

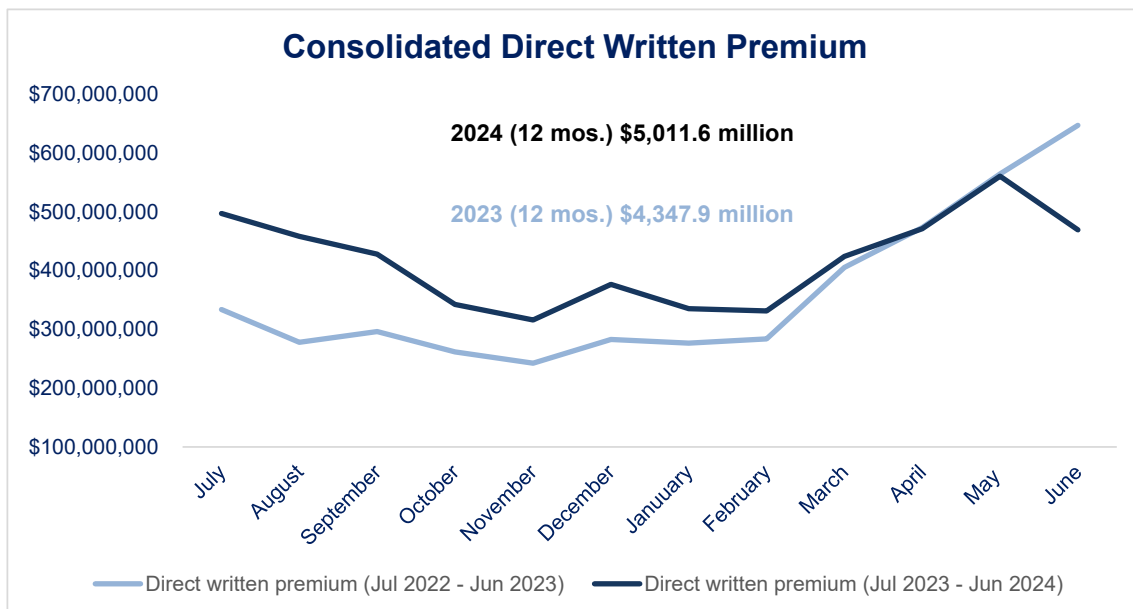
The following is an analysis of Citizens’ financial and operating results for the period ending June 30, 2024.

- PREMIUMS -

Direct written premium for the period ending June 30, 2024, was \$2,592.5 million or \$59.4 million (2%) less than direct written premium for the same period a year prior. The overall renewal rate during the first six months of 2024 was approximately 82%, marking a 4% decrease from the same period a year prior. Along with the decrease in renewal rate, the number of first-time policies written decreased to 214,000 in comparison to 287,000 during the same period a year prior. Premiums ceded through depopulation through June 30, 2024 were \$306.9 million, marking a significant increase in comparison to 2023 where \$42.1 million of premiums were ceded through depopulation.

	6-months ended	
	Jun 2024	Jun 2023
New Business	214,376	285,698
Untagged Takeouts	116	9
Reinstatements	11,102	12,495
Cancellations	(56,057)	(69,628)
Non-Renewals	(52,937)	(35,486)
New Tags for Takeout	(131,823)	(21,723)
Net change	(15,223)	171,365
Ending PIF	1,213,495	1,317,174

Direct earned premium increased \$728.3 million (40%) consistent with the timing of when the underlying premiums were written.



Through the first half of 2024, premium ceded for private reinsurance and for coverage through the FHCF totaled \$980.4, a decrease of \$145.9 million (13%). A decrease in reinsured exposure was the primary driver of the period-over-period decrease in premium ceded.

- LOSSES -

	Non-CAT Only			CAT and Non-CAT		
	2Q2024	CY 2023	2Q2023	2Q2024	CY 2023	2Q2023
Direct loss ratio	24.4%	26.6%	29.1%	24.4%	33.4%	29.4%
Direct loss ratio (underlying)	24.3%	26.2%	28.9%	24.3%	27.8%	28.9%
Direct LAE ratio	12.5%	13.2%	14.6%	12.5%	11.4%	14.8%
Direct LAE ratio (underlying)	10.6%	12.3%	13.2%	10.6%	12.8%	13.2%

The term *underlying* refers to losses and LAE on claims incurred in the current accident year and excludes development on prior accident years

No development on storm-related ultimate losses and LAE occurred during the first half of 2024.

Ultimate direct losses and LAE related to Hurricane Ian were \$3,596.0 million at June 30, 2024. Of this, \$1,121.6 million is recoverable under Citizens' reinsurance contracts, resulting in net losses and LAE of \$2,474.4 million.

Ultimate direct losses and LAE related to Hurricane Nicole were \$100.5 million at June 30, 2024. Of this, \$14.7 million is recoverable under Citizens' reinsurance contracts, resulting in net losses and LAE of \$85.8 million.

Ultimate ultimate direct losses and LAE related to Hurricane Irma were \$2,550.5 million at June 30, 2024. Of this, \$1,120.4 million is recoverable under Citizens' reinsurance contracts, resulting in net losses and LAE of \$1,430.1.

Ultimate ultimate direct losses and LAE related to Tropical Storm Eta were \$351.3 million at June 30, 2024. A significant volume of claims were reported four or more months after the date of loss. In addition, the overall litigation rate is approximately 48%. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Ultimate ultimate direct losses and LAE related to Tropical Storm/Hurricane Sally were \$78.4 million at June 30, 2024. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Ultimate ultimate losses and LAE related to Hurricane Idalia were \$83.5 million at June 30, 2024. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

After several years of steady improvement, the non-catastrophe loss and LAE ratio through the second quarter of 2024 remains flat relative to the first quarter of 2024. This reflects the improvement and stabilization of the litigation rate of non-catastrophe claims in recent years.

Administrative expenses reclassified to LAE are assigned to prior accident years based on the number of claims closed for the current and each prior accident year. Accordingly, fluctuations in the number of claims closed and the fraction of claims closed for each accident year can lead to adverse or favorable development of LAE in prior accident years.

- ADMINISTRATIVE EXPENSES -

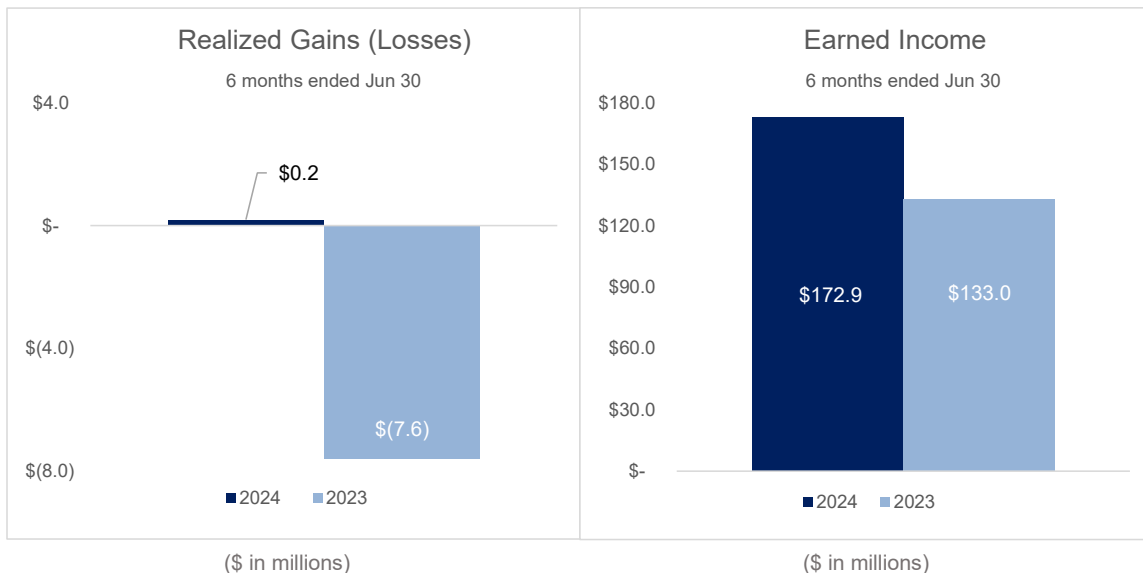
Administrative expenses incurred through June 30, 2024 of \$94.5 million were \$9.6 million (11%) more than administrative expenses incurred during the same period in 2023 and \$14.6 million (13%) less than budget.

Individual variances that contributed to the overall variances are as follows:

- *Employee expenses (Salaries, Employee Benefits and Payroll Taxes)* were \$6.8 million (7%) more than the prior year as a result of an increase in employee counts, primarily within operational units. In comparison to budget, *employee expenses* were \$8.0 million (7%) below budget as a result of delays in filling positions.
- *Contingent Staffing* expenses were \$17.8 million (23%) less than the prior year and \$3.8 million (6%) less than budget due to a reduction in the number of day rate adjusters utilized.
- *Professional Services* expenses were \$5.3 million (46%) less than budget, driven by delays and/or postponements of certain projects throughout the company.
- *Rent* expenses were \$524,000 (15%) less than budget as a result of delayed infrastructure hardware purchases.
- *Software Maintenance and Licensing* expenses were \$3.9 million (22%) less than budget. Variances to budget are largely the result of delays in certain projects as well as the timing of related invoices. Year-over-year variances result from planned price escalations and new purchases.

For the period ended June 30, 2024, Citizens’ expense ratio was 14.5%, reflecting a .7% increase from the same period a year prior and a 0.9% increase compared to budget.

- INVESTMENT INCOME -



	Externally-Managed Portfolios (Jun 2024)	
	Taxable Liquidity	Taxable Claims
Total market value (\$ in billions)	\$2.638	\$5.856
Duration	1.0	4.0
Avg. credit rating (S&P / Moody's / Fitch)	AA- / Aa2 / AA	A+ / A1 / A+

	6-months ended (\$ millions)	
	Jun 2024	Jun 2023
Earned income	\$ 172.9	\$ 133.0
Net realized gains (losses)	0.2	(7.6)
Total income	\$ 173.1	\$ 125.4
Average invested assets	\$ 10,297.1	\$ 9,475.4

Total investment income through June 30, 2024 was \$172.9 million, or \$39.9 million (30%) more than in the same period a year prior, and average invested assets increased \$821.7 million (9%). Realized gains for the quarter were minimal as Citizens continues to defer asset dispositions in the short-term. Increases in investment income, excluding the effect of realized gain and loss activity, resulted from an overall relative increase in interest rates, an increase in invested assets, and the subsequent investment of net premium inflows. Additionally, an increase in holdings in Treasury bills also contributed to the period-over-period increase in investment income.

- CASH FLOWS -

Cash flows provided by operations were \$924.2 million for the period ending June 30, 2024, reflecting a decrease of \$227.0 million (20%) in comparison to the same period a year prior. Net premiums collected were \$1,924.6 million or \$574.6 million (23%) less than in 2023, consistent with overall increases in ceded premium and decreases in direct premiums written. Net decreases in benefits and loss related payments were largely the result of loss and LAE payments for storm-related losses in prior years, partially offset by reinsurance recoveries on loss and LAE. Increases in underwriting expenses paid of \$23.0 million (6%) were driven by policy count transactions and additional requirements related to underwriting inspections.

	Consolidated - 6 months ended	
	Jun 2024	Jun 2023
Premiums collected, net	\$ 1,924,577,347	\$ 2,499,200,336
Net investment income	172,637,772	135,588,132
Miscellaneous income collected	3,226,281	2,528,551
Benefits and loss related payments	(556,631,624)	(864,868,017)
Loss adjustment expense payments	(240,099,050)	(264,780,306)
Underwriting expenses paid	(379,469,617)	(356,449,014)
Net cash flows provided by operations	\$ 924,241,109	\$ 1,151,219,682