

FOURTH QUARTER 2025 RESULTS

February 11, 2026



SAFE HARBOR STATEMENT AND NON-GAAP MEASURES

This presentation may contain forward-looking statements about our operations, anticipated performance and other similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor under the Securities Act of 1933 and the Securities Exchange Act of 1934 for forward-looking statements. The forward-looking statements are not historical facts and involve risks and uncertainties that could cause actual results to differ from those expected and/or projected. Such forward-looking statements are based on current expectations, estimates, forecasts and projections about the Company, the industry in which we operate, and beliefs and assumptions made by management. Words such as "expect(s)," "anticipate(s)," "intend(s)," "plan(s)," "believe(s)," "continue(s)," "seek(s)," "estimate(s)," "goal(s)," "remain(s) optimistic," "target(s)," "forecast(s)," "project(s)," "predict(s)," "should," "could," "may," "will," "might," "hope," "can" and other words and terms of similar meaning or expression in connection with a discussion of future operations, financial performance or financial condition, are intended to identify forward-looking statements. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed in such forward-looking statements. Some factors that could cause actual outcomes and results to differ materially from those expressed in the forward-looking statements is contained in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission ("SEC") on February 26, 2025. The risks identified in our Annual Report on Form 10-K and in our other SEC filings are representative of the risks, uncertainties, and assumptions that could cause actual outcomes and results to differ materially from what is expressed in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release or as of the date they are made. Except as required under the federal securities laws and the rules and regulations of the SEC, we do not have any intention and disclaim any duty or obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Non-GAAP financial measures

This presentation also includes certain non-GAAP financial measures within the meaning of Regulation G, including "adjusted operating income (loss)," which are used where management believes them to be helpful in understanding the Company's results of operations or financial position. Refer to information about the non-GAAP measures contained in this presentation. Additional information as required by Regulation G are available in our Annual Report on Form 10-K and our Form 8-K furnished as of the date of this presentation with the SEC, which are available at <http://ir.ufginsurance.com> under "Financials." Investors are cautioned not to place undue reliance on these non-GAAP measures in assessing our overall financial performance.

CONSOLIDATED FINANCIAL RESULTS

<u>(In Millions, Except Per Share Data)</u>	Fourth Quarter			Year to Date		
	2025	2024	Change	2025	2024	Change
Net premiums written	\$310	\$279	11%	\$1,346	\$1,231	9%
Net premiums earned	\$341	\$308	11%	\$1,293	\$1,177	10%
<u>GAAP Ratios:</u>						
Net loss ratio	56.6%	57.3%	(0.7) pts	59.1%	63.3%	(4.2) pts
Underwriting expense ratio	35.7%	37.1%	(1.4) pts	35.7%	35.9%	(0.2) pts
Combined ratio	92.3%	94.4%	(2.1) pts	94.8%	99.2%	(4.4) pts
<u>Loss Ratios:</u>						
Net loss ratio	56.6%	57.3%	(0.7) pts	59.1%	63.3%	(4.2) pts
Catastrophe loss ratio ⁽¹⁾	1.2%	1.6%	(0.4) pts	3.2%	5.4%	(2.2) pts
Reserve development (excl. catastrophe) ⁽¹⁾	0.0%	0.0%	0.0 pts	(0.4)%	0.0%	(0.4) pts
Underlying loss ratio ⁽¹⁾	55.4%	55.7%	(0.3) pts	56.3%	57.9%	(1.6) pts
Underlying combined ratio ⁽²⁾	91.1%	92.8%	(1.7) pts	92.0%	93.8%	(1.8) pts
Net investment income	\$26	\$23		\$98	\$82	
Net investment gains (losses)	(\$2)	(\$1)		(\$4)	(\$5)	
Net income (loss)	\$38	\$31		\$118	\$62	
Adjusted operating income (loss) ⁽³⁾	\$40	\$32		\$121	\$66	
Net income (loss) per diluted share	\$1.45	\$1.21		\$4.48	\$2.39	
Adjusted operating income (loss) per diluted share ⁽³⁾	\$1.50	\$1.25		\$4.60	\$2.56	
Return on equity ⁽⁴⁾				13.7%	8.2%	
Book Value per Share				\$36.88		
Adjusted Book Value per Share ⁽⁵⁾				\$37.87		

- Fourth quarter combined ratio of 92.3% improved from prior year across all components
- Annual combined ratio of 94.8%, investment income of \$98M and ROE of 13.7% the best in a decade or longer
- Full year net income of \$118M, or \$4.48 per share, nearly doubled from prior year
- Net written premium grew 11% in the fourth quarter and 9% for the full year
- Net investment income increased 14% in the fourth quarter and 19% for the full year on sustainable growth in fixed maturity income
- Book value per share increased to \$36.88; adjusted book value per share increased to all-time high of \$37.87

(1) Underlying loss ratio is a non-GAAP financial measure that is defined as the net loss ratio less impacts of catastrophes and non-catastrophe prior year reserve development.

(2) Underlying combined ratio is a non-GAAP financial measure that is defined as the GAAP combined ratio less impacts of catastrophes and non-catastrophe prior year reserve development.

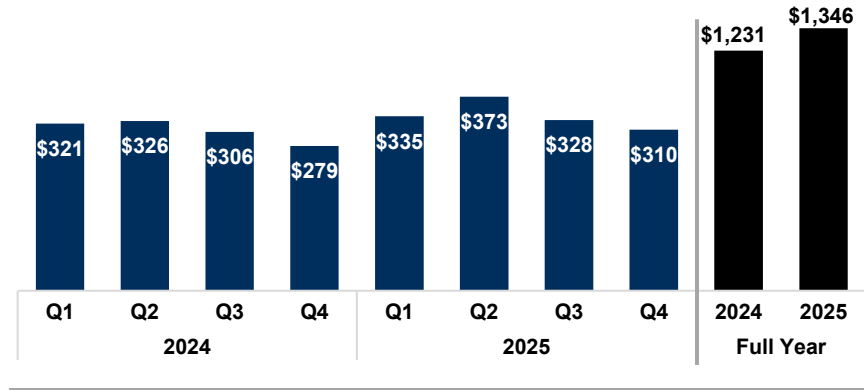
(3) Adjusted operating income (loss) is a non-GAAP financial measure of net income excluding net investment gains and losses, after applicable taxes.

(4) Return on equity is calculated by dividing annualized net income by average stockholders' equity, which is calculated using a simple average of the beginning and ending balances for the period.

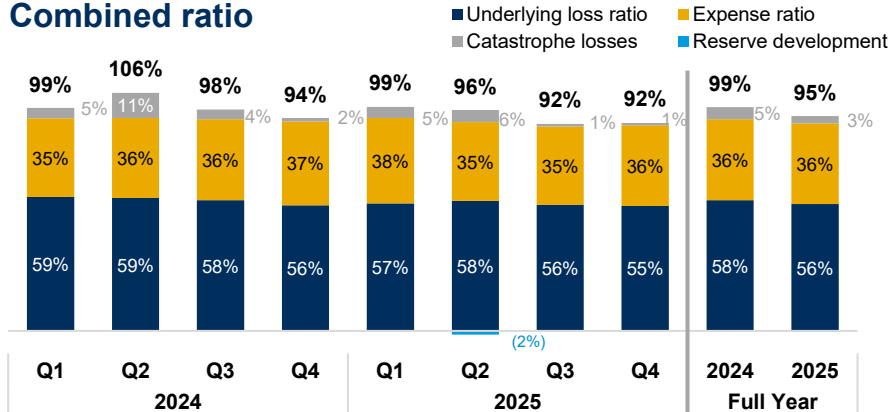
(5) Adjusted book value per share is a non-GAAP financial measure calculated by dividing shareholders' equity, excluding net unrealized investment gains and losses, after applicable federal and state income taxes, by the number of common shares outstanding.

P&C TRENDS

Net written premium (\$M)



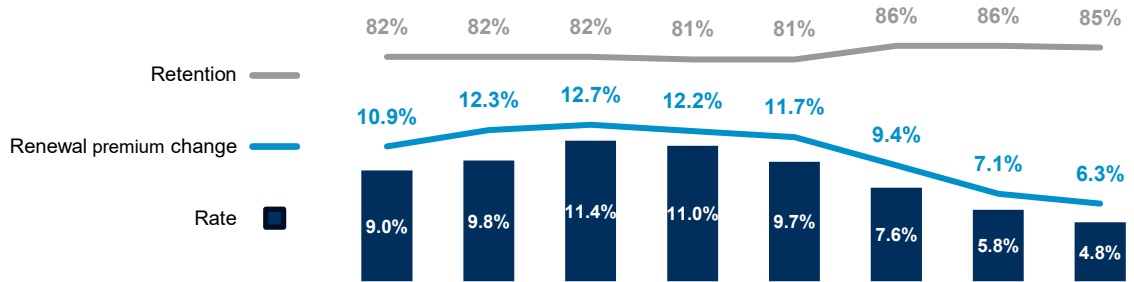
Combined ratio



- Net written premium growth of 11% in the fourth quarter and 9% for the full year to record levels
- Fourth quarter combined ratio improved 2.1 points to 92.3% with improved underlying loss ratio, expense ratio and catastrophe losses
- Annual combined ratio of 94.8% best in 10 years
- Fourth quarter prior year reserve development neutral
- Fourth quarter catastrophe loss ratio of 1.2% outperformed five- and 10-year historical averages
- Fourth quarter underwriting expense ratio improved 1.4 points reflecting continued focus on disciplined expense management and business growth
- Fourth quarter and full year underlying loss ratio improved from ongoing benefits of earned rate achievement, underwriting discipline, and favorable experience in the current year

(1) Underlying loss ratio is a non-GAAP financial measure that is defined as the net loss ratio less impacts of catastrophes and non-catastrophe prior year reserve development.
 (2) Underlying combined ratio is a non-GAAP financial measure that is defined as the GAAP combined ratio less impacts of catastrophes and non-catastrophe prior year reserve development.

P&C PRODUCTION RESULTS



BUSINESS UNIT DETAIL		2024				2025			
SMALL BUSINESS	Retention	81%	80%	78%	77%	80%	86%	89%	88%
	Rate	4%	1%	5%	6%	5%	6%	5%	5%
	New business \$	8	11	11	13	14	14	14	12
CONSTRUCTION	Retention	85%	83%	84%	82%	83%	84%	85%	86%
	Rate	8%	9%	12%	12%	11%	7%	5%	5%
	New business \$	17	22	18	14	26	38	35	24
MIDDLE MARKET	Retention	79%	84%	83%	83%	80%	89%	86%	85%
	Rate	12%	13%	12%	11%	9%	9%	7%	4%
	New business \$	13	15	10	15	16	20	16	12
CORE COMMERCIAL	GWP \$	239	240	202	199	256	285	243	218
	NWP \$	223	224	186	184	239	268	226	201
	New business \$	41	50	40	42	57	75	67	49
SURETY	NWP \$	14	12	14	10	15	15	14	13
SPECIALTY	NWP \$	7	18	11	16	8	16	10	22
ALT DIST	NWP \$	77	72	95	69	74	75	77	74

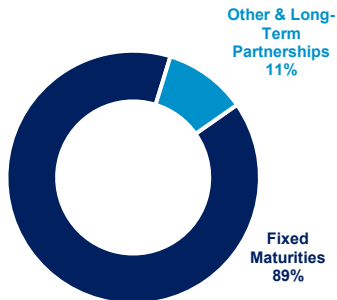
Notes:
 Monoline IM included in total core commercial results
 Surety NWP excludes proportional reinsurance

- All business units contributed to fourth quarter net written premium growth
- Fourth quarter core commercial rate increase of 4.8% continues to offer attractive margins
- Full year premium growth broad-based across core commercial, surety and specialty with alternative distribution premium down slightly due to targeted actions on a small number of accounts
- Record new business volume in 2025 driven by strengthened relationships with distribution partners who value UFG's expanded expertise and capabilities
- Retention remained strongly above prior year commensurate with confidence in portfolio following heightened risk selection and pricing improvement actions

INVESTMENT PORTFOLIO

Investment portfolio composition & quality

Portfolio Composition



Fixed Maturity Credit Rating

Rating	% of Portfolio
AAA	26%
AA	41%
A	22%
Baa / BBB	9%
Investment Grade	98%
Other / Not Rated	2%
Total Fixed Maturity	100%

Note: Totals may be impacted by rounding

- Fourth quarter invested assets grew to \$2.5B on improved operating earnings, with 89% of invested assets in fixed income securities
- High-quality portfolio with average credit rating on fixed maturity assets of AA
- Portfolio attractively positioned to reinvest at higher rates with duration maintained at approximately four years
- Unrealized loss improved in fourth quarter due to interest rate movement

Unrealized gain / loss impact on stockholders' equity

<u>Fixed Maturity Asset Balance (\$M)</u>	<u>Q4 2025</u>	<u>Q4 2024</u>	<u>YTD Change</u>
Book Value	\$2,239	\$1,962	
Unrealized Gain (Loss)	(\$34)	(\$93)	\$59
Carried Assets on Balance Sheet	\$2,205	\$1,868	

Change in Equity (After-Tax) \$47

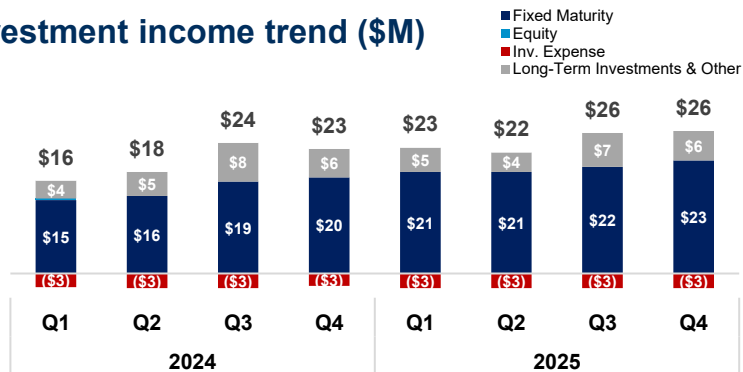
Note: Totals impacted by rounding

INVESTMENT INCOME

Results

<u>(In Millions)</u>	Fourth Quarter			Year to Date		
	2025	2024	Change	2025	2024	Change
Investment income:						
Interest on fixed maturities	\$23	\$20	17%	\$88	\$70	26%
Dividends on equity securities	\$0	\$0	NM	\$0	\$0	NM
Income on other long-term investments	\$2	\$2	10%	\$7	\$8	(13%)
Other	\$4	\$4	0%	\$15	\$15	1%
Total investment income	\$29	\$26	14%	\$110	\$93	18%
Less investment expenses	(\$3)	(\$3)	(17%)	(\$12)	(\$11)	(11%)
Net investment income	\$26	\$23	14%	\$98	\$82	19%
Net investment gains (losses)	(\$2)	(\$1)		(\$4)	(\$5)	
Yield (pre-tax):						
Fixed Maturity ⁽¹⁾	4.4%	4.2%		4.3%	3.7%	

Net investment income trend (\$M)



Pre-tax yield¹

Total	3.6%	3.6%	4.0%	4.1%	4.3%	4.3%	4.4%	4.4%
New Money	5.5%	5.6%	5.2%	5.4%	5.3%	5.4%	5.0%	5.0%

(1) Fixed maturity yield excluding unrealized gains/losses and expenses

- Fourth quarter net investment income increased 14% with 17% growth in fixed maturity income
- Fixed maturity income growth driven by combination of portfolio growth, strategic management actions and reinvestment of portfolio proceeds at yields above portfolio average
- New purchase yield of 5.0% continued to exceed total portfolio yield, supporting increased future returns
- Other long-term investments including limited partnerships delivered solid returns in the fourth quarter