



Porch Group Corporate Presentation

March 2025



Disclaimers

Financial Targets

Porch is providing guidance and targets for future periods in this presentation based on current market conditions, assumptions, and expectations as of the date of this presentation. Actual results may vary due to a number of factors and there is no guarantee that we will be able to achieve these results. Please refer to the below for important disclaimers and a description of these factors. Certain full company guidance and forward-looking targets in this presentation, including the adjusted EBITDA targets, represents Porch shareholder interests following the completed formation of Porch Insurance Reciprocal Exchange ("PIRE") and sale of Homeowners of America Insurance Company ("HOA") to PIRE on January 1, 2025. For the avoidance of doubt, guidance does not include the future results at PIRE or HOA; while we expect to consolidate their results into Porch GAAP financial statements, the PIRE and HOA results will be allocated to noncontrolling interest owned by PIRE members and not to Porch Shareholders, and will therefore be excluded from Revenue, Gross Profit and Adjusted EBITDA guidance. See appendix for detail regarding segment reporting change expected to begin in Q1 2025.

Forward-Looking Statements

Certain statements in this presentation are considered forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. These statements are based on the beliefs and assumptions of management. Although we believe that our plans, intentions, and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions, or expectations. Forward-looking statements are inherently subject to risks, uncertainties, and assumptions. Generally, statements that are not historical facts, including statements concerning our financial outlook, and guidance, possible or assumed future actions, business strategies, events, or results of operations, are forward-looking statements. Forward-looking statements in this presentation also include expectations regarding whether the reciprocal is the optimal structure for our insurance business and the benefits financial and otherwise thereof, including any expectations that the reciprocal will result in higher margins and a more predictable financial profile and equip our insurance operations to scale profitably in the future. These statements may be preceded by, followed by, or include the words "believe," "estimate," "expect," "project," "forecast," "may," "will," "should," "seek," "plan," "scheduled," "anticipate," "intend," or similar expressions.

Forward-looking statements are not guarantees of performance. You should not put undue reliance on these statements which speak only as of the date hereof. You should understand that the following important factors, among others, could affect our future results and could cause those results or other outcomes to differ materially from those expressed or implied in our forward-looking statements: expansion plans and opportunities, and managing growth, to build a consumer brand; the incidence, frequency, and severity of weather events, extensive wildfires, and other catastrophes; economic conditions, especially those affecting the housing, insurance, and financial markets; expectations regarding revenue, cost of revenue, operating expenses, and the ability to achieve and maintain future profitability; existing and developing federal and state laws and regulations, including with respect to insurance, warranty, privacy, information security, data protection, and taxation, and management's interpretation of and compliance with such laws and regulations; the structure, availability, and performance of PIRE and HOA's reinsurance programs to protect against loss and maintain their financial stability ratings and a healthy surplus, the success of which are dependent on a number of factors outside management's control; the possibility that a decline in our share price would result in a negative impact to HOA's surplus position and may require further financial support to enable HOA to meet applicable regulatory requirements and maintain financial stability rating; uncertainties related to regulatory approval of insurance rates, policy forms, insurance products, license applications, acquisitions of businesses, or strategic initiatives, and other matters within the purview of insurance regulators (including the discount associated with the shares contributed to HOA); the ability of the Company and its affiliates to successfully operate and manage PIRE and our ability to successfully operate our businesses alongside a reciprocal exchange; our ability to implement our plans, forecasts and other expectations with respect to PIRE and to realize expected synergies and/or convert policyholders from our existing insurance carrier business into policyholders of PIRE; reliance on strategic, proprietary relationships to provide us with access to personal data and product information, and the ability to use such data and information to increase transaction volume and attract and retain customers; the ability to develop new, or enhance existing, products, services, and features and bring them to market in a timely manner; changes in capital requirements, and the ability to access capital when needed to provide statutory surplus; our ability to timely repay our outstanding indebtedness; the increased costs and initiatives required to address new legal and regulatory requirements arising from developments related to cybersecurity, privacy, and data governance and the increased costs and initiatives to protect against data breaches, cyber-attacks, virus or malware attacks, or other infiltrations or incidents affecting system integrity, availability, and performance; retaining and attracting skilled and experienced employees; costs related to being a public company; and other risks and uncertainties discussed in our filings with the SEC, including Part II, Item 1A, "Risk Factors," in our Annual Report on Form 10-K ("Annual Report") for the year ended December 31, 2024, as well as those discussed elsewhere in this presentation, and in subsequent reports filed with the Securities and Exchange Commission ("SEC"), all of which are available on the SEC's website at www.sec.gov.

We caution you that the foregoing list may not contain all the risks to forward-looking statements made in this presentation. You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this release primarily on our current expectations and projections about future events and trends we believe may affect our business, financial condition, results of operations and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors, including those described above and elsewhere in this presentation. We disclaim any obligation to update publicly any forward-looking statements, whether in response to new information, future events, or otherwise, except as required by applicable law.

Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures, such as Adjusted EBITDA (Loss), Adjusted EBITDA (Loss) margin, free cash flow, and Attritional Loss Ratio. See appendix for additional information.

Porch Investment Highlights



Massive Opportunities

Insurance, data, software, warranty & moving services all large TAMs & growing



Defensible Strategy

Advantaged underwriting
Homebuyer focused
More protection



Profitable³ & Predictable

\$60m '25 Adj EBITDA Guidance¹
\$100m '26 Adj EBITDA Target¹



Strong & Engaged Team

Founder-led, long-term oriented team looking to build a truly great company



Record of Execution

Delivered insurance strategy
\$72m → \$438m in Revenue²
We are profitable³



Ready to Scale

80% Gross Margins
40%+ long-term Adj EBITDA
Track record of successful M&A

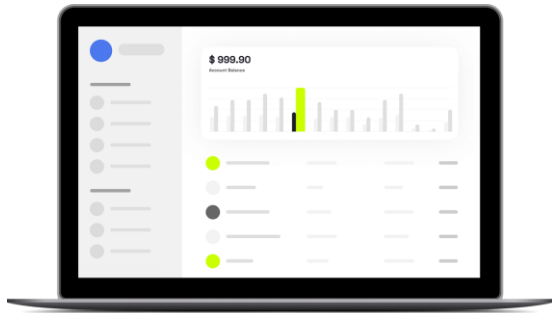
1) Adjusted EBITDA is a non-GAAP financial measure. Please see slide 2 and appendix for important information regarding non-GAAP measures and financial targets.
2) 2020 full year Revenue of \$72 million. 2024 full year Revenue of \$438 million.
3) On an Adjusted EBITDA basis.

**Our strategy drives
differentiation and
competitive advantages**

Porch: A New Kind Of Homeowners Insurance Company

Vertical Software

Unique assets, strong SaaS margins and insights into US homebuyers



Unique data & distribution

Insurance

Differentiators to win

Advantaged underwriting

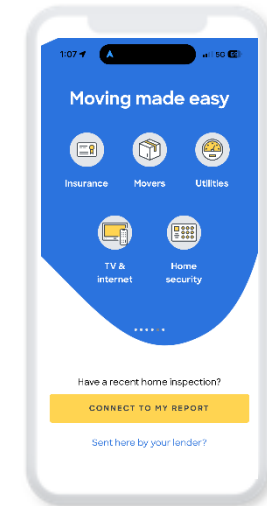
Best for homebuyers

More protection

Data Platform

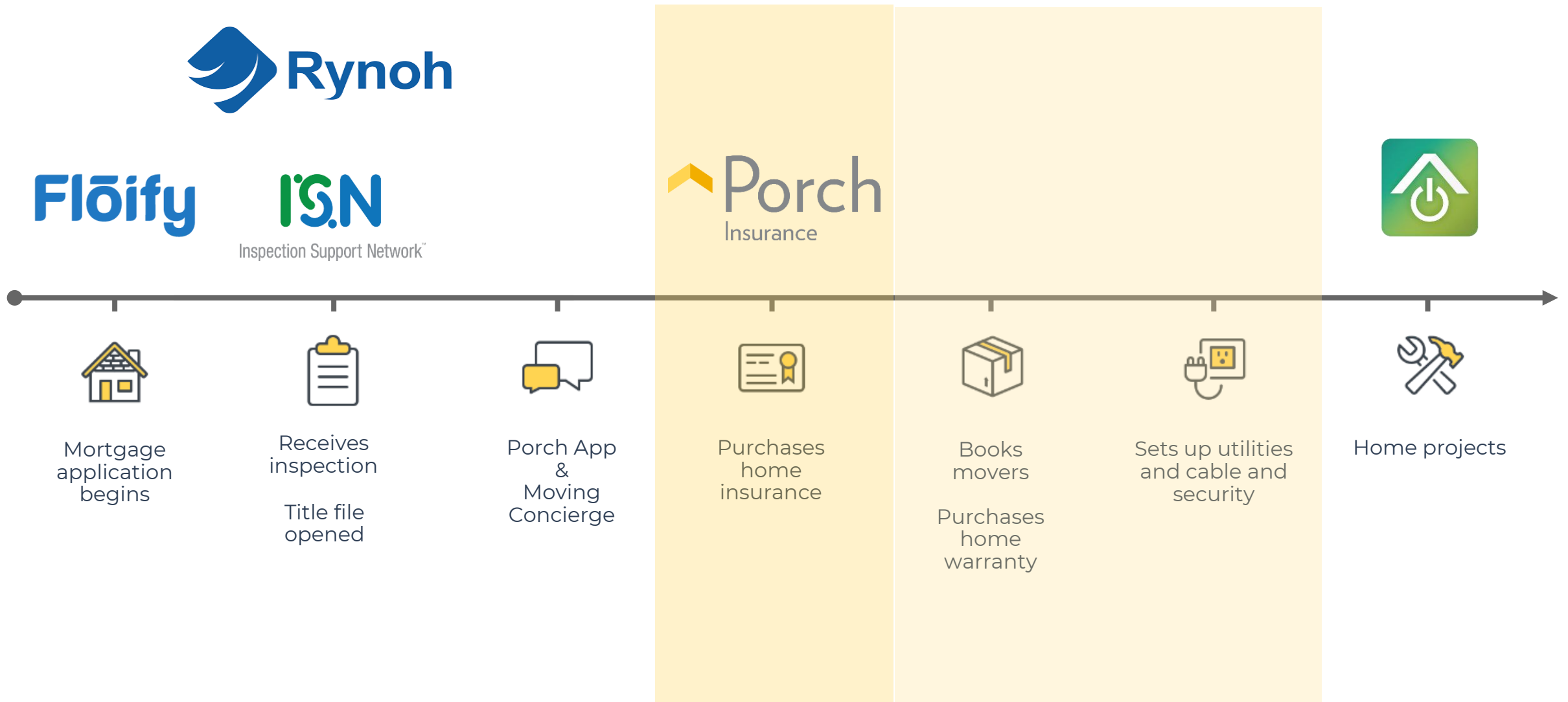
Services for Consumers

Warranty, moving and home management services



Unique data & experience

Our Software Supports Key Moments in Home Journey



And Creates Insights That Better Segment Homes



Competitors know how **people and geographies** are unique

We know how **people, geographies, and homes** are unique

With Unique Data, PIRE Targets Lower Risk Homes

Higher Risk = Surcharge

Market Pricing

Lower Risk = Discount



Jack S

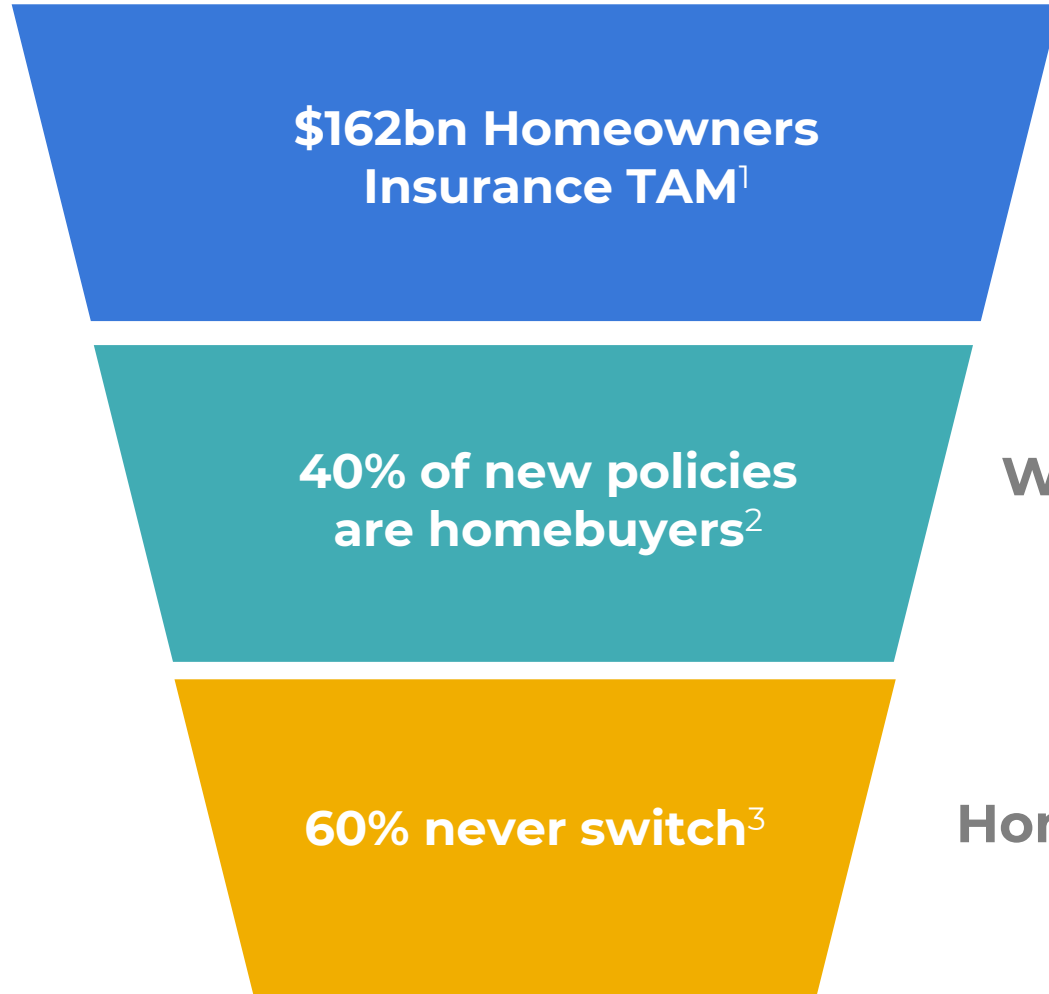
Water heater is 20 years old and in the attic



Jill P

Has an electrical panel >100 amps

With Early Access, PIRE Targets Homebuyers



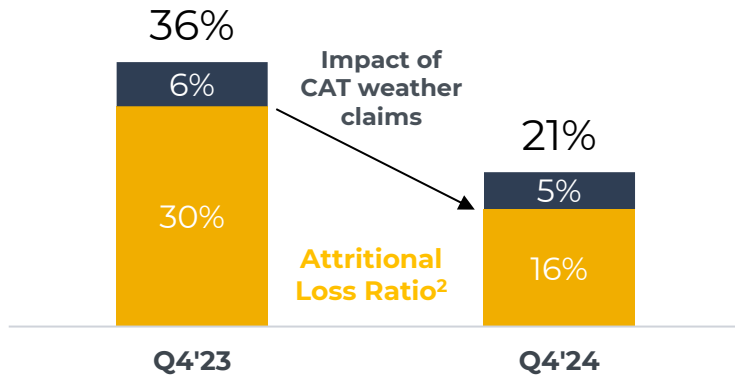
We can reach homebuyers without massive brand spend

Homebuyers retain better

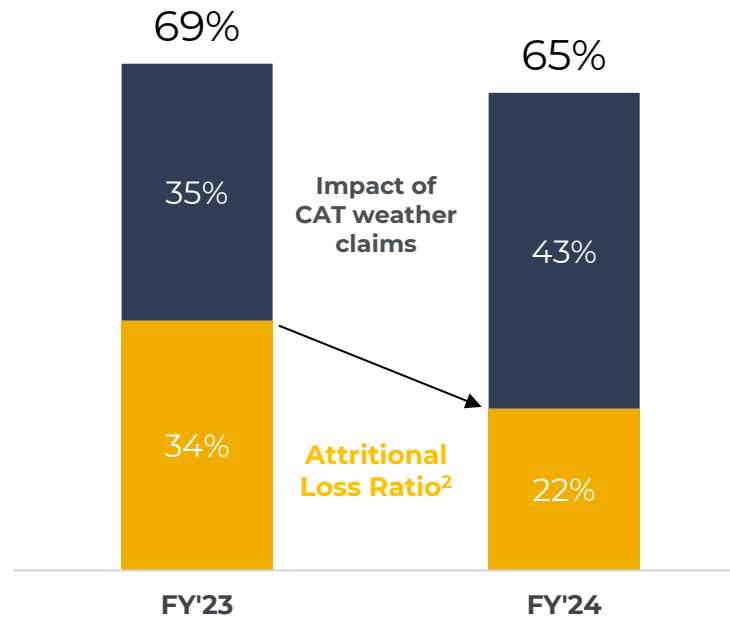
1) Sources: Verified Market Research: US Homeowner's Insurance Market 2024-2030 and AM Best Market report.
2) Source: The 2022 and the 2024 U.S. Home Insurance Study, JD Power.
3) Source: Estimated using the 2024 U.S. Home Insurance Study, JD Power and iProperty Management Average Length of Homeownership.

Better Customers and Better Risk Creates Leading Results

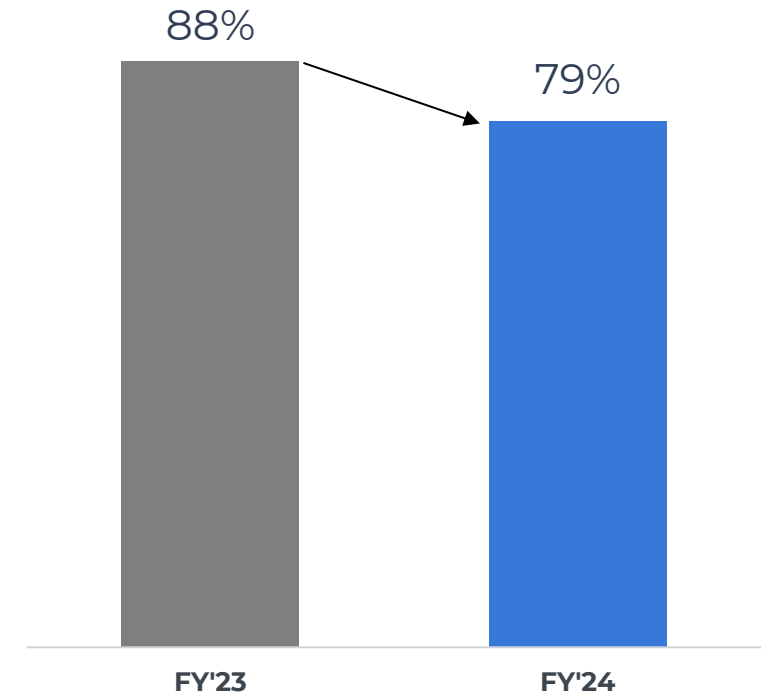
Q4 Gross Loss Ratio¹
Improved 15pp YoY



FY Gross Loss Ratio¹
Improved 4pp YoY



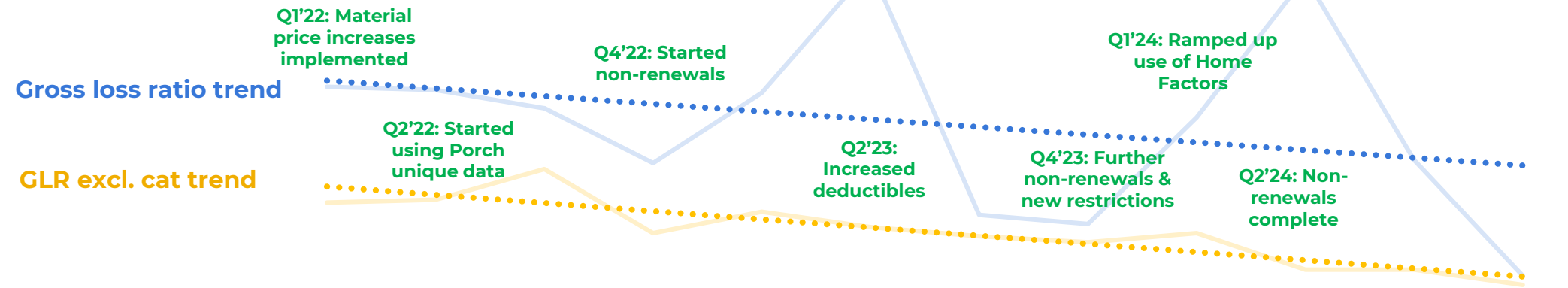
Gross Combined Ratio
Improved 9pp YoY



Notes:

- 1) Current accident year gross loss ratio.
- 2) Attritional loss ratio excludes catastrophic weather claims. Attritional loss ratio is a non-GAAP financial measure. Please see slide 2 and appendix for important information regarding non-GAAP measures.

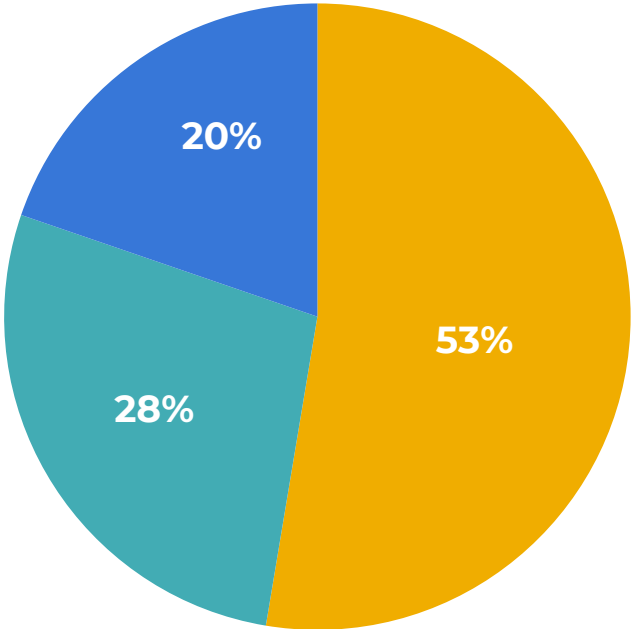
Strong Underwriting Performance



	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	FY 2022	FY 2023	FY 2024
Gross Combined Ratio	113%	103%	93%	77%	107%	180%	58%	49%	97%	124%	89%	33%	97%	88%	79%
Gross Loss Ratio	81%	80%	74%	56%	79%	120%	39%	36%	71%	117%	57%	21%	71%	69%	65%
Attritional Loss Ratio (excl. cat)	43%	44%	54%	32%	40%	35%	32%	30%	33%	21%	21%	16%	43%	34%	22%

Our Business is Organized into Three Segments

2025 Revenue^{1,2}



■ Insurance Services ■ Software & Data ■ Consumer Services

Notes:
1) Financial guidance figures represents Porch Shareholder Interests following the formation of PIRE and sale of HOA to PIRE in January 2025. For the avoidance of doubt, guidance does not include the future results of PIRE or HOA.
2) Represents revenue by segment per the 2025 financial targets provided in the December 2024 Investor Day.

Which delivers strong financial outlook

Q4 2024 Earnings Highlights

- 1 Achieved quarterly record: **Q4 2024 Adj EBITDA of \$42m** and **Net Income of \$30m**
- 2 2025 guidance raised: **Adj EBITDA of \$60m** (>\$50m increase from 2024)
- 3 2026 target re-affirmed: **Adj EBITDA of \$100m**
- 4 Expect Porch to generate **positive cash** for shareholders **in 2025**
- 5 **PIRE transaction executed** and HOA sold into Reciprocal
- 6 **Focused on growth chapter**: reopened geographies and reactivated distribution partners

Notes:

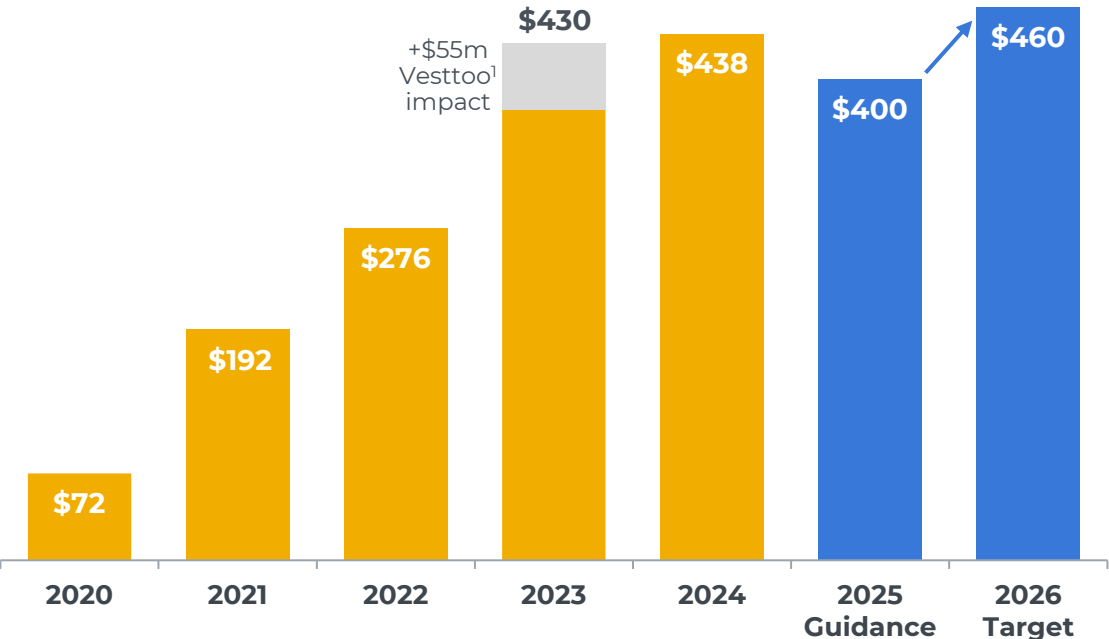
All numbers are \$million unless otherwise stated.

Adjusted EBITDA is a non-GAAP financial measure. Please see slide 2 and appendix for important information regarding non-GAAP measures.

Completed Reciprocal Formation Leads to Higher Margins

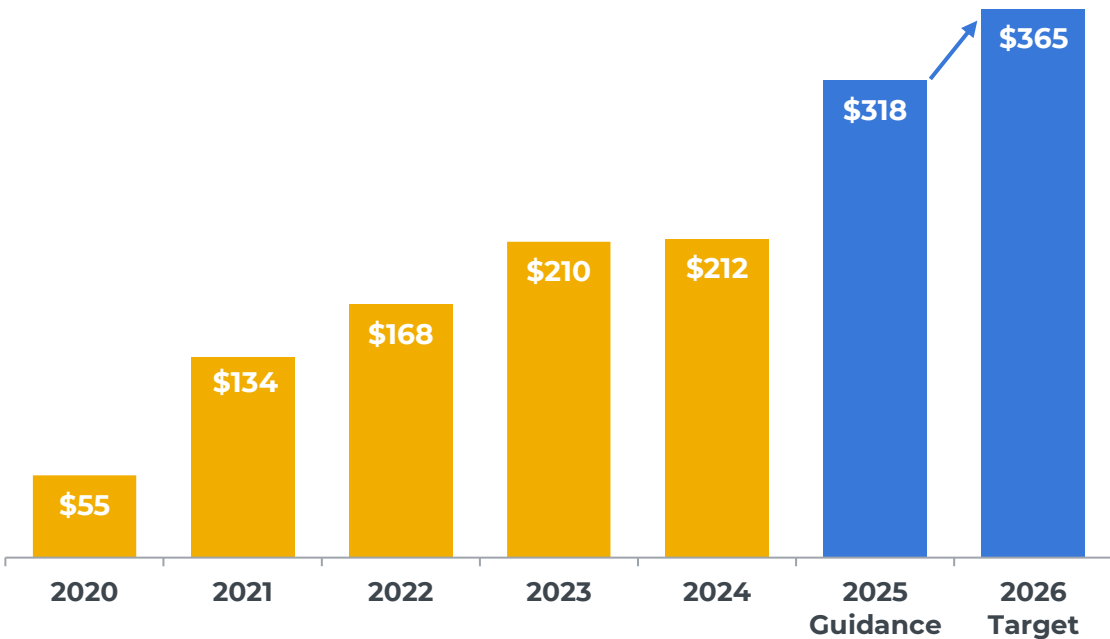
Total Revenue (\$m)

~60% 4-year CAGR



Gross Profit (\$m)

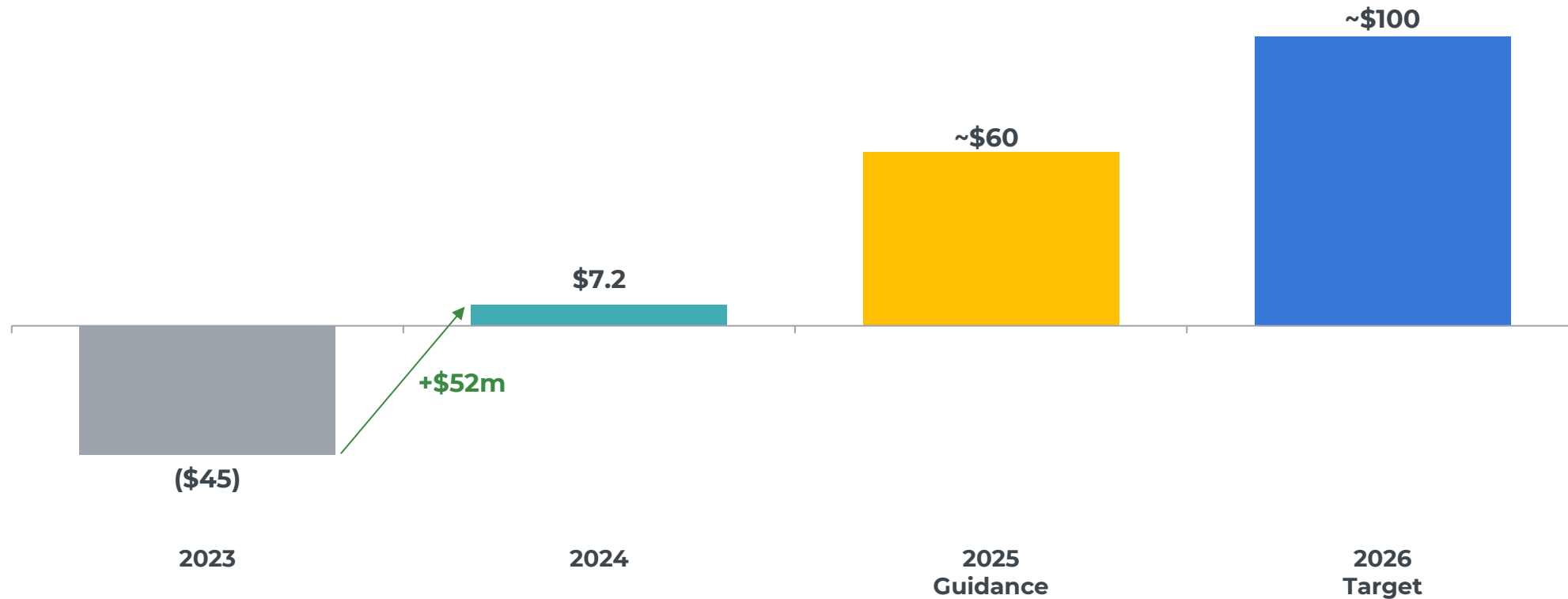
~40% 4-year CAGR



See slide 2 for additional information regarding financial targets.
 Starting 2025 Revenue less Cost of Revenue disclosure was revised to Gross Profit. We expect to reclassify approximately \$10 million of 2024 costs for the consolidated Company from operating expenses into cost of revenue to conform to the new presentation beginning in 2025.
 2025 and 2026 reflect the financials relating to the Porch Group Shareholder Interests, therefore excludes PIRE which is expected to be treated as a non-controlling interest.
 1) In Q3'23, the Company terminated a reinsurance contract following allegations of fraud against Vesttoo Ltd. This resulted in less reinsurance. The impact of this in the second half of 2023 was additional Revenue of approximately \$55 million.

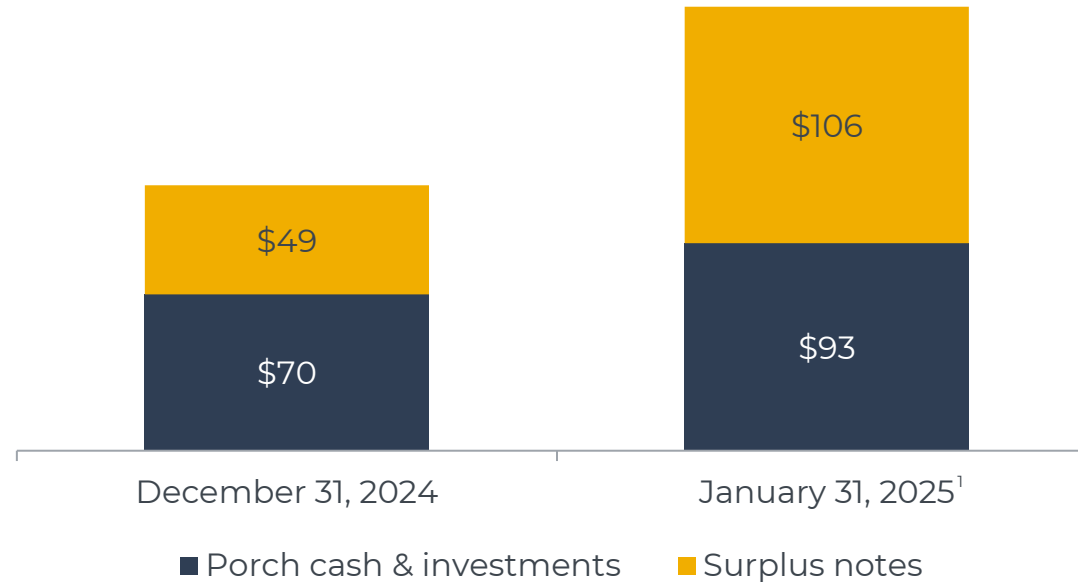
Significant improvements in Adjusted EBITDA

Adj EBITDA (loss) (\$m)



Adjusted EBITDA is a non-GAAP financial measure. Please see slide 2 and appendix for important information regarding non-GAAP measures and financial targets. 2025 and 2026 reflect the financials relating to the Porch Group Shareholder Interests, therefore excludes PIRE which is expected to be treated as a non-controlling interest. See slide 2 for additional information regarding financial targets.

Improved Balance Sheet For Porch Shareholders Following PIRE Formation



- Reciprocal improves Porch Cash + Investments¹ following formation on January 1, 2025
- \$70m Porch Cash + Investments at December 31, 2024. Increased to ~\$93m at January 31, 2025
- Surplus note offers opportunity, including liquidity. \$106m at January 31, 2025 with sale of HOA to PIRE

Notes:

All numbers are \$million unless otherwise stated.

1) Represents cash, cash equivalents, and investments available to Porch shareholders. At December 31, 2024, excludes HOA and includes the ~\$10m of PIRE seed funding that is not reported as Porch cash from January 2025. At January 31, 2025, excludes both HOA and PIRE.

Looking Ahead: \$2bn Revenue, \$600m Adj EBITDA

	2025 Guidance	2026 Target	~10 Years
GWP	\$500m	\$600m	\$3bn
Revenue	\$400m	\$460m	\$2bn
Growth		21%	21%
Adjusted EBITDA	\$60m	\$100m	\$600m
Margin	15%	22%	30%

- Sustainable 20% growth in base case. Conservative assumptions on margin
- Believe long-term growth rate exceeds 20% & long-term Adjusted EBITDA margins exceed 40%
- Compelling opportunity to generate Adjusted EBITDA & cash flow for Porch shareholders

Adjusted EBITDA is a non-GAAP financial measure. Please see slide 2 and appendix for important information regarding non-GAAP measures and financial targets.

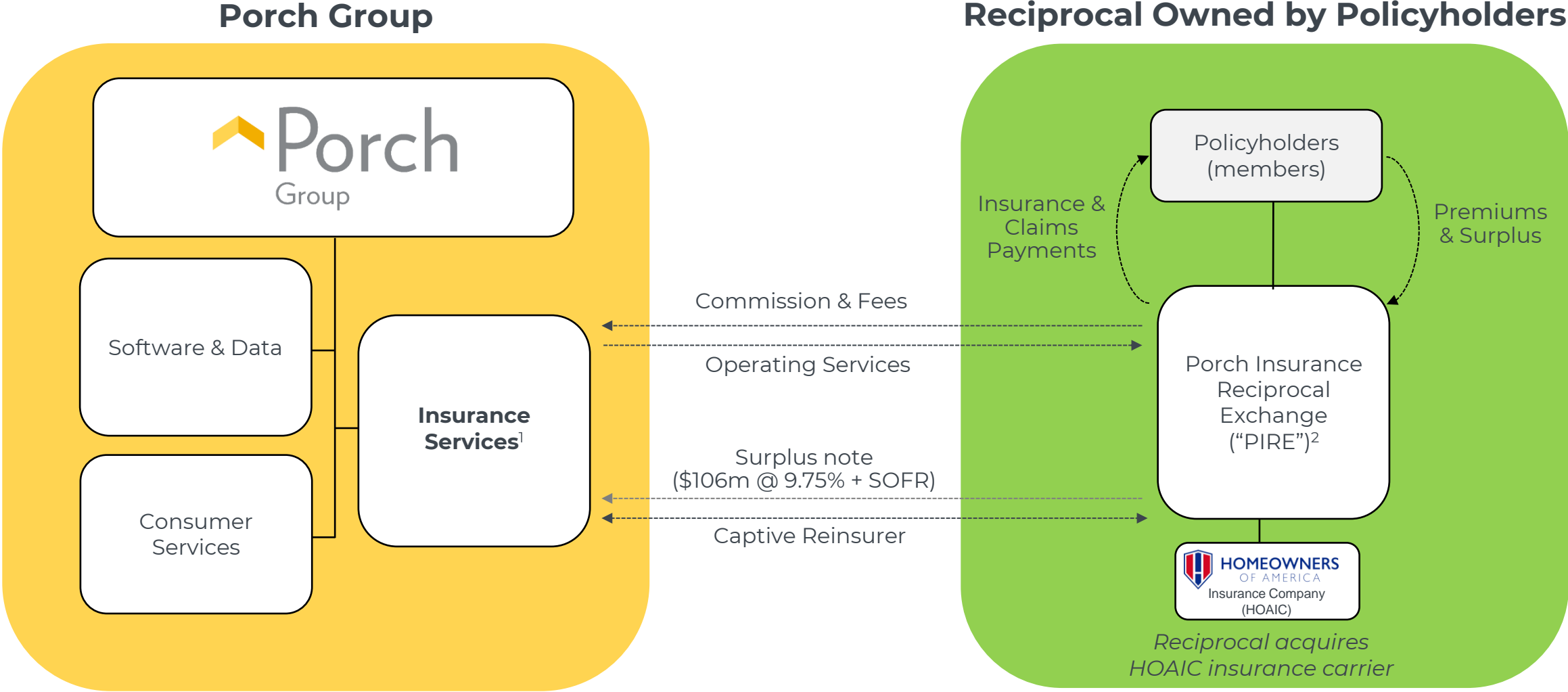
2025 guidance is the mid-point of the range provided in Q4 2024 earnings. This relates to Porch Shareholder Interests, therefore excluding PIRE and HOA.

Note: we're providing estimated targets in the future based on current information and assumptions available to us, and arriving at such numbers require us to make a number of assumptions that may not be true. This is for illustrative purposes only and these numbers should not be relied upon when making an investment decision. There are a number of circumstances in the future that could greatly effect these results that could or could not be within our control. Please see slide 2 for important information regarding financial targets.

APPENDIX

Insurance Appendix

We Have Created the Optimal Structure with PIRE



1) Insurance Services segment includes but not limited to the following legal entities: Homeowners Of America Holding Corp., Homeowners of America MGA, Inc., Porch Risk Management Services LLC. ("PRMS") and Porch Insurance Capital Solutions ("PICS").

2) Initially, we expect Porch Insurance Reciprocal Exchange will be consolidated with Porch Group; PIRE net income will be allocated to non-controlling interest holders (i.e. not Porch Group shareholders).

Introducing Porch Insurance

The screenshot shows a web browser window with the URL `porch.com`. The navigation bar includes the Porch logo, links for Insurance, Moving, Warranty, and About Us, and user options for Sign up and Log in. The main content area features a large headline, a sub-headline, a form to check availability, and three benefit sections. A large yellow graphic on the right side of the page partially overlaps the main content.

A new kind of home insurance

Member-owned by homebuyers and homeowners who care

Your address
12345 Main Street St., Seattle, WA 98134

CHECK AVAILABILITY

Or call us at **(888) 888-8888**

Protects more
than a typical insurance policy with extra available coverages and a 90-day warranty

Reduces risk
with personalized insights and tips to help you care for your home

Rewards you
with membership perks and offers when you buy and maintain your home

Buying a home? Save up to 16% on your policy.

How We Protect More

With **Extra Coverage:**

- Service line coverage
- Water and sewer coverage
- Residential glass coverage
- Refrigerated product coverage
- 90-day whole-home warranty at no extra cost

How We Reduce Risk

Insurance Moving Warranty Resources About Us Sign up Log in

PORCH INSURANCE RECIPROCAL EXCHANGE

A new kind of home insurance

Member-owned by homebuyers and homeowners who care

Your address
12345 Main Street St., Seattle, WA 98134

CHECK AVAILABILITY

Or call us at (888) 888-8888

Reduces risk
with personalized insights and tips to help you care for your home

Buying a home? Save up to **16%** on your policy.

With **insights and tips**:

- Personalized home risk insights and recommendations
- Recall notices for appliances and systems
- Seasonal maintenance reminders
- Severe weather alerts
- Virtual Home Assistant
- The Porch Home App

Porch Rewards You

The screenshot shows the Porch website homepage. At the top, there is a navigation bar with links for Insurance, Moving, Warranty, Resources, and About Us, along with Sign up and Log in options. The main heading is "A new kind of home insurance" under the sub-header "PORCH INSURANCE RECIPROCAL EXCHANGE". Below this, it states "Member-owned by homebuyers and homeowners who care". There is a form for "Your address" with the example "12345 Main Street St., Seattle, WA 98134" and a "CHECK AVAILABILITY" button. A call to action says "Or call us at (888) 888-8888". Three key benefits are listed: "Protects more than a typical insurance policy with extra available coverages and a 90-day warranty", "Reduces risk with personalized insights and tips to help you care for your home", and "Rewards you with membership perks and offers when you buy and maintain your home". A central image shows a couple moving boxes into a house, with a circular badge that says "Buying a home? Save up to 16% on your policy." A white callout box highlights the "Rewards you" benefit.

With membership perks and discounts:

- Up to a 16% homebuyer discount
- Discounts on premium with an uploaded inspection
- Up to 15% off micro-warranties
- \$100 in handyman service voucher
- Up to \$500 from local and national businesses
- Porch Moving Concierge

We Have Created the Optimal Structure with PIRE

Porch Group



Employees

Reciprocal Exchange



Claims



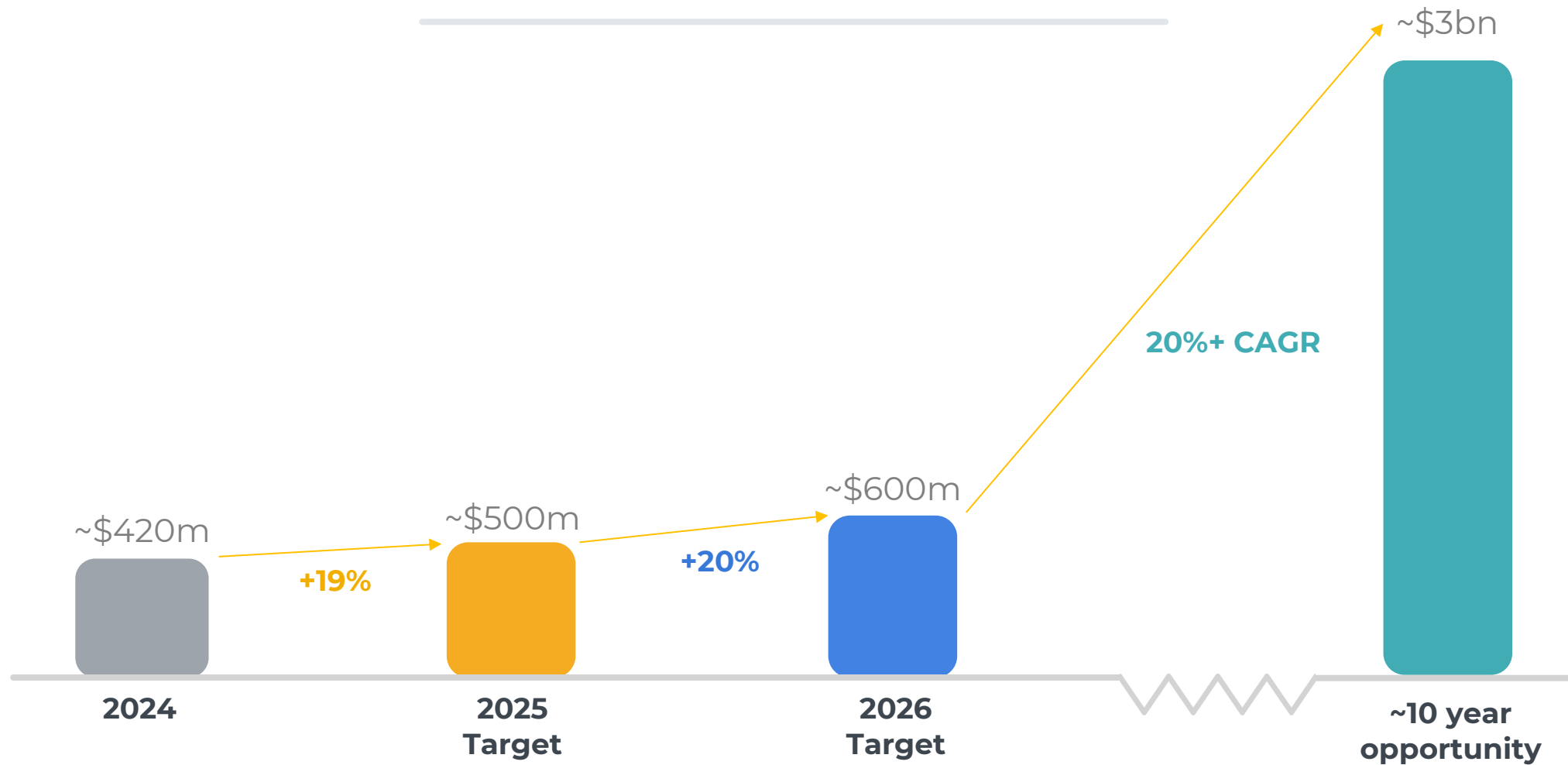
Reinsurance



Agent Commissions

With the Right Structure, We Are Ready to Grow

Gross Written Premium



Note: we're providing estimated targets in the future based on current information and assumptions available to us, and arriving at such numbers require us to make a number of assumptions that may not be true. This is for illustrative purposes only and these numbers should not be relied upon when making an investment decision. There are a number of circumstances in the future that could greatly effect these results that could or could not be within our control. Please see slide 2 for important information regarding financial targets. See slide 2 for a discussion of risks that could cause actual results to differ materially.

Growing through Agency Distribution



B2B2C Relationships & Homebuyer Leads



Agency Relationships



Winning Combination

Software & Data

Appendix

Software & Data Segment: Brands



We Support All Parts of an Inspection Business



Inspection Support Network¹

CRM and Workflow

Key Metrics

~9,000

Inspection Companies¹



Report Writer

>40%

Of Inspections²



GUARDIAN

Payment Processing

99.3%

Monthly Logo Retention³



Office Services



INSPECTOR
SERVICES
GROUP



Growth Tools

48

NPS⁴

1) Unique inspection companies across all Porch inspection products.
2) ISN inspection volume as a percentage of estimated home inspections (90% of YTD 2024 existing home sales as reported by NAR).

3) Average monthly logo retention for ISN from September 2023 to September 2024.
4) A new NPS collection process was implemented for ISN in February 2024. Results are for February through October 2024.

We Are The Gold Standard in Title Software Solutions

One Easy-To-Use Platform



RynohLive[®]
Automated Escrow Reconciliation



RynohEscheat
Escheatment



RynohVerifi
Account Validation

Key Metrics

~2,600 # of title companies

99.3% Monthly Logo Retention¹

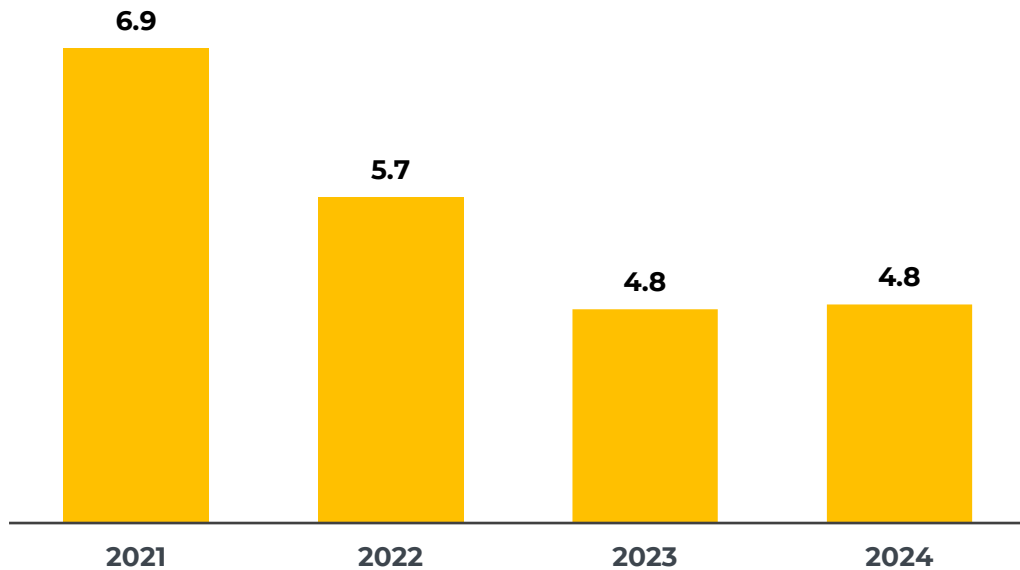
75 Net Promoter Score

>7 LTV / CAC

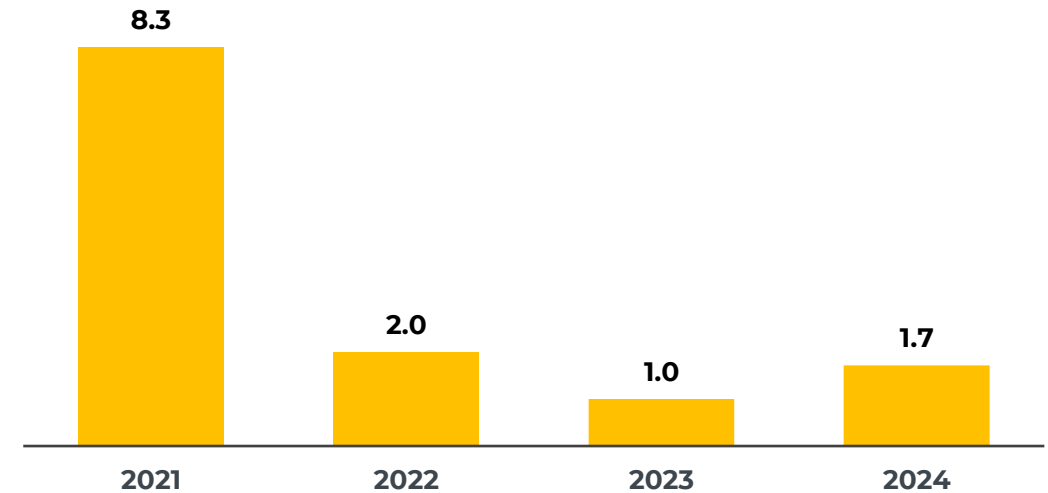
¹⁾ Defined as average monthly logo retention rate from September 2023 to September 2024

The Housing Industry Has Faced Headwinds

Home Sales Transactions¹ Declined...



...So Did Refinance Transactions²

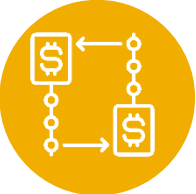


All data represents millions unless otherwise stated.

(1) Source: US Census New Residential Sales, National Association of Realtors

(2) Source: Mortgage Bankers Association

Our Vertical Software Businesses Have Innovated



Q1 2022

IntraDay Wire & analytics



Q3 2022

Secure & Pay bundle



Q1 2023

Escheat launch



Q4 2023

Verifi launch



Q3 2024

RynohVerifi Bundle



Q1 2022

FlexFund



Q2 2022

Co-Mortgagors Support



Q4 2022

Connected Inspection Reports to Porch App



Q2 2023

Dual AUS with Desktop Originator



Q4 2023

ISN Report Writer

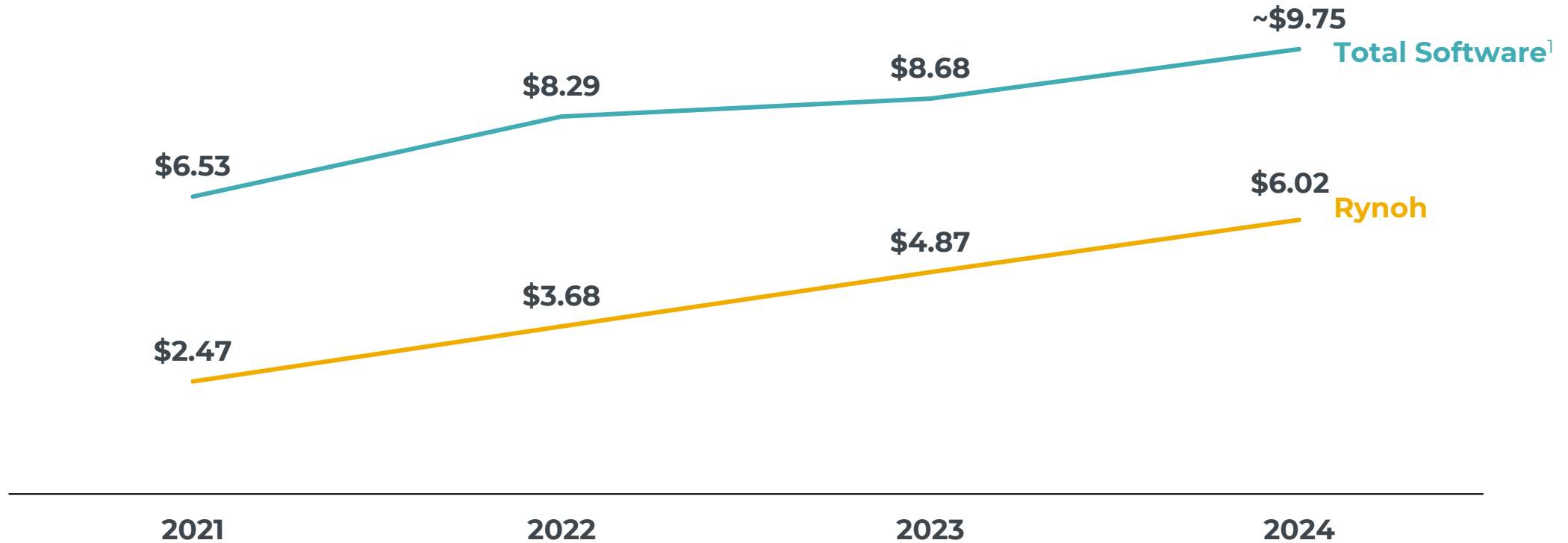


Q3 2024

Employment and income verification

 Rynoh  Inspection  Floify

Resulting in Continued Increase in Revenue Per Transaction



(1) Includes transactions from Floify (number of loan applications), ISN (number of inspections), Rynoh (number of closed files). Revenue includes Floify, ISN, Rynoh, and Guardian. Includes revenue from the full suite of Inspection, Mortgage, Title and Roofing solutions inclusive of acquisitions.

Data Creates Value in Multiple Ways



- 1 Improved pricing and risk for PIRE & HOA
- 2 Improved pricing and risk for other carriers
- 3 Helping businesses target the right consumers
- 4 Adding value to our customer experiences

Billions of Data Insights on Properties and Households



We Are Producing Unique Insights

Foundation repair/replace

Electrical panel repair

Windows repair/replace

Roofing repair/replace

Electrical wiring repair

Electrical outlet repair flag

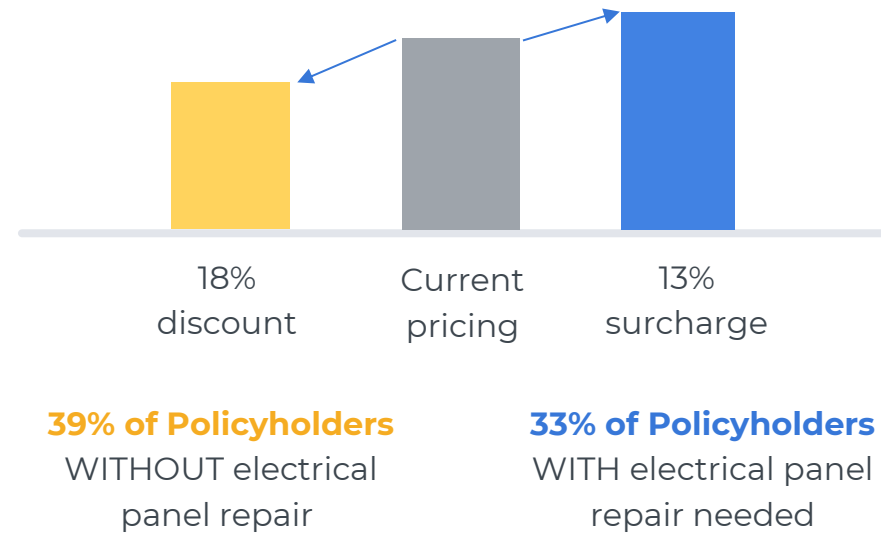
Sump pump repair/replace



Example: Electrical Panel Needing Repair / Replacement



Indicates ~41% higher claims frequency



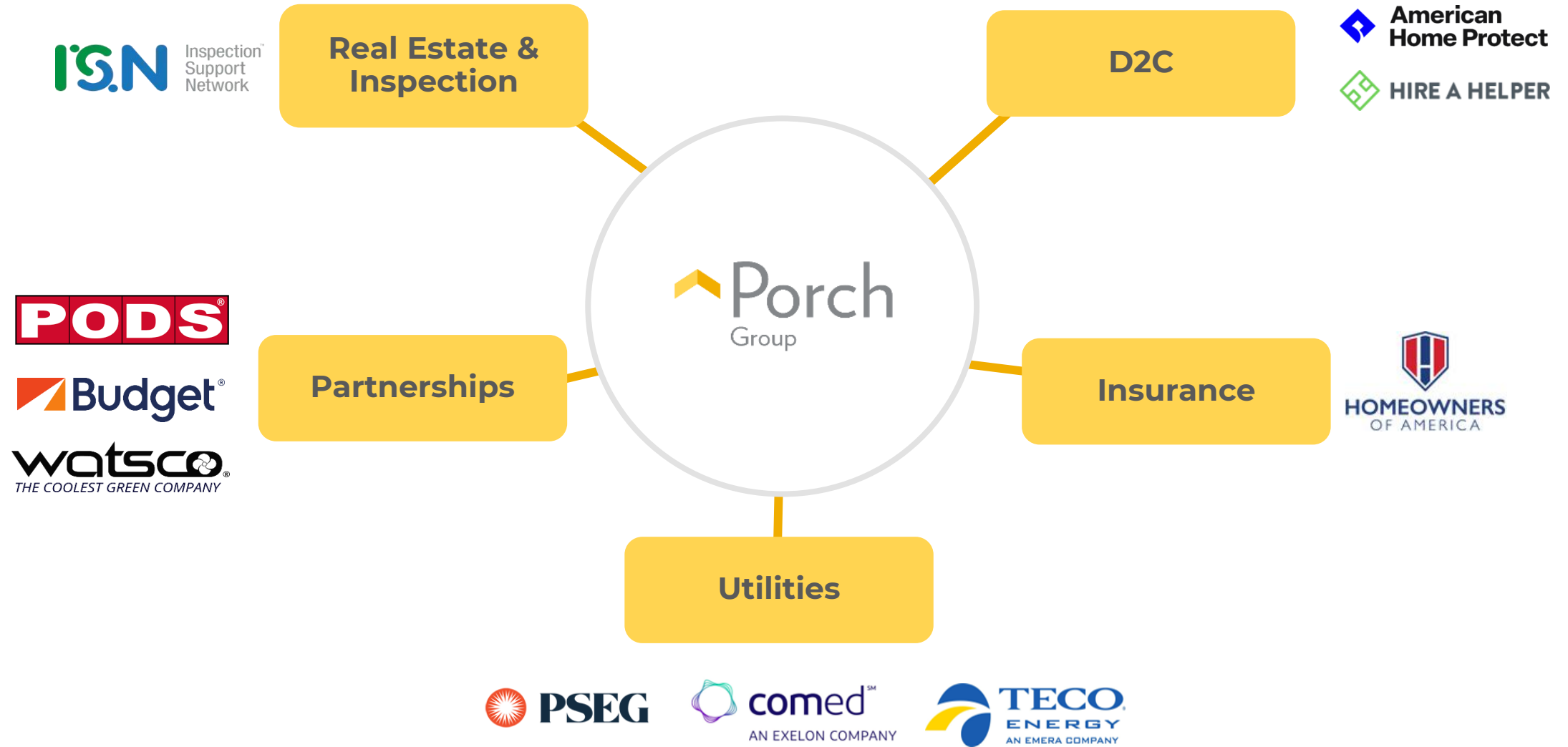
Consumer Services

Appendix

Consumer Services Segment: Brands

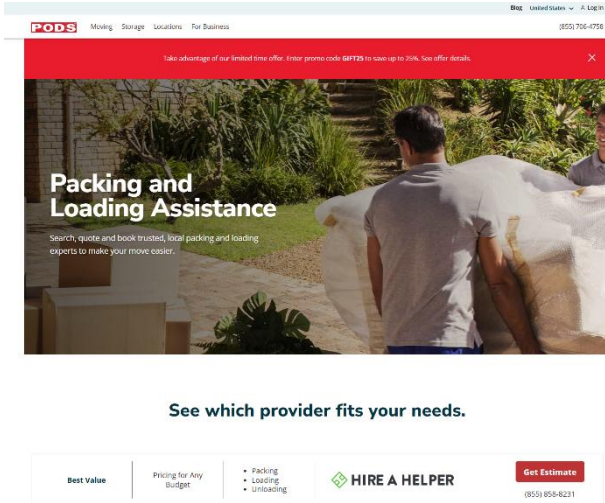


Well Positioned to Grow through Diverse Demand Channels



Connecting with Consumers Across the Home Journey

Moving Services



>95% CSAT¹

Moving Concierge

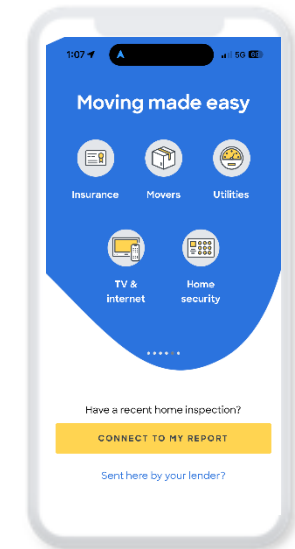


Porch Home Concierge

"My team can help you throughout the entire moving process, down to every last detail."

>87% CSAT¹

Porch App & Website



~300k consumers helped

(1) Source: Porch Internal; CSAT is the percentage of users that engage with Porch who rate our services as either Satisfied or Very Satisfied. Data is 2024 YTD.

More Than Just Warranty: Comprehensive Protection

We provide warranty products to over 230k consumers today



Whole Home

~35k consumers

1 year & 3 year offering



90 Day

~133k consumers

Value-add to PIRE Customers



Micro Warranty

~70k consumers

Service lines, Surge etc.

81 NPS

Note: Porch Internal: all data is projected 2024 totals as of November 2024. NPS is a weighted average across all warranty products.

We're the 2nd Largest Moving Labor Provider

Operating several brands on 1 platform



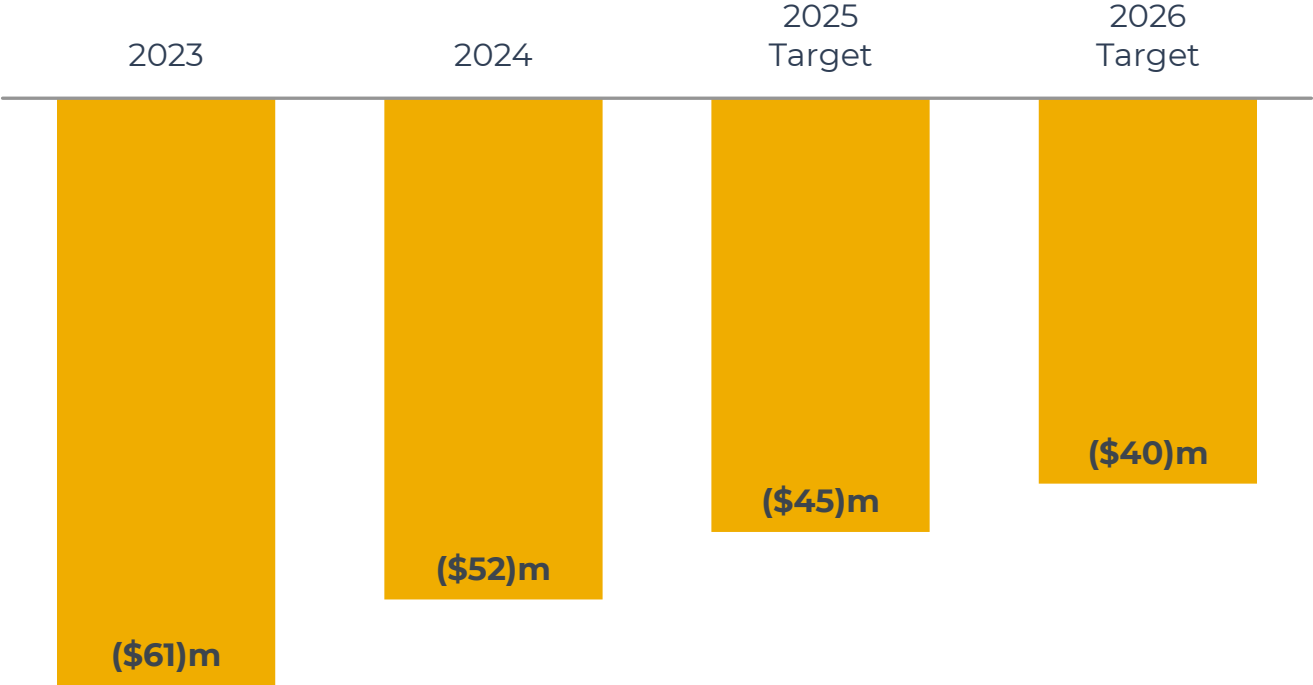
Long-term partnerships with largest moving companies



~90k completed moves in 2024 with 4.8/5 customer satisfaction

Corporate Appendix

Expect Corporate Spend¹ to be Further Reduced In 2025



1) Adjusted EBITDA is a non-GAAP financial measure. Please see slide 2 and appendix for important information regarding non-GAAP measures and financial targets.

Strong Leadership Team



Matt Ehrlichman
CEO, Chairman & Founder



Shawn Tabak
Chief Financial Officer



Matthew Neagle
Chief Operating Officer



Nicole Pelley
EVP, Porch Platform



Manisha Patel
SVP Finance



Matt Cullen
SVP, GC and Secretary



Janet Zimmermann
SVP People



Nathan Smith
VP Corporate Controller



Tyler Cobb
VP, Corporate Development



Efram Ware
VP and Group GM,
Insurance



Joshua Steffan
SVP & Group GM,
Inspection & Real Estate



Nick Graham
SVP & Group GM, Moving



Malcolm Connor
VP & Group GM,
Home Services



Michelle Taves
VP and Group GM, Data
and Marketing

Our Insurance Leadership Team



Efram Ware
VP and GM



Donte Riddick
Actuarial



Mike Capuzzi
Ops & Claims



Andrea Ferrari
Underwriting



Chad Mirock
Product



Nathan Smith
Accounting



Janiella Shirley
Legal



We Lead With Our Values



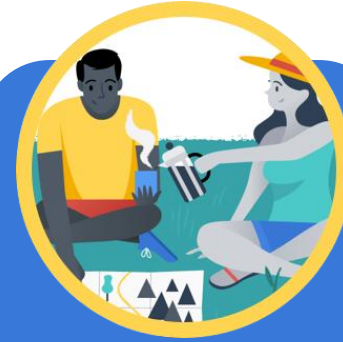
**No Jerks /
No Egos**



**Be
Ambitious**



**Solve
Each Problem**



**Care
Deeply**



**Together
We Win**

Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures, such as Adjusted EBITDA (Loss), Adjusted EBITDA (Loss) margin, free cash flow, and attritional loss ratio.

We define Adjusted EBITDA (Loss) as net income (loss) attributable to Porch stockholders adjusted for interest expense; income taxes; depreciation and amortization; gain or loss on extinguishment of debt; other expense (income), net; impairments of intangible assets and goodwill; loss on reinsurance contract; impairments of property, equipment, and software; stock-based compensation expense; mark-to-market gains or losses recognized on changes in the value of contingent consideration arrangements, earnouts, warrants, and derivatives; restructuring costs; acquisition and other transaction costs; and non-cash bonus expense. Adjusted EBITDA (Loss) margin is defined as Adjusted EBITDA (Loss) divided by total revenue. Free cash flow is defined as Operating Cash Flow adjusted for the purchase of property, plant and equipment and capitalized software.

The Attritional Loss Ratio is calculated by deducting the Gross Loss Ratio related to catastrophic weather events from total Gross Loss Ratio. Catastrophic weather events include, without limitation, hurricanes, tornados, earthquakes, hailstorms, wildfires, high winds, and winter storms. We believe Attritional Loss Ratio is useful to investors and use this financial measure to reveal trends in our Gross Loss Ratio that may be obscured by catastrophe losses. These catastrophe losses may cause our Gross Loss Ratio to vary significantly between periods as a result of their incidence of occurrence and magnitude.

Our management uses these non-GAAP financial measures as supplemental measures of our operating and financial performance, for internal budgeting and forecasting purposes, to evaluate financial and strategic planning matters, and to establish certain performance goals for incentive programs. We believe that the use of these non-GAAP financial measures provides investors with useful information to evaluate our operating and financial performance and trends and in comparing our financial results with competitors, other similar companies and companies across different industries, many of which present similar non-GAAP financial measures to investors. However, our definitions and methodology in calculating these non-GAAP measures may not be comparable to those used by other companies. In addition, we may modify the presentation of these non-GAAP financial measures in the future, and any such modification may be material.

You should not consider these non-GAAP financial measures in isolation, as a substitute to or superior to financial performance measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude specified income and expenses, some of which may be significant or material, that are required by GAAP to be recorded in our consolidated financial statements. We may also incur future income or expenses similar to those excluded from these non-GAAP financial measures, and the presentation of these measures should not be construed as an inference that future results will be unaffected by unusual or non-recurring items. In addition, these non-GAAP financial measures reflect the exercise of management judgment about which income and expense are included or excluded in determining these non-GAAP financial measures.

You should review the tables accompanying our press release for reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measure. We are not providing reconciliations of non-GAAP financial measures for future periods to the most directly comparable measures prepared in accordance with GAAP. We are unable to provide these reconciliations without unreasonable effort because certain information necessary to calculate such measures on a GAAP basis is unavailable or dependent on the timing of future events outside of our control.

Glossary

Term	Definition
AIF	Attorney-in-fact, the Porch Risk Management Services entity that is a subsidiary of Porch Group.
Annualized Premium Per Policy	We define Annualized Premium Per Policy as the total direct earned premium for Homeowners of America (“HOA”), our insurance carrier, divided by the number of active insurance policies at the end of the period, multiplied by four.
Annualized Revenue Per Policy	We define Annualized Revenue per Policy as quarterly revenue for the Insurance segment, divided by the number of Policies in Force in the Insurance segment, multiplied by four.
Attritional Loss Ratio	Gross Loss Ratio excluding the losses due to catastrophic weather. Catastrophic weather events include, without limitation, hurricanes, tornados, earthquakes, hailstorms, wildfires, high winds, and winter storms.
Average Companies in Quarter	We define Average Companies in Quarter as the straight-line average of the number of companies as of the end of period compared with the beginning of period across all of our home services verticals that (i) generate recurring revenue and (ii) generated revenue in the quarter. For new acquisitions, the number of companies is determined in the initial quarter based on the percentage of the quarter the acquired business is a part of Porch.
Average Revenue per Account per Month in Quarter	We define Average Revenue per Account per Month in Quarter as the average revenue per month generated across all home services company customer accounts in a quarterly period. Average Revenue per Account per Month in Quarter is derived from all customers and total revenue.
Average Revenue per Monetized Service in Quarter	We define Average Revenue per Monetized Services in Quarter as the average revenue generated per monetized service performed in a quarterly period. When calculating Average Revenue per Monetized Service in Quarter, average revenue is defined as total quarterly service transaction revenues generated from monetized services.
Catastrophic Event (“CAT”)	ISO’s Property Claim Services unit, the recognized authority on insured property losses, class a weather event as catastrophic when it has caused \$25 million or more in total insured property industry losses, and it has affected a significant number of property and casualty policyholders and insurers.
Free Cash Flow	We define Free Cash Flow as Operating Cash Flow adjusted for the purchase of property, plant and equipment and capitalized software.
Gross Loss Ratio (“GLR”)	We define Gross Loss Ratio as our insurance carrier’s gross losses divided by the gross earned premium for the respective period on an accident year basis.
Gross or Direct Combined Ratio	Gross or Direct Combined Ratio, being the sum of the loss ratio including loss adjustment expense and expense ratio. This is on a statutory basis for the insurance carrier.
Gross Written Premium (“GWP”)	The total premium written by the insurance carrier’s operations, for the face value of one year’s premium, before deductions for reinsurance and ceding commissions written in the period.
Monetized Services in Quarter	We define Monetized Services in Quarter as the total number of services from which we generated revenue, including, but not limited to, new and renewing insurance and warranty customers, completed moving jobs, security installations, TV/Internet installations or other home projects, measured over a quarterly period.
Number of Companies	Defined as the average month end number of unique customers during the measurement period that (i) generate recurring revenue and (ii) generated revenue in the period.
Policies In Force	We define Policies in Force as the number of in-force policies at the end of the period for the Insurance segment, including policies and warranties written by us and policies and warranties written by third parties for which we earn a commission.
Premium Retention Rate	We define Premium Retention Rate as the ratio of our insurance carrier’s renewed premiums over the last four quarters to base premiums, which is the sum of the preceding year’s premiums that either renewed or expired.
Revenue per Monetized Service	Defined as the Revenue for the period divided by the number of monetized services.
Surplus combined with nonadmitted assets	Defined as the total policyholder surplus per statutory reporting, plus the nonadmitted assets that include a portion related to Porch stock held by HOA which is applied as a discount in regulatory and statutory reporting.

Thank You

Email: IR@porch.com
Website: IR.porchgroup.com