



Investor Presentation
August 2024

DISCLAIMER & FORWARD- LOOKING STATEMENTS

This presentation may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. These statements are based on management’s current expectations and are subject to uncertainty and changes in circumstances. These statements involve risks and uncertainties that could cause actual results to differ materially from those included in forward-looking statements due to a variety of factors. For more details on factors that could affect expectations, see Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission.

Forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements, or industry results, to differ materially from our expectations of future results, performance or achievements expressed or implied by these forward-looking statements. These forward-looking statements may not be realized due to a variety of factors. The risks and uncertainties include, without limitation, the following:

- the risk of significant losses from catastrophes and severe weather events;
- risks related to the lack of a financial strength rating from A.M. Best;
- risks related to our indebtedness due on December 30, 2024, including due to the need to comply with certain financial covenants and limitations on the ability of our insurance subsidiary to pay dividends to us;
- adverse capital, credit and financial market conditions;
- the unavailability of reinsurance at current levels and prices;
- the exposure to greater net insurance losses in the event of reduced reliance on reinsurance;
- the credit risk of our reinsurers;
- the inability to maintain the requisite amount of risk-based capital needed to grow our business;
- the effects of climate change on the frequency or severity of weather events and wildfires;
- risks related to the limited market area of our business;
- risks related to a concentration of business in a limited number of producers;
- legislative and regulatory changes, including changes in insurance laws and regulations and their application by our regulators;
- limitations with regard to our ability to pay dividends;
- the effects of competition in our market areas;
- our reliance on certain key personnel;
- risks related to security breaches or other attacks involving our computer systems or those of our vendors; and
- our reliance on information technology and information systems.

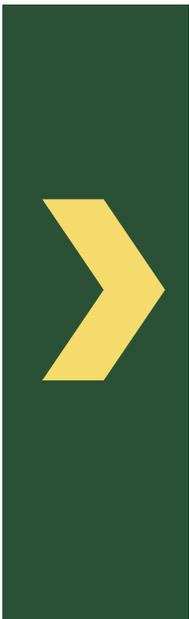
Kingstone undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

KINGSTONE OVERVIEW



Kingstone is a northeast regional property and casualty insurance holding company whose principal operating subsidiary is Kingstone Insurance Company (“KICO”).

KICO, a New York domiciled carrier writing business through 700+ licensed agents and brokers, is actively writing personal lines and commercial auto (livery physical damage only) insurance in New York.



Market Cap:

\$84
Million

Stock Price as of 8/7/2024: \$7.58

Total Written Premium:

\$200
Million

Year-ended 12/31/2023

Policies-In-Force

74.2K

As of June 30, 2024

Financial Strength Rating:

“A”

Demotech: “A, Excellent”

INVESTMENT HIGHLIGHTS

Strong Position in Niche Markets



- Focus on core business in Downstate NY
 - Core represents 90% of total policies as of June 30, 2024.
- Ranked by S&P as the 15th largest homeowner insurer in NY in 2023 with a market share of 1.6%.

Low-cost, Highly-efficient Provider



- In-house underwriting, information technology, claims, customer service and actuarial functions.
- Enables greater control and efficiency.
- Scalable operations.

Strategic Initiatives Driving Value Creation



- Sustainable profitable growth in Core business.
- Underwriting results materially improved in 2023.
- Well-positioned for increasing profit and growth.

Conservative Reinsurance Program



- Property Catastrophe Program.
- Quota Share Treaties.
- Per Risk, Excess of Loss (XOL) Treaties.

Core Business refers to the Company's New York policies.

BUSINESS OPERATIONS

2023 DIRECT PREMIUMS WRITTEN
OF \$200 MILLION

15TH LARGEST WRITER OF
HOMEOWNERS INSURANCE IN THE
STATE OF NEW YORK

FOUNDED IN 1886



Personal Lines



Livery Physical
Damage



Other

As of December 31, 2023

Personal lines: Largest line of business; consists of homeowners and dwelling fire multi-peril, cooperative/condominiums, renters, and personal umbrella policies.

Livery physical damage: For-hire vehicle physical damage only policies for livery and car service vehicles and taxicabs, primarily based in New York City. These policies insure only the physical damage portion of insurance for such vehicles, with no liability coverage included.

Other: Write canine legal liability policies and have a small participation in mandatory state joint underwriting associations.

CORE PERSONAL LINES BUSINESS



Kingstone refers to its New York business as its “Core Business”.

Downstate New York refers to NYC, Long Island and Westchester County.

Percentage of Policies-in-force by County
(as of 12/31/2023)

Suffolk	43.7%
Nassau	15.6%
Kings	14.5%
Queens	10.1%
Richmond	5.1%
Bronx	5.1%
New York	0.8%
Westchester	1.2%

STRATEGIC INITIATIVES

2021 – 2022 Kingstone 2.0

100%

2022 – 2023 Kingstone 3.0

100%

Aggressively Reduce Non-Core Business

- A strategic decision to shrink an unprofitable book of business.

Adjust Pricing to Stay Ahead of Trends

- Strong rate achievement to combat ongoing inflationary impacts.

Tightly Manage Reinsurance Requirements

- Manage exposure to a hard reinsurance pricing environment.

Reduce Expenses

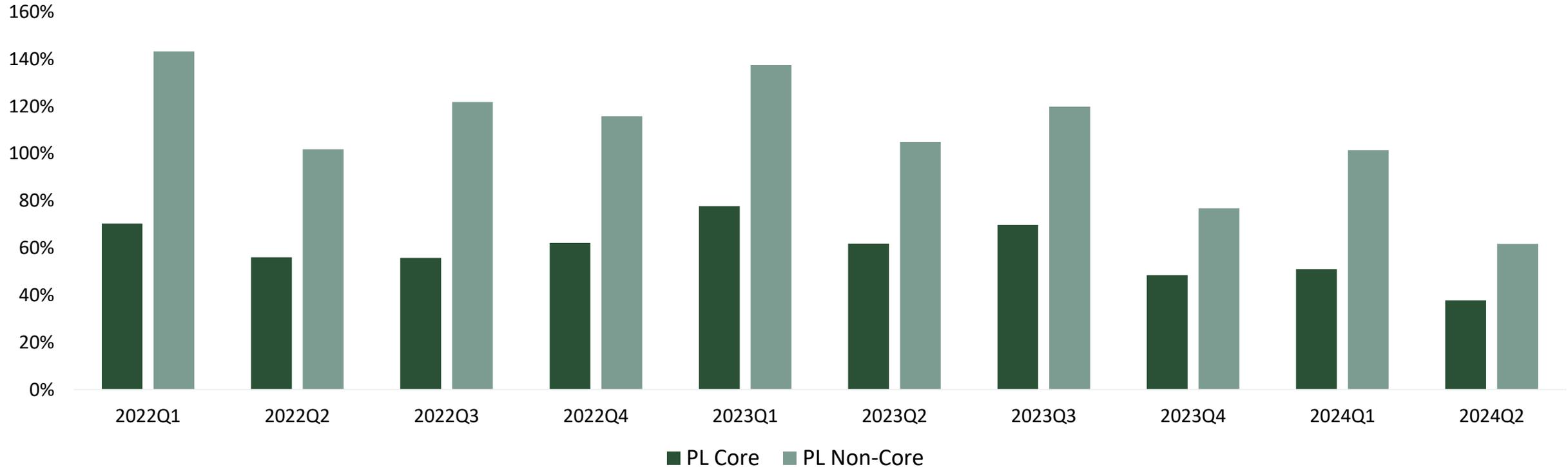
- Relentlessly drive down costs.

FOCUSING ON OPERATIONAL EXCELLENCE TO DRIVE GO-FORWARD VALUE CREATION.

CORE VS NON-CORE *PERSONAL LINES LOSS EXPERIENCE*

Core Business refers to the Company's New York policies.

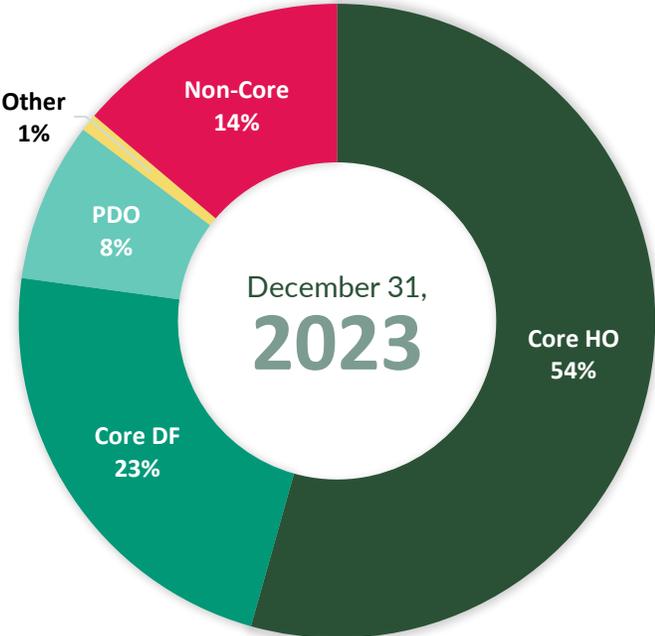
Personal Lines Net Loss+ALAE Ratio



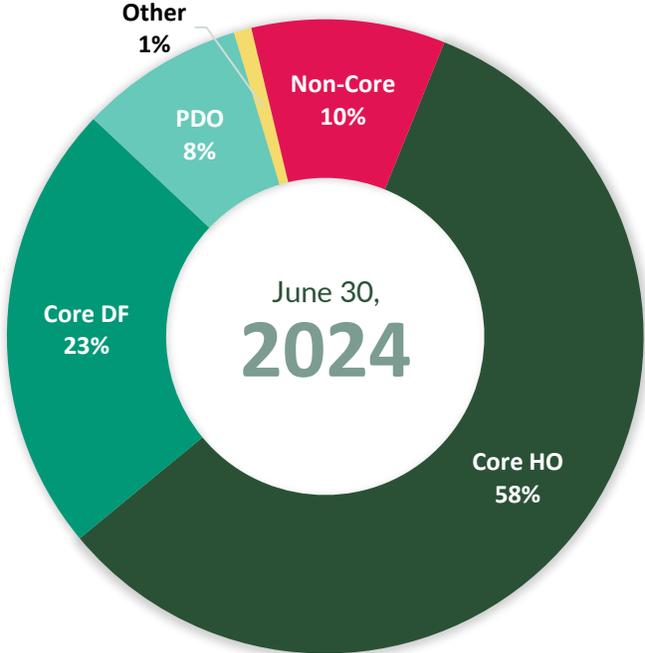
Consolidated net loss ratio improved 19.4 points to 47.0% from Q2'23.

MIX OF BUSINESS *BY POLICIES-IN-FORCE*

Core Business refers to the Company's New York policies.



**(4 pts) in non-core business
+4 pts in core business**

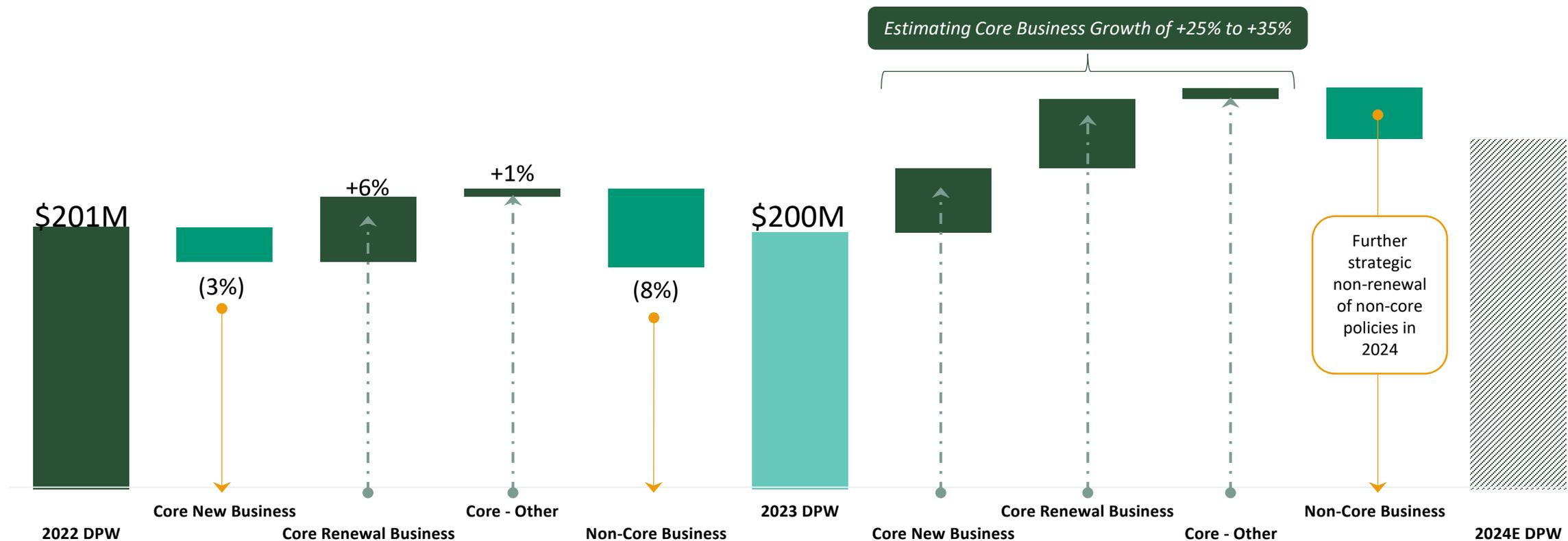


Core HO = Core Homeowners
Core DF = Core Dwelling Fire
Non-Core = Non-core Homeowners
PDO = Livery Physical Damage
Other = Personal Umbrella & Canine Legal Liability

Non-Core policy count down 32% at June 30, 2024 vs. December 31, 2023.

DIRECT PREMIUMS WRITTEN

Strategically shrinking Non-core Business due to profitability concerns.



Expanding growth in the profitable Core Business in 2H2024 and into 2025, driven by a favorable competitive landscape in New York.

Direct premiums written is not based on GAAP and is defined and reconciled below to the most directly comparable GAAP measure. See "Definitions and Non-GAAP Measures". Also see "Raised 2024 Guidance".

PRICING TRENDS

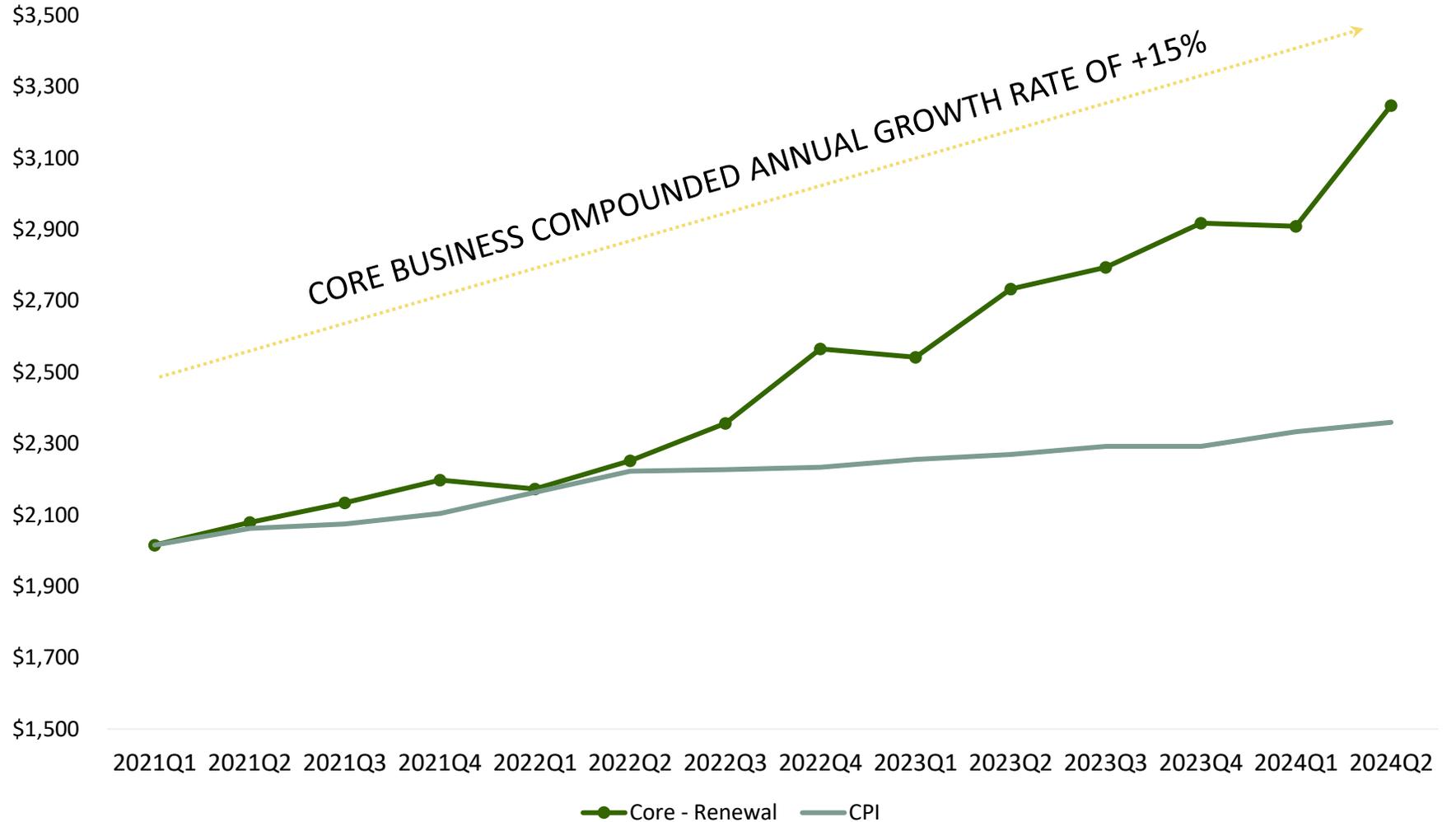
Achieving significant price increases, ahead of inflation.



Average Core Business
Renewal Premium Increase
of +18.8% in Q2'24 vs. Q2'23

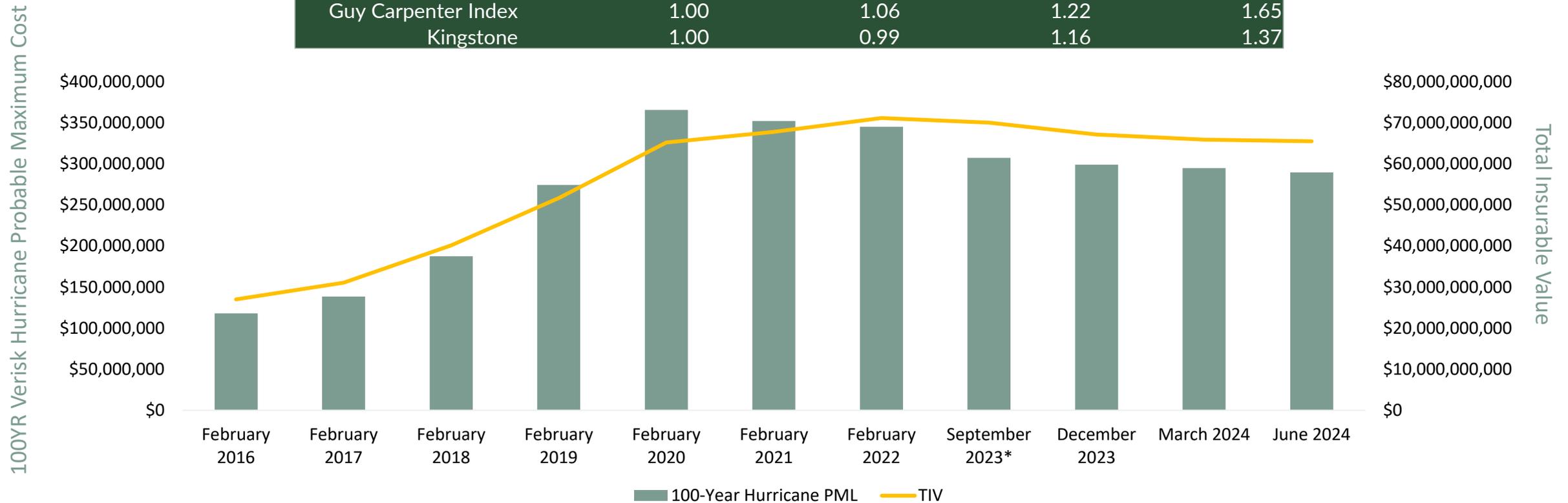


Replacement cost was adjusted
on every policy starting Q3
2022 so that the entire portfolio
is insured to value



MANAGING REINSURANCE REQUIREMENTS

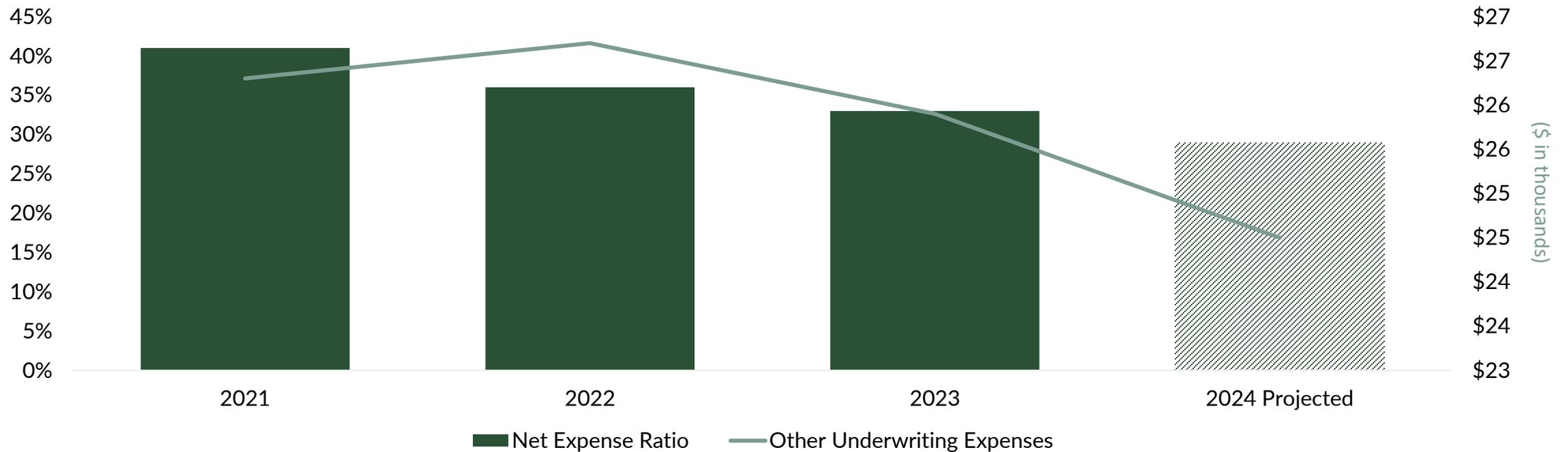
Cumulative Risk Adjusted Rate Change - Catastrophe XOL				
	2020	2021	2022	2023
Guy Carpenter Index	1.00	1.06	1.22	1.65
Kingstone	1.00	0.99	1.16	1.37



Successfully managing reinsurance requirements and costs while controlling growth of total insurable value.

EXPENSE REDUCTION INITIATIVE

- Achieved a 3.1 percentage point reduction in our net expense ratio in 2023, driven primarily by decreases in commissions, staffing and other efficiency improvements to business operations along with an increase in our average premium.
- Continuing expense reduction focus with a goal of further reducing the net expense ratio to $\leq 29\%$ for full-year 2024.



SECOND QUARTER 2024 SUMMARY

The operational changes implemented are demonstrating their positive impact.

Results Summary *(all metrics are compared to Second Quarter 2023, unless noted otherwise)*

- Core Business direct written premium up 21.5%; anticipate even more robust policy and premium growth moving forward.
- Improving competitive environment.
- Non-Core Business direct written premium down 59.7%;
- Net combined ratio of 78.2%, a 20.7-point improvement.
- Underlying loss ratio improved by 14.6 points driven by lower frequency and severity;
- Catastrophe losses improved by 3.4 points to 1.3%;
- Experienced favorable prior year development of 1.4 points;
- Net loss ratio improved by 19.4% points to 47.0%
- Net underwriting expense ratio improved 1.3 points to 31.2%;
- Net income improved by \$5.0M to \$4.5M;
- Earnings per basic share of \$0.41, a \$0.46 improvement;
- Annualized Return on Equity of 47.2%.

KEY FINANCIAL METRICS

THREE MONTHS ENDED JUNE 30

✓
NET INCOME
PER BASIC SHARE
OF \$0.41

✓
COMBINED RATIO
IMPROVED BY
20.7 POINTS
TO 78.2%

Consolidated Financial Results			
(\$ in thousands, except per share data)	2024	2023	Change
Direct premiums written ¹	\$53,495	\$47,647	12.3%
Net premiums earned	\$30,304	\$29,508	2.7%
Net investment income	\$1,765	\$1,451	21.6%
Net (loss)/gain on investments	(\$234)	\$197	NM
Underlying loss ratio ¹	47.1%	61.7%	(14.6) pts
Net development of prior year losses	-1.4%	-0.1%	(1.3) pts
Net loss ratio excluding the effects of catastrophes ¹	45.7%	61.7%	(16.0) pts
Catastrophe loss ratio	1.3%	4.7%	(3.4) pts
Net loss ratio	47.0%	66.4%	(19.4) pts
Net underwriting expense ratio	31.2%	32.5%	(1.3) pts
Net combined ratio	78.2%	98.9%	(20.7) pts
Adjusted EBITDA ¹	\$7,845	\$1,236	534.7%
Net Income/(Loss)	\$4,515	(\$522)	NM
Net Income/(Loss) per share - basic	\$0.41	(\$0.05)	NM
Return on equity - annualized	47.2%	-6.40%	NM
Other comprehensive income/(loss)	\$90	(\$886)	NM
Operating net income/(loss) ¹	\$4,699	(\$678)	NM
Operating net income/(loss) per share - basic ¹	\$0.43	(\$0.06)	NM
Operating return on equity ¹	12.3%	-2.1%	NM
Operating return on equity ¹ - annualized	49.1%	-8.3%	NM

¹These measures are not based on GAAP and are defined and reconciled below to the most directly comparable GAAP measures. See "Definitions and Non-GAAP Measures".

KEY FINANCIAL METRICS

SIX MONTHS ENDED JUNE 30

✓
NET INCOME
PER BASIC SHARE
OF \$0.54

✓
COMBINED RATIO
IMPROVED BY
25.2 POINTS
TO 85.6%

Consolidated Financial Results			
(\$ in thousands, except per share data)	2024	2023	Change
Direct premiums written ¹	\$102,820	\$95,244	8.0%
Net premiums earned	\$59,124	\$57,763	2.4%
Net investment income	\$3,267	\$2,993	9.2%
Net (loss)/gain on investments	\$493	\$1,422	-65.3%
Underlying loss ratio ¹	52.8%	68.4%	(15.6) pts
Net development of prior year losses	-1.7%	0.0%	(1.7) pts
Net loss ratio excluding the effects of catastrophes ¹	51.1%	68.4%	(17.3) pts
Catastrophe loss ratio	3.2%	8.9%	(5.7) pts
Net loss ratio	54.3%	77.2%	(22.9) pts
Net underwriting expense ratio	31.3%	33.6%	(2.3) pts
Net combined ratio	85.6%	110.8%	(25.2) pts
Adjusted EBITDA ¹	\$10,779	(\$4,258)	NM
Net Income/(Loss)	\$5,942	(\$5,577)	NM
Net Income/(Loss) per share - basic	\$0.54	(\$0.52)	NM
Return on equity - annualized	31.6%	-32.7%	NM
Other comprehensive income/(loss)	(\$350)	\$1,065	NM
Operating net income/(loss) ¹	\$5,552	(\$6,700)	NM
Operating net income/(loss) per share - basic ¹	\$0.50	(\$0.62)	NM
Operating return on equity ¹	14.7%	-19.6%	NM
Operating return on equity ¹ - annualized	29.5%	-39.3%	NM
Book value per share - diluted	\$3.19	\$2.61	22.1%
Book value per share - diluted excluding AOCI	\$4.17	\$3.82	9.2%

¹These measures are not based on GAAP and are defined and reconciled below to the most directly comparable GAAP measures. See "Definitions and Non-GAAP Measures".

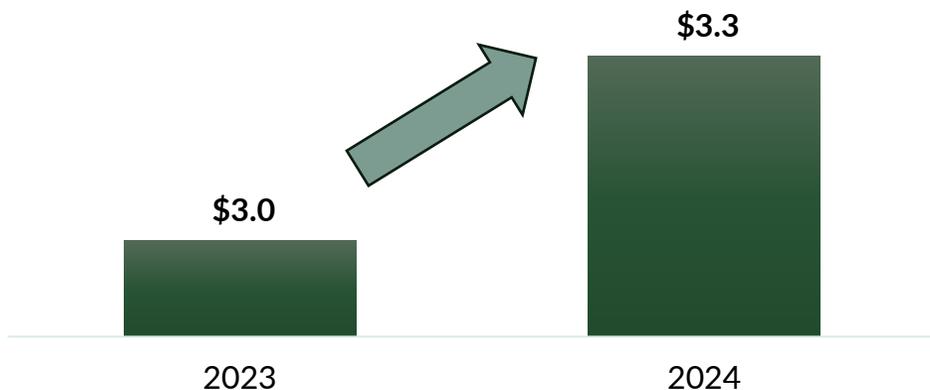
BALANCE SHEET OVERVIEW

	June 30, 2024	December 31, 2023
Assets		
Total investments	\$ 183,618,320	\$ 174,632,828
Cash and cash equivalents	12,170,993	8,976,998
Premiums receivable, net	15,176,140	13,604,808
Reinsurance receivables, net	66,315,422	75,593,912
Deferred policy acquisition costs	19,574,764	19,802,564
Intangible assets	500,000	500,000
Property and equipment, net	9,217,729	9,395,697
Deferred income taxes, net	9,061,591	10,551,819
Other assets	4,142,798	4,574,584
Total assets	\$ 319,777,757	\$ 317,633,210
Liabilities		
Loss and loss adjustment expense reserves	\$ 116,577,490	\$ 121,817,862
Unearned premiums	107,434,679	105,621,538
Advance premiums	4,955,431	3,797,590
Reinsurance balances payable	10,481,596	12,837,140
Deferred ceding commission revenue	9,277,082	9,460,865
Accounts payable, accrued expenses and other liabilities	4,979,841	4,350,546
Debt, net	25,268,864	25,243,530
Total liabilities	278,974,983	283,129,071
Total stockholders' equity	40,802,774	34,504,139
Total liabilities and stockholders' equity	\$ 319,777,757	\$ 317,633,210

INVESTMENT PORTFOLIO *(as of 6/30/2024)*

Net Investment Income

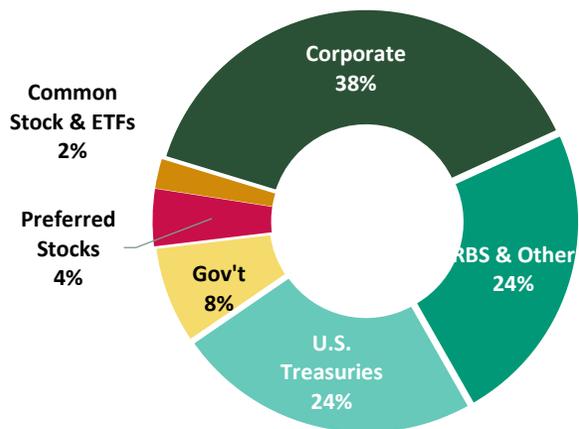
\$ in millions



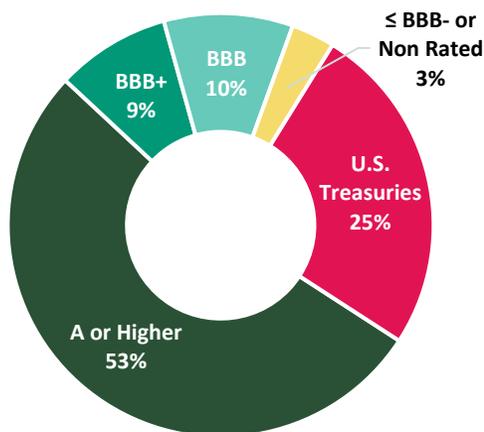
Highlights

- Outsourced portfolio management
- High-quality portfolio provides consistent net investment income;
 - 78% of fixed income portfolio rated A, or higher, or held as U.S. Treasuries.
- Average portfolio yield of 3.72%.
- Effective duration of 3.5 years compared to 4.1 years at 12/31/2023.

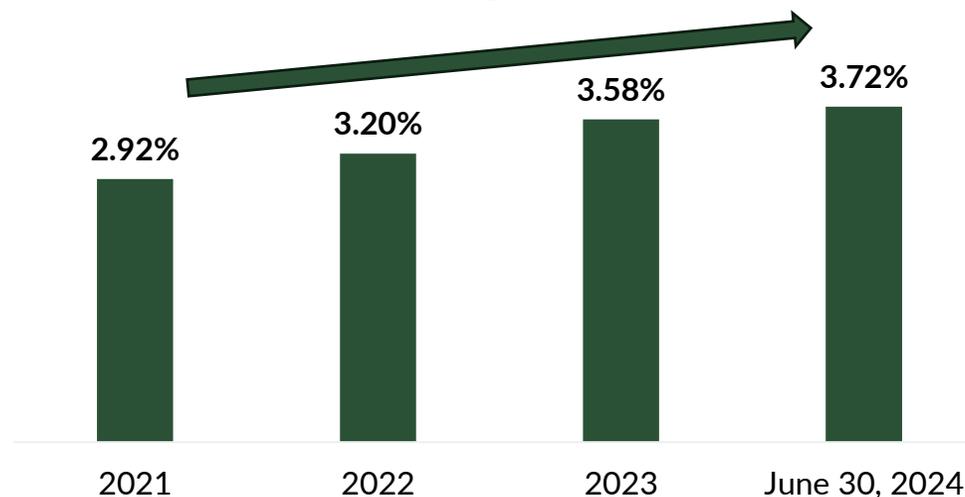
Investment Portfolio



Fixed Portfolio



Average Yield



EXECUTIVE MANAGEMENT TEAM

Barry B. Goldstein - Executive Chairman

Meryl S. Golden - Chief Executive Officer

Jennifer Gravelle - Chief Financial Officer

Sarah Chen - Chief Actuary

Investor Relations Contact:

Karin Daly

Vice President

The Equity Group Inc.

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RAISED 2024 GUIDANCE

For 2024, the Company's full year expectations are as follows:

25% - 35%

Core Business direct written premium growth

84% to 88%

Combined ratio

\$1.00 to \$1.30

Earnings per share – basic*

26% to 34%

Return on equity

Previous (5/13/2024):

16% - 20%

Core Business direct written premium growth

86% to 90%

Combined ratio

\$0.75 to \$1.10

Earnings per share - diluted

22.0% to 30.0%

Return on equity

**The variance between net income per share – diluted and basic is immaterial. Previous guidance was presented on a diluted shares basis, while current guidance is presented on a basic shares basis.*

The guidance provided above is based on information available as of August 12, 2024 and management's review of the anticipated financial results for 2024. Such guidance remains subject to change based on management's ongoing review of the Company's 2024 results and is a forward-looking statement (see below). Kingstone assumes no obligation to update this guidance. The actual results may be materially different and are affected by the risk factors and uncertainties identified in this press release and in Kingstone's annual and quarterly filings with the Securities and Exchange Commission.

INITIAL 2025 GUIDANCE

For 2025, the Company's full year expectations are as follows:

15% - 25%

Core Business direct written premium growth

85% to 89%

Combined ratio

\$1.20 to \$1.60

Earnings per share – basic*

22% to 30%

Return on equity

**The variance between net income per share – diluted and basic is immaterial. Previous guidance was presented on a diluted shares basis, while current guidance is presented on a basic shares basis.*

The guidance provided above is based on information available as of August 12, 2024 and management's review of the anticipated financial results for 2025. Such guidance remains subject to change based on management's ongoing review of the Company's 2025 results and is a forward-looking statement (see below). Kingstone assumes no obligation to update this guidance. The actual results may be materially different and are affected by the risk factors and uncertainties identified in this press release and in Kingstone's annual and quarterly filings with the Securities and Exchange Commission.

DEFINITIONS AND NON-GAAP MEASURES

Direct premiums written represent the total premiums charged on policies issued by the Company during the respective fiscal period.

Net premiums written are direct premiums written less premiums ceded to reinsurers. Net premiums earned, the GAAP measure most comparable to direct premiums written and net premiums written, are net premiums written that are pro-rata earned during the fiscal period presented. All of the Company's policies are written for a twelve-month period. Management uses direct premiums written and net premiums written, along with other measures, to gauge the Company's performance and evaluate results. Direct premiums written and net premiums written are provided as supplemental information, not as a substitute for net premiums earned, and do not reflect the Company's net premiums earned.

Adjusted EBITDA is net income (loss) exclusive of interest expense, income tax expense (benefit), depreciation and amortization, net gains (losses) on investments, and stock-based compensation. Net income (loss) is the GAAP measure most closely comparable to adjusted EBITDA.

Management uses adjusted EBITDA along with other measures to gauge the Company's performance and evaluate results, which can be skewed when including interest expense, income tax expense (benefit), depreciation and amortization, net gains (losses) on investments, and stock-based compensation, and may vary significantly between periods. Adjusted EBITDA is provided as supplemental information, not as a substitute for net income (loss) and does not reflect the Company's overall profitability.

Operating net income (loss) and basic operating net income (loss) per share is net income (loss) and basic income (loss) per share exclusive of net gains (losses) on investments, net of tax. Net income (loss) and basic net income (loss) per share are the GAAP measures most closely comparable to operating net income (loss) and basic operating net income (loss) per share.

Management uses operating net income (loss) and basic operating net income (loss) per share along with other measures to gauge the Company's performance and evaluate results, which can be skewed when including net gains (losses) on investments and may vary significantly between periods. Operating net income (loss) and basic operating net income (loss) per share are provided as supplemental information, not as a substitute for net income (loss) and basic net income (loss) per share and do not reflect the Company's overall profitability.

Operating net income (loss) and diluted operating net income (loss) per share is net income (loss) and diluted income (loss) per share exclusive of net gains (losses) on investments, net of tax. Net income (loss) and diluted net income (loss) per share are the GAAP measures most closely comparable to operating net income (loss) and diluted operating net income (loss) per share.

Management uses operating net income (loss) and diluted operating net income (loss) per share along with other measures to gauge the Company's performance and evaluate results, which can be skewed when including net gains (losses) on investments and may vary significantly between periods. Operating net income (loss) and diluted operating net income (loss) per share are provided as supplemental information, not as a substitute for net income (loss) and diluted net income (loss) per share, and do not reflect the Company's overall profitability.

Operating return on equity is operating income (loss) divided by average equity. Return on equity is the GAAP measure most closely comparable to operating return on equity.

Management uses operating return on equity, along with other measures, to gauge the Company's performance and evaluate results, which can be skewed when including net gains (losses) on investments, which may vary significantly between periods. Operating return on equity is provided as supplemental information, is not a substitute for return on equity and does not reflect the Company's overall return on average common equity.

Underlying loss ratio is a non-GAAP ratio, which is computed as the difference between GAAP net loss ratio less the effect of prior year loss reserve development and catastrophes losses.

Management believes that this ratio is useful to investors, and it is used by management to reveal the trends in the Company's business that may be obscured by prior year loss reserve development and catastrophe losses. Catastrophe losses cause the Company's loss ratios to vary significantly between periods as a result of their incidence of occurrence and magnitude and can have a significant impact on the net loss ratio. Management believes that this measure is useful for investors to evaluate this component separately when reviewing the Company's underwriting performance. The most directly comparable GAAP measure is the net loss ratio. The underlying loss ratio should not be considered a substitute for the net loss ratio and does not reflect the Company's net loss ratio.

Net loss ratio excluding the effect of catastrophes is a non-GAAP ratio, which is computed as the difference between GAAP net loss ratio and the effect of catastrophes on the net loss ratio.

Management believes that this ratio is useful to investors and it is used by management to reveal the trends in the Company's business that may be obscured by catastrophe losses. Catastrophe losses cause the Company's net loss ratios to vary significantly between periods as a result of their incidence of occurrence and magnitude, and can have a significant impact on the net loss ratio. Management believes that this measure is useful for investors to evaluate this component separately when reviewing the Company's underwriting performance. The most directly comparable GAAP measure is the net loss ratio. The net loss ratio excluding the effect of catastrophes should not be considered a substitute for the net loss ratio and does not reflect the Company's net loss ratio.

RECONCILIATION OF DIRECT PREMIUMS WRITTEN TO NET PREMIUMS EARNED

	For the Three Months Ended			For the Six Months Ended		
	June 30,		%	June 30,		%
	2024	2023	Change	2024	2023	Change
(000's except percentages)						
Direct Written Premiums Reconciliation:						
Direct premiums written	\$53,495	\$47,647	12.3 %	\$102,820	\$95,244	8.0 %
Ceded written premiums¹	(12,071)	(11,541)	4.6	(23,300)	(\$27,647)	(15.7)
Net premiums written	41,425	36,106	14.7	79,520	67,598	17.6
Change in unearned premiums	(11,121)	(6,598)	68.6	(20,397)	(9,835)	107.4
Net premiums earned	\$30,304	\$29,508	2.7 %	\$59,124	\$57,763	2.4 %
<i>(Components may not sum due to rounding)</i>						
¹ Net premiums written balances from prior year periods were reclassified to conform with current year presentation. The reclassification had no effect on the Company's previously reported financial condition, results of operations or cash flows.						

RECONCILIATION OF NET INCOME (LOSS) TO ADJUSTED EBITDA

	For the Three Months Ended			For the Six Months Ended		
	June 30,		%	June 30,		%
	2024	2023		2024	2023	
(000's except percentages)						
Adjusted EBITDA Reconciliation:						
Net income (loss)	\$4,515	(\$522)	NM %	\$5,942	(\$5,577)	NM %
Interest expense	990	1,006	(1.6)	1,984	2,016	(1.6)
Income tax expense (benefit)	1,205	(41)	NM	1,583	(1,290)	NM
Depreciation and amortization	620	779	(20.4)	1,216	1,587	(23.4)
EBITDA	7,330	1,221	500.3	10,725	(3,265)	NM
Net loss (gain) on investments	234	(197)	NM	(493)	(1,422)	(65.3)
Stock-based compensation	281	212	32.5	547	429	27.5
Adjusted EBITDA	\$7,845	\$1,236	534.7 %	\$10,779	(4,258)	NM %
<i>(Components may not sum due to rounding)</i>						

NET INCOME (LOSS) TO OPERATING NET INCOME (LOSS) AND BASIC INCOME (LOSS) PER SHARE TO BASIC OPERATING NET INCOME (LOSS) PER SHARE

	For the Three Months Ended				For the Six Months Ended			
	June 30, 2024		June 30, 2023		June 30, 2024		June 30, 2023	
	Amount	Basic income per common share	Amount	Basic loss per common share	Amount	Basic income per common share	Amount	Basic loss per common share
(000's except per common share amounts and percentages)								
Operating Net Income (Loss) and Operating Net Income (Loss) per Basic Common Share Reconciliation:								
Net income (loss)	\$4,515	\$0.41	(\$522)	(\$0.05)	\$5,942	\$0.54	(\$5,577)	(\$0.52)
Net loss (gain) on investments	234		(197)		(493)		(1,422)	
Less tax benefit (expense) on net loss (gain)	49		(41)		(104)		(299)	
Net loss (gain) on investments, net of taxes	185	\$0.02	(156)	(\$0.01)	(389)	(\$0.04)	(1,123)	(\$0.10)
Operating net income (loss)	\$4,699	\$0.43	(\$678)	(\$0.06)	\$5,552	\$0.50	(\$6,700)	(\$0.62)
Weighted average basic shares outstanding	11,019,347		10,755,848		11,009,442		10,753,974	

(Components may not sum due to rounding)

NET INCOME (LOSS) TO OPERATING NET INCOME (LOSS) AND DILUTED INCOME (LOSS) PER SHARE TO DILUTED OPERATING NET INCOME (LOSS) PER SHARE

	For the Three Months Ended				For the Six Months Ended			
	June 30, 2024		June 30, 2023		June 30, 2024		June 30, 2023	
	Amount	Diluted income per common share	Amount	Diluted loss per common share	Amount	Diluted income per common share	Amount	Diluted loss per common share
(000's except per common share amounts and percentages)								
Operating Net Income (Loss) and Operating Net Income (Loss) per Diluted Common Share Reconciliation:								
Net income (loss)	\$4,515	\$0.37	(\$522)	(\$0.05)	\$5,942	\$0.50	(\$5,577)	\$ (0.52)
Net loss (gain) on investments	234		(197)		(493)		(1,422)	
Less tax benefit (expense) on net loss (gain)	49		(41)		(104)		(299)	
Net loss (gain) on investments, net of taxes	185	\$0.02	(156)	(\$0.01)	(389)	(\$0.03)	(1,123)	\$ (0.10)
Operating net income (loss)	\$4,699	\$0.39	(\$678)	(\$0.06)	\$5,552	\$0.46	(6,700)	\$ (0.62)
Weighted average diluted shares outstanding	12,110,946		10,755,848		11,987,976		10,753,974	
<i>(Components may not sum due to rounding)</i>								

RECONCILIATION OF NET INCOME (LOSS) TO OPERATING NET INCOME (LOSS) AND RETURN ON EQUITY TO OPERATING RETURN ON EQUITY

	For the Three Months Ended			For the Six Months Ended		
	June 30,		%	June 30,		%
	2024	2023		2024	2023	
(000's except percentages)						
Operating Net Income (Loss) Reconciliation:						
Net income (loss)	\$4,515	(\$522)	NM	\$5,942	(\$5,577)	NM
Net loss (gain) on investments	234	(197)	NM	(493)	(1,422)	65.3%
Less tax benefit (expense) on net loss (gain)	49	(41)	NM	(104)	(299)	65.2%
Net loss (gain) on investments, net of taxes	185	(156)	NM	(389)	(1,123)	65.4%
Operating Net Income (loss)	\$4,699	(\$678)	NM	\$5,552	(\$6,700)	NM
Operating Return on Equity Reconciliation:						
Net income (loss)	\$4,515	(\$522)	NM	\$5,942	(\$5,577)	NM
Average equity	\$38,276	\$32,684	17.1%	\$37,653	\$34,127	10.3%
Return on equity	11.8%	(1.6%)	NM	15.8%	(16.3%)	NM
Return on equity - annualized	47.2%	(6.4%)	NM	31.6%	(32.7%)	NM
Net loss (gain) on investments, net of taxes	\$185	(\$156)	NM	(\$389)	(\$1,123)	65.4%
Average equity	\$38,276	\$32,684	17.1%	\$37,653	\$34,127	10.3%
Effect of net loss (gain) on investments, net of taxes, on return on equity	0.5%	(0.5%)	NM	(1.0%)	(3.3%)	68.6%
Operating Net Income (loss)	\$4,699	(\$678)	NM	\$5,552	(\$6,700)	NM
Operating Net Income (loss) - annualized	\$18,796	(\$2,712)	NM	\$11,104	(\$13,400)	NM
Average equity	\$38,276	\$32,684	17.1%	\$37,653	\$34,127	10.3%
Operating return on equity	12.3%	(2.1%)	NM	14.7%	(19.6%)	NM
Operating return on equity - annualized	49.1%	(8.3%)	NM	29.5%	(39.3%)	NM

(Components may not sum due to rounding)

RECONCILIATION OF UNDERLYING LOSS RATIO TO THE NET LOSS RATIO

	For the Three Months Ended			For the Six Months Ended		
	June 30,		Percentage Point Change	June 30,		Percentage Point Change
	2024	2023		2024	2023	
Underlying Loss Ratio Reconciliation:						
Underlying Loss Ratio	47.1%	61.7%	(14.6) pts	52.8%	68.4%	(15.6) pts
Effect of catastrophe losses	1.3%	4.7%	(3.4) pts	3.2%	8.9%	(5.7) pts
Effect of prior-year reserve development	(1.4%)	(0.1%)	(1.3) pts	(1.7%)	0.0%	(1.7) pts
Net loss ratio	47.0%	66.4%	(19.4) pts	54.3%	77.2%	(22.9) pts
<i>(Components may not sum due to rounding)</i>						