

PRESS RELEASE

Core Specialty Confirms AM Best Positive Outlooks to A- (Excellent), Financial Size Category of XII) Ratings for StarStone Specialty Insurance Company and StarStone National Insurance Company and Affirmation of A- (Excellent), Financial Size Category of XII Ratings for Lancer Insurance Group Members

Cincinnati, OH: August 4, 2022/Globe Newswire – Core Specialty Insurance Holdings, Inc. (“Core Specialty” or the “Company”) announced today that AM Best has changed its outlook to Positive and affirmed the Financial Strength Ratings of A- (Excellent), Financial Size Category of XII of StarStone Specialty Insurance Company and StarStone National Insurance Company.

Jeff Consolino, President and Chief Executive Officer of Core Specialty commented, “Core Specialty is proud of the recognition from AM Best and their change in outlook for the ratings of our StarStone insurance operating subsidiaries. AM Best’s commentary on our balance sheet strength, operating performance, business profile, and enterprise risk management is evidence that we are delivering on our strategy. Core Specialty has the capital to take on risk, the underwriting talent in place, a proven and decisive leadership team, and a track record of making things happen. Collectively, and in each of our specialist niche business units, we operate with strong entrepreneurial spirit and drive, speed, agility, and empowered decision-making.”

The full text of the AM Best release appears below.

AM Best Revises Outlooks to Positive for Core Specialty Insurance Holdings, Inc. Subsidiaries; Affirms Credit Ratings of Lancer Insurance Group Members

Oldwick, N.J. - August 04, 2022 – AM Best has revised the outlooks to positive from stable and affirmed the Financial Strength Rating (FSR) of A- (Excellent) and the Long-Term Issuer Credit Ratings (Long-Term ICR) of “a-” (Excellent) of StarStone Specialty Insurance Company and StarStone National Insurance Company, both domiciled in Wilmington, DE and collectively are known as Core Specialty.

Concurrently, AM Best has affirmed the FSR of A- (Excellent) and the Long-Term ICR of “a-” (Excellent) of Lancer Insurance Company and Lancer Insurance Company of New Jersey, a division of Core Specialty. The outlook of these Credit Ratings (ratings) is stable. Both are headquartered in Long Beach, NY and collectively referred to as Lancer Insurance Group.

The ratings of Core Specialty reflect its balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management (ERM).

The ratings of Lancer Insurance Group reflect its balance sheet strength, which AM Best assesses as very strong, as well as its adequate operating performance, limited business profile and appropriate (ERM).

The positive outlooks reflect the improving business profile of the consolidated Core Specialty group, following its expansion initiatives in 2021 and recent integration of Lancer Insurance Group. Core Specialty has demonstrated an ability to source seasoned and profitable books of business, while continuing to track closely with goals for key performance indicators. While Lancer Insurance Group contributes to the overall Core Specialty strategy, its outlooks are stable due to the lack of history of contributing to and being supported by the greater Core Specialty group.

AM Best will continue to monitor Core Specialty's performance in the medium term for resolution of the positive outlooks. Any potential upgrade is contingent upon the group continuing to execute upon key business initiatives.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view [Guide to Proper Use of Best's Ratings & Assessments](#).

AM Best is a global credit rating agency, news publisher and data analytics provider specializing in the insurance industry. Headquartered in the United States, the company does business in over 100 countries with regional offices in London, Amsterdam, Dubai, Hong Kong, Singapore and Mexico City.

About Core Specialty

Core Specialty offers a diversified range of property and casualty insurance products for small to mid-sized businesses. From its underwriting offices spanning the U.S., the Company focuses on niche markets, local distribution, and superior underwriting knowledge; offering traditional as well as innovative insurance solutions to meet the needs of its customers and brokers. Core Specialty is an insurance holding company operating through StarStone Specialty Insurance Company, a U.S. excess and surplus lines insurer, and StarStone National Insurance Company, Lancer Insurance Company, Lancer Insurance Company of New Jersey, U.S. admitted markets insurers. The Company is rated A- (Excellent), Financial Size Category of XII by AM Best. For further information about Core Specialty, please visit www.corespecialty.com.

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