



INVESTOR PRESENTATION

NOVEMBER 2024

DISCLAIMER



Forward-Looking Statements

This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “believe,” “may,” “will,” “intend,” “expect,” “anticipate,” “estimate,” “target,” and similar expressions, or the negative thereof, among others, identify forward-looking statements. All forward-looking statements are based on assumptions, expectations and other information currently available to management. Although SKWD believes that the expectations reflected in forward-looking statements have a reasonable basis, it can give no assurance that these expectations will prove to be correct. Such forward-looking statements are subject to certain risks and uncertainties that could cause the Company’s actual results to differ materially from those projected, anticipated or implied. The most significant of these risks and uncertainties are described in SKWD’s most recently filed Annual Report on Form 10-K and its other filings with the Securities and Exchange Commission, and include (but are not limited to) legislative changes at both the state and federal level, state and federal regulatory rule making promulgations and adjudications, class action litigation involving the insurance industry and judicial decisions affecting claims, policy coverages and the general costs of doing business, the potential loss of key members of our management team or key employees and our ability to attract and retain personnel, the impact of competition on products and pricing, inflation in the costs of the products and services insurance pays for, product development, geographic spread of risk, weather and weather-related events, other types of catastrophic events, our ability to obtain reinsurance coverage at prices and on terms that allow us to transfer risk and adequately protect our company against financial loss, and losses resulting from reinsurance counterparties failing to pay us on reinsurance claims. Except to the extent required by law, SKWD undertakes no obligation to update or revise any forward-looking statements.

Non-GAAP Financial Measures

In addition to financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation includes certain non-GAAP financial measures. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included in the Appendix to this presentation. This presentation contains statistical data, estimates, and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

SELECT MARKET INFORMATION



As of September 30, 2024

Ticker Symbol	SKWD
Exchange	NASDAQ Global Select Market
Stock Price	\$40.73
Market Capitalization	\$1.6 billion
Book Value (per share)	\$19.89
Debt to Total Capitalization Ratio	13.0%
Full-time Employees	567
A.M. Best Rating	A (Excellent) with stable outlook

WE ARE A DISTINCTIVE SPECIALTY P&C INSURER









Skyward Specialty is a rapidly growing specialty insurance company, delivering commercial P&C products and solutions on a non-admitted and admitted basis. The Company operates through eight underwriting divisions – Accident & Health, Captives, Global Property & Agriculture, Industry Solutions, Professional Lines, Programs, Surety and Transactional E&S. All of our insurance company subsidiaries are group rated and have a financial strength rating of “A” (Excellent) with stable outlook from A.M. Best Company.

We approach insurance differently. Our specialty insurance experts dig deeper to customize solutions to help brokers and agents deliver impactful solutions to their clients. We operate at the complex end of the specialty market and leverage technology to bring unique, innovative insurance solutions to market.

Highly Experienced Leadership Team



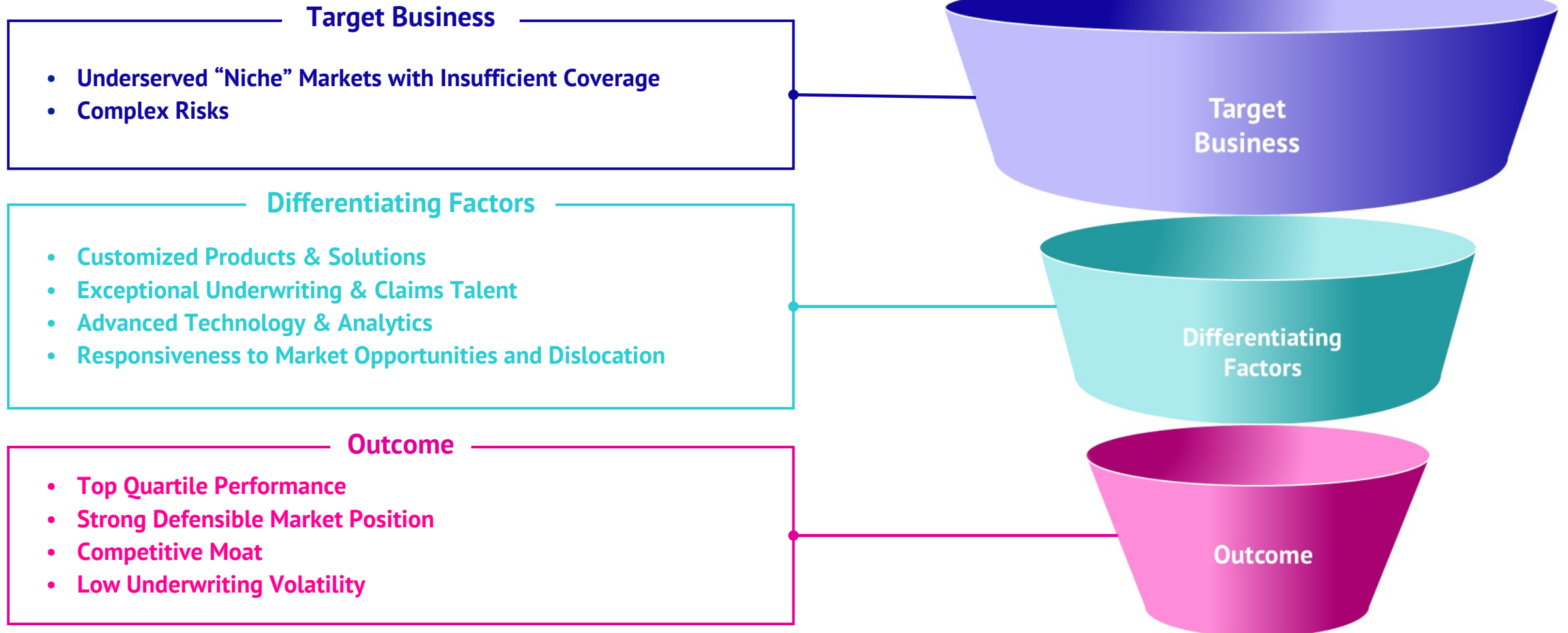
 <p>Andrew Robinson <i>Chairman & Chief Executive Officer</i></p> <p>Joined Skyward in 2020 30+ Years of Experience</p> 	 <p>Mark Haushill <i>Chief Financial Officer</i></p> <p>Joined Skyward in 2015 30+ Years of Experience</p> 	 <p>John Burkhart <i>President, Specialty Lines & Industry Solutions</i></p> <p>Joined Skyward in 2021 30+ Years of Experience</p> 	 <p>Chase Clark <i>SVP, Corporate Underwriting & Ceded Re</i></p> <p>Joined Skyward in 2009 25+ Years of Experience</p> 	 <p>Kirby Hill <i>President, Captives, Programs & Alternative Risk</i></p> <p>Joined Skyward in 2010 30+ Years of Experience</p> 	 <p>Sean Duffy <i>Chief Claims Officer</i></p> <p>Joined Skyward in 2019 25+ Years of Experience</p> 
 <p>Sandip Kapadia <i>EVP, Chief Actuary & Analytics Officer</i></p> <p>Joined Skyward in 2020 20+ Years of Experience</p> 	 <p>Shakoor Khan <i>SVP, Corporate Development & Strategy</i></p> <p>Joined Skyward in 2023 18+ Years of Experience</p> 	 <p>Tom Schmitt <i>Chief Administrative Officer & Chief People Officer</i></p> <p>Joined Skyward in 2020 30+ Years of Experience</p> 	 <p>Dan Bodnar <i>Chief Information & Technology Officer</i></p> <p>Joined Skyward in 2017 20+ Years of Experience</p> 	 <p>Doug Davies <i>President, Global Property</i></p> <p>Joined Skyward in 2013 20+ Years of Experience</p> 	 <p>Leslie Shaunty <i>General Counsel</i></p> <p>Joined Skyward in 2013 25+ Years of Experience</p> 

Experienced and entrepreneurial leadership with proven track record to build and lead top-tier organizations

RULE OUR NICHE STRATEGY



Focused on creating a competitive moat, winning in chosen niches, and delivering top quartile performance



WE ARE MISSION & VALUES LED



OUR MISSION

to spark potential by smartly shifting risk to a safer place

OUR VISION

to be the specialty insurance company where great people want to work, the best partners and customers bring their business and top-tier performance ensues

OUR VALUES

Grow personally and professionally

We are committed to bettering ourselves and each other, and we have fun doing it.

Rise above the usual

We go farther to gain the insight it takes to find better answers and create the right solutions

Engage in inclusion

We avidly seek a rich diversity of thought, backgrounds and perspectives

Act in good faith

We are transparent, honest and accountable to ourselves and each other, no matter what

Transcend the self

We are high achieving individuals who are humble enough to know that teamwork takes us even higher

PROFITABLE GROWTH AND STRONG MOMENTUM



	<u>2023</u>	<u>9M2024</u>
Gross Written Premium	\$1,460M	\$1,355M
Combined Ratio	90.7%	90.9%
Net Income	\$86M	\$104M
Return on Equity	15.9%	19.1% ⁽¹⁾
Return on Tangible Equity ⁽²⁾	19.0%	21.7%
Growth in Book Value ⁽³⁾	24%	19%

(1) Annualized

(2) See "Reconciliations of Non-GAAP Financial Measures" included in the Appendix

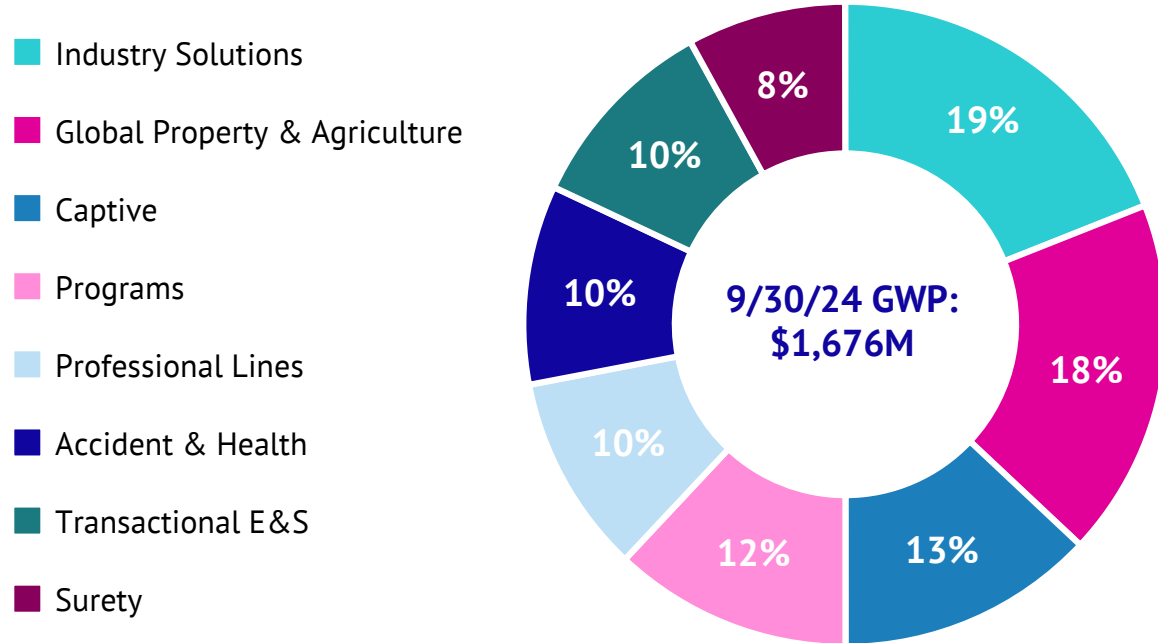
(3) Fully Diluted Book Value per share of \$18.99 at September 30, 2024 compared to \$15.96 at December 31, 2023 and compared to \$12.87 at December 31, 2022.

OUR UNDERWRITING SUCCESS



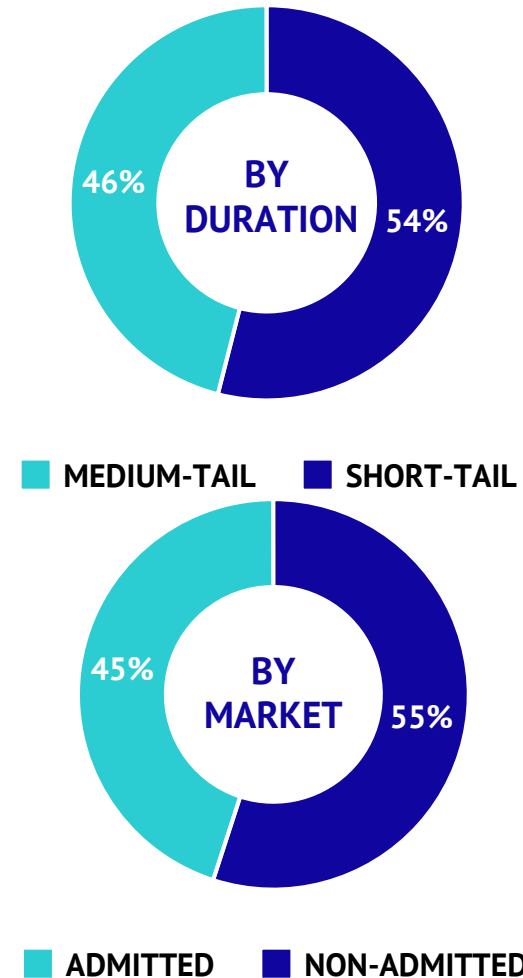
EIGHT UNDERWRITING DIVISIONS⁽¹⁾

We operate through eight underwriting divisions, each of which are now producing more than \$100 million. Each division is now at a scale that can sustainably contribute to the Company's earnings.



BALANCED BUSINESS MIX⁽¹⁾

Our balanced portfolio strengthens our market position and stabilizes our revenue streams, demonstrating our commitment to sustainable, long-term growth within the industry.



(1) Data for continuing business for the twelve months ended September 30, 2024.

MAGNET FOR TOP TALENT



Skyward Specialty Recruits Julie Miglin to Lead New Life Sciences Unit & Steven Smith to Lead Transactional E&S Property Portfolio

Skyward Specialty Named in US News & World Report's 2024-2025 "Best Companies to Work For"

Skyward Specialty Recognized Key Business Leaders in Wake of Continued Top-tier Performance

Skyward Specialty Invests in Media Liability Expansion with the Addition of Three Key Industry Veterans

Skyward Specialty Adds Seven in Strategic Move to Reach New Surety Markets

Skyward Specialty Appoints Global Agriculture Expert James Tran to Spearhead Entry into Market

Skyward Specialty Enters Media Liability With Addition of New Team

- 45% of our 134 new hires in 2023 were from employee referrals
- 7% Voluntary Turnover in 2023
- Our latest engagement survey revealed:
 - 95% of employees agreed/strongly agreed with the statement "I am proud to work for this organization" and 97% of employees agreed/strongly agreed with the statement "I understand the importance of my role to the success of the organization"
 - Overall net promoter score (positive responses minus negative responses) of over 80%

AWARDS AND RECOGNITION



US News & World Report
2024 Best Companies to Work For



Business Insurance
Best Places to Work in Insurance
2023 & 2024



Rise Professionals
Elite 50 Internships 2024 Winner
Elite 50 Internships 2023 Winner
Elite 50 Internships 2022 Winner



Insurance Business America
5-Star Winner 2023 - Professional Liability Provider



ORBIE Awards
Houston CIO – Large Corporate



Datos Insights
Impact Award winner 2023 - SkyVUE



Insurance Marketing & Communications Assoc.
Showcase Award Winner
2024 – Silver Award
2023 – Silver Award (x 2)



Captive Review
Professional of the Year 2022 Nominee
Professional of the Year 2023 Nominee
Professional of the Year 2024 Nominee



Property Casualty 360
2021 Insurance Innovator - SkyDrive

WE ARE TECHNOLOGY POWERED



Technology and Analytics

Core Operating Platform

Flexible platform designed to accelerate speed to market and enhance scalability in a **cost-efficient manner**

Superior Business Intelligence Platform

Foundation for **reporting, business intelligence, analytics** and **advanced** data capabilities

Predictive Analytics

Use of predictive analytics including artificial intelligence for **superior risk selection, pricing** and **claims handling**

SkyBI Provides Us with Real Time Intelligence



Overview

- Single, comprehensive enterprise-wide repository that provides real-time intelligence in an easy to consume visualized format



Behind SkyBI

- Powered by multiple data sources: production data, pricing / retention metrics, claims data, actuarial and select third-party data
- Data can be filtered by distributor, customer segment, LOB, industry, underwriting segmentation and specific-risk feature among others



Impact on Decision Making

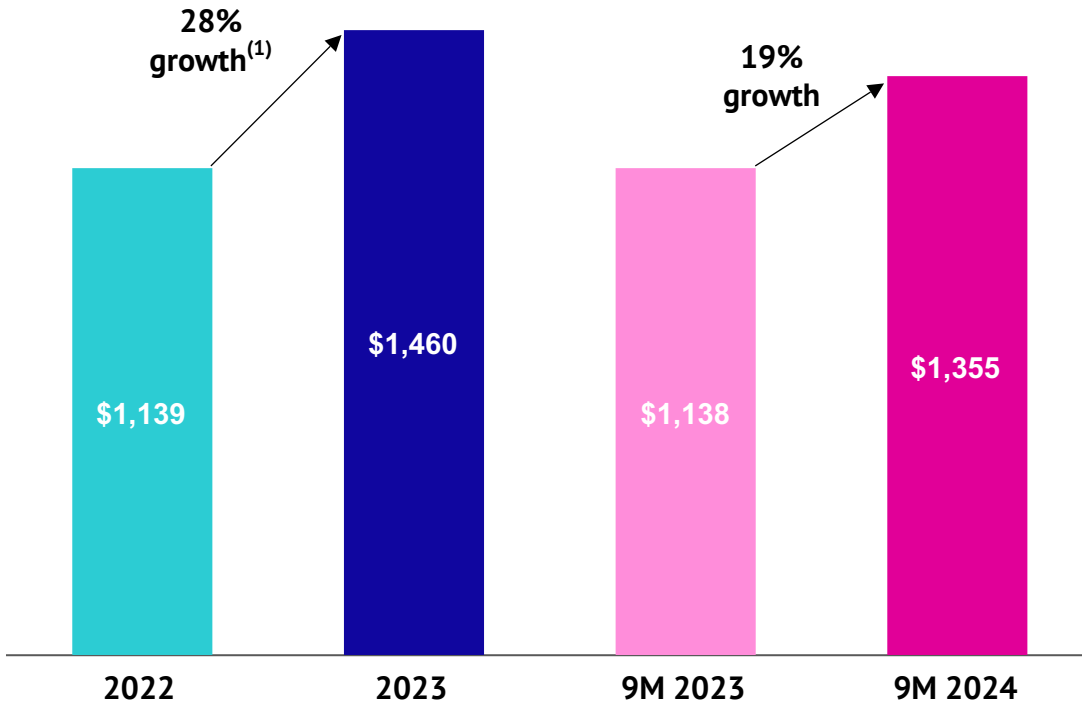
- Enables high level business review and in-depth analyses
- Daily and monthly updates allow for a quicker response time
- Better risk selection, improved pricing and stronger claims outcomes

Advanced technology and data analytics amplify our underwriting and claims capabilities

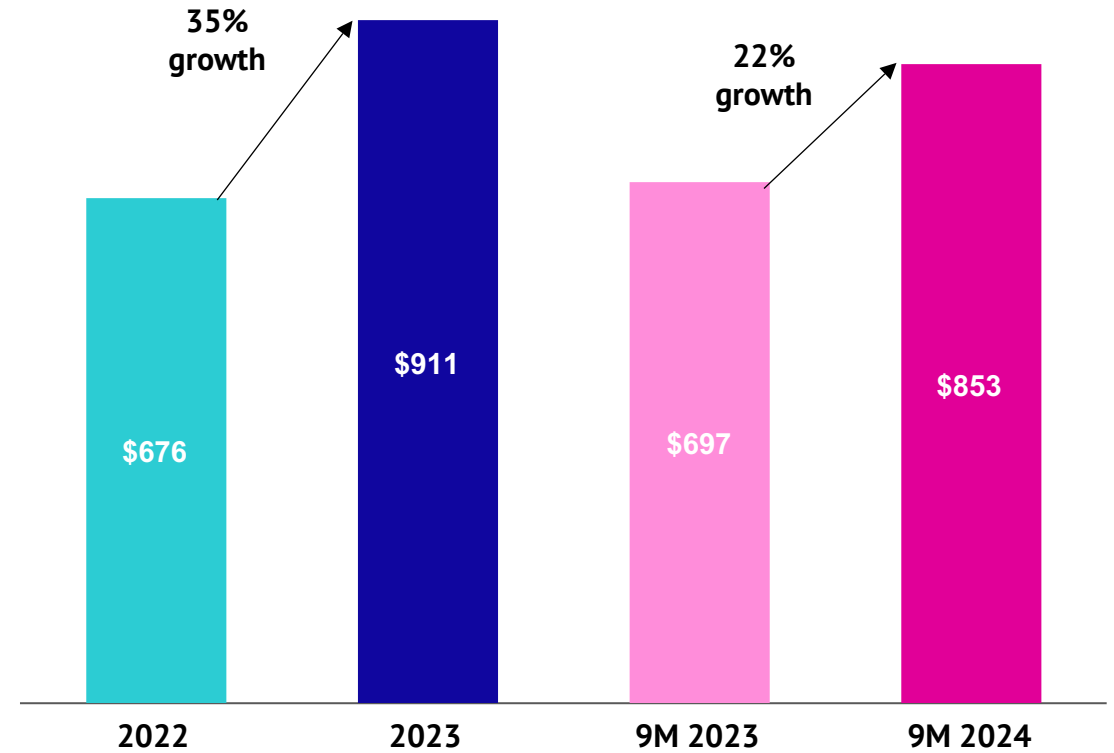
OUTSTANDING GROWTH



Gross Written Premiums (\$ in millions)



Net Written Premiums (\$ in millions)

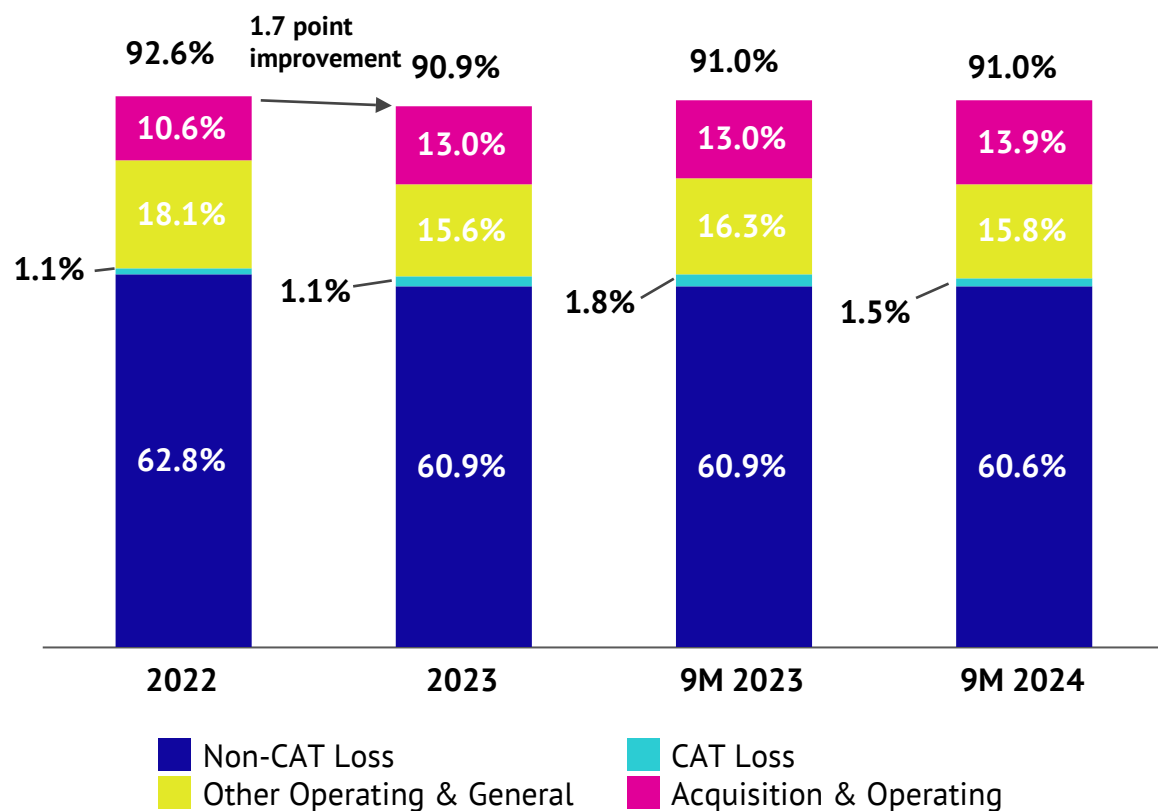


(1) Growth rate for continuing business (e.g. excluding exited lines).

STRONG UNDERWRITING RESULTS



Adjusted Combined Ratio⁽¹⁾



- **Continued loss ratio improvement**

- Shifting business mix towards more profitable lines
- Rate in line with loss cost inflation

- **Low CAT exposure limits underwriting volatility**

- CAT losses as % of premium were only 1.5 loss ratio points and amongst the lowest of our peer group

- **Expense ratio in line with target of sub-30**

- Acquisition and operating increased as expected due to shifting mix of business (e.g. growth in surety)
- Leverage from higher earned premiums

Positioned for underwriting profitability across P&C cycles

(1) See "Reconciliations of Non-GAAP Financial Measures" included in the Appendix

HIGH QUALITY INVESTMENT PORTFOLIO



Key tenets of our investment strategy include capital preservation and a balanced risk-reward approach

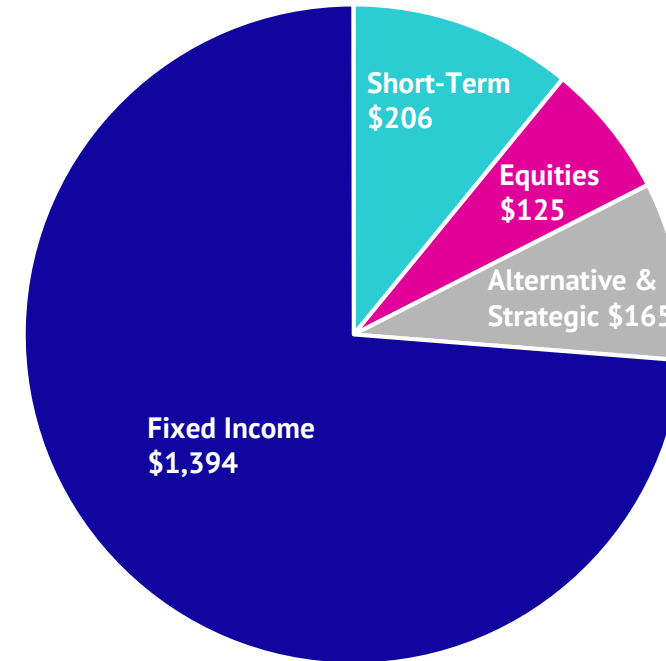
Total Invested
Assets as of
9/30/2024:
\$2.0 Billion

9M 2024 Fixed
Income Yield⁽¹⁾:
5.0%

Duration⁽²⁾:
3.89 Years

Weighted Average
Credit Quality⁽³⁾:
“AA-”

Investment Portfolio as of 09/30/2024⁽⁴⁾



We continue to deploy all free cash flow to our Fixed Income portfolio in line with our investment strategy

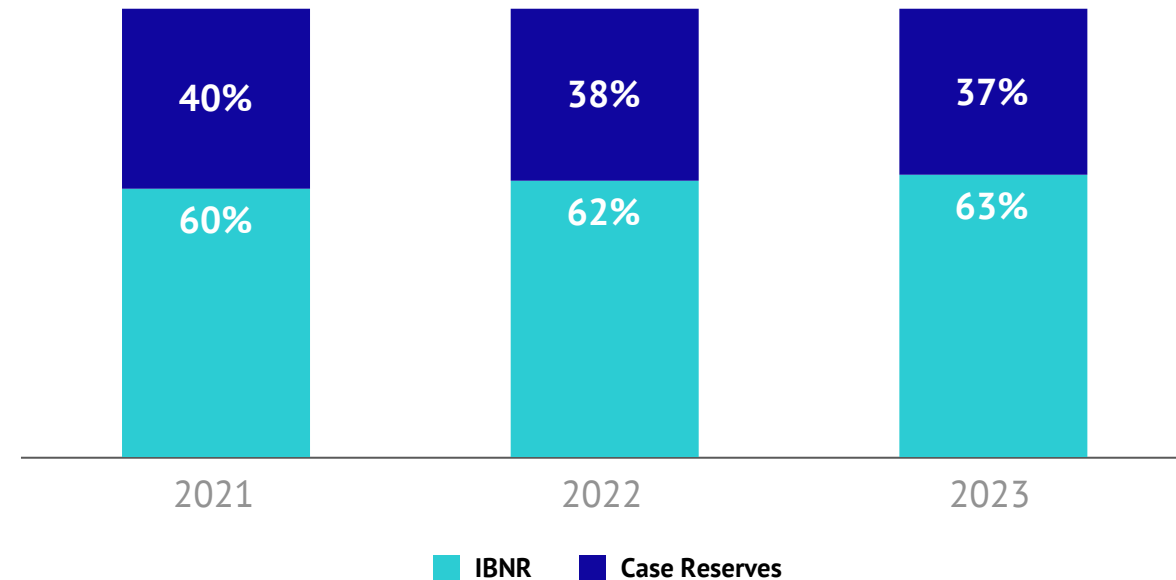
- (1) Fixed income book yield at September 30, 2024.
- (2) Duration shown for our fixed income portfolio at September 30, 2024.
- (3) Weighted average credit quality of our available-for-sale fixed income portfolio.
- (4) \$ in millions

CONSERVATIVE RESERVE PROFILE



- Reserves set by experienced claims professionals and actuaries
- Seek to identify and set reserves to expected ultimate loss early
- Promote collaboration between underwriting, claims and actuarial
- We have high confidence in the strength of our reserves
- Maintaining conservative loss picks despite rate increases in line with loss cost trends

Overall Net Reserves



Committed to a conservative loss reserve position

WE'RE GOING SKYWARD



APPENDIX

BALANCE SHEET



<i>(\$ in thousands)</i>	September 30, 2024	December 31 2023
Assets		
Total investments	\$ 1,890,078	\$ 1,613,687
Total cash and restricted cash	151,356	100,336
Premiums receivable, net	327,176	179,235
Reinsurance recoverables, net	686,725	596,334
Ceded unearned premiums	236,962	186,121
Deferred policy acquisition costs	119,910	91,955
Deferred income taxes	18,502	21,991
Goodwill & intangible assets, net	87,607	88,435
Other assets	80,547	75,341
Total assets	<u>\$ 3,598,863</u>	<u>\$ 2,953,435</u>
Liabilities and Stockholders' Equity		
Liabilities:		
Reserves for losses and loss adjustment expenses	1,568,777	1,314,501
Unearned premiums	692,452	552,532
Deferred ceding commission	44,984	37,057
Reinsurance and premium payable	200,967	150,156
Funds held for others	102,219	58,588
Accounts payable and accrued liabilities	73,001	50,880
Notes payable	100,000	50,000
Subordinated debt, net of debt issuance costs	18,956	78,690
Total liabilities	<u>\$ 2,801,356</u>	<u>\$ 2,292,404</u>
Total stockholders' equity	797,507	661,031
Total liabilities and stockholders' equity	<u>\$ 3,598,863</u>	<u>\$ 2,953,435</u>

INCOME STATEMENT



(\$ in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Revenues				
Net earned premiums	\$ 269,557	\$227,033	\$ 763,482	\$604,211
Commission and fee income	1,818	2,085	5,897	5,817
Net investment income	19,521	13,089	59,956	26,318
Net investment (losses) gains	10,187	(2,984)	16,665	3,328
Total revenues	300,888	239,223	845,798	639,674
Expenses:				
Losses and loss adjustment expenses	170,521	138,536	473,489	377,841
Underwriting, acquisition and insurance expenses	79,817	68,315	226,270	176,653
Interest expense	2,229	2,632	7,405	7,250
Amortization expense	351	463	1,099	1,336
Other expenses	1,117	1,482	3,350	4,061
Total expenses	254,035	211,428	711,613	567,141
Income before income taxes	46,853	27,795	134,185	72,533
Income tax expense	10,185	6,084	29,763	15,814
Net income	\$36,668	\$21,711	\$104,422	\$56,719

RECON - QUOTA SHARE REINSURANCE CANCELLATION



The following table provides a reconciliation of the impact of the cancellation of the quota share reinsurance contract on ceded written premiums, net retention, net written premiums and net earned premiums for the three and nine months ended September 30, 2023:

	Three months ended September 30,					%
	2024	2023				
	As Reported	As Reported	Adjustment	Adjusted	Change	
<i>(unaudited)</i>						
Ceded written premiums	\$ (131,692)	\$ (75,036)	\$ (50,462)	\$ (125,498)		4.9%
Net retention	67.1%	78.9%		64.7%		NM ⁽¹⁾
Net written premiums	\$ 268,322	\$ 280,696	\$ (50,462)	\$ 230,234		16.5%
Net earned premiums	\$ 269,557	\$ 227,033	\$ (13,145)	\$ 213,888		26.0 %
	Nine months ended September 30,					%
	2024	2023				
	As Reported	As Reported	Adjustment	Adjusted	Change	
Ceded written premiums	\$ (502,326)	\$ (441,650)	\$ (50,462)	\$ (492,112)		2.1%
Net retention	62.9%			56.8%		NM ⁽¹⁾
Net written premiums	\$ 852,551	\$ 696,574	\$ (50,462)	\$ 646,112		32.0%
Net earned premiums	\$ 763,482	\$ 604,211	\$ (13,145)	\$ 591,066		29.2 %
<i>(1) Not meaningful</i>						

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: ADJUSTED LOSSES AND COMBINED RATIO



(\$ in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Net earned premiums	\$ 269,557	\$ 227,033	\$ 763,482	\$ 604,211
Losses and LAE	170,521	138,536	473,489	377,841
Pre-tax net impact of LPT	(318)	(266)	(800)	(970)
Adjusted Losses and LAE	\$ 170,839	\$ 138,802	\$ 474,289	\$ 378,811
Loss ratio	63.3 %	61.0 %	62.0 %	62.5 %
Net impact of LPT	(0.1)%	(0.1)%	(0.1)%	(0.2)%
Adjusted loss ratio	63.4 %	61.1 %	62.1 %	62.7 %
Combined ratio	92.2 %	90.2 %	90.9 %	90.8 %
Net impact of LPT	(0.1)%	(0.1)%	(0.1)%	(0.2)%
Adjusted combined ratio	92.3 %	90.3 %	91.0 %	91.0 %

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: ADJUSTED LOSSES AND COMBINED RATIO



(\$ in thousands)	December 31	
	2023	2022
Net earned premiums	\$ 829,143	\$ 615,994
Losses and LAE	515,237	402,512
Pre-tax net impact of LPT	\$ (1,427)	\$ 8,572
Adjusted Losses and LAE	\$ 516,664	\$ 393,940
Loss ratio	62.1 %	65.3 %
Net impact of LPT	(0.2)%	1.4 %
Adjusted loss ratio	62.3 %	63.9 %
Combined ratio	90.7 %	94.0 %
Net impact of LPT	(0.2)%	1.4 %
Adjusted combined ratio	90.9 %	92.6 %

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: ROTE, ADJUSTED ROE AND ROTE



(\$ in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Annualized Adjusted Return on Equity				
Numerator: adjusted operating income	\$ 117,619	\$ 100,116	\$ 124,576	\$ 75,376
Denominator: average stockholders' equity	\$ 760,563.5	\$ 529,037.5	\$ 729,269	\$ 478,529.5
Annualized Adjusted return on equity	15.5 %	18.9 %	17.1 %	15.8 %
Annualized Adjusted Return on Tangible Equity				
Stockholders' equity	\$ 797,507	\$ 522,678	\$ 797,507	\$ 535,397
Less: goodwill and intangible assets	87,607	89,181	87,607	88,808
Tangible stockholders' equity	\$ 709,900	\$ 433,497	\$ 709,900	\$ 446,589
Numerator: annualized adjusted operating income	\$ 117,619	\$ 100,116	\$ 124,576	\$ 75,376
Denominator: average tangible stockholders' equity	\$ 672,826	\$ 440,043	\$ 641,248	\$ 389,191
Annualized Adjusted return on tangible equity	17.5 %	22.8 %	19.4 %	19.4 %
Annualized Return on Tangible Equity				
Numerator: annualized net income	\$ 146,672	\$ 86,844	\$ 139,229	\$ 75,625
Denominator: average tangible stockholders' equity	\$ 672,826	\$ 440,043	\$ 641,248	\$ 389,191
Annualized Return on tangible equity	21.8 %	19.7 %	21.7 %	19.4 %

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: ROTE, ADJUSTED ROE AND ROTE



(\$ in thousands)	December 31	
	2023	2022
Adjusted Return on Equity		
Numerator: adjusted operating income	\$ 80,847	\$ 58,574
Denominator: average stockholders' equity	\$ 541,347	\$ 423,871
Adjusted return on equity	14.9%	13.8%
Adjusted Return on Tangible Equity		
Stockholders' equity	\$ 661,031	\$ 421,662
Less: goodwill and intangible assets	\$ 88,435	\$ 89,870
Tangible stockholders' equity	\$ 572,695	\$ 331,792
Numerator: adjusted operating income	\$ 80,847	\$ 58,574
Denominator: average tangible stockholders' equity	\$ 452,194	\$ 333,268
Adjusted return on tangible equity	17.9%	17.6%
Return on Tangible Equity		
Numerator: net income	\$ 85,984	\$ 39,396
Denominator: average tangible stockholders' equity	\$ 452,194	\$ 333,268
Return on tangible equity	19.0%	11.8%

RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES: UNDERWRITING INCOME



(\$ in thousands)	Three months ended September 30,		Nine months ended September 30,	
	2024	2023	2024	2023
Income before federal income taxes	\$ 46,853	\$ 27,795	\$ 134,185	\$ 72,533
Add:				
Interest expense	2,229	2,632	7,405	7,250
Amortization expense	351	463	1,099	1,336
Other expenses	1,117	1,482	3,350	4,061
Less:				
Net investment income	19,521	13,089	59,956	26,318
Net investment (losses) gains	10,187	(2,984)	16,665	3,328
Other loss	(195)	—	(202)	—
Underwriting income	<u>\$ 21,037</u>	<u>\$ 22,267</u>	<u>\$ 69,620</u>	<u>\$ 55,534</u>