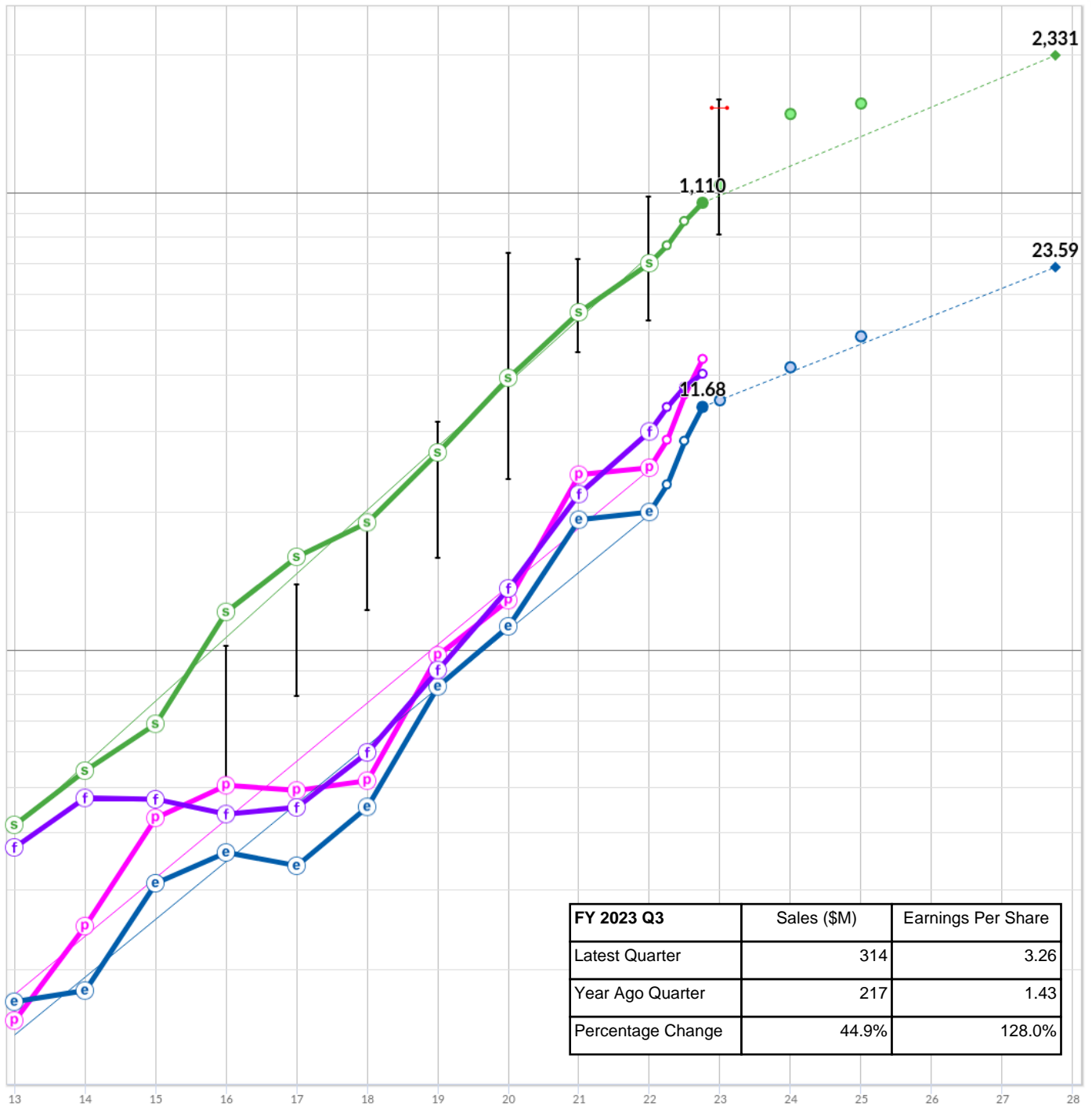


Stock Selection Guide

Company	Kinsale Cap Gr		Date	03/08/24	
Prepared by	HAAS		Data taken from	BI Stock Data	
Where traded	NYS	Industry	Insurance - Property & Casualty		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	23.3		2.6	73.0	
Debt (\$M)	183.8	% to Tot Cap	16.6	% Pot Dil	1.1

Symbol: **KNSL**

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|-------|--|-------|
| (1) Historical Sales Growth | 37.8% | (3) Historical Earnings Per Share Growth | 33.8% |
| (2) Estimated Future Sales Growth | 16.0% | (4) Estimated Future Earnings Per Share Growth | 15.1% |

2 EVALUATING Management

Kinsale Cap Gr

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Last 5 Year Avg.
% Pre-tax Profit on Sales	25.0%	30.6%	41.6%	27.9%	20.6%	18.2%	24.1%	21.8%	29.5%	23.9%	23.5%
% Earned on Equity				12.4%	10.5%	12.9%	16.3%	16.5%	22.9%	25.7%	18.8%
% Debt To Capital		22.9%	20.7%	0.0%	0.0%	0.0%	4.0%	6.9%	5.8%	20.8%	7.5%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 525.70 (03/08/24)

52-WEEK HIGH 548.47

52-WEEK LOW 277.90

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
2018	64.3	41.9	1.56	41.2	26.8	0.28	17.9	0.7
2019	108.3	54.4	2.86	37.9	19.0	0.32	11.2	0.6
2020	252.7	80.9	3.87	65.3	20.9	0.36	9.3	0.4
2021	245.2	153.1	6.62	37.0	23.1	0.44	6.6	0.3
2022	335.0	180.1	6.88	48.7	26.2	0.52	7.6	0.3
AVERAGE		102.1		46.0	23.2		10.5	
CURRENT/TTM			11.68	47.0	23.8	0.56	4.8	
AVERAGE PRICE EARNINGS RATIO: 34.6					CURRENT PRICE EARNINGS RATIO: 45.0			

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 40.0 X Estimate High Earnings/Share 23.59 = Forecasted High Price \$ 943.8

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 23.0 X Estimate Low Earnings/Share 11.68 = Forecasted Low Price \$ 268.6

(b) Avg. Low Price of Last 5 Years 102.1

(c) Recent Market Low Price 153.1

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.56}{0.67\%} = 83.7$

Selected Forecasted Low Price \$ 268.6

C ZONING using 25%-50%-25%

Forecasted High Price 943.8 Minus Forecasted Low Price 268.6 = 675.2 Range. 25% of Range 168.8

Buy Zone 268.6 to 437.4

Hold Zone 437.4 to 775.0

Sell Zone 775.0 to 943.8

Present Market Price of 525.70 is in the **HOLD** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{943.8 - 525.70}{525.70 - 268.6} = \frac{418.10}{257.10} = 1.6$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{943.8 - 525.70}{525.70} = 1.7953 \times 100 = 179.53 - 100 = 79.5\%$ % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{0.56}{525.70} = 0.0011 = 0.1\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{10.5\%}{40.00} = 0.3\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{10.5\%}{31.50} = 0.3\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 12.4 %
Average Yield 0.3 %
Annualized Rate of Return 12.7 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 7.2 %
Average Yield 0.3 %
Annualized Rate of Return 7.5 %