IPO BOUTIQUE

IPO NAME	Symbol their rating	Filing range million Sh.	Lead Underwriters	Due
Bamboo Insurance Services, Inc.	BMB 2	$18.00-$20.00 35.0	Underwriters: J.P. Morgan, Morgan Stanley, Deutsche Banke Securities, Evercore ISI, Wells Fargo Securities, Barclays, Goldman Sachs, Piper Sandler, CVC Capital Markets, Dowling & Partners Securities, Wedbush Securities Cos:	Wed. 9/23
SECONDARY NAME	**Symbol their rating**	**Last Trade million Sh.**	**Lead Underwriters**	Due
There are no secondaries currently scheduled for this week. If this changes, they will alert you with emailed advisories.				

IPO's

Bamboo Insurance Services, Inc. BMB $18.00-$20.00 35.0 million shares Underwriters: J.P. Morgan, Morgan Stanley, Deutsche Banke Securities, Evercore ISI, Wells Fargo Securities, Barclays, Goldman Sachs, Piper Sandler, CVC Capital Markets, Dowling & Partners Securities, Wedbush Securities Co-Managers: Proposed trade date of 9/23 They are committed to building for the new era of insurance, where underwriting excellence, significant growth and operational efficiency co-exist and reinforce one another.

Bamboo Insurance Services, Inc. BMB

- 35,000,000 shares to be offered between $18.00 and $20.00 per share
- Underwriters: J.P. Morgan, Morgan Stanley, Deutsche Banke Securities, Evercore ISI, Wells Fargo Securities, Barclays, Goldman Sachs, Piper Sandler, CVC Capital Markets, Dowling & Partners Securities, Wedbush Securities Co-Managers:
- Proposed trade date of 9/23
- Rating = 2

Click here to view the prospectus.
https://www.sec.gov/Archives/edgar/data/2125355/000162828026061664/bambooinsuranceservicesinc.htm

Company Overview

Bamboo is an AI and technology-enabled, underwriting-first and capital-light homeowners insurance MGU. They were purpose-built for today's rapidly changing $189 billion homeowners insurance market and are underpinned by modern, modular technology designed for speed, scalability and adaptability. As a fast-growing MGU with strong profitability and a substantial runway for continued growth, they manage all functions across the insurance value chain, including data science and advanced analytics, underwriting and claims handling, while partnering with a diversified group of highly-rated Capacity Providers.

Bamboo was created to take advantage of recent structural shifts in the insurance industry

• *Increasing risk complexity*: **Insurance risk has become more complex due to more frequent and severe weather and CAT events, and rising construction costs and insured values**

• *Evolving operating environment*: **The changing environment, including operating challenges, for U.S. homeowners insurance has hindered legacy carriers' ability to underwrite effectively and has resulted in reduced coverage availability and increased prices**

• *Growing sources of capital*: **Capital has become increasingly diversified and growing among dedicated reinsurance, program partners, and alternative risk transfer markets, which has contributed to disaggregation trends across the insurance value chain**

• *Rise of MGUs/MGAs*: **Enabled by growing and diversified capital arrangements and specialized underwriting expertise, MGUs/MGAs are positioned to capitalize on the decoupling of risk origination and underwriting from balance sheets**

• *Technology and AI advancements:* **Modern data ingestion and advanced analytics enable superior underwriting and scaled operations without the limitations of outdated legacy systems that are costly and inefficient to upgrade.**

• *Diversified multi-channel distribution*: **Evolving customer preferences and purchasing behaviors have shifted the need for distributors of insurance products to meet customers where they are**

Their platform continuously integrates data, technology and AI to drive faster decision-making, improved underwriting outcomes and scalable, profitable growth. It is built on a series of interconnected data, operations and intelligence layers that work together to enhance underwriting performance and operating efficiency. At its foundation, their Data Advantage standardizes, organizes, entitles and governs more than 200 data inputs across weather, geospatial and property intelligence sources. Built on this foundation, the Operations Layer leverages automation and AI-enabled workflows to streamline routine processes and improve efficiency across company functions.

They believe they have produced resilient and profitable underwriting outcomes, which have earned them the trust of a broad and diversified set of Capacity Providers with whom they have durable, long-term relationships. As of June 30, 2026, these included 7 Program Partners, 60 global reinsurers and 28 institutional investors participating in their proprietary strategies. While they have historically placed the majority of their MGU business with Sutton, representing 78% and 75% of commission revenue and 84% and 50% of gross earned premium for the periods from January 1 to December 4, 2025 and December 5 to December 31, 2025, respectively, they launched four programs with new Program Partners in 2025 as part of their strategy to further diversify their carrier relationships and support continued growth.

IPO Detail

This is the initial public offering of Bamboo Insurance Services, Inc. and no public market currently exists for its common stock. Bamboo Insurance Services, Inc. is offering 35,000,000 shares of common stock as described in the prospectus. The company expects the initial public offering price of its common stock to be between $18.00 and $20.00 per share. The company has applied to list its common stock on the New York Stock Exchange under the symbol "BMB."

Class A common stock offered by the selling stockholders	35,000,000	shares (or 40,250,000 shares of Class A common stock if the underwriters exercise their option to purchase additional shares of Class A common stock in full).
Class A common stock to be outstanding immediately after this offering	130,764,913	shares, representing approximately 84% of the combined voting power of all of their common stock, 100% of the economic interest in them and 84% of the indirect economic interest in Miramar Holdco.
Class B Common stock to be outstanding immediately after this offering	25,540,144	shares, representing approximately 16% of the combined voting power of all of their common stock and no economic interest in them.
LLC Interests to be held by them indirectly immediately after this offering	130,764,913	LLC Interests, representing approximately 84% of the economic interest in Miramar Holdco.
LLC Interests to be held by the Continuing Equity Owners immediately after this offering	25,540,144	LLC Interests (excluding Unvested LLC Interests), representing approximately 16% of the economic interest in Miramar Holdco.

This offering is being conducted through what is commonly referred to as an "Up-C" structure, which is often used by partnerships and limited liability companies undertaking an initial public offering. The Up-C approach provides the Continuing Equity Owners (as defined below) with the tax treatment of continuing to own interests in a pass-through structure and provides potential future tax benefits for both the public company and the Continuing Equity Owners when they

ultimately redeem their pass-through interests for shares of Class A common stock or cash from the sale of newly issued shares of Class A common stock.
Their amended and restated certificate of incorporation and the Miramar Holdco LLC Agreement will require that they and Miramar Holdco at all times maintain a one-to-one ratio between the number of shares of Class A common stock issued by them and the number of LLC Interests owned directly or indirectly by them.

Their amended and restated certificate of incorporation and the Miramar Holdco LLC Agreement will requir they and Miramar Holdco at all times maintain a one-to-one ratio between the number of shares of Class B c stock owned by the Continuing Equity Owners and their respective permitted transferees and the number of Interests (excluding any Unvested LLC Interests) owned by the Continuing Equity Owners and their respect permitted transferees, except as otherwise determined by them.

They will have two classes of common stock outstanding after this offering: Class A common stock and Class B common stock. Each share of their Class A common stock will entitle the holder to one vote per share. Each share of their Class B common stock will entitle the holder to one vote per share. Class B common stock will have no economic rights. Immediately following the closing of this offering, all of the outstanding shares of their Class B common stock will be held by the Continuing Equity Owners, which, assuming an initial public offering price of $19.00 per share, the midpoint of the price range set forth on this cover page, will represent in the aggregate approximately 16% of the voting power of their outstanding common stock after this offering and 95,764,913 shares of Class A common stock will be held by the CVC Funds and White Mountains through the Blocker Shareholders , which, assuming an initial public offering price of $19.00 per share, the midpoint of the price range set forth on this cover page, will represent in the aggregate approximately 61% of the voting power of their outstanding common stock after this offering (or approximately 58% if the underwriters exercise in full their option to purchase additional shares). As a result, they expect to be a “controlled company” within the meaning of the corporate governance rules of the NYSE.

Use of Proceeds

They will not receive any proceeds from the sale of their Class A common stock by the Selling Stockholders. They will, however, costs associated with the sale of shares of Class A common stock by the selling stockholders, other than underwriting discounts ar commissions. They estimate that the offering expenses (other than the underwriting discounts) will be approximately $12.4 millio

Competition

Company	**Stock Symbol**	**Exchange.**
California FAIR Plan	State owned	
Hippo Holdings Inc.	HIPO	NYSE
Branch Insurance	Private	
Openly Insurance	Private	
SageSure	Private	
USAA	Private	
Progressive Corp.	PGR	NYSE
State Farm	Mutual	

Market Opportunity

They operate within the U.S. homeowners insurance market, one of the largest segments of the broader P&C industry, representing approximately $189 billion in annual premiums in 2025 and with a compound annual growth rate of 10% since

2019. This growth has been supported by rising home values, new home construction and cost inflation across the broader market. Alongside these trends, weather volatility has increased, as evidenced by more frequent and severe CAT events in recent years, which has heightened the need for underwriting sophistication in homeowners insurance. **Additionally, the U.S. homeowners insurance market's operating environment has become more complex, hindering the ability of many legacy carriers to underwrite effectively**, resulting in reduced risk appetite and coverage gaps. Their operating model enables them to take advantage of these market opportunities.

They identified California as a strategically ideal market for Bamboo's launch where they believed the trends shaping the broader industry were most pronounced. As the third-largest homeowners insurance market in the United States, California represented approximately $18 billion in annual premiums in 2025, with a compound annual growth rate of 12% since 2019 based on S&P Global. Many legacy admitted carriers have exited the market or reduced their underwriting appetite, creating an opportunity for Bamboo. As a newer market entrant with both admitted and E&S offerings, a rate-adequate book and a focus on managing aggregation in real-time, they have benefited from the dislocation in the California homeowners insurance market and have rapidly established themselves as a disciplined, data-driven and technology-enabled underwriting platform with a reputation for reliable capacity and a strong agent experience. **Since their entry into California, they have grown their market share within the state to 4% as of December 31, 2025, and believe there is significant runway for further growth in the state.**

They are applying their proven and rigorous approach to other states, beginning with Texas, the largest homeowners insurance market in the United States, which represented $20 billion in annual premium in 2025, with a compound annual growth rate of 12% since 2019 based on S&P Global. **They entered the state in September 2025, and their operating model has allowed them to quickly adapt to state-specific dynamics**. They believe this approach positions them to continue their profitable growth both within Texas and across additional new markets.

They also operate Bamboo Captive, a captive reinsurance entity that they strategically use to demonstrate alignment with their Capacity Providers and support their growth in new markets via limited balance sheet participation. In programs where Bamboo Captive participates, it participates on the same economic terms as the other quota share reinsurers in the applicable program, and the Program Partners contract with Bamboo Captive on the reinsurance arrangements in the same manner as with other third-party reinsurers. **They operate Bamboo Captive at near-breakeven profitability, inclusive of self-funded protection against CAT events.**

Consolidated Statements of Comprehensive Income	Interim Periods		Annual Periods		
	Successor	Predecessor	Successor	Predecessor	Prec
	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025	Period from December 5 to December 31, 2025	Period from January 1 to December 4, 2025	Year Decemb
($ in thousands, except per unit/share amounts)	Amount	Amount	Amount	Amount	Ar
Revenues:					

Commission revenue	$ 134,647	$ 87,120	$ 18,973	$ 178,180	$
Fee revenue	23,266	15,656	3,000	32,396	
Net earned premium	11,587	16,461	2,329	26,699	
Other income	3,898	4,616	653	8,959	
Total revenue	173,398	123,853	24,955	246,234	
Expense:					
Agency commission	47,447	33,253	6,652	69,493	
Salaries and benefit expense	22,806	18,713	2,175	38,843	
Selling, general and administrative expense	24,387	12,411	19,709	32,735	
Insurance related expense	9,005	10,178	1,257	16,445	
Amortization of acquired intangible assets	36,364	8,000	5,169	14,666	
Incurred losses and loss adjustment expense	3,352	12,556	130	18,035	

Consolidated Statements of Comprehensive Income	**Interim Periods**		**Annual Periods**		
	Successor	**Predecessor**	**Successor**	**Predecessor**	**Pre**
	Six Months Ended June 30, 2026	**Six Months Ended June 30, 2025**	**Period from December 5 to December 31, 2025**	**Period from January 1 to December 4, 2025**	**Yea Decemb**
($ in thousands, except per unit/share amounts)	**Amount**	**Amount**	**Amount**	**Amount**	**A**
otal operating expense	143,361	95,111	35,092	190,217	
Interest expense	16,281	4,997	2,680	9,712	
et (loss) income before income tax expense	13,756	23,745	(12,817)	46,305	
Income tax expense	—	—	—	—	
Net (loss) income	$ 13,756	$ 23,745	$ (12,817)	$ 46,305	$
Net (loss) income per unit:					
Basic (loss) income per A-1 units	$ —	N/A	N/A	N/A	
Basic (loss) income per A-2 units	$ 0.01	N/A	$ (0.03)	N/A	
Basic (loss) income per A-3 units	$ —	N/A	$ (0.03)	N/A	
Diluted (loss) income per A-1 units	$ —	N/A	N/A	N/A	
Diluted (loss) income per A-2 units	$ 0.01	N/A	$ (0.03)	N/A	
Diluted (loss) income per A-3 units	$ —	N/A	$ (0.03)	N/A	
Consolidated Statements of Cash Flows Data					
($ in thousands)					
Net cash (used in) provided by operating activities	$ 52,364	37,855	$ (13,473)	$ 72,770	$

Net cash used in investing activities	$ (11,755)	(15,401)	$ (1,326,778)	$ (33,511)	$
Net cash (used in) provided by financing activities	$ (10,124)	22,002	$ 1,341,534	$ 18,107	$
Consolidated Balance Sheet Data ($ in thousands)					
Cash	$ 50,482		$ 37,454		$
Total assets	$ 2,011,202		$ 2,010,097		$
Total liabilities	$ 735,055		$ 581,483		$
Long-term debt	$ 531,064		$ 386,105		$

Target Markets

Continue to Expand in Existing States and Cement Their Advantage: They strategically identified California as an ideal state to launch due to the dislocation in its homeowners insurance market. **They are just beginning to capture market share with Bamboo representing 4% of all homeowners premium in California as of December 31, 2025. There is still substantial room to grow as legacy carriers exit or restrict business due to pricing constraints in the market relative to what is optimal for their existing portfolios.** They expect to benefit from a compounding rate-adequacy gap that may take time for competitors who choose to reenter the market to close. **Furthermore, while their ability to offer admitted and non-admitted products broadens their market reach, their Program Partners' admitted "A-" rated paper (as rated by AM Best) gives them differentiated access to profitable and highly recurring business.**

Disciplined Expansion into New States: **Building on their success in California, they are now leveraging their technology, deep capacity and distribution relationships and nimble operating model to expand into new, high-opportunity states.** They prioritize new state entries based on market conditions, market size, reinsurance dynamics and alignment with their Capacity Providers and Distribution Partners to ensure new launches are both opportunistic and sustainable. With their ability to quickly ingest data and adapt their underwriting, they believe that they can move quicker into new states than other insurance providers.

They entered Texas in September 2025 as the first phase of their geographic expansion strategy. The state's extensive independent agent networks, the flexibility afforded by their product offerings and the need for superior underwriting capabilities to manage multiple-peril risks made Texas particularly well-suited for their model. Since their launch, they have written $16 million in premium across 6,000 policies through June 2026. **They are working to expand into other states beyond California and Texas, the two markets in which they currently operate.**

Grow and Deepen Their Distribution Network: **They are expanding across captive carrier agents, independent agents and digital point-of-sale partnerships to reach a broad policyholder base aligned with their underwriting appetite. This serves to increase penetration in both existing and new states, as many of their Distribution Partners have national footprints allowing for seamless geographic expansion.** Embedded point-of-sale partnerships in the real estate and mortgage ecosystems represent another important vector for future growth. Finally, their flexible product offering across both admitted and E&S products permits them to fill coverage gaps and win new distribution relationships.

Launch New Products: **Their modular technology and data infrastructure support rapid new product development and launches of new insurance products, allowing them to respond quickly to market needs and regulatory changes with minimal operational friction.** Recent new product and coverage enhancements, such as E&S homeowners insurance in 2023 or condo insurance in 2026, address gaps identified by their customers and Distribution Partners and underserved markets. Finally, **Bamboo Agency further expands their product offering to renters, earthquake and flood insurance products, among others, which are underwritten by third-party carriers.** To ensure ongoing and rapid adoption of new products, they invest in training Distribution Partners to effectively sell their full suite of offerings.

Inorganic Growth Opportunities: **They may selectively pursue acquisitions to complement their long-term organic growth strategy.** Ideal targets should enhance their existing markets, broaden their product portfolio or expand their distribution capabilities. In 2021, for example, they acquired Bamboo Agency, which allowed them to accelerate forming digital point-of-sale partnerships within the real estate and mortgage ecosystems and sell insurance products underwritten by third-party carriers.

Company's Unique Strengths

Underwriting Excellence: **Their underwriting engine integrates more than 200 datapoints and uses AI to manage aggregation in real-time at the address-level and optimally manage risk across all of their programs. They delivered an attritional loss and LAE ratio of 35% for the year ended December 31, 2025. In addition, they delivered an average gross loss and LAE ratio of 55% over the last five fiscal years, with a standard**

Diversified and Durable Capacity Providers: **Their differentiated underwriting results, both on an overall basis and through significant CAT events such as the January 2025 California wildfires, have earned them the trust of a diversified set of Capacity Providers.** As of June 30, 2026, their programs are supported by 7 Program Partners, 60 global reinsurers and 28 institutional investors participating in their proprietary sidecar strategies and first of its kind, brush-specific CAT bond. **Not only does the breadth of their capacity support their growth, it also serves as a meaningful barrier against new entrants; Program Partners generally limit their partnerships to a single MGU per state to avoid channel conflict, and theirs are looking to grow with them geographically as they expand into new states.**

Broad, Nationwide Distribution Model: Their distribution strategy is designed to meet evolving customer preferences and spans carrier partner agents, independent agents and growing point-of-sale partnerships. **Their strategy is defined by speed, quote and bind certainty and enhancing distribution partner productivity. This makes it easier for their Distribution Partners to place business with them and facilitate their growth in existing and new markets.**

Operating Expense Efficiency: **Their approach to technology and the unit economics of their capital-light MGU model optimizes their cost structure. They**

benefit from lower fixed costs compared to traditional models, supporting their leading margins and ability to reinvest into their business.

Profitable, Recurring Customer Base: **Their differentiated understanding of risk at the peril-level has enabled their entry into markets where they believe legacy carriers use outdated underwriting methodologies with overly aggregated books of business. They believe legacy carriers lack a clear, quick path to resolution without fully exiting certain geographies.** Conversely, they have built a highly-recurring, profitable book of business with significant embedded value and growth potential. This is evidenced by their better-than-market gross loss and LAE ratio and premium retention of over 100% in 2025.

Company's Unique Risks

Their business may be harmed if one or more of their relationships with Capacity Providers are terminated or are reduced, if they fail to maintain good relationships with such Capacity Providers, if they become dependent upon a limited number of Capacity Providers, or if they fail to develop new capacity provider relationships.

Their distribution model depends on third-party producers, and any failure by those producers to consistently promote their products or the loss of any key producer relationships could adversely affect their business.

The majority of their MGU business has historically depended on their relationship with a single Program Partner and they expect that program to constitute a significant portion of their MGU business for the foreseeable future. Any disruption in that relationship could materially and adversely affect their business, financial condition and results of operations.

Reliance on third-party service providers for critical operations, such as payments and mailing, exposes them to operational and reputational risks.

Severe weather conditions and other catastrophes may result in an increase in the number and amount of claims on policies they underwrite, which could adversely affect their Capacity Providers and, in turn, their business.

Because their business is highly concentrated in California and Texas, adverse economic conditions, natural disasters or regulatory changes in these states could adversely affect their financial condition.

The insurance business is extensively regulated, and changes in regulation may reduce their profitability and limit their growth

The Tax Receivable Agreement requires them to make cash payments to the Continuing Equity Owners and Blocker Shareholders in respect of certain tax benefits to which they may become entitled, and they expect that such payments will be substantial.

They expect to be a "controlled company" within the meaning of the corporate governance rules of the NYSE and, as a result, they qualify for exemptions from certain corporate governance requirements. You will not have the same protections as those afforded to stockholders of companies that are subject to such governance requirements.

Bottom Line

They had total revenues of $179.8 million and $271.2 million and net income of $31.6 million and $33.5 million in 2024 and 2025, respectively. They had total revenues of $123.9 million and $173.4 million and net income of $23.7 million and $13.8 million in the first half of 2025 and 2026, respectively.

Bamboo is an AI and technology-enabled, underwriting-first and capital-light homeowners insurance MGU. They were purpose-built for today’s rapidly changing $189 billion homeowners insurance market and are underpinned by modern, modular technology designed for speed, scalability and adaptability. Insurance risk has become more complex due to more frequent and severe weather and CAT events, and rising construction costs and insured values. The changing environment, including operating challenges, for U.S. homeowners insurance has hindered legacy carriers’ ability to underwrite effectively and has resulted in reduced coverage availability and increased prices. Capital has become increasingly diversified and growing among dedicated reinsurance, program partners, and alternative risk transfer markets, which has contributed to disaggregation trends across the insurance value chain. Enabled by growing and diversified capital arrangements and specialized underwriting expertise, MGUs/MGAs are positioned to capitalize on the decoupling of risk origination and underwriting from balance sheets. Evolving customer preferences and purchasing behaviors have shifted the need for distributors of insurance products to meet customers where they are. Their platform continuously integrates data, technology and AI to drive faster decision-making, improved underwriting outcomes and scalable, profitable growth. They believe they have produced resilient and profitable underwriting outcomes, which have earned them the trust of a broad and diversified set of Capacity Providers with whom they have durable, long-term relationships. As of June 30, 2026, these included 7 Program Partners, 60 global reinsurers and 28 institutional investors participating in their proprietary strategies.

They operate within the U.S. homeowners insurance market, one of the largest segments of the broader P&C industry, representing approximately $189 billion in annual premiums in 2025 and with a compound annual growth rate of 10% since 2019. This growth has been supported by rising home values, new home construction and cost inflation across the broader market. Additionally, the U.S. homeowners insurance market’s operating environment has become more complex, hindering the ability of many legacy carriers to underwrite effectively. They identified California as a strategically ideal market for Bamboo’s launch where they believed the trends shaping the broader industry were most pronounced. As the third-largest homeowners insurance market in the United States, California represented approximately $18 billion in annual premiums in 2025, with a compound annual growth rate of 12% since 2019. Since their entry into California, they have grown their market share within the state to 4% as of December 31, 2025, and believe there is significant runway for further growth in the state. They are applying their proven and rigorous approach to other states, beginning with Texas, the largest homeowners insurance market in the United States, which represented $20 billion in annual premium in 2025, with a compound annual growth rate of 12% since 2019. They entered the state in September 2025, and their operating model has allowed them to quickly adapt to state-specific dynamics. They also operate Bamboo Captive, a captive reinsurance entity that they strategically use to demonstrate alignment with their Capacity Providers and support their growth in new markets via limited balance sheet participation. In programs where Bamboo Captive participates. They operate Bamboo Captive at near-breakeven profitability, inclusive of self-funded protection against CAT events.

They are just beginning to capture market share with Bamboo representing 4% of all homeowners premium in California as of December 31, 2025. There is still substantial room to grow as legacy carriers exit or restrict business due to pricing constraints in the market relative to what is optimal for their existing portfolios. Furthermore, while their ability to offer admitted and non-admitted products broadens their market reach, their Program Partners' admitted "A-" rated paper (as rated by AM Best) gives them differentiated access to profitable and highly recurring business. Building on their success in California, they are now leveraging their technology, deep capacity and distribution relationships and nimble operating model to expand into new, high-opportunity states. They entered Texas in September 2025 as the first phase of their geographic expansion strategy. They are working to expand into other states beyond California and Texas, the two markets in which they currently operate. They are expanding across captive carrier agents, independent agents and digital point-of-sale partnerships to reach a broad policyholder base aligned with their underwriting appetite. This serves to increase penetration in both existing and new states, as many of their Distribution Partners have national footprints allowing for seamless geographic expansion. Their modular technology and data infrastructure support rapid new product development and launches of new insurance products, allowing them to respond quickly to market needs and regulatory changes with minimal operational friction. Bamboo Agency further expands their product offering to renters, earthquake and flood insurance products, among others, which are underwritten by third-party carriers. They may selectively pursue acquisitions to complement their long-term organic growth strategy.

Their underwriting engine integrates more than 200 datapoints and uses AI to manage aggregation in real-time at the address-level and optimally manage risk across all of their programs. They delivered an attritional loss and LAE ratio of 35% for the year ended December 31, 2025. In addition, they delivered an average gross loss and LAE ratio of 55% over the last five fiscal years, with a standard. Their differentiated underwriting results, both on an overall basis and through significant CAT events such as the January 2025 California wildfires, have earned them the trust of a diversified set of Capacity Providers. Not only does the breadth of their capacity support their growth, it also serves as a meaningful barrier against new entrants; Program Partners generally limit their partnerships to a single MGU per state to avoid channel conflict, and theirs are looking to grow with them geographically as they expand into new states. Their strategy is defined by speed, quote and bind certainty and enhancing distribution partner productivity. This makes it easier for their Distribution Partners to place business with them and facilitate their growth in existing and new markets. Their approach to technology and the unit economics of their capital-light MGU model optimizes their cost structure. They benefit from lower fixed costs compared to traditional models, supporting their leading margins and ability to reinvest into their business. Their differentiated understanding of risk at the peril-level has enabled their entry into markets where they believe legacy carriers use outdated underwriting methodologies with overly aggregated books of business. They believe legacy carriers lack a clear, quick path to resolution without fully exiting certain geographies.

Their business may be harmed if one or more of their relationships with Capacity Providers are terminated or are reduced. Their distribution model depends on third-party producers, and any failure by those producers to consistently promote their products or the loss of any key producer relationships could adversely affect their business. The majority of their MGU business has historically depended on their relationship with a single Program Partner and they expect that program to constitute a significant portion of their MGU business for the foreseeable future. Reliance on third-party service providers for critical operations, such as payments and mailing, exposes them to operational and reputational risks. Severe weather conditions and other catastrophes may result in an increase in the number and amount of claims on policies they underwrite. regulatory changes in these states could adversely affect their financial condition. The Tax Receivable Agreement requires them to make cash payments to the Continuing Equity Owners and Blocker Shareholders in respect of certain tax benefits to which they may become entitled, and they expect that such payments will be substantial. They expect to be a “controlled company” within the meaning of the corporate governance rules of the NYSE. Rating= 2

(click to return to top)

Secondaries

Their Buy, Neutral or Avoid ratings of the Secondaries shown below are intended as a recommendation for those who buy Secondaries on a regular basis. For example, this is not to be interpreted as a Buy recommendation in the traditional sense of adding to your stock portfolio; this is a short term (usually one day or opening trade) time period.

Jeff Zell
Partner
Senior Research Analyst

Daniel Zell
Partner
Head of Business Development

Scott Sweet
Principal Researcher