



ESSENT GROUP LTD.

INVESTOR PRESENTATION 3Q21

NYSE: ESNT

November 5, 2021

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: the impact of COVID-19 and related economic conditions; 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; lenders or investors seeking alternatives to private mortgage insurance; an increase in the number of loans insured through Federal government mortgage insurance programs, including those offered by the Federal Housing Administration; decline in new insurance written and franchise value due to loss of a significant customer; decline in the volume of low down payment mortgage originations; the definition of “Qualified Mortgage” reducing the size of the mortgage origination market or creating incentives to use government mortgage insurance programs; the definition of “Qualified Residential Mortgage” reducing the number of low down payment loans or lenders and investors seeking alternatives to private mortgage insurance; the implementation of the Basel III Capital Accord discouraging the use of private mortgage insurance; a decrease in the length of time that insurance policies are in force; uncertainty of loss reserve estimates; deteriorating economic conditions; our non-U.S. operations becoming subject to U.S. Federal income taxation; becoming considered a passive foreign investment company for U.S. Federal income tax purposes; 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, 2020 filed with the Securities and Exchange Commission on February 26, 2021, 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.

Essent Is A Leading Specialty Insurer

Company Highlights

- 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)
- Serves the U.S. housing finance industry by offering mortgage insurance and reinsurance to support home ownership
- Products offered through two primary operating companies: Essent Guaranty, Inc. (Radnor, PA) and Essent Reinsurance Ltd. (Hamilton, Bermuda)
- Transformed business model from a “Buy and Hold” to a “Buy, Manage & Distribute” approach through use of programmatic reinsurance on its insured portfolio
- Developed dynamic pricing through EssentEDGE®, and the next generation of EssentEDGE®, a cloud-based AI pricing platform, allowing more precise credit selection and granular pricing
- Total IIF of \$208.2 billion as of September 30, 2021
- Combined risk-to-capital ratio of 10.5:1⁽¹⁾ as of September 30, 2021
- Essent Guaranty, Inc. is rated:
 - A3 by Moody's
 - A (Excellent) by A.M. Best
 - BBB+ by S&P
- In conjunction with the 3Q21 earnings release, Essent announced Board approval to increase the quarterly dividend to \$0.19 per common share, which is payable during 4Q21
- Purchased 1,956,673 ESNT shares through September 30, 2021, or \$89.2 million of the \$250 million authorized under our share repurchase program announced in May 2021

¹ The combined risk-to-capital ratio equals the net risk in force of Essent Guaranty, Inc. and Essent Guaranty of PA, Inc. divided by the combined statutory capital of these U.S. insurance companies.

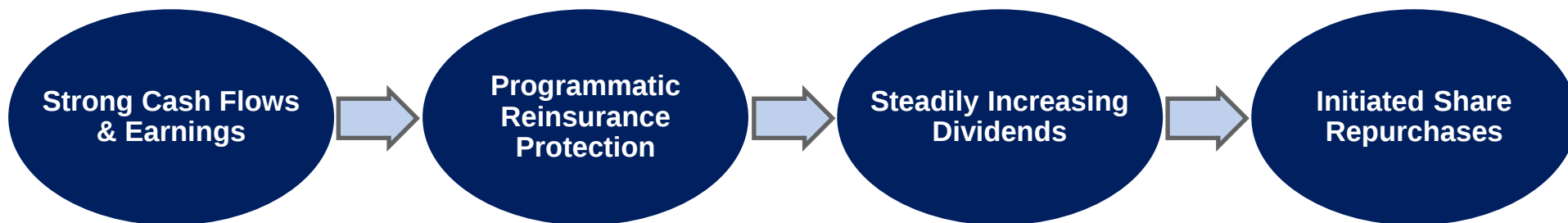
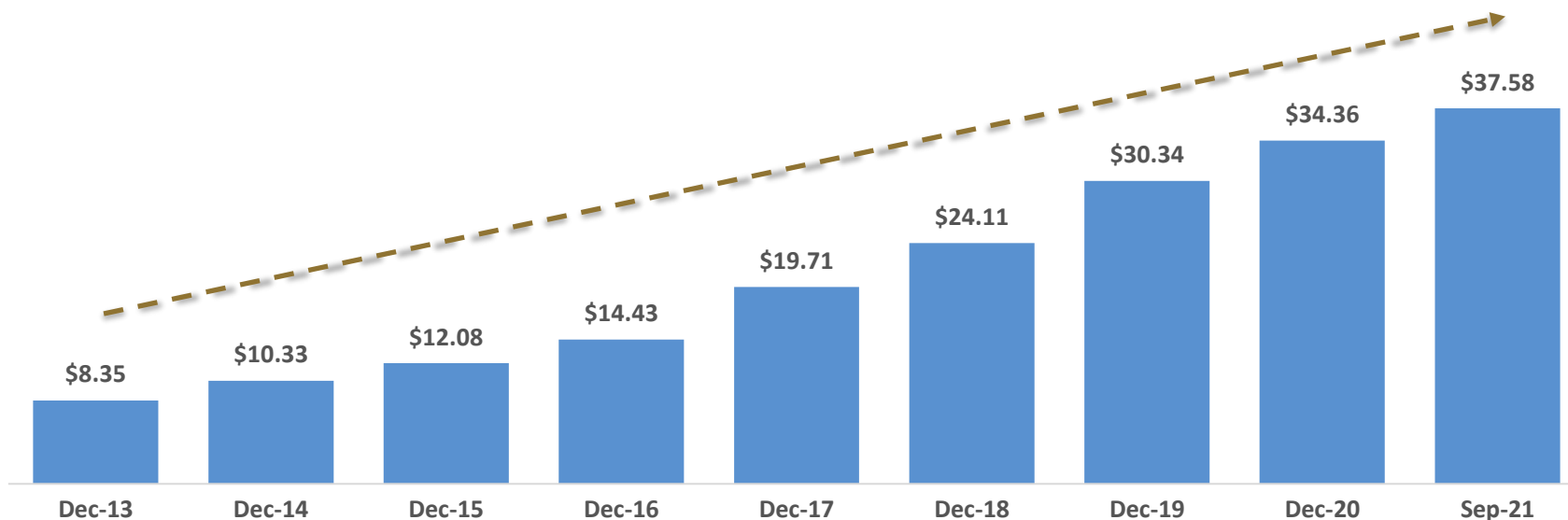
	3Q21	2Q21
IIF (\$B)	\$208.2	\$203.6
NIW (\$B)	\$23.6	\$25.0
New Defaults (K)	5.1	4.9
Portfolio Default Rate	2.47%	2.96%
Net Income (\$M)	\$205.4*	\$159.8
Combined Ratio	15.9%	23.3%
Annualized ROE	19.9%	16.0%
Shareholders' Equity (\$B)	\$4.2	\$4.1
PMIERS Sufficiency Ratio	162%	174%
% IIF With Reinsurance Protection	75%	85%

*Includes income from other invested assets of \$39.5 million, or \$0.28 per diluted share on an after-tax basis, pertaining to net unrealized gains associated with strategic investments in limited partnerships. Of this amount, \$21.1 million represents net unrealized gains that were accumulated in other comprehensive income at June 30, 2021 and prior periods.

Delivering Shareholder Value

BOOK VALUE PER SHARE GROWTH

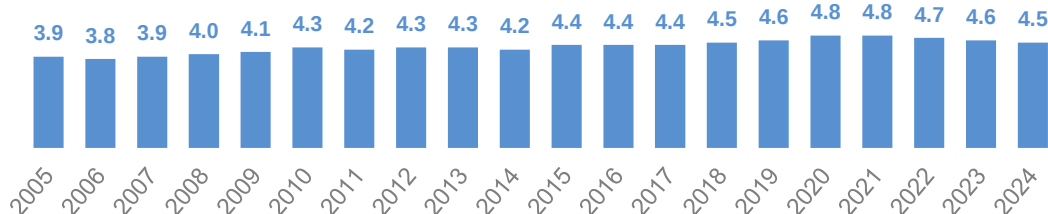
Annualized growth rate of 21.4% from December 31, 2013



Industry Fundamentals Are Supportive Of Growth

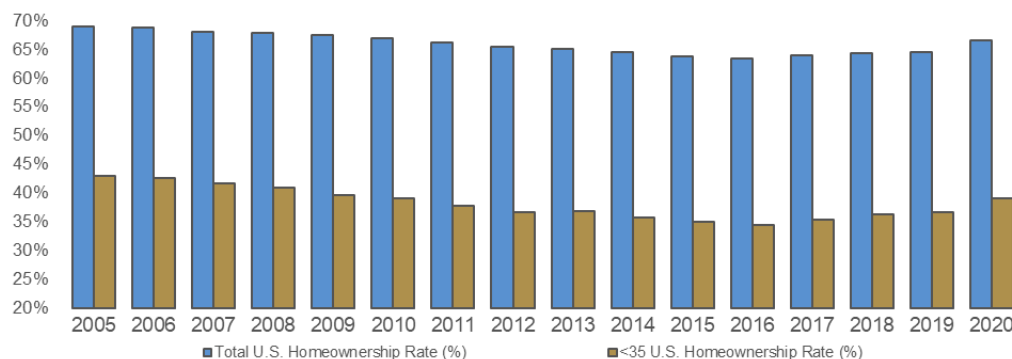
GROWING DOMESTIC FIRST-TIME HOMEBUYER POPULATION

New Entrants to Domestic First-Time Homebuyer Population (M)



- Millennial generation of roughly 80M will drive housing's longer-term prospects and first-time buyer activity.
- Over next several years, on an annual basis, approximately 4-5M millennials will enter their early thirties, the average age of a first-time home buyer.

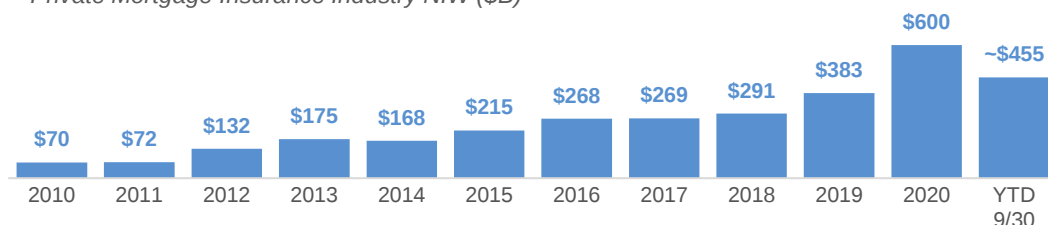
HOMEOWNERSHIP RATE HAVE STARTED TO REBOUND



- Homeownership rates have been increasing in recent years.
- Affordability remains favorable with mortgage rates near historical lows, in spite of higher home prices.
- The COVID-19 pandemic has accelerated housing demand as millennials explore moving away from more densely populated urban areas.

INDUSTRY NIW CONTINUES TO GROW

Private Mortgage Insurance Industry NIW (\$B)



- Demographic and macroeconomic tailwinds have supported NIW growth over the past decade.
- Growth has been focused on higher credit quality business.

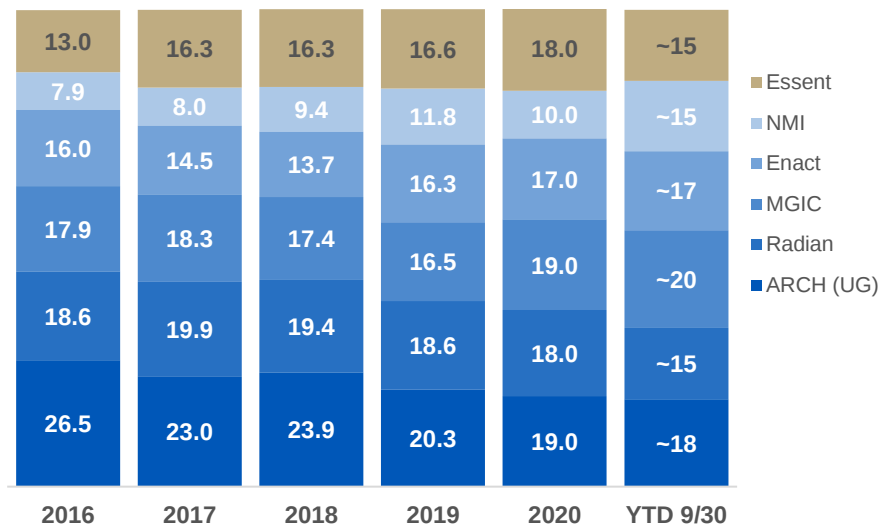
Sources: U.S. Census Bureau. Mortgage Bankers Association. Inside Mortgage Finance. Company public disclosures.

Market Remains An Attractive Opportunity

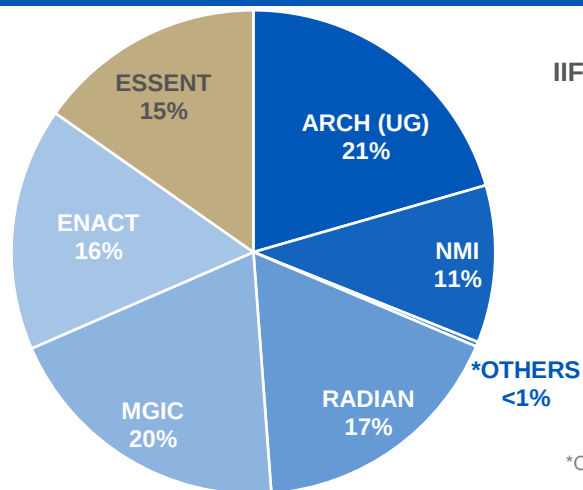
KEY HIGHLIGHTS

- Essent maintains a strong market position while continuing to grow its share of industry insurance in force
- Essent has averaged an annual NIW market share of ~16% from 2016 through 2020.
- The MI industry continues to benefit from large mortgage origination markets and robust private MI penetration rates
- MBA's latest report estimates 2021 total mortgage originations of \$3.8 trillion, split 41/59 between purchase and refinance.

ANNUAL NIW MARKET SHARE



TOTAL MARKET IIF SHARE



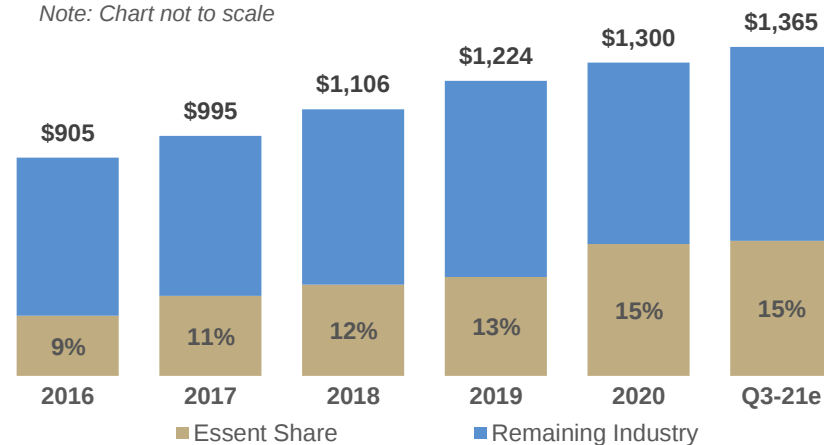
Q3-21 est.
IIF Outstanding:
\$1,365B

*OTHERS: MI's in runoff

MARKET SIZE & GROWTH

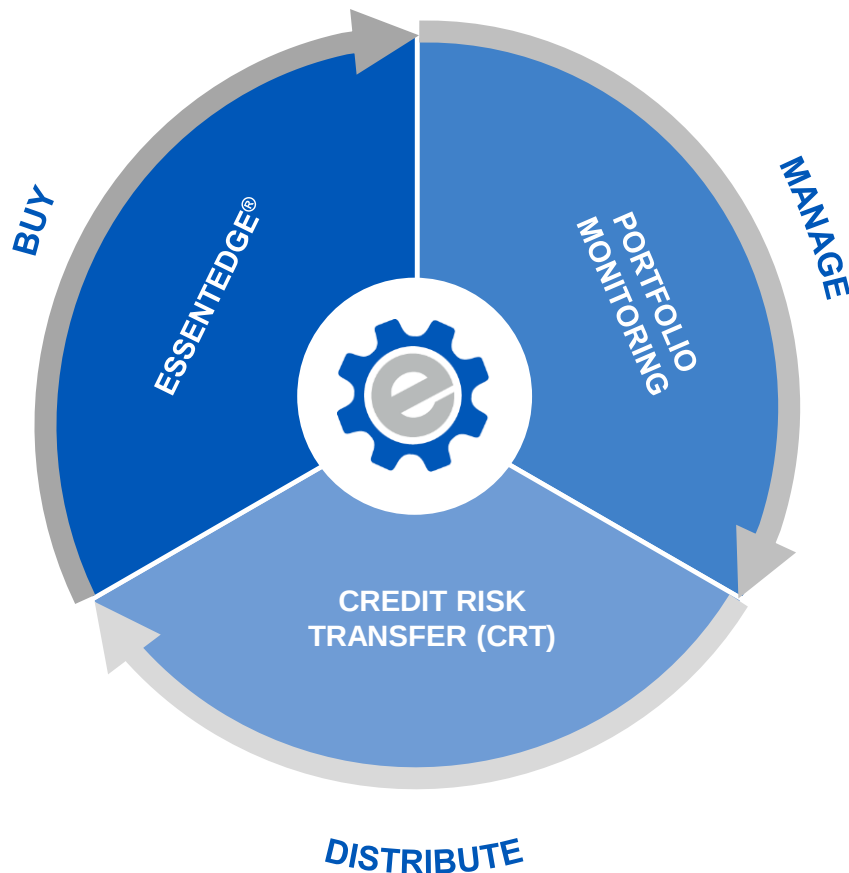
Insurance In Force (\$B)

Note: Chart not to scale



Sources: Mortgage Bankers Association. Inside Mortgage Finance. Company public disclosures.

Buy, Manage & Distribute Operating Model



Next Generation Of ESSENTEDGE®

- Sophisticated risk-based pricing engine
- Increased lender adoption and integration with third party loan origination and pricing systems
- The next generation of EssentEDGE® is powered by machine learning. It evaluates borrower credit data with 400+ attributes in calculating and delivering an MI rate in ~3 seconds
- Long-term advantage in pricing and managing credit risk
- Risk management tool, not a market share tool

PORTFOLIO MONITORING

- Leverage underwriting standards to adjust new business flows
- Shape portfolio risk profile
- Robust internal risk analytics and quality assurance

CREDIT RISK TRANSFER (CRT)

- Mitigate return volatility during down cycles
- Diversify source of capital through Insurance-Linked Notes ("ILN"), Excess of Loss ("XOL"), and Quota Share Reinsurance ("QSR") transactions
- Use market as price discovery to inform EssentEDGE®
- Manage housing cycles with stronger franchise

Focus On Profitability, Capital & Liquidity...

1

EssentEDGE® Enables Rapid Execution of Targeted Pricing Strategies

- Lender utilization continues to increase in 2021
- The next generation of EssentEDGE® is a cloud-based AI platform with machine learning techniques that utilizes 400+ attributes to generate an MI quote in ~3 seconds
- Enhances our unit economics by optimizing premium levels and credit costs
- Differentiated pricing strategy to deliver borrowers our best price

2

Strong Unit Economics

- Continue to target robust mid-teen ROE's
- Credit quality of portfolio continues to be strong
- Efficient platform enables increased operating leverage and profitability
- YTD Operating Margin of 78% with \$518 million in Operating Cash Flow

3

Committed To Programmatic Reinsurance

- Removes franchise volatility during weak economic cycles
- Executed the largest ILN deal to date of \$558M during 2Q21
- As of September 30, 2021, Essent has access to \$2.4 billion in ILN/XOL reinsurance coverage, with 75% of IIF subject to reinsurance protection

4

Fortifying Balance Sheet and Enhancing Financial Flexibility

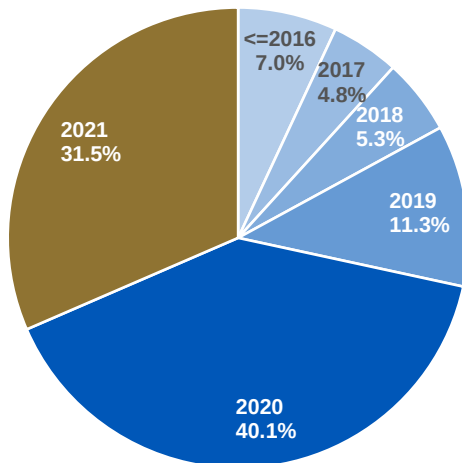
As of September 30, 2021:

- \$4.2B in GAAP Equity
- Ample liquidity with \$513M net cash and investments available for sale at Essent Group Ltd. and Essent US Holdings, Inc.
- An additional \$300M in undrawn capacity with our credit facility
- Conservative financial leverage below 10%

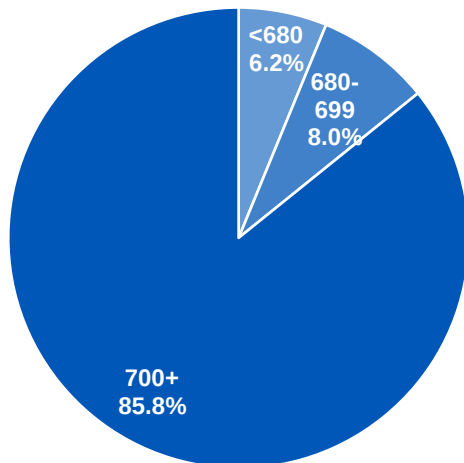
...While Building A High Credit Quality Portfolio

As Of September 30, 2021, Essent Has \$208.2 Billion Of Insurance In Force

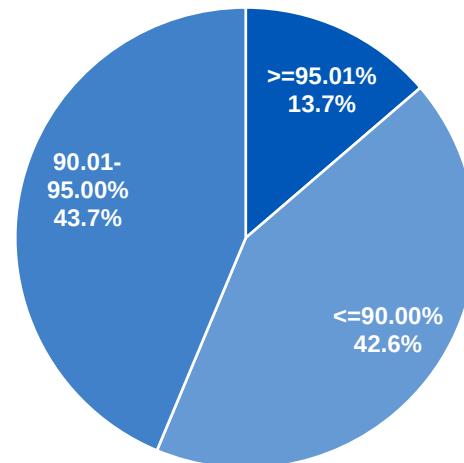
IIF BY VINTAGE



IIF BY FICO SCORE

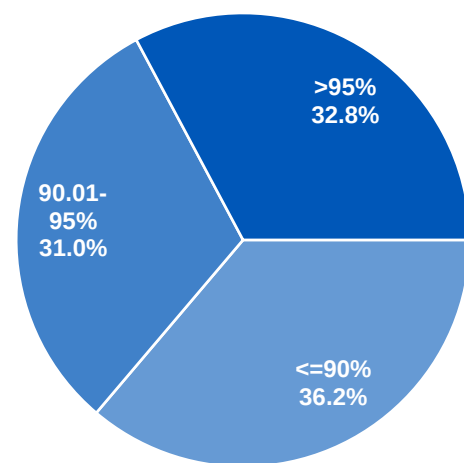
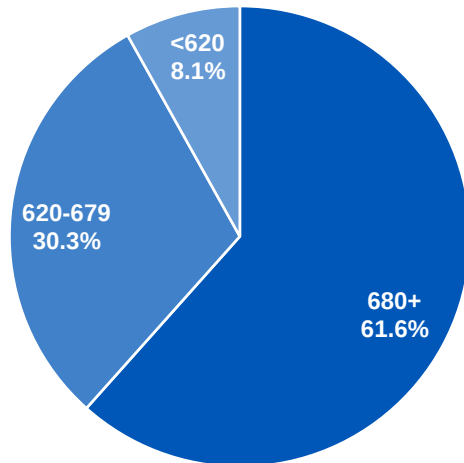
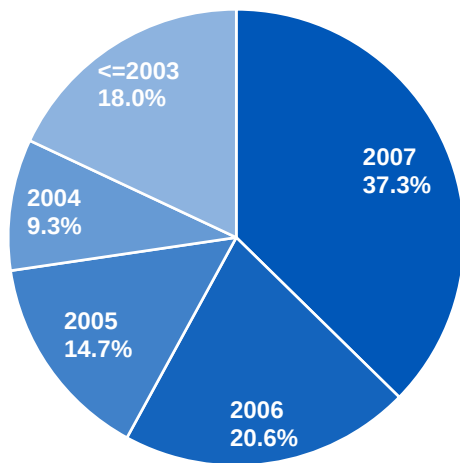


IIF BY LTV



ESSENT Q3 IIF

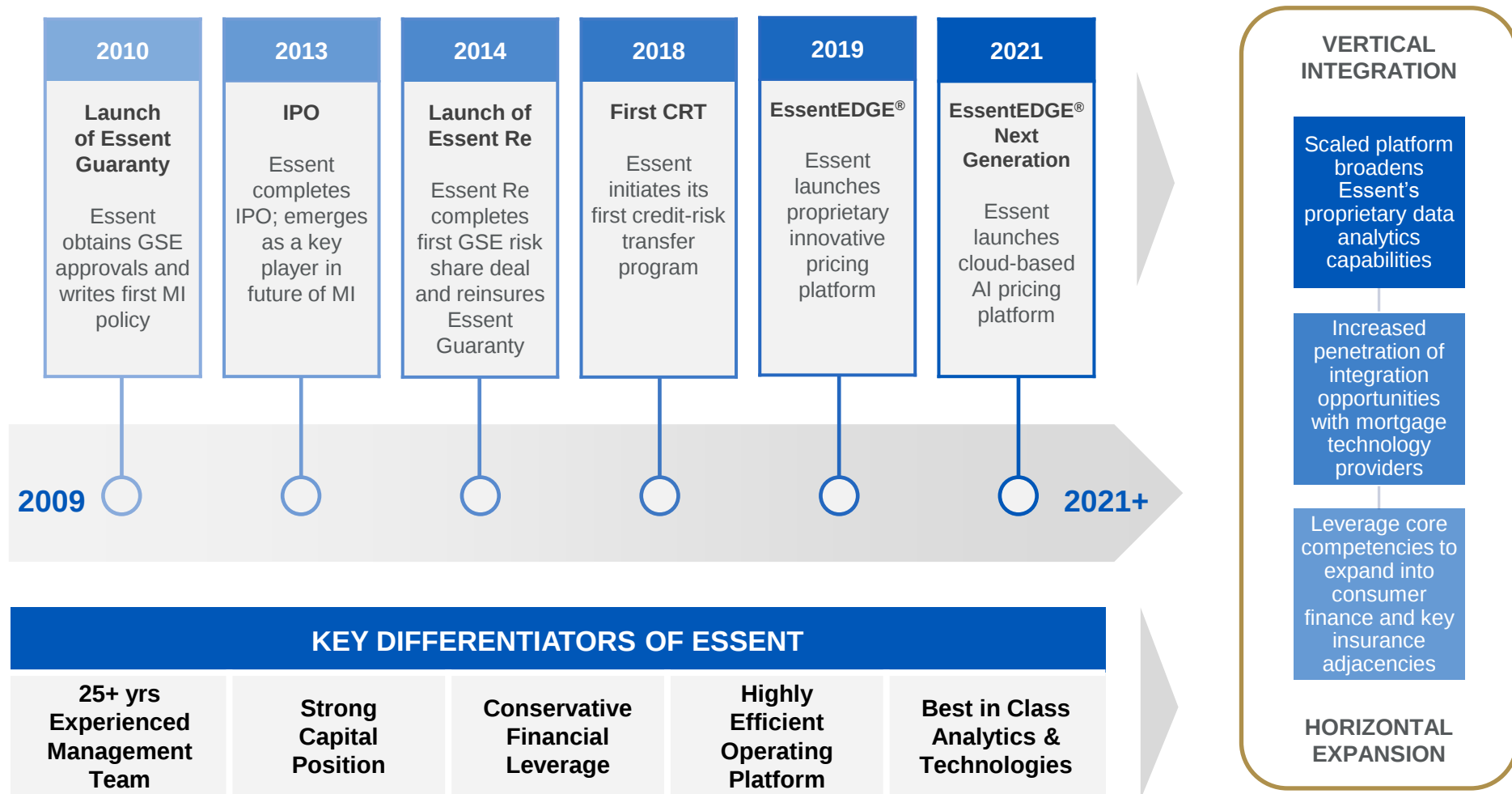
2007 INDUSTRY AVERAGE¹



¹ Represents the average breakdown of primary RIF for Q4 2007 between Radian, MGIC, Genworth U.S. M.I., and Triad Guaranty. FICO breakdown excludes Triad Guaranty for FICO 620-679 and 680+ due to lack of comparable disclosure. As reported in SEC filings for each Company for Q4 2007.

Key Milestones in Essent's Evolution

Essent is primed for future growth with the convergence of housing finance, real estate, insurance and technology sectors



Financial Highlights

AS OF END OF PERIOD

(\$ in millions, except per share amounts)

3Q21

2Q21

1Q21

4Q20

3Q20

KEY METRICS

Insurance In Force	\$208,216.5	\$203,559.9	\$197,091.2	\$198,882.4	\$190,811.3
Total Assets	\$5,589.5	\$5,521.8	\$5,331.8	\$5,202.7	\$5,107.1
Total Investments	\$5,031.3	\$4,891.6	\$4,801.9	\$4,654.3	\$4,585.4
Loss Reserves	\$413.0	\$421.9	\$411.1	\$374.9	\$307.7
Debt-to-Capital	7%	7%	8%	8%	10%
Shareholders' Equity	\$4,168.0	\$4,084.8	\$3,920.9	\$3,862.6	\$3,746.5
Book Value Per Share	\$37.58	\$36.32	\$34.75	\$34.36	\$33.33
Available / Total HoldCo Liquidity ⁽¹⁾	\$513 / \$813	\$590 / \$890	\$544 / \$844	\$575 / \$875	\$699 / \$774
PMIERS Excess Available Assets (or "Cushion") ⁽²⁾	\$1,211 / 62%	\$1,284 / 74%	\$1,132 / 61%	\$1,185 / 71%	\$981 / 56%
Excess Available Resources to Support PMIERS ⁽²⁾⁽³⁾	\$1,999 / 102%	\$2,149 / 124%	\$1,951 / 105%	\$2,035 / 122%	\$1,730 / 99%

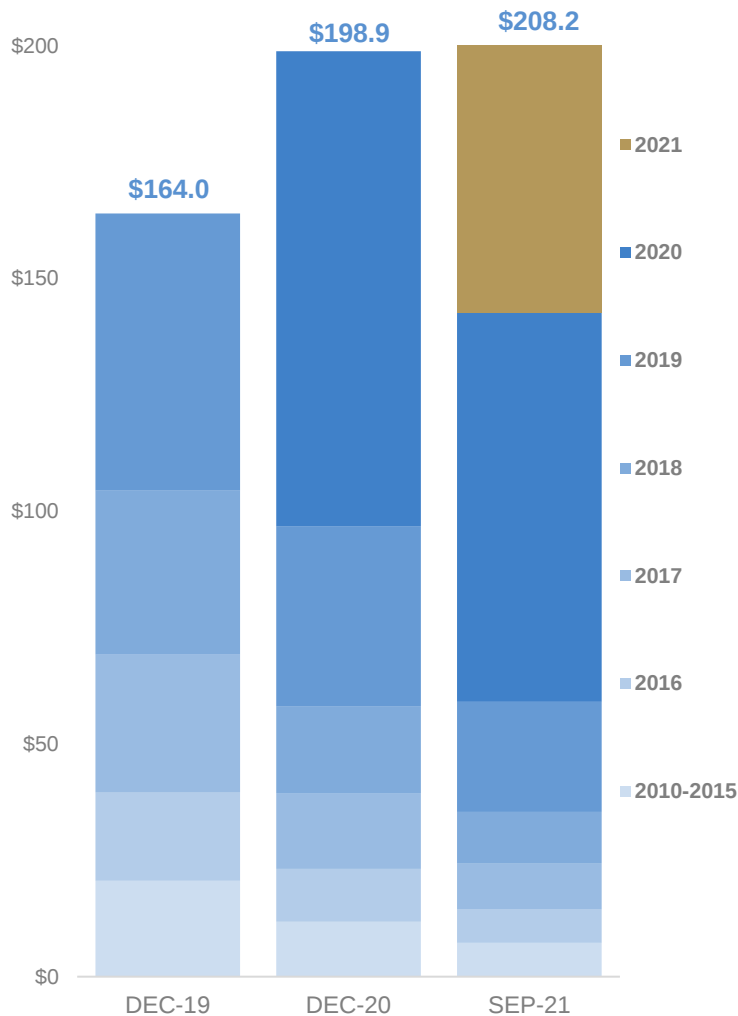
1) HoldCo Liquidity includes net cash and investments available for sale at Essent Group Ltd. and Essent US Holdings, Inc.

2) Percentages are calculated as excess divided by Essent Guaranty, Inc.'s Minimum Required Assets based on our interpretation of the PMIERS as of the dates indicated.

3) Excess Available Resources include PMIERS Excess Available Assets, HoldCo Liquidity and undrawn capacity on the credit facility revolver, net of the \$25 million minimum liquidity requirement under the credit facility.

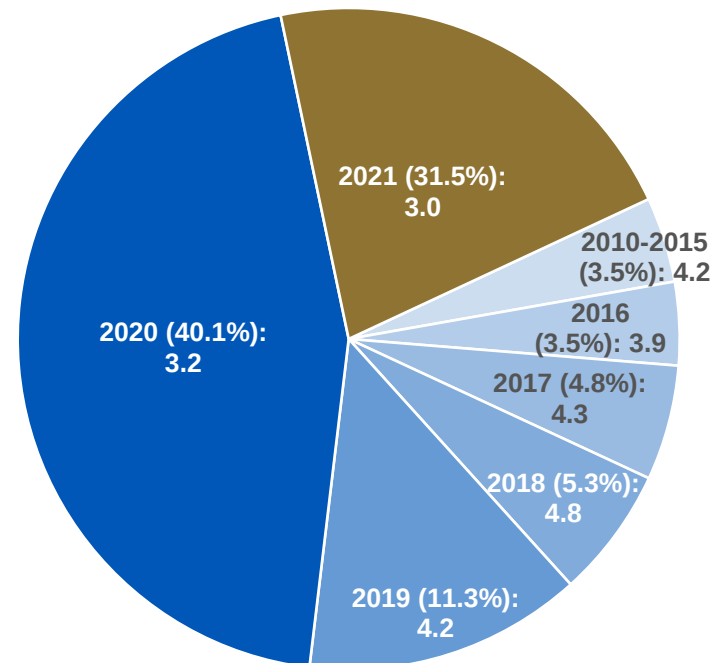
Insurance In Force (IIF)

IIF BY VINTAGE YEAR (\$B)



(\$ in billions)	SEP. 30, 2021		DEC. 31, 2020		DEC. 31, 2019	
2021	\$65.6	31.5%	-	-	-	-
2020	\$83.6	40.1%	\$102.1	51.3%	-	-
2019	\$23.6	11.3%	\$38.7	19.5%	\$59.5	36.3%
2018	\$11.1	5.3%	\$18.7	9.4%	\$35.3	21.5%
2017	\$9.9	4.8%	\$16.3	8.2%	\$29.6	18.1%
2016	\$7.2	3.5%	\$11.3	5.7%	\$19.0	11.6%
2010 - 2015	\$7.3	3.5%	\$11.8	5.9%	\$20.6	12.5%
Total:	\$208.2	100%	\$198.9	100%	\$164.0	100.0%

IIF AS OF SEP. 30, 2021: BY WA COUPON RATE



In Force Portfolio Premium Yield

U.S. Mortgage Insurance Portfolio <i>(in basis points)</i>	PERIOD ENDING				
	3Q21	2Q21	1Q21	4Q20	3Q20
Base Premium Earned	42 bps	43 bps	44 bps	44 bps	45 bps
Singles Cancellation Premium	3 bps	3 bps	4 bps	5 bps	6 bps
Gross Premium Rate	45 bps	46 bps	48 bps	49 bps	51 bps
Ceded Premium	(5) bps	(5) bps	(6) bps	(6) bps	(5) bps
Net Premium Rate	40 bps	41 bps	42 bps	43 bps	46 bps
Average IIF (\$B)	\$206.73	\$199.74	\$197.75	\$195.67	\$183.14

Default Rollforward

U.S. Mortgage Insurance Portfolio	PERIOD ENDING				
(number of loans)	3Q21	2Q21	1Q21	4Q20	3Q20
Beginning Default Inventory	23,504	29,080	31,469	35,464	38,068
Plus: New Defaults	5,132	4,934	7,422	8,745	12,614
Less: Cures	(8,862)	(10,453)	(9,737)	(12,679)	(15,135)
Less: Claims Paid	(41)	(46)	(61)	(49)	(67)
Less: Recessions & Denials, net	(12)	(11)	(13)	(12)	(16)
Ending Default Inventory	19,721	23,504	29,080	31,469	35,464
Default Rate	2.47%	2.96%	3.70%	3.93%	4.54%

Components Of Provision For Losses & LAE

U.S. Mortgage Insurance Portfolio		PERIOD ENDING				
(\$ in millions)		3Q21	2Q21	1Q21	4Q20	3Q20
Provision for Losses & LAE occurring in:						
Current Period		\$11.37	\$24.53	\$47.76	\$63.60	\$55.66
Prior Year		(\$18.85)	(\$14.96)	(\$15.68)	(\$1.88)	(\$1.07)
Provision For Losses & LAE		(\$7.48)	\$9.57	\$32.08	\$61.72	\$54.59

Cumulative Incurred Loss Ratio By Vintage Year

	PRE-2015	2015	2016	2017	2018	2019	2020	9/30/21
Pre-2015	2.4%	2.9%	3.1%	3.0%	2.7%	2.6%	3.3%	3.3%
2015		2.1%	3.3%	4.0%	3.0%	2.7%	4.6%	4.5%
2016			2.3%	4.6%	3.4%	2.9%	6.4%	5.5%
2017				7.5%	4.6%	4.2%	9.7%	8.9%
2018					3.3%	6.0%	16.4%	14.5%
2019						4.2%	31.2%	24.0%
2020							24.5%	16.3%
YTD 2021								7.6%

Incurred loss ratio is calculated by dividing the sum of case reserves and cumulative amount paid for claims by cumulative net premiums earned.

Excess Of Loss Reinsurance Coverage by Vintage

As Of September 30, 2021

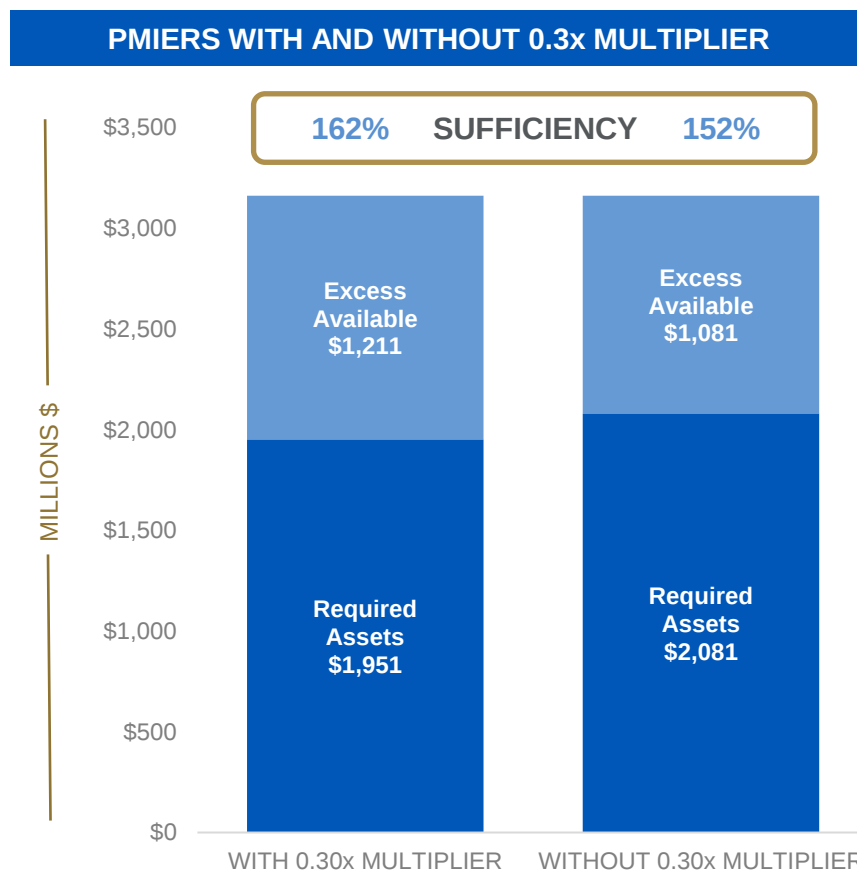
(\$ in millions)

Vintage	Gross RIF	RIF Ceded to QS ⁽¹⁾	RIF Net of QS ⁽¹⁾	Excess Of Loss Coverage as % of RIF Net of QS ⁽¹⁾	Excess Of Loss Reference Pool
2014 and prior	\$929	\$ -	\$929	-	\$ -
2015	971	-	971	97.3%	945
2016	1,918	-	1,918	97.7%	1,874
2017	2,535	-	2,535	97.8%	2,478
2018	2,800	-	2,800	98.9%	2,769
2019	5,971	565	5,406	93.6%	5,058
2020	20,521	4,450	16,071	97.9%	15,737
2021	16,812	-	16,812	25.8%	4,331
Total	\$52,457	\$5,015	\$47,442	70.0%	\$33,192

1) "QS" = quota share reinsurance

Maintaining A Sufficient PMIERS Cushion

- At September 30, 2021, Essent Guaranty, Inc. (“Essent Guaranty”) has a PMIERS required asset amount of \$2.0 billion and an excess asset amount of \$1.2 billion, yielding a PMIERS sufficiency ratio of 162%, with the 0.3x factor applied to the PMIERS asset requirements for defaulted loans resulting from COVID-19.
- Excluding the 0.3x factor, our PMIERS required asset amount would increase to \$2.1 billion, resulting in a PMIERS excess of \$1.1 billion and a sufficiency ratio of 152%.
- The exclusion of the 0.3x factor would increase PMIERS gross required asset amount, partially offset by increased PMIERS credit provided by reinsurance programs.
- PMIERS sufficiency calculation does not account for the \$513 million of holding company net cash & investments available for sale at Essent Group Ltd. and Essent US Holdings, Inc., or the \$300 million undrawn capacity from the credit facility at September 30, 2021.

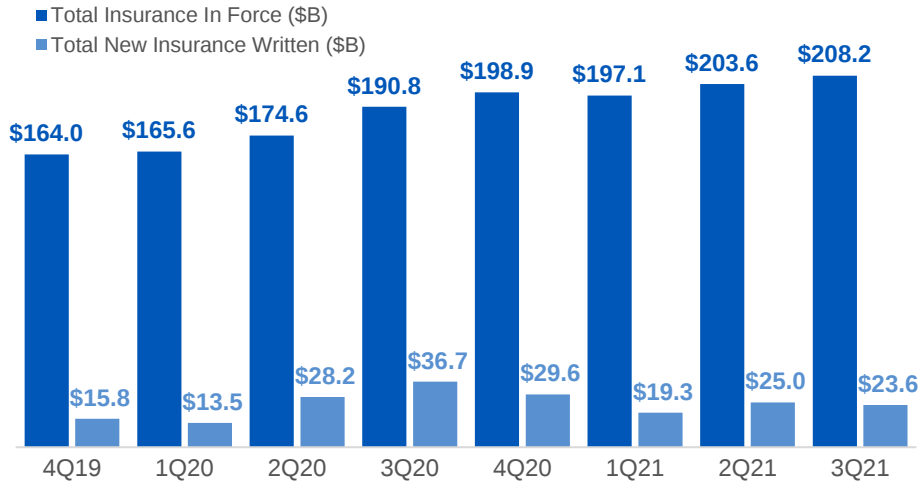


Essent believes it is well positioned to maintain a sufficient PMIERS cushion

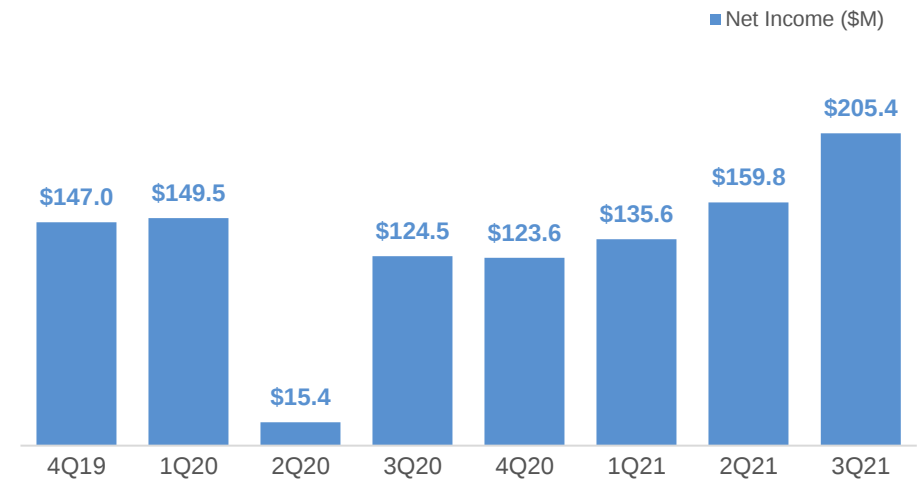
PMIERS available and required assets as reported as of 9/30; Without 0.3x figures represent approximation of Essent PMIERS capital position at 9/30, assuming PMIERS 0.3x multiplier is not applied.

Quarterly Financial Trends

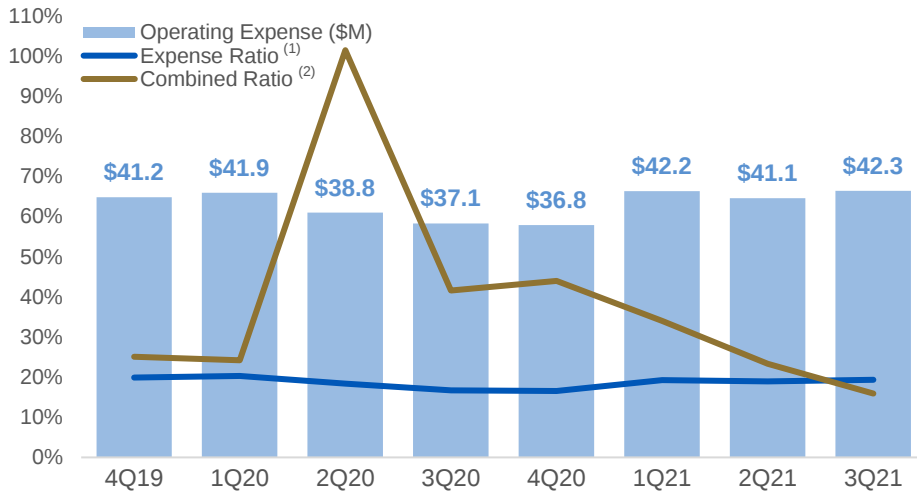
INSURANCE IN FORCE & NEW INSURANCE WRITTEN



NET INCOME

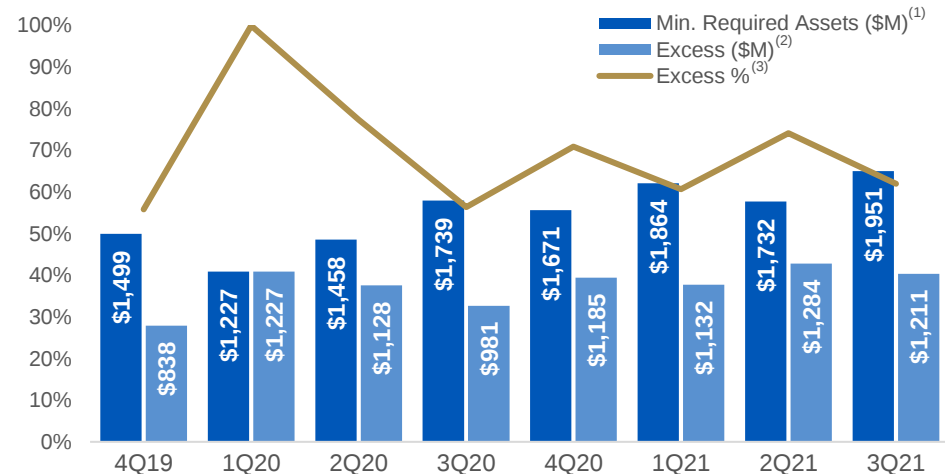


OPERATING EXPENSES



- 1) Expense ratio is calculated by dividing operating expenses by net premiums earned.
2) Loss ratio plus expense ratio.

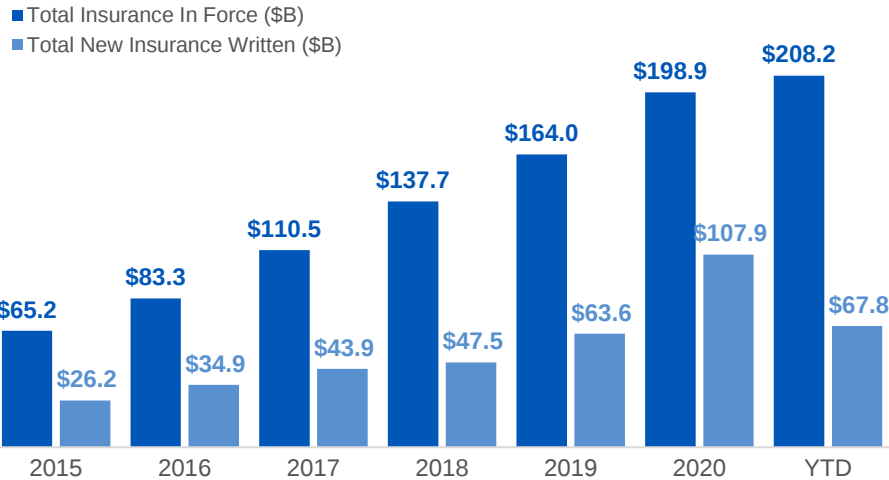
PMIERS CAPITAL



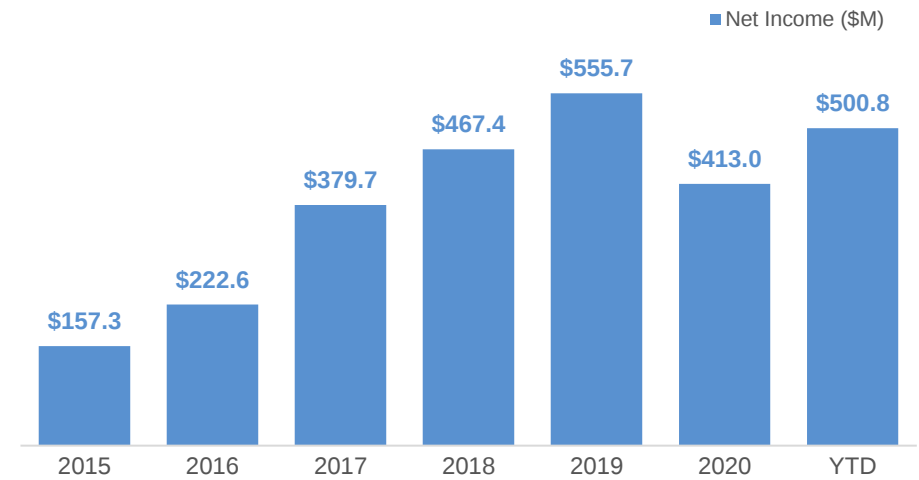
- 1) Essent Guaranty's Minimum Required Assets calculated based on our interpretation of the PMIERS as of the dates indicated.
2) Excess of Essent Guaranty's Available Assets over Minimum Required Assets.
3) Excess as a % of Essent Guaranty's Minimum Required Assets.

Annual Financial Trends

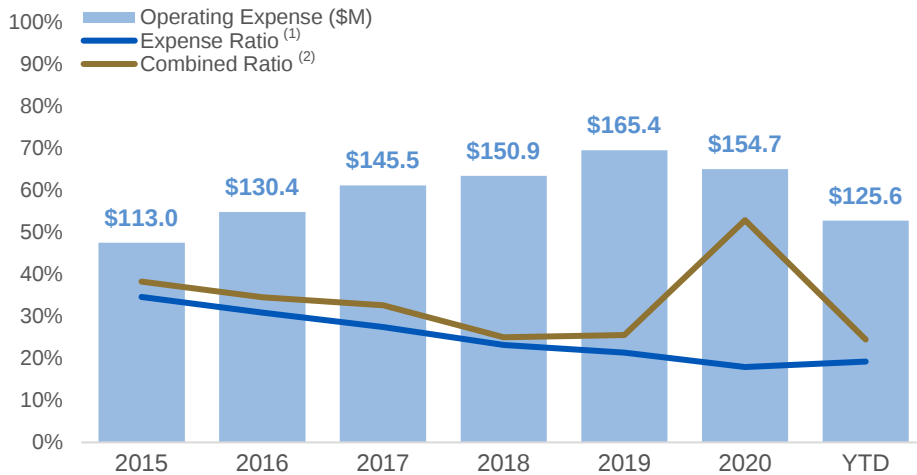
INSURANCE IN FORCE & NEW INSURANCE WRITTEN



NET INCOME

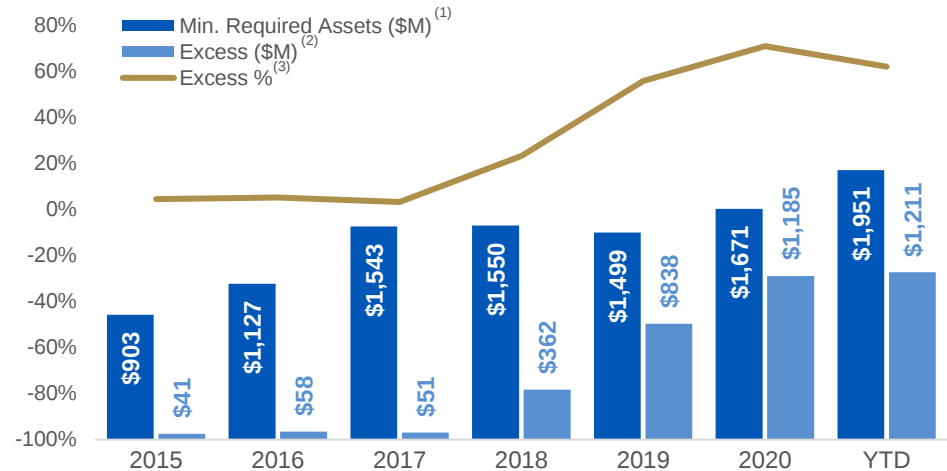


OPERATING EXPENSES



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PMIERS CAPITAL



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2) Excess of Essent Guaranty's Available Assets over Minimum Required Assets.
3) Excess as a % of Essent Guaranty's Minimum Required Assets.

Key Takeaways

Essent is a leading specialty insurance company operating in a large and growing market with high barrier of entry

Essent's financial strength and flexibility positions us to seize attractive opportunities as the market evolves



Essent has transformed its business model from “Buy & Hold” to “Buy, Manage & Distribute”

Strong capital and liquidity, along with 3rd party reinsurance, enhance Essent's long-term sustainability

