



## **Forge Group, Inc. Completes \$20.5 million Initial Public Offering**

*March 14, 2022*

*Chevy Chase, MD* – On March 11, 2022, **Forge Group, Inc. (“Forge”)** completed the sale of 2,050,000 shares of common stock at \$10 per share (the “Offering”) for a total gross offering of \$20.5 million. The Offering was conducted in connection with the conversion of Amalgamated Casualty Insurance Company (“Amalgamated”) from a mutual to stock insurance company. Amalgamated, which will be renamed **Forge Insurance Company**, is now a wholly owned subsidiary of Forge. In addition, Forge completed the acquisition of Amalgamated’s affiliated agency, American Risk Management, Inc., which will be renamed **Forge Risk Management, Inc.**

Participants in the Offering included Amalgamated policyholders, an employee stock ownership plan, directors, officers, employees, and members of the general public. The Offering was significantly over-subscribed. The appraisal range was \$17 million to \$23 million, and the Offering was closed at \$20.5 million.

Stated Patrick Bracewell, Chairman and CEO: “We are excited to close on this transaction, which took considerable time and effort to bring to completion. I’d like to thank our board, employees, advisers, and regulators for their contributions over the past 18 months. We are humbled by the support we received from our policyholders, the local business community, and the broader investment community. We have a blue-chip group of long-term partners that are supportive of our business plan, which builds upon Amalgamated’s 80+ year legacy as a commercial auto specialist. We intend to use the Offering proceeds to support our strategic plan of organic growth through product and geographic diversification.”

Stated Richard Hutchinson, President and COO: “It is an exciting time at Forge. This transaction has created an ownership opportunity for our policyholders and employees and will unleash an entrepreneurial spirit as we grow our business meaningfully in the coming years. I’d like to thank the board for the opportunity to participate and lead the execution of our go-forward business plan. We have made considerable progress operationally in 2021 and I expect 2022 to be a transformational year for Forge as we look to build meaningful and sustainable long-term value for our stakeholders.”

Stated Jason Wolfe, lead independent director and President and CEO of Mutual Capital Investment Advisors, LLC, the investment adviser for Mutual Capital Investment Fund, LP (“MCIF”): “It has been exciting to watch the transformation of Amalgamated over the past decade. This transaction is the logical next step in the evolution of Amalgamated’s business. MCIF is pleased to make its first fund investment and become long-term partners with Patrick, Richard and the rest of the Forge team. I have worked with Patrick for nearly two decades and have gotten to know Richard well over the past two years. We are fortunate to have Richard and will benefit greatly from his leadership and expertise. Richard has played an instrumental



role in building high-performing insurance businesses over his career – at both Progressive and Hagerty – and we expect great things for Forge in the years ahead.”

Forge common stock is expected to be quoted on the Over-the-Counter Pink (“OTC Pink”) marketplace in the coming weeks. Griffin Financial Group, LLC acted as placement agent for the Offering. Stevens & Lee, PC acted as securities counsel for Amalgamated and Forge and Goldblatt Martin Pozen LLP acted as regulatory counsel for Amalgamated and Forge.

Amalgamated was founded in 1938 and is based in the Washington, DC metropolitan area. Amalgamated is authorized to operate in 30 states and specializes in providing commercial auto insurance to small businesses. Historically, Amalgamated has focused on the public auto segment. Amalgamated will expand its commercial auto product suite to include artisan contractors and other small businesses in 2022.