

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 5, 2024

Bowhead Specialty Holdings Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-42111
(Commission File Number)

87-1433334
(IRS Employer Identification No.)

452 Fifth Avenue
New York, New York 10018
(Address of principal executive offices)
(212) 970-0269
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	BOW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 under the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 under the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On November 5, 2024, Bowhead Specialty Holdings Inc. (the "Company") issued a press release announcing its financial results for the three months ended September 30, 2024. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Item 7.01 Regulation FD Disclosure.

On November 5, 2024, the Company made available to investors an investor presentation for the period ended September 30, 2024 (the "Investor Presentation"). The Investor Presentation is furnished as Exhibit 99.2 hereto. The Investor Presentation is also available on the Investors section of the Company's website, free of charge, at <https://ir.bowheadspecialty.com>.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release of the Company, dated November 5, 2024
99.2	Bowhead Specialty Holdings Inc. Investor Presentation for the period ended September 30, 2024
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 5, 2024

By:	<u>/s/ Brad Mulcahey</u>
Name:	Brad Mulcahey
Title:	Chief Financial Officer and Treasurer



Bowhead Specialty Holdings Inc. Reports Third Quarter 2024 Results

NEW YORK, New York. (BusinessWire) – Bowhead Specialty Holdings Inc. (NYSE: BOW), a growing specialty lines insurance group focused on providing casualty, professional liability and healthcare liability insurance products, today announced financial results for the third quarter ended September 30, 2024*.

Third Quarter 2024 Highlights

- Gross written premiums increased 32.3% to \$197.0 million.
- Net income of \$12.1 million, or \$0.36 per diluted share.
- Adjusted net income⁽¹⁾ of \$12.5 million, or \$0.38 per diluted share⁽¹⁾.
- Return on equity of 13.7% and adjusted return on equity⁽¹⁾ of 14.2%.
- Book value per share of \$11.17 and diluted book value per share of \$10.97.

⁽¹⁾ Non-GAAP financial measure. See “Reconciliation of Non-GAAP Financial Measures” for a reconciliation of the non-GAAP financial measures to their most directly comparable U.S. GAAP measures.

Bowhead Chief Executive Officer, Stephen Sills, commented, “We are pleased to share our third quarter results, which reflect the continued execution of our market cycle strategy. Premium growth in the quarter was 32% year over year. Our Casualty division had a standout quarter, as we continue to see favorable underwriting and pricing conditions. We also experienced double-digit premium growth in our Healthcare Liability and Professional Liability divisions. As mentioned in the past, underwriting comes first here at Bowhead. From the top down, underwriting profitability is our North Star and is embedded in our people and our culture. Looking ahead, with our disciplined approach to underwriting and our expanding “craft” and Baleen Specialty “flow” platforms, we believe we’re well positioned for sustainable and profitable growth across market cycles.

Underwriting Results

The 32.3% increase in gross written premiums to \$197.0 million in the third quarter of 2024 was driven by renewals, new business and continued growth in our platform across all divisions:

- Our Casualty division led the growth with a 41.7% increase to \$120.2 million, which included \$4.4 million of additional gross written premium (\$3.3 million from a net earned premium basis) from an unusually large audit premium on one insured;
- Healthcare Liability increased 29.0% over the same period to \$31.4 million; and
- Professional Liability increased 13.1% to \$45.0 million.
- Late in the second quarter of 2024, we launched a new division called Baleen Specialty, which focuses on small, hard-to-place risks written 100% on a non-admitted basis. Baleen is a streamlined, low touch “flow” underwriting operation that supplements the “craft” solutions we offer today. In line with our deliberate, measured and limited roll out, Baleen Specialty generated \$0.4 million of gross written premiums for the third quarter of 2024.

Our loss ratio of 64.5% in the third quarter of 2024 utilized the same industry loss ratios used since the fourth quarter of 2023. The decrease from 65.5% in the second quarter of 2024 was primarily driven by mix changes in the portfolio, as well as the large audit premium being fully earned and associated with older accident years that had lower loss pick assumptions. There were no changes to loss picks or prior year reserves during the quarter. As of September 30, 2024, incurred but not reported liabilities comprised 91.2% of our net loss reserves.

Our expense ratio of 29.9% in the third quarter of 2024 decreased from 33.8% in the second quarter of 2024, or 32.3% excluding the one-time stock-based compensation acceleration expense of \$1.3 million in the second quarter of 2024. The decrease was driven by continued prudent management of operating expenses, as well as the impact of the large audit premium increasing net earned premium.

* Comparisons in this release are made to September 30, 2023 financial results unless otherwise noted.



Investment Results

Net investment income was \$11.5 million, driven by the increase in our investment portfolio and higher yields on invested assets. Our IPO proceeds were fully invested during the quarter. Our investment portfolio had a book yield and new money rate of 4.7% at the end of the quarter.

The weighted average effective duration of our investment portfolio, which included cash equivalents, was 2.2 years and had an average rating of “AA” at September 30, 2024.

Summary of Operating Results

The following table summarizes the Company's results of operations for the three months ended September 30, 2024 and 2023:

	Three Months Ended September 30,			
	2024	2023	\$ Change	% Change
(\$ in thousands, except percentages and per share data)				
Gross written premiums	\$ 196,976	\$ 148,919	\$ 48,057	32.3 %
Ceded written premiums	(68,643)	(49,581)	(19,062)	38.4 %
Net written premiums	\$ 128,333	\$ 99,338	\$ 28,995	29.2 %
Revenues				
Net earned premiums	\$ 105,180	\$ 70,874	\$ 34,306	48.4 %
Net investment income	11,491	5,188	6,303	121.5 %
Net realized investment losses	(18)	—	(18)	NM
Other insurance-related income	108	31	77	248.4 %
Total revenues	116,761	76,093	40,668	53.4 %
Expenses				
Net losses and loss adjustment expenses	67,824	42,796	25,028	58.5 %
Net acquisition costs	9,163	5,617	3,546	63.1 %
Operating expenses	22,386	16,376	6,010	36.7 %
Non-operating expenses	487	—	487	NM
Warrant expense	792	—	792	NM
Credit facility interest expenses and fees	252	—	252	NM
Foreign exchange losses	37	40	(3)	(7.5) %
Total expenses	100,941	64,829	36,112	55.7 %
Income before income taxes	15,820	11,264	4,556	40.4 %
Income tax expense	(3,728)	(2,556)	(1,172)	45.9 %
Net income	\$ 12,092	\$ 8,708	\$ 3,384	38.9 %
Key Operating and Financial Metrics:				
Adjusted net income ⁽¹⁾	\$ 12,520	\$ 8,819	\$ 3,701	42.0 %
Loss ratio	64.5 %	60.4 %		
Expense ratio	29.9 %	31.0 %		
Combined ratio	94.4 %	91.4 %		
Return on equity ⁽²⁾	13.7 %	24.8 %		
Adjusted return on equity ⁽¹⁾⁽²⁾	14.2 %	25.1 %		
Diluted earnings per share	\$ 0.36	\$ 0.36		
Diluted adjusted earnings per share ⁽¹⁾	\$ 0.38	\$ 0.37		

NM - Percentage change is not meaningful.

(1) Non-GAAP financial measure. See "Reconciliation of Non-GAAP Financial Measures" for a reconciliation of the non-GAAP financial measures to their most directly comparable U.S. GAAP measures.

(2) For the three months ended September 30, 2024 and 2023, net income and adjusted net income are annualized to arrive at return on equity and adjusted return on equity.

Condensed Consolidated Balance Sheets

	September 30, 2024	December 31, 2023
	(\$ in thousands, except share data)	
Assets		
Investments		
Fixed maturity securities, available for sale, at fair value (amortized cost of \$892,953 and \$569,013, respectively)	\$ 891,252	\$ 554,624
Short-term investments, at amortized cost, which approximates fair value	10,002	8,824
Total investments	901,254	563,448
Cash and cash equivalents	132,893	118,070
Restricted cash and cash equivalents	28,822	1,698
Accrued investment income	7,118	4,660
Premium balances receivable	46,706	38,817
Reinsurance recoverable	225,011	139,389
Prepaid reinsurance premiums	146,133	116,732
Deferred policy acquisition costs	26,463	19,407
Property and equipment, net	7,438	7,601
Income taxes receivable	325	1,107
Deferred tax assets, net	16,277	14,229
Other assets	9,222	2,701
Total assets	\$ 1,547,662	\$ 1,027,859
Liabilities		
Reserve for losses and loss adjustment expenses	\$ 679,568	\$ 431,186
Unearned premiums	427,096	344,704
Reinsurance balances payable	54,162	40,440
Income taxes payable	29	42
Accrued expenses	14,696	14,900
Other liabilities	7,285	4,510
Total liabilities	1,182,836	835,782
Commitments and contingencies (Note 13)		
Mezzanine equity		
Performance stock units	155	—
Stockholders' equity		
Common stock	327	240
(\$0.01 par value; 400,000,000 shares authorized, 32,658,823 and 24,000,000 shares issued and outstanding at September 30, 2024 and December 31, 2023, respectively)		
Additional paid-in capital	316,334	178,543
Accumulated other comprehensive loss	(1,293)	(11,372)
Retained earnings	49,303	24,666
Total stockholders' equity	364,671	192,077
Total mezzanine equity and stockholders' equity	364,826	192,077
Total liabilities, mezzanine equity and stockholders' equity	\$ 1,547,662	\$ 1,027,859



Gross Written Premiums

The following table presents gross written premiums by underwriting division for the three months ended September 30, 2024 and 2023:

	Three Months ended September 30,					
	2024	% of Total	2023	% of Total	\$ Change	% Change
	(\$ in thousands, except percentages)					
Casualty	\$ 120,223	61.0 %	\$ 84,865	57.0 %	\$ 35,358	41.7 %
Professional Liability	44,962	22.9 %	39,754	26.7 %	5,208	13.1 %
Healthcare Liability	31,358	15.9 %	24,300	16.3 %	7,058	29.0 %
Baleen Specialty	433	0.2 %	—	— %	433	NM
Gross written premiums	\$ 196,976	100.0 %	\$ 148,919	100.0 %	\$ 48,057	32.3 %

Loss Ratio

The following table summarizes current and prior accident loss ratios for the three months ended September 30, 2024 and 2023:

	Three Months Ended September 30,			
	2024		2023	
	Net Losses and Loss Adjustment Expenses	% of Net Earned Premiums	Net Losses and Loss Adjustment Expenses	% of Net Earned Premiums
	(\$ in thousands, except percentages)			
Current accident year	\$ 67,824	64.5 %	\$ 42,617	60.1 %
Prior accident year reserve development	—	— %	179	0.3 %
Total	\$ 67,824	64.5 %	\$ 42,796	60.4 %

Expense Ratio

The following table summarizes the components of our expense ratio for the three months ended September 30, 2024 and 2023:

	Three Months Ended September 30,			
	2024		2023	
	Expenses	% of Net Earned Premium	Expenses	% of Net Earned Premium
	(\$ in thousands, except percentages)			
Net acquisition costs	\$ 9,163	8.7 %	\$ 5,617	7.9 %
Operating expenses	22,386	21.3 %	16,376	23.1 %
Less: Other insurance-related income	(108)	(0.1) %	(31)	— %
Total expense ratio	\$ 31,441	29.9 %	\$ 21,962	31.0 %



Net Investment Income

The following table summarizes the sources of net investment income for the three months ended September 30, 2024 and 2023:

	Three Months Ended September 30,	
	2024	2023
	(\$ in thousands)	
U.S. government and government agency	\$ 3,793	\$ 1,224
State and municipal	467	387
Commercial mortgage-backed securities	761	375
Residential mortgage-backed securities	1,955	256
Asset-backed securities	719	1,044
Corporate	1,611	925
Short-term investments	134	186
Cash and cash equivalents	2,273	916
Gross investment income	11,713	5,313
Investment expenses	(222)	(125)
Net investment income	\$ 11,491	\$ 5,188

Reconciliation of Non-GAAP Financial Measures

This earnings release contains certain financial measures that are not presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). We use these non-GAAP financial measures when planning, monitoring and evaluating our performance. Management believes that each of the non-GAAP financial measures described below provides useful insight into our underlying business performance.

- Adjusted net income is defined as net income excluding the impact of net realized investment gains, non-operating expenses, foreign exchange (gains) losses, and certain strategic initiatives. Adjusted net income excludes the impact of certain items that may not be indicative of underlying business trends, operating results, or future outlook, net of tax impact. We calculate the tax impact only on adjustments which would be included in calculating our income tax expense using the estimated tax rate at which we received a deduction for these adjustments.
- Adjusted return on equity is defined as adjusted net income as a percentage of average beginning and ending mezzanine equity and stockholders' equity.
- Diluted adjusted earnings per share is defined as adjusted net income divided by the weighted average common shares outstanding for the period, reflecting the dilution that may occur if equity base awards are converted into common stock equivalents as calculated using the treasury stock method.

You should not rely on these non-GAAP financial measures as a substitute for any U.S. GAAP financial measure. While we believe that these non-GAAP financial measures are useful in evaluating our business, this information should be considered supplemental in nature and not as a replacement for or superior to the comparable U.S. GAAP measures. In addition, other companies, including companies in our industry, may calculate such measures differently, which reduces their usefulness as comparative measures.

Adjusted net income

Adjusted net income for the three months ended September 30, 2024 and 2023 reconciles to net income as follows:

	Three Months Ended September 30,			
	2024		2023	
	Before income taxes	After income taxes	Before income taxes	After income taxes
	(\$ in thousands)			
Income as reported	\$ 15,820	\$ 12,092	\$ 11,264	\$ 8,708
Adjustments:				
Net realized investment gains	18	18	—	—
Non-operating expenses	487	487	—	—
Foreign exchange (gains) losses	37	37	40	40
Strategic initiatives ⁽¹⁾	—	—	101	101
Tax impact	—	(114)	—	(30)
Adjusted net income	\$ 16,362	\$ 12,520	\$ 11,405	\$ 8,819

(1) Strategic initiatives for the three months ended September 30, 2023 represents costs incurred to set up our Baleen Specialty division, which is recorded in operating expenses within the Condensed Consolidated Statements of Income and Comprehensive Income. The costs incurred primarily represent expenses to implement the new platform and processes supporting the Baleen Specialty division. See “Business— Our Strategy”

Adjusted return on equity

Adjusted return on equity for the three months ended September 30, 2024 and 2023 reconciles to return on equity as follows:

	Three Months Ended September 30,	
	2024	2023
	(\$ in thousands, except percentages)	
Numerator: Adjusted net income ⁽¹⁾	\$ 50,081	\$ 35,275
Denominator: Average mezzanine equity and stockholders' equity	352,368	140,533
Adjusted return on equity	14.2 %	25.1 %

(1) For the three months ended September 30, 2024 and 2023, net income and adjusted net income are annualized to arrive at return on equity and adjusted return on equity.



Diluted adjusted earnings per share

Diluted adjusted earnings per share for the three months ended September 30, 2024 and 2023 reconciles to diluted earnings per share as follows:

	Three Months Ended September 30,	
	2024	2023
	(\$ in thousands, except share and per share data)	
Numerator: Adjusted net income	\$ 12,520	\$ 8,819
Denominator: Diluted weighted average shares outstanding	33,263,958	24,000,000
Diluted adjusted earnings per share	\$ 0.38	\$ 0.37

About Bowhead Specialty Holdings Inc.

Bowhead Specialty is a growing specialty insurance business providing casualty, professional liability and healthcare liability insurance products. We were founded and are led by industry veteran Stephen Sills. The team is composed of highly experienced and respected industry veterans with decades of individual, successful underwriting and management experience. We focus on providing “craft” solutions in our specialty lines and classes of business that we believe require deep underwriting and claims expertise in order to produce attractive financial results.

We pride ourselves on the quality and experience of our people, who are committed to exceeding our partners’ expectations through excellent service and expertise. Our collaborative culture spans all functions of our business and allows us to provide a consistent, positive experience for all of our partners.

Conference Call

The Company will host a conference call to discuss its results on Tuesday, November 5, 2024, beginning at 8:30 a.m. Eastern Time. Interested parties may access the conference call through a live webcast, which can be accessed via this link, by visiting the Company’s Investor Relations website, or by dialing (877) 407-3949 (toll-free) or (215) 268-9917 (international). Please join the live webcast or dial in at least 10 minutes before the start of the call.

A replay of the event webcast will be available on the company’s Investor Relations website for one year following the call.

Forward-Looking Statements

This press release contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in press release are forward-looking statements. In some cases, forward-looking statements can be identified by terms such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “predicts,” “projects,” “seeks,” “future,” “outlook,” “prospects” “will,” “would,” “should,” “could,” “may,” “can have” or similar words. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. These risks include those described in the Company’s filings made with the Securities and Exchange Commission. Forward-looking statements speak only as of the date of this press release and the Company does not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events or otherwise.

Investor Relations Contact:

Shirley Yap, Head of Investor Relations
investorrelations@bowheadspecialty.com



Investor Presentation

November 2024

Forward looking statements

This presentation has been prepared by Bowhead Specialty Holdings Inc. ("we," "us," "our," "Bowhead" or the "Company") on a confidential basis for the exclusive use of the party to whom Bowhead delivers this presentation.

This presentation has been prepared by Bowhead for informational purposes only and not for any other purpose. Nothing contained in this presentation is, or should be construed as, a recommendation, promise or representation by the presenter or Bowhead or any officer, director, employee, agent or advisor of Bowhead. This presentation does not purport to be all inclusive or to contain all of the information you may desire. Information provided in this presentation speaks only as of the date hereof. Bowhead assumes no obligation to update any information or statement after the date of this presentation as a result of new information, subsequent events, or any other circumstances. We request that you keep any information at this meeting confidential and that you do not disclose any of the information to any other parties without the Company's prior express written permission.

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation, including statements regarding our future results of operations or financial condition, business strategy and plans, and objectives of management for future operations are forward-looking statements. Some of the forward-looking statements can be identified by the use of terms such as "believes", "expects", "may", "will", "should", "could", "seeks", "intends", "plans", "estimates", "anticipates" or other comparable terms. However, not all forward-looking statements contain these identifying words. These forward-looking statements include all matters that are not related to present facts or current conditions or that are not historical facts. They appear in a number of places throughout this presentation and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our consolidated results of operations, financial condition, liquidity, prospects and growth strategies and the industries in which we operate, and including, without limitation, statements relating to our future performance. Forward-looking statements are subject to known and unknown risks and uncertainties, many of which are beyond our control. Our actual results may differ materially from those expressed in, or implied by, the forward-looking statements included in this presentation as a result of various factors, including among others, the factors discussed under the heading "Risk Factors" in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024. The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

Unless otherwise indicated, information contained in this presentation concerning our industry and the markets in which we operate, including our general expectations, market position and market opportunity, is based on our management's estimates and research, as well as industry and general publications and research, surveys and studies conducted by third parties. Industry publications, studies and surveys generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. We believe that the information from these third-party publications, research, surveys and studies included in this presentation is reliable. Management's estimates are derived from publicly available information, their knowledge of our industry and their assumptions based on such information and knowledge, which we believe to be reasonable. This data involves a number of assumptions and limitations which are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause our future performance to differ materially from our assumptions and estimates.

This presentation contains references to our trademarks and service marks and to those belonging to other entities. Solely for convenience, trademarks and trade names referred to in this presentation may appear without the ® or TM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

Non-admitted or excess and surplus ("E&S") lines refers to policies generally not subject to regulations governing premium rates or policy language. We also consider insurance written on an admitted basis through either the New York Free Trade Zone or similar commercial deregulation exemptions available in certain jurisdictions, and as a result free of rate and form restrictions, to be E&S business.

This presentation contains certain financial measures that are not presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). Under U.S. securities laws, these measures are called "non-GAAP financial measures." We use these non-GAAP financial measures when planning, monitoring and evaluating our performance. We believe these non-GAAP financial measures give our management and other users of our financial information useful insight into our underlying business performance. You should not rely on these non-GAAP financial measures as a substitute for any U.S. GAAP financial measure. While we believe that these non-GAAP financial measures are useful in evaluating our business, this information should be considered supplemental in nature and is not meant to be an alternative to our reported results prepared in accordance with U.S. GAAP. In addition, other companies, including companies in our industry, may calculate such measures differently, which reduces their usefulness as comparative measures. For a reconciliation of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures, see the Appendix of this presentation.



Our key investment highlights



- 1 Focused on profitable, growing lines in attractive E&S market
- 2 Strong underwriting culture with fully-integrated and accountable value chain
- 3 Ability to deliver differentiated profitability across market cycles
- 4 Deep, long-standing distribution relationships based on expertise, service and mutual benefit
- 5 Highly experienced and entrepreneurial management team
- 6 Clean balance sheet with no reserves from accident years prior to 2020
- 7 Commitment to long-term value generates strong returns, making us well-positioned for continued growth

Bowhead: Who we are



BOWHEAD SPECIALTY

Growing and profitable E&S focused specialty P&C business founded and led by industry veteran, Stephen Sills, and supported through a strategic partnership with American Family Mutual Insurance Company, S.I. ("AmFam")

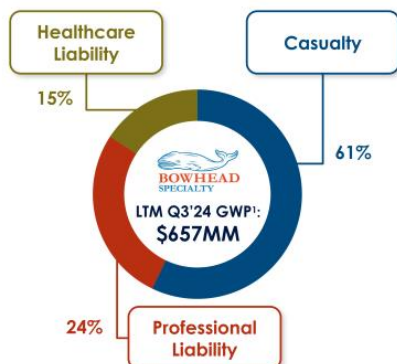
Underwriting-first
culture led by people
with proven track
records

"Craft"
solutions in attractive
markets with strong
tailwinds

Sustainable
underwriting across
market cycles

Bowhead: By the numbers

3 underwriting divisions



Key highlights

\$657MM

LTM Q3'24¹
GWP

42%

2022 – LTM Q3'24¹
GWP CAGR

76%

LTM Q3'24¹ GWP written
on E&S basis

97.8%

LTM September 2024
Combined ratio²

13.7%

































YTD September 2024
Adjusted ROE³

30+

Average years of
experience of
leadership team⁴

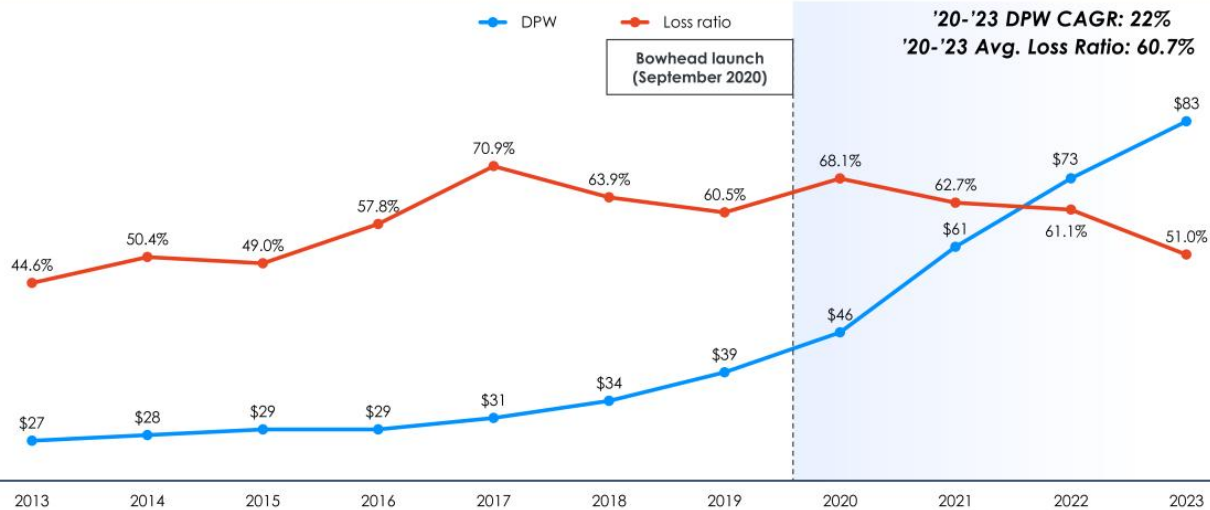
Note: ¹ Last twelve months ("LTM") ended September 30, 2024; ² Combined ratio for the last twelve months ended September 30, 2024 was comprised of a 65.2% loss ratio and a 31.8% expense ratio. The loss ratio is based on loss picks informed by industry data rather than only using internal data from our limited operating history. Movement in loss ratio from last year reflects a shift in the mix of our business to a greater percentage of our book being in Casualty, where industry loss ratios have deteriorated. We did not take down any reserves, nor did we experience any loss activity in excess of our own expectations. The expense ratio is impacted by the \$3.3 million of additional net earned premium from a large audit premium, partially offset by our continued investment in the business and the \$1.3 million acceleration of remaining stock-based compensation costs associated with Class P interests through operating expenses; ³ YTD September 2024 adjusted ROE is calculated as adjusted net income divided by the average of mezzanine and stockholders' equity as of December 31, 2023 and September 30, 2024. For the nine months ended September 30, 2024, adjusted net income is annualized to arrive at adjusted ROE. Adjusted ROE was impacted by the \$210.4 million increase in mezzanine equity and stockholders' equity and a \$5.2 million reduction in after tax net income as a result of our initial public offering. Adjusted ROE and adjusted net income are Non-GAAP financial measures. See "Non-GAAP Reconciliation" on slide 18 for a reconciliation of the non-GAAP financial measure to the most directly comparable U.S. GAAP measure; ⁴ Leadership team includes Stephen Sills, David Newman, Jeff Saunders, Daniel Gamble and Lainie Dorneker.

Highly experienced and entrepreneurial management team

Name and position	Years of industry experience	Leadership role prior to joining Bowhead	Prior professional experience
 Stephen Sills Founder and CEO	48	Chairman and CEO of CapSpecialty	  
 David Newman Chief Underwriting Officer	45	Chief Underwriting Officer of Allied World's Global Markets division	 
 Brad Mulcahey Chief Financial Officer	21	Chief Financial Officer of Berkley Select, a division of W.R. Berkley Corp	   
 Maria Morrill, P.H.D., FCAS Chief Actuary	24	Senior Vice President at Allied World	    
 Chris Butler, JD Head of Claims	20	Managing Director, Professional Liability Claims at Markel	   
 Jeff Saunders Head of Casualty	36	Head of Wholesale at Navigators Group	  
 Dan Gamble Head of Professional Liability	30	Managing Director, Management & Professional at Markel	  
 Lainie Dorneker, JD Head of Healthcare Liability	20	President of IronHealth, Ironshore's Healthcare Professional Liability and Financial Lines division	 

Focused on profitable, growing lines in attractive E&S market

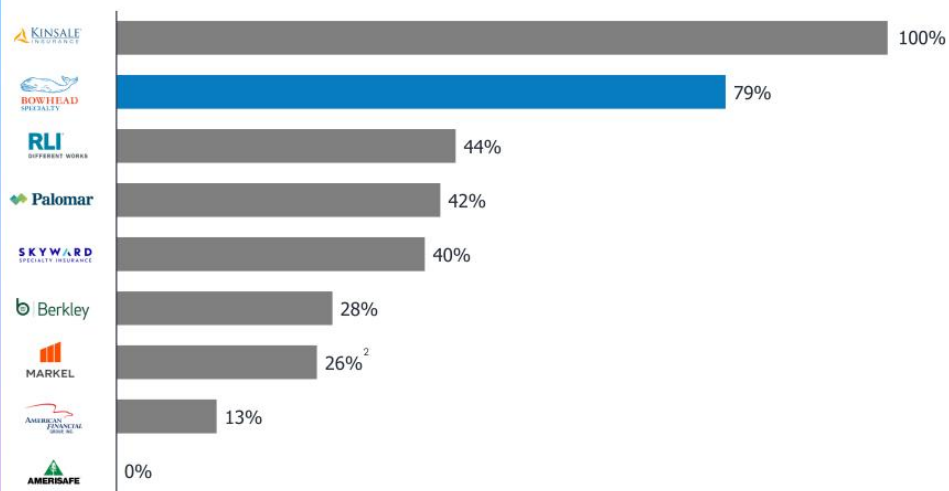
Expanding Commercial E&S Market (\$Bn)



Source: S&P Global; Note: E&S premiums sourced per S&P Global based on license types in Schedule T of statutory filings

Focused on profitable, growing lines in attractive E&S market (cont'd)

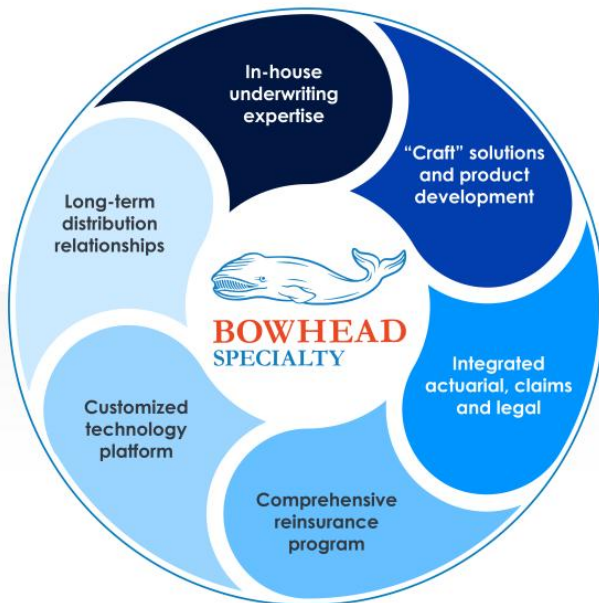
E&S premiums¹ as % of 2023 GAAP GWP



- We are focused on profitable and growing lines within **the ~\$83 billion U.S. commercial E&S market³**
- **Our target markets⁴** have undergone meaningful dislocations and **have outperformed the broader U.S. commercial E&S market by an average of 4 loss ratio points since 2019**

Source: S&P Global; Note: ¹ Represents 2023 statutory direct written premiums; ² Markel U.S. GAAP GWP includes program services and fronting; ³ For the year ended December 31, 2023; ⁴ Represents Other Liability, Occurrence, Other Liability; Claims Made and Medical Professional Liability; Claims Made

Strong underwriting culture with fully-integrated and accountable value chain



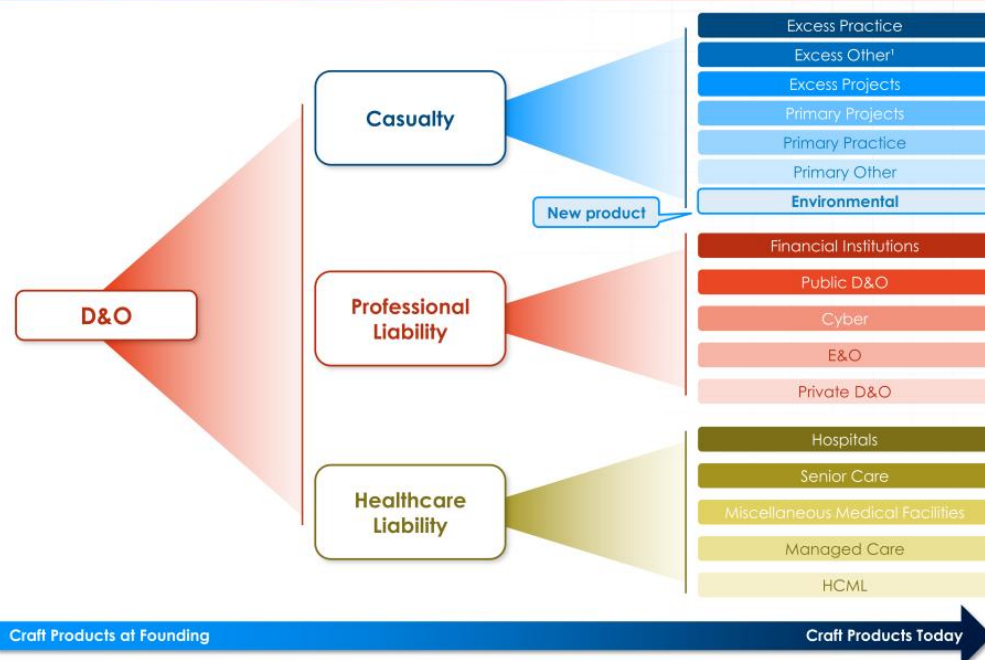
- We **do not delegate underwriting to outside parties**, which is a key component of our fully-integrated model
- Our platform was built to enable us to deliver **our custom solutions to clients while consistently generating underwriting profit** within our business

Ability to deliver differentiated profitability across market cycles

Underwriting matters—and is our key value proposition

- ✓ Highly experienced team with previous leadership positions at leading insurance companies
- ✓ Specific subject matter experts with proven track records of generating underwriting profits within the lines they write
- ✓ Created primary capabilities across all our products as part of cycle management strategy
- ✓ Strong and disciplined underwriting culture built around rigorous analytical tools ("BRATs") and cross-functional collaboration ("Roundtables")

Note: ¹ Excess Other includes Public Entity



Clean balance sheet with no reserves from accident years prior to 2020



Free from legacy reserves

- Diversified and attractive specialty P&C portfolio with no catastrophe exposure
- Reflects continuously favorable rate environment with no business or reserves from pre-2020 accident years



Prudent financial profile

- No debt outstanding and no intangibles
- 400%+ RBC ratio as of 12/31/2023
- All reinsurers have A.M. Best rating of "A" or better as of 09/30/2024

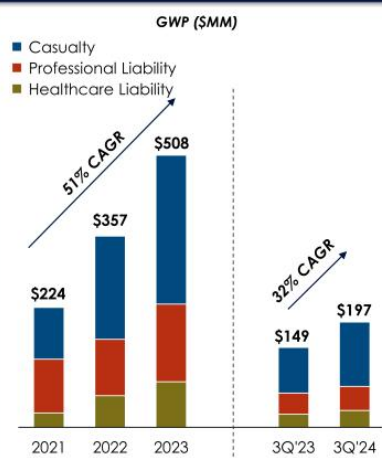


Conservative investment portfolio

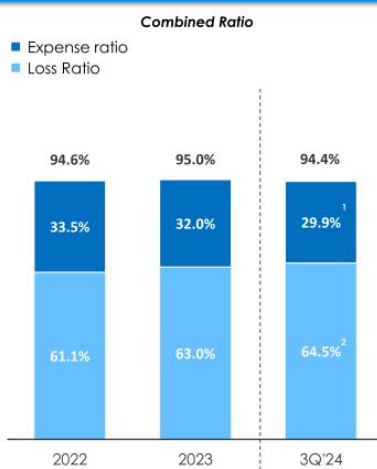
- 100% cash, short-term investments and investment grade portfolio with no equity or alternative investment risk
- Fixed income book and market yields of 4.7% as of 09/30/2024
- Weighted average effective duration of 2 years and an average credit rating of "AA" as of 09/30/2024

Robust growth and commitment to long-term value creation

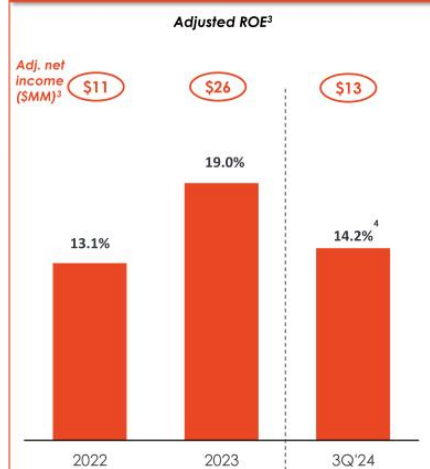
Robust growth



Attractive profitability



Strong returns



Note: ¹ Expense ratio for the three months ended September 30, 2024 was impacted by \$3.3 million of additional net earned premium from a large audit premium fully earned in the quarter; ² Loss ratio for the three months ended September 30, 2024 are based on loss picks informed by industry data rather than only using internal data from our limited operating history. Movement in loss ratio from last year reflects a shift in the mix of our business to a greater percentage of our book being in Casualty, where industry loss ratios have deteriorated. We did not take down any reserves, nor did we experience any loss activity in excess of our own expectations; ³ Non-GAAP financial measure. See "Non-GAAP Reconciliation" on slide 18 for a reconciliation of the non-GAAP financial measure to the most comparable U.S. GAAP measure; ⁴ Adjusted ROE for three months ended September 30, 2024 was impacted by the \$210.4 million increase in mezzanine and stockholders' equity.

Well-positioned for continued growth

Bowhead's long-term growth strategy balances existing "craft" underwriting strategy with "flow" business launched in 2024

Bowhead ("Craft")

Individual, custom underwriting of large, complicated risks

- 100% of existing book
- Go-to-market brand: Bowhead Specialty
- Lines: Casualty, Professional Liability and Healthcare Liability
- Distribution: Wholesale and retail
- Paper: Admitted and non-admitted
- Underwriting-first culture
- Expertise-driven, customized approach for each risk
- Individualized underwriting with collaborative roundtables



Baleen ("Flow")

Streamlined underwriting of small, hard-to-place E&S risks

- New capability launched late in Q2 2024
- Go-to-market brand: Baleen Specialty
- Products: Launching our Minimum Viable Product, General Liability for contractors
- Distribution: Major wholesale partners
- Paper: Non-admitted
- Maintain 100% control of underwriting; no delegated authority
- Set clear appetite and rules criteria during product development
- Straight-through processing delivers instant quotes

Growth levers for both "craft" and "flow" business

Grow market share through superior industry relationships

Benefit from rate increases in some lines

Expand account size and/or geographic appetite as market allows

Add new distribution relationships

Develop new products within existing lines

Enter new lines/markets by hiring subject matter experts

Financials

Summary historical financials

Condensed Income Statement

(\$ in thousands, except percentages and per share data)	For the years ended		Three months ended	
	December 31, 2023	December 31, 2022	September 30, 2024	September 30, 2023
Revenues:				
Gross written premiums	\$ 507,688	356,948	196,976	148,919
Net written premiums	334,672	245,114	128,333	99,338
Net earned premiums	263,902	182,863	105,180	70,874
Net investment income	19,371	4,725	11,491	5,188
Total revenue	\$ 283,398	187,602	116,761	76,093
Net losses and loss adjustment expenses	\$ 166,282	111,761	67,824	42,796
Net acquisition costs	20,935	15,194	9,163	5,617
Operating expenses	63,456	45,986	22,386	16,376
Non-operating expenses	630	-	487	-
Warrant expense	-	-	792	-
Credit facility interest expenses and fees	-	-	252	-
Foreign exchange (gains) losses	[20]	-	37	40
Total expenses	\$ 251,283	172,941	100,941	64,829
Net income	\$ 25,047	11,256	12,092	8,708
Key Operating and Financial Metrics				
Underwriting Income ¹	\$ 14,035	9,922	5,807	6,186
Adjusted net income ¹	\$ 26,152	11,256	12,520	8,819
Loss ratio	63.0%	61.1%	64.5%	60.4%
Expense ratio	32.0%	33.5%	29.9%	31.0%
Combined ratio	95.0%	94.6%	94.4%	91.4%
Return on equity ²	18.2%	13.1%	13.7%	24.8%
Adjusted return on equity ^{1,2}	19.0%	13.1%	14.2%	25.1%
Diluted earnings per share	\$ 1.04	0.47	0.36	0.36
Diluted adjusted earnings per share ¹	\$ 1.09	0.47	0.38	0.37

Condensed Balance Sheet

(\$ in thousands)	As of		As of	
	September 30, 2024	December 31, 2023	December 31, 2022	December 31, 2021
Fixed maturity securities	\$ 891,252	554,624	236,888	
Short-term investments	10,002	8,824	46,035	
Total investments	\$ 901,254	563,448	282,923	
Cash and cash equivalents	132,893	118,070	64,659	
Restricted cash and cash equivalents	28,822	1,698	15,992	
Accrued investment income	7,118	4,660	1,231	
Premium balances receivable	46,706	38,817	29,487	
Reinsurance recoverable	225,011	139,389	63,531	
Prepaid reinsurance premiums	146,133	116,732	74,541	
Deferred policy acquisition costs	26,463	19,407	13,672	
Property and equipment, net	7,438	7,601	6,050	
Income taxes receivable	325	1,107	-	
Deferred tax assets, net	16,277	14,229	11,281	
Other assets	9,222	2,701	1,840	
Total assets	\$ 1,547,662	1,027,859	565,207	
Reserves for losses and loss expenses	\$ 679,568	431,186	207,051	
Unearned premiums	427,096	344,704	231,743	
Reinsurance balances payable	54,162	40,440	23,687	
Income taxes payable	29	42	1,517	
Accrued expenses	14,696	14,900	12,028	
Other liabilities	7,285	4,510	5,807	
Total liabilities	\$ 1,182,836	835,782	481,833	
Total mezzanine and stockholders' equity	\$ 364,826	192,077	83,374	
Total liabilities and stockholders' equity	\$ 1,547,662	1,027,859	565,207	

Notes: ¹ Non-GAAP financial measure. See "Non-GAAP Reconciliation" on slide 18 for a reconciliation of the non-GAAP financial measure to the most directly comparable U.S. GAAP measure; ² For the three months ended September 30, 2024 and 2023, net income and adjusted net income are annualized to arrive at return on equity and adjusted return on equity

Appendix

Our partnership with AmFam



- Originates, issues, and underwrites all Bowhead policies
- Provides all claims, actuarial, accounting, reinsurance procurement/processing and other insurance support services



- Provides "A" rated paper for business originated by Bowhead
- Receives ceding fee
- Bowhead is an affiliate of AmFam for statutory purposes



- Assumes 100% of risk of Bowhead policies from AmFam
- Purchases reinsurance from high quality reinsurers (including AmFam)



Long-term strategic partnership established at inception



Policies backed by "A" rated paper and ~\$7Bn policyholder surplus¹



AmFam participates in underwriting results and generates fee-based earnings

Note: ¹ AmFam's policyholder surplus is as of December 31, 2023:

Non-GAAP reconciliation

(\$ in thousands)	For the years ended		Three months ended	
	December 31, 2023	December 31, 2022	September 30, 2024	September 30, 2023
Income before income taxes	\$ 32,115	14,661	15,820	11,264
Adjustments:				
Net investment income	(19,371)	(4,725)	(11,491)	(5,188)
Net realized investment gains	-	-	18	-
Other insurance-related income	(125)	(14)	(108)	(31)
Non-operating expenses	630	-	487	-
Warrant expense	-	-	792	-
Credit facility interest expenses and fees	-	-	252	-
Foreign exchange (gains) losses	(20)	-	37	40
Strategic initiatives ¹	806	-	-	101
Underwriting income	\$ 14,035	9,922	5,807	6,186

(\$ in thousands)	For the years ended		Three months ended	
	December 31, 2023	December 31, 2022	September 30, 2024	September 30, 2023
	Pre-Tax	After-Tax	Pre-Tax	After-Tax
Income as reported	\$ 32,115	25,047	14,661	11,256
Adjustments:				
Net realized investment gains	-	-	-	18
Non-operating expenses	630	630	-	487
Foreign exchange (gains) losses	(20)	(20)	-	37
Strategic initiatives ¹	806	806	-	-
Tax impact	-	(311)	-	(114)
Adjusted net income	\$ 33,531	26,152	14,661	11,256
	Pre-Tax	After-Tax	Pre-Tax	After-Tax
Income as reported	\$ 32,115	25,047	14,661	11,256
Adjusted net income	\$ 33,531	26,152	14,661	11,256
Adjusted return on equity	19.0%	13.1%	14.2%	25.1%

(\$ in thousands, except percentages)	For the years ended		Three months ended	
	December 31, 2023	December 31, 2022	September 30, 2024	September 30, 2023
Adjusted net income ²	\$ 26,152	11,256	50,081	35,275
Average mezzanine and stockholder's equity	137,726	86,050	352,368	140,533
Adjusted return on equity	19.0%	13.1%	14.2%	25.1%

(\$ in thousands, except per share data)	For the years ended		Three months ended	
	December 31, 2023	December 31, 2022	September 30, 2024	September 30, 2023
Adjusted net income	\$ 26,152	11,256	12,520	8,819
Diluted weighted average shares outstanding	24,000,000	24,000,000	33,263,958	24,000,000
Diluted adjusted earnings per share	\$ 1.09	0.47	0.38	0.37

Note: ¹ Strategic initiatives represents costs incurred to set up our Baleen Specialty division, which is recorded in operating expenses within the Condensed Income Statement. The costs incurred primarily represent expenses to implement the new platform and processes supporting the Baleen Specialty division; ² For the three months ended September 30, 2024 and 2023, adjusted net income is annualized to arrive at adjusted return on equity

