



ESSENT GROUP LTD.

# INVESTOR PRESENTATION

**NYSE: ESNT**

August 2025

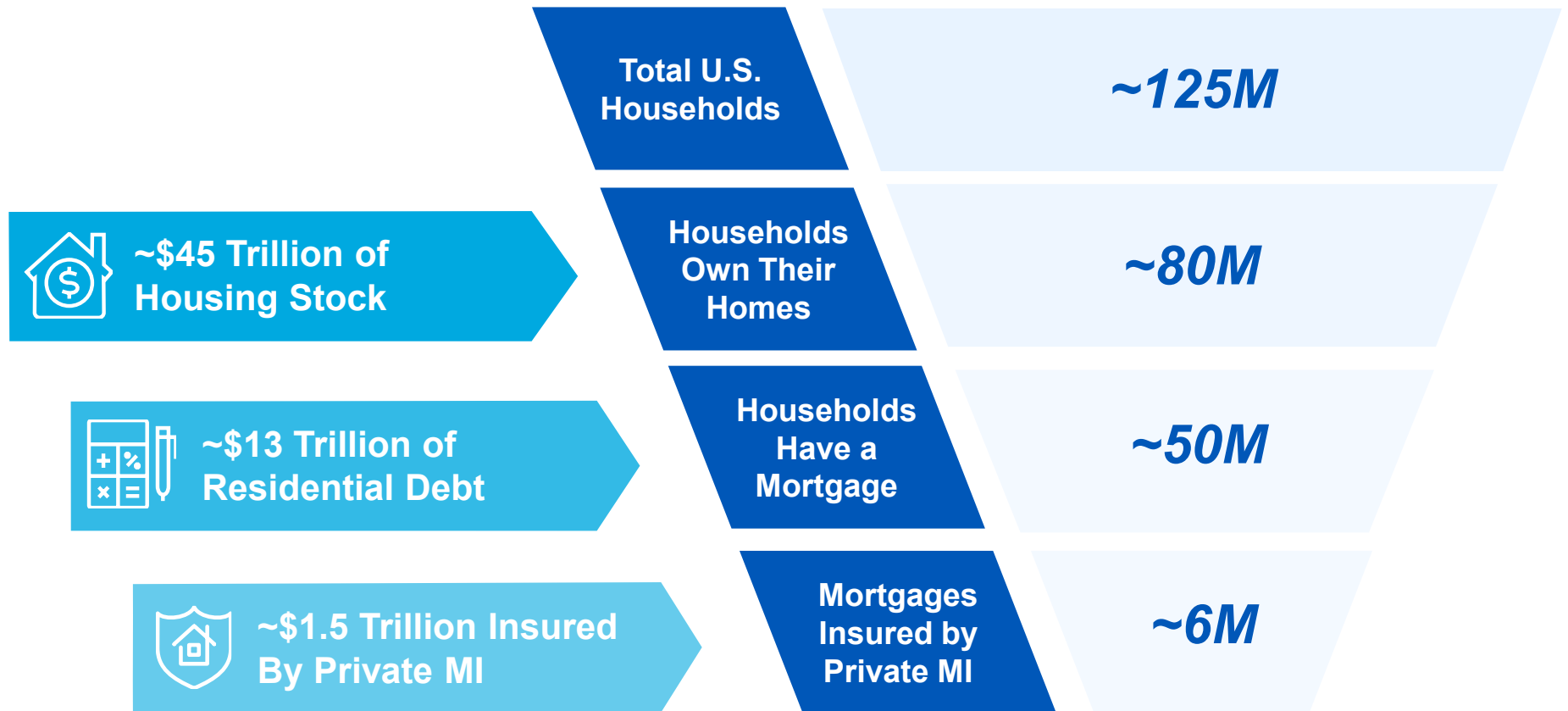
# Disclaimer

This presentation may include “forward-looking statements” which are subject to known and unknown risks and uncertainties, many of which may be beyond our control. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” or “potential” or the negative thereof or variations thereon or similar terminology. Actual events, results and outcomes may differ materially from our expectations due to a variety of known and unknown risks, uncertainties and other factors. Although it is not possible to identify all of these risks and factors, they include, among others, the following: changes in or to Fannie Mae and Freddie Mac (the “GSEs”), whether through Federal legislation, restructurings or a shift in business practices; failure to continue to meet the mortgage insurer eligibility requirements of the GSEs; competition for customers or the loss of a significant customer; lenders or investors seeking alternatives to private mortgage insurance; an increase in the number of loans insured through Federal government mortgage insurance programs; decline in the volume of low down payment mortgage originations; uncertainty of loss reserve estimates; decrease in the length of time our insurance policies are in force; deteriorating economic conditions; and other risks and factors described 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 on February 19, 2025, as subsequently updated through other reports we file with the Securities and Exchange Commission. Any forward-looking information presented herein is made only as of the date of this presentation, and we do not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.



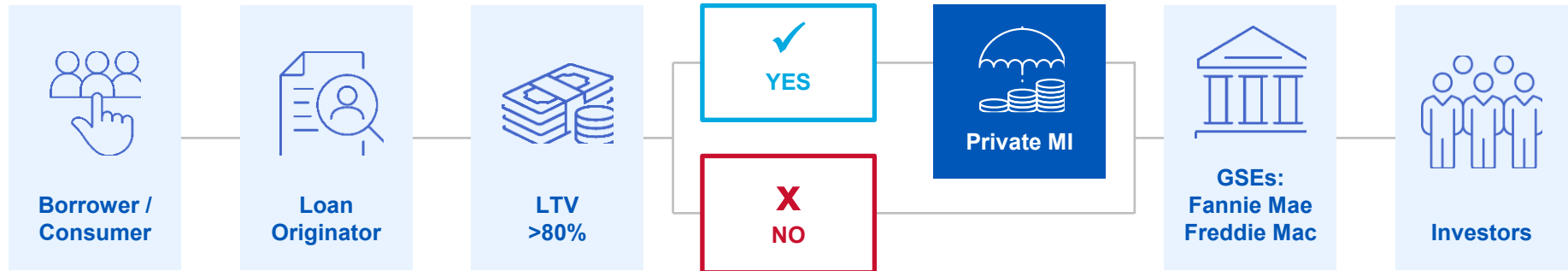
# Private Mortgage Insurance (PMI) Industry Fundamentals

# U.S. Housing Market Is The Largest In The World



Source: Redfin, U.S. Mortgage Insurers

# Private MI Plays A Vital Role In U.S. Housing



## ROLE OF GSE'S

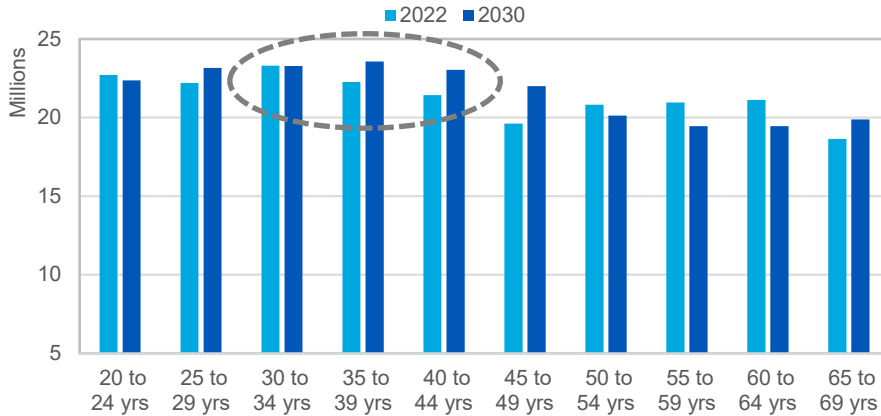
- The overall US residential mortgage market encompasses primary and secondary markets
  - Primary market consists of lenders originating home loans to borrowers (purchase and refinance originations)
  - Secondary market includes institutions buying and selling mortgages in the form of whole loan or securitized assets, such as mortgage-backed securities
- GSEs are the largest participants in the secondary mortgage market, buying residential mortgages from banks and other primary lenders to provide liquidity and stability in the U.S. housing finance system
- Mortgages acquired by the GSEs are packaged as MBS and guaranteed for timely payments of principal and interest. These securities are distributed through the capital markets to investors to help fund the acquisition of additional mortgages from lenders

## MI IS A CRITICAL LINK BETWEEN BORROWERS AND LENDERS

- The federal charters of the GSEs require that each mortgage purchased that exceeds 80% LTV must be insured by an approved mortgage insurance corporation, or have lender participating interest or recourse
- Without MI or other protection, the GSEs would be unable to purchase high LTV loans. The result would be fewer loans and higher costs for lower income homebuyers who benefit the most from homeownership
- MIs provide credit protection to lenders and mortgage investors by covering a first loss portion of the unpaid principal balance of a mortgage and certain related expenses in the event of a default
  - MI provides an opportunity for equitable, affordable and sustainable homeownership to those that do not have the financial means for a 20% down payment

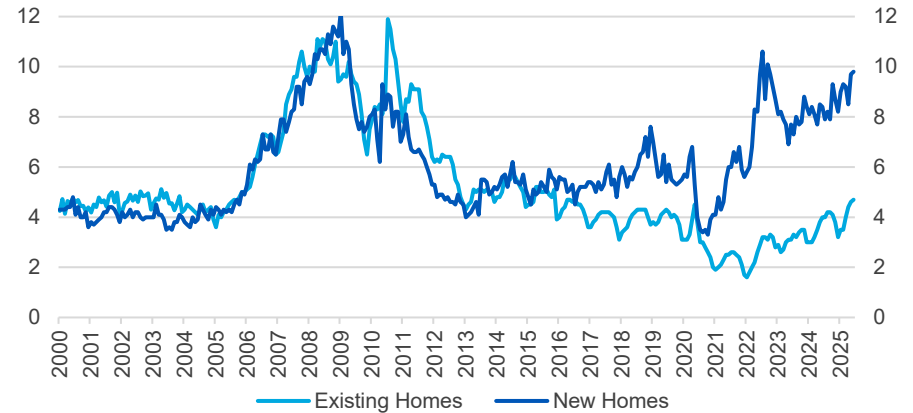
# Industry Fundamentals For Private MI

## STABLE DEMAND OF FIRST-TIME HOMEBUYER POPULATION



- Favorable demographic trends fundamentally support housing demand
- Population projected to increase in the average age range of a first-time homebuyers

## MONTHS' SUPPLY OF HOUSING INVENTORY



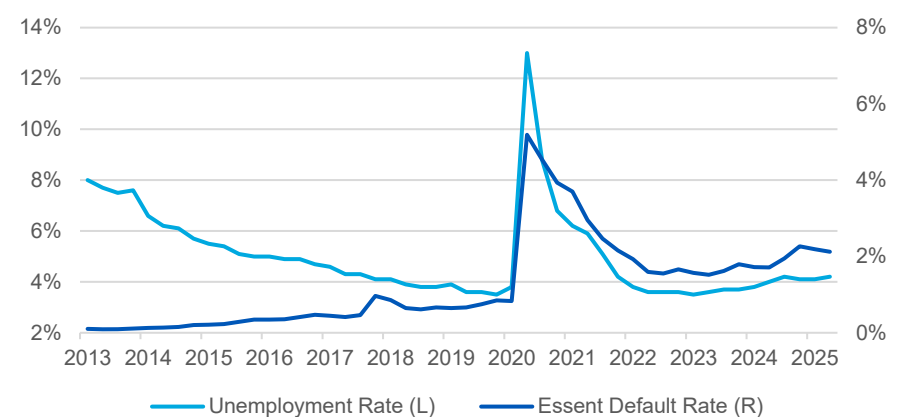
- Total housing inventory at approximately 5 months
- Macro trends pressure existing home inventory (e.g. "lock-in" effect)

## PERSISTENCY vs. 30-YEAR MORTGAGE RATE



- Annual persistency has positive correlation with avg. rate 30-year fixed rate mortgage
- Periods of higher mortgage rates have translated to higher persistency

## UNEMPLOYMENT RATE vs. DEFAULT RATE



- Mortgage insurer default rate typically has positive correlation with U.S. unemployment rate
- Certain events (e.g. hurricanes) have the potential to temporarily impact default rates

Source: National Association of Realtors, Federal Reserve Economic Data, Bureau of Labor Statistics, U.S. Census Bureau, Fannie Mae.

# Recent Industry Fundamental Reforms



Strong mortgage underwriting standards and prudential credit guardrails provide an improved credit profile of the addressable market, while transparent regulatory requirements (i.e. PMIERS<sup>(1)</sup>) serve as pricing and capital adequacy guardrails



“Buy, Manage and Distribute” operating model leverages programmatic reinsurance to hedge against stress losses and support a stable and sustainable MI franchise

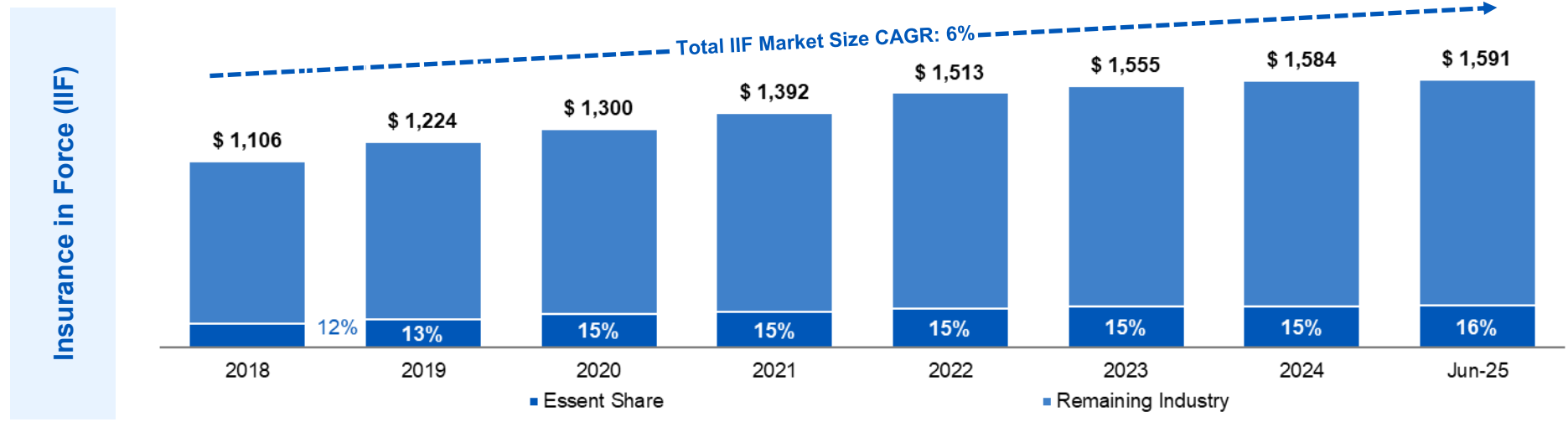


Sophisticated risk-based pricing engines enable granular credit selection and dynamic pricing responses to changes in credit trends and macro environment to ensure adequate risk-adjusted returns

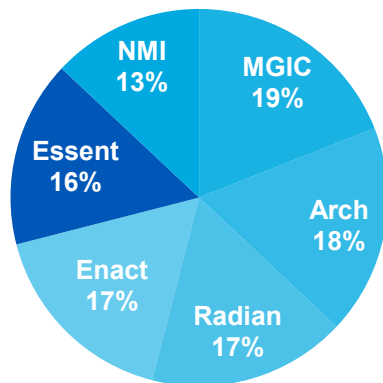
(1) Private Mortgage Insurer Eligibility Requirements.

# Private MI Market Has Grown Steadily

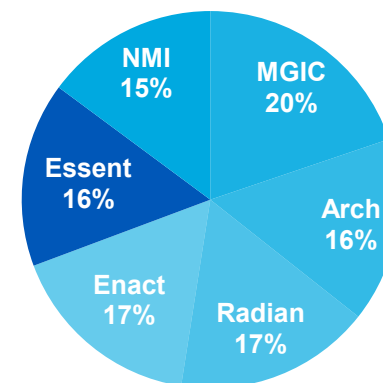
## TOTAL IIF MARKET SIZE & GROWTH (\$B)



### BY IIF (2Q25)



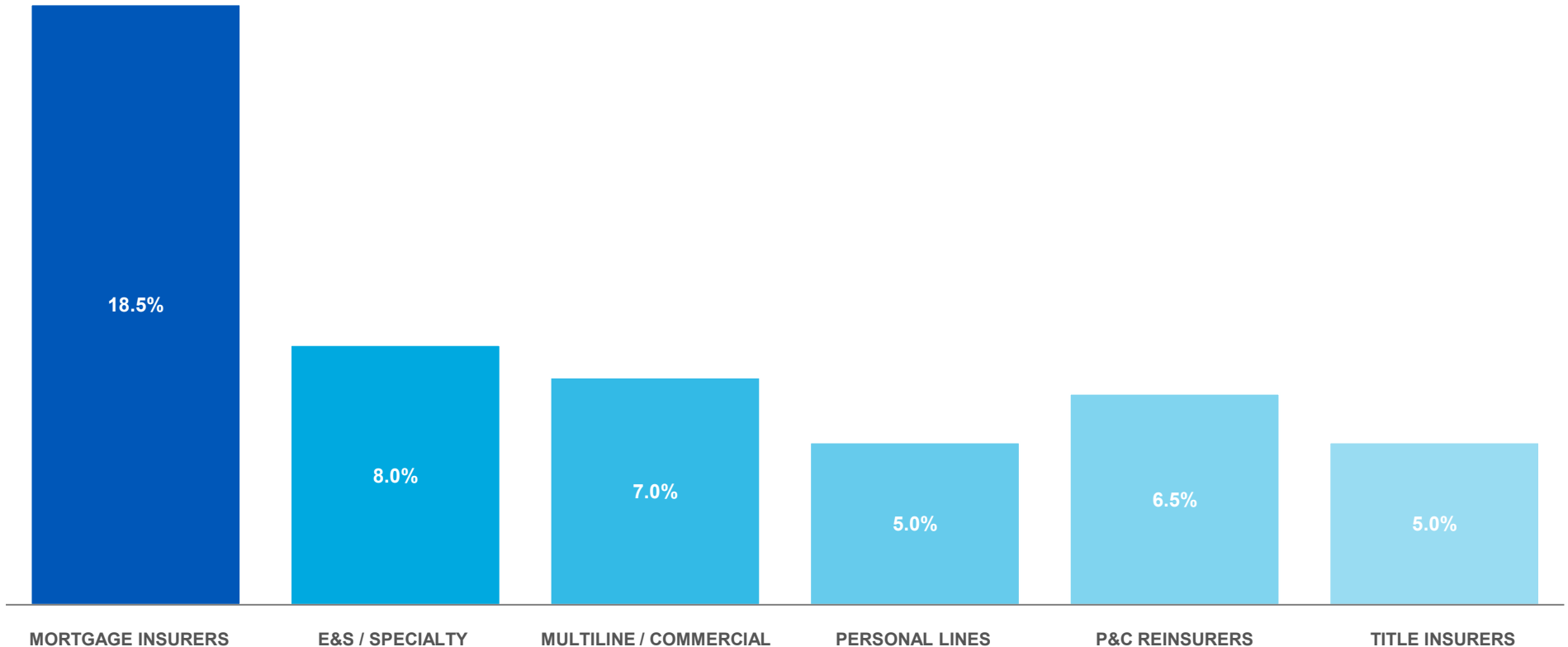
### BY NEW INSURANCE WRITTEN (LTM 2Q25)<sup>(1)</sup>



Source: Company filings (1) Percentages shown are rounded to the nearest whole number. As a result, the total may not equal exactly 100%.

# Private MI Value Creation Has Outpaced P&C Industry

10 YEAR TOTAL VALUE CREATION (TVC)<sup>(1)</sup>



Source: CapIQ, FactSet

Note: Company stock tickers included in the sectors are – Mortgage Insurers: ESNT, MTG, NMIH, RDN; E&S / Specialty: AFG, AIZ, AMSF, BEZ, EIG, GBLI, HSX, JRVR, LRE, MKL, PRA, RLI, WRB; Multiline / Commercial: AIG, BRK, CB, CINF, CNA, FFH, HIG, IFC, SIGI, THG, TRV, UFCS; Personal Lines: ALL, DGIC, HMN, KMPR, MCY, PGR, SAFT; P&C Reinsurers: AACL, AXS, EG, GLRE, RNR, SPNT; Title Insurers: FAF, FNF, ORI, STC. This analysis excludes ACT and other P&C companies that have IPO'd less than 10 years ago.

(1) Total Value Creation defined as the average annual growth rate of Tangible Book Value + Cumulative Dividends on a per share basis over a given period. The datapoint included in the chart is the sector median for the above referenced stock tickers for the 10-year period ending December 31, 2024.



# Introduction to Essent Group

# Essent Is A Leading Private MI

## COMPANY OVERVIEW

- Essent Group Ltd. is a Bermuda-based holding company that went public in 2013 and is traded on the New York Stock Exchange (NYSE: ESNT).
- Three primary operating companies: Essent Guaranty, Inc. (Radnor, PA), Essent Reinsurance Ltd. (Hamilton, Bermuda) and Essent Title Insurance, Inc. (Radnor, PA).
- Offers private mortgage insurance, reinsurance and title insurance and settlement services to serve the U.S. housing finance industry.
- Transformed primary MI business model from “Buy and Hold” to “Buy, Manage & Distribute” through use of programmatic reinsurance.
- Developed proprietary credit engine EssentEDGE®, a cloud-based platform that leverages machine learning for MI pricing and risk management.
- Essent Guaranty, Inc. is rated A2 by Moody’s, A (Excellent) by AM Best, and A- by S&P.
- Essent Group Ltd. is rated Baa2 by Moody’s<sup>(4)</sup> and BBB- by S&P.

## RECENT DEVELOPMENTS

- On August 6, 2025, Moody’s upgraded the insurance financial strength rating of Essent Guaranty, Inc. to A2 from A3 and the senior unsecured debt rating of Essent Group Ltd. to Baa2 from Baa3. At the same time, the rating outlook for these entities was revised to stable.
- In January, Essent entered into two quota share reinsurance agreements with highly rated third-party reinsurers covering 25% of all eligible new insurance written for 2025 and 2026.
- In April, Essent entered into two excess of loss transactions with panels of highly rated third-party reinsurers. These agreements cover 20% of all eligible policies written by Essent Guaranty, Inc. in calendar years 2025 and 2026, effective July 1st of each year.

2024 1H25

## CONSOLIDATED FINANCIAL RESULTS

<b>Net Income (\$M)</b>	\$729.4	<b>\$370.8</b>
<b>Annualized ROE</b>	13.6%	<b>13.2%</b>
<b>Shareholders’ Equity (\$B)</b>	\$5.6	<b>\$5.7</b>
<b>Holdco Liquidity<sup>(1)</sup> (\$B)</b>	\$1.1	<b>\$1.0</b>
<b>Debt-to-Capital<sup>(2)</sup></b>	8.2%	<b>8.1%</b>

## U.S. MORTGAGE INSURANCE PORTFOLIO

<b>IIF (\$B)</b>	\$243.6	<b>\$246.8</b>
<b>NIW (\$B)</b>	\$45.6	<b>\$22.5</b>
<b>Portfolio Default Rate</b>	2.27%	<b>2.12%</b>
<b>Combined Ratio<sup>(3)</sup></b>	25.4%	<b>26.9%</b>
<b>PMIERS Sufficiency Ratio</b>	178%	<b>176%</b>
<b>PMIERS Excess Capital (\$B)</b>	\$1.6	<b>\$1.6</b>
<b>% IIF With Reinsurance Protection</b>	97%	<b>97%</b>
<b>Risk-to-Capital Ratio</b>	9.8:1	<b>9.2:1</b>

## CAPITAL DISTRIBUTION TO SHAREHOLDERS

- In conjunction with our 2Q25 earnings release, we announced Board approval of a quarterly dividend of \$0.31 per common share, payable during 3Q25.
- Year-to-date through July 31st, we repurchased 6.8 million common shares for \$387 million as part of our share repurchase plan.

- (1) HoldCo Liquidity includes cash and investments available for sale at the holding companies.  
 (2) Calculated as total debt outstanding divided by total capital.  
 (3) The combined ratio stated is for our reportable business segment, Mortgage Insurance.  
 (4) The Moody’s issuer credit rating has been assigned to Essent Group Ltd.’s senior unsecured notes.

# How Essent Differentiates Itself From Peers



Founder CEO and owner operator business with strong, risk centric and expense management culture



Strongly capitalized with the lowest debt-to-capital ratio at ~8% and one of the highest financial strength ratings among monoline companies



Highly efficient operating platform with mortgage insurance segment having the lowest expense ratio compared to industry peers



At the forefront of the industry in combining machine learning and data analytics to evaluate and price risk through a best-in-class credit engine, EssentEDGE®



Forward looking strategy to invest in current and future operating engines with a goal of driving long-term growth and diversification



Bermuda holding company provides capital and tax efficiencies as well as additional opportunities and flexibility through reinsurance subsidiary Essent Re

# Founder CEO And Seasoned Management Team



## MARK CASALE

Founder, Chairman & Chief Executive Officer

- Founded Essent in 2008
- Previously served in senior roles in mortgage banking, mortgage insurance, bond insurance and capital markets



## CHRIS CURRAN

President, Essent Guaranty, Inc.

- At Essent since 2011
- Previously served in leadership roles in mortgage insurance, mortgage banking and financial services



## DAVID WEINSTOCK

Chief Financial Officer, Senior Vice President

- At Essent since 2009
- Previously a Chief Accounting Officer and VP of Investor Relations at a bank



## WEI DING

Senior Vice President, Corporate Development

- At Essent since 2009
- Previously a Senior Vice President of Capital Markets at an insurance company



## VIJAY BHASIN

Chief Risk Officer, Senior Vice President

- At Essent since 2009
- Previously a Managing Director at a mortgage lender



## PAUL WOLLMANN

President and Chief Underwriting Officer, Essent Reinsurance Ltd.

- At Essent since 2009
- Previously a Managing Director at a reinsurance company



## MARY GIBBONS

Chief Legal Officer, Senior Vice President, Secretary

- At Essent since 2008
- Previously a Chief Legal Officer at an insurance firm

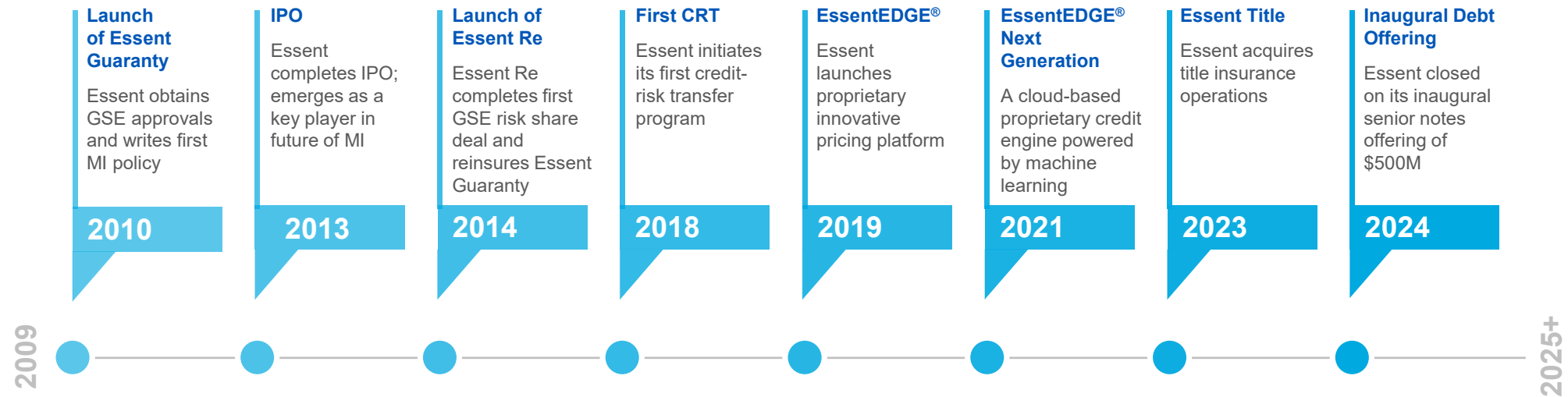


## BILL HIGGINS

President, Essent Title Insurance, Inc.

- At Essent since 2014
- Previously a Chief Lending Officer at a retail bank

# Key Milestones In Essent's Evolution



## Essent Advantage



**25+ years  
Experienced  
Management  
Team**



**Strong  
Capital  
Position**



**Conservative  
Financial  
Leverage**



**Highly  
Efficient  
Operating  
Platform**

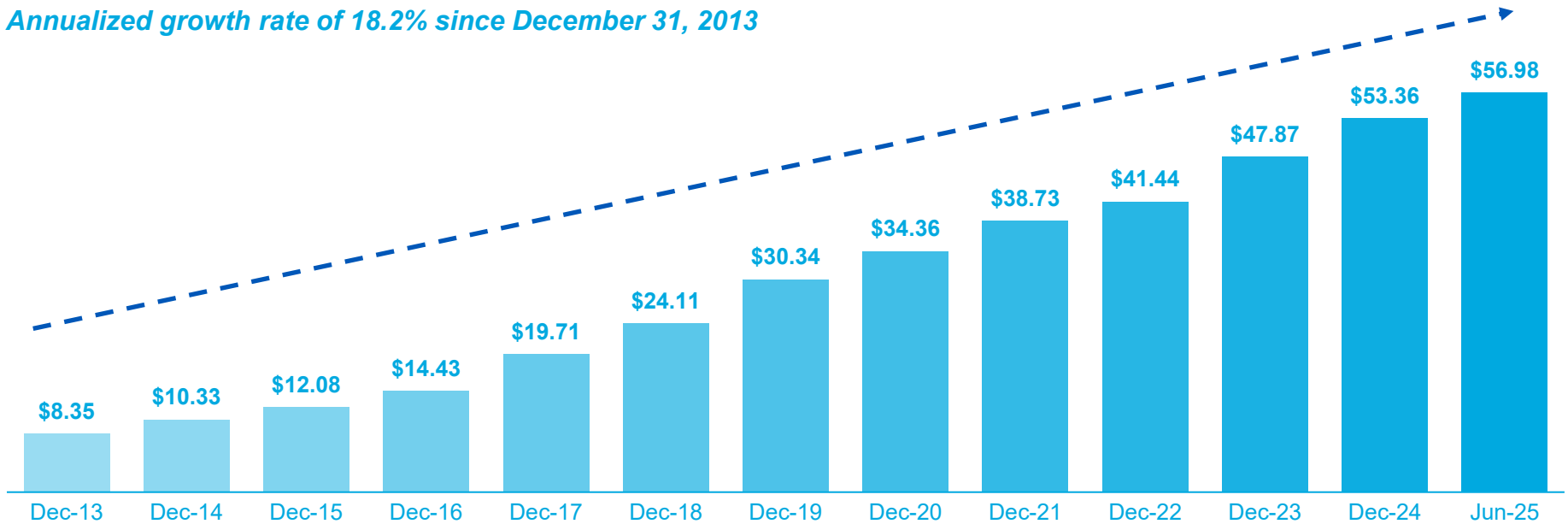


**Best in Class  
Analytics &  
Technologies**

# Essent Has Compounded Book Value...

## BOOK VALUE PER SHARE GROWTH

Annualized growth rate of 18.2% since December 31, 2013



**Strong Cash Flows  
& Earnings**



**Programmatic  
Reinsurance Protection**



**Steadily Increasing  
Dividends**



**Disciplined Capital  
Management**

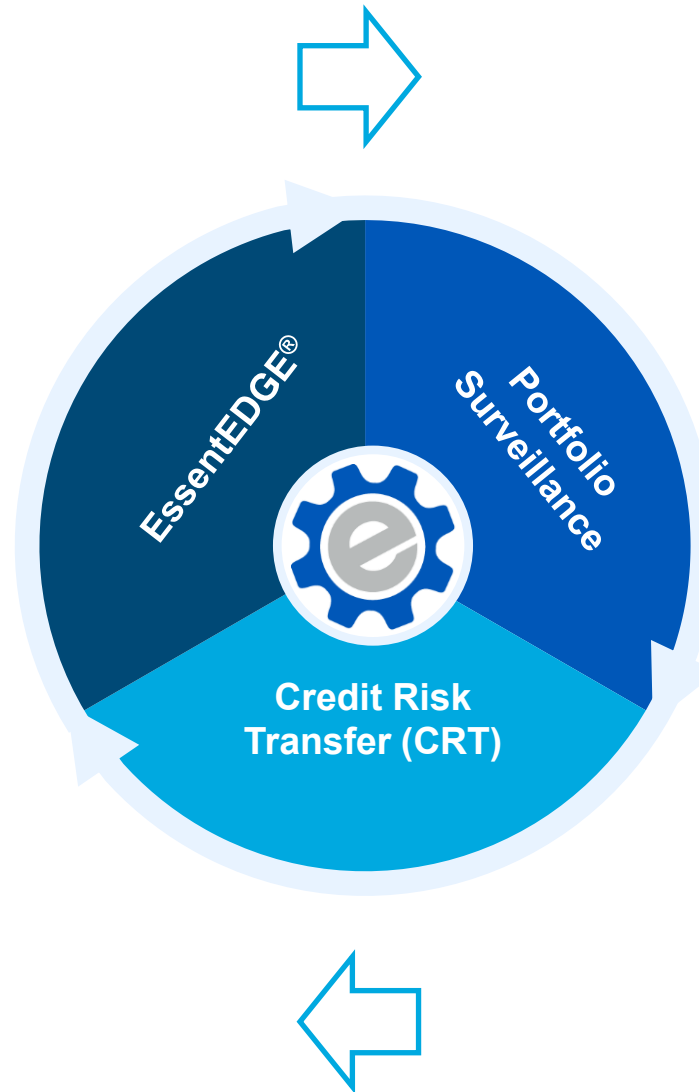
# ...While Transforming Its Operating Model...

## EssentEDGE® Enables Rapid Execution of Targeted Pricing Strategies

- Increasing lender adoption
- The latest generation of EssentEDGE® is a **cloud-based proprietary credit engine using machine learning** and 400+ attributes to quote MI in ~3 seconds
- Differentiated pricing strategy to deliver best price

## Committed To Programmatic Reinsurance

- **Buy, Manage & Distribute operating model** reduces volatility; 97% of IIF covered by reinsurance
- As of June 30, 2025, \$9.5B of RIF ceded through five quota share treaties
- As of June 30, 2025, Essent has access to \$1.4B in ILN/XOL reinsurance coverage



## Strong Operating Results

- Trailing Twelve Months (TTM) Operating Cash Flow of \$867 million as of June 30, 2025
- Focus on optimizing unit economics
- Credit quality of portfolio remains strong
- Efficient platform enables increased operating leverage and profitability

## Fortifying Balance Sheet and Enhancing Financial Flexibility

As of June 30, 2025:

- \$5.7B in GAAP Equity
- Ample liquidity with \$1.0B of cash and investments available for sale at the holding companies
- \$500 million in undrawn credit facility
- Debt-to-Capital of 8.1%

# ... And De-Risking Through Programmatic Reinsurance

Since March 2018, Essent has transferred credit risk associated with the U.S. mortgage insurance portfolio's \$68 billion of gross risk in force to:

- Capital market investors via **ten**<sup>(1)</sup> Radnor Re Insurance-Linked Note (ILN) issuances
- Reinsurers via **six**<sup>(2)</sup> Excess of Loss (XOL) reinsurance transactions
- Reinsurers via **five**<sup>(3)</sup> Quota Share (QS) reinsurance programs

**AS OF 6/30/25, 97% OF IIF IS SUBJECT TO REINSURANCE PROTECTION**

**CAPITAL MARKETS**

**EXCESS OF LOSS**

**QUOTA SHARE**

**\$1.0 BILLION**

remaining risk in force in ILNs  
sold to investors

**\$342 MILLION**

in risk limit reinsured by highly rated  
third-party reinsurers

**\$9.5 BILLION**

of RIF ceded to a panel of highly rated  
third-party reinsurers

(1) As of 6/30/25, we have 5 active ILN deals.

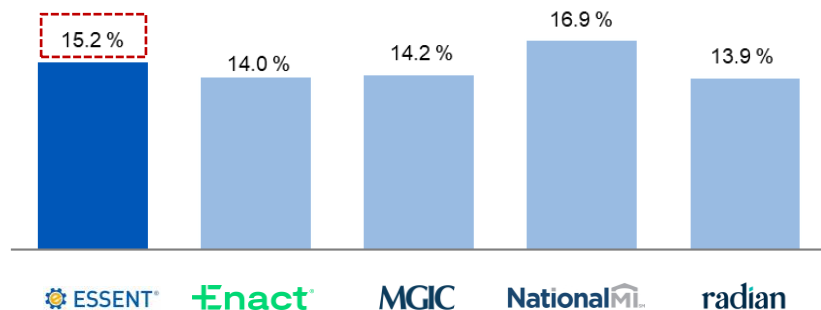
(2) As of 6/30/25, we have 5 active XOL deals. In April 2025, we entered into two excess of loss reinsurance transactions, which will provide coverage on all eligible new insurance written for 2025 and 2026, effective July 1 of each year.

(3) As of 6/30/25, we have 5 active QSR deals. In addition, in January 2025, we entered into a quota share reinsurance agreement covering 25% of all eligible new insurance written for 2026.

# Essent Is Best In Class In A Transformed Industry...

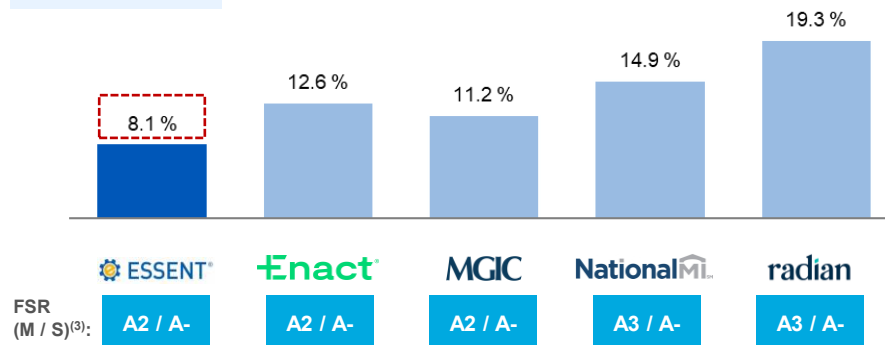
## 5-YEAR AVERAGE RETURN ON EQUITY<sup>(1)</sup> (2024)

ROE Above Most Peers



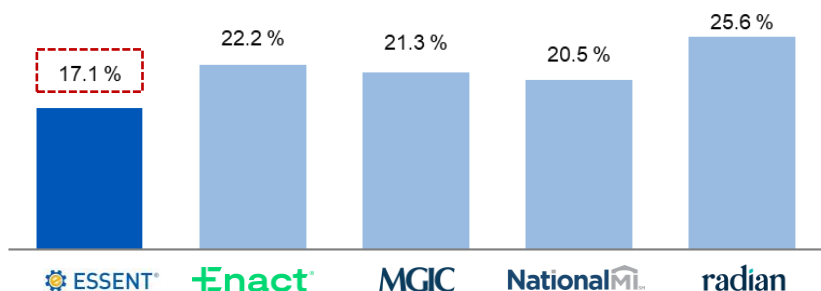
## TOTAL DEBT / CAPITAL<sup>(2)</sup> (2Q25)

Lowest Financial Leverage



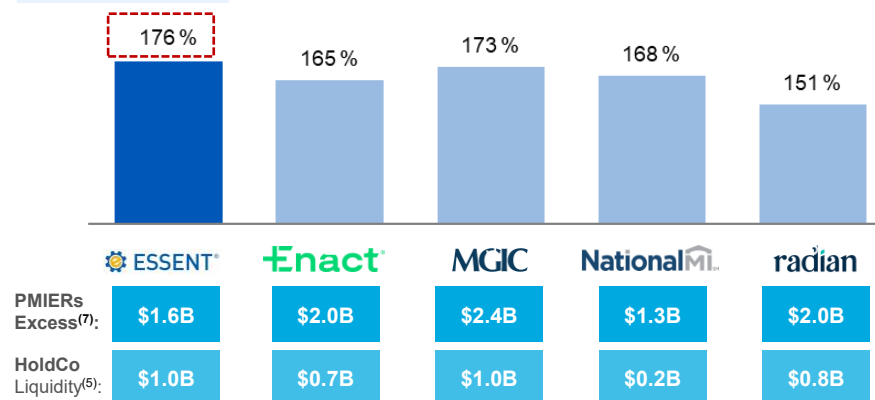
## EXPENSE RATIO (MI ONLY<sup>(6)</sup>, TTM 2Q25)

Lowest Expense Ratio



## PMIERS SUFFICIENCY RATIO<sup>(4)</sup> (2Q25)

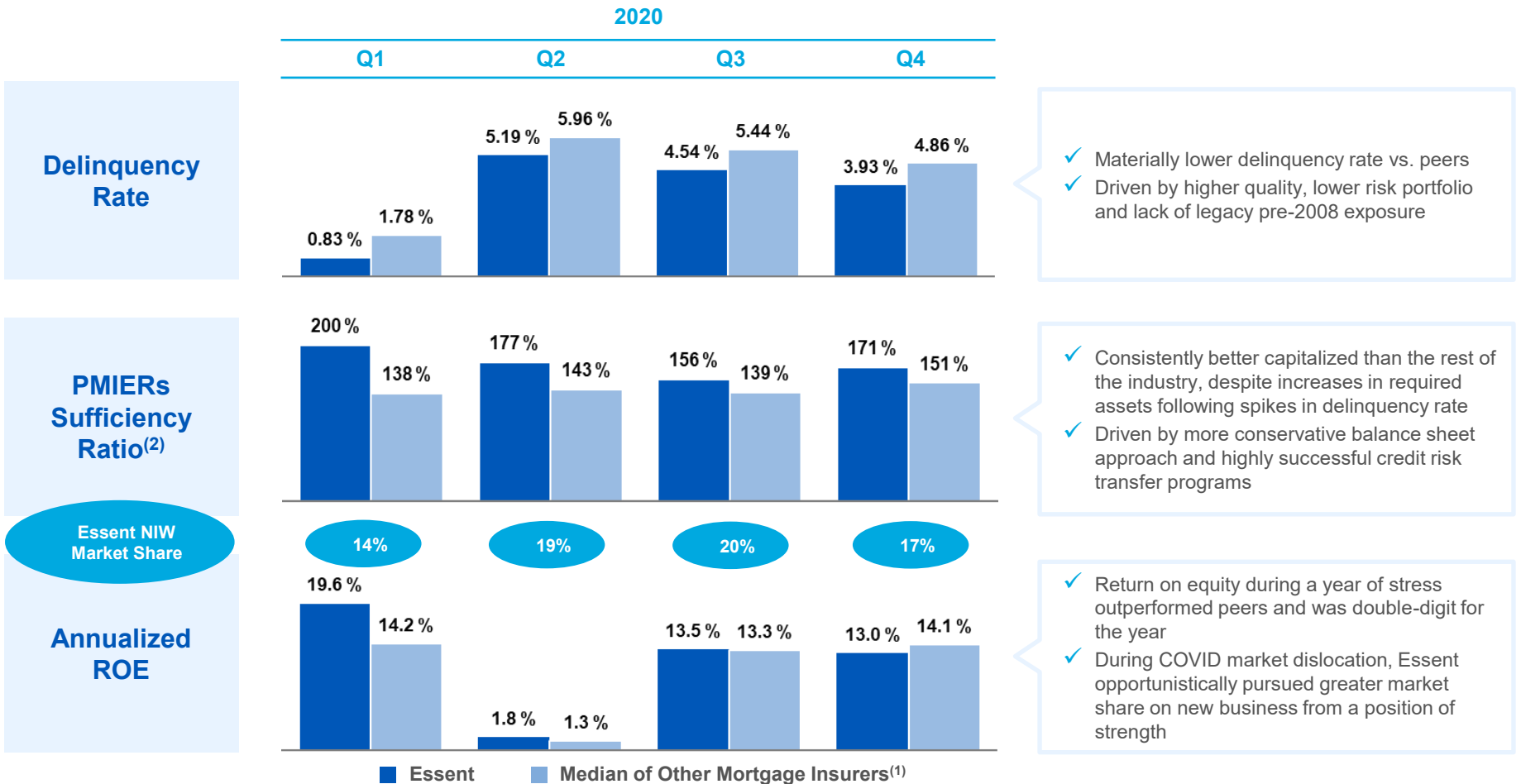
Highest PMIERS Ratio



Note: MI peers shown in alphabetical order. (1) Calculated as reported annual net income divided by average shareholders' equity, reported in SEC filings for each Company. (2) Calculated as total debt outstanding divided by total capital as at 2Q25 as reported in SEC filings. Excludes FHLB advances and mortgage loan financing facilities classified as debt. (3) Denotes Financial Strength Ratings by Moody's ("M") and Standard & Poor's ("S"). (4) Calculated as reported PMIERS Available Assets divided by reported PMIERS Minimum Required Assets as of 2Q25, reported in recent SEC filings for each company's U.S. mortgage insurance subsidiary. (5) HoldCo Liquidity includes cash and investments available for sale at the holding companies. (6) Essent's expense ratio presented here is for the Mortgage Insurance reportable business segment. (7) Excess of Essent Guaranty's Available Assets over Minimum Required Assets.

# ...And Proved Resilient During Macro Stress

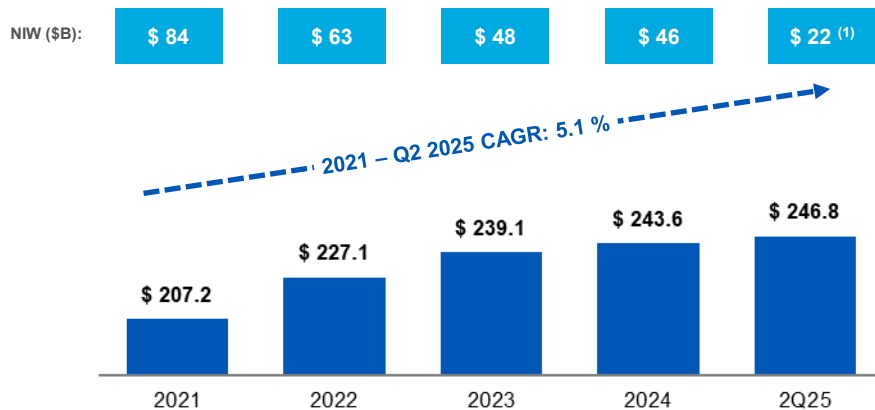
Essent performed better than its peers across key metrics during the macroeconomic shock induced by the COVID pandemic in 2020, which was a direct result of its high-quality in-force portfolio, stronger and more conservative balance sheet, effective use of programmatic reinsurance and ability to quickly adapt new business pricing



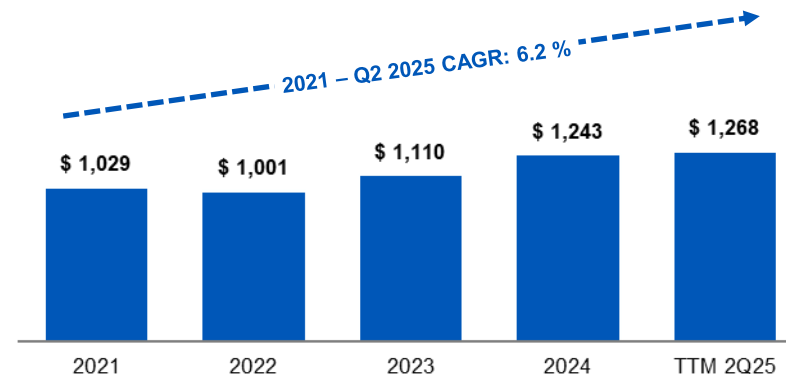
(1) Median includes Arch, Enact, MGIC, National MI, and Radian. (2) The PMIERS sufficiency ratio is calculated by dividing the company's mortgage insurance subsidiary's Available Assets by Minimum Required Assets.

# Essent Has An Attractive Financial Profile

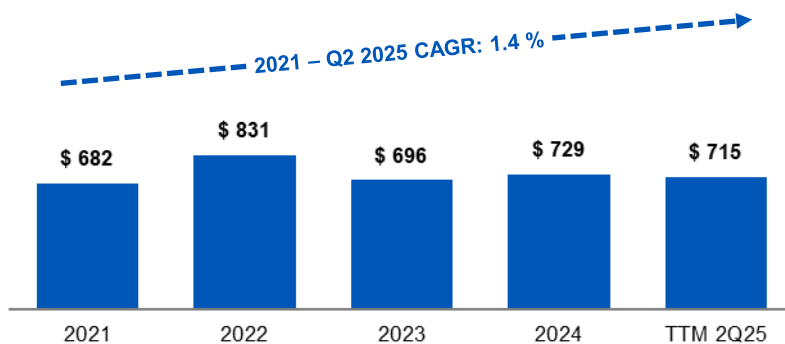
## U.S. MORTGAGE IIF (\$B)



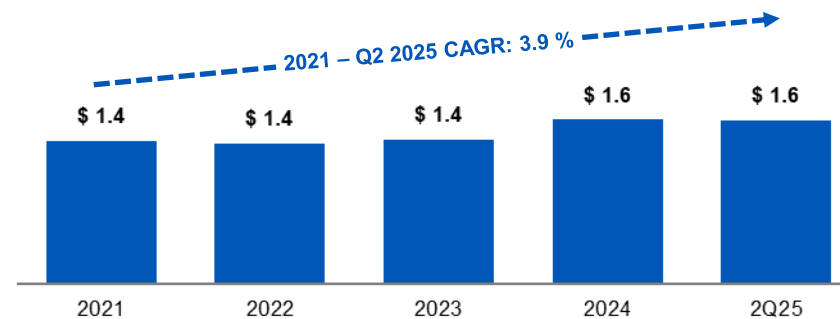
## TOTAL REVENUE (\$M)



## NET INCOME (\$M)



## STRONG CAPITAL POSITION - PMIERS CAPITAL EXCESS<sup>(2)</sup> (\$B)



ROE:

2021	2022	2023	2024	2Q25
16.8 %	19.1 %	14.6 %	13.6 %	12.9 %

PMIERS  
Sufficiency  
Ratio<sup>(3)</sup>:

2021	2022	2023	2024	2Q25
177 %	174 %	170 %	178 %	176 %

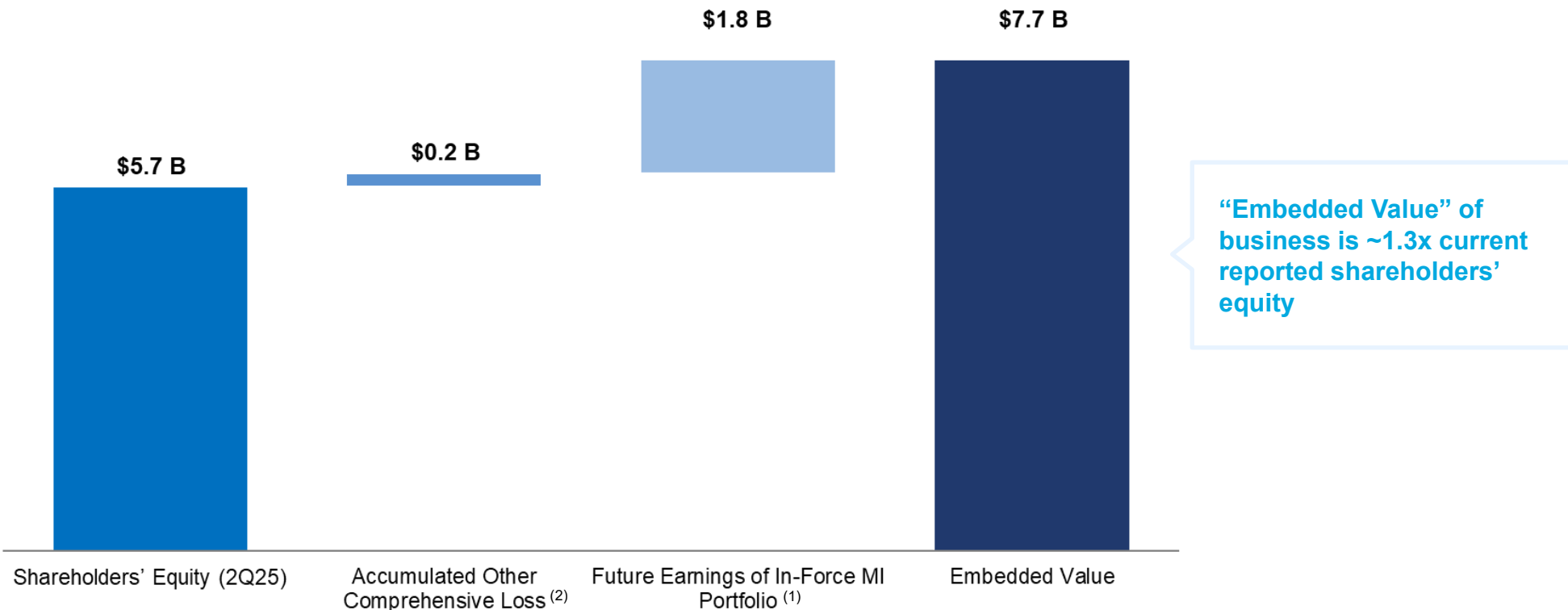
HoldCo  
Liquidity<sup>(4)</sup>:

2021	2022	2023	2024	2Q25
\$0.6B	\$0.7B	\$0.7B	\$1.1B	\$1.0B

(1) NIW is Year-to-date for 2025. (2) Excess of Essent Guaranty's Available Assets over Minimum Required Assets. (3) The PMIERS sufficiency ratio is calculated by dividing Essent Guaranty's Available Assets by Minimum Required Assets. (4) HoldCo Liquidity includes cash and investments available for sale at the holding companies.

# In-Force Portfolio Has Significant Earnings Power

The existing in-force U.S. mortgage insurance portfolio provides a meaningful earnings stream for Essent in future periods considering policy life expectancy. These additional future earnings, assuming normalized underwriting results, implies a run-off value that is well above the current reported book value... and ignores any intrinsic franchise value



(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Disclaimer included at the front of this presentation. Includes the impact of reinsurance in effect as of June 30, 2025. This projection of future earnings represents the U.S. mortgage insurance portfolio business and ignores any potential earnings impact from the third-party business at Essent Re, the title insurance business or other corporate activities. Assuming Insurance In Force: \$247B, Avg. Net Premium Yield: 37bps, Assuming Net Investment Yield: 4.0%, Assuming Frequency: ~20k Claims, Severity: ~100% / Claim, Assuming Expense Ratio: 25%. Assuming Effective Tax Rate: 21%. Assuming Discount Rate: 15%. Assuming earnings are not distributed to shareholders. (2) Accumulated Other Comprehensive Loss relates to unrealized losses on investments at 2Q25 that the analysis assumes are held to recovery, which could be the maturity date, resulting in a reversal of the unrealized losses.

# Prudent And Efficient Capital Management Strategy

