

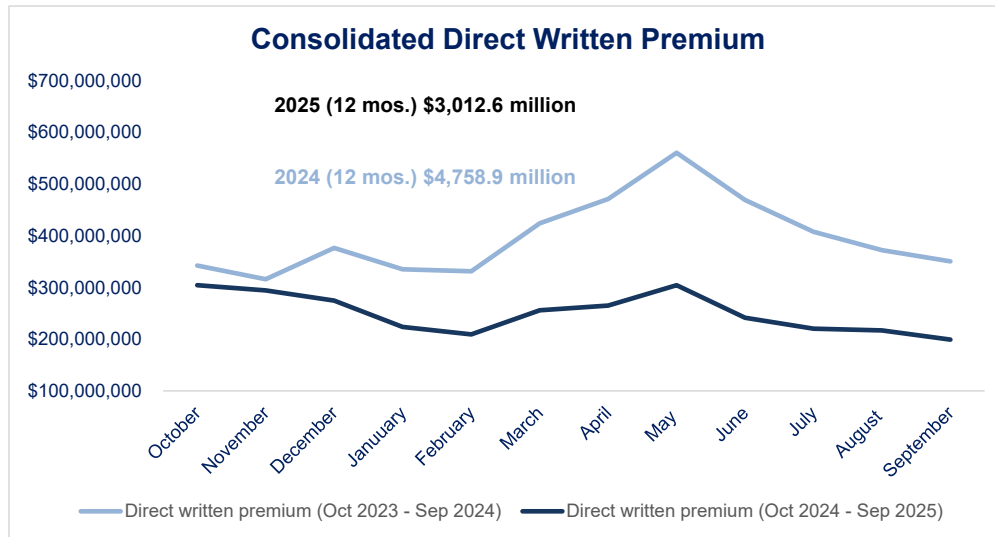
The following is an analysis of Citizens’ financial and operating results for the nine-month period ending September 30, 2025.

**- PREMIUMS -**

Direct written premium for the nine-month period ending September 30, 2025, was \$2,138.4 million or \$1,585.3 million (43%) less than direct written premium for the same period a year prior. The overall renewal rate through September 30, 2025 was approximately 83%, marking a 1% increase from the same period a year prior. The number of first-time policies written decreased to 151,000 in comparison to 310,000 during the same period a year prior.

	<b>9-months ended</b>	
	<b>Sep 2025</b>	<b>Sep 2024</b>
New Business	150,691	309,961
Untagged Takeouts	997	117
Reinstatements	12,621	16,517
Cancellations	(60,004)	(83,081)
Non-Renewals	(55,281)	(77,351)
New Tags for Takeout	(215,890)	(131,826)
Net change	(166,866)	34,337
Ending PIF	769,316	1,263,055

Direct earned premium decreased \$911.7 million (24%) consistent with the timing of when the underlying policies were written.



Premiums ceded through depopulation through the end of the third quarter of 2025 were \$428.3 million or \$124.0 million (41%) more than during the same period in 2024. Premiums ceded through private risk transfer and through the Florida Hurricane Catastrophe Fund (FHCF) for the 2025 risk transfer program were \$786.1 million or \$202.4 million (20%) less than premiums ceded for the 2024 risk transfer program. For 2025, the reduction in reinsured exposure through the FHCF was partially offset by an increase in reinsured exposure through private risk transfer, driving the year-over-year reduction in premiums ceded.

**- LOSSES -**

	Non-CAT Only			CAT and Non-CAT		
	Qtr3 2025	CY 2024	Qtr3 2024	Qtr3 2025	CY 2024	Qtr3 2024
Direct loss ratio	20.6%	20.7%	24.3%	20.6%	66.3%	38.1%
Direct loss ratio (underlying)	20.5%	24.0%	24.3%	20.5%	73.3%	38.1%
Direct LAE ratio	10.5%	9.4%	12.3%	10.5%	20.9%	14.5%
Direct LAE ratio (underlying)	9.3%	10.2%	12.3%	9.3%	21.8%	14.5%

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

At September 30, 2025, there are eight named storms that have significant loss and LAE reserves outstanding. There remain outstanding liabilities for Irma (2017), Eta (2020), Ian (2022), Nicole (2022), and Idalia (2023), and Debby, Helene and Milton for 2024. For each of these eight storms, there has been no changes to ultimate losses and LAE from December 31, 2024.

Hurricane Milton, which made landfall October 10, 2024, has projected ultimate direct losses and LAE of \$2,073.1 million as of September 30, 2025. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Hurricane Helene, which made landfall on September 26, 2024, has projected ultimate direct losses and LAE of \$313.5 million as of September 30, 2025. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Hurricane Debby, which made landfall on August 5, 2024, has projected ultimate direct losses and LAE of \$76.5 million as of September 30, 2025. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Hurricane Idalia, which made landfall on August 30, 2023, has projected ultimate direct losses and LAE of \$97.1 million as of September 30, 2025. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Hurricane Nicole, which made landfall on November 10, 2022, has projected ultimate direct losses and LAE of \$106.5 million as of September 30, 2025. Of the \$106.5 million of direct losses and LAE, \$4.6 million is recoverable under Citizens' reinsurance contracts, resulting in net losses and LAE of \$101.9 million.

Hurricane Ian, which made landfall on September 28, 2022, has projected ultimate direct losses and LAE of \$3,421.0 million as of September 30, 2025. Of the \$3,421.0 million of direct losses and LAE, \$925.6 million is recoverable under Citizens' reinsurance contracts, resulting in net losses and LAE of \$2,495.4 million.

Tropical Storm Eta, which made landfall November 12, 2020, has projected ultimate direct losses and LAE of \$347.5 million as of September 30, 2025. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Hurricane Irma, which made landfall on September 10, 2017, has projected ultimate direct losses and LAE of \$2,561.5 million as of September 30, 2025. Of the \$2,561.5 million of direct losses and LAE, \$1,118.0 million is recoverable under Citizens' reinsurance contracts, resulting in net losses and LAE of \$1,443.5 million.

The underlying non-cat loss and LAE ratio has remained relatively stable through the first half of 2025, reflecting several years of continued improvement. More specifically, litigation related to non-cat claims continues to show improvement over the last few accident years and through the first three quarters of 2025.

Administrative expenses reclassified to LAE are assigned to 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 -**

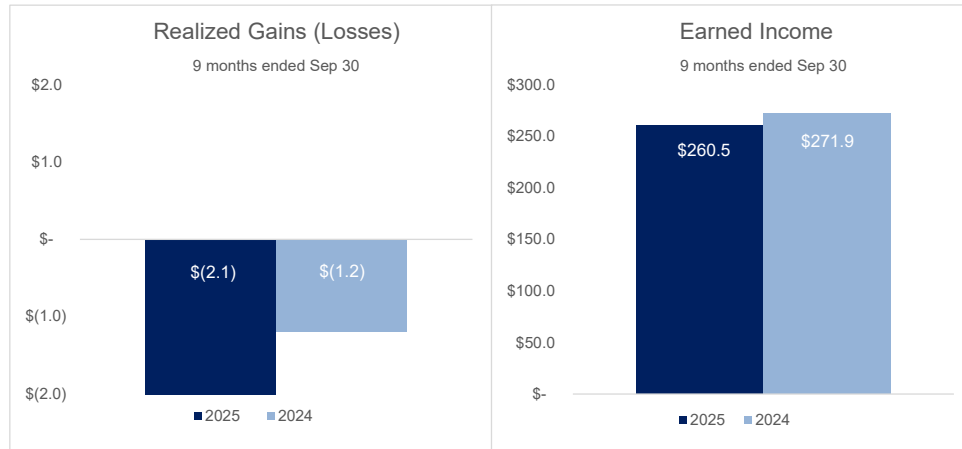
Administrative expenses incurred for the period ending September 30, 2025, of \$129.6 million were \$4.1 million (3%) less than administrative expenses incurred during the same period in 2024 and \$22.9 million (15%) less than budget.

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

- *Employee expenses (Salaries, Employee Benefits and Payroll Taxes)* were \$11.6 million (7%) less than budget than as a result of a decrease in the number of positions.
- *Contingent Staffing* expenses were \$15.9 million (19%) less than the prior period and \$7.1 million (9%) less than budget due to a decrease in the number of day rate adjusters driven by a reduction in overall claims volume.
- *Subscriptions and Dues* expenses were \$0.8 million (63%) more than the prior period due to an increase in aerial imagery expenditures.
- *Computer Hardware* expenses were \$.04 million (39%) less than the prior period and \$3.5 million (85%) less than budget as a result of delays in certain IT expenditures related to the Jacksonville and Tampa offices.
- *Postage* expenses were \$0.1 million (11%) more than the prior period due to an increase in mailings associated with depopulation and other policyholder communications.
- *Professional Services* expenses were \$5.7 million (36%) less than budget as a result of delays in several IT initiatives, invoice categorization, and the insourcing of the ELMS implementation
- *Software* expenses were \$0.8 million (4%) more than the prior period due to additional license fees needed to support CitRe as well as Claims' efforts, and \$1.2 million (5%) less than budget as a result of timing of when the underlying invoices were processed.
- *Training* expenses were \$0.5 million (59%) less than budget due to delays in external Agent and Legal Counsel trainings

For the period ended September 30, 2025, Citizens' expense ratio was 18.2%, reflecting a 3.9% increase from the same period a year prior and a 1.9% increase compared to budget.

**- INVESTMENT INCOME -**



(\$ in millions)

(\$ in millions)

	9-months ended (\$ millions)	
	Sep 2025	Sep 2024
Earned income	\$ 260.5	\$ 271.9
Net realized gains (losses)	(2.1)	(1.2)
<b>Total income</b>	<b>\$ 258.4</b>	<b>\$ 270.7</b>
Average invested assets	\$ 9,890.7	\$ 10,598.9

	Externally-Managed Portfolios (Sep 2025)	
	Taxable Liquidity	Taxable Claims
Total market value (\$ in billions)	\$2.018	\$5.585
Duration	0.8	3.4
Avg. credit rating (S&P / Moody's / Fitch)	AA- / Aa2 / AA	A+ / A1 / A+

Total investment income for the period ending September 30, 2025 was \$258.4 million, or \$12.3 million (5%) less than the same period in 2024, while average invested assets decreased \$708.2 million (7%). Included in 2025 investment income is \$10.1 million related to the defeasance of the 2015 Series A-1 bonds payable that was recorded as investment income in 2025. Excluding the impact of this transaction, net investment income decreased \$23.6 million (9%) for the first three quarters of 2025 compared to the same period a year prior. This decrease is largely the result of a reduction in invested assets along with a reduction in market rates in money market funds and other short-term securities.

**- CASH FLOWS -**

Cash flows used in operations were \$321.3 million for the period ending September 30, 2025, or \$1,707.4 million less than cash flows provided by operations for the same period in 2024. Although underwriting expenses paid decreased \$140.0 million (27%), reductions in net premiums collected of \$1,520.7 million driven by reductions in premiums written and increases in premiums ceded through depopulation and reinsurance, and increases in loss and LAE payments of \$269.8 million related to 2024 hurricane claims, contributed most significantly to the period-over-period reduction in operating cash flows.

	<b>9-months ended</b>	
	<b>Sep 2025</b>	<b>Sep 2024</b>
Premiums collected, net	\$ 1,200,931,333	\$ 2,721,589,018
Net investment income	273,810,145	278,766,294
Miscellaneous income collected	3,763,434	5,260,613
Benefits and loss related payments	(1,010,456,766)	(740,653,904)
Loss adjustment expense payments	(401,384,709)	(350,846,415)
Underwriting expenses paid	(387,999,024)	(528,031,172)
Net cash flows (used in) provided by operations	<b>\$ (321,335,586)</b>	<b>\$ 1,386,084,434</b>