

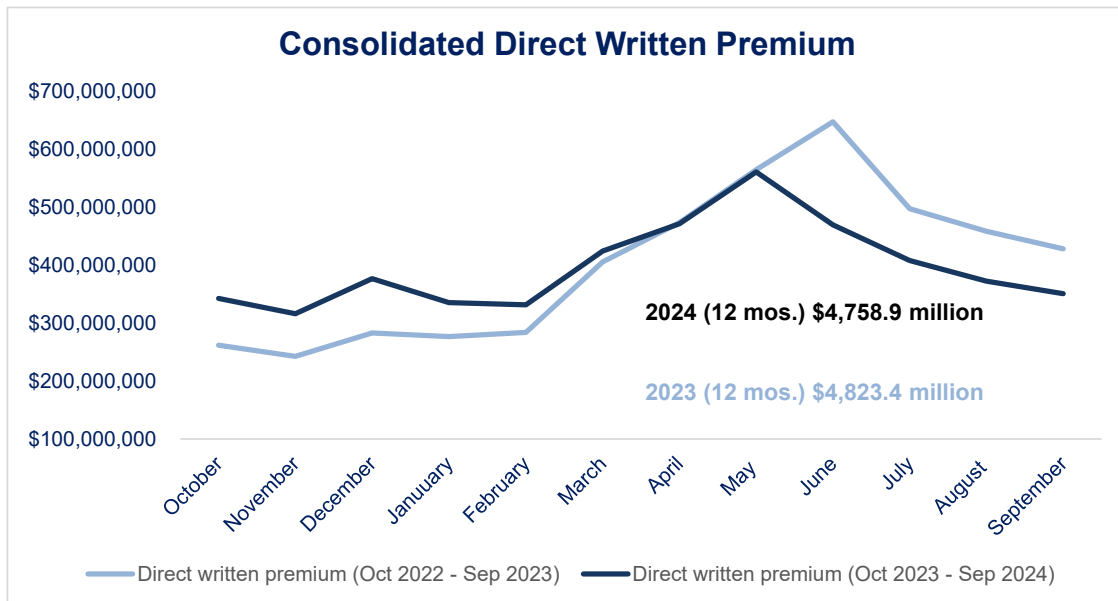
The following is an analysis of Citizens’ financial and operating results for the period ending September 30, 2024.

- PREMIUMS -

Direct written premium for the period ending September 30, 2024, was \$3,723.7 million or \$312.1 million (8%) less than direct written premium for the same period a year prior. The overall renewal rate through the third quarter of 2024 was approximately 82%, marking a 3% decrease from the same period a year prior. The number of first-time policies written decreased to 310,000 in comparison to 436,000 during the same period a year prior. Premiums ceded through depopulation through September 30, 2024 were \$304.3 million, marking a significant increase in comparison to 2023 where \$54.2 million of premiums were ceded through depopulation.

	9-months ended	
	Sep 2024	Sep 2023
New Business	309,961	435,463
Untagged Takeouts	117	47
Reinstatements	16,517	24,320
Cancellations	(83,081)	(101,911)
Non-Renewals	(77,351)	(65,393)
New Tags for Takeout	(131,826)	(30,530)
Net change	34,337	261,996
Ending PIF	1,263,055	1,407,805

Direct earned premium increased \$163.6 million (6%) consistent with the timing of when the underlying premiums were written.



Through the third quarter of 2024, premium ceded for private reinsurance and for coverage through the FHCFC totaled \$988.5, a decrease of \$195.0 million (17%). 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		
	3Q2024	CY 2023	3Q2024	3Q2024	CY 2023	3Q2024
Direct loss ratio	24.3%	26.6%	28.6%	38.1%	33.4%	32.7%
Direct loss ratio (underlying)	24.3%	26.2%	28.5%	38.1%	27.8%	32.3%
Direct LAE ratio	12.3%	13.2%	14.7%	14.5%	11.4%	15.6%
Direct LAE ratio (underlying)	12.3%	12.3%	14.3%	14.5%	12.8%	15.0%

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

During the third quarter of 2024, two hurricanes, Debby and Helene, made landfall in Florida.

Hurricane Debby, which made landfall on August 5, 2024, has projected ultimate direct losses and LAE of \$67.9 million as of September 30, 2024. 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 \$426.6 million as of September 30, 2024. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Given the immaturity of both storms as of September 30, 2024, the expectation is that the projected ultimate losses and LAE will be adjusted at year end 2024 to reflect the actual development experienced.

There was no development on prior storm-related ultimate losses and LAE occurred during the first three quarters of 2024.

Ultimate direct losses and LAE related to Hurricane Ian were \$3,596.0 million as of September 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 as of September 30, 2024. Of this, \$14.7 million is recoverable under Citizens' reinsurance contracts, resulting in net losses and LAE of \$85.8 million.

Ultimate direct losses and LAE related to Hurricane Irma were \$2,550.5 million as of September 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 direct losses and LAE related to Tropical Storm Eta were \$351.3 million as of September 30, 2024. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Ultimate direct losses and LAE related to Tropical Storm/Hurricane Sally were \$78.5 million as of September 30, 2024. No reinsurance recoveries have been recorded due to loss levels not meeting the retention of Citizens' reinsurance contracts.

Ultimate losses and LAE related to Hurricane Idalia were \$83.5 million as of September 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 third quarter of 2024 remains flat relative to the second 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 -

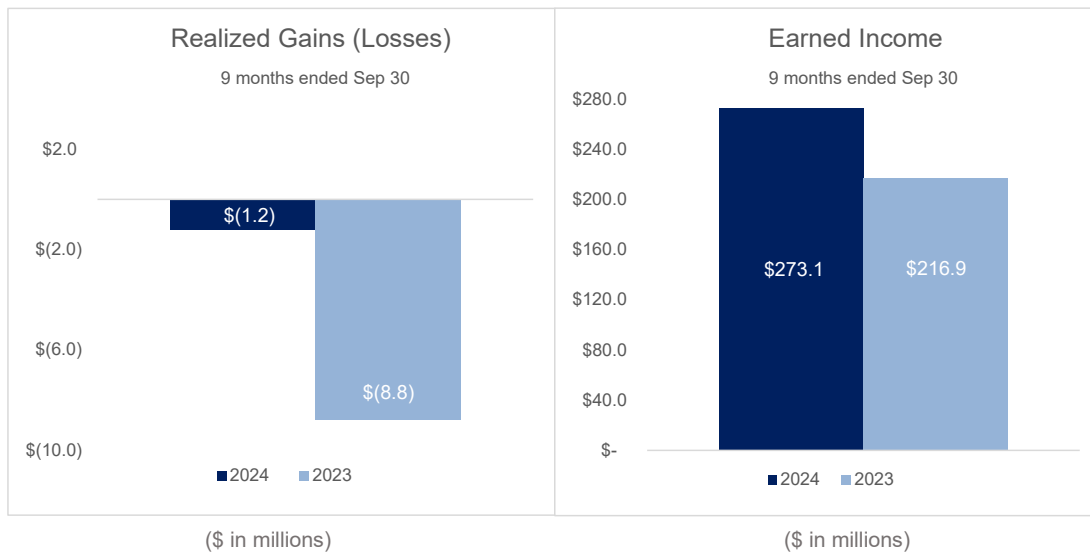
Administrative expenses incurred through September 30, 2024 of \$133.7 million were \$11.8 million (10%) more than administrative expenses incurred during the same period in 2023 and \$23.8 million (15%) less than budget.

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

- *Employee expenses (Salaries, Employee Benefits and Payroll Taxes)* were \$8.9 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 \$12.2 million (8%) below budget as a result of delays in filling positions as well as a reduction in the number of positions needed relative to budget.
- *Contingent Staffing* expenses were \$40.7 million (33%) less than the prior year and \$6.8 million (8%) less than budget. These decreases were largely due to a reduction in the number of day rate adjusters utilized and the manner in which day rate adjuster expenses are captured, as well as a reduction in the number of contingent resources needed to complete primary/non-primary inspections and the CHIPS program.
- *Subscriptions and Dues* expenses were \$0.4 million (26%) less than the prior year and \$0.7 million (38%) less than budget due to a reduction in usage as well as reclassifications from other expense categories.
- *Operations and Maintenance* expenses were \$0.4 million (23%) less than budget due to delays in Citizens' Real Estate Strategy.
- *Professional Services* expenses were \$2.0 million (25%) more than the prior year as a result of increased project-related initiatives as well as an increase in outsourcing of certain functions, and \$8.5 million (46%) less than budget to due delays in several large-scale projects.
- *Software Maintenance and Licensing* expenses were \$3.9 million (24%) more than the prior year due to planned price escalations of certain software services, and \$7 million (26%) less than budget as a result of delays in several large-scale projects.

For the period ended September 30, 2024, Citizens' expense ratio was 14.5%, reflecting a 0.5% increase from the same period a year prior and a 0.6% increase compared to budget.

- INVESTMENT INCOME -



	Externally-Managed Portfolios (Sep 2024)	
	Taxable Liquidity	Taxable Claims
Total market value (\$ in billions)	\$2.695	\$6.110
Duration	1.0	3.9
Avg. credit rating (S&P / Moody's / Fitch)	AA / Aa2 / AA	A+ / A1 / A+

	9-months ended (\$ millions)	
	Sep 2024	Sep 2023
Earned income	\$ 273.1	\$ 216.9
Net realized gains (losses)	(1.2)	(8.8)
Total income	\$ 271.9	\$ 208.1
Average invested assets	\$ 10,598.9	\$ 9,812.3

Total investment income through September 30, 2024 was \$273.1 million, or \$56.2 million (26%) more than in the same period a year prior, and average invested assets increased \$786.6 million (8%). Realized gains year to date 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 \$1,386.1 million for the period ending September 30, 2024, reflecting a decrease of \$130.3 million (9%) in comparison to the same period a year prior. Net premiums collected were \$2,721.6 million or \$724.4 million (21%) less than in 2023, consistent with overall 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. Decreases in underwriting expenses paid of \$16.7 million (3%) were driven by overall decreases in premiums written, partially offset by an increase in additional requirements related to underwriting inspections.

	Consolidated - 9 months ended	
	Sep 2024	Sep 2023
Premiums collected, net	\$ 2,721,589,018	\$ 3,446,027,293
Net investment income	278,766,294	222,661,458
Miscellaneous income collected	5,260,613	2,777,276
Benefits and loss related payments	(740,653,904)	(1,204,928,337)
Loss adjustment expense payments	(350,846,415)	(405,407,311)
Underwriting expenses paid	(528,031,172)	(544,749,460)
Net cash flows provided by operations	\$ 1,386,084,434	\$ 1,516,380,919