



Ambac

SEPTEMBER 30, 2025

**BUSINESS UPDATE
CONFERENCE CALL**

One World Trade Center, 41st Floor, New York, NY 10007
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Disclaimer

In this presentation, we have included statements that may constitute “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Words such as “estimate,” “project,” “plan,” “believe,” “anticipate,” “intend,” “planned,” “potential” and similar expressions, or future or conditional verbs such as “will,” “should,” “would,” “could,” and “may,” or the negative of those expressions or verbs, identify forward-looking statements. We caution readers that these statements are not guarantees of future performance. Forward-looking statements are not historical facts, but instead represent only our beliefs regarding future events, which may by their nature be inherently uncertain and some of which may be outside our control. These statements may relate to plans and objectives with respect to the future, among other things which may change. We are alerting you to the possibility that our actual results may differ, possibly materially, from the expected objectives or anticipated results that may be suggested, expressed or implied by these forward-looking statements. Important factors that could cause our results to differ, possibly materially, from those indicated in the forward-looking statements include, among others, those discussed under “Risk Factors” in our most recent SEC filed quarterly or annual report.

Any or all of management’s forward-looking statements here or in other publications may turn out to be incorrect and are based on management’s current belief or opinions. Ambac Financial Group’s (“AFG”) and its subsidiaries’ (collectively, “Ambac” or the “Company”) actual results may vary materially, and there are no guarantees about the performance of Ambac’s securities. Among events, risks, uncertainties or factors that could cause actual results to differ materially are: (1) the high degree of volatility in the price of AFG’s common stock; (2) uncertainty concerning the Company’s ability to achieve value for holders of its securities from the specialty property and casualty insurance business, the insurance distribution business, or related businesses; (3) inadequacy of reserves established for losses and loss expenses and the possibility that changes in loss reserves may result in further volatility of earnings or financial results; (4) credit risk throughout Ambac’s business, including but not limited to issuers of securities in our investment portfolios, and exposures to reinsurers; (5) our inability to achieve investment objectives; (6) the Company’s inability to generate the significant amount of cash needed to service its debt and financial obligations, and its inability to refinance its indebtedness; (7) the Company’s indebtedness could adversely affect the Company’s financial condition and operating flexibility; (8) Ambac may not be able to obtain financing, refinance its outstanding indebtedness, or raise capital on acceptable terms or at all due to its outstanding indebtedness and financial condition; (9) greater than expected underwriting losses in the Company’s specialty property and casualty insurance business; (10) failure of specialty insurance program partners to properly market, underwrite or administer policies; (11) inability to obtain reinsurance coverage on economic terms; (12) loss of key relationships for production of business in specialty property and casualty and insurance distribution businesses or the inability to secure such additional relationships to produce expected results; (13) the impact of catastrophic public health, environmental or natural events, or global or regional conflicts; (14) the risk that Ambac’s risk management policies and practices do not anticipate certain risks and/or the magnitude of potential for loss; (15) restrictive covenants in agreements and instruments that impair Ambac’s ability to pursue or achieve its business strategies; (16) disagreements or disputes with Ambac’s insurance regulators; (17) risks attendant to the change in composition of securities in Ambac’s investment portfolio; (18) adverse impacts from changes in prevailing interest rates; (19) events or circumstances that result in the impairment of our intangible assets and/or goodwill that was recorded in connection with Ambac’s acquisitions; (20) the risk of litigation, regulatory inquiries, investigations, claims or proceedings, and the risk of adverse outcomes in connection therewith; (21) the Company’s ability to adapt to the rapid pace of regulatory change; (22) actions of stakeholders whose interests are not aligned with broader interests of Ambac’s stockholders; (23) system security risks, data protection breaches and cyber attacks; (24) failures in services or products provided by third parties; (25) political developments that disrupt the economies where the Company has insured exposures; (26) our inability to attract and retain qualified executives, senior managers and other employees, or the loss of such personnel; (27) fluctuations in foreign currency exchange rates; (28) failure to realize our business expansion plans or failure of such plans to create value; (29) greater competition for our specialty property and casualty insurance business and/or our insurance distribution business; (30) loss or lowering of the AM Best rating for our property and casualty insurance company subsidiaries; (31) disintermediation within the insurance industry or greater competition from technology-based insurance solutions or non-traditional insurance markets; (32) changes in law or in the functioning of the healthcare market that impair the business model of our accident and health managing general underwriter; (33) difficulties in integrating acquired businesses into our business; and (34) other risks and uncertainties that have not been identified at this time.

The New Ambac

Our Vision

To be the world's leading MGA Specialty Insurance platform, delivering innovative solutions through expertise, technology and trusted partnerships.

The new Ambac is a pure-play specialty insurance platform.

Recent Strategic Announcements



Closed Sale of
Legacy Financial
Guarantee Business



Added Growth, Scale
and Diversification via
M&A



Implemented Key
Components of Our
new Target Operating
Model

Advancing Our Strategic Priorities

Delivering on our promise to create sustainable, long term shareholder value

Our 120 Day Priorities



New Target Operating Model



Corporate rebranding



Capital management plan execution



Revised Executive Compensation program



Investment in additional data and AI technology



Continued execution on a strong pipeline of organic and strategic opportunities

Strategic Priority Review

New Target Operating Model



Driving greater operational efficiencies and reductions to operating expenses

- Announced Executive Officer departures in connection with AAC sale
- Appointed new Group COO and new CAO
- Reduced executive and Board compensation to align with peers

Revised Corporate Branding



Launching a new name, logo and corporate design in Q4

- Establishes a singular brand identity
- Aligns with go-forward specialty P&C insurance strategy
- Modernizes our look and feel

New Executive Compensation Structure



Aligning new compensation program with core KPIs, peer group and go-forward company

- Annual incentive compensation metrics tied to key value drivers, including Adjusted EBITDA Margin, Revenue Growth and Everspan Combined Ratio
- Long term incentive compensation metrics for performance-based units tied to value drivers, including organic revenue growth and Adjusted EBITDA
- Performance stock options tied to share price appreciation over a five-year performance period

Strategic Priority Review – Cont'd

Capital Management Plan



Signed agreement to acquire ArmadaCare – a strategic deployment of capital⁽¹⁾

- Repayment of short-term debt related to the Beat acquisition and the purchase of the AAC co-investment totaling \$212 million
- Relaunch of opportunistic share buy-back program
- Financing of ArmadaCare through new 5-year facilities totaling \$120 million

Data & Technology Investments



Making smart, targeted investments in tech stack and AI

- Harmonizing our core insurance and accounting operating platforms, leveraging existing technology infrastructure
- Initiating future state data foundation platform

Pipeline of Organic & Strategic Opportunities

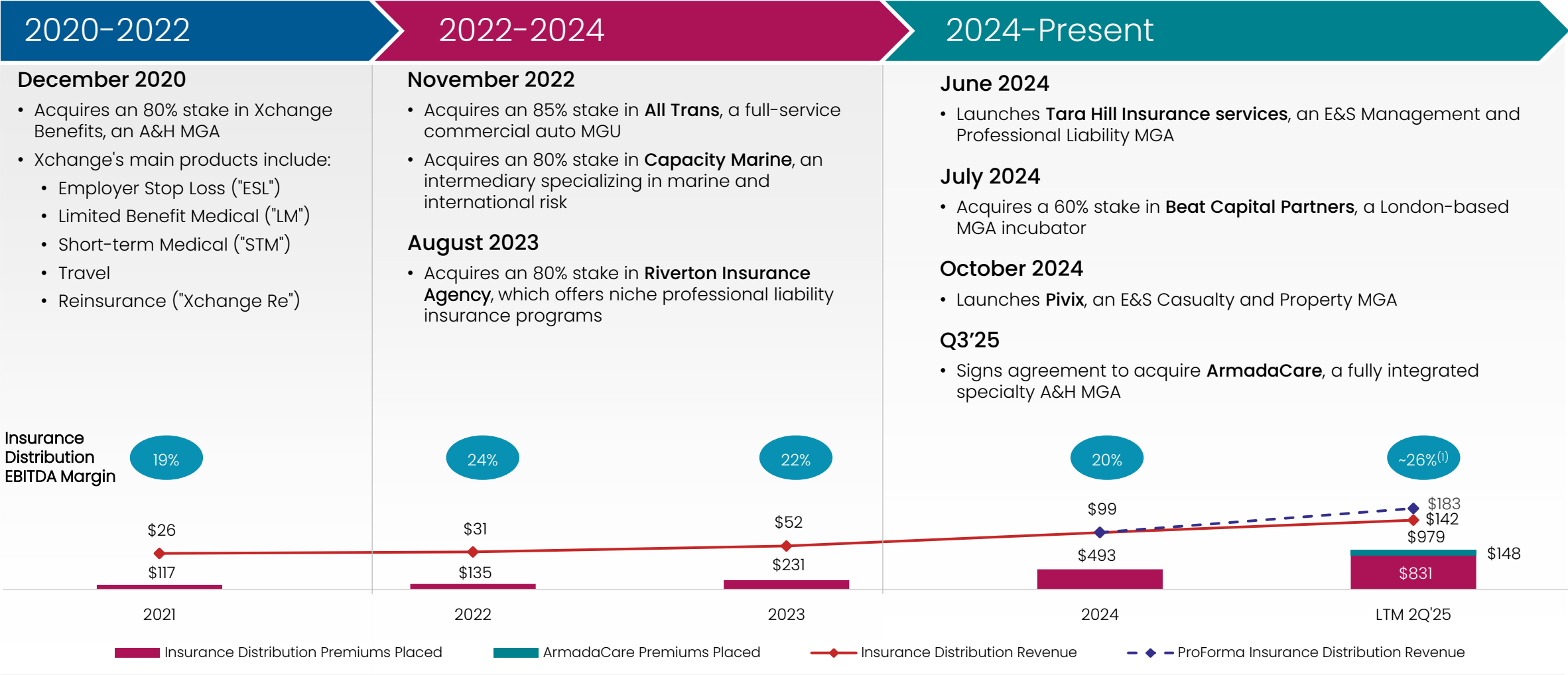


Progressing on opportunistic de novo and strategic opportunities

- Launched Alcor USA
- Integrated Pivix Specialty Insurance Services (“Pivix”), a leading E&S MGA
- New MGA de novo anticipated in next few months
- Increased ownership in Beat to 70% from 60% expected in 2026

Build and Buy Strategy in Action

Ambac has delivered consistent growth



(1) ProForma EBITDA margin for Insurance Distribution and ArmadaCare, before the impact of new management incentive plan

Diversified Distribution



A Diversified MGA platform helping cushion the impact of market cycles

United States



Accident & Health



Specialty Commercial Auto



Professional Liability



Marine



Financial & Professional Lines



Property, Liability



Environmental Liability



Excess & Surplus Lines



Management & Professional Liability



Commercial Property



Supplemental Accident & Health

London / Bermuda



Property, Liability, Motor



NA Property



Accident & Health



Multiline P&C



Upstream / Downstream Energy



Credit & Risk Transfer Solutions



Energy / Property



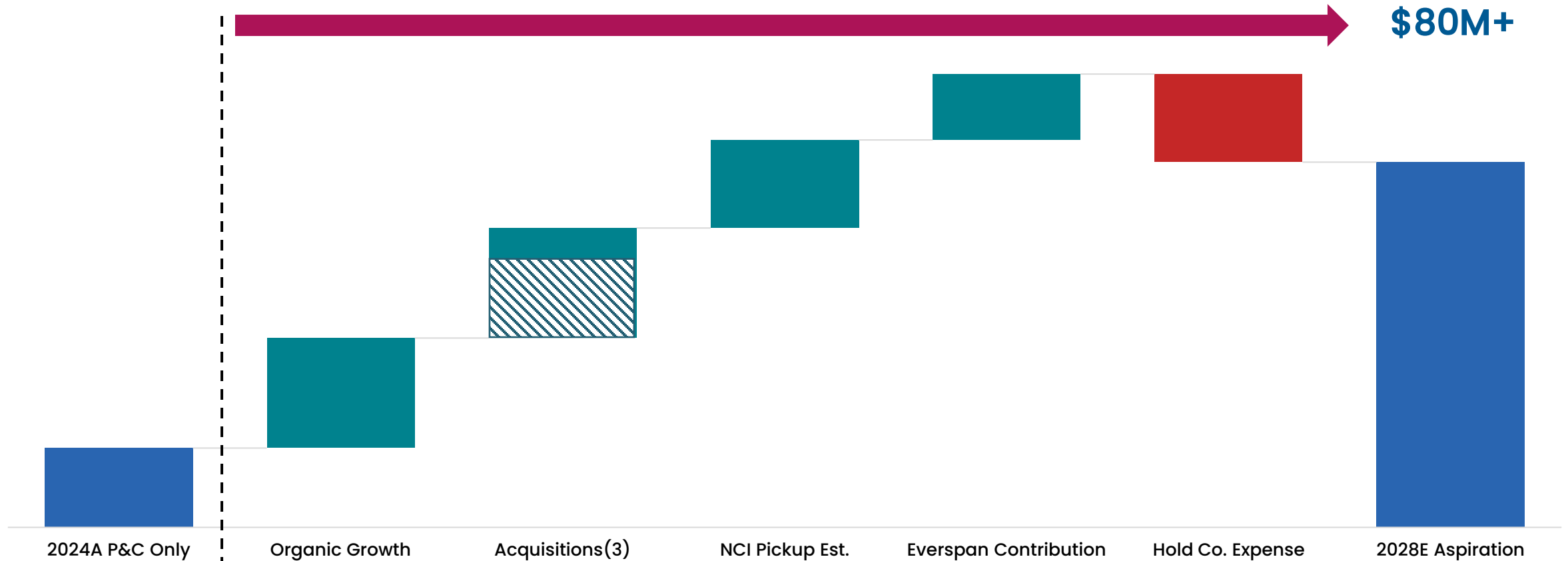
Professional Indemnity



SPECIALTY

D&O & Credit

Consolidated Adj. EBITDA to Ambac⁽¹⁾⁽²⁾



2028 Aspiration Implies a +40% EBITDA CAGR

(1) Chart as previously presented

(2) All amounts are estimates and are subject to change. Amounts may be impacted by market conditions, access to capital and other factors and risks outside of management's control.

(3) Striped area represents the estimated impact of the proposed acquisition of ArmadaCare.

Ambac's Proposed Acquisition of ArmadaCare Positions Cirrata for Future Growth

Ambac's proposed acquisition of ArmadaCare from SiriusPoint for \$250MM (13.8x LTM EBITDA⁽¹⁾) accelerates Cirrata's specialty insurance distribution strategy



ArmadaCare is Highly Complementary to the Three Pillars of Cirrata's Growth Strategy



Specialty Insurance Focus



Scalable Platform



Capital Light Model

ArmadaCare will Strengthen and Complement Ambac's Current MGA/MGU Capabilities



Company Overview

- ArmadaCare was founded in 2004
- Headquartered in Hunt Valley, MD
- ArmadaCare is a fully integrated MGU nationally focused on delivering supplemental health and benefit products that primarily target c-suite executives and other key talent
- In addition to being an MGU and Program manager, ArmadaCare is also a third-party claims administrator (TPA) and operates an ancillary business which provides clients a tool to help navigate the healthcare system

Key Stats

\$148M
Annual Premiums in Force (APIF) – as of 6/30/25

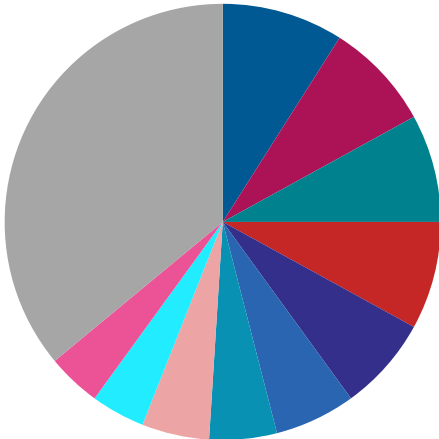
8%
'22-'24 Premium CAGR

46%
'22-'24 Avg. EBITDA Margin⁽¹⁾

109%
January 2025 Premium Retention⁽²⁾

Highly Diversified Client Mix

Concentration Mix by Industry



Retail	9%
Financial Services	8%
Manufacturing	8%
Healthcare Services	8%
Construction	7%
Business Services/Consulting	6%
Technology	5%
Real Estate	5%
Food & Beverage	4%
Entertainment/Recreation	4%
Other	36%

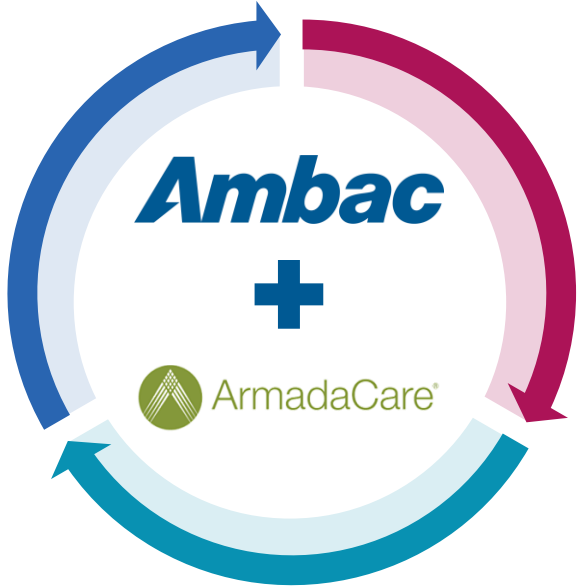
(1) Before the impact of new management incentive plan
 (2) Reflects January 2025 renewals as of 01/09/2025. Retention includes impact of rate changes

ArmadaCare is a Market-Leading A&H MGA with Significant Synergy Potential

Why We Like ArmadaCare

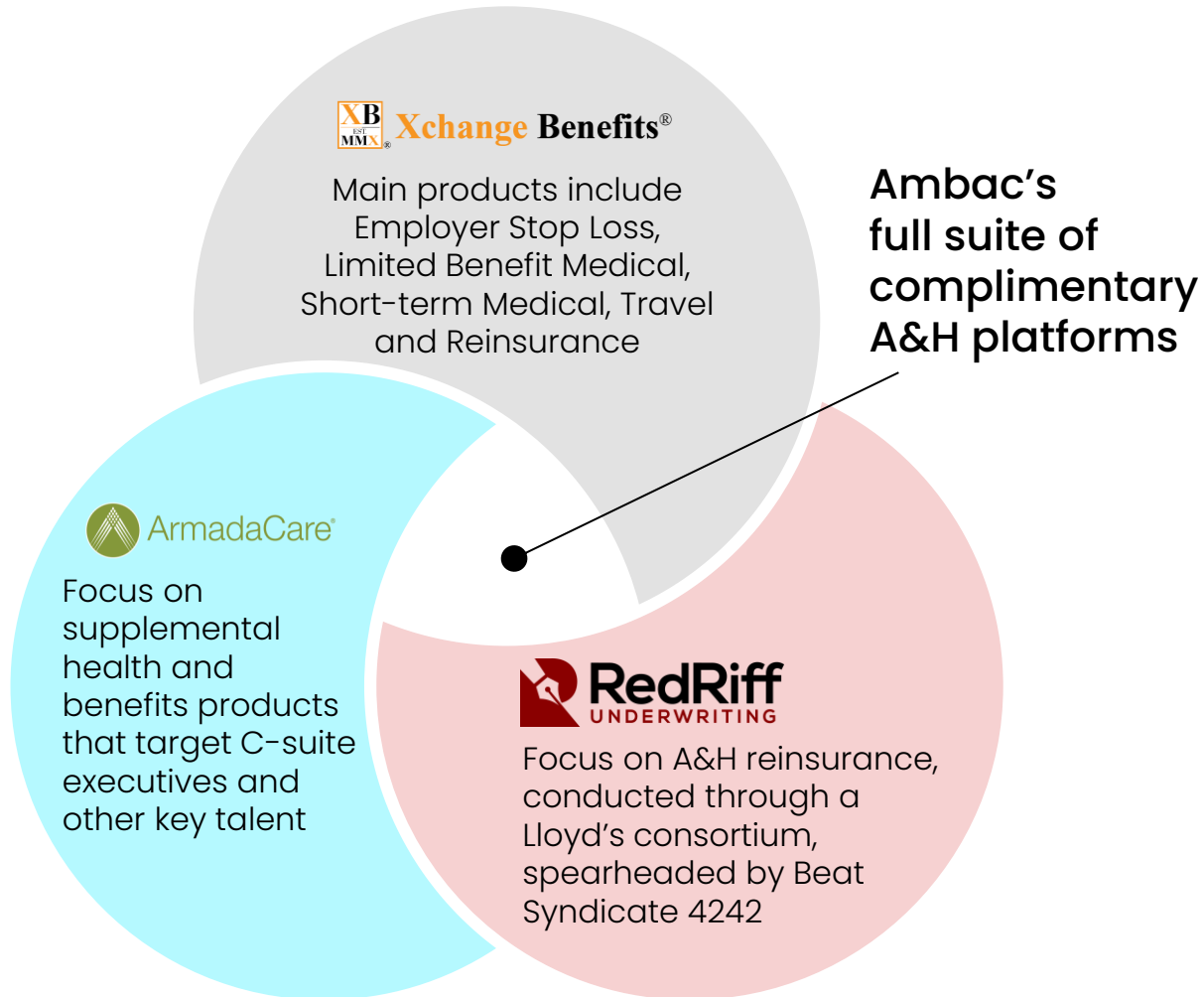


Synergy Opportunities



- 1 Complementary Product Offering**
ArmadaCare brings a differentiated product offering, further enhancing Ambac's A&H portfolio
- 2 Access to Distribution Relationships**
ArmadaCare's network of 49,000 marketable brokers expand distribution and product suite
- 3 Client Cross-Sell**
Complementary products and strong distribution relationships drive strong cross-sell opportunities with Ambac's existing A&H portfolio

ArmadaCare is Complementary to Ambac's Existing A&H Offerings



Commentary

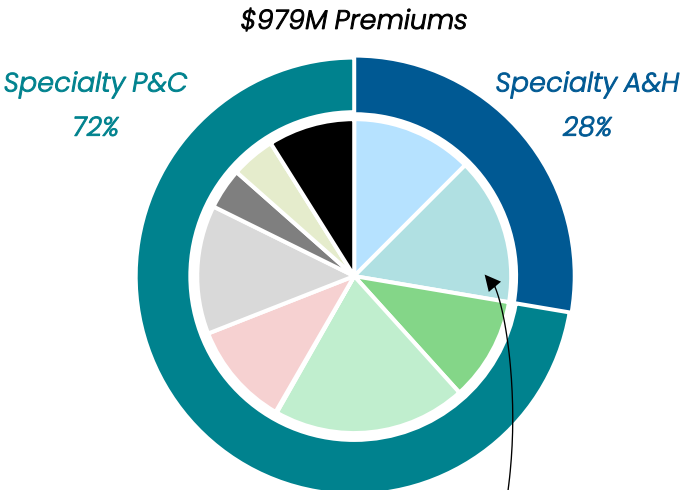
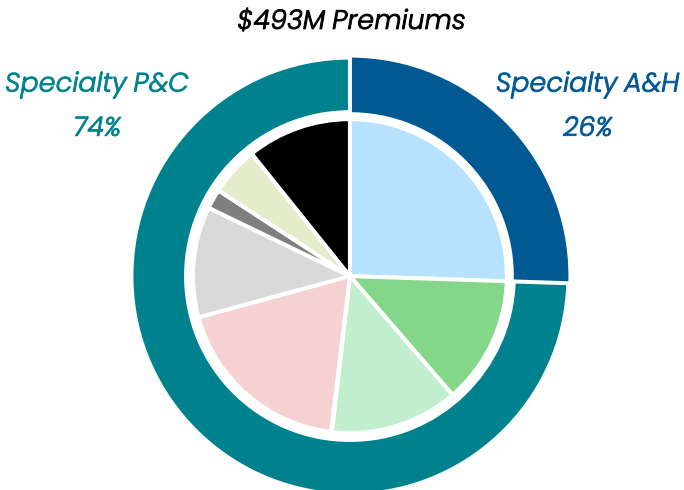
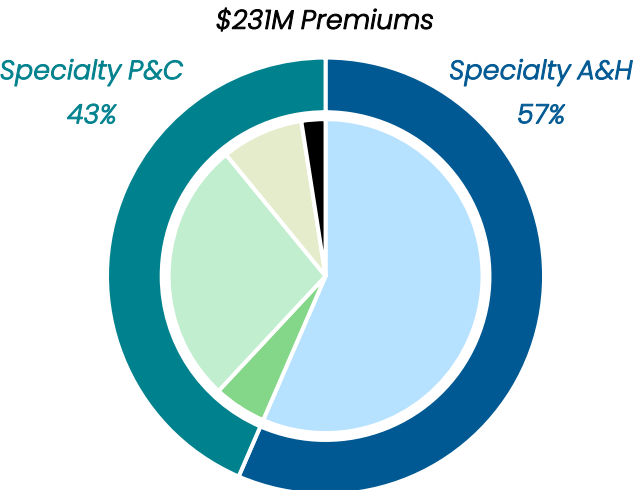
- ArmadaCare does not overlap with Ambac's existing Accident & Health platforms, Xchange Benefits and RedRiff Underwriting
- Ambac's proposed acquisition of ArmadaCare further differentiates Ambac's product offering and offers synergy opportunities
- ArmadaCare also increases Ambac's exposure to non-correlated A&H lines, further helping insulate the business from specialty P&C cycles

ArmadaCare Further Diversifies Ambac's Specialty Insurance Offering

2023 Cirrata Premiums Placed

2024 Cirrata Premiums Placed

LTM Q2'25 Cirrata + ArmadaCare Premiums Placed



Specialized Portfolio of A&H Distribution:

- Employee Stop Loss and Limited & ST Medical
- Supplemental A&H

Specialized Portfolio of P&C Distribution:

- Other Professional
- Property
- Professional D&O
- Specialty Auto
- Niche Specialty Risks
- Reinsurance
- Marine & Energy
- Misc. Specialty



ArmadaCare's differentiated product offering in the A&H market will provide both line of business and product diversification to Ambac, while also increasing exposure to non-correlated A&H business lines

Compelling Strategic Rationale Offers Enhanced Profitability



Continued Execution towards Diversifying our Distribution Business with Exposure to Non-Correlated Market

- Enhances and complements Ambac's position in the attractive Accident & Health market
- Further diversifies Ambac's insurance distribution business across both product and line of business in a non-correlated market



Differentiated Business Model

- White-glove service and regulatory expertise create strong competitive advantage
- Positioned as premium alternative to low-cost competitors, driving superior retention



Deeply Integrated Carrier Relationships, Based on Long-Term Track Record of Performance

- **SiriusPoint:** 5+ year relationship, committed to new 5-year capacity agreement with substantial room for growth
- **Transamerica:** 20-year relationship, renewed 3-year capacity agreement



Complementary Business with Multiple Synergy Opportunities

- Highly complementary product offering to Ambac's existing A&H businesses
- Strong distribution network with direct C-suite access, bringing significant cross-sale opportunities



Attractive Pro Forma Financial Profile

- Compelling transaction multiple given size, scale and track record of business
- Expected to be accretive to Ambac shareholders in 2026

Summary Transaction Terms

Transaction Summary	Ambac proposing to acquire 100% interest in ArmadaCare, a fully integrated specialty MGA operating in the A&H market
Purchase Price	Purchase price of \$250M, representing a 13.8x LTM 6/30/2025 EBITDA multiple ⁽¹⁾
Financing	Transaction will be funded with a combination of cash and newly issued debt, comprising of a new \$100M Term Loan A and \$20M Revolving Credit Facility
Management	ArmadaCare's leadership will join Ambac and enter into a new management incentive plan that aligns interests and incentivizes long-term performance
Earnings Impact	Attractive financial profile expected to bolster Ambac's margins and to be accretive to 2026 earnings
Required Approvals	Subject to customary closing conditions and regulatory approvals
Timing	Expected to close in Q4 2025

ArmadaCare Financial Profile

ArmadaCare Financial Profile

Selected Key Metrics

(\$ in millions)	LTM Q2'25
Annualized Premium in Force (“APIF”)	\$148
Total Gross Revenue	\$40
Cost of Sales	3
Total Net Revenue	\$38
Total Operating Expenses	19
EBITDA⁽¹⁾	\$18
EBITDA Margin⁽¹⁾	45%

Commentary

- Robust premium and client retention drives consistent in-force premium growth
- Stable “take rates” drive YoY revenue growth
- Strong recurring revenue and expense discipline drive attractive EBITDA margins

Ambac



ArmadaCare[®]

Feel The Benefits

The Road Ahead

Appendix

ArmadaCare has a Strong Leadership Team with Combined Experience of 100+ Years



Ed Walker

Chief Executive Officer

- **Experience:** 30+ Years / Joined in 2015
- **Prior Experience:** President of Transamerica Direct since 2013 and member of America's Management Team. Prior leadership roles include Affinity & Special Markets, where he sponsored Seagull founders on Ultimate Health since its inception in 2004
- **Education:** MBA from Loyola College; Bachelor of Arts from Lynchburg College



Hugh McAdorey

General Counsel & Chief Compliance Officer

- **Experience:** 40+ Years / Joined 2024
- **Prior Experience:** Various leadership positions within Union Labor Life, Transamerica and Crum & Forster, A&H
- **Education:** JD from George Mason University – Antonin Scalia Law School



Nick Limneos

Chief Commercial Officer (Sales & Account Mgmt)

- **Experience:** 25+ Years / Joined in 2014
- **Prior Experience:** Director Service and Retention, Ascend One
- **Education:** BS, Communications from University Maryland College Park



Joe Noone

Chief Financial Officer

- **Experience:** 30+ Years / Joined in 2021
- **Prior Experience:** 26 years at Transamerica, most recently as AVP, Third Party Oversight; Vice President, Controller, for Aegon
- **Education:** BA, Accounting, Lycoming College



Samantha Alsup

Chief Operations and IT Officer

- **Experience:** 23 Years / Joined 2013
- **Prior Experience:** Manager, Healthcare Informatics, Meritain Health
- **Education:** BS, Economics, Johns Hopkins University



Zach Ackerman

VP, Marketing and Digital Strategy

- **Experience:** 12 Years / Joined 2013
- **Prior Experience:** Variety of roles at Seagull including Data Control Specialist, IT Manager and Digital Practice Leader
- **Education:** BA, West Virginia University

ArmadaCare's full management team will be joining Ambac and will be fully aligned to drive growth and profitability

Estimated June 30, 2025, ProForma Balance Sheet

	June 30, 2025 Reported	Sale of AAC (1)	Acquisition of Seagull (2)	June 30, 2025 Proforma
Assets:				
<u>Investments:</u>				
Total Investments	202,496,192		0	202,496,192
AFG - Cash, Cash Equivalents and Short-Term Investments	44,862,940	194,464,472	(137,814,741)	101,512,671
Others - Cash, Cash Equivalents and Short-Term Investments	67,431,124			67,431,124
Restricted Cash	23,840,914		15,712,507	39,553,421
Premium Receivables	71,875,099			71,875,099
Commission Receivable	72,619,294		9,829,576	82,448,870
Reinsurance Recoverable on Paid and Unpaid Losses, Deferred Ceded Premium, DAC	541,435,112			541,435,112
Intangible Assets, less accumulated amortization	353,903,980		104,386,867	458,290,847
Goodwill	451,808,064		127,583,948	579,392,012
Other Assets	99,697,127	(16,609,540)	12,758,668	95,846,255
Assets Held-for-Sale	6,592,417,031	(6,592,417,031)		-
Total Assets	8,522,386,877	(6,414,562,099)	132,456,825	2,240,281,603
Liabilities and Stockholders' Equity:				
Liabilities:				
Unearned Premiums, Loss and Loss Adjustment Expense Reserves, Ceded Premiums Payable, Deferred Program Fees and Reinsurance Commissions	672,932,532			672,932,532
Commission Payable	96,874,598			96,874,598
Deferred Income Taxes	72,003,187			72,003,187
Short-Term Borrowings	150,000,000	(150,000,000)	20,000,000	20,000,000
Long-Term Debt	0		100,000,000	100,000,000
Accrued Interest Payable	2,943,980	(2,943,980)		-
Other Liabilities	95,900,384	(3,060,910)	21,456,825	114,296,299
Liabilities Held-for-Sale	6,213,023,715	(6,213,023,715)		-
Total Liabilities	7,303,678,396	(6,369,028,605)	141,456,825	1,076,106,616
Redeemable Noncontrolling Interest	190,347,444			190,347,444
Stockholder's Equity:				
Common Stock	488,752			488,752
Additional Paid-In Capital	347,939,239	17,760,815		365,700,054
Accumulated Other Comprehensive Income	(66,013,347)	86,828,660		20,815,313
Retained Earnings	607,548,101	(99,205,167)	(9,000,000)	499,342,934
Treasury Stock	(30,123,920)			(30,123,920)
Total Ambac Financial Group, Inc. Stockholders' Equity	859,838,824	5,384,308	(9,000,000)	856,223,133
Nonredeemable Noncontrolling Interest	168,522,213	(50,917,802)		117,604,411
Total Stockholder's Equity	1,028,361,037	(45,533,494)	(9,000,000)	973,827,543
Total Liabilities, Redeemable, Noncontrolling Interest and Stockholder's Equity	8,522,386,877	(6,414,562,099)	132,456,825	2,240,281,603

(1) The sale of AAC includes removal of the held-for sale assets and liabilities, lease settlements, repayment of the short-term borrowing, warrant valuation, AOCI and retained earnings impacts.

(2) The acquisition of Seagull includes purchase price of \$250, estimated expenses, new debt issuance of \$120m, and estimated purchase accounting adjustments. Management assumed 45% intangible assets and 55% goodwill based on prior acquisitions

About Ambac

Ambac Financial Group, Inc. (“Ambac” or “AFG”) is an insurance holding company headquartered in New York City. Ambac’s core business is a growing specialty P&C distribution and underwriting platform. Ambac’s common stock trades on the New York Stock Exchange under the symbol “AMBC”. Ambac is committed to providing timely and accurate information to the investing public, consistent with our legal and regulatory obligations. To that end, we use our website to convey information about our businesses, including the anticipated release of quarterly financial results, quarterly financial, statistical and business-related information. For more information, please go to www.ambac.com.

The Amended and Restated Certificate of Incorporation of Ambac contains substantial restrictions on the ability to transfer Ambac’s common stock. Subject to limited exceptions, any attempted transfer of common stock shall be prohibited and void to the extent that, as a result of such transfer (or any series of transfers of which such transfer is a part), any person or group of persons shall become a holder of 5% or more of Ambac’s common stock or a holder of 5% or more of Ambac’s common stock increases its ownership interest.

Contact

Kate Smith

DIRECTOR OF CORPORATE COMMUNICATIONS

(212) 208-3222
ir@ambac.com