

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): May 28, 2024

Palomar Holdings, Inc.

(Exact name of registrant as specified in its charter)

Commission File Number: 001-38873

Delaware
(State or other jurisdiction
of incorporation)

83-3972551
(I.R.S. Employer
Identification No.)

7979 Ivanhoe Avenue, Suite 500
La Jolla, California 92037
(Address of principal executive offices, including zip code)

(619) 567-5290
(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 (see General Instruction A.2. below):

- 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 \$0.0001 per share	PLMR	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

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 Selection 13(a) of the Exchange Act.

Item 8.01. Other Events.

On May 28, 2024, the Company issued a press release announcing the successful completion of certain reinsurance programs incepting June 1, and increased the Company's full year 2024 adjusted net income guidance. A copy of the press release is attached hereto as Exhibit 99.1.

The Company's reinsurance coverage now exhausts at \$3.06 billion for earthquake events, \$735 million for Hawaii Hurricane events, and \$117.5 million for all continental United States hurricane events. The reinsurance program provides ample capacity for the Company's growth in the subject business lines as well as coverage to a level exceeding Palomar's 1:250-year peak zone Probable Maximum Loss ("PML").

The Company's per occurrence catastrophe event retention is now \$15.5 million for hurricane events, reduced from \$17.5 million the previous year, and \$20 million for earthquake events, levels that continue to be meaningfully within management's previously stated guideposts of less than one quarter's adjusted net income and less than 5% of the Company's surplus on an after-tax basis.

\$420 million of the \$3.06 billion earthquake limit was sourced through a new catastrophe bond, Torrey Pines Re Series 2024-1. The new catastrophe bond issuance is the fifth Insurance Linked Securities ("ILS") transaction Palomar has sponsored.

Other highlights of the Company's reinsurance program include:

- \$895 million of multi-year ILS capacity providing diversifying collateralized reinsurance capital;
- A reinsurance panel of 90 reinsurers and ILS investors, including multiple new reinsurers, all of which have an "A-" (Excellent) or better financial strength rating from A.M. Best and/or S&P (Standard & Poor's) or are fully collateralized;
- Prepaid reinstatements for substantially all layers that include a reinstatement provision, thereby limiting the pre-tax net loss to \$15.5 million for hurricane events and \$20 million for earthquake events, with modest additional reinsurance premium due.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release, dated May 28, 2024.
104	Cover Page Interactive Data File (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.

PALOMAR HOLDINGS, INC.

Date: May 28, 2024

/s/ T. Christopher Uchida

T. Christopher Uchida
Chief Financial Officer
(Principal Financial and Accounting Officer)



Palomar Holdings, Inc. Announces Successful Completion of June 1 Reinsurance Renewal

~ Full Year 2024 Adjusted Net Income Guidance Increased to \$122 Million to \$128 Million ~

LA JOLLA, Calif., May 28, 2024 -- Palomar Holdings, Inc. (NASDAQ: PLMR) ("Palomar" or the "Company") today announced the successful completion of certain reinsurance programs incepting June 1, 2024, and increased the Company's full year 2024 adjusted net income guidance.

The Company procured approximately \$400 million of incremental limit to support the growth of its Earthquake franchise. Palomar's reinsurance coverage now extends to \$3.06 billion for earthquake events, \$735 million for Hawaii hurricane events, and \$117.5 million for all continental United States hurricane events. The reinsurance program provides ample capacity for the Company's growth in the subject business lines as well as coverage to a level exceeding Palomar's 1:250-year peak zone Probable Maximum Loss.

Palomar's per occurrence event retention is \$15.5 million for hurricane events, reduced from \$17.5 million the previous year, and \$20 million for earthquake events, levels that continue to be meaningfully within management's previously stated guideposts of less than one quarter's adjusted net income and less than 5% of the Company's surplus on an after-tax basis.

\$420 million of the \$3.06 billion earthquake limit was sourced through a new catastrophe bond, Torrey Pines Re Series 2024-1. The new catastrophe bond issuance is the fifth Insurance Linked Securities ("ILS") transaction Palomar has sponsored.

"We are very pleased with the successful June 1 placement and are very grateful for the continued support of our reinsurance and ILS partners," commented Mac Armstrong, Palomar's Chairman and Chief Executive Officer. "Importantly, we renewed our reinsurance program at terms and pricing that were better than our initial expectations and reduced our hurricane event retention. As a result, we are raising our full year 2024 adjusted net income guidance to a range of \$122 million to \$128 million from the previously indicated range of \$113 million to \$118 million."

Other highlights of the Company's reinsurance program include:

- \$895 million of multi-year ILS capacity providing diversifying collateralized reinsurance capital;
- A reinsurance panel of 90 reinsurers and ILS investors, including multiple new reinsurers, all of which have an "A-" (Excellent) or better financial strength rating from A.M. Best and/or S&P (Standard & Poor's) or are fully collateralized;
- Prepaid reinstatements for substantially all layers that include a reinstatement provision, thereby limiting the pre-tax net loss to \$15.5 million for hurricane events and \$20 million for earthquake events, with modest additional reinsurance premium due.

Palomar's Chief Risk Officer, Jon Knutzen, added, "We are grateful for the broad-based support we received from the reinsurance market. It is a testament to our business mix and risk profile, which has been curated with the goal of delivering more stable, predictable results. We appreciate all our incumbent and new reinsurance partners who have helped us successfully complete our June 1 placement."

About Palomar Holdings, Inc.

Palomar Holdings, Inc. is the holding company of subsidiaries Palomar Specialty Insurance Company ("PSIC"), Palomar Specialty Reinsurance Company Bermuda Ltd., Palomar Insurance Agency, Inc., Palomar Excess and Surplus Insurance Company ("PESIC"), and Palomar Underwriters Exchange Organization, Inc. Palomar's consolidated results also include Lulima Reciprocal Exchange, a variable interest entity for which the Company is the primary beneficiary. Palomar is an innovative specialty insurer serving residential and commercial clients in five product categories: Earthquake, Inland Marine and Other Property, Casualty, Fronting, and Crop. Palomar's insurance subsidiaries, Palomar Specialty Insurance Company, Palomar Specialty Reinsurance Company Bermuda Ltd., and Palomar Excess and Surplus Insurance Company, have a financial strength rating of "A-" (Excellent) from A.M. Best.

To learn more, visit PLMR.com.

Follow Palomar on LinkedIn: [@PLMRInsurance](https://www.linkedin.com/company/PLMRInsurance)

Safe Harbor Statement

Palomar cautions you that statements contained in this press release may regard matters that are not historical facts but are forward-looking statements. These statements are based on the company's current beliefs and expectations. The inclusion of forward-looking statements should not be regarded as a representation by Palomar that any of its plans will be achieved. Actual results may differ from those set forth in this press release due to the risks and uncertainties inherent in the Company's business. The forward-looking statements are typically, but not always, identified through use of the words "believe," "expect," "enable," "may," "will," "could," "intends," "estimate," "anticipate," "plan," "predict," "probable," "potential," "possible," "should," "continue," and other words of similar meaning. Actual results could differ materially from the expectations contained in forward-looking statements as a result of several factors, including unexpected expenditures and costs, unexpected results or delays in development and regulatory review, regulatory approval requirements, the frequency and severity of adverse events and competitive conditions. These and other factors that may result in differences are discussed in greater detail in the Company's filings with the Securities and Exchange Commission. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and the Company undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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