

A close-up, artistic photograph of a car's instrument cluster. The focus is on a tachometer on the left and a speedometer on the right. The tachometer has a blue face with white markings and a needle. Text on the tachometer includes "4 CYL" and "NEGATIVE EARTH" at the top, and "SMITHS" at the bottom. The speedometer has a black face with white markings. The needle is positioned near the 0 mark. The background is dark and blurred, emphasizing the metallic and plastic textures of the gauges.

**HAGERTY®**

# Investor Presentation

Summer 2025

# FORWARD LOOKING STATEMENTS / NON-GAAP FINANCIAL MEASURES

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This Presentation contains certain statements that are “forward-looking statements” as that term is defined under the Private Securities Litigation Reform Act of 1995 and releases issued by the SEC. All statements other than statements of historical facts contained in this Presentation are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “would,” “potential” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions.

Hagerty has based these forward-looking statements largely on current expectations about future events, which may not materialize. Actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. These factors include, among other things, Hagerty’s ability to: (i) compete effectively within our industry and attract and retain our insurance policyholders and paid Hagerty Drivers Club (“HDC”) subscribers; (ii) maintain key strategic relationships with our insurance distribution and underwriting carrier partners; (iii) prevent, monitor, and

detect fraudulent activity; (iv) manage risks associated with disruptions, interruptions, outages or other issues with our technology platforms or our use of third-party services; (v) accelerate the adoption of our membership and marketplace products and services, as well as any new insurance programs and products we offer; (vi) enter into and successfully implement the proposed fronting arrangement with Markel; (vii) achieve the anticipated benefits of the proposed fronting arrangement with Markel; (viii) manage the cyclical nature of the insurance business, including through any periods of recession, economic downturn or inflation; (ix) address unexpected increases in the frequency or severity of claims, and (x) comply with the numerous laws and regulations applicable to our business, including state, federal and foreign laws relating to insurance and rate increases, privacy, the internet, and accounting matters.

These forward-looking statements include, among others, statements relating to our future financial performance, our business prospects and strategy, our market opportunity and the potential growth of that market, our anticipated financial position, our liquidity and capital needs, plans and objectives of management for future operations, and other similar matters. These forward-looking statements are based on management’s current expectations and assumptions about future events, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

This Presentation contains non-GAAP financial measures that Hagerty uses in evaluating its business. Please see the Appendix for a reconciliation of such measures to the most directly comparable GAAP financial measures.

This Presentation speaks only as of its date, and Hagerty undertakes no obligation to update this Presentation for any reason, except as required by law.

# I. Company Overview

The background image is a high-angle, wide shot of a lush green mountain landscape. A two-lane asphalt road with a white guardrail curves along the crest of a forested ridge. A small dark car is visible on the road, moving away from the viewer. The forest is dense and vibrant green. In the distance, layers of blue mountains stretch across the horizon under a bright blue sky with scattered white clouds. The overall scene is bright and clear, suggesting a sunny day.

# Our Vision

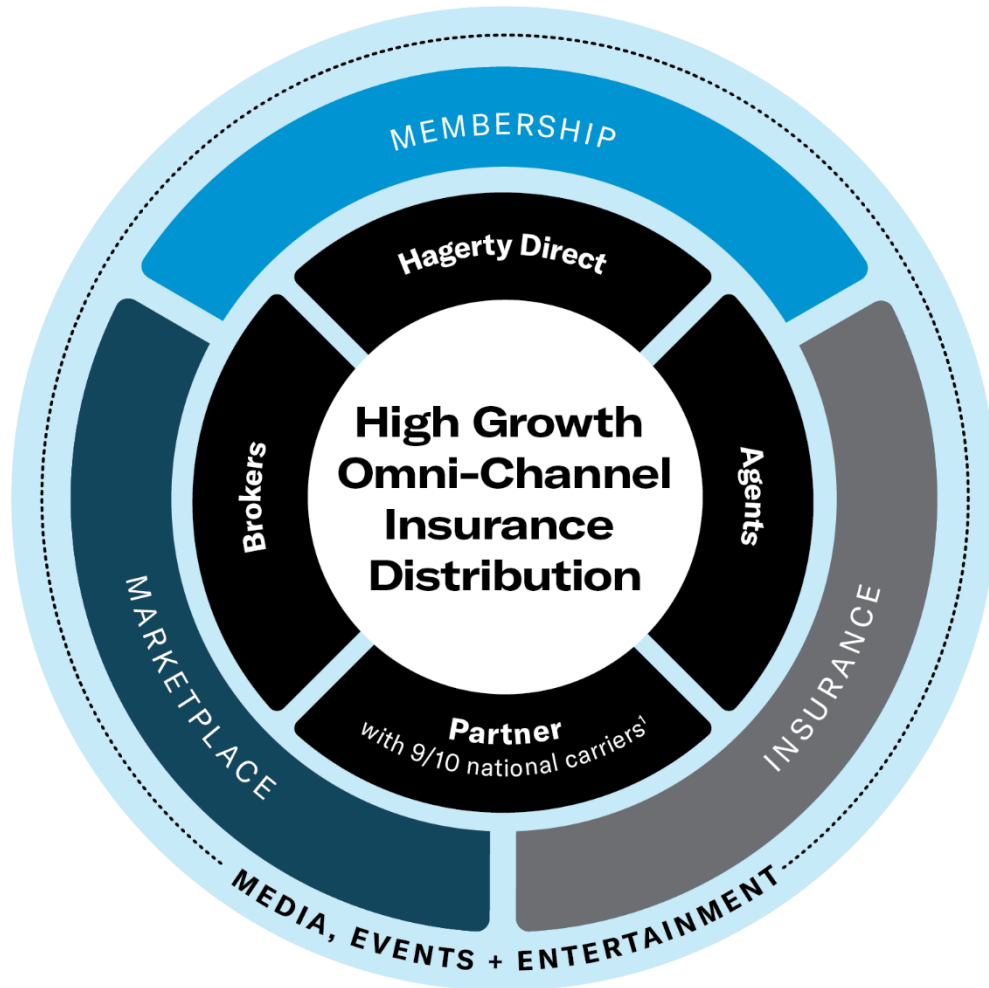
To be the world's leading brand for enthusiasts to **protect, buy, sell, and enjoy** their cars

*“People take good care of their toys”*  
*- Louise Hagerty*



# The Leading Brand for Auto Enthusiasts

*Creating an Enthusiast-Centered Ecosystem*



## Insurance: Protect

Custom, specialized insurance for enthusiast vehicles

## Marketplace: Buy & Sell

Trusted marketplace for buying and selling classic and collector cars

## Membership: Enjoy

Affinity program with the world's largest automotive membership community and award-winning content & entertainment

<sup>1</sup> Per SNL Financial, by auto premiums written as of FY2024.

# Hagerty at a Glance

- Leading specialty insurance provider and automotive brand for the vast collector car enthusiast ecosystem
- Recurring revenue model fueled by unique expertise in underwriting, servicing and monetizing collector cars
  - **Highly predictable and stable underwriting economics** captured via underwriting entities
  - **Commission and fee-based economics** earned in an MGA capacity
  - **Membership, marketplace and other economics** from Hagerty Drivers Club (HDC) subscriptions, auto auctions, private sales, online marketplaces, events, collector car lending and more
- All components of the engine come together to create a powerful flywheel effect resulting in happy customers who view Hagerty as additive to their passion and not simply a commodity
- Underpinned by proprietary database meticulously constructed, cataloged and scrubbed over 40+ years leading to measurable data advantages

## GROWTH AND RETENTION

**\$1,303M**

LTM Total Revenue  
+18% from Q2 '24

**89.0%**

2024FY Policy  
Retention

**83**

5 Year Average  
Net Promoter Score<sup>1</sup>

## PROFITABILITY

**40.8%**

2024Y ex Cat Loss  
Ratio<sup>2,3</sup>

**\$102M | 8%<sup>4</sup>**

LTM Net Income  
+30% from Q2'24

**\$147M | 11%<sup>4</sup>**

LTM Adj. EBITDA<sup>5</sup>  
+16% from Q2'24

*Note: Statistics shown LTM for the period ended June 30, 2025.*

<sup>1</sup> NPS is measured twice annually through a web-based survey sent by email invitation to a random sample of existing HDC Members, and is reported annually using an average of the two surveys.

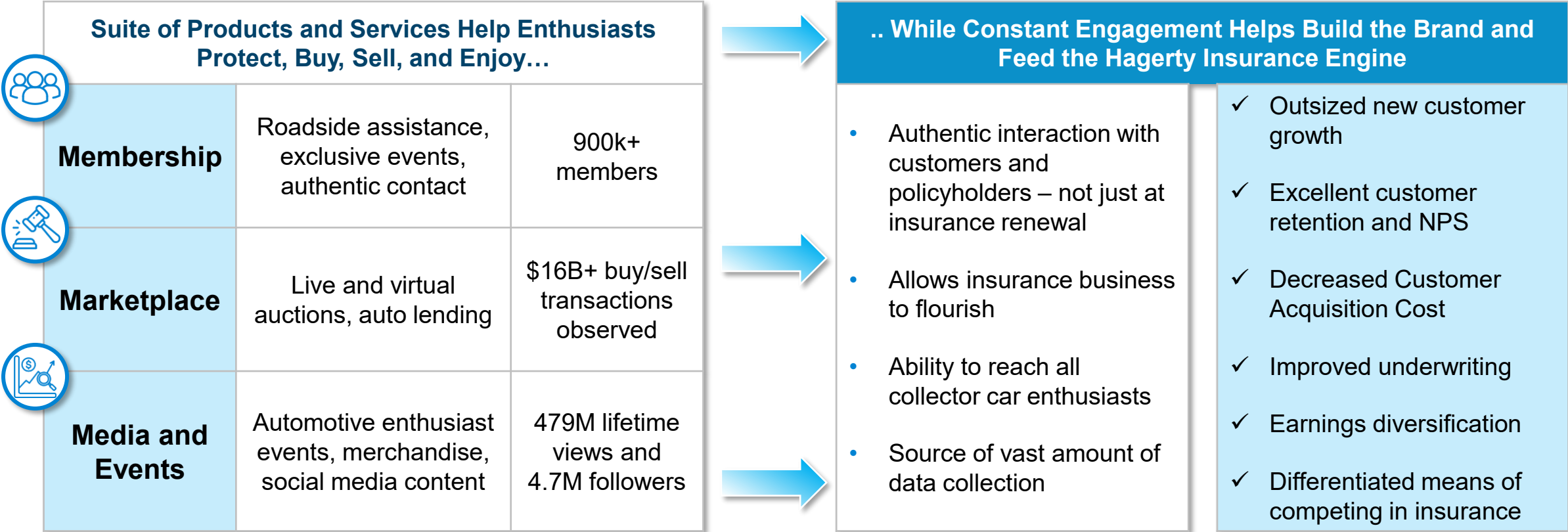
<sup>2</sup> Hagerty Re Loss Ratio is the ratio of (i) Hagerty Re's losses and loss adjustment expenses to (ii) its earned premium.

<sup>3</sup> Hagerty Re's Loss Ratio of 40.8% excludes the \$26.7 million pre-tax impact from Hurricanes Helene and Milton. Hagerty's Loss Ratio including catastrophe losses was 46.4%.

<sup>4</sup> Net income margin and adjusted EBITDA margin, respectively. <sup>5</sup> Non-GAAP financial measure. Please see the appendix for a reconciliation to most applicable GAAP metric.

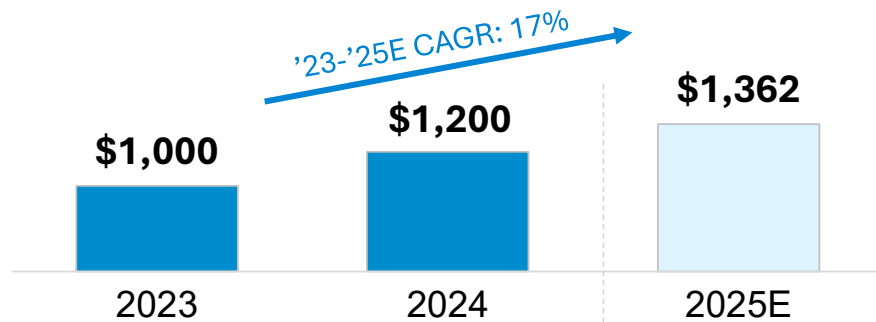
# Unique Ecosystem to Authentically Engage with Passionate Enthusiasts

*Driving Engagement Across Every Mile of the Hagerty Experience – Our “Secret Sauce”*

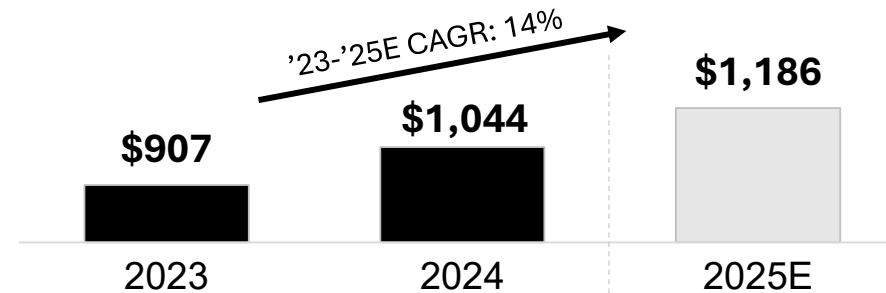


# Compelling Financial Profile

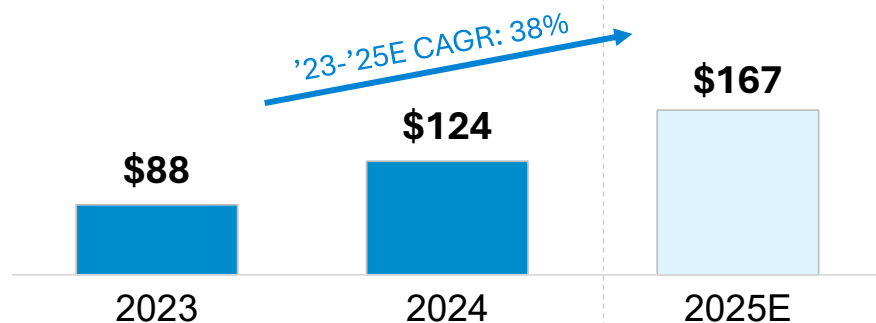
**Total Revenue (\$M)**



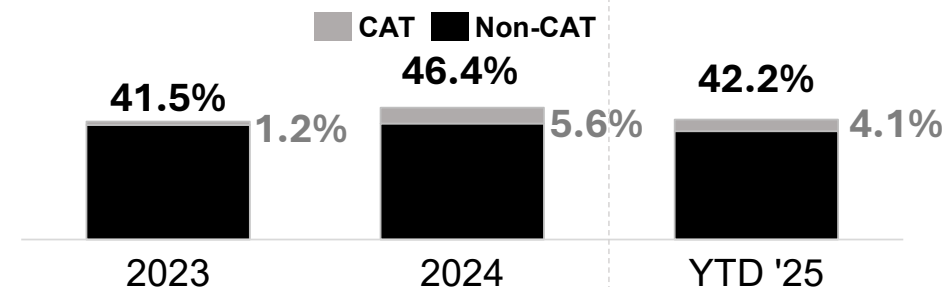
**Total Written Premium (\$M)<sup>2</sup>**



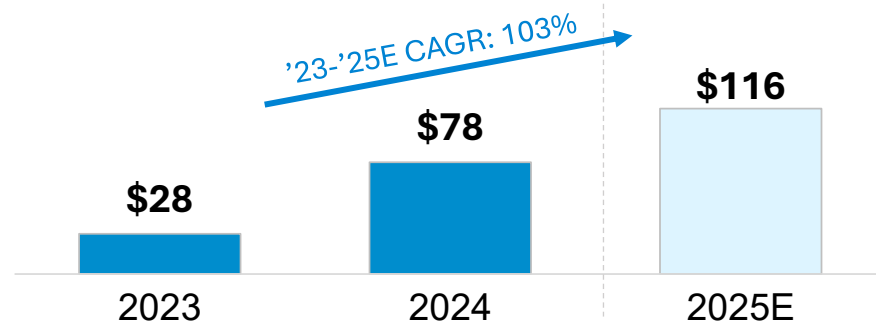
**Adjusted EBITDA<sup>1</sup> (\$M)**



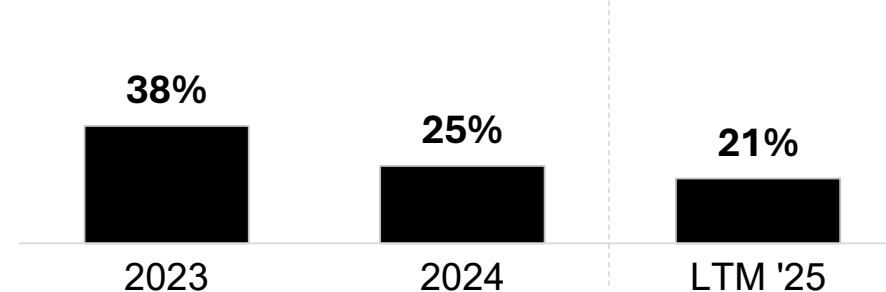
**Hagerty Re Loss Ratio (%)<sup>3</sup>**



**Net Income (\$M)**



**Hagerty Re Return on Equity**



Note: 2025E indicates the midpoint of the disclosed range for each statistic. LTM or YTD statistics shown for the period ended June 30, 2025.

<sup>1</sup> Non-GAAP financial measure. Please see the appendix for a reconciliation to most applicable GAAP metric.

<sup>2</sup> Total Written Premium is the total amount of insurance premium written by our MGA subsidiaries on behalf of insurance carrier partners during the period.

<sup>3</sup> Hagerty Re Loss Ratio is the ratio of (i) Hagerty Re's losses and loss adjustment expenses to (ii) its earned premium.



## II. Investment Highlights

# Why Hagerty?



**HAGERTY**

1

**Visionary, founder-led leadership team with deep insurance expertise and diverse backgrounds**

2

**Attractive combination of i) retained underwriting economics, ii) commission and fee-based MGA revenue, and iii) synergistic membership, marketplace and other revenue**

3

**Robust and diversified omni-channel distribution**

4

**State Farm partnership and Enthusiast+ product spring-loaded to sustain high rates of profitable growth**

5

**Large and underpenetrated target market with deep fragmentation**

6

**Advanced data collection will be augmented by recent technology investments**

7

**Risk bearing entity producing strong returns with a robust and conservative balance sheet**

# ① High Quality Leadership Team



**McKeel Hagerty**  
Chief Executive Officer &  
Chairman of the Board

**Patrick McClymont**  
Chief Financial Officer

**Jeff Briglia**  
President of Insurance

**Kenneth Ahn**  
President of Marketplace

**Russell (Russ) Page**  
Chief Information Officer



**Mark Elliott**  
Chief Investment Officer

**Jay Koval**  
SVP of Investor Relations  
and Communications

**Sean McMullan**  
Senior Vice President of  
Digital

**Diana Chafey**  
Chief Legal Officer

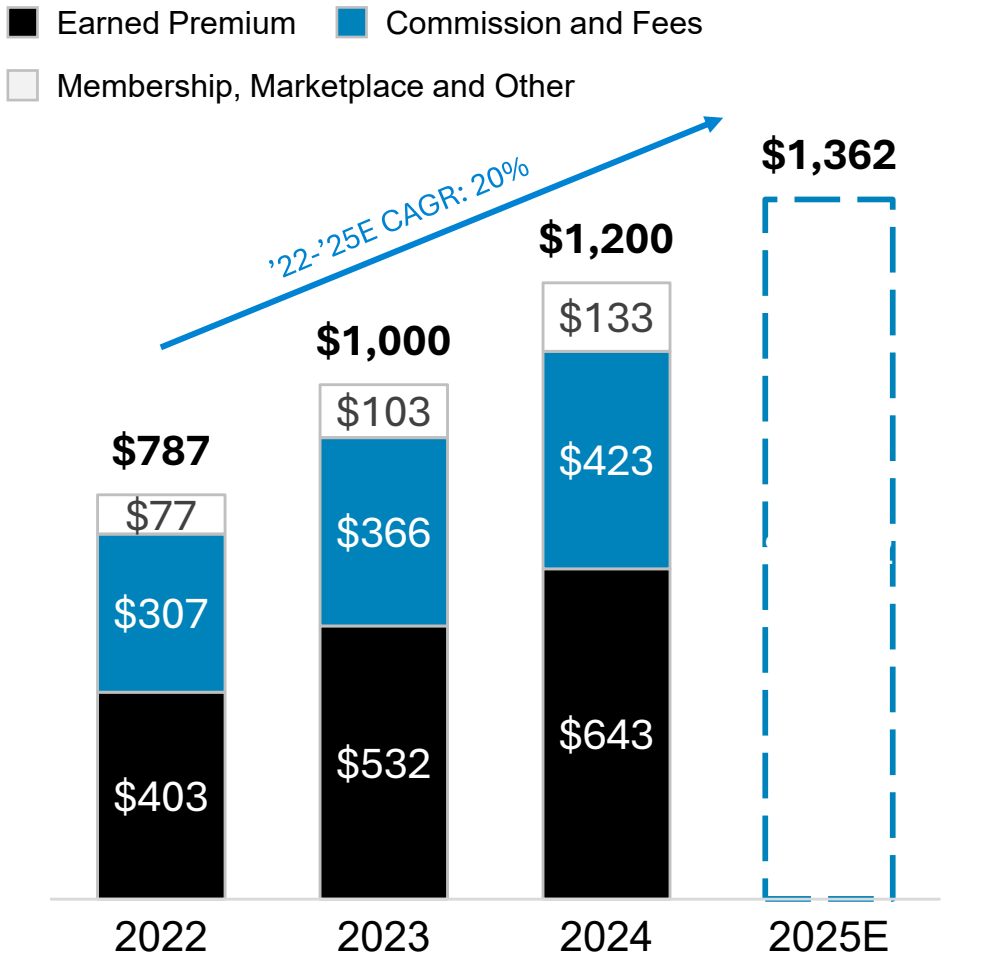
**Collette Champagne**  
Chief HR Officer & Chief  
Administrative Officer

**Marc Burns**  
SVP of Brand and  
Marketing



# ② Diversified Sources of Revenue

**Total Revenue (\$M)**



**Earned Premium**

- Earned portion of written premiums that Hagerty Re has assumed under ~80%<sup>1</sup> quota share reinsurance agreements with carrier partners

**Commission and Fees**

- Gross commissions and fees earned from the underwriting, sale and servicing of insurance policies written on behalf of carriers, prior to any offsetting ceding commission expense

**Membership, Marketplace and Other**

- Revenue primarily earned through HDC subscriptions, auto auctions, private sales, online marketplaces, industry-leading events, collector car lending, media and more

*Note: 2025E indicates the midpoint of the disclosed range. Numbers may not tie due to rounding. <sup>1</sup> Quota share percentages by geographic area for the LTM period ended June 30, 2025, were 80% for core U.S. business, 50% in Canada, and 80% in the U.K. Hagerty Re is no longer reinsuring the risks underwritten by its U.K. MGA affiliate as of 1/1/2024, and the book is in run-off. If the proposed fronting agreement with Markel is consummated, Hagerty will assume 100% of the risk in the U.S. book starting on January 1, 2026 as more fully described on page 25.*

# ② Hagerty Marketplace: Buy & Sell Platform for Auto Enthusiasts

*Driving exceptional brand loyalty  
with multiple points of monetization*

**300K+**

*2024 Collector Car  
Transactions Observed*

**\$16B**

*2024 Total Value Trading  
Hands in Hagerty's U.S.  
Insurance Book*

**\$54M**

*2024 Revenue from Live  
Auctions, Private Sales  
and Financings*

**232%**

*Q2'YTD YOY Marketplace  
Revenue Growth*



# 3 Omni-Channel Distribution Network Unlocks Target Market



**55%** Partnership Channel

**45%**

**Direct Distribution**

*Value proposition: Belonging, comradery, understanding, admiration, joy*

- Membership model drives significant percentage of new business flow
- Promotes brand awareness

**32%**

**Agency and Broker Partners**

*Value proposition: Enhance service, increase efficiency*

- Over 50,000 agents
- 10 of the top 10 brokers by revenue<sup>1</sup>

**23%**

**National Insurance Partners**

*Value proposition: Enhance service, true partner, no channel conflict*

- 9 of the top 10 largest auto insurers<sup>2</sup>
- 4 of our top 5 partners report double digit growth
- Recent new partnerships

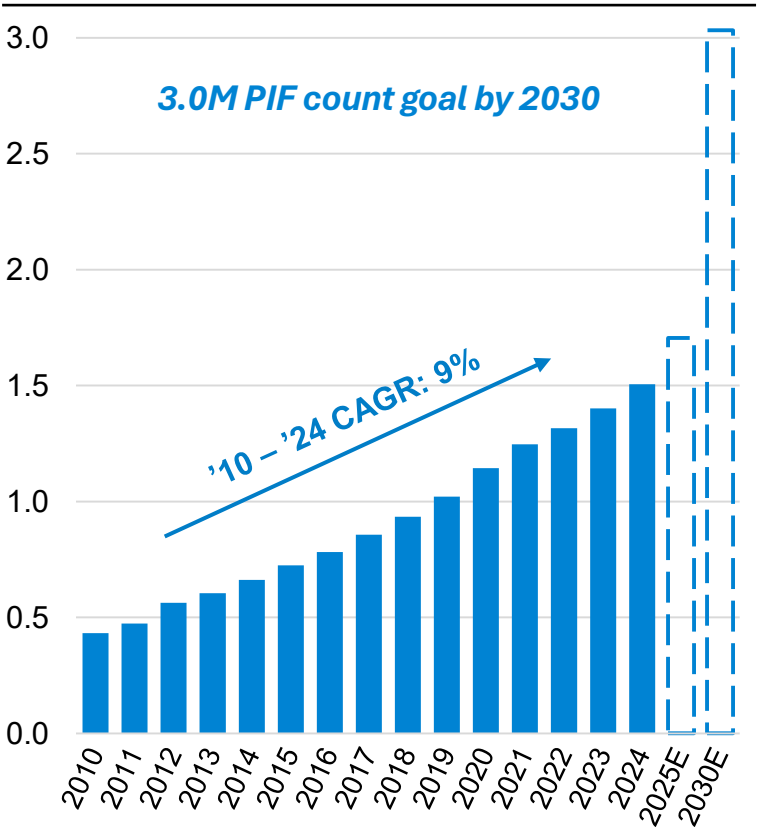
Representative Partners

*Note: The reported growth and segment acceleration of our top 5 partners is historical and not necessarily representative of the growth and acceleration of all our partners, and past performance is not a reliable indicator or guarantee of future results.*

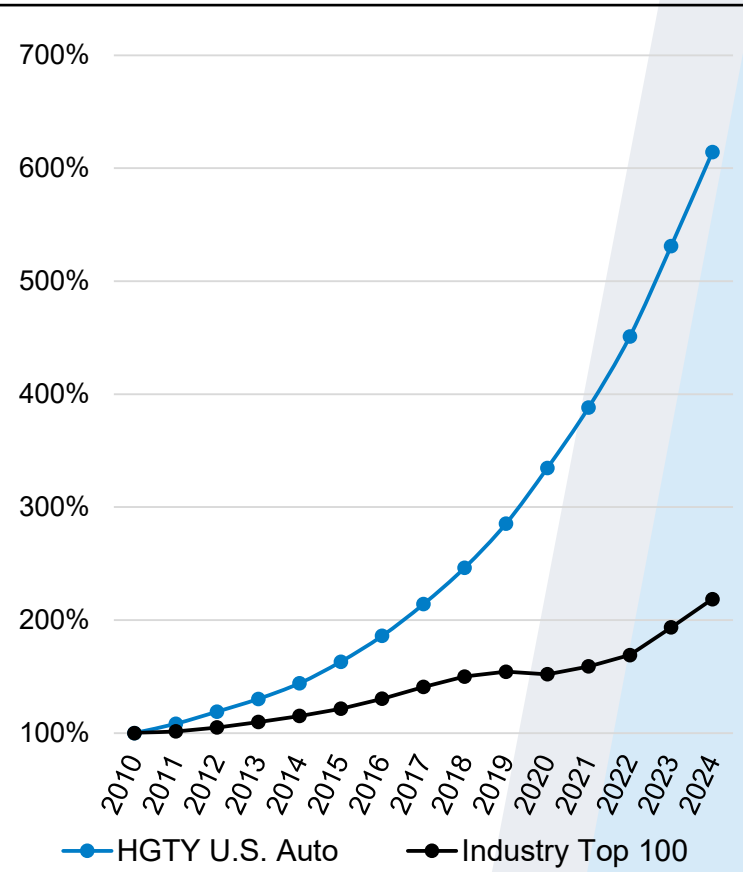
<sup>1</sup> Per Business Insurance. <sup>2</sup> Per SNL Financial, by auto premiums written as of FY2024.

# ④ Durable and Consistent Mid-Teens Growth

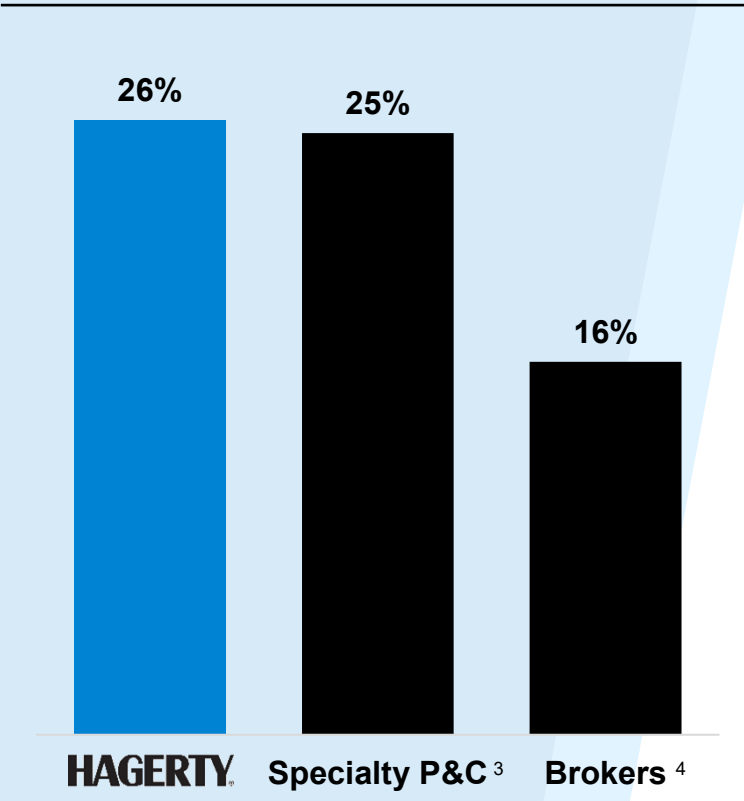
Hagerty PIF Count(M)



Hagerty vs. Industry Top 100<sup>1</sup> Total U.S. Auto Written Premium Growth



Hagerty vs. Peers 2020-2024 Median Total Revenue Growth<sup>2</sup>



Note: All premium amounts shown for Hagerty reflect total written premium.

<sup>1</sup>Industry Top 100 represents the top 100 U.S. P&C insurers with a private auto LOB. <sup>2</sup> Source: Company filings. <sup>3</sup> Specialty P&C peers include BOW, KNSL, PGR, PLMR, RLI, SKWD, and WRB.

<sup>4</sup>Brokers peers include AJG, AON, BRO, BWIN, GSHD, MMC, RYAN, TWFG, and WTW.

# ④ Near and Medium-Term Initiatives at Inflection Point



- Distribution relationship since 2022; agreement in place through 2030
- Alignment of interest via State Farm ~16% stake in Hagerty
- 525k+ existing State Farm collector car policies moving to Hagerty platform by 2027
- State Farm agents selling new policies in 13 states; expect to be selling in majority of US by YE 2026
- 100% MGA-based economic arrangement

*Near Term  
Growth Engine*

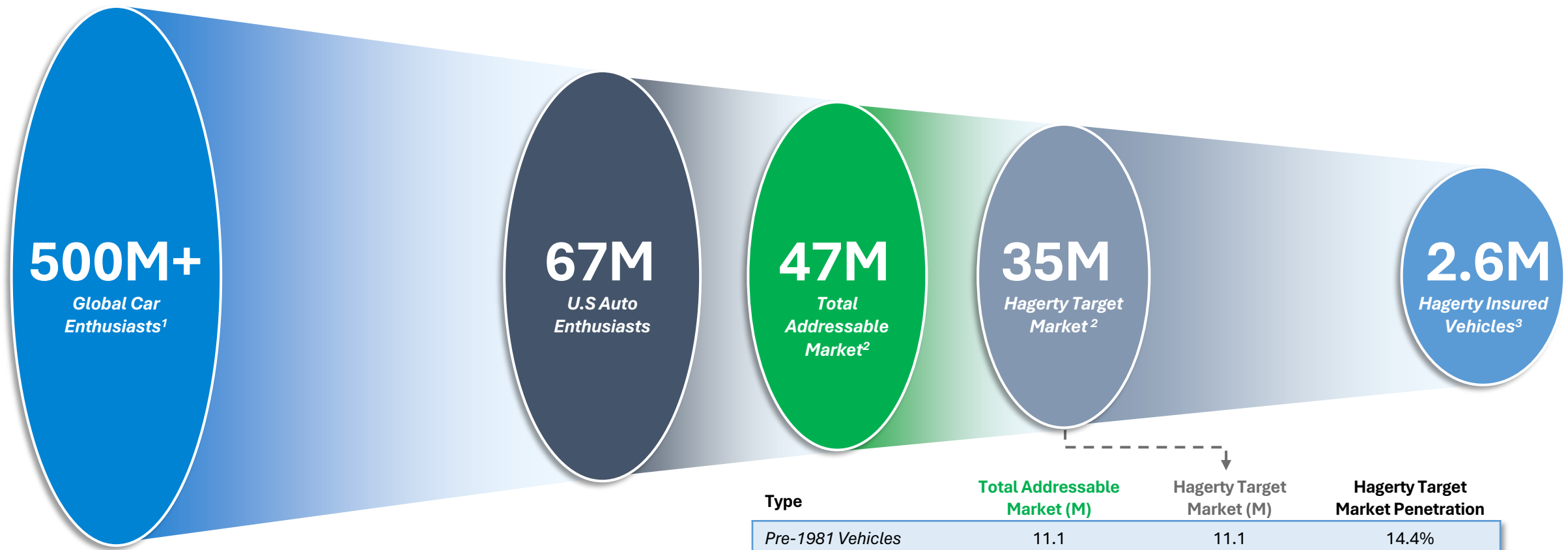
**Enthusiast+  
Program**

- Broadening underwriting appetite and addressable market
- Designed to target more modern enthusiast vehicles that are inherently more drivable
- Distinct pricing and leading product features
- Natural evolution of risk appetite and business model
- Initial launch in 3Q'25; full rollout in the United States in next 3-4 years
- Opportunity to leverage onshore insurance carrier, Drivers Edge

*Medium Term  
Growth Engine*

# 5 Well Positioned to Capture Additional Market Share

*Niche, but Large and Underpenetrated, Target Market*

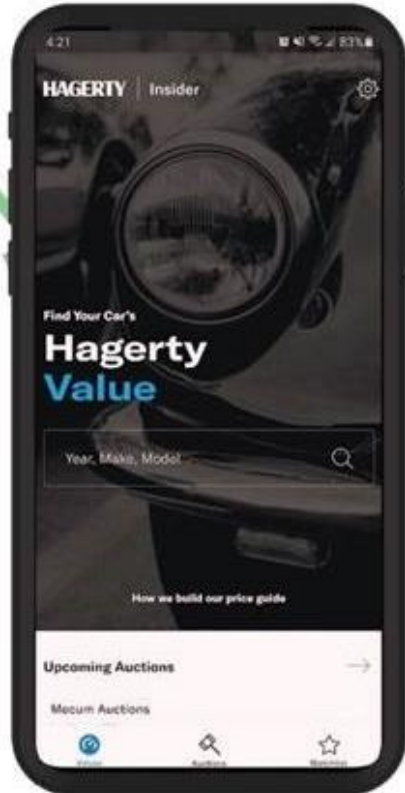


Type	Total Addressable Market (M)	Hagerty Target Market (M)	Hagerty Target Market Penetration
Pre-1981 Vehicles	11.1	11.1	14.4%
Post-1980 Vehicles	35.4	24.0	3.1%
<b>Total</b>	<b>46.5</b>	<b>35.0</b>	<b>6.7%</b>

Source: Hagerty company reports based on aggregated data of various sources;  
<sup>1</sup> Per Facebook analytics, members who have expressed an interest in or "Liked" automobiles or associated interests. <sup>2</sup> Per Hagerty company reports based on aggregate data of various sources.  
<sup>3</sup> Vehicles in force as of June 30, 2025.

# ⑥ Technology and Data Driving Superior Results

*Industry-Leading Valuation Tool Powering Hagerty's Ecosystem Today*



## HISTORICAL DATA COLLECTION

- 40+ years of proprietary collector car data
- Detailed pricing data points across 48k+ collector car models
- 300k+ 2024 collector car transactions observed

## CURRENT TECHNOLOGY AND DATA

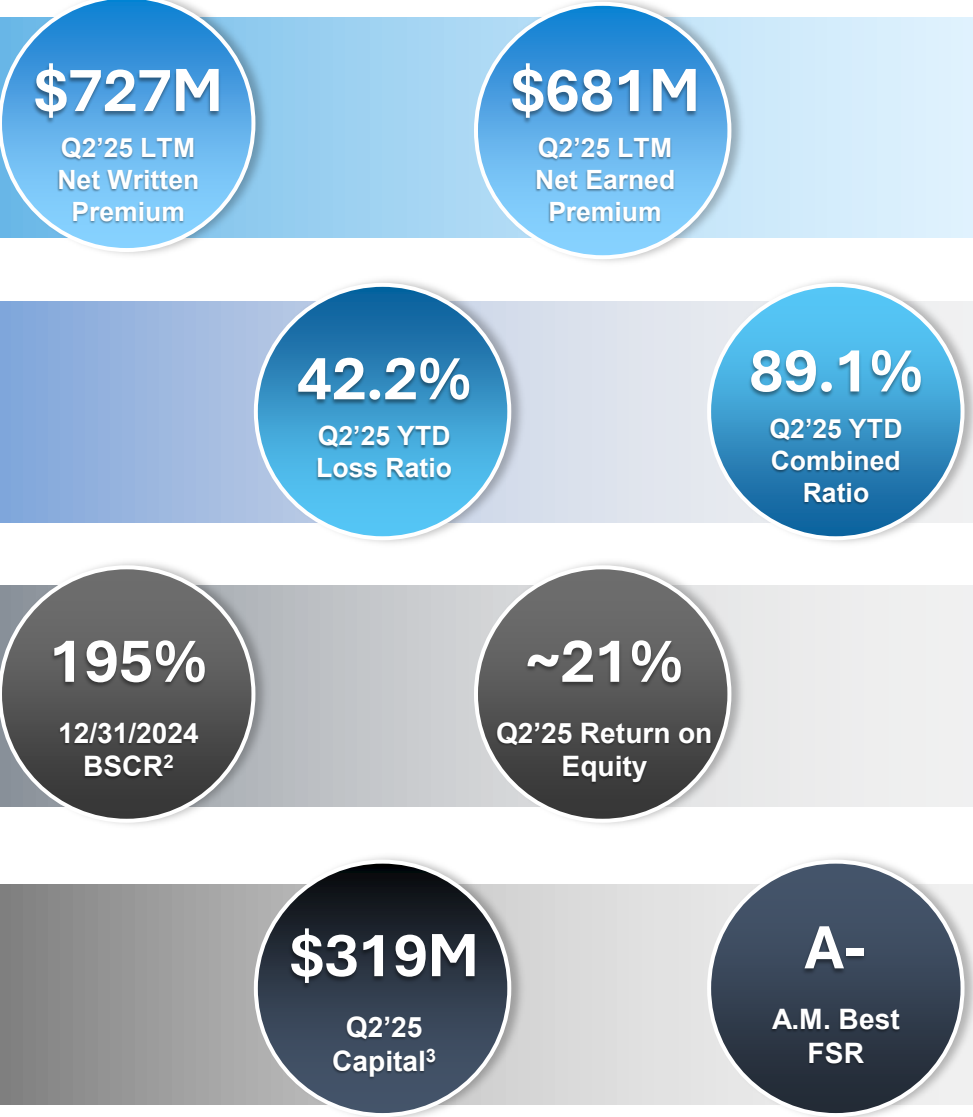
- Improving operational efficiency through technology investments in CRM tools, Duck Creek, and other systems
- Leveraging existing data and platform to drive superior financial performance
  - Leading valuation capabilities on collector cars enhances insurance function and customer experience
  - Differentiated claims handling ability via parts sourcing and expert repair networks fueled by data

## FUTURE AREAS OF EXPANSION

- Best in class proprietary data and unique access to collector car market unlocks AI capabilities for automation, pricing, and unique customer features
- Investment in technology drives down costs to serve our customers

# 7 Underwriting Snapshot

- Our risk-bearing entity assumes risk from our capacity partners via quota share reinsurance
  - Core U.S. = 80% → moving to 100%<sup>1</sup>
  - Canada = 50%
  - Steady increase in assumed premium over time given profitability of the book
- Track record of industry-leading consistent and stable loss ratios
  - 3Y average loss ratio of 44% vs. ~75% industry average
- Fundamentally different risk profile vs. daily driving auto insurance
- Diversified high-quality investment portfolio with 98% comprised of investment grade fixed maturity securities as of 2Q'25
- Prudently booked reserves



Note: Metrics shown as of LTM for year ended 6/30/2025. <sup>1</sup> If the proposed fronting agreement with Markel is consummated, Hagerty will assume 100% of the risk in the U.S. book starting on January 1, 2026. <sup>2</sup> Bermuda Solvency Capital Requirement. <sup>3</sup> Represents Hagerty Re equity of \$294 plus the State Farm loan of \$25M that is treated as debt per GAAP however received favorable capital treatment from A.M. Best and has received approval from the Bermuda Monetary Authority to be recorded as Other Fixed Capital on the Statutory Statement of Capital and Surplus and as Tier 2 Ancillary Capital.

# Markel Partnership Evolution: Strategic Rationale

- Markel is a leading global specialty insurance carrier
  - Dedicated carrier partner providing paper for insurance policies<sup>1</sup> written by Hagerty's MGA subsidiaries since 2013
  - Meaningful alignment of interest through 23% ownership stake in Hagerty
- If the proposed fronting agreement with Markel is consummated, Hagerty will assume 100% of the risk in the U.S. book starting on January 1, 2026 (current risk retention is 80%)
- Moving from a quota share reinsurance arrangement to a pure fronting arrangement
- ~2% fronting fee scaling down as book of business grows

**HAGERTY**<sup>®</sup>



**MARKEL**

- **Natural Evolution:** HGTY has been increasing quota share steadily since 2017
- **Control:** Full discretion over pricing, underwriting, and investment of premium
- **Efficiency:** Gain direct oversight of filings, compliance, servicing
- **Economic Upside:** Incremental benefit from underwriting and investment income; accretive to earnings
- **Continuity:** Partnership with Markel continues; no changes to policyholder experience

<sup>1</sup> Policies are written by Essentia, a wholly owned subsidiary of Markel, which was acquired in 2013 exclusively for Hagerty's U.S. business.

# Strong 2025 Outlook

*Sustained High-Quality Growth and Margin Expansion*

(\$mm)	2024 RESULTS
<b>Total Written Premium</b>	\$1,044
<b>Total Revenue</b>	1,200
<b>Net Income<sup>1</sup></b>	78
<b>Adjusted EBITDA<sup>1</sup></b>	124

2025 OUTLOOK (\$)				
LOW END		HIGH END		
OLD	REVISED	OLD	REVISED	
\$1,180	\$1,180	\$1,191	\$1,191	
1,344	→ 1,356	1,356	→ 1,368	
102	→ 112	110	→ 120	
150	→ 162	160	→ 172	

2025 GROWTH OUTLOOK (%)				
LOW END		HIGH END		
OLD	REVISED	OLD	REVISED	
13%	13%	14%	14%	
12%	→ 13%	13%	→ 14%	
30%	→ 43%	40%	→ 53%	
21%	→ 30%	29%	→ 38%	

<sup>1</sup> Profit outlook includes an estimated \$10 million of pre-tax losses from the Southern California wildfires, as well as the \$20 million of elevated technology spend as the Company re-platforms from its legacy system to Duck Creek.

# Meaningful Levers to Support High-Quality Growth

## 2025 KEY PRIORITIES

**TECHNOLOGY +  
EXPENSE EFFICIENCIES**

### Enthusiast+

- Launching in Q3 2025 on new IT Platform (**Duck Creek**)
- Improving operational efficiencies to deliver greater experiences and drive margin growth from cost-cutting initiatives

**STRATEGIC  
INITIATIVES**

- Sell **State Farm Classic+** in 25 states by 2025 YE
- Double live and **global auctions (Europe)**
- Sign new partnerships

**FINANCIAL  
GROWTH**

- Deliver **13 – 14% written premium growth**
- Achieve a **combined ratio of ~90%** by optimizing underwriting practices
- **Reduce** operational **expenses by 5%**

## 2030 AND BEYOND...

**DOUBLE POLICIES-IN-FORCE  
FROM 1.5M TO 3.0M**

- Continued **integration of Membership and Media**
- **International expansion** with more **live events** and **auctions** in Europe
- Funnel auto enthusiasts to insurance platform and deliver authentic experiences
- Continued scaling of **Enthusiast+**

2025

2030

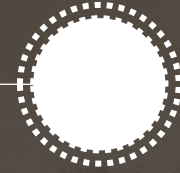




**Leading Brand for  
Automotive Enthusiasts**



**Unique Platform and Omni-  
Channel Presence to Engage with  
Our Members**



**Poised for Margin Expansion and  
Sustained Profitable Growth**

**Never Stop Driving.**

**HAGERTY®**



# Appendix

# Markel Transaction: Accounting Implications

- Beginning 1/1/26, Hagerty will assume 100% of the underwriting risk<sup>1</sup> on policies written on Markel paper
- The structure of the agreement will move from a quota share reinsurance arrangement to a pure fronting arrangement
- New contractual provisions result in different GAAP accounting for Markel-related business upon entry into fronting arrangement

## Existing Structure

HGTY earns 42% MGA commission revenue and retains 80% of risk via quota share<sup>1</sup>

Markel retains 20%. Handles filings and admin support

HGTY Re pays 47% ceding commission (42% plus ~5% for G&A, premium taxes and operating expense)

## New Structure

HGTY Re controls 100% of the premium and assumes 100% of risk<sup>1</sup>

Hagerty secures full discretion over pricing, underwriting, and investment of premium

Markel issues policies and provides admin support

HGTY Re pays a ~2% fronting fee and funds G&A, premium taxes, and operating expenses

## Illustrative Accounting of \$1K on Markel (Essentia) Paper + HDC Membership

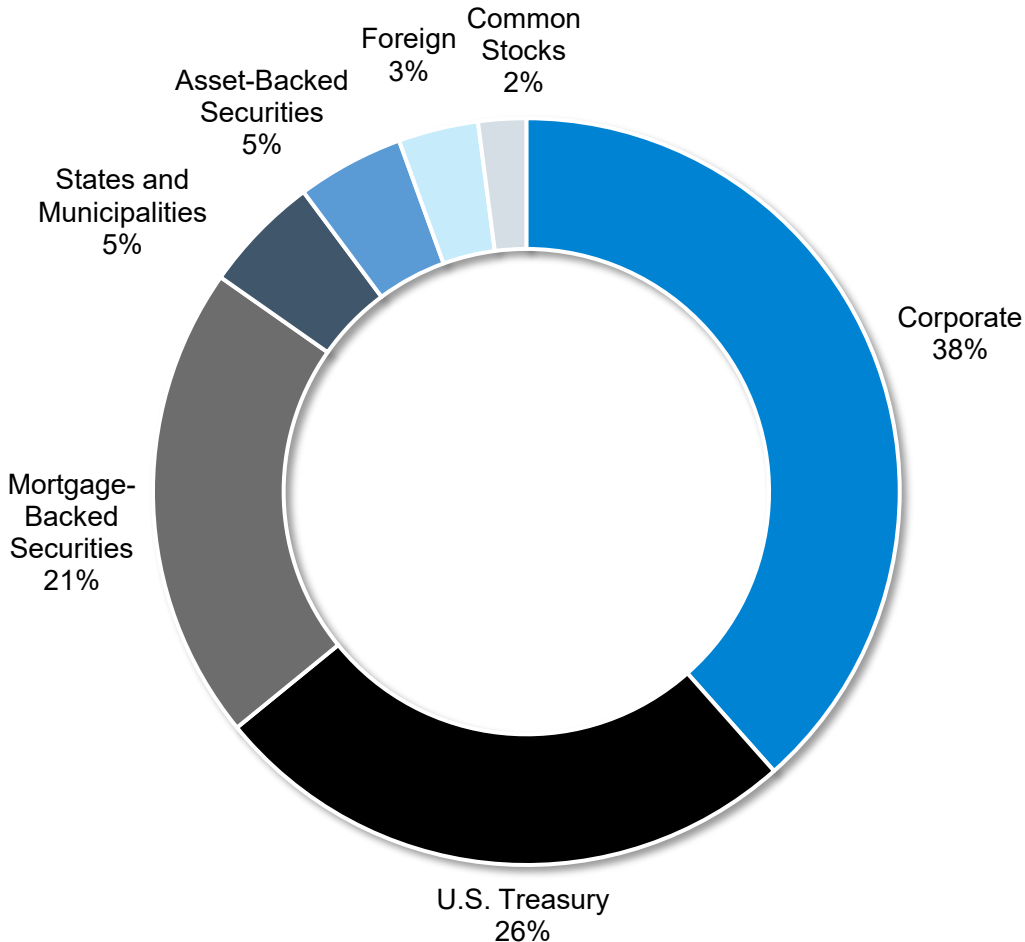
\$ thousands		Existing	New
Net Earned Premium	<b>A</b>	\$800	\$1,000
Commissions and Fees	<b>B</b>	420	0
Membership and Other		70	70
Net Investment Income	<b>A</b>	0	40
<b>Total Revenue</b>		<b>\$1,290</b>	<b>\$1,110</b>
MGA Ceding Commission	<b>B</b>	336	0
Premium Taxes / G&A Costs		40	<b>C</b> 30
Fronting Fee		0	<b>C</b> 20
<b>Total Ceding Commission</b>		<b>\$376</b>	<b>\$50</b>
Losses	<b>D</b>	336	420
Other Reinsurance Opex		6	7
Other Operating Expenses	<b>D</b>	453	453
<b>Total Expenses</b>		<b>\$1,171</b>	<b>\$930</b>
<b>Operating Income</b>		<b>\$119</b>	<b>\$180</b>
Net Investment Income	<b>A</b>	32	0
Pretax Income		151	180

- Normalized time period whereby earned premium = written premium
- Illustrative example does not include commission and fees generated from non-Markel programs
- A** Increase in earned premium as a result of 100% risk retention<sup>1</sup>, simultaneous increase in net investment income, which also moves “above” the line for reporting (i.e., change in geography)
- B** MGA commission revenue and Hagerty Re ceding commission expense associated with Markel program no longer recognized in consolidated financial statements (Markel program accounts for ~90% of commission and fee income)
- C** Assumes similar 5% all-in costs comprised of 3% for Premium Taxes + G&A plus new 2% fronting fee
- D** Hagerty Re loss ratio = 42% and MGA margin = 7.6% based on prior year
- Accretive to earnings

<sup>1</sup> Hagerty Re purchases a variety of reinsurance protections for itself including catastrophe XOL, facultative and quota share.

# Hagerty Re: Diversified Investment Portfolio

## Q2'25 Investment Portfolio



### Key Highlights

- Healthy investment portfolio primarily comprised of investment grade fixed maturity securities
- Returns are achieved through executing an efficient, highly diversified portfolio, with an emphasis on strong liquidity
- Limited credit risk and duration risk assumed through targeting a portfolio aggregate of 2-4 year duration and 'AA-' or better credit rating

### Summary Statistics

**\$602M**  
Total Investments as of 2Q'2025

**98%**  
of Investment Portfolio is Fixed Maturity Securities

**Investment Grade Rating**  
for All Fixed Maturity Securities

Note: Financial data as of quarter ended, 6/30/2025.

# Historical Income Statement

\$ in Thousands	Three Months Ended		Year Ended	
	June 30, 2025	March 31, 2025	December 31, 2024	December 31, 2023
<b>Revenue:</b>				
Commission and Fee Revenue	\$143,287	\$100,287	\$423,240	\$365,512
Earned Premium	177,785	169,355	643,324	531,866
Membership, Marketplace and Other Revenue	47,627	49,951	133,474	102,835
<b>Total Revenue</b>	<b>\$368,699</b>	<b>\$319,593</b>	<b>\$1,200,038</b>	<b>\$1,000,213</b>
<b>Operating Expenses:</b>				
Salaries and Benefits	\$64,062	\$59,103	\$221,463	\$216,896
Ceding Commissions, net	82,938	77,333	301,719	251,805
Losses and Loss Adjustment Expenses	75,213	71,130	298,593	220,658
Sales Expense	67,380	54,626	190,523	156,378
General and Administrative Expenses	22,574	22,185	82,504	85,434
Depreciation and Amortization	8,833	9,488	38,905	45,809
Restructuring, Impairment and Related Charges, net	-	-	-	8,812
Gains, Losses, and Impairments Related to Divestitures	-	-	(87)	4,013
<b>Total Operating Expenses</b>	<b>\$321,000</b>	<b>\$293,865</b>	<b>\$1,133,620</b>	<b>\$989,805</b>
Operating Income (Loss)	\$47,699	\$25,728	\$66,418	\$10,408
Gain (Loss) Related to Warrant Liabilities, Net	-	-	(8,544)	11,543
Interest and Other Income (Expense), Net	5,664	7,054	35,808	22,821
<b>Income Before Income Tax Expense</b>	<b>\$53,363</b>	<b>\$32,782</b>	<b>\$93,682</b>	<b>\$44,772</b>
Income Tax Expense	(\$6,161)	(\$5,489)	(\$15,379)	(\$16,593)
Loss from Equity Method Investment, Net of Tax	-	-	-	-
<b>Net Income</b>	<b>\$47,202</b>	<b>\$27,293</b>	<b>\$78,303</b>	<b>\$28,179</b>
Net Income Attributable to Non-Controlling Interest	(\$36,229)	(\$18,922)	(\$61,286)	(\$7,948)
Accretion of Series A Convertible Preferred Stock	(1,875)	(1,875)	(7,427)	(3,677)
<b>Net Income Attributable to Class A Common Stockholders</b>	<b>\$9,098</b>	<b>\$6,496</b>	<b>\$9,590</b>	<b>\$16,554</b>
<b>Key Metrics</b>				
Loss Ratio	42.3%	42.0%	46.4%	41.5%
Combined Ratio	89.6%	88.5%	94.1%	89.2%

# Historical Balance Sheet

	As of June 30,	As of December 31,	
<i>\$ in Thousands</i>	2025	2024	2023
<b>Assets</b>			
Total Current Assets	\$1,212,984	\$858,405	\$1,250,218
Investments	482,248	515,570	5,526
Notes receivable	17,931	11,555	17,018
Property and equipment, net	17,259	18,205	20,764
Lease right-of-use assets	42,549	44,485	50,515
Intangible assets, net	86,732	90,107	91,924
Goodwill	114,165	114,123	114,214
Other long-term assets	66,707	56,888	38,033
<b>Total Assets</b>	<b>\$2,040,575</b>	<b>\$1,709,338</b>	<b>\$1,588,212</b>
<b>Liabilities, Temporary Equity and Stockholders' Equity</b>			
Total Current Liabilities	\$1,145,980	\$915,446	\$842,299
Long-term lease liabilities	40,903	43,178	50,459
Long-term debt, net	153,383	104,968	130,680
Warrant liabilities	-	-	34,018
Deferred tax liability	21,857	18,065	15,937
Contract liabilities	14,334	15,334	17,335
Other Long-term Liabilities	3,267	4,178	4,139
<b>Total Liabilities</b>	<b>\$1,379,724</b>	<b>\$1,101,169</b>	<b>\$1,094,867</b>
<b>Temporary Equity</b>			
Preferred Stock, \$0.0001 Par Value	\$82,813	\$84,663	\$82,836
<b>Stockholders' Equity</b>			
Class A Common Stock, \$0.0001 Par Value	\$9	\$9	\$8
Class V Common Stock, \$0.0001 Par Value	25	25	25
Additional Paid-in Capital	604,621	603,780	561,754
Accumulated Deficit	(432,634)	(451,978)	(468,995)
Accumulated Other Comprehensive Loss	262	(1,514)	(88)
Total Stockholders' Equity	\$172,283	\$150,322	\$92,704
Non-controlling Interest	405,755	373,184	317,805
<b>Total Equity</b>	<b>\$578,038</b>	<b>\$523,506</b>	<b>\$410,509</b>
<b>Total Liabilities and Equity</b>	<b>\$2,040,575</b>	<b>\$1,709,338</b>	<b>\$1,588,212</b>

# Non-GAAP Reconciliations – Adjusted EBITDA

<i>\$ in thousands</i>	Q2 2025 LTM	Q2 2025	Q1 2025	FY 2024	FY 2023
<b>Net income</b>	<b>\$101,942</b>	<b>\$47,202</b>	<b>\$27,293</b>	<b>\$78,303</b>	<b>\$28,179</b>
Interest and other (income) expense <sup>1,2</sup>	(28,940)	(5,664)	(7,054)	(35,808)	(22,821)
Income tax expense	16,089	6,161	5,489	15,379	16,593
Depreciation and amortization	36,652	8,833	9,488	38,905	45,809
<b>EBITDA</b>	<b>\$125,743</b>	<b>\$56,532</b>	<b>\$35,216</b>	<b>\$96,779</b>	<b>\$67,760</b>
Restructuring, impairment and related charges, net	—	—	—	—	8,812
(Gain) loss related to warrant liabilities, net	463	—	—	8,544	(11,543)
Share-based compensation expense	17,969	5,146	4,392	17,357	17,729
Gains, losses, and impairments related to divestitures	—	—	—	(87)	4,013
Other unusual items <sup>3</sup>	3,210	2,066	—	1,880	1,391
<b>Adjusted EBITDA</b>	<b>\$147,385</b>	<b>\$63,744</b>	<b>\$39,608</b>	<b>\$124,473</b>	<b>\$88,162</b>

<sup>1</sup> Excludes interest expense related to the BAC Credit Facility, which is recorded within “Sales expense” in the Condensed Consolidated Statements of Operations.

<sup>2</sup> Includes interest income and net investment income related to our investment portfolio.

<sup>3</sup> Other unusual items includes certain legal settlement expenses, certain professional fees, and certain material severance expenses for the three months ended June 30, 2025 and professional fees associated with the warrant exchange, as well as certain material severance expenses for the year ended December 31, 2024.

## Adjusted EBITDA

We define Adjusted EBITDA as consolidated Net income, excluding net interest and other income (expense), income tax expense, and depreciation and amortization, further adjusted to exclude (i) net gains and losses related to our warrant liabilities prior to the Warrant Exchange; (ii) share-based compensation expense; and when applicable, (iii) restructuring, impairment and related charges; (iv) gains, losses and impairments related to divestitures; and (v) certain other unusual items.

We present Adjusted EBITDA because we consider it to be an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. We use Adjusted EBITDA as a measure of the operating performance of our business on a consistent basis, as it removes the impact of items not directly resulting from our core operations.

By providing this non-GAAP financial measure, together with a reconciliation to Net income, which is the most comparable GAAP measure, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing our strategic initiatives. However, Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation, or as an alternative to, or a substitute for Net income or other financial statement data presented in our Condensed Consolidated Financial Statements as indicators of financial performance. Our definition of Adjusted EBITDA may be different than similarly titled measures used by other companies in our industry, which could reduce the usefulness of this non-GAAP financial measure when comparing our performance to that of other companies.