



May 2021

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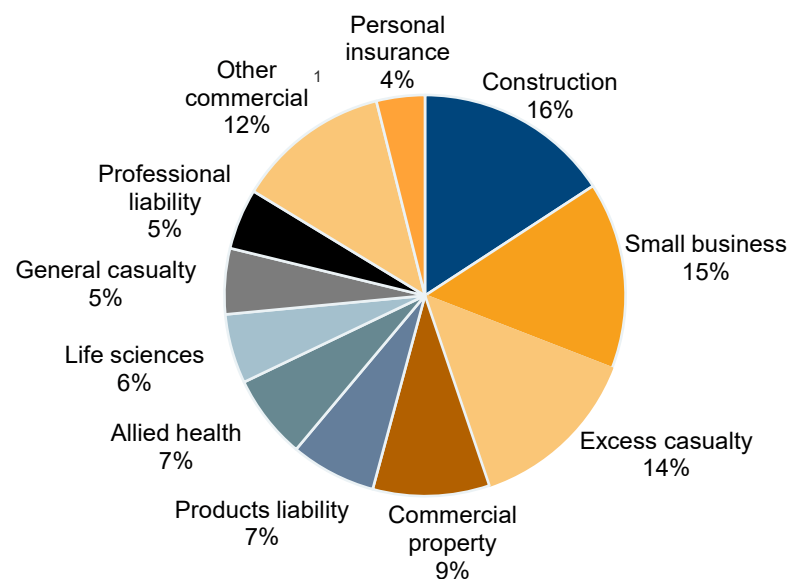
To supplement Kinsale's consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States (GAAP) and to better reflect period-over-period comparisons, Kinsale uses non-GAAP financial measures of performance and financial position that either exclude or include amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. Non-GAAP financial measures do not replace and are not superior to the presentation of GAAP financial results but are provided to improve overall understanding of Kinsale's current financial performance and its prospects for the future. Kinsale believes the non-GAAP financial results provide useful information to both management and investors regarding certain additional financial and business trends relating to financial condition and operating results. In addition, management uses these measures, along with GAAP information, for reviewing financial results and evaluating its historical operating performance. The non-GAAP adjustments for all periods presented are based upon information and assumptions available as of the date of this presentation. The non-GAAP information is not prepared in accordance with GAAP and may not be comparable to non-GAAP information used by other companies. For further discussion of the limitations of these non-GAAP financial measures and the reconciliations to the most directly comparable GAAP financial measures, see the Appendix to this presentation.

# Introduction to Kinsale

## Overview

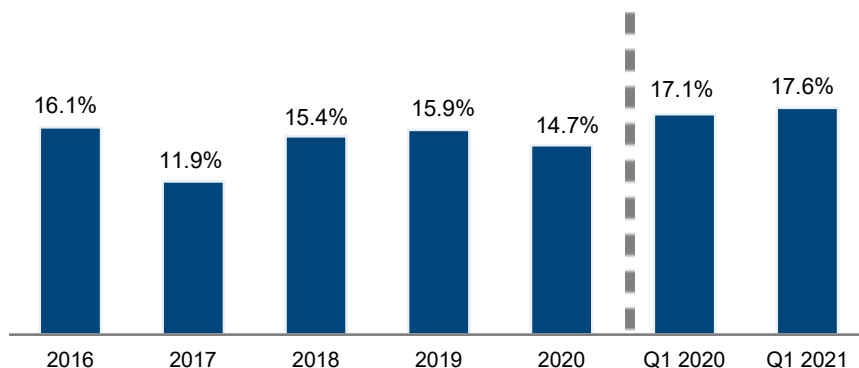
- Founded in June 2009 and focused exclusively on the excess and surplus lines (“E&S”) market
- Utilize our underwriting expertise to write coverages for hard-to-place small to medium-sized business risks
- Focus on smaller accounts, which we believe are generally subject to less competition with better pricing
- Experienced and cohesive management team who average over 25 years of experience in the E&S market
- Entrepreneurial and highly efficient underwriter, using proprietary technology and leveraging expertise of our experienced employees
- Well positioned to capitalize on attractive opportunities in target market and prudently grow our business

## 2020 gross written premiums by division

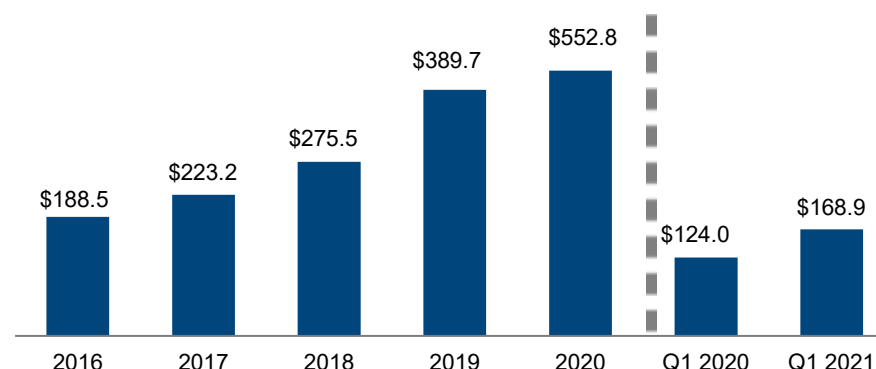


**2020 GWP: \$552.8mm**

## Operating return on equity<sup>2,3</sup>



## Gross written premiums (\$mm)










<sup>1</sup> Includes Management liability, Energy, Environmental, Health care, Inland marine, Public entity and Commercial insurance; <sup>2</sup> Includes the effect of multi-line quota share reinsurance in 2016; <sup>3</sup> Operating return on equity is a non-GAAP financial measure. Operating return on equity is defined as net operating earnings expressed as a percentage of average beginning and ending stockholders' equity during the period. Please see Page 17: Non-GAAP reconciliation – Net Operating Earnings.

## Highly experienced management team

- Our management team is highly experienced with an average of over 25 years of experience in the E&S insurance market
- Strong business culture of recognizing achievement, rewarding the doers and removing underperformers
- As meaningful owners of Kinsale, our management team has closely aligned interests with our stockholders

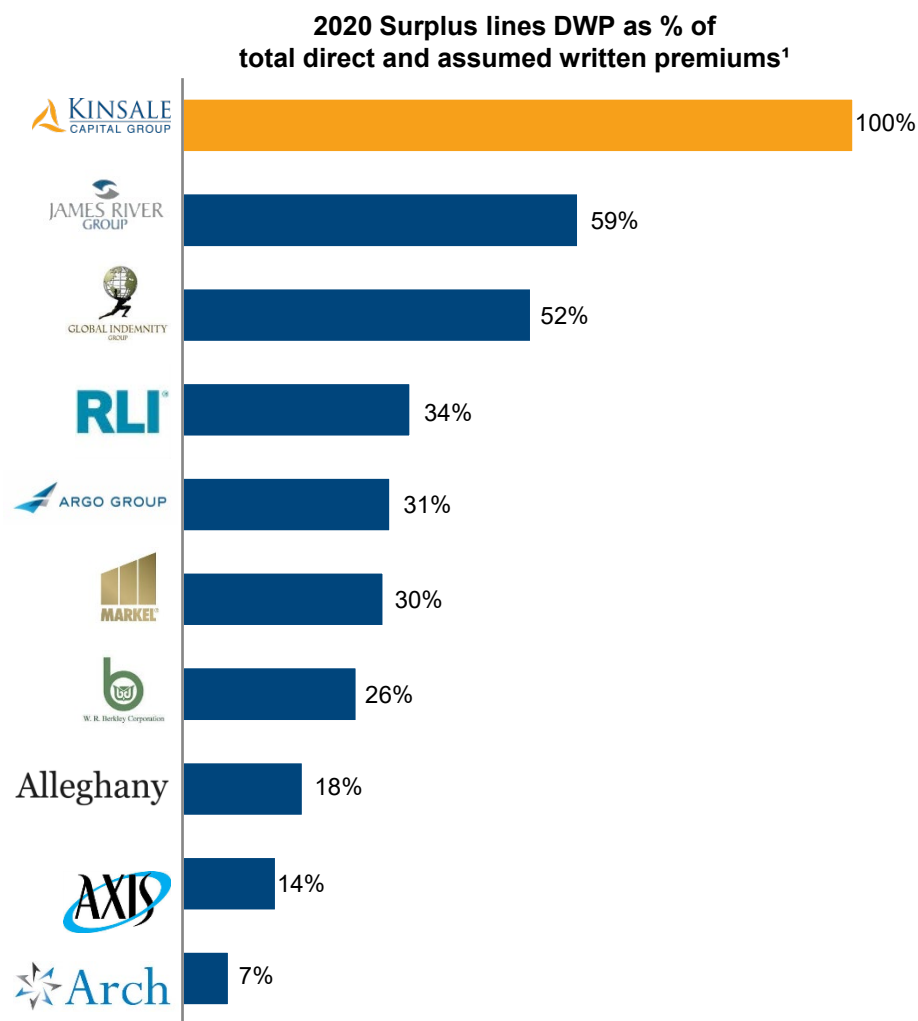
	Name	Exp.	Prior experience	Start
	<b>Michael Kehoe</b> <i>Founder, President and CEO</i>	25+ years	President and CEO at James River from 2002 to 2008	Founder
	<b>Brian Haney</b> <i>Chief Operating Officer</i>	25+ years	Chief Actuary of James River from 2002 to 2009	Chief Actuary
	<b>Bryan Petrucelli</b> <i>Chief Financial Officer</i>	25+ years	Senior Manager in Ernst & Young's audit practice for over 13 years	VP of Finance

## Key investment highlights

-  Exclusive focus on the E&S market
-  Underwriting expertise across a broad spectrum of hard-to-place risks
-  Technology is a core competency
-  Best combination of high growth and low combined ratio among peers<sup>1</sup>
-  Fully integrated claims management
-  Entrepreneurial management team with a track record of success
-  Well positioned for continued profitable growth

<sup>1</sup> Public companies comprising the peer group are set forth on Page 10

## Kinsale is the only publicly-traded pure-play E&S investment opportunity



### Our differentiating factors

- ✓ 100% primary E&S insurance
- ✓ Focus on small to medium-sized accounts
- ✓ Primarily casualty lines, with some property exposure
- ✓ Proprietary technology drives efficiency and expense advantage
- ✓ We do not extend underwriting authority to brokers, agents or other third parties
- ✓ Management team has worked together for 20+ years in E&S market

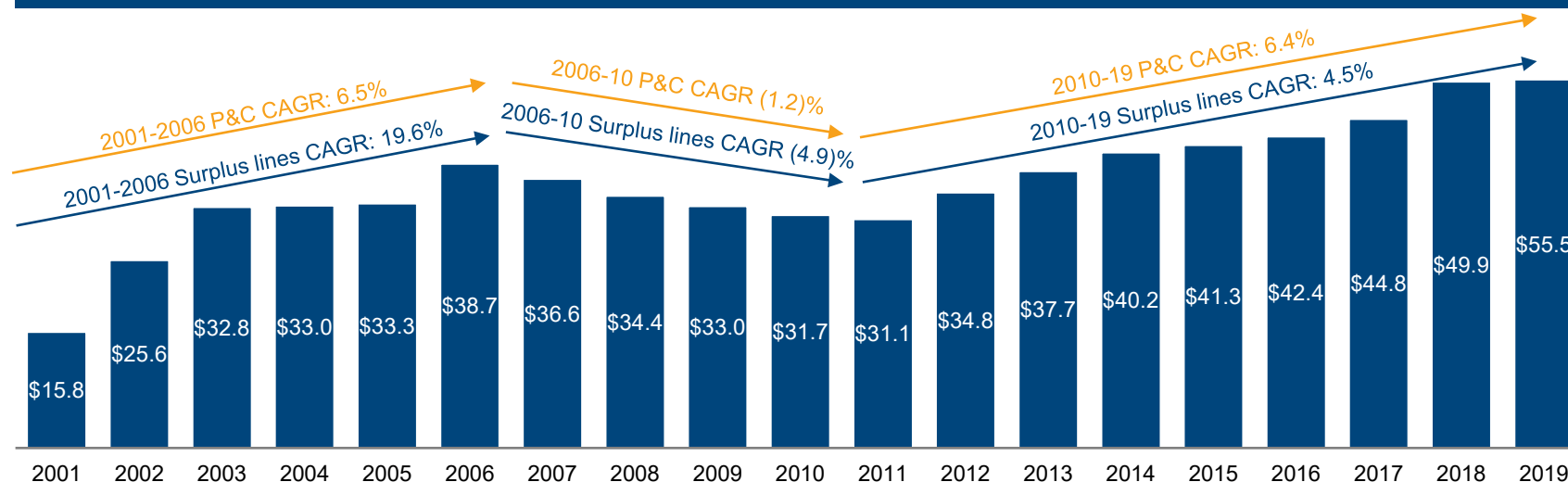
Source: S&P Global Market Intelligence

<sup>1</sup> Statutory surplus lines direct premiums written as defined by S&P Global Market Intelligence statutory direct and assumed premiums written

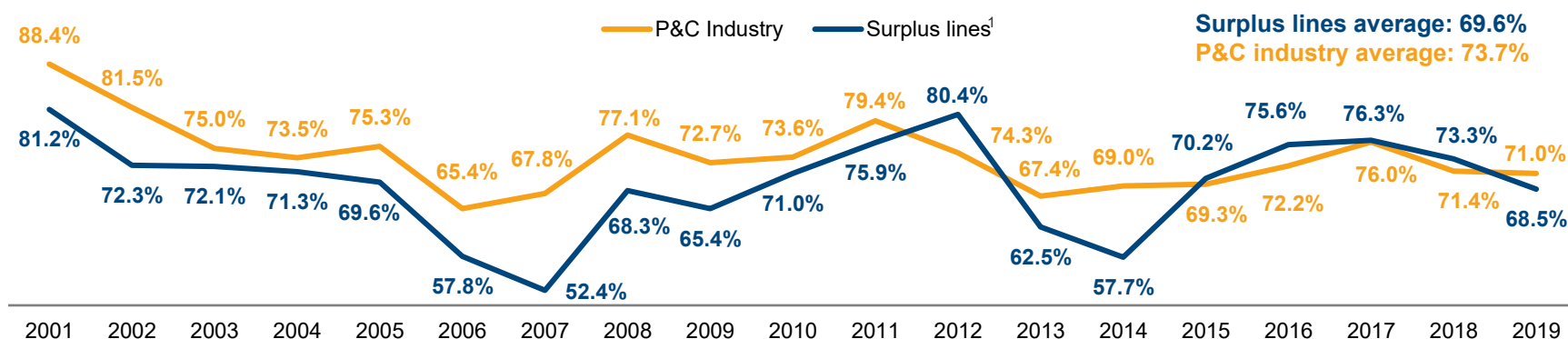


The E&S market has seen significant growth and generated better underwriting results than the broader P&C industry

**U.S. surplus lines direct written premiums (\$bn)**



**Net loss and LAE ratio – U.S. domestic professional surplus lines vs. P&C industry**




Source: A.M. Best

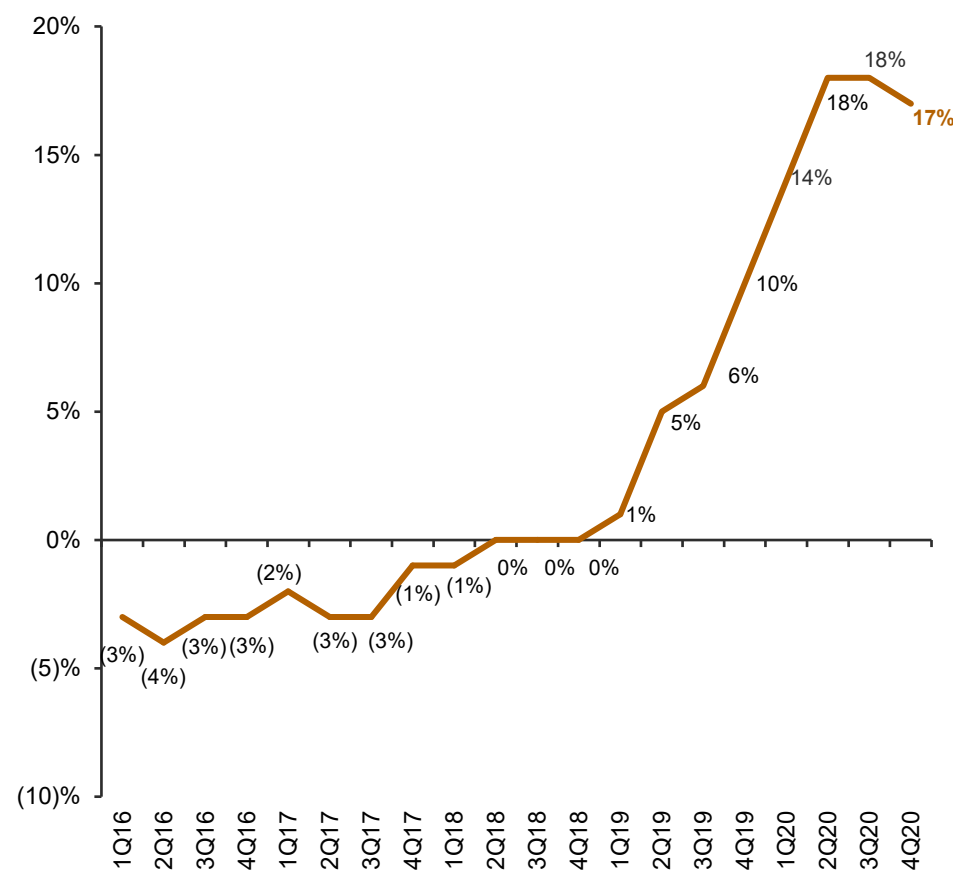
<sup>1</sup> Represents domestic professional surplus lines (DPSL) as defined by A.M. Best

## Dislocation in the E&S market creates additional opportunities

### 2019 E&S market share by DPW<sup>1</sup>

Company	DPW (\$mm)	Market Share
Lloyd's	12,477	22.5%
AIG	2,946	5.3%
MKL	2,747	5.0%
BRK	2,341	4.2%
WRB	2,049	3.7%
Nationwide	2,035	3.7%
Fairfax	1,764	3.2%
Chubb	1,649	3.0%
AXA	1,582	2.9%
Liberty Mutual	1,510	2.7%
 KINSALE CAPITAL GROUP	390	0.7%
Other	23,995	43.1%
<b>Total E&amp;S DPW</b>	<b>\$55,485</b>	<b>100.0%</b>

### US composite insurance pricing change<sup>2</sup>



**Kinsale is poised to benefit from the growing and progressively dislocated E&S market**

<sup>1</sup>Source: AM Best Market Segment Report; <sup>2</sup>Source: Marsh Global Analytics



## Our underwriting expertise across a broad spectrum of hard-to-place risks

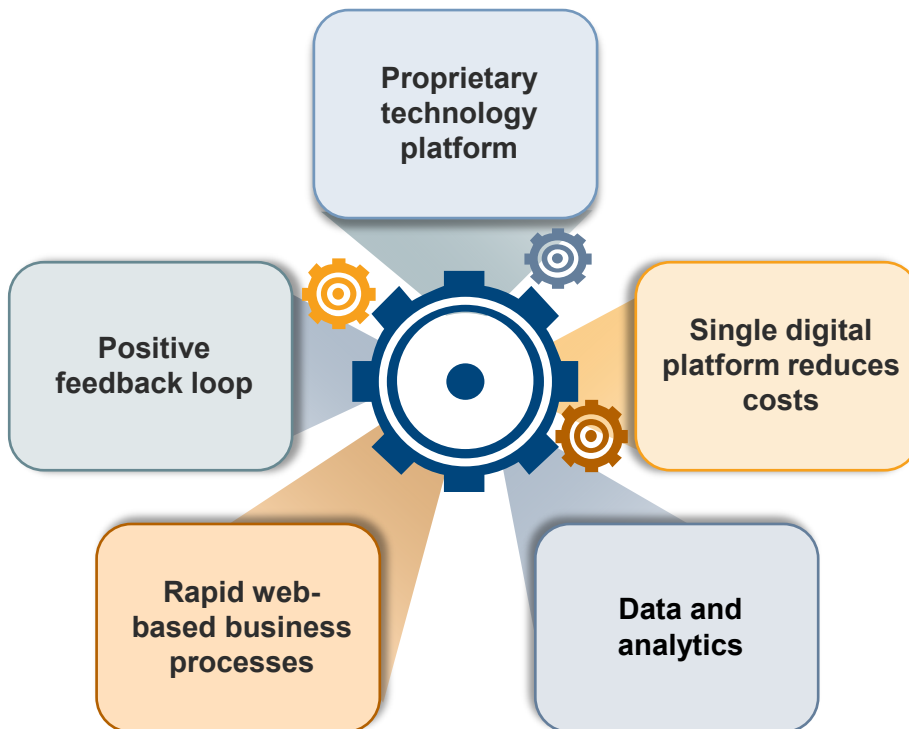
- Broad appetite to underwrite a diverse set of risks across the E&S market, including some difficult risks where we believe pricing may be attractive
- Highly experienced underwriting team individually underwrites each risk to appropriately price and structure solutions for insureds
- Utilize proprietary technology for efficient customer identification and most attractive risk selection
- Balance broad risk appetite by maintaining a diversified book of smaller accounts with strong pricing and well defined coverages
- Unlike many of our competitors, we do not extend underwriting authority to brokers, agents, or other third parties

### Kinsale's underwriting divisions

Gross written premium by division (\$000's)	Year ended December 31,			2018-20 CAGR
	2018	2019	2020	
Commercial				
Construction	\$50,879	\$71,035	\$87,206	30.9%
Small business	44,368	63,181	83,289	37.0%
Excess casualty	37,398	51,225	76,715	43.2%
Commercial property	9,166	29,115	51,789	137.7%
Product liability	20,049	26,333	38,306	38.2%
Allied health	16,815	23,962	37,562	49.5%
Life sciences	14,505	17,821	31,027	46.3%
General casualty	17,625	23,279	29,205	28.7%
Professional liability	16,717	20,029	27,051	27.2%
Management liability	8,161	14,820	24,061	71.7%
Energy	15,586	15,371	16,985	4.4%
Environmental	2,205	5,179	8,568	97.1%
Health care	5,725	5,963	7,666	15.7%
Inland marine	2,046	3,467	6,910	83.8%
Public entity	1,193	580	3,007	58.8%
Commercial insurance	1,096	1,674	1,757	26.6%
Total commercial	\$263,534	\$373,034	\$531,104	42.0%
Personal				
Personal insurance	12,004	16,660	21,710	34.5%
Total personal	\$12,004	\$16,660	\$21,710	34.5%
Total	\$275,538	\$389,694	\$552,814	41.6%

## Technology is a core competency

- We think like a technology company – digital automation is at the heart of every project

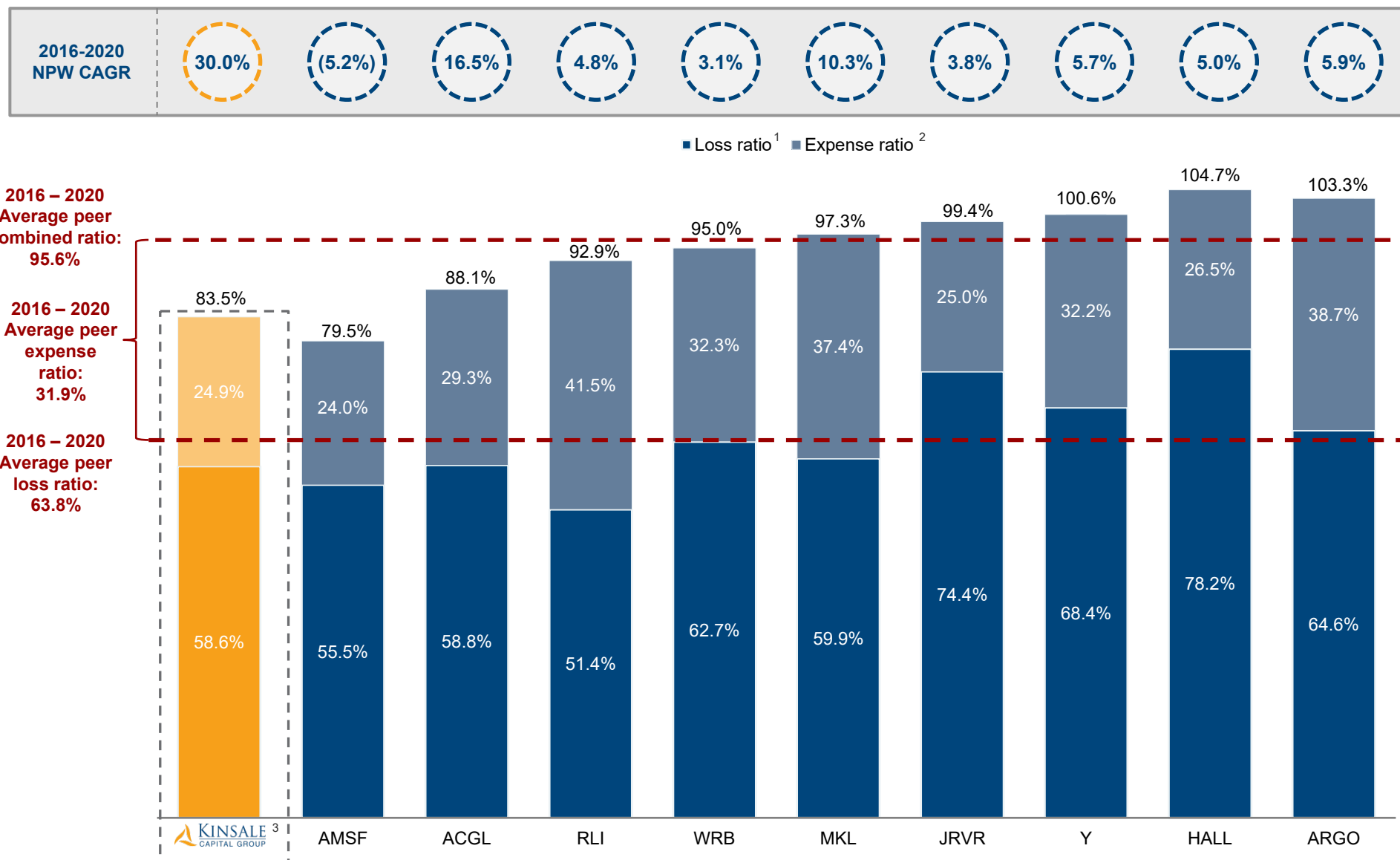


### Key highlights

- Proprietary platform design ***reflects the best practices our management team*** has learned from extensive prior experience
- Single digital platform allows for the ***integration of various functions throughout the organization***, promoting clear communication, accurate customer data, and operational efficiency
- Data warehouse systematically collects an ***array of statistical data*** throughout the underwriting process in order to inform future underwriting and business decisions
- Systems architecture minimizes costly data-entry steps and permits the underwriter to ***focus on underwriting the account accurately and rapidly***
- ***Agile development process*** allows our IT department to quickly release application updates across our platform
- ***Efficiency, accuracy, and speed*** in our systems enables a positive feedback loop across our team and creates a competitive advantage

We believe that our technology platform will provide us with an enduring competitive advantage as it allows us to quickly respond to market opportunities, and will continue to scale as our business grows

Our combined ratio is one of the lowest amongst our specialty insurer peers while achieving leading growth among peers

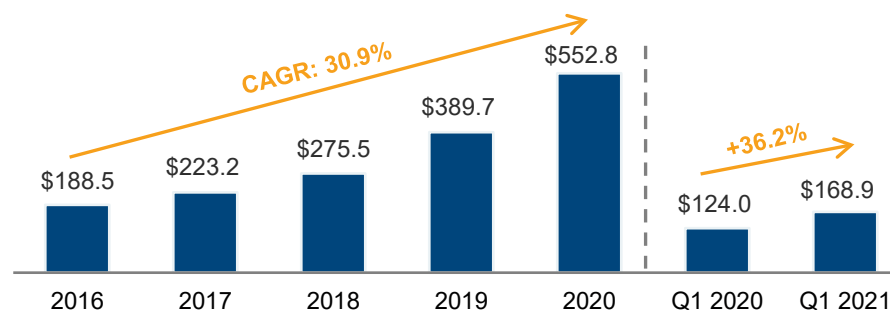


# We believe Kinsale is well-positioned for continued profitable growth

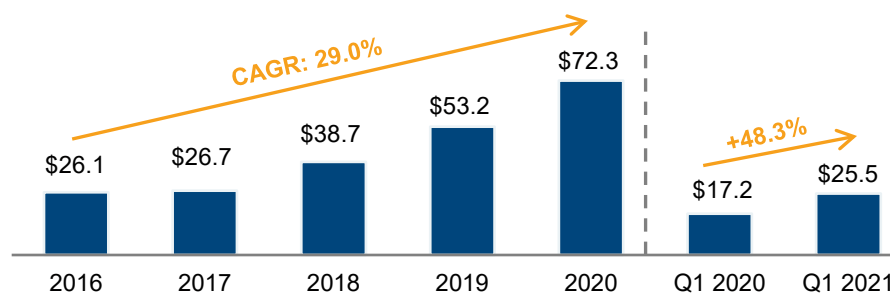
## Growth drivers

- ✓ Expand our presence in the E&S market, particularly with smaller accounts which we believe are subject to less competition
- ✓ Maintain a contrarian risk appetite
- ✓ Develop new product offerings where we have underwriting expertise
- ✓ Grow Aspera, our wholly-owned broker
- ✓ Leverage technology to drive efficiencies and improve service standards
- ✓ Maintain a strong balance sheet to ensure a platform for future growth

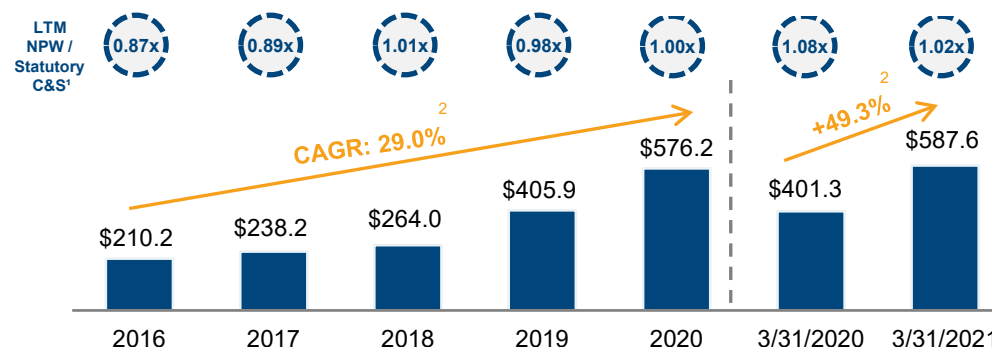
## Gross premiums written (\$mm)



## Net operating earnings<sup>3</sup> (\$mm)



## Total stockholders' equity (\$mm)



Source: Company filings; Note: <sup>1</sup> Represents Statutory Capital and Surplus ("C&S") of Kinsale Insurance Company; <sup>2</sup> CAGR of stockholders' equity is net of proceeds from equity offerings. <sup>3</sup> Net operating earnings is a non-GAAP financial measure. Please see Page 17: Non-GAAP reconciliation – Net Operating Earnings

## First quarter 2021 financial update








- Net income increased by 530.7% compared to the first quarter of 2020, which was due to growth in the business from favorable market conditions and continued rate increases, higher returns on equity investments as a result of a rebound in the financial markets and higher net favorable development of loss reserves from prior accident years
- Net operating earnings<sup>(1)</sup> of \$25.5 million increased by 48.1% compared to the first quarter of 2020
- Underwriting income<sup>(2)</sup> of \$24.6 million in the first quarter of 2021, resulting in a combined ratio of 80.0%
- 36.2% growth in gross written premiums to \$168.9 million compared to the first quarter of 2020
- 16.5% increase in net investment income to \$6.9 million compared to the first quarter of 2020
- 17.6% annualized operating return on equity<sup>(3)</sup> for the three months ended March 31, 2021

### Kinsale's first quarter performance

(\$mm)	Three months ended March 31,	
	2020	2021
Gross written premiums	\$ 124.0	\$ 168.9
Net earned premiums	89.8	123.0
Underwriting income <sup>(2)</sup>	14.4	24.6
Loss ratio	59.9%	57.1%
Expense ratio	24.0%	22.9%
Combined ratio	83.9%	80.0%
Net income	\$ 5.1	\$ 32.1
Net operating earnings <sup>(1)</sup>	17.2	25.5
Total stockholders' equity	401.3	587.6
Annualized operating return on equity <sup>(3)</sup>	17.1%	17.6%

<sup>1</sup> Net operating earnings is a non-GAAP financial measure, please see Page 17: Non-GAAP reconciliation – Net Operating Earnings; <sup>2</sup> Underwriting income is a non-GAAP financial measure, please see Page 16: Non-GAAP reconciliation – Underwriting Income; <sup>3</sup> Annualized operating return on equity is a non-GAAP financial measure. Annualized operating return on equity is a non-GAAP financial measure. Annualized operating return on equity is net operating earnings expressed on an annualized basis as a percentage of average beginning and ending stockholders' equity during the period. Please see Page 17: Non-GAAP reconciliation – Net Operating Earnings.

## Conclusion

-  Exclusive focus on the E&S market
-  Underwriting expertise across a broad spectrum of hard-to-place risks
-  Technology is a core competency
-  Best combination of high growth and low combined ratio among peers<sup>1</sup>
-  Fully integrated claims management
-  Entrepreneurial management team with a track record of success
-  Well positioned for continued profitable growth

<sup>1</sup> Public companies comprising the peer group are set forth on Page 10

# Appendix





## Selected Financial Data

(\$000)	Year ended December 31,					Three months ended March 31,	
	2016	2017	2018	2019	2020	2020	2021
<b>Operating Results:</b>							
Gross written premiums	\$ 188,478	\$ 223,191	\$ 275,538	\$ 389,694	\$ 552,814	\$ 124,036	\$ 168,876
Underwriting income <sup>(1)</sup>	34,304	28,227	31,222	43,201	54,656	14,445	24,645
Net operating earnings <sup>(2)</sup>	26,053	26,718	38,743	53,245	72,313	17,240	25,531
Annualized return on equity	16.2%	11.1%	13.5%	18.9%	18.0%	5.0%	22.1%
Annualized operating return on equity <sup>(3)</sup>	16.1%	11.9%	15.4%	15.9%	14.7%	17.1%	17.6%
Adjusted loss ratio <sup>(4)</sup>	50.0%	58.9%	60.2%	59.9%	63.9%	59.9%	57.1%
Adjusted expense ratio <sup>(4)</sup>	26.8%	25.1%	25.1%	24.8%	22.8%	24.0%	22.9%
Adjusted combined ratio <sup>(4)</sup>	76.8%	84.0%	85.3%	84.7%	86.7%	83.9%	80.0%
<b>Financial Position:</b>							
Cash and invested assets	\$ 480,349	\$ 561,070	\$ 643,051	\$ 908,234	\$ 1,288,555	\$ 955,025	\$ 1,372,334
Stockholders' equity	210,214	238,189	263,986	405,880	576,238	401,334	587,566

<sup>1</sup> Underwriting income is a non-GAAP financial measure, please see Page 16: Non-GAAP reconciliation – Underwriting Income; <sup>2</sup> Net operating earnings is a non-GAAP financial measure, please see Page 17: Non-GAAP reconciliation – Net Operating Earnings; <sup>3</sup> Annualized operating return on equity is a non-GAAP financial measure. Annualized operating return on equity is net operating earnings expressed on an annualized basis as a percentage of average beginning and ending stockholders' equity during the period; <sup>4</sup> Adjusted for the effect of quota share reinsurance, please see Page 18: non-GAAP reconciliation – Adjusted loss, expense and combined ratios

## Non-GAAP reconciliation – Underwriting Income

### Underwriting income reconciliation

(\$000)	Year ended December 31,					Three months ended March 31,	
	2016	2017	2018	2019	2020	2020	2021
Net income	\$ 26,167	\$ 24,901	\$ 33,787	\$ 63,316	\$ 88,419	\$ 5,086	\$ 32,079
Income tax expense (benefit)	13,369	13,620	6,693	12,735	11,994	(56)	7,360
Income before income taxes	39,536	38,521	40,480	76,051	100,413	5,030	39,439
Other expenses	2,567	429	168	57	1,375	-	448
Net investment income	(7,487)	(10,569)	(15,688)	(20,133)	(26,110)	(5,960)	(6,942)
Change in the fair value of equity securities	-	-	6,555	(12,389)	(16,855)	16,161	(7,091)
Net realized investment gains	(176)	(151)	(281)	(359)	(3,533)	(776)	(1,198)
Other income	(136)	(3)	(12)	(26)	(634)	(10)	(11)
Underwriting income	\$ 34,304	\$ 28,227	\$ 31,222	\$ 43,201	\$ 54,656	\$ 14,445	\$ 26,645

## Non-GAAP reconciliation – Net Operating Earnings

### Net operating earnings reconciliation

(\$000)	Year ended December 31,					Three months ended March 31,	
	2016	2017	2018	2019	2020	2020	2021
Net income	\$ 26,167	\$ 24,901	\$ 33,787	\$ 63,316	\$ 88,419	\$ 5,086	\$ 32,079
Adjustments:							
Change in the fair value of equity securities, net of tax	-	-	5,178	(9,787)	(13,315)	12,767	(5,602)
Net realized investment gains, net of tax	(114)	(98)	(222)	(284)	(2,791)	(613)	(946)
Impact of 2017 Tax Act	-	1,915	-	-	-	-	-
Net operating earnings	<u>\$ 26,053</u>	<u>\$ 26,718</u>	<u>\$ 38,743</u>	<u>\$ 53,245</u>	<u>\$ 72,313</u>	<u>\$ 17,240</u>	<u>\$ 25,531</u>
Average stockholders' equity	<u>\$ 161,833</u>	<u>\$ 224,202</u>	<u>\$ 251,088</u>	<u>\$ 334,933</u>	<u>\$ 491,059</u>	<u>\$ 403,607</u>	<u>\$ 581,902</u>
Annualized operating return on equity <sup>(1)</sup>	16.1%	11.9%	15.4%	15.9%	14.7%	17.1%	17.6%

<sup>1</sup> Annualized operating return on equity is a non-GAAP financial measure. Annualized operating return on equity is net operating earnings expressed on an annualized basis as a percentage of average beginning and ending stockholders' equity during the period

## Non-GAAP reconciliation – Adjusted loss, expense and combined ratios

(\$000)	Year Ended December 31, 2016		
	Including Quota Share	Effect of Quota Share	Excluding Quota Share
Gross written premiums	\$188,478	\$ —	\$188,478
Ceded written premiums	(21,214)	10,269	(31,483)
<b>Net written premiums</b>	<b>\$167,264</b>	<b>\$10,269</b>	<b>\$156,995</b>
<b>Net retention</b>	<b>88.7%</b>	—	<b>83.3%</b>
Net earned premiums	\$133,816	\$(16,996)	\$150,812
Losses and loss adjustment expenses	(70,961)	4,380	(75,341)
Underwriting, acquisition and insurance expenses	(28,551)	11,936	(40,487)
<b>Underwriting income<sup>1</sup></b>	<b>\$34,304</b>	<b>\$(680)</b>	<b>\$34,984</b>
Loss ratio	53.0%	25.8%	—
Expense ratio	21.3%	70.2%	—
Combined ratio	74.3%	96.0%	—
Adjusted loss ratio	—	—	50.0%
Adjusted expense ratio	—	—	26.8%
Adjusted combined ratio	—	—	76.8%

<sup>1</sup> Underwriting income is a non-GAAP financial measure. See Page 16 for a reconciliation of net income in accordance with GAAP to underwriting income.