



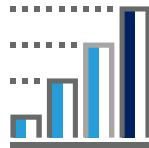
# Investor Presentation

NYSE: HCI | JUNE 2025

# Forward-Looking Statement

This presentation includes certain forward-looking statements and information, including statements regarding plans, strategies and expectations of HCI Group, Inc. (“HCI” or the “Company”). When used in this presentation, words such as “believes,” “anticipates,” “expects,” “estimates,” or words of similar meaning are generally intended to identify forward-looking statements. All statements other than statements of historical fact included in this presentation are forward-looking statements. These forward-looking statements are subject to risks, uncertainties, assumptions and other factors, many of which are beyond the control of the Company. Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements are described in the Company’s filings it makes from time to time with the Securities and Exchange Commission, including within the “Risk Factors” section of the Annual Report on Form 10-K for the year ended December 31, 2024, filed February 28, 2025.

# About Us



**\$1.2B**

Premiums In-Force  
(as of 6/30/25)



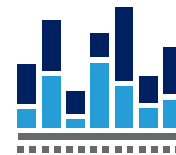
**\$58.55**

Book Value Per Share  
(as of 6/30/25)



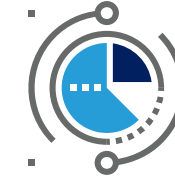
**\$70.3M**

Net Income  
(Q2-25)



**\$5.18**

Quarterly Diluted Earnings Per Share  
(Q2-25)



**21.3%**

Gross Loss Ratio  
(Q2-25)



**7%**

Debt to Capital Ratio  
(as of 6/30/25)

# Highlights

- ✓ A **holding company** that operates two distinct operating units, with each unit have defined management teams and operational objectives.
- ✓ Combining **technology** and **industry knowledge** to drive profitable growth
- ✓ Allocating capital with **purpose** and **discipline** while managing risk
- ✓ **Creating long-term value** for our shareholders

**27%**  
TRAILING  
12-MONTHS ROE<sup>1</sup>

**14%**  
INSIDER OWNERSHIP



**2006** founded

**59** consecutive quarters  
of dividends

**\$453M** capital returned to  
shareholders since  
inception<sup>2</sup>

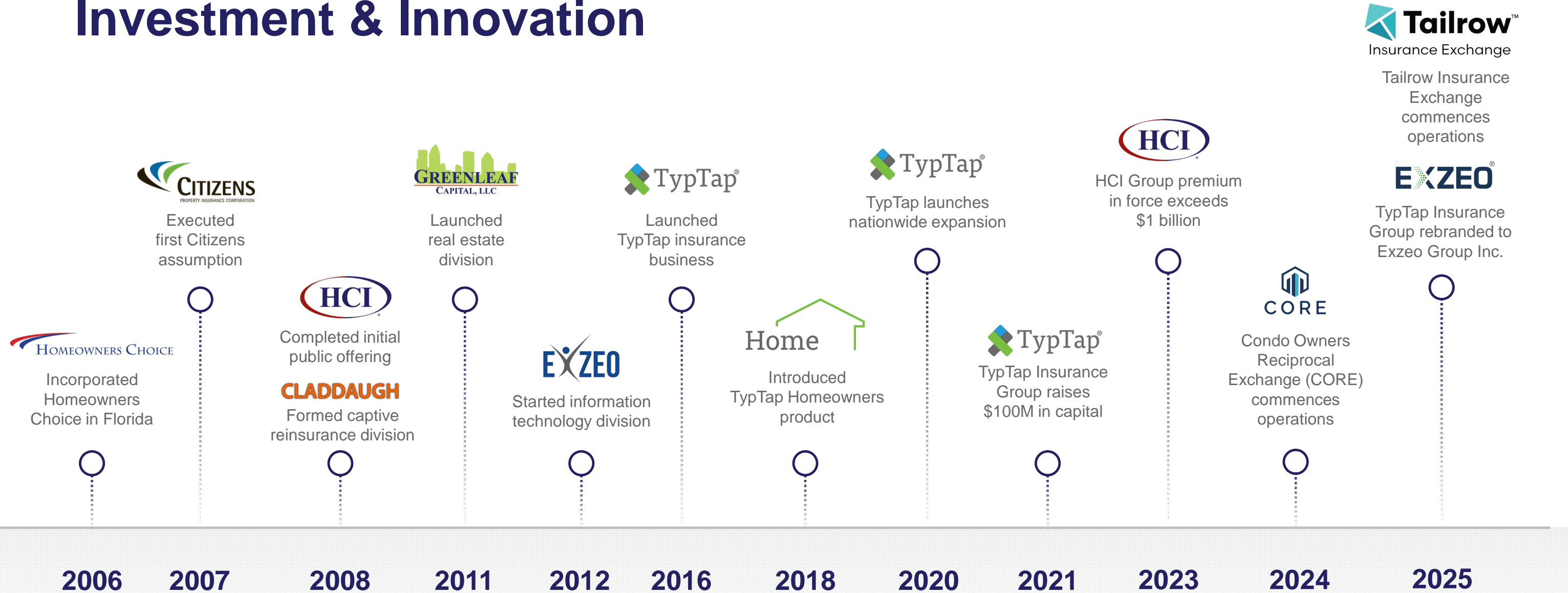
(1) As of 6/30/2025

(2) Includes \$269M buybacks and \$184M dividends





# Growing Through Investment & Innovation



# HCI Includes Two Highly Successful Business Divisions

## Insurance Companies

- HCI currently owns or controls four insurance companies.
- Insurance companies control over \$1.2 billion of premium-in-force.
- Historical track record of profitable underwriting.



## Reinsurance

- Class 3 captive Bermuda reinsurer.
- Opportunistically participates on reinsurance towers for the four insurance companies owned or controlled by HCI.



## Claims Operations

- Handles all daily claims and catastrophe claims for the four insurance companies owned or controlled by HCI.
- Team of over 150 individuals.



## Real Estate

- Owns and operates HCI's real estate portfolio.
- Portfolio consists of multiple properties that HCI operates for investment purposes as well as for internal operations.



## EXZEO<sup>®</sup>

- Exzeo is a proprietary platform that provides technology-based solutions for all operational and related functions needed by property & casualty to insurance companies.
- The plan is for Exzeo to become an independent, publicly traded entity.
- Exzeo plans to unleash its technology on a larger portion of the insurance market.
- Exzeo was established in 2012 and currently has over \$1.2 billion of premiums on its platform.





# HCI Divisions



# Overview of Insurance Companies



Launched in 2007

Homeowners and condominium owners insurance primarily in Florida

Historically has acquired customers through Citizens assumptions and opportunistic acquisitions

Track record of consistent underwriting profitability

Strong cash flow helps to fund growth initiatives

**\$637M of In-Force Premiums<sup>1</sup>**



Launched in 2016

Technology-driven homeowners insurance

Utilizes independent agent channel

Currently active in 13 states, including Florida

Differentiated technology yields best-in-class loss ratio

**\$501M of In-Force Premiums<sup>1</sup>**



Commenced operations in 2024 as reciprocal exchange

Writes Florida-based commercial residential lines

Acquired policyholders through Citizens assumptions

Fills gap created by limited condo association coverage and growing demand

**\$47M of In-Force Premiums<sup>1</sup>**



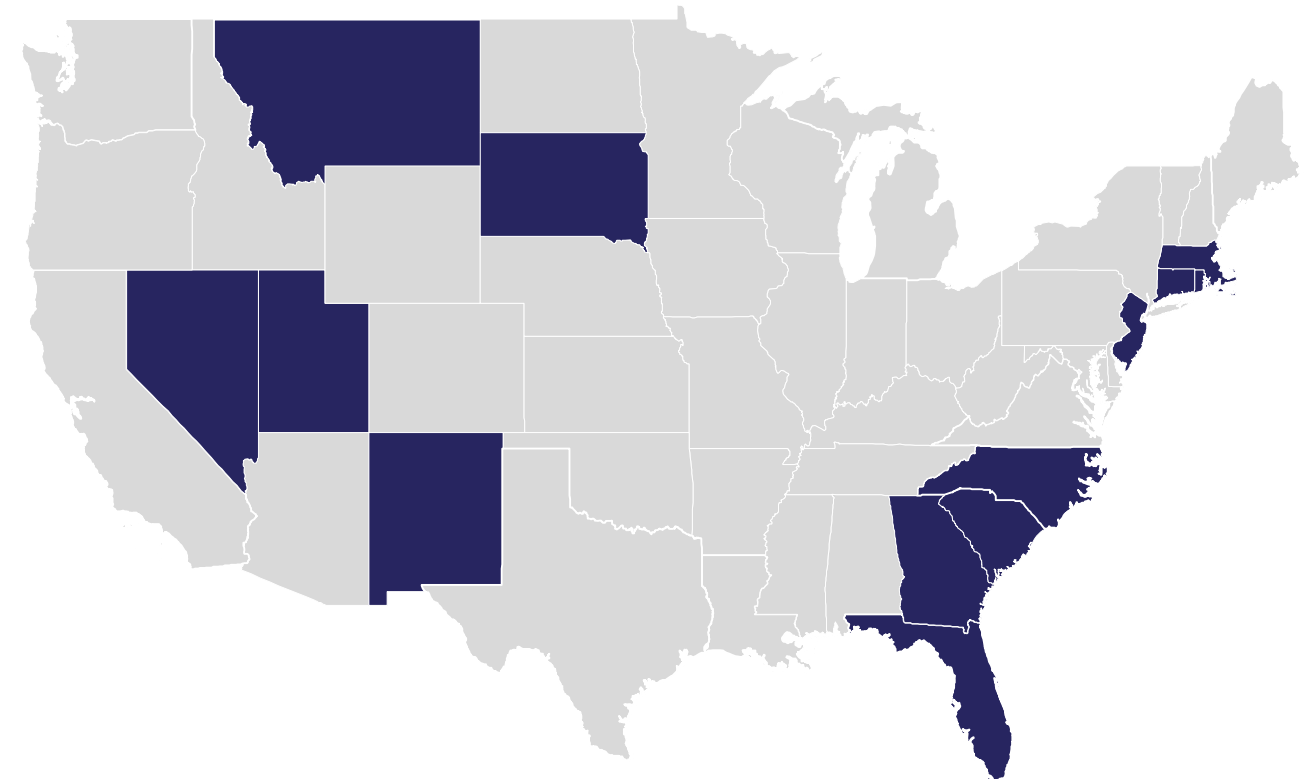
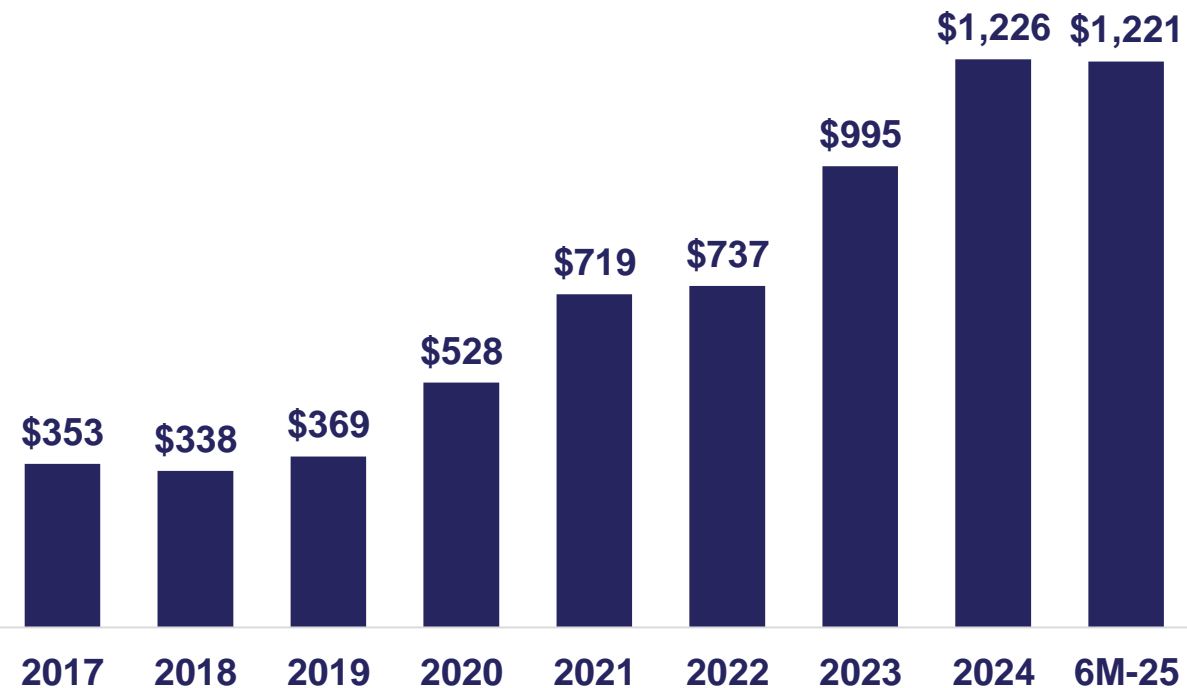
Commenced operations in 2025 as reciprocal exchange

Writes Florida-based personal residential lines

Acquired policyholders through Citizens assumptions

**\$35M of In-Force Premiums<sup>1</sup>**

# A Growing Business



## Best-in-class Underwriter in the Florida Market



## Opportunistically Add Policies



# Proactively Managing Risk and Loss Costs



## Deploying Excess Capital Into Investments & Growth Initiatives



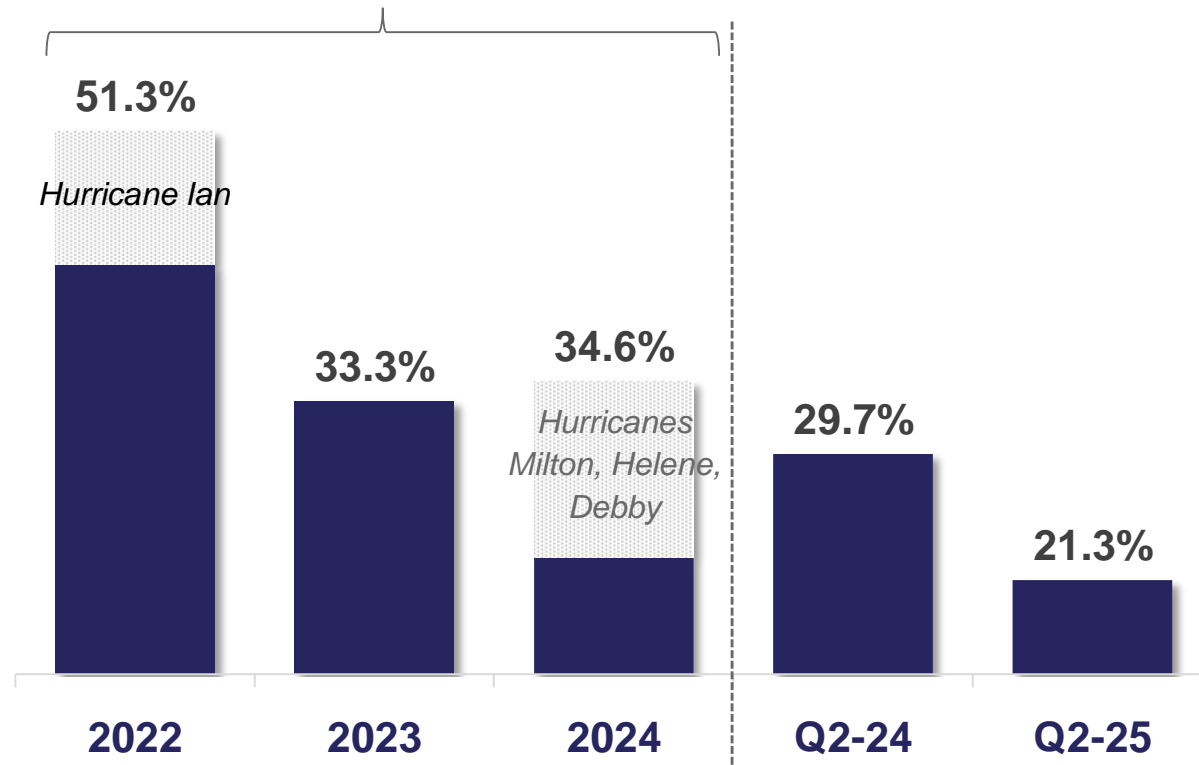
(1) Includes Homeowners Choice, TypTap, CORE and Tailrow in-force premium



# A Profitable Homeowners Business

## HCI Loss Ratio <sup>1</sup>

Despite four named catastrophe events between 2022 and 2024, HCI Group reported an average ROE of **27%** over the period.



Leverage technology to constantly evaluate underwriting criteria

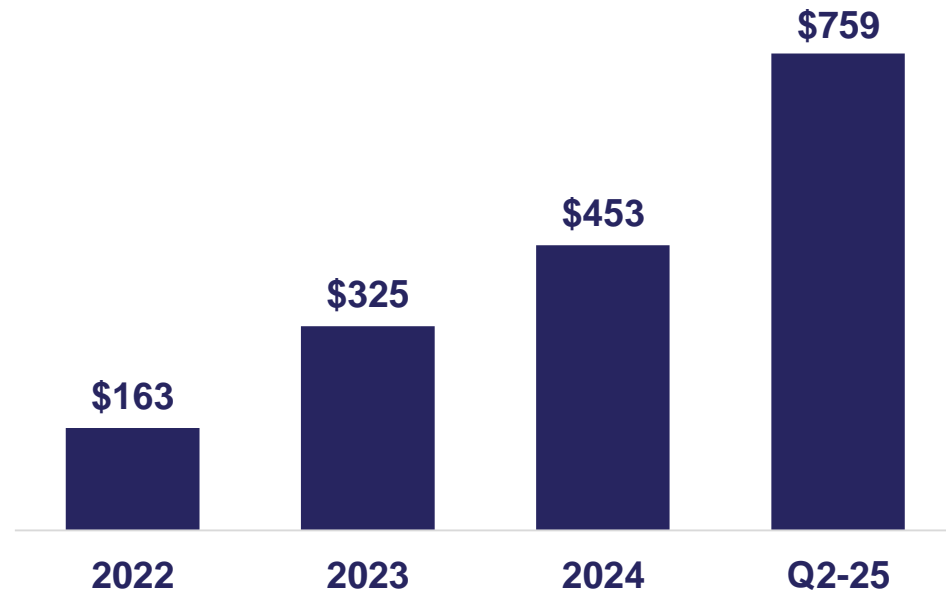
- Rate adequacy
- Exposure management

Legislative reforms have proven effective in improving loss trends in Florida

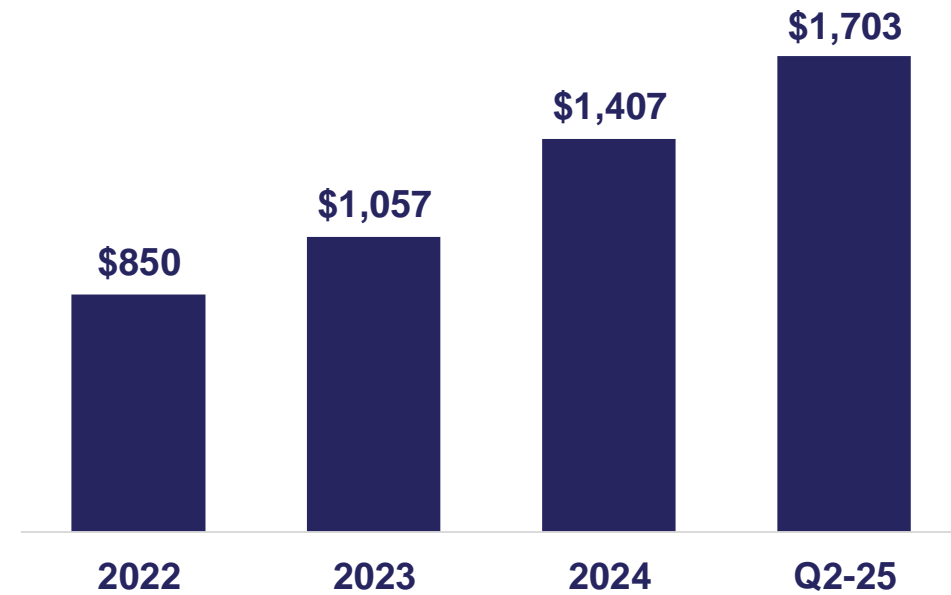
(1) Consolidated losses and loss adjustment expenses divided by consolidated gross premiums earned.

# Steady Improvement

Shareholders Equity (in \$M)



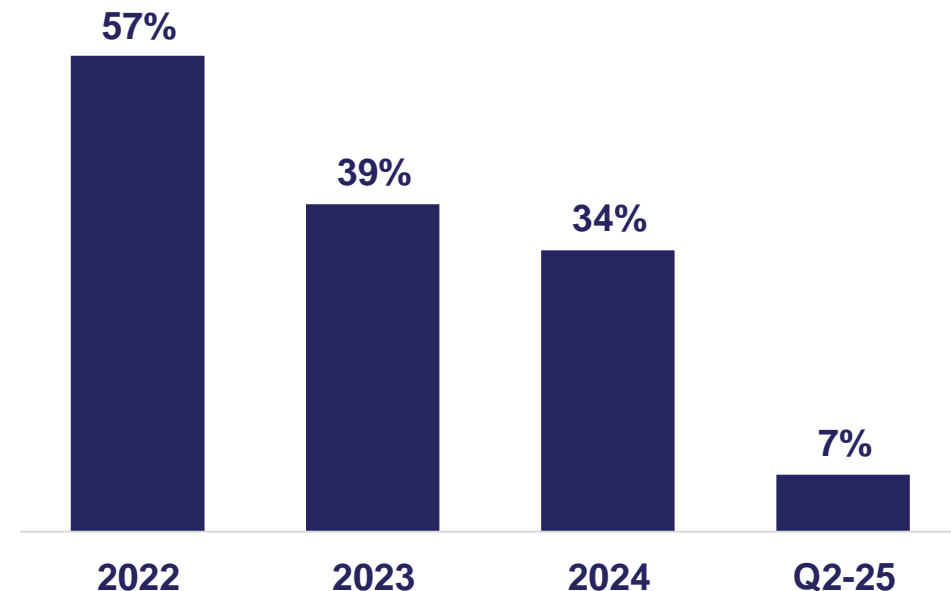
Invested Assets (in \$M)



Book Value Per Share



Debt Leverage (%)<sup>1</sup>



EXZEO<sup>®</sup>

# Overview of EXZEO®



## Advanced Underwriting Solutions

- Over a decade of expertise in developing and training underwriting models proven to consistently deliver superior results compared to industry peers.
- Models efficiently process large data sets, distilling them into actionable underwriting insights for carriers.
- By making precise decisions at the individual property level, underwriting models help insurers build portfolios focused on profitable risk accumulation.



## Data & Analytics

- Exzeo transforms both structured and unstructured data into an actionable format.
- Models leverage the curated data to deliver best-in-class underwriting decisions within seconds.
- Data-driven approach enhances capabilities across a carrier's entire organization, including underwriting, portfolio construction, and claims management.



## Insurance Management Solutions

- Exzeo designs, markets, underwrites, and administers insurance contracts for carrier partners.
- Proprietary technology platform powers every aspect of carriers' daily operations.
- Technology is delivered through a flexible, web-based interface, with Exzeo's suite of applications offering scalable and efficient solutions.

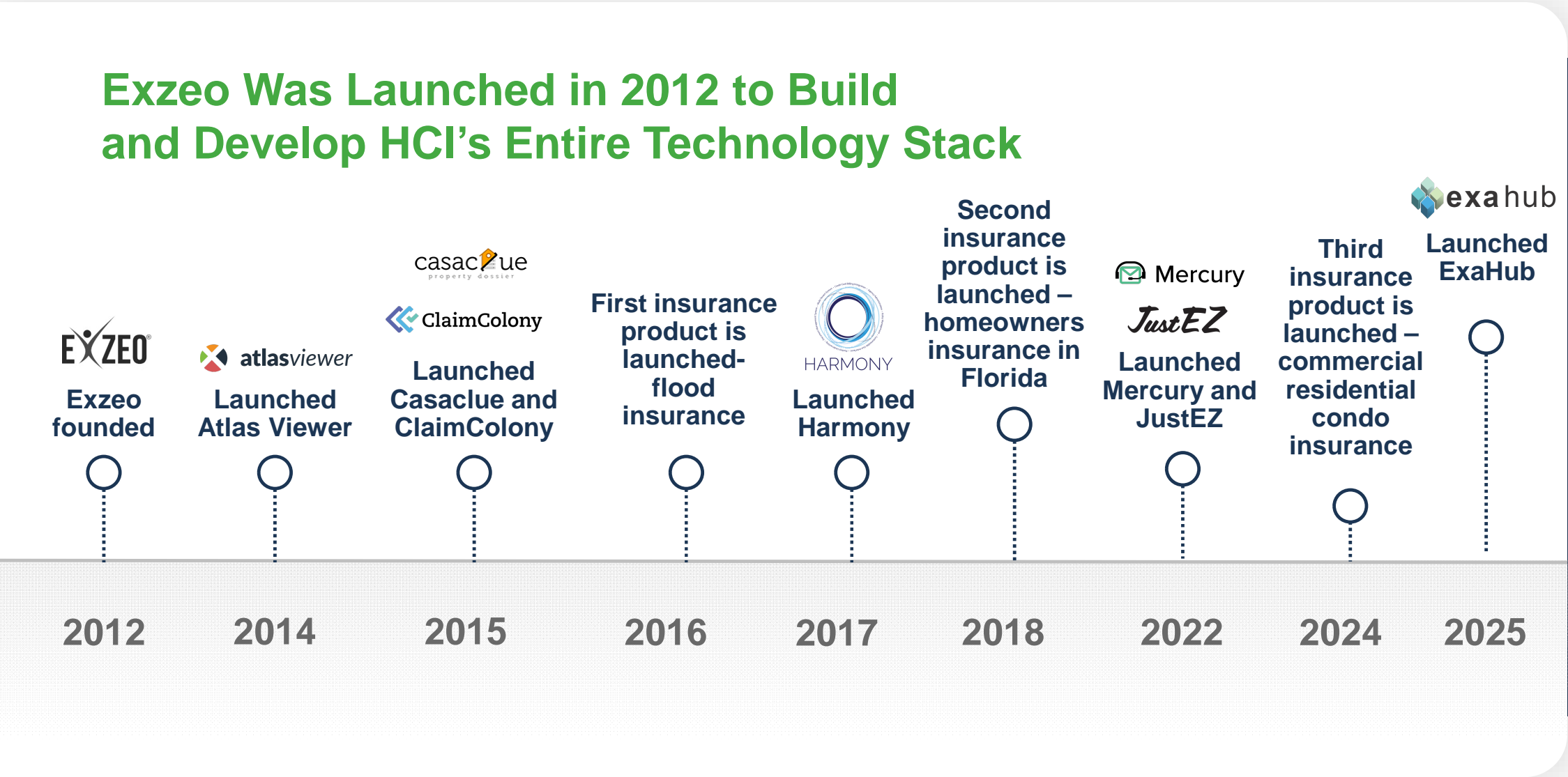
# Exzeo Product Ecosystem





# HCI Developed its Own Technology

Exzeo Was Launched in 2012 to Build and Develop HCI's Entire Technology Stack



- ✓ Wholly-owned technology subsidiary
- ✓ A team of over 150 experienced developers and data scientists
- ✓ 100% internally developed technology platform powers every aspect of insurance carriers day-to-day operations

# Technology Advantages



**Turn-key insurance technology solution** based on a proprietary platform of purpose built software and data-analytics applications



**Transforms structure and unstructured data** into actionable format for our advanced underwriting models.



**Over a decade of expertise** in developing and training underwriting models proven to consistently deliver superior results compared to industry peers.



**Platform is highly scalable and customizable** which allows Exzeo to pursue multiple growth opportunities in the future

# Individual Level Risk Evaluation Results in Lower Loss Ratio



Property level (HCI insurance carriers) vs. zip code level (industry)

Algorithms can determine “green properties” vs. “red properties” in the same neighborhood



# Our differentiated data engine enables precise risk selection

## TypTap's powerful data engine

- ✓ Extensive data fields
- ✓ In-house sourcing through proprietary research
- ✓ Careful validation of all 3<sup>rd</sup> party data
- ✓ Transformation of 3<sup>rd</sup> party data for seamless integration
- ✓ High-quality, granular data
- ✓ Missing property attributes flagged for additional data sourcing



Satellite imaging to determine proportion of 'hip' vs. 'gable' roofs<sup>1</sup>



Text mining of public litigation history



Satellite imaging to identify homes with pool cages, which can increase claim and replacement costs considerably



High resolution lidar maps and geospatial coordinates to build an accurate elevation dataset



# We Use Technology to Underwrite at the Individual Property Level

## Differentiated Strategy

Individual property level risk evaluation

Only write insurance for homes that are expected to be profitable on a standalone basis over the life of the policy

Optimizing for profitable growth

Source: S&P Market Intelligence (U.S. homeowners insurance industry direct expenses).

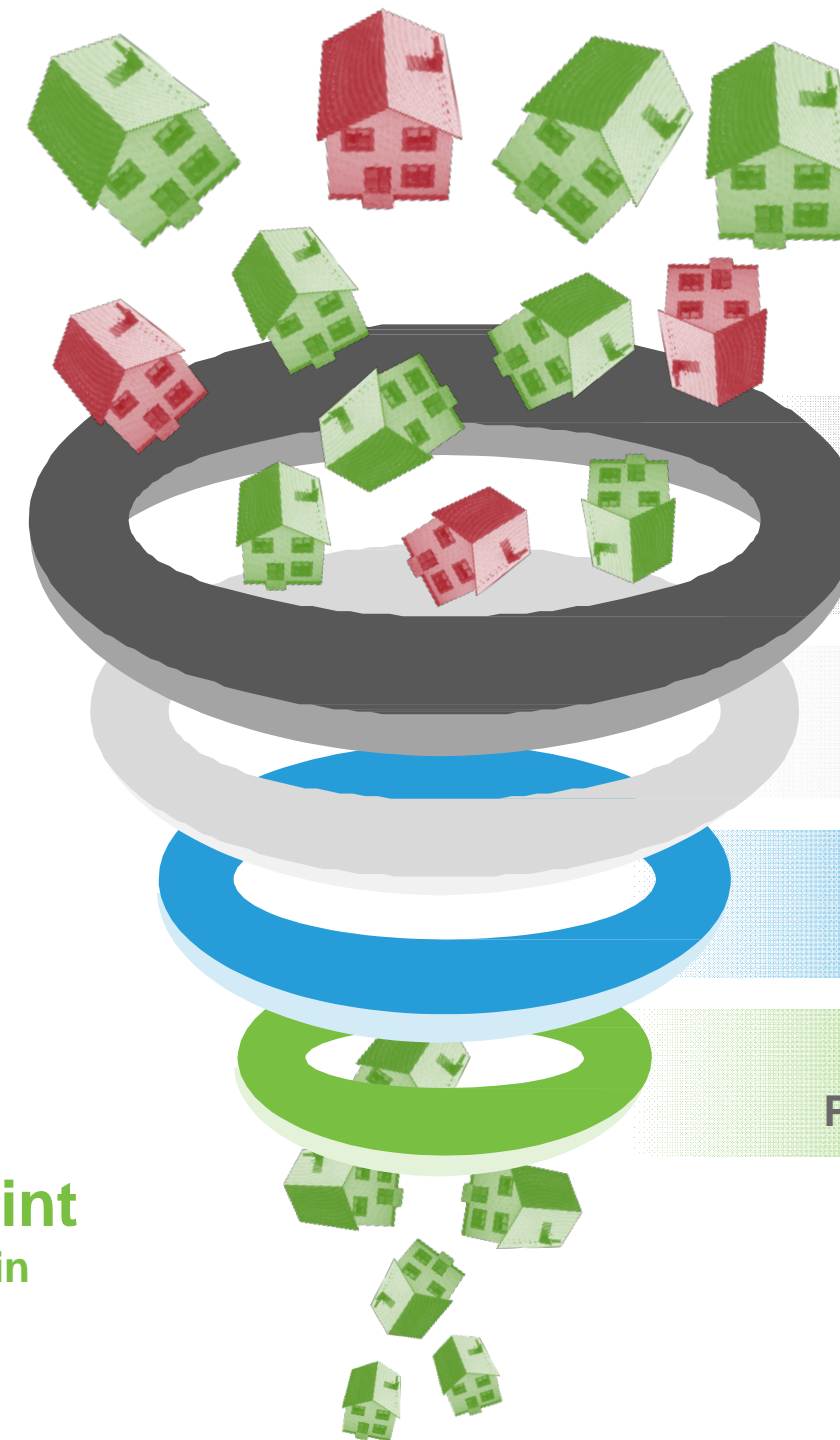
Excludes reinsurance expense

(1) Represents industry average from 2015-2024

74%<sup>1</sup>  
industry  
average  
loss ratio



~25 point  
decrease in  
loss ratio



Up to 1000 Data  
Points per Property

Individual Property  
Level Risk Selection

Trained Algorithms

Track Record of  
Profitable Underwriting



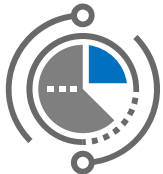
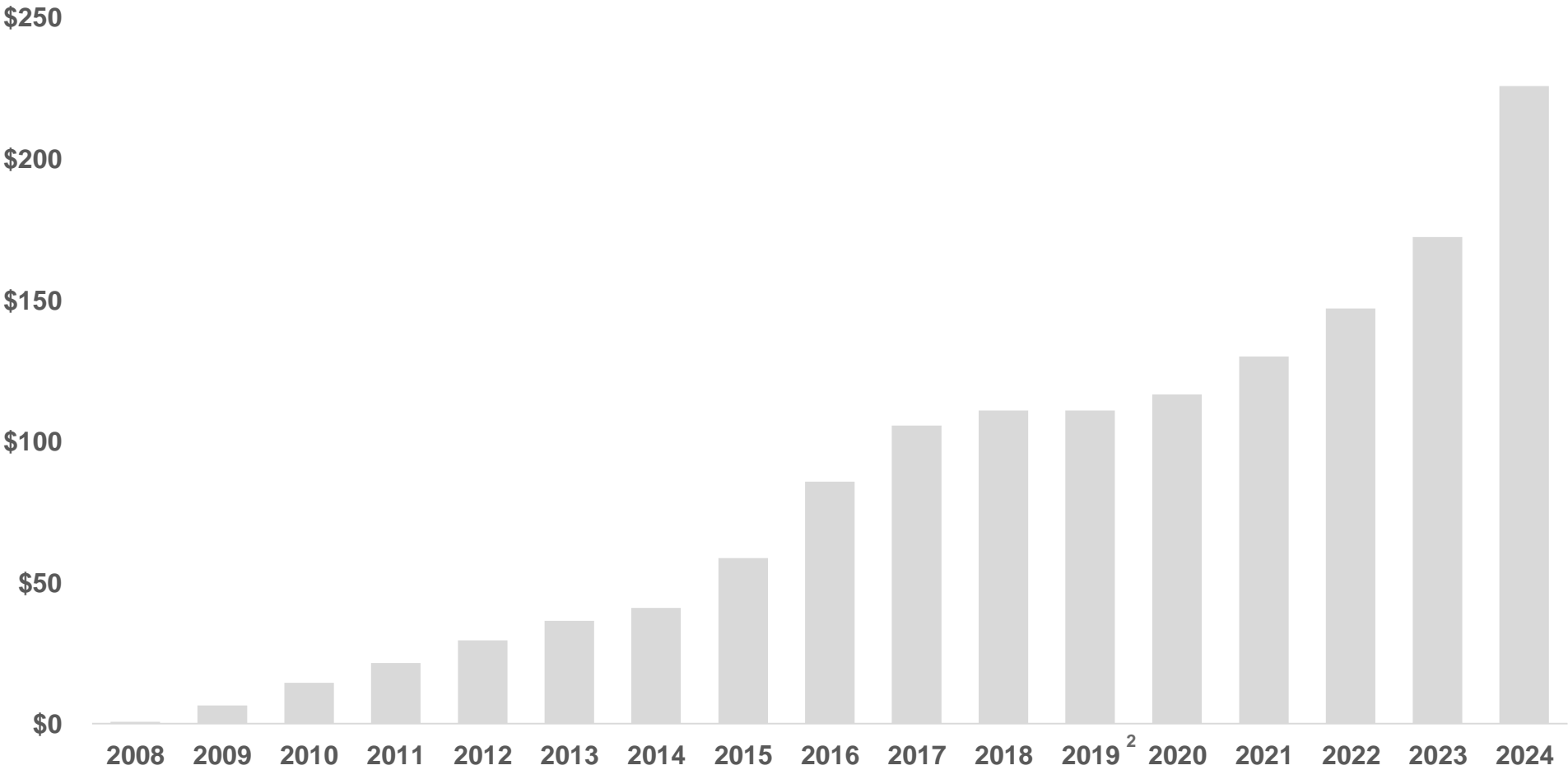
A person is seen from behind, holding a black umbrella. They are standing in the rain at night. The background is a blurred city street with various colored lights (red, yellow, blue, green) from traffic and buildings. The rain is visible as white streaks falling around the umbrella. The overall mood is atmospheric and somewhat somber.

# Reinsurance



# Claddaugh Generating Profits for Our Shareholders

Cumulative Net Premium Earned Since 2008



Claddaugh is used to opportunistically manage reinsurance cycles for HCI’s insurance divisions.



Since its formation in 2008, Claddaugh has contributed \$45M in pre-tax income to HCI.<sup>1</sup>

(1) As of 12/31/24. Excludes the impact of intercompany stop loss agreement.



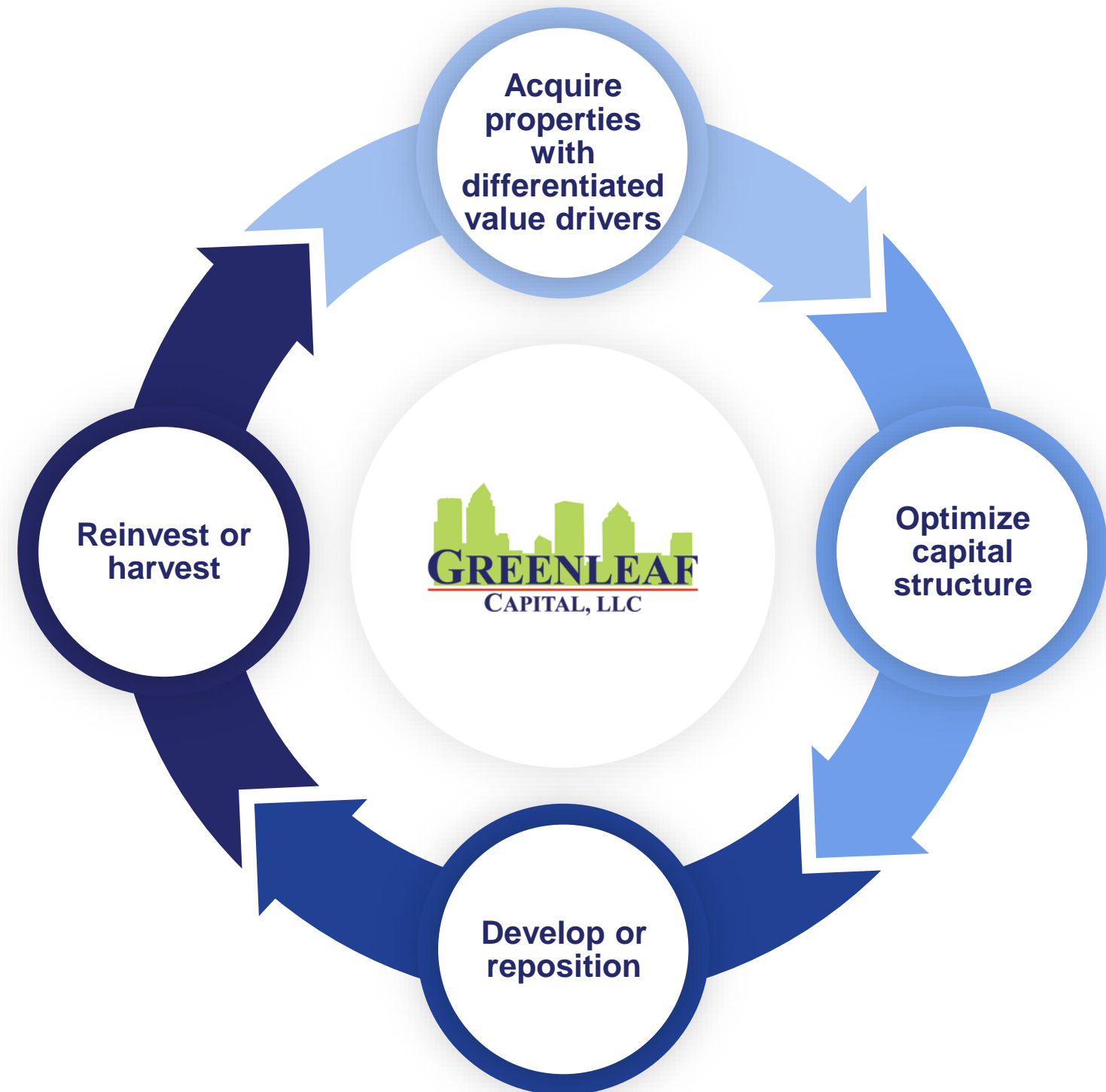


# Real Estate



# Creating Value in Real Estate

**Greenleaf Capital** owns and operates HCI's real estate portfolio. Its holdings include a set of premier commercial assets in rapidly growing Florida.



# Generating Gains from our Real Estate Portfolio

Recent Sales Transactions	PROPERTY	LOCATION	DATE PURCHASED	GROSS PROCEEDS <sup>2</sup>	BOOK VALUE	PRE-TAX GAIN <sup>1</sup>
	Office Building	Tampa	2010	\$44.0M	\$7.0M	\$37.0M
	Land	Tampa	2017	\$14.5M	\$1.1M	\$13.4M
	Grocery Anchored Retail	Eustis, FL	2016	\$13.0M	\$10.6M	\$2.5M
	Grocery Anchored Retail	Melbourne, FL	2016	\$18.0M	\$11.5M	\$6.4M
				<b>\$89M</b> GROSS PROCEEDS	<b>\$30M</b> BOOK VALUE	<b>\$59M</b> PRE-TAX GAIN

(1) Includes gains associated with bargain purchase  
(2) Gross proceeds are net of transaction costs and commissions



# Florida Real Estate Portfolio With Embedded Value

	PROPERTY	APPRAISED VALUE <sup>(1)</sup>	BOOK VALUE <sup>(3)</sup>	DEBT ON PROPERTY
OPERATING	Office Portfolio	\$38M	\$35M	\$4M
	Anchored Retail	56M	45M	\$11M
	Waterfront Specialty Use Portfolio	40M	16M	-
UNDER DEVELOPMENT	Properties Under Development	17M	9M	-

**\$151M<sup>1</sup>**  
APPRAISED VALUE

**\$106M**  
BOOK VALUE

(1) Based on appraisals obtained by Fifth Third bank. As of 6/30/2025

(2) Book value is net of depreciation

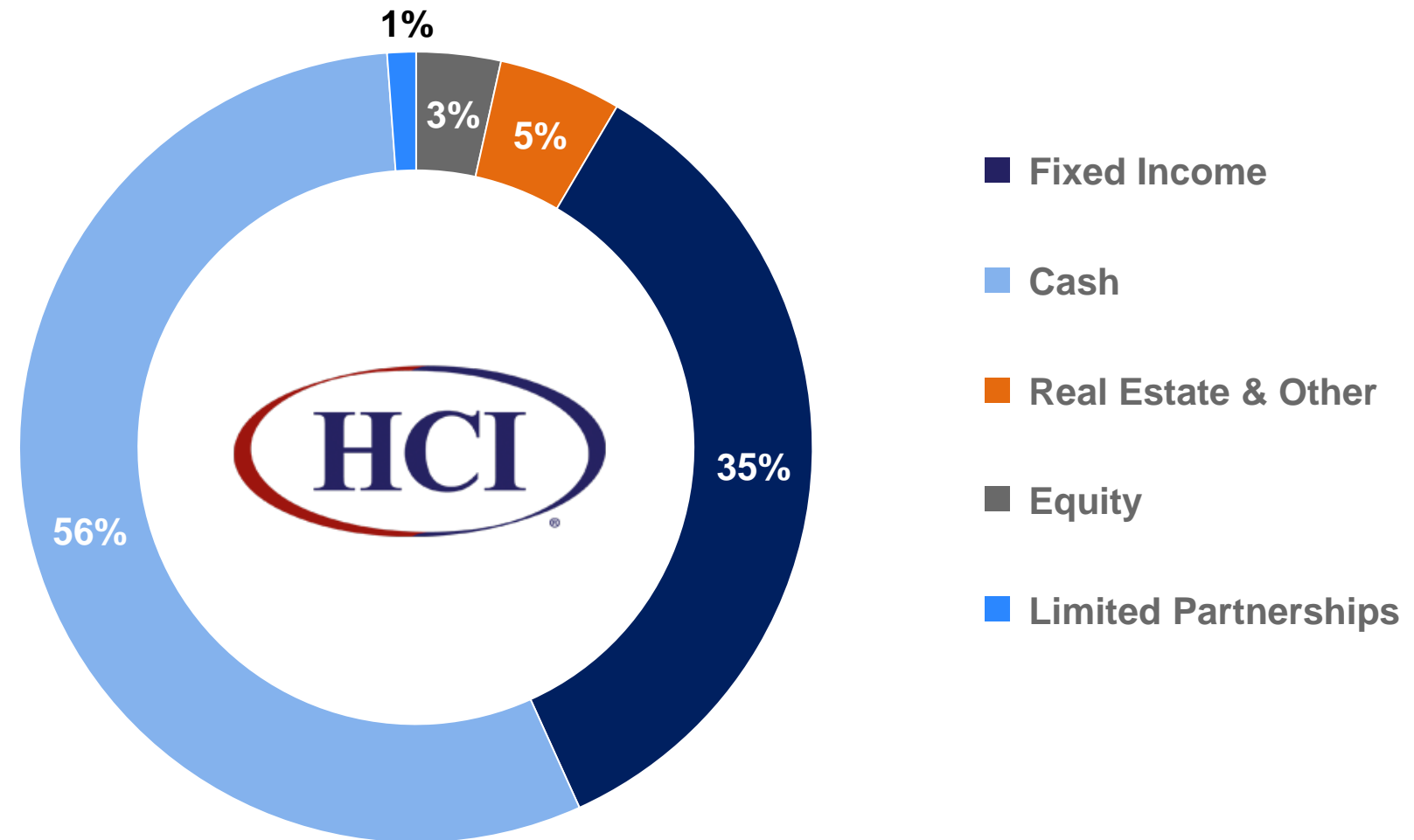
(3) All data as of 6/30/2025

# HCI Group Investment Portfolio

A conservative allocation, positioned for higher rates and opportunistic investments

Total invested assets<sup>1</sup>  
**\$1.7 billion**

Fixed Income Average  
Duration ~1.5 year



(1) As of 6/30/25



# Experienced & Focused Leadership Team



## **PARESH PATEL**

**Chairman & Chief Executive Officer, HCI Group**

- Founder; Chairman since 2007 & CEO since 2011
- Designed HCI's policy administration systems, leveraging software development experience
- Founded NorthStar Bank in 2004 and served as Director (2006-2011)



## **MARK HARMSWORTH**

**Chief Financial Officer, HCI Group**

- CFO since 2017; previously SVP of Finance
- Former senior advisor to Stewart Information Services (NYSE: STC)
- CFO of First American Title Insurance Company (2006-2011)
- Senior EVP of First Canadian Title Insurance Company (2002-2006)



## **KARIN COLEMAN**

**Chief Operating Officer, HCI Group  
President, Homeowners Choice and TypTap Insurance Co.**

- Director since February 2021
- Previously, EVP (2017-2019) and VP of Corp. Services (2009-2017)
- Former VP Strategic Alliances, TSIC, Inc. (2001-2009)
- Served in various capacities at Florida Progress Corp (NYSE: FPC), a utility holding company, now part of Duke Energy (NYSE: DUK) (1987-2000)



## **ANDREW GRAHAM**

**General Counsel, HCI Group**

- General Counsel since 2008
- Served in various capacities, including General Counsel for Trinsic (1999-2007)
- Served on Internal Audit Committee of Hillsborough County, Florida, since 2011
- Hillsborough Community College trustee (2007-2011)



## **KEVIN MITCHELL**

**President, Exzeo Group Inc.**

- Previously, SVP and VP of Investor Relations (2013-2019)
- Former Area Director of Financial Institutions practice at Arthur J. Gallagher (NYSE: AJG) (2008-2013)
- Previously, employed by Oswald Companies, one of the nation's largest independent insurance brokerage firms (2005-2008)



## **ANTHONY SARAVANOS**

**President, Greenleaf Capital**

- Director since 2007; President of Greenleaf Capital since 2013
- Former VP of full-service real estate firm in Palm Harbor, Florida (2005-2013)
- Managing Partner of 13 commercial CRE entities in Florida and New York since 2001
- Director of First Home Bank since 2011; Chairman since 2015

# Delivering Shareholder Value



\$453M

capital returned to shareholders since inception<sup>2</sup>

14%

insider ownership

14%

10-year average ROE<sup>1</sup>

>3800%  
Total Shareholder Return since IPO

1) As of 6/30/2025  
2) Includes \$269M buybacks and \$184M dividends







# Contact Us

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