



JAMES RIVER GROUP HOLDINGS, LTD.

**Third Quarter 2020
Investor Presentation**

Disclosure

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Non-GAAP Financial Measures

This presentation contains non-GAAP financial measures as defined by Regulation G of the rules of the SEC. These non-GAAP measures, such as underwriting profit, adjusted net operating income, tangible equity and adjusted net operating return on average tangible equity (which is calculated as adjusted net operating income divided by the average tangible equity) are not in accordance with, nor are they a substitute for, GAAP measures. We believe these non-GAAP measures provide users of our financial information useful insight into our performance. Investors should consider non-GAAP measures in addition to, and not as a substitute for, or superior to, the comparable GAAP measures. Please refer to pages 20 & 21 of this presentation for a reconciliation of the non-GAAP financial measures to the equivalent GAAP equivalents.

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Franchise Overview

Our Strategy

We seek to deliver consistent, top tier returns on tangible equity and generate sector leading value creation

- Our strategy is to generate superior underwriting margins from our niche casualty focused risks, while growing both non risk fee income and investment income
- Our largest business is our small and middle market, core Excess and Surplus Lines business, where we have earned superior returns over our 18 year history
- For the first nine months of 2020, 89% of groupwide net written premiums were E&S risks, with low retentions
- We target niche low volatility casualty risks for our 'A' rated balance sheet, with low retentions and little property exposure
- We seek out new opportunities to meaningfully build fee income and increase the proportion of total company non-risk earnings
- We are optimizing investment returns, much of which are generated from niche strategies representing a small portion of our portfolio

Third Quarter Review

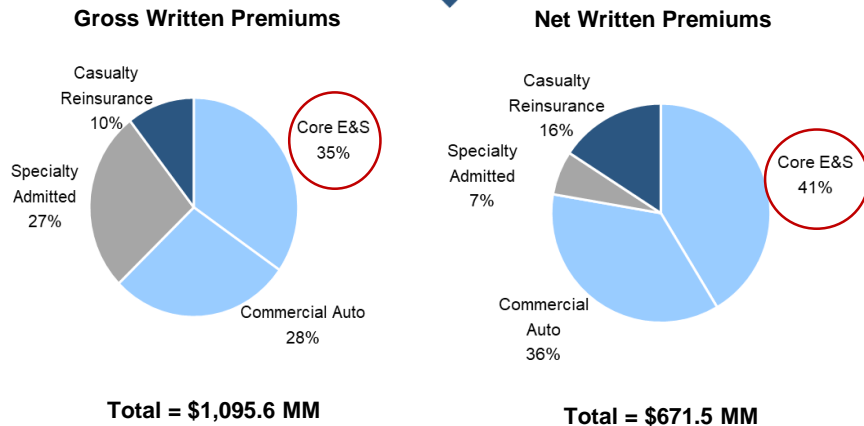
- Continued strong growth in our core E&S unit (28% GWP vs QTD Q3 2019), which has doubled in size over the past two years
 - 85% E&S segment combined ratio during Q3 2020
 - Obtained a 13% renewal rate increase during the quarter, the 15th consecutive quarter of rate increases, which positions the Company well for attractive risk adjusted returns
 - Submission flow increased 9% during Q3 2020
 - In force policy count increased 26% vs September 30, 2019
- Fee income generated by the Specialty Admitted segment increased 17% in Q3 2020 over the same period last year
- Expense ratio of 24.8% during Q3 2020, a significant decline from 34.2% during Q1 2020
- Q3 2020 annualized adjusted net operating return on average tangible equity was 11.8%¹
- We believe the composition of our book (very little Business Interruption coverage written) and our use of clear and carefully drafted policy language largely insulates James River from COVID-19 claims
- Our investment valuations continued to increase during the quarter, contributing to a total investment return (excluding restricted cash and private investments) of 1.4% for the quarter and 3.5% for the first nine months of 2020
- Large commercial auto account in runoff continues to proceed in line with expectations, as 47% of outstanding claims were closed year to date through September

¹ Adjusted net operating return on average tangible equity is calculated as annualized Adjusted Net Operating Income divided by Average Tangible Equity. See the Non-GAAP Measures Reconciliation beginning on slide 20.

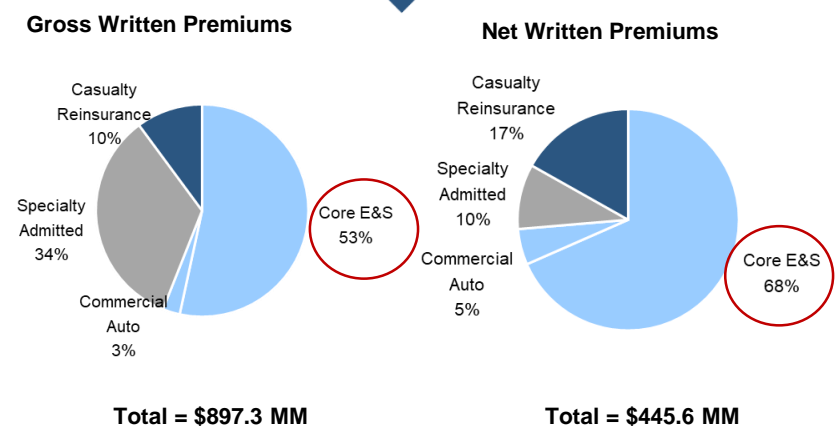
Focus on Attractive Part of P&C Market

- We are a specialty, low volatility underwriting company with a proven history of generating consistent profits
- Our focus has been to significantly grow our two primary businesses given the attractive opportunities to put capital to work
- Our key area of focus is small and medium sized commercial account Excess & Surplus Lines casualty business (“Core E&S”) with \$1 million per occurrence limits and approximately \$23,000 average account premiums. Our core E&S business represented approximately 68% of our group net written premium YTD September 30, 2020, up significantly from 41% in YTD September 30, 2019
- We look to marry our successful E&S business with a growing fee business, through our fronting strategy within our specialty admitted segment. For the year ended December 31, 2019, our Specialty Admitted segment generated \$0.27 of fee income for every dollar of net written premium, while in the nine months ended September 30, 2020 this figure increased to \$0.34.
- Our niche workers’ compensation and third-party casualty reinsurance businesses help provide attractive returns on capital

YTD September 30, 2019 Premiums



YTD September 30, 2020 Premiums



Source: Company filings

Our Business

E&S Segment

- Represents 56% of group-wide gross written premium year to date and is underwritten by specialists in 13 divisions utilizing our eighteen years of expertise in writing hard to place risks
- Significant strength in current market; fifteen consecutive quarters of positive renewal rate increases
- Core E&S gross written premium has grown 26% year to date as compared to the prior year
- Focus on small and medium-sized commercial accounts where pricing has generally been better; E&S gross written premium is 94% casualty and no primary property year to date
- Bulk of commercial auto book is in run off as of December 31, 2019
- Distributes through 120+ broker groups

PROFITABLE SPECIALTY UNDERWRITING

Specialty Admitted Segment

- Specialty admitted insurance coverages in the US, including a growing fee income business
- YTD through September 2020, we have added eight new programs
- Growing, transactional driven fee based fronting business
- Targeted book of workers' compensation risks
- Gross fee income of \$15.8 million in FY 2019 and \$14.2 million YTD September 30, 2020

A FOCUS ON FEE INCOME

Casualty Reinsurance Segment

- Third-party proportional and working-layer excess casualty business focused on small and medium U.S. specialty lines
- Significantly downsized during 2018 to optimize group returns and structure; remains core to group
- 96% of the segment's Gross Written Premium consisted of E&S risks in 2019
- At December 31, 2019, 97% of third party treaties were written as quota share arrangements and 72% contained loss mitigation features to decrease volatility
- As of December 31, 2019, 47% of JRVR's invested assets were held in Bermuda

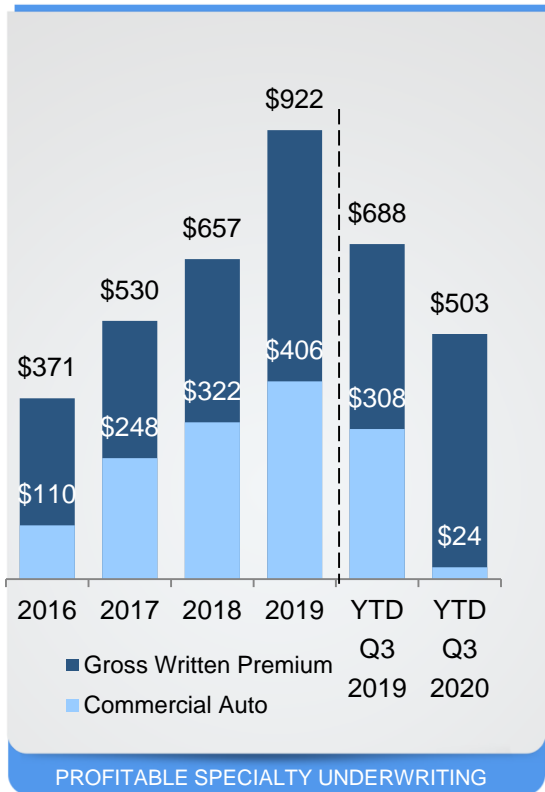
LOW VOLATILITY UNDERWRITING

Targeted Growth in Gross Written Premium

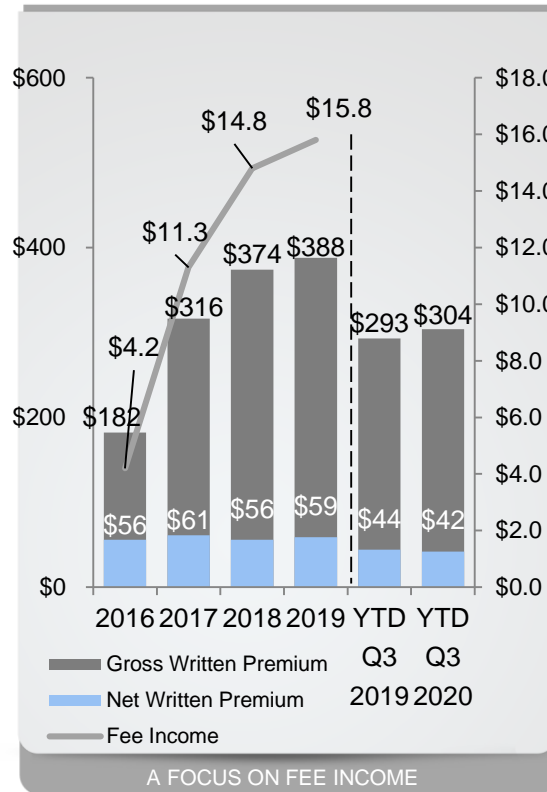
Growth driven by strong renewal pricing and submission growth in core E&S and expansion of our fee based fronting business

(\$ in Millions)

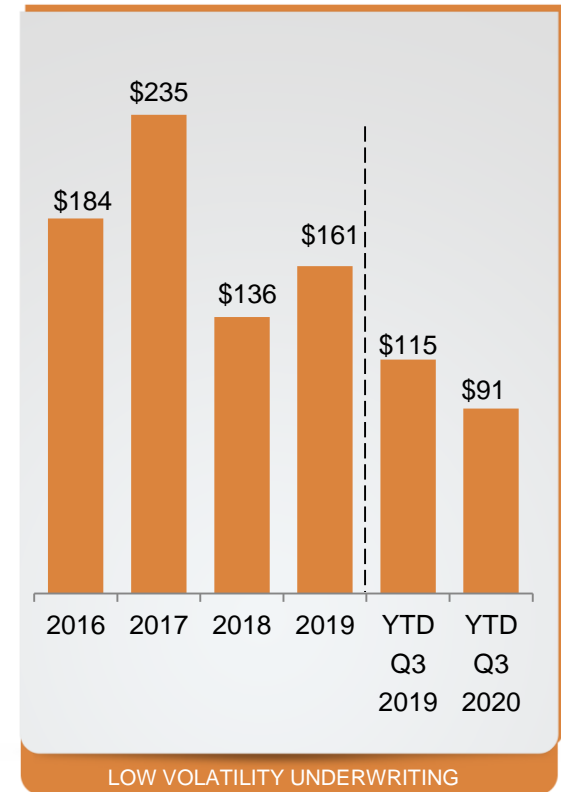
E&S Segment



Specialty Admitted Segment



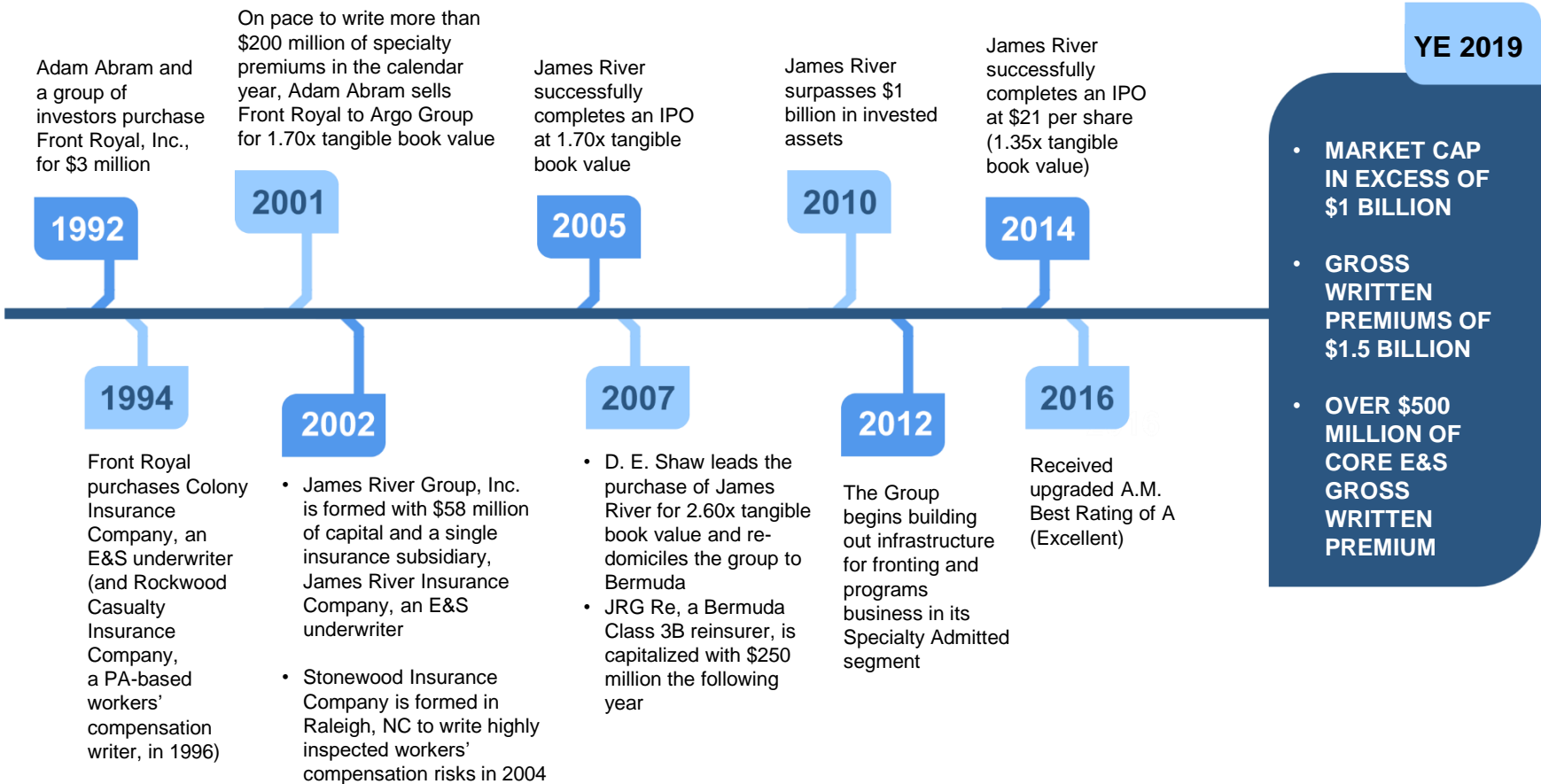
Casualty Reinsurance Segment



Note: All amounts are as of December 31 for each period indicated, except YTD Q3 2019 and YTD Q3 2020 which are as of September 30.

Our Specialty Market History

We have a long history of success in building niche businesses and generating top tier returns for investors



E&S Focus | Profitable, Niche Specialty Underwriting

- Our business is heavily concentrated in E&S Casualty (93% of 2019 NWP; generated by both the E&S and Casualty Reinsurance segments).
- E&S is the most consistently profitable part of the property/casualty market and has been gaining market share.

Core E&S GWP

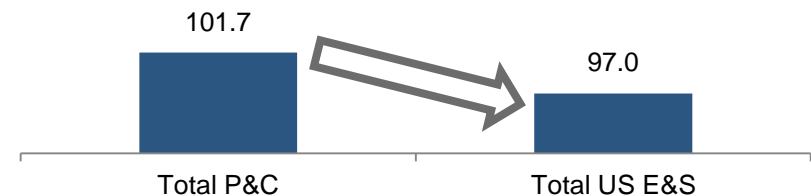
grew by 55% during 2019, and increased 26% YTD September 30, 2020 over YTD September 30, 2019 as rates increased 16% during the first nine months of 2020

Source: Market data per A.M. Best data and research and Copyright © 2020, S&P Global Market Intelligence (and its affiliates, as applicable)

Profitability of E&S vs. Total P&C Industry

Avg. Combined Ratios 2000–2019

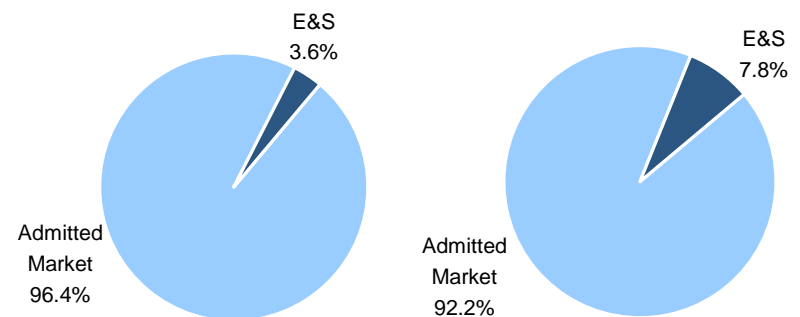
Difference of 4.7 percentage points



E&S Gaining Share of P&C Insurance Market

2000 P&C Market GWP

2019 P&C Market GWP



Total P&C GWP: \$327.3bn
E&S GWP: \$11.7bn

Total P&C GWP: \$712.2bn
E&S GWP: \$55.5bn

Broad Risk Appetite Permits Us to 'Pick Our Spots'

Our high caliber underwriting team, and use of proprietary technology, provide significant expertise to price our increased submission flow of highly underwritten risks

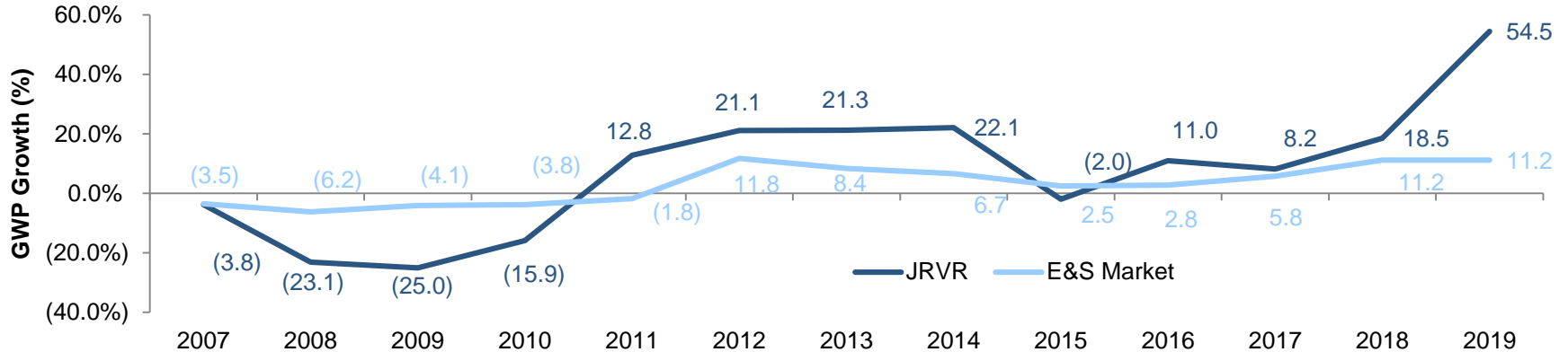
- During the third quarter of 2020, renewal rates increased 13% across our E&S business (the fifteenth consecutive quarter of rate increases), while submissions grew 9%

Division	Lead U/W Years of Industry Experience	Gross Written Premiums				Description
		Nine Months Ended Sep 30, 2020	Nine Months Ended Sep 30, 2019	Year Ended Dec 31, 2019	Year Ended Dec 31, 2018	
Commercial Auto	32	\$23.5	\$307.9	\$405.6	\$322.1	Hired / non-owned auto, ride share
Excess Casualty	36	146.3	78.7	119.0	66.5	Following form excess on risks similar to GC and MC
General Casualty (GC)	32	93.7	89.9	115.8	54.1	Premises ops (e.g., apartments, offices & restaurants)
Manufacturers & Contractors (MC)	36	90.9	76.9	105.1	79.2	Products liability & completed operations exposure
Energy	48	32.8	35.8	45.4	33.9	Oil & gas contractors, mining, alternative energy & utilities
Excess Property	34	28.3	24.1	31.6	16.9	CAT-exposed excess property > 1/100 year return period
Life Sciences	36	24.1	17.0	24.5	16.7	Nutrition products, medical devices and human clinical trials
Allied Health	26	21.3	21.9	26.7	30.4	Long-term care, outplacement facilities & social services
Small Business	32	18.5	14.6	19.7	14.8	Small accounts similar to GC and MC
Environmental	48	12.7	11.9	16.5	10.5	Environmental contractors and consultants
Professional Liability	26	5.4	4.9	6.5	5.9	E&O for non-medical professionals (lawyers, architects, engineers)
Sports & Entertainment	32	3.7	2.8	4.2	3.7	Amusement parks, campgrounds, arenas
Medical Professional	26	1.4	1.5	1.7	1.8	Non-standard physicians and dentists
Total		\$502.6	\$687.9	\$922.3	\$656.5	
Core E&S		\$479.1	\$380.0	\$516.7	\$334.4	
Commercial Auto		\$23.5	\$307.9	\$405.6	\$322.1	

Demonstrated Underwriting Discipline

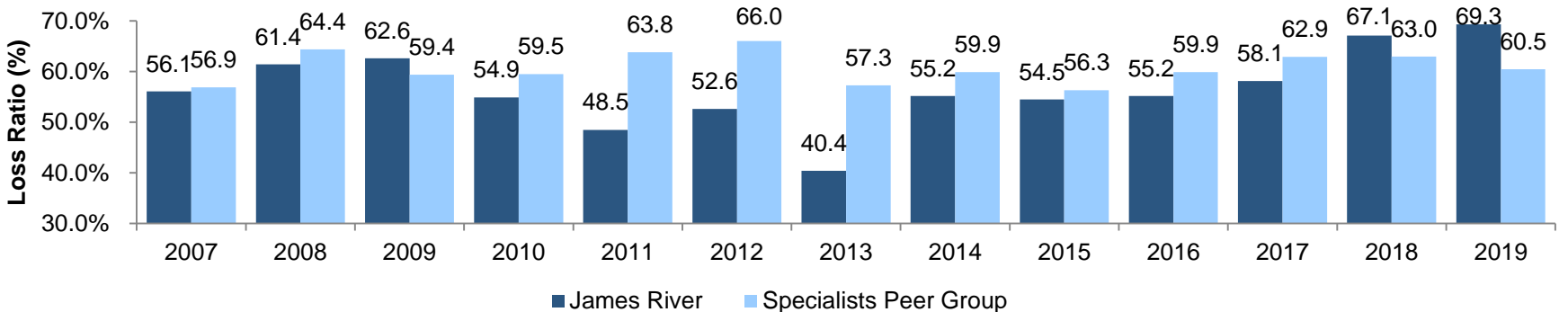
We have proven our willingness to expand and contract when market conditions dictate, and have a strong track record of profitable underwriting in our Core E&S business

Core E&S – GWP Growth vs. Total E&S Industry



Source: Company Filings, A.M. Best report

Core E&S Segment Loss Ratio vs. Surplus Line Specialists Peer Group*

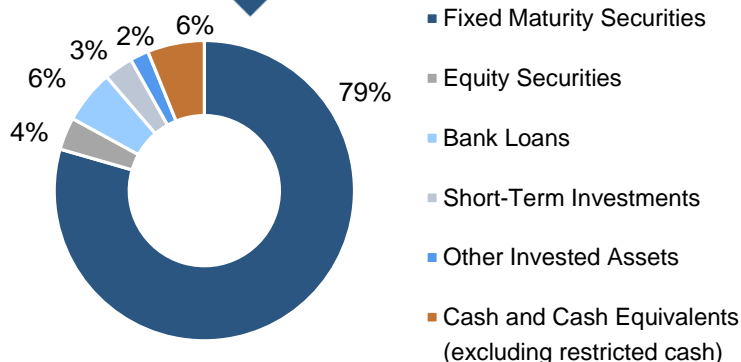


Source: Company filings, A.M. Best data and research, and S&P Global Market Intelligence (and its affiliates, as applicable)
 * Specialists Peer Group = Alleghany Insurance Holdings Group, Argo Group, Crum & Forster Insurance Group, Global Indemnity Group, HIIG Group, Houston Casualty Group, IFG Companies, Kinsale Insurance Company, Market Corporation Group, RLI Group, W.R. Berkley Insurance Group

	2007-2019 Average
James River	56.6
Specialists Peer Group	60.7

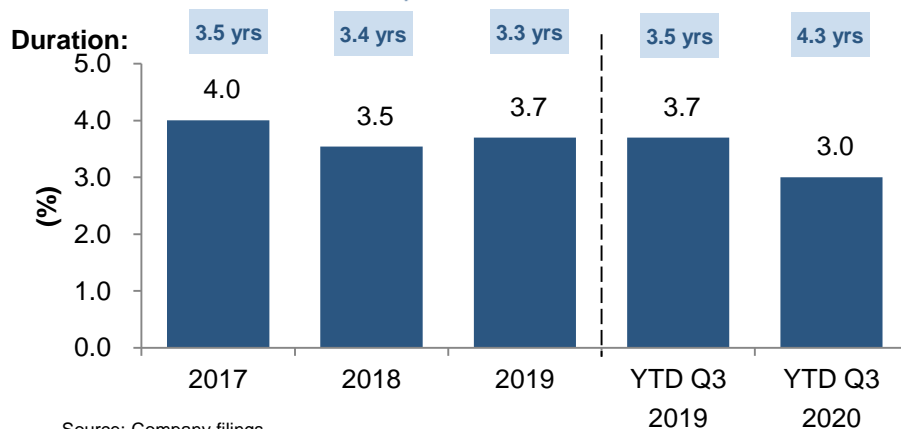
Traditional Investment Approach Augmented by Higher Yielding Alternatives

Investment Portfolio (as of September 30, 2020)



Total Cash and Investments (excluding restricted cash): \$2,282MM

Net Investment Yield



Source: Company filings.

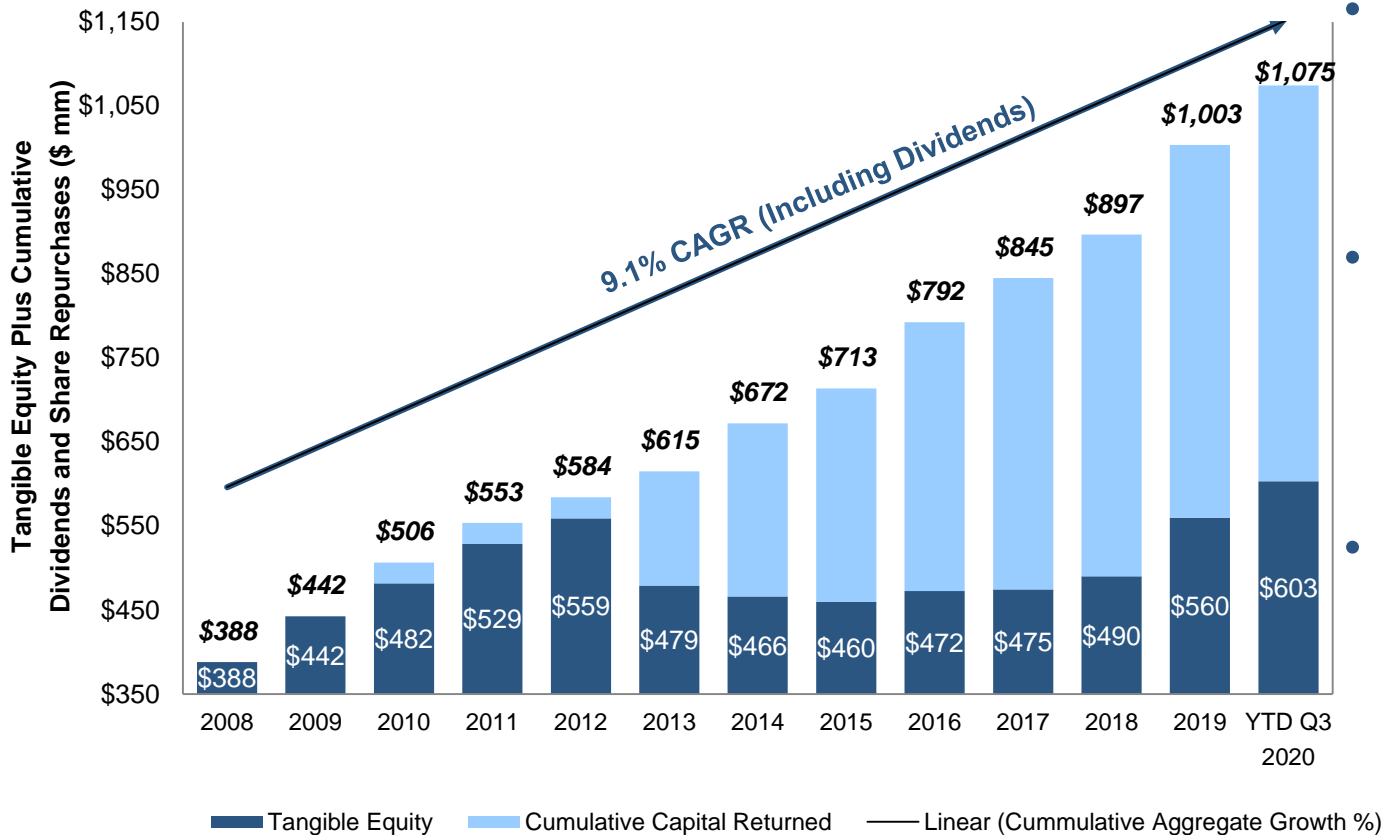
Commentary

- Our investment portfolio consists of investment grade fixed maturity securities, selectively supplemented by non-traditional investments
- Examples of non-traditional investments we have made include:
 - Participations in floating rate syndicated bank loans, generally senior secured loans with an average credit rating¹ of “B-”;
 - Substantial portion of Q1 2020 unrealized losses recovered during Q2 and Q3 2020;
 - Portfolio significantly downsized during Q2 2020, as we sold approximately 40% of our holdings (as measured by par value) to mitigate volatility in this asset class
 - Equity investments in renewable energy project limited partnerships (~ \$31MM carrying value);
- Weighted average credit rating²: A+

1. Per S&P, or an equivalent rating from another nationally recognized rating agency.
 2. Per S&P, or an equivalent rating from another nationally recognized rating agency; credit ratings of fixed maturity securities, bank loans and preferred stocks as of September 30, 2020. Copyright © 2020, S&P Global Market Intelligence (and its affiliates, as applicable).

Capital Management Maximizes Shareholder Value

Capital Management History



- Current focus on growing book value given the attractive opportunities to put capital to work in our core E&S business
- Efficient in returning capital to shareholders when market conditions warrant; \$471 million of capital returned since 2008
- Last twelve month dividend yield of 2.5%¹

1. Calculated as dividends paid over last 4 quarters of \$1.20 divided by November 2, 2020 closing share price of \$47.87.

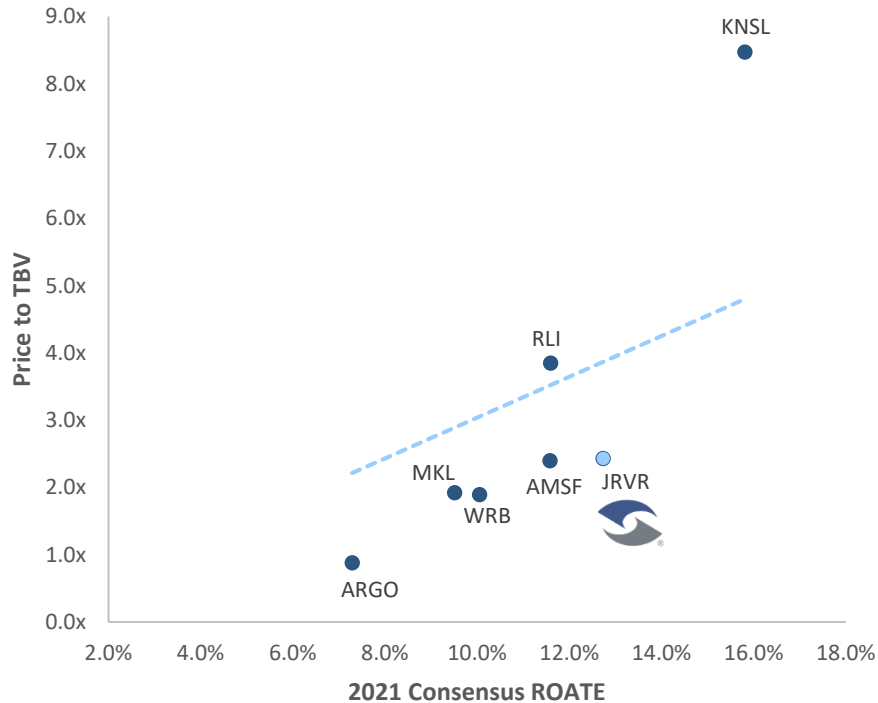
Source: Company filings



Comparative Market Highlights

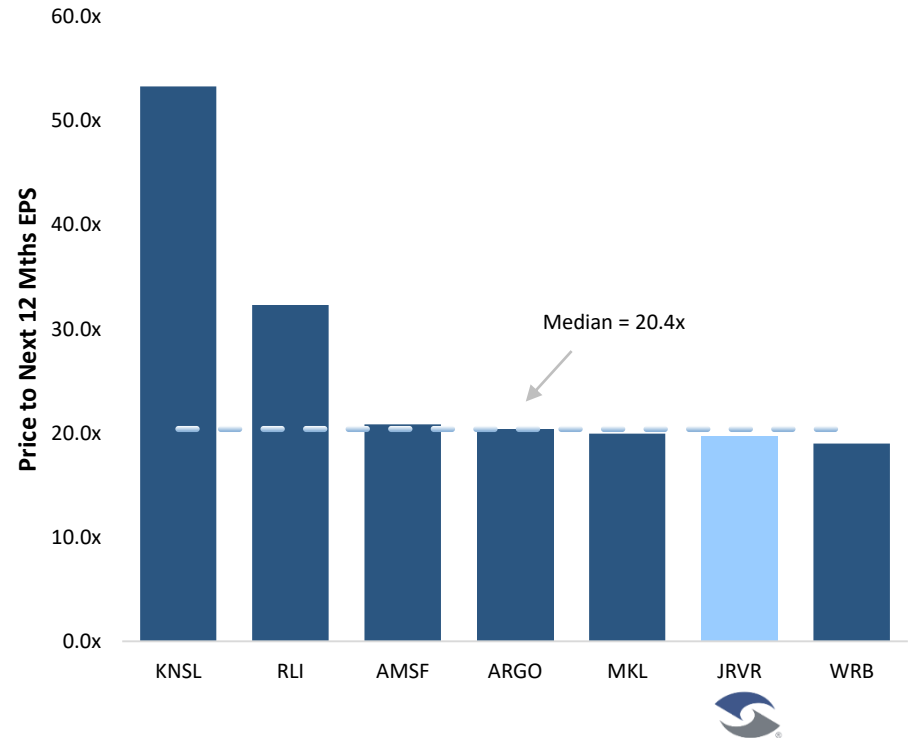
Our Current Valuation Supports Meaningful Upside

P/TBV vs Operating ROTE¹



R² = 0.4507

Price/Next Twelve Month Consensus Earnings



Source: data Copyright © 2020, S&P Global Market Intelligence (and its affiliates, as applicable). Data as of November 2, 2020.

¹ Analyst consensus operating earnings per share for the full financial year divided by September 30, 2020 tangible equity per share.



Appendix

James River Group Key Metrics

● Exchange/Ticker	NASDAQ / “JRVR”
● Initial Public Offering	\$21.00 (December 12, 2014)
● Current Share Price	\$47.87 (Closing Price November 2, 2020)
● Market Capitalization	\$1.463 billion (November 2, 2020 market close)
● LTM Dividend / Yield	\$1.20 per share = 2.5% yield ¹
● Gross Written Premium	\$1.471 billion in 2019
● Total Capitalization	\$1.143 billion as of September 30, 2020
● AM Best Rating	‘A’ (Excellent)
● Analyst Coverage and Rating ²	B. Riley FBR (Buy) – Randy Binner Compass Point (Buy) – Casey Alexander JMP (Buy) – Matthew Carletti UBS (Buy) – Brian Meredith Dowling (Neutral) – Aaron Woomer KBW (Neutral) – Meyer Shields SunTrust (Neutral) – Mark Hughes

1. Based on Q4 2019, Q1 2020, Q2 2020 and Q3 2020 dividends and closing price of \$47.87 on November 2, 2020.

2. Current coverage and ratings as of November 2, 2020.

Non-GAAP Measures Reconciliation

Underwriting Profit (Loss)					YTD Q3	YTD Q3
(\$mm)	2016	2017	2018	2019	2019	2020
Underwriting profit (loss) of the operating segments:						
Excess and Surplus Lines	\$ 47.2	\$ 29.7	\$ 42.8	\$ 19.2	\$ (0.4)	\$ 39.8
Specialty Admitted Insurance	2.9	3.2	7.0	5.9	3.8	2.3
Casualty Reinsurance	(0.2)	(1.8)	5.1	(7.2)	(4.1)	(3.1)
Total underwriting profit of operating segments	49.9	31.1	54.9	17.9	(0.7)	39.0
Operating expenses of Corporate segment	(20.4)	(25.3)	(26.9)	(27.7)	(22.7)	(23.6)
Underwriting profit (loss)	29.5	5.8	28.0	(9.8)	(23.4)	15.4
Net investment income	52.6	61.1	61.3	75.7	54.8	51.1
Net realized investment (losses) gains	7.6	(2.0)	(5.5)	(2.9)	0.3	(27.9)
Other income and expenses	(1.3)	(0.2)	(0.8)	0.1	(0.2)	(0.9)
Interest expense	(8.5)	(9.0)	(11.6)	(10.6)	(8.1)	(8.0)
Amortization of intangible assets	(0.6)	(0.6)	(0.6)	(0.6)	(0.4)	(0.4)
Income (loss) before taxes	\$ 79.3	\$ 55.1	\$ 70.8	\$ 51.9	\$ 23.0	\$ 29.3

Note: All amounts are as of December 31 for each period indicated, except YTD Q3 2019 and YTD Q3 2020 which are as of September 30.

Source: Company filings.

Non-GAAP Measures Reconciliation

Non-GAAP Reconciliation

(\$mm)					YTD Q3	YTD Q3
Adj. Net Operating Income	2016	2017	2018	2019	2019	2020
Income (loss) as reported	\$ 74.5	\$ 43.6	\$ 63.8	\$ 38.3	\$ 17.9	\$ 25.1
Net realized inv. (gains) losses	(5.2)	1.4	4.4	3.8	1.0	23.6
Initial public offering costs	-	-	-	-	-	-
Dividend withholding taxes	-	1.0	-	-	-	-
Other expenses	1.1	0.5	1.1	0.8	0.8	1.5
Interest expense on leased building the Company was previously deemed to own for accounting purposes	0.9	0.8	1.3	-	-	-
Adjusted net operating income	\$ 71.3	\$ 47.3	\$ 70.6	\$ 42.9	\$ 19.7	\$ 50.2

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	YTD Q3	YTD Q3
Tangible Equity													2019	2020
Shareholders' equity	\$ 677.8	\$ 724.7	\$ 714.2	\$ 762.4	\$ 784.0	\$ 701.5	\$ 687.9	\$ 681.0	\$ 693.2	\$ 694.7	\$ 709.2	\$ 778.6	\$ 769.0	\$ 821.4
Goodwill & intangible assets	(289.8)	(282.4)	(232.7)	(233.9)	(225.0)	(222.6)	(221.9)	(221.3)	(220.7)	(220.2)	(219.3)	(218.8)	(219.0)	(218.3)
Tangible equity	\$ 388.0	\$ 442.3	\$ 481.5	\$ 528.5	\$ 559.0	\$ 478.9	\$ 466.0	\$ 459.7	\$ 472.5	\$ 474.5	\$ 489.9	\$ 559.8	\$ 550.0	\$ 603.1
Shares Outstanding (000's)	35,718	35,718	35,718	35,718	36,030	28,540	28,540	28,942	29,258	29,697	29,988	30,424	30,331	30,610
Tangible Equity per Share	\$ 10.86	\$ 12.38	\$ 13.48	\$ 14.80	\$ 15.52	\$ 16.78	\$ 16.33	\$ 15.89	\$ 16.15	\$ 15.98	\$ 16.34	\$ 18.40	\$ 18.13	\$ 19.70

Note: In the Tangible Equity Table, 2008 to 2013 shares outstanding are retroactively adjusted for 50/1 stock split. Additionally, all amounts are as of December 31 for each period indicated, except YTD Q3 2019 and YTD Q3 2020 which are as of September 30.

Source: Company filings.



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