀ 9.3% ▶		◀ 4.9% ▶		
	10.9%	6.9%	6.4%	3.0%	8.1%
Retention	67%	68%	68%	68%	69%
International					
+1.6% YTD	◀ 4.2% ▶		◀ 2.8% ▶		
	4.4%	4.0%	2.9%	2.7%	1.6%
Retention	88%	88%	88%	87%	88%
Australia Pacific					
+5.2% YTD	◀ 9.9% ▶		◀ 7.0% ▶		
	11.0%	9.0%	7.3%	6.7%	5.2%
Retention	76%	81%	81%	81%	80%
Group					
+3.4% YTD	◀ 6.3% ▶		◀ 4.5% ▶		
	6.9%	5.7%	5.1%	3.9%	3.4%
Retention	81%	83%	82%	82%	82%

¹ Retention metrics are presented on a year to date basis.