UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended September 30, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number 001-37536

Presurance Holdings, Inc.

(Exact name of registrant as specified in its charter)

Michigan	**27-1298795**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3001 West Big Beaver Road, Suite 319 Troy, Michigan	**48084**
(Address of principal executive offices)	(Zip code)

(248) 509-9202

(Registrant's telephone number, including area code)

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, no par value	PRHI	The Nasdaq Stock Market LLC
9.75% Senior Notes due 2028	PRHIZ	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☑ Smaller reporting company ☑ 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 Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

The number of outstanding shares of the registrant's common stock, no par value, as of November 12, 2026, was 3,746,092.

PRESURANCE HOLDINGS, INC. AND SUBSIDIARIES

Form 10-Q

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PART I - FINANCIAL INFORMATION
ITEM 1 - FINANCIAL STATEMENTS
PRESURANCE HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(dollars in thousands)

	September 30, 2026	December 31, 2025
	(Unaudited)	
Assets		
Investment securities:		
Debt securities, at fair value (amortized cost of $93,330 and $96,669, respectively)	$ 82,812	$ 88,305
Equity securities, at fair value (cost of $1,184 and $1,276, respectively)	1,295	1,277
Short-term investments, at fair value	29,852	24,725
Total investments	113,959	114,307
Cash and cash equivalents	14,361	27,362
Premiums and agents' balances receivable, net	3,769	5,521
Reinsurance recoverables on unpaid losses	57,284	63,909
Reinsurance recoverables on paid losses	4,887	5,929
Prepaid reinsurance premiums	600	12,024
Deferred policy acquisition costs	5,152	2,696
Receivable from contingent consideration	—	4,290
Other assets	2,151	3,245
Total assets	$ 202,163	$ 239,283
Liabilities and Shareholders' Equity		
Liabilities:		
Unpaid losses and loss adjustment expenses	$ 115,045	$ 146,262
Unearned premiums	20,069	25,703
Reinsurance premiums payable	1,907	2,501
Debt	12,378	12,187
Mandatorily redeemable preferred stock	8,000	14,380
Funds held under reinsurance agreements	17,295	24,233
Accounts payable and other liabilities	3,304	5,051
Total liabilities	177,998	230,317
Commitments and contingencies		
Shareholders' equity:		
Common stock, no par value (100,000,000 shares authorized; 3,746,092 and 1,746,125 issued and outstanding, respectively)	113,935	100,158
Accumulated deficit	(79,250)	(82,786)
Accumulated other comprehensive income (loss)	(10,520)	(8,406)
Total shareholders' equity	24,165	8,966
Total liabilities and shareholders' equity	$ 202,163	$ 239,283

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

PRESURANCE HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations (Unaudited)
(dollars in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Revenue and Other Income				
Premiums				
Gross earned premiums	$ 10,391	$ 17,015	$ 36,344	$ 49,617
Ceded earned premiums	(1,954)	(10,194)	(15,174)	(22,917)
Net earned premiums	8,437	6,821	21,170	26,700
Net investment income	1,128	1,301	3,278	3,888
Net realized investment gains (losses)	(39)	4	(140)	(21)
Change in fair value of equity securities	—	13	111	(244)
Other income	55	40	141	115
Change in fair value of contingent considerations	—	(1,500)	5,710	8,250
Total revenue and other income	9,581	6,679	30,270	38,688
Expenses				
Losses and loss adjustment expenses, net	5,769	6,389	10,770	22,227
Policy acquisition costs	2,662	1,895	6,146	6,859
Operating and other expenses	2,094	1,491	6,525	8,720
Interest expense	678	874	3,331	2,279
Total expenses	11,203	10,649	26,772	40,085
Income (loss) before income taxes	(1,622)	(3,970)	3,498	(1,397)
Income tax expense (benefit)	—	—	(38)	—
Net income (loss)	$ (1,622)	$ (3,970)	$ 3,536	$ (1,397)
Earnings (loss) per common share, basic and diluted	$ (0.43)	$ (2.27)	$ 1.06	$ (0.80)
Weighted average common shares outstanding, basic and diluted	3,746,092	1,746,125	3,321,202	1,746,125

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

PRESURANCE HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(dollars in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ (1,622)	$ (3,970)	$ 3,536	$ (1,397)
Other comprehensive income (loss), net of tax:				
Unrealized investment gains (losses):				
Unrealized investment gains (losses) during the period	(1,930)	1,052	(2,086)	3,208
Income tax (benefit) expense	—	—	—	—
Unrealized investment gains (losses), net of tax	(1,930)	1,052	(2,086)	3,208
Less: reclassification adjustments to:				
Net realized investment gains (losses) included in net income (loss)	41	—	28	—
Income tax expense (benefit)	—	—	—	—
Total reclassifications included in net income (loss), net of tax	41	—	28	—
Other comprehensive income (loss)	(1,971)	1,052	(2,114)	3,208
Total comprehensive income (loss)	$ (3,593)	$ (2,918)	$ 1,422	$ 1,811

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

PRESURANCE HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)
(dollars in thousands)

	No Par, Common Stock		Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount			
Balances at June 30, 2026	**3,746,092**	**$ 113,922**	**$ (77,628)**	**$ (8,549)**	**$ 27,745**
Net income (loss)	—	—	(1,622)	—	(1,622)
Stock-based compensation expense	—	13	—	—	13
Other comprehensive income (loss)	—	—	—	(1,971)	(1,971)
Balances at September 30, 2026	**3,746,092**	**$ 113,935**	**$ (79,250)**	**$ (10,520)**	**$ 24,165**
Balances at June 30, 2025	**1,746,125**	**$ 100,132**	**$ (61,775)**	**$ (10,149)**	**$ 28,208**
Net income (loss)	—	—	(3,970)	—	(3,970)
Stock-based compensation expense	—	13	—	—	13
Other comprehensive income (loss)	—	—	—	1,052	1,052
Balances at September 30, 2025	**1,746,125**	**$ 100,145**	**$ (65,745)**	**$ (9,097)**	**$ 25,303**

	No Par, Common Stock		Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
	Shares	Amount			
Balances at January 1, 2026	**1,746,125**	**$ 100,158**	**$ (82,786)**	**$ (8,406)**	**$ 8,966**
Net income (loss)	—	—	3,536	—	3,536
Issuance of common stock	2,000,000	14,000	—	—	14,000
Common stock issuance costs	—	(261)	—	—	(261)
Repurchase of common stock	(33)	(1)	—	—	(1)
Stock-based compensation expense	—	39	—	—	39
Other comprehensive income (loss)	—	—	—	(2,114)	(2,114)
Balances at September 30, 2026	**3,746,092**	**$ 113,935**	**$ (79,250)**	**$ (10,520)**	**$ 24,165**
Balances at January 1, 2025	**1,746,125**	**$ 98,178**	**$ (64,348)**	**$ (12,305)**	**21,525**
Net income (loss)	—	—	(1,397)	—	(1,397)
Issuance of warrants	—	1,924	—	—	1,924
Stock-based compensation expense	—	43	—	—	43
Other comprehensive income (loss)	—	—	—	3,208	3,208
Balances at September 30, 2025	**1,746,125**	**$ 100,145**	**$ (65,745)**	**$ (9,097)**	**$ 25,303**

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

PRESURANCE HOLDINGS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (Unaudited)
(dollars in thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash Flows From Operating Activities		
Net income (loss)	$ 3,536	$ (1,397)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Amortization of debt issuance costs	191	191
Accretion of Series B Preferred Stock	1,120	551
Amortization of bond premium and discount, net	(257)	(525)
Net realized investment (gains) losses	140	21
Change in fair value of equity securities	(111)	244
Stock-based compensation expenses	39	43
Change in fair value of contingent considerations	(5,710)	(8,250)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Premiums and agents' balances and other receivables	1,752	2,398
Reinsurance recoverables	7,667	2,291
Prepaid reinsurance premiums	11,424	(11,112)
Deferred policy acquisition costs	(2,456)	3,388
Other assets	1,091	135
Increase (decrease) in:		
Unpaid losses and loss adjustment expenses	(31,217)	(34,955)
Unearned premiums	(5,634)	2,277
Funds held under reinsurance agreements	(6,938)	(4,450)
Reinsurance premiums payable	(594)	12,773
Payables for investments purchased	—	15,903
Accounts payable and other liabilities	(1,747)	1,777
Net cash provided by (used in) operating activities	(27,704)	(18,697)
Cash Flows From Investing Activities		
Purchase of investments	(171,493)	(237,667)
Proceeds from maturities and redemptions of investments	73,094	10,512
Proceeds from sales of investments	96,864	208,112
Proceeds from contingent consideration in CIS Sale	10,000	10,000
Net cash provided by (used in) investing activities	8,465	(9,043)
Cash Flows From Financing Activities		
Issuance of common stock	14,000	—
Repurchase of common stock	(1)	—
Repayment of Series B Preferred Stock	(7,500)	—
Issuance of stock warrants	—	1,924
Issuance of Series B Preferred Stock	—	5,576
Common stock issuance costs	(261)	—
Net cash provided by (used in) financing activities	6,238	7,500
Net increase (decrease) in cash	(13,001)	(20,240)
Cash at beginning of period	27,362	27,654
Cash at end of period	14,361	7,414
Supplemental Disclosure of Cash Flow Information:		
Interest paid	$ 2,241	$ 1,474
Income taxes paid (refunded), net	$ (24)	$ —
Payables for securities	$ 3	$ 15,903

The accompanying notes are an integral part of the Condensed Consolidated Financial Statements.

PRESURANCE HOLDINGS, INC. AND SUBSIDIARIES
Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Summary of Significant Accounting Policies

Basis of Presentation and Management Representation

On September 30, 2025, Conifer Holdings, Inc. changed its name to Presurance Holdings, Inc. On August 21, 2025, Conifer Insurance Company changed its name to Triassic Insurance Company.

The condensed consolidated financial statements include accounts, after elimination of intercompany accounts and transactions, of Presurance Holdings, Inc., its wholly owned subsidiaries, Triassic Insurance Company ("TIC"), White Pine Insurance Company ("WPIC"), Red Cedar Insurance Company ("RCIC"), and VSRM, Inc. ("VSRM"). TIC, WPIC and RCIC are collectively referred to as the "Insurance Company Subsidiaries." On a stand-alone basis, Presurance Holdings, Inc. is referred to as the "Parent Company" or "PHI." The consolidated entity is also referred to as the "Company."

The accompanying condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”), which differ from statutory accounting practices prescribed or permitted for insurance companies by regulatory authorities. The Company has applied the rules and regulations of the United States Securities and Exchange Commission (“SEC”) regarding interim financial reporting and therefore the condensed consolidated financial statements do not include all of the information and notes required by GAAP for annual financial statements. In the opinion of management, all adjustments, consisting of items of a normal recurring nature necessary for a fair presentation of the condensed consolidated interim financial statements, have been included.

These condensed consolidated financial statements and the notes thereto should be read in conjunction with the Company's audited consolidated financial statements and related notes included in its Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC.

The results of operations for the nine months ended September 30, 2026, are not necessarily indicative of the results expected for the year ended December 31, 2026.

Business

The Company is engaged in the sale of property and casualty insurance products and has organized its business model around two classes of insurance businesses: commercial lines and personal lines business. Within these two businesses, the Company has historically offered various insurance products to niche commercial businesses in the commercial lines reportable segment and to homeowners in the personal lines reportable segment. All commercial lines of business are in runoff, and the Company is currently offering only personal lines insurance products. While the commercial lines insurance business is no longer written by the Company, the historical business contributes significantly to our exposure to loss reserve development and operating expenses.

As of September 30, 2026, the Company offers only homeowners insurance products in Texas. The Company’s corporate headquarters are located in Troy, Michigan.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While management believes the amounts included in the condensed consolidated financial statements reflect management's best estimates and assumptions, actual results may differ from these estimates.

Cash, Cash Equivalents, and Short-term Investments

Cash consists of cash deposits in banks, generally in operating accounts. Cash equivalents consist of money-market funds that are specifically used as overnight investments tied to cash deposit accounts. Short-term investments, consisting of money market funds, are classified as investments in the condensed consolidated balance sheets as they relate to the Company’s investment activities.

Funds-Withheld Obligations

Funds-withheld obligations under reinsurance agreements with risk exposures that are not clearly and closely related to the host contract are considered an embedded derivative. A gain or loss on such derivative instruments is recognized in earnings.

Accounting Guidance Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses, which will require disclosure of additional information about specific expense categories in the notes to financial statements for all public business entities. ASU 2024-03 is effective for annual reporting beginning with the fiscal year ending December 31, 2027, and for interim periods thereafter. Early adoption is permitted. The Company is currently evaluating the impact the adoption of this standard will have on its consolidated financial statements.

2. Revision of Prior Period Financial Statements

During the third quarter of 2026, management identified an error in the historical classification of amounts between accumulated deficit and accumulated other comprehensive income within the Company's total shareholders' equity related to the historical accounting for deferred tax effects associated with the Company's investment securities. In 2017 and 2019, the Company properly recorded the tax effects of unrealized gains within accumulated other comprehensive income, with the equal and opposite change recorded in the Company's valuation allowance that ran through the Consolidated Statement of Operations.

Upon the subsequent liquidation of those securities and the reversal of the unrealized gains, occurring substantially in 2020 and 2021, the related reversal of the valuation allowance should have been recorded in the Consolidated Statement of Operations. Management has determined that the reversal was inappropriately accounted for in the Company's other comprehensive income.

The cumulative effect of the error as of January 1, 2025, the beginning of the earliest period presented, was $1.2 million. To correct this error, the Company reclassified $1.2 million out of the January 1, 2025, beginning balance of accumulated deficit and into accumulated other comprehensive income. The revision had no impact on the Consolidated Statements of Operations, Earnings per share, the Consolidated Statements of Cash Flows, activity within the Consolidated Statements of Comprehensive Income (Loss), or Total Shareholders' Equity for any of the periods presented. Management evaluated the quantitative and qualitative impact of the error and determined it was immaterial to any financial statements previously issued. Accordingly, the prior period financial statements have been revised to reflect the intra-equity reclassification.

The table below shows the effect of the revision on the Company's condensed consolidated financial statements (dollars in thousands):

	As Previously Reported	Adjustment	As Revised
January 1, 2025			
Accumulated deficit	$ (63,153)	$ (1,195)	$ (64,348)
Accumulated other comprehensive income (loss)	(13,500)	1,195	(12,305)
Total shareholders' equity	21,525	—	21,525

3. Reverse Stock Split

On June 1, 2026, the Company effected a 1-for-7 reverse stock split of the Company's common stock (the "Reverse Stock Split"). As a result of the Reverse Stock Split, every 7 shares of the Company's common stock issued and outstanding were automatically converted into one new share of common stock. Proportionate adjustments were made to the exercise prices and number of shares of common stock issuable upon exercise of the Company's outstanding stock options and warrants. The Reverse Stock Split did not decrease the number of authorized shares of common stock. No fractional shares were issued in connection with the Reverse Stock Split and any fractional shares resulting from the Reverse Stock Split were rounded down to the nearest whole share. Shareholders who were otherwise entitled to receive fractional shares as a result of the Reverse Stock Split were paid cash in lieu thereof. All shares of the Company's common stock, per-share data and related information included in the accompanying condensed consolidated financial statements have been retroactively adjusted as though the Reverse Stock Split had been effected prior to all periods presented in accordance with generally accepted accounting principles.

4. Investments

The Company analyzed its investment portfolio in accordance with its credit loss review policy and determined it did not need to record a credit loss for the three and nine months ended September 30, 2026, or for the year-ended December 31, 2025

. The Company holds only investment grade securities from high credit quality issuers. The gross unrealized losses were $10.5 million and $8.4 million as of September 30, 2026 and December 31, 2025, respectively. The gross unrealized losses were from the Company's available-for-sale securities, due to market conditions and interest rate changes. Management believes it will not need to sell its available-for-sale securities at significant losses as it has the ability and intention to hold them until maturity or until their values improve.

The cost or amortized cost, gross unrealized gains or losses, and estimated fair value of the investments in securities classified as available for sale as of September 30, 2026 and December 31, 2025 were as follows (dollars in thousands):

	September 30, 2026			
	Cost or Amortized Cost	Gross Unrealized		Estimated
		Gains	Losses	Fair Value
Debt Securities:				
U.S. Government	$ 5,398	$ —	$ (70)	$ 5,328
State and local government	19,458	—	(3,807)	15,651
Corporate debt	21,040	—	(1,694)	19,346
Asset-backed securities	19,413	18	(20)	19,411
Mortgage-backed securities	20,717	—	(4,594)	16,123
Commercial mortgage-backed securities	5,052	1	(37)	5,016
Collateralized mortgage obligations	2,252	—	(315)	1,937
Total debt securities available for sale	$ 93,330	$ 19	$ (10,537)	$ 82,812

	December 31, 2025			
	Cost or Amortized Cost	Gross Unrealized		Estimated
		Gains	Losses	Fair Value
Debt Securities:				
U.S. Government	$ 4,596	$ 21	$ (12)	$ 4,605
State and local government	20,194	4	(2,982)	17,216
Corporate debt	25,170	1	(1,407)	23,764
Asset-backed securities	20,962	33	(22)	20,973
Mortgage-backed securities	22,258	—	(3,690)	18,568
Commercial mortgage-backed securities	1,054	—	(48)	1,006
Collateralized mortgage obligations	2,435	—	(262)	2,173
Total debt securities available for sale	$ 96,669	$ 59	$ (8,423)	$ 88,305

The following table summarizes the aggregate fair value and gross unrealized losses, by security type, of the available-for-sale securities in unrealized loss positions. The table segregates the holdings based on the length of time that individual securities have been in a continuous unrealized loss position (dollars in thousands):

	September 30, 2026								
	Less than 12 months			Greater than 12 months			Total		
	No. of Issues	Fair Value of Investments with Unrealized Losses	Gross Unrealized Losses	No. of Issues	Fair Value of Investments with Unrealized Losses	Gross Unrealized Losses	No. of Issues	Fair Value of Investments with Unrealized Losses	Gross Unrealized Losses
Debt Securities:									
U.S. Government	9	$ 3,761	$ (66)	2	$ 556	$ (4)	11	$ 4,317	$ (70)
State and local government	2	322	(2)	90	14,628	(3,805)	92	14,950	(3,807)
Corporate debt	1	995	(5)	38	18,351	(1,689)	39	19,346	(1,694)
Asset-backed securities	5	4,155	(2)	1	163	(18)	6	4,318	(20)
Mortgage-backed securities	7	227	(11)	58	15,896	(4,583)	65	16,123	(4,594)
Commercial mortgage-backed securities	3	3,330	(1)	2	820	(36)	5	4,150	(37)
Collateralized mortgage obligations	—	—	—	23	1,937	(315)	23	1,937	(315)
Total debt securities available for sale	**27**	**$ 12,790**	**$ (87)**	**214**	**$ 52,351**	**$ (10,450)**	**241**	**$ 65,141**	**$ (10,537)**

	December 31, 2025								
	Less than 12 months			Greater than 12 months			Total		
	No. of Issues	Fair Value of Investments with Unrealized Losses	Gross Unrealized Losses	No. of Issues	Fair Value of Investments with Unrealized Losses	Gross Unrealized Losses	No. of Issues	Fair Value of Investments with Unrealized Losses	Gross Unrealized Losses
Debt Securities:									
U.S. Government	—	$ —	$ —	2	$ 550	$ (12)	2	$ 550	$ (12)
State and local government	—	—	—	96	16,327	(2,982)	96	16,327	(2,982)
Corporate debt	—	—	—	48	22,763	(1,407)	48	22,763	(1,407)
Asset-backed securities	3	3,531	(2)	1	209	(20)	4	3,740	(22)
Mortgage-backed securities	—	—	—	64	18,563	(3,690)	64	18,563	(3,690)
Commercial mortgage-backed securities	1	145	(1)	2	861	(47)	3	1,006	(48)
Collateralized mortgage obligations	—	—	—	25	2,172	(262)	25	2,172	(262)
Total debt securities available for sale	**4**	**$ 3,676**	**$ (3)**	**238**	**$ 61,445**	**$ (8,420)**	**242**	**$ 65,121**	**$ (8,423)**

The Company's sources of net investment income and losses are as follows (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Debt securities	$ 844	$ 1,108	$ 2,386	$ 3,036
Equity securities	3	2	7	7
Cash, cash equivalents and short-term investments	329	250	1,024	1,022
Total investment income	1,176	1,360	3,417	4,065
Investment expenses	(48)	(59)	(139)	(177)
Net investment income	$ 1,128	$ 1,301	$ 3,278	$ 3,888

The following table summarizes the gross realized gains and losses from sales or maturities of available-for-sale debt and equity securities, as follows (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Debt securities:				
Gross realized gains	$ —	$ 5	$ 4	$ 10
Gross realized losses	(45)	(1)	(60)	(31)
Total debt securities	(45)	4	(56)	(21)
Equity securities:				
Gross realized gains	$ 7	$ —	$ 7	$ —
Gross realized losses	(1)	—	(91)	—
Total equity securities	6	—	(84)	—
Total net realized investment gains (losses)	$ (39)	$ 4	$ (140)	$ (21)

The Company uses specific identification for all securities that are reclassified out of accumulated other comprehensive income (loss) and into net income (loss).

Proceeds from the sales of available-for-sale securities were $359,000 and $22.1 million for the nine months ended September 30, 2026 and 2025, respectively.

The Company's gross unrealized gains related to its equity investments were $114,000 and $80,000 as of September 30, 2026 and December 31, 2025, respectively. The Company's gross unrealized losses related to its equity investments were $3,000 and $79,000 as of September 30, 2026 and December 31, 2025, respectively.

Proceeds from sales of short-term investments were $96.1 million and $124.9 million for the nine months ended September 30, 2026 and 2025, respectively. Purchases of short-term investments were $155.8 million and $229.6 million for the nine months ended September 30, 2026 and 2025, respectively.

The Company also carries other equity investments that do not have a readily determinable fair value and are recorded at cost, less impairment or observable changes in price. We review these investments for impairment during each reporting period. There was no impairment or observable changes in price recorded for the three and nine months ended September 30, 2026 and 2025, respectively, related to the Company's equity securities without a readily determinable fair value. These investments are a component of Other Assets in the Condensed Consolidated Balance Sheets. The value of these investments as of September 30, 2026 and December 31, 2025 were $250,000.

The table below summarizes the amortized cost and fair value of available-for-sale debt securities by contractual maturity at September 30, 2026. Actual maturities may differ from contractual maturities because certain borrowers have the right to call or prepay obligations with or without call or prepayment penalties (dollars in thousands):

	Amortized Cost	Estimated Fair Value
Due in one year or less	$ 8,356	$ 8,292
Due after one year through five years	20,031	18,536
Due after five years through ten years	8,877	7,422
Due after ten years	8,632	6,075
Securities with contractual maturities	45,896	40,325
Asset-backed securities	19,413	19,411
Mortgage-backed securities	20,717	16,123
Commercial mortgage-backed securities	5,052	5,016
Collateralized mortgage obligations	2,252	1,937
Total debt securities	$ 93,330	$ 82,812

At September 30, 2026 and December 31, 2025, the Insurance Company Subsidiaries had an aggregate of $8.9 million and $8.5 million on deposit in trust accounts to meet the deposit requirements of various state insurance departments. At September 30, 2026 and December 31, 2025, the Company had $99.4 million and $98.8 million, respectively, held in trust accounts to meet collateral requirements with other third-party insurers, relating to various fronting arrangements. At September 30, 2026, approximately $98.7 million of the trust account balances are for collateral of gross loss reserves of the fronted business on the security program and the quick service restaurant program. There are withdrawal and other restrictions on these deposits, including the type of investments that may be held, however, the Company may generally invest in high-grade bonds and short-term investments and earn interest on the funds. As the loss reserves are paid on these programs, the remaining trust balances will be released and available for general use. It is expected to take approximately seven years for a large majority of the balances to be released with approximately 50% being released in the next few years.

5. Fair Value Measurements

The Company's financial instruments include assets carried at fair value, as well as debt carried at face value, net of unamortized debt issuance costs, and are disclosed at fair value. All fair values are determined on a recurring basis other than the debt which is a non-recurring fair value measure. Fair value is defined as the price that would be received for an asset or paid to transfer a liability in the principal most advantageous market for the asset or liability in an orderly transaction between market participants. In determining fair value, the Company applies the market approach, which uses prices and other relevant data based on market transactions involving identical or comparable assets and liabilities. The inputs to valuation techniques used to measure fair value are prioritized into a three-level hierarchy. The hierarchy gives the highest priority to quoted prices from sources independent of the reporting entity ("observable inputs") and the lowest priority to prices determined by the reporting entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances ("unobservable inputs"). The fair value hierarchy is as follows:

Level 1 - Valuations that are based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Valuations that are based on observable inputs (other than Level 1 prices) such as quoted prices for similar assets or liabilities at the measurement date; quoted prices in markets that are not active; or other inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Unobservable inputs that are supported by little or no market activity. The unobservable inputs represent the Company's best assumption of how market participants would price the assets or liabilities.

Net Asset Value (NAV) - The fair values of investment company limited partnership investments and mutual funds are based on the capital account balances reported by the investment funds subject to their management review and adjustment. These capital account balances reflect the fair value of the investment funds.

The following tables present the Company's assets and liabilities measured at fair value, classified by the valuation hierarchy as of September 30, 2026 and December 31, 2025 (dollars in thousands):

	September 30, 2026			
	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Assets:				
Debt Securities:				
U.S. Government	$ 5,328	$ —	$ 5,328	$ —
State and local government	15,651	—	15,651	—
Corporate debt	19,346	—	19,346	—
Asset-backed securities	19,411	—	19,411	—
Mortgage-backed securities	16,123	—	16,123	—
Commercial mortgage-backed securities	5,016	—	5,016	—
Collateralized mortgage obligations	1,937	—	1,937	—
Total debt securities	82,812	—	82,812	—
Equity Securities	532	312	220	—
Short-term investments	29,852	29,852	—	—
Total marketable investments measured at fair value	$ 113,196	$ 30,164	$ 83,032	$ —
Investments measured at NAV:				
Investments in limited partnerships	763			
Total investments measured at fair value	$ 113,959			
Liabilities:				
Funds-withheld obligation	17,287	—	17,287	—
Total Liabilities measured at fair value	$ 17,287	$ —	$ 17,287	$ —

	December 31, 2025			
	Fair Value Measurements			
	Total	Level 1	Level 2	Level 3
Assets:				
Debt Securities:				
U.S. Government	$ 4,605	$ —	$ 4,605	$ —
State and local government	17,216	—	17,216	—
Corporate debt	23,764	—	23,764	—
Asset-backed securities	20,973	—	20,973	—
Mortgage-backed securities	18,568	—	18,568	—
Commercial mortgage-backed securities	1,006	—	1,006	—
Collateralized mortgage obligations	2,173	—	2,173	—
Total debt securities	88,305	—	88,305	—
Equity securities	313	93	220	—
Short-term investments	24,725	22,204	2,521	—
Total marketable investments measured at fair value	$ 113,343	$ 22,297	$ 91,046	$ —
Investments measured at NAV:				
Investments in limited partnerships	964			
Total investments measured at fair value	114,307			
Contingent consideration from CIS Sale	4,290	—	—	4,290
Total assets measured at fair value	$ 118,597			
Liabilities:				
Funds-withheld obligation	21,284	—	21,284	—
Total Liabilities measured at fair value	$ 21,284	$ —	$ 21,284	$ —

Level 1 investments consist of equity securities traded in an active exchange market. The Company uses unadjusted quoted prices for identical instruments to measure fair value. Level 1 also includes money market funds and other interest-bearing deposits at banks, which are reported as short-term investments. The fair value measurements that were based on Level 1 inputs comprise 27% and 20% of the fair value of the total marketable investments measured at fair value as of September 30, 2026 and December 31, 2025, respectively.

Level 2 investments include debt securities and equity securities, which consist of U.S. government agency securities, state and local municipal bonds (including those held as restricted securities), corporate debt securities, mortgage-backed and asset-backed securities. The fair value of securities included in the Level 2 category were based on the market values obtained from a third-party pricing service that were evaluated using pricing models that vary by asset class and incorporate available trade, bid and other observable market information. The third-party pricing service monitors market indicators, as well as industry and economic events. The fair value measurements that were based on Level 2 inputs comprise 73% and 80% of the fair value of the total marketable investments measured at fair value as of September 30, 2026 and December 31, 2025, respectively.

The Company obtains pricing for each security from independent pricing services, investment managers or consultants to assist in determining fair value for its Level 2 investments. To validate that these quoted prices are reasonable estimates of fair value, the Company performs various quantitative and qualitative procedures, such as (i) evaluation of the underlying methodologies, (ii) analysis of recent sales activity, (iii) analytical review of our fair values against current market prices and (iv) comparison of the pricing services' fair value to other pricing services' fair value for the same investment. No markets for the investments were determined to be inactive at period-ends. Based on these procedures, the Company did not adjust the prices or quotes provided from independent pricing services, investment managers or consultants.

As of December 31, 2025, the Company had an asset for the contingent consideration related to the CIS Sale. The fair value measurement of the contingent consideration asset was determined using Level 3 inputs. The Company determined the fair value of the third contingent payment to be $4.3 million as of December 31, 2025. The fair value was calculated based on the average of 20,000 simulations of a Monte Carlo analysis performed using Geometric Brownian Motion. Key assumptions in the analysis included the following as of December 31, 2025:

	Contingent Consideration
Discount rate	12.5%
Gross revenue risk adjustment	2.9%
Gross revenue volatility	15.0%
Risk-free rate	3.5%
Weighted average cost of capital	10.5%

As of June 30, 2026, the Company moved its asset for its contingent consideration receivable related to the CIS Sale out of a Level 3 valuation, and recognized the full $10.0 million face value of the earnout. The Company received $10.0 million from the third and final contingent payment from the CIS Sale on August 21, 2026.

The Company's policy on recognizing transfers between hierarchies is applied at the end of each reporting period. The tables below show a roll forward of Level 3 assets and liabilities held at fair value during the three and nine months ended September 30, 2026 (dollars in thousands):

	Balance as of January 1, 2026	Additions into Level 3	Subtractions out of Level 3	Change in Fair Value	Balance as of September 30, 2026
Contingent considerations	$ 4,290	$ —	$ (10,000)	$ 5,710	$ —
Total recurring Level 3 assets	**$ 4,290**	**$ —**	**$ (10,000)**	**$ 5,710**	**$ —**

6. Deferred Policy Acquisition Costs

The Company defers costs incurred which are incremental and directly related to the successful acquisition of new or renewal insurance business, net of corresponding amounts of ceded reinsurance commissions. Net deferred policy acquisition costs are amortized and charged to expense in proportion to premium earned over the estimated policy term. The Company anticipates that its deferred policy acquisition costs will be fully recoverable and there were no premium deficiencies for the nine months ended September 30, 2026 and 2025. The activity in deferred policy acquisition costs, net of reinsurance transactions, is as follows (dollars in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Balance at beginning of period	$ 6,301	$ 3,338	$ 2,696	$ 6,380
Deferred policy acquisition costs	1,513	1,549	8,602	3,471
Amortization of policy acquisition costs	(2,662)	(1,895)	(6,146)	(6,859)
Net change	(1,149)	(346)	2,456	(3,388)
Balance at end of period	$ 5,152	$ 2,992	$ 5,152	$ 2,992

7. Unpaid Losses and Loss Adjustment Expenses

The Company establishes reserves for unpaid losses and loss adjustment expenses ("LAE") which represent the estimated ultimate cost of all losses incurred that were both reported and unreported (i.e., incurred but not yet reported losses; or “IBNR”) and LAE incurred that remain unpaid at the balance sheet date. The Company’s reserving process takes into account known facts and interpretations of circumstances and factors including the Company’s experience with similar cases, actual claims paid, historical trends involving claim payment patterns and pending levels of unpaid claims, loss management programs, product mix and contractual terms, changes in law and regulation, judicial decisions, and economic conditions. In the normal course of business, the Company may also supplement its claims processes by utilizing third-party adjusters, appraisers, engineers, inspectors, and other professionals and information sources to assess and settle catastrophe and non-catastrophe related claims. The effects of inflation are implicitly considered in the reserving process.

Reserves are estimates of unpaid portions of losses that have occurred, including IBNR losses; therefore, the establishment of appropriate reserves is an inherently uncertain and complex process. The ultimate cost of losses may vary materially from recorded amounts, which are based on management's best estimates. The highest degree of uncertainty is associated with reserves for losses incurred in the current reporting period as it contains the greatest proportion of losses that have not been reported or settled. The Company regularly updates its reserve estimates as new information becomes available and as events unfold that may affect the resolution of unsettled claims. Changes in reserve estimates, which may be material, are reported in the results of operations in the period such changes are determined to be needed and recorded.

Management believes that the reserve for losses and LAE is appropriately established in the aggregate and adequate to cover the ultimate net cost of reported and unreported claims arising from losses which have occurred by the date of the condensed consolidated financial statements based on available facts and in accordance with applicable laws and regulations.

The table below provides the changes in the reserves for losses and LAE, net of reinsurance recoverables, for the periods indicated as follows (dollars in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Gross reserves - beginning of period	$ 125,242	$ 164,644	$ 146,262	$ 189,285
Less: reinsurance recoverables on unpaid losses	(60,410)	(77,892)	(63,909)	(84,490)
Net reserves - beginning of period	64,832	86,752	82,353	104,795
Add: incurred losses and LAE, net of reinsurance:				
Current period	4,694	3,530	11,984	18,675
Prior period	1,075	2,859	(1,214)	3,552
Total net incurred losses and LAE	5,769	6,389	10,770	22,227
Deduct: loss and LAE payments, net of reinsurance:				
Current period	3,391	4,572	6,931	12,229
Prior period	9,449	10,400	28,431	36,624
Total net loss and LAE payments	12,840	14,972	35,362	48,853
Net reserves - end of period	57,761	78,169	57,761	78,169
Plus: reinsurance recoverables on unpaid losses	57,284	76,161	57,284	76,161
Gross reserves - end of period	$ 115,045	$ 154,330	$ 115,045	$ 154,330

Net losses and LAE decreased by $620,000, or 9.7%, to $5.8 million during the third quarter of 2026, compared to $6.4 million for the same period in 2025. The decrease was primarily related to the continued decline in losses from the Company's commercial lines of business as they are in runoff. Of the $1.1 million of adverse development experienced in the third quarter of 2026, $1.8 million of adverse development was related to the Company's commercial lines of business while the Company's personal lines of business experienced $734,000 of favorable development. The adverse development incurred by the Company's commercial lines of business was primarily attributable to continued emergence in the security guard program that was discontinued in 2023.

Net losses and LAE decreased by $11.4 million, or 51.5%, to $10.8 million for the nine months ended September 30, 2026, compared to $22.2 million for the same period in 2025. The decrease was mostly due to a significant reduction in net earned premiums as the Company's commercial lines of business are in runoff and we focus on the specialty homeowners business. The Company also experienced $1.2 million of favorable development related for the nine months ended September 30, 2026. A majority of the favorable development was related to the Company's legacy commercial lines business.

8. Reinsurance

In the normal course of business, the Company participates in reinsurance agreements in order to limit losses that may arise from catastrophes or other individually severe events.

Effective June 1, 2025 through May 31, 2026, the Company was party to a quota share reinsurance agreement wherein it ceded 50% of premiums on substantially all of its homeowners business. The termination of the agreement on May 31, 2026 resulted in $0 and a negative $9.3 million of ceded written premiums for the three and nine months ended September 30, 2026, respectively. The agreement allowed for a sliding-scale ceding commission depending on the performance of the underlying business. We calculated the ceding commission based on a 36.2% rate.

Effective June 1, 2026, the Company was party to a property catastrophe reinsurance treaty for aggregate losses up to $61.0 million in excess of a $4.0 million retention.

Effective June 1, 2025, the Company was party to a property catastrophe reinsurance treaty for aggregate losses up to $56.0 million in excess of a $4.0 million retention.

The Company no longer writes commercial lines business and thus has no reinsurance for specific commercial property and liability risks in 2026. The Company ceded primarily all specific commercial property and liability risks in excess of $400,000 in 2025. The Company ceded homeowners specific risks in excess of $500,000 in 2026 and 2025. The homeowners quota share effectively reduced the net retention of the specific loss coverage from $500,000 to $250,000 and reduced the retention of the catastrophe reinsurance coverage from $4.0 million to $2.0 million for losses occurring during the term of the agreement.

Reinsurance does not discharge the direct insurer from liability to its policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors the concentration of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies. To date, the Company has not experienced any significant difficulties in collecting reinsurance recoverables, other than the loss portfolio transfer discussed below.

On November 1, 2022, the Company entered into a loss portfolio transfer ("LPT") reinsurance agreement. The LPT provides adverse reserve development coverage of up to $20.0 million for accident years 2019 and prior. As of September 30, 2026, the Company ceded an aggregate of $18.0 million of losses to the LPT. As of December 31, 2025, the Company ceded an aggregate of $16.5 million of losses to the LPT. Due to the insolvency of the reinsurer, we may not obtain any additional recoveries from the loss portfolio transfer.

As of September 30, 2026, the Condensed Consolidated Balance Sheets included $866,000 and $3.0 million of reinsurance recoverables on paid and unpaid losses related to the LPT, respectively, of which $2.3 million is collateralized. As of December 31, 2025, the Consolidated Balance Sheets included $3.4 million of fully collateralized reinsurance recoverables on unpaid losses related to the LPT.

The following table presents the effects of reinsurance and assumption transactions on written premiums, earned premiums and losses and LAE (dollars in thousands):

	Three Months Ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Written premiums:				
Direct	$ 6,173	$ 14,642	$ 30,712	$ 51,894
Assumed	—	—	—	—
Ceded	(1,938)	(9,215)	(3,750)	(34,244)
Net written premiums	$ 4,235	$ 5,427	$ 26,962	$ 17,650
Earned premiums:				
Direct	$ 10,391	$ 17,015	$ 36,344	$ 49,617
Assumed	—	—	—	—
Ceded	(1,954)	(10,194)	(15,174)	(22,917)
Net earned premiums	$ 8,437	$ 6,821	$ 21,170	$ 26,700
Losses and LAE:				
Direct	$ 3,279	$ 16,956	$ 12,627	$ 33,764
Assumed	5,029	(1,825)	10,422	9,460
Ceded	(2,539)	(8,742)	(12,279)	(20,997)
Net Losses and LAE	$ 5,769	$ 6,389	$ 10,770	$ 22,227

9. Debt

The Company has $12.9 million of gross senior unsecured notes (the "notes") outstanding as of September 30, 2026. A summary of the Company's outstanding debt is as follows (dollars in thousands):

	As of September 30, 2026			As of December 31, 2025		
	Gross Debt	Unamortized Debt Issuance Costs	Net Debt	Gross Debt	Unamortized Debt Issuance Costs	Net Debt
Senior unsecured notes	$ 12,887	$ 509	$ 12,378	$ 12,887	$ 700	$ 12,187

Senior Unsecured Notes

The notes bear an interest rate of 9.75% per annum, payable quarterly at the end of March, June, September and December and mature on September 30, 2028. The Company may redeem the notes, in whole or in part, at face value at any time after September 30, 2025. The Company may also repurchase the notes periodically in private transactions or in the market.

Financial Debt Covenants

The Company was not subject to any restrictive financial debt covenants as of September 30, 2026.

Scheduled Principal Payments

The scheduled principal payment of the Parent Company's debt as of September 30, 2026 is $16.9 million due on September 30, 2028, of which $4.0 million will be paid to TIC.

Funds-Withheld Obligation

Included in Funds held under reinsurance agreements in the Condensed Consolidated Balance Sheets are $17.3 million and $21.3 million as of September 30, 2026, and December 31, 2025, respectively, of a funds-withheld obligation relating to one reinsurance agreement which is accounted for as an embedded derivative. Changes to the funds-withheld obligation due to fair value changes of the underlying asset portfolio are included in Operating and other expenses on the Condensed Consolidated Statements of Operations. The fair value of the underlying asset portfolio increased by $270,000 and $782,000 for the three and nine months ended September 30, 2026, respectively. The fair value of the underlying asset portfolio increased by $332,000 and $958,000 for the three and nine months ended September 30, 2025, respectively.

10. Mandatorily Redeemable Preferred Stock

Series D Preferred Stock

On May 11, 2026, pursuant to the Exchange Agreement, dated May 11, 2026, by and between the Company and Clarkston Companies, Inc., the Company issued 1,600 shares of the Company’s newly designated Series D Preferred Stock, no par value, to Clarkston Companies, Inc., an entity affiliated with Jeffrey Hakala, a member of the Board of Directors of the Company, in exchange for 1,600 shares of the Company’s Series C Preferred Stock. In connection with the exchange, on May 11, 2026, the Company filed a Certificate of Designation designating 1,600 shares of Series D Preferred Stock. The Series D Preferred Stock has the same terms as the Series C Preferred Stock but with a maturity date of April 2, 2028 instead of April 2, 2027. The exchange involved no cash consideration and was effected in reliance on Section 3(a)(9) of the Securities Act of 1933, as amended. Following the exchange, 1,600 shares of Series D Preferred Stock were outstanding and no shares of Series C Preferred Stock were outstanding. The Company recorded $300,000 and $900,000 of interest expense for the three and nine months ended September 30, 2026, respectively, related to the dividends from the Series C and Series D Preferred Stock.

Series C Preferred Stock

On December 23, 2025, the Company issued a total of $8.0 million of its newly designated non-convertible mandatorily redeemable Series C Preferred Stock, no par value, through a private placement of 1,600 preferred shares priced at $5,000 per share that were scheduled to mature on April 2, 2027, to Clarkston Companies, Inc., an entity affiliated with Jeffrey Hakala, a member of the Board of Directors of the Company.

The Series C Preferred Stock required quarterly dividend payments at a dividend rate of 15.0% per annum.

Series B Preferred Stock

On February 27, 2026, the Company redeemed the $7.5 million Series B Preferred Stock.

On February 27, 2025 and March 3, 2025, the Company issued a total of $7.5 million of its newly designated non-convertible mandatorily redeemable Series B Preferred Stock, no par value, through a private placement of 1,500 preferred shares priced at $5,000 per share that were scheduled to mature on December 31, 2026, and issued the Purchaser (as defined

below) common stock purchase warrants (the "warrants") to purchase 571,428 shares at an exercise price of $10.50 per share. The warrants will expire on January 31, 2027.

The Series B Preferred Stock was sold to Clarkston 91 West LLC (the "Purchaser"), an entity affiliated with Gerald and Jeffrey Hakala, who were both members of the Board of Directors of the Company at such time. The Company used the proceeds for working capital and general corporate purposes. Each share of the Series B Preferred Stock entitled the Holder to 428 votes on each matter properly submitted to the Company's shareholders for their vote, however the aggregate voting power of all outstanding shares of the Series B Preferred Stock shall not exceed 19.99% of the aggregate voting power of all voting securities.

The Series B Preferred Stock required quarterly dividend payments at a rate equal to the prime rate of Waterford Bank, N.A. plus 600 basis points, or 12.0%, whichever is higher. As of the redemption date of February 27, 2026, the annualized rate was 12.75%. The Company recorded $0 and $152,000 of interest expense for the three and nine months ended September 30, 2026, respectively, related to the dividends from the Series B Preferred Stock. The Company recorded $253,000 and $594,000 for the three and nine months ended September 30, 2025, respectively, related to the dividends from the Series B Preferred Stock.

The $7.5 million of Series B Preferred Stock, and the warrants issued contemporaneously, were both fair valued as of the issuance date. The warrants were valued at $2.0 million and the Preferred Stock was valued at $5.5 million. The fair value of the warrants was recorded as additional paid-in capital. The fair value measurement of the mandatorily redeemable preferred stock was determined using a trinomial lattice model. The model was selected in consideration of the Company's optional redemption rights. Key assumptions in the analysis included the following as of the date of issuance:

	Mandatorily Redeemable Preferred Stock
Yield Volatility	20.0%
Risk-free Rate	3.9%
Selected Credit Spread	29.3%
Term	1.92 years

The total liability recorded for the Preferred Stock was $5.5 million. The Preferred Stock liability was accreted to its maximum redemption value on the date of redemption. The increase in the redemption amount was recorded as interest expense. The Series B Preferred Stock accreted by $0 and $1.1 million for the three and nine months ended September 30, 2026, respectively. The Series B Preferred Stock accreted by $243,000 and $552,000 for the three and nine months ended September 30, 2025, respectively.

11. Shareholders' Equity

On February 27, 2026, the Company issued 2,000,000 shares of common stock at a purchase price of $7.00 per share pursuant to a rights offering backstopped by Clarkston Companies, Inc. A portion of the proceeds were used to redeem the $7.5 million of the Company's outstanding Series B Preferred Stock and to contribute $3.0 million to TIC in February 2026. The remaining proceeds are being used for working capital and general corporate purposes.

As of September 30, 2026 and December 31, 2025, the Company had 3,746,092 and 1,746,125 issued and outstanding shares of common stock, respectively. Holders of common stock are entitled to one vote per share and to receive dividends only when and if declared by the board of directors. The holders have no preemptive, conversion or subscription rights.

On December 5, 2018, the Company's Board authorized a stock repurchase program, under which the Company may repurchase up to one million shares of the Company's common stock. Shares may be purchased in the open market or through negotiated transactions. The program may be terminated or suspended at any time, at the discretion of the Company. The Company may in the future enter into a Rule 10b5-1 trading plan to effect a portion of the authorized purchases, if criteria set forth in the plan are met. Such a plan would enable the Company to repurchase its shares during periods outside of its normal trading windows, when the Company typically would not be active in the market. The timing of purchases, and the exact number of any shares to be purchased, will depend on market conditions. The repurchase program does not include specific price targets or timetables. The Company did not repurchase any shares of stock related to the stock repurchase program for the three and nine months ended September 30, 2026 and for the year ended December 31, 2025, respectively.

The Company did not repurchase any shares of common stock for the three months ended September 30, 2026. For the nine months ended September 30, 2026, the Company repurchased 33 shares of common stock valued at approximately $1,000 related to the Company's Reverse Stock Split that occurred on June 1, 2026. Upon the repurchase of the Company's shares, the shares remain authorized, but not issued or outstanding.

12. Earnings Per Share

Basic and diluted earnings (loss) per share are computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period. The following table presents the calculation of basic and diluted earnings (loss) per common share, as follows (dollars in thousands, except per share and share amounts):

	Three Months Ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ (1,622)	$ (3,970)	$ 3,536	$ (1,397)
Weighted average common shares outstanding, basic and diluted	3,746,092	1,746,125	3,321,202	1,746,125
Earnings (loss) per common share, basic and diluted	$ (0.43)	$ (2.27)	$ 1.06	$ (0.80)

* The 45,000 vested and non-vested shares of stock options were anti-dilutive for the three and nine months ended September 30, 2026 and 2025, respectively. The 571,428 Warrants were anti-dilutive for the three and nine months ended September 30, 2026 and 2025, respectively. Therefore, the basic and diluted weighted average common shares are equal for the three and nine months ended September 30, 2026 and 2025.

13. Stock-based Compensation

On March 8, 2022 the Company issued options to purchase 90,000 shares of the Company's common stock to two named executive officers. The right to exercise the options vests over a five-year period on a straight-line basis. The options have a strike price of $31.71 per share and will expire on March 8, 2032. The estimated grant date fair value of these options is $612,000, which is being expensed ratably over the vesting period.

The Company recorded $13,000 and $39,000 of compensation expense for the three and nine months ended September 30, 2026, respectively, related to the Company's stock options granted. The Company recorded $13,000 and $43,000 for the three and nine months ended September 30, 2025, respectively, related to the Company's stock options granted. There were 7,571 options outstanding and unvested as of September 30, 2026, which will generate an estimated future expense of $21,000.

The Company has a total of 45,000 unexercised options outstanding, both vested and unvested, as of September 30, 2026.

On June 30, 2020, the Company issued options to purchase 40,000 shares of the Company’s common stock, to certain executive officers and other employees. The right to exercise the options fully vested on June 30, 2025. The options have a strike price of $26.67 per share and expire on June 30, 2030. The estimated grant date fair value of these options is $290,000, which was fully expensed as of June 30, 2025.

14. Commitments and Contingencies

Legal Proceedings

The Company and its subsidiaries are subject at times to various claims, lawsuits and proceedings relating principally to alleged errors or omissions in the placement of insurance, claims administration, and other business transactions arising in the ordinary course of business. Where appropriate, the Company vigorously defends such claims, lawsuits and proceedings. Some of these claims, lawsuits and proceedings seek damages, including consequential, exemplary or punitive damages, in amounts that could, if awarded, be significant. Most of the claims, lawsuits and proceedings arising in the ordinary course of business are covered by the insurance policy at issue. We account for such activity through the establishment of unpaid losses and LAE reserves. In accordance with accounting guidance, if it is probable that a liability has been incurred as of the date of the financial statements and the amount of loss is reasonably estimable, then an accrual for the costs to resolve these claims is recorded by the Company in the accompanying condensed consolidated financial statements. Periodic expenses related to the defense of such claims are included in the accompanying condensed consolidated statements of operations. On the basis of current information, the Company does not believe that there is a reasonable possibility that any material loss exceeding amounts already accrued, if any, will result from any of the claims, lawsuits and proceedings to which the Company is subject to, either individually or in the aggregate.

On February 10, 2026, James Petcoff, a shareholder of the Company, filed a complaint against the Company, current and former directors of the Company, the Company’s Chief Executive Officer and Clarkston 91 West (“Clarkston 91”), which purchased preferred shares and warrants from the Company. The complaint alleges, among other things, breaches of fiduciary

duties and Michigan law with respect to the sale by the Company of Series B Preferred Stock and warrants to Clarkston 91 in February and March 2025 and the sale by the Company of Series C Preferred Stock to an affiliate of Clarkston 91 in December 2025. On March 10, 2026, Mr. Petcoff filed an amended complaint. The Company believes the lawsuit is without merit and no provision has been established for any contingent liability.

15. Segment Information

The Company is engaged in the sale of property and casualty insurance products and has organized its business model around two classes of insurance businesses: commercial lines and personal lines business. Within these two businesses, the Company has historically offered various insurance products to niche commercial businesses in the commercial lines reportable segment and to homeowners in the personal lines reportable segment. All commercial lines of business are in runoff, and the Company is currently offering only personal lines insurance products.

The Company defines its operating segments as components of the business where separate financial information is available and used by the chief operating decision maker in deciding how to allocate resources to its segments and in assessing its performance. In assessing performance of its operating segments, the Company's chief operating decision maker, the Chief Executive Officer, reviews several financial measures including gross written premiums, net earned premiums, losses and LAE, net of reinsurance recoveries, and other revenue and expenses. The primary measure used for making decisions about resources to be allocated to an operating segment and assessing its performance is segment underwriting gain or loss which is defined as segment revenues, consisting of net earned premiums, less segment expenses, consisting of losses and LAE, policy acquisition costs and operating expenses of the operating segments. Operating expenses primarily include compensation and related benefits for personnel, policy issuance and claims systems, rent and utilities. All of the Company's insurance activities are conducted in the U.S. with a concentration of activity in Texas. For the nine months ended September 30, 2026, gross written premiums attributable to Texas were 93% of the Company's total gross written premiums. The remaining premiums for the nine months ended September 30, 2026 were written in the Midwest, which were in run off as of September 30, 2026. For the nine months ended September 30, 2025, gross written premiums attributable to Texas were 78% of the Company's total gross written premiums.

In addition to the reportable segments, the Company maintains a Corporate category to reconcile segment results to the consolidated totals. The Corporate category includes: (i) corporate operating expenses such as salaries and related benefits of the Company's executive management team, some finance and information technology personnel, and other corporate headquarters expenses, (ii) interest expense on the Company's debt obligations and (iii) all investment income activity. All investment income activity is reported within net investment income, net realized investment gains (losses), and change in fair value of equity securities on the consolidated statements of operations. The Company's assets on the consolidated balance sheet are not allocated to the reportable segments.

The following tables present information by reportable segment (dollars in thousands):

Three months ended September 30, 2026	Personal Lines	Commercial Lines	Total
Gross written premiums	$ 6,181	$ (8)	$ 6,173
Net written premiums	$ 4,257	$ (22)	$ 4,235
Net earned premiums	$ 8,444	$ (7)	$ 8,437
Segment revenue	8,444	(7)	8,437
Losses and LAE, net	3,964	1,805	
Policy acquisition costs	2,611	51	
Operating expenses	412	709	
Segment underwriting gain (loss)	1,457	(2,572)	(1,115)
Unallocated amounts:			
Other corporate expenses			$ 973
Net investment income			1,128
Net realized investment gains (losses)			(39)
Other income			55
Interest expense			678
Income (loss) before income taxes			$ (1,622)

Three months ended September 30, 2025	Personal Lines	Commercial Lines	Total
Gross written premiums	$ 11,159	$ 3,483	$ 14,642
Net written premiums	$ 4,932	$ 495	$ 5,427
Net earned premiums	$ 6,050	$ 771	$ 6,821
Segment revenue	6,050	771	6,821
Losses and LAE, net	3,145	3,244	
Policy acquisition costs	1,642	253	
Operating expenses	978	367	
Segment underwriting gain (loss)	285	(3,093)	(2,808)
Unallocated amounts:			
Other corporate expenses			$ 146
Net investment income			1,301
Net realized investment gains (losses)			4
Change in fair value of equity securities			13
Change in fair value of contingent considerations			(1,500)
Other income			40
Interest expense			874
Income (loss) before income taxes			$ (3,970)

Nine months ended September 30, 2026	Personal Lines	Commercial Lines	Total
Gross written premiums	$ 30,741	$ (29)	$ 30,712
Net written premiums	$ 26,980	$ (18)	$ 26,962
Net earned premiums	$ 20,939	$ 231	$ 21,170
Segment revenue	20,939	231	21,170
Losses and LAE, net	11,597	(827)	
Policy acquisition costs	6,082	64	
Operating expenses	1,369	2,263	
Segment underwriting gain (loss)	1,891	(1,269)	622
Unallocated amounts:			
Other corporate expenses			$ 2,893
Net investment income			3,278
Net realized investment gains (losses)			(140)
Change in fair value of equity securities			111
Change in fair value of contingent consideration			5,710
Other Income			141
Interest expense			3,331
Income (loss) before income taxes			$ 3,498

Nine months ended September 30, 2025	Personal Lines	Commercial Lines	Total
Gross written premiums	$ 43,174	$ 8,720	$ 51,894
Net written premiums	$ 19,191	$ (1,541)	$ 17,650
Net earned premiums	$ 24,130	$ 2,570	$ 26,700
Segment revenue	24,130	2,570	26,700
Losses and LAE, net	16,466	5,761	
Policy acquisition costs	6,959	(100)	
Operating expenses	5,381	1,251	
Segment underwriting gain (loss)	(4,676)	(4,342)	(9,018)
Unallocated amounts:			
Other corporate expenses			$ 2,088
Net investment income			3,888
Net realized investment gains (losses)			(21)
Change in fair value of equity securities			(244)
Change in fair value of contingent consideration			8,250
Other income			115
Interest expense			2,279
Income (loss) before income taxes			$ (1,397)

16. Subsequent Events

The Company performed an evaluation of subsequent events through the date the financial statements were issued and determined there were no recognized or unrecognized subsequent events that would require an adjustment or additional disclosure in the condensed consolidated financial statements as of September 30, 2026.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the Periods Ended September 30, 2026 and 2025

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Condensed Consolidated Financial Statements (Unaudited), related notes and other financial information appearing elsewhere in this Quarterly Report on Form 10-Q and the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K, filed on March 27, 2026 with the U.S. Securities and Exchange Commission.

Forward-Looking Statements

Certain statements contained in this Quarterly Report on Form 10-Q, which are not statements of historical fact, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements give current expectations or forecasts of future events or our future financial or operating performance. Words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "seek" and similar terms and phrases, or the negative thereof, may be used to identify forward-looking statements.

The forward-looking statements contained in this report are based on management's good-faith belief and reasonable judgment based on current information. The forward-looking statements are qualified by important factors, risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from those in the forward-looking statements, including those described in our Form 10-K ("Item 1A Risk Factors") filed with the SEC on March 27, 2026 and included herein, and subsequent reports filed with or furnished to the SEC. Any forward-looking statement made by us in this report speaks only as of the date hereof or as of the date specified herein. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable laws or regulations.

Recent Developments

Receipt of Third Earnout from CIS Sale

The Company received $10.0 million from the third and final earnout of the CIS Sale on August 21, 2026. The Company plans to use the proceeds for working capital and general corporate purposes.

Reverse Stock Split

On June 1, 2026, the Company effected a 1-for-7 reverse stock split of the Company's common stock (the "Reverse Stock Split"). As a result of the Reverse Stock Split, every 7 shares of the Company's common stock issued and outstanding were automatically converted into one new share of common stock. Proportionate adjustments were made to the exercise prices and number of shares of common stock issuable upon exercise of the Company's outstanding stock options and warrants. The Reverse Stock Split did not decrease the number of authorized shares of common stock. No fractional shares were issued in connection with the Reverse Stock Split and any fractional shares resulting from the Reverse Stock Split were rounded down to the nearest whole share. Shareholders who were otherwise entitled to receive fractional shares as a result of the Reverse Stock Split were paid cash in lieu thereof. All shares of the Company's common stock, per-share data and related information included in the accompanying condensed consolidated financial statements have been retroactively adjusted as though the Reverse Stock Split had been effected prior to all periods presented in accordance with generally accepted accounting principles.

Rights Offering

On February 27, 2026, the Company issued 2,000,000 shares of common stock at a purchase price of $7.00 per share pursuant to a rights offering backstopped by Clarkston Companies, Inc. A portion of the proceeds were used to redeem the $7.5 million of the Company's outstanding Series B Preferred Stock and to contribute $3.0 million to TIC in February 2026. The remaining proceeds are being used for working capital and general corporate purposes.

Redemption of Series B Preferred Stock

The Company redeemed the $7.5 million of Series B Preferred Stock on February 27, 2026.

Business Overview

We are an insurance holding company that markets and services our product offerings through specialty commercial and specialty personal insurance business lines. Currently, we are authorized to write insurance as an excess and surplus lines carrier in 44 states, plus the District of Columbia. We are licensed to write insurance as an admitted carrier in 42 states, plus the District of Columbia. As of September 30, 2026, we only offer homeowners insurance products in Texas.

Our revenues are primarily derived from premiums earned from our insurance operations. We also generate other revenues through investment income.

Our expenses consist primarily of losses and loss adjustment expenses, agents' commissions, reinsurance premiums and other underwriting and administrative expenses.

Through our personal insurance lines, we offer homeowners insurance and dwelling fire insurance products to individuals in Texas. Our specialty homeowners insurance product line is primarily comprised of low-value dwelling insurance tailored for owners of lower valued homes, which we offer in Texas. Our commercial lines of business are in runoff.

Critical Accounting Policies and Estimates

In certain circumstances, we are required to make estimates and assumptions that affect amounts reported in our condensed consolidated financial statements and related footnotes. We evaluate these estimates and assumptions periodically on an on-going basis based on a variety of factors. There can be no assurance, however, that actual results will not be materially different than our estimates and assumptions, and that reported results of operations will not be affected by accounting adjustments needed to reflect changes in these estimates and assumptions. During the nine months ended September 30, 2026, there were no material changes to our critical accounting policies and estimating methodologies, which are disclosed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Company's Annual Report on Form 10-K filed with the SEC on March 27, 2026.

Executive Overview

The Company's gross written premiums decreased $8.5 million, or 57.8%, to $6.2 million in the third quarter of 2026, compared to $14.6 million for the same period in 2025. The Company's gross written premiums decreased $21.2 million, or 40.8%, to $30.7 million for the nine months ended September 30, 2026, compared to $51.9 million for the same period in 2025.

The Company's personal lines gross written premiums decreased $5.0 million, or 44.6%, to $6.2 million in the third quarter of 2026, compared to $11.2 million for the same period in 2025. The Company's personal lines gross written premiums decreased $12.4 million, or 28.8%, to $30.7 million for the nine months ended September 30, 2026, compared to $43.2 million for the same period in 2025.

The Company reported a net loss of $1.6 million, or $0.43 per share in the third quarter of 2026, compared to a net loss of $4.0 million, or $2.27 per share for the same period in 2025. The Company recorded net income of $3.5 million, or $1.06 per share for the nine months ended September 30, 2026, compared to a net loss of $1.4 million, or $0.80 per share for the same period in 2025.

Adjusted operating loss, a non-GAAP measure, was $1.6 million, or $0.42 per share during the third quarter of 2026, compared to a $2.7 million loss, or $1.55 per share for the same period in 2025. Adjusted operating loss was $1.2 million, or $0.36 per share for the nine months ended September 30, 2026, compared to an adjusted operating loss of $8.5 million, or $4.85 per share for the same period in 2025.

Our underwriting combined ratio was 113.2% and 141.2% for the three months ended September 30, 2026 and 2025, respectively. Our underwriting combined ratio was 97.1% and 133.7% for the nine months ended September 30, 2026 and 2025, respectively.

Results of Operations for the Three Months Ended September 30, 2026 and 2025

The following table summarizes our operating results for the periods indicated (dollars in thousands):

Summary of Operating Results

	Three Months Ended September 30,			
	2026	2025	$ Change	% Change
Gross written premiums	$ 6,173	$ 14,642	$ (8,469)	(57.8)%
Net written premiums	$ 4,235	$ 5,427	$ (1,192)	(22.0)%
Net earned premiums	$ 8,437	$ 6,821	$ 1,616	23.7%
Losses and loss adjustment expenses, net	5,769	6,389	(620)	(9.7)%
Policy acquisition costs	2,662	1,895	767	40.5%
Segment operating expenses	1,121	1,345	(224)	(16.7)%
Underwriting gain (loss)	(1,115)	(2,808)	1,693	(60.3)%
Other corporate expenses	973	146	827	566.4%
Net investment income	1,128	1,301	(173)	(13.3)%
Net realized investment gains (losses)	(39)	4	(43)	*
Change in fair value of equity securities	—	13	(13)	*
Change in fair value of contingent considerations	—	(1,500)	1,500	*
Other income	55	40	15	37.5%
Interest expense	678	874	(196)	(22.4)%
Income (loss) before income taxes	(1,622)	(3,970)	2,348	(59.1)%
Income tax expense (benefit)	—	—	—	*
Net income (loss)	$ (1,622)	$ (3,970)	$ 2,348	(59.1)%
Book value per common share outstanding	$ 6.45	$ 14.49		
Underwriting Ratios:				
Loss ratio (1)	68.4%	93.7%		
Expense ratio (2)	44.8%	47.5%		
Combined ratio (3)	113.2%	141.2%		

(1) The loss ratio is the ratio, expressed as a percentage, of net losses and loss adjustment expenses to net earned premiums.
(2) The expense ratio is the ratio, expressed as a percentage, of policy acquisition costs and segment operating expenses to net earned premiums.
(3) The combined ratio is the sum of the loss ratio and the expense ratio. A combined ratio under 100% indicates an underwriting profit. A combined ratio over 100% indicates an underwriting loss.

* Percentage is not meaningful.

Premiums

Premiums are earned ratably over the term of the policy, whereas written premiums are reflected on the effective date of the policy. Almost all commercial lines and homeowners products have annual policies, under which premiums are earned evenly over one year. The resulting net earned premiums are impacted by the gross and ceded written premiums, earned ratably over the terms of the policies.

Our premiums are presented below for the three months ended September 30, 2026 and 2025 (dollars in thousands):

Summary of Premium Revenue

	Three Months Ended September 30,			
	2026	2025	$ Change	% Change
Gross written premiums				
Personal lines	$ 6,181	$ 11,159	$ (4,978)	(44.6)%
Commercial lines	(8)	3,483	(3,491)	*
Total	$ 6,173	$ 14,642	$ (8,469)	(57.8)%
Net written premiums				
Personal lines	$ 4,257	$ 4,932	$ (675)	(13.7)%
Commercial lines	(22)	495	(517)	*
Total	$ 4,235	$ 5,427	$ (1,192)	(22.0)%
Net earned premiums				
Personal lines	$ 8,444	$ 6,050	$ 2,394	39.6%
Commercial lines	(7)	771	(778)	*
Total	$ 8,437	$ 6,821	$ 1,616	23.7%

* Percentage is not meaningful.

Gross written premiums decreased $8.5 million, or 57.8%, to $6.2 million for the three months ended September 30, 2026, compared to $14.6 million for the same period in 2025.

Personal lines gross written premiums decreased $5.0 million, or 44.6%, to $6.2 million in the third quarter of 2026, compared to $11.2 million for the same period in 2025. The decrease was due to underwriting changes that affected volume. Our main focus remains on prudent, steady growth in Texas.

Commercial lines gross written premiums were essentially zero in the third quarter of 2026, compared to $3.5 million for the same period in 2025. The Company's commercial lines of business are in runoff. The Company does not expect to write any commercial lines business in the near term.

Net written premiums decreased $1.2 million, or 22.0%, to $4.2 million in the third quarter of 2026, compared to $5.4 million for the same period in 2025. The decrease in net written premiums during the quarter was primarily due to the Company's underwriting changes in the personal lines of business that affected volume.

Net earned premiums increased $1.6 million, or 23.7%, to $8.4 million during the third quarter of 2026, compared to $6.8 million for the same period in 2025. The net earned premiums in the third quarter of 2026 were not impacted by the quota share reinsurance treaty that was in effect during the third quarter of 2025 and was terminated in the second quarter of 2026.

Losses and Loss Adjustment Expenses

The tables below detail our losses and loss adjustment expenses and loss ratios in our underwriting business for the three months ended September 30, 2026 and 2025 (dollars in thousands):

Three months ended September 30, 2026	Personal Lines	Commercial Lines	Total
Accident year net losses and LAE	$ 4,698	$ (4)	$ 4,694
Net (favorable) adverse development	(734)	1,809	1,075
Calendar year net losses and LAE	$ 3,964	$ 1,805	$ 5,769
Accident year loss ratio	55.6%	*	55.7%
Net (favorable) adverse development	(8.7)%	*	12.7%
Calendar year loss ratio	46.9%	*	68.4%

Three months ended September 30, 2025	Personal Lines	Commercial Lines	Total
Accident year net losses and LAE	$ 2,876	$ 654	$ 3,530
Net (favorable) adverse development	269	2,590	2,859
Calendar year net losses and LAE	$ 3,145	$ 3,244	$ 6,389
Accident year loss ratio	47.5%	84.7%	51.8%
Net (favorable) adverse development	4.4%	335.7%	41.9%
Calendar year loss ratio	51.9%	420.4%	93.7%

* Percentage is not meaningful.

Net losses and LAE decreased by $620,000, or 9.7%, to $5.8 million during the third quarter of 2026, compared to $6.4 million for the same period in 2025. The decrease was primarily related to the continued decline in losses from the Company's commercial lines of business as they are in runoff. The commercial lines of business incurred $1.8 million of adverse development in the third quarter of 2026, primarily attributable to continued emergence in the security guard program that was discontinued in 2023.

Expense Ratio

Our expense ratio is a measure of the efficiency and performance of the commercial and personal lines of business (our risk-bearing underwriting operations). It is calculated by dividing the sum of policy acquisition costs and other underwriting expenses by net earned premiums. Costs that cannot be readily identifiable as a direct cost of a segment or product line remain in Corporate for segment reporting purposes. The expense ratio excludes Corporate expenses. Due to the commercial lines of business being in runoff, the expense ratios for commercial lines are not deemed to be meaningful.

The table below provides the expense ratio by major component.

	Three Months Ended September 30,	
	2026	2025
Personal Lines		
Policy acquisition costs	30.9%	27.1%
Operating expenses	4.9%	16.2%
Total	35.8%	43.3%
Commercial Lines		
Policy acquisition costs	*	32.8%
Operating expenses	*	47.6%
Total	*	80.4%
Total Underwriting		
Policy acquisition costs	31.6%	27.8%
Operating expenses	13.2%	19.7%
Total	44.8%	47.5%

* Percentage is not meaningful.

Our expense ratio decreased by 2.7% in the third quarter of 2026, to 44.8%, compared to 47.5% for the same period in 2025.

Policy acquisition costs are costs we incur to issue policies, which include commissions, premium taxes and underwriting reports. The Company offsets direct commissions with ceding commissions from reinsurers. The percentage of policy acquisition costs to net earned premiums increased by 3.8% during the third quarter of 2026 to 31.6%, compared to 27.8% during the same period in 2025, due to the termination of the quota share reinsurance agreement on May 31, 2026, which had provided for more ceding commission in the third quarter of 2025 than the same period in 2026.

Operating expenses consist primarily of employee compensation, information technology and occupancy costs, such as rent and utilities. Operating expenses as a percent of net earned premiums decreased by 6.5% during the third quarter of 2026 to 13.2%, compared to 19.7% for the same period in 2025. The decrease in the ratio was mostly due to improved administrative cost efficiency.

Segment Results

We measure the performance of our consolidated results, in part, based on our underwriting gain or loss. The following table provides the underwriting gain or loss for the three months ended September 30, 2026 and 2025 (dollars in thousands):

Segment Gain (Loss)

	Three Months Ended September 30,		
	2026	**2025**	**$ Change**
Personal Lines	$ 1,457	$ 285	$ 1,172
Commercial Lines	(2,572)	(3,093)	521
Total underwriting gain (loss)	$ (1,115)	$ (2,808)	$ 1,693

Other Corporate Expenses

Other corporate expenses consist of expenses not allocated to segments. These expenses include public company costs, as well as other expenses such as legal and consulting expenses not directly relating to the insurance operations and expense related to the funds-withheld obligation. Other corporate expenses increased by $827,000, to $973,000 for the three months ended September 30, 2026, compared to $146,000 for the same period in 2025. The increase was related to several favorably adjusted corporate expense accruals during the third quarter of 2025, which resulted in a below-average operating expense for that period. The other corporate expenses for the third quarter of 2026 were more consistent with the Company's normal trend.

Results of Operations for the Nine Months Ended September 30, 2026 and 2025

The following table summarizes our operating results for the periods indicated (dollars in thousands):

Summary of Operating Results

	Nine months ended September 30,			
	2026	2025	$ Change	% Change
Gross written premiums	$ 30,712	$ 51,894	$ (21,182)	(40.8)%
Net written premiums	$ 26,962	$ 17,650	$ 9,312	52.8%
Net earned premiums	$ 21,170	$ 26,700	$ (5,530)	(20.7)%
Losses and loss adjustment expenses, net	10,770	22,227	(11,457)	(51.5)%
Policy acquisition costs	6,146	6,859	(713)	(10.4)%
Segment operating expenses	3,632	6,632	(3,000)	(45.2)%
Underwriting gain (loss)	622	(9,018)	9,640	*
Other corporate expenses	2,893	2,088	805	38.6%
Net investment income	3,278	3,888	(610)	(15.7)%
Net realized investment gains (losses)	(140)	(21)	(119)	*
Change in fair value of equity securities	111	(244)	355	*
Change in fair value of contingent considerations	5,710	8,250	(2,540)	(30.8)%
Other income	141	115	26	22.6%
Interest expense	3,331	2,279	1,052	46.2%
Income (loss) before income taxes	3,498	(1,397)	4,895	*
Income tax expense (benefit)	(38)	—	(38)	*
Net income (loss)	$ 3,536	$ (1,397)	$ 4,933	*
Book value per common share outstanding	$ 6.45	$ 14.49		
Underwriting Ratios:				
Loss ratio (1)	50.9%	83.2%		
Expense ratio (2)	46.2%	50.5%		
Combined ratio (3)	97.1%	133.7%		

(1) The loss ratio is the ratio, expressed as a percentage, of net losses and loss adjustment expenses to net earned premiums.
(2) The expense ratio is the ratio, expressed as a percentage, of policy acquisition costs and segment operating expenses to net earned premiums.
(3) The combined ratio is the sum of the loss ratio and the expense ratio. A combined ratio under 100% indicates an underwriting profit. A combined ratio over 100% indicates an underwriting loss.

* Percentage is not meaningful.

Premiums

Premiums are earned ratably over the term of the policy, whereas written premiums are reflected on the effective date of the policy. Almost all commercial lines and homeowners products have annual policies, under which premiums are earned evenly over one year. The resulting net earned premiums are impacted by the gross and ceded written premiums, earned ratably over the terms of the policies.

Our premiums are presented below for the nine months ended September 30, 2026 and 2025 (dollars in thousands):

Summary of Premium Revenue

	Nine months ended September 30,			
	2026	**2025**	**$ Change**	**% Change**
Gross written premiums				
Personal lines	$ 30,741	$ 43,174	$ (12,433)	(28.8)%
Commercial lines	(29)	8,720	(8,749)	*
Total	$ 30,712	$ 51,894	$ (21,182)	(40.8)%
Net written premiums				
Personal lines	$ 26,980	$ 19,191	$ 7,789	40.6%
Commercial lines	(18)	(1,541)	1,523	*
Total	$ 26,962	$ 17,650	$ 9,312	52.8%
Net earned premiums				
Personal lines	$ 20,939	$ 24,130	$ (3,191)	(13.2)%
Commercial lines	231	2,570	(2,339)	(91.0)%
Total	$ 21,170	$ 26,700	$ (5,530)	(20.7)%

* Percentage is not meaningful.

Gross written premiums decreased $21.2 million, or 40.8%, to $30.7 million for the nine months ended September 30, 2026, compared to $51.9 million for the same period in 2025.

Personal lines gross written premiums decreased $12.4 million, or 28.8%, to $30.7 million for the nine months ended September 30, 2026, compared to $43.2 million for the same period in 2025. The decrease was due to underwriting changes that affected volume. Our main focus remains on prudent, steady growth in Texas.

Commercial lines gross written premiums were essentially zero for the nine months ended September 30, 2026, compared to $8.7 million for the same period in 2025. The Company's commercial lines of business are in runoff. The Company does not expect to write any commercial lines business in the near term.

Net written premiums increased $9.3 million, or 52.8%, to $27.0 million for the nine months ended September 30, 2026, compared to $17.7 million for the same period in 2025. The increase in net written premiums was primarily due to the termination of the Company's quota share reinsurance agreement that ceded 50% of premiums on substantially all of its homeowners business on May 31, 2026. The termination of the agreement generated a negative $9.3 million of ceded written premiums for the nine months ended September 30, 2026.

Net earned premiums decreased $5.5 million, or 20.7%, to $21.2 million for the nine months ended September 30, 2026, compared to $26.7 million for the same period in 2025. This decrease was primarily related to the decrease in gross written premiums during the quarter.

Losses and Loss Adjustment Expenses

The tables below detail our losses and loss adjustment expenses and loss ratios in our underwriting business for the nine months ended September 30, 2026 and 2025 (dollars in thousands):

Nine months ended September 30, 2026	Personal Lines	Commercial Lines	Total
Accident year net losses and LAE	$ 11,914	$ 70	$ 11,984
Net (favorable) adverse development	(317)	(897)	(1,214)
Calendar year net losses and LAE	$ 11,597	$ (827)	$ 10,770
Accident year loss ratio	56.9%	*	56.6%
Net (favorable) adverse development	(1.5)%	*	(5.7)%
Calendar year loss ratio	55.4%	*	50.9%

Nine months ended September 30, 2025	Personal Lines	Commercial Lines	Total
Accident year net losses and LAE	$ 15,009	$ 3,666	$ 18,675
Net (favorable) adverse development	1,457	2,095	3,552
Calendar year net losses and LAE	$ 16,466	$ 5,761	$ 22,227
Accident year loss ratio	62.2%	142.6%	69.9%
Net (favorable) adverse development	6.0%	81.5%	13.3%
Calendar year loss ratio	68.2%	224.1%	83.2%

* Percentage is not meaningful.

Net losses and LAE decreased by $11.4 million, or 51.5%, to $10.8 million for the nine months ended September 30, 2026, compared to $22.2 million for the same period in 2025. The decrease was mostly due to a significant reduction in net earned premiums as the Company's commercial lines of business are in runoff and we focus on the specialty homeowners business. The Company also experienced $1.2 million of favorable development for the nine months ended September 30, 2026. A majority of the favorable development was related to the Company's legacy commercial lines business.

Expense Ratio

Our expense ratio is a measure of the efficiency and performance of the commercial and personal lines of business (our risk-bearing underwriting operations). It is calculated by dividing the sum of policy acquisition costs and other underwriting expenses by net earned premiums. Costs that cannot be readily identifiable as a direct cost of a segment or product line remain in Corporate for segment reporting purposes. The expense ratio excludes Corporate expenses. Due to the commercial lines of business being in runoff, the expense ratios for commercial lines are not deemed to be meaningful.

The table below provides the expense ratio by major component.

	Nine months ended September 30,	
	2026	2025
Personal Lines		
Policy acquisition costs	29.0%	28.8%
Operating expenses	6.6%	22.3%
Total	35.6%	51.1%
Commercial Lines		
Policy acquisition costs	*	(3.9)%
Operating expenses	*	48.7%
Total	*	44.8%
Total Underwriting		
Policy acquisition costs	29.0%	25.7%
Operating expenses	17.2%	24.8%
Total	46.2%	50.5%

* Percentage is not meaningful.

Our expense ratio decreased by 4.3% for the nine months ended September 30, 2026, to 46.2%, compared to 50.5% for the same period in 2025.

Policy acquisition costs are costs we incur to issue policies, which include commissions, premium taxes and underwriting reports. The Company offsets direct commissions with ceding commissions from reinsurers. The percentage of policy acquisition costs to net earned premiums increased by 3.3% for the nine months ended September 30, 2026, to 29.0%, compared to 25.7% during the same period in 2025, due to the removal of the quota share reinsurance agreement effective May 31, 2026, which had provided for more ceding commission in the third quarter of 2025 than the same period in 2026.

Operating expenses consist primarily of employee compensation, information technology and occupancy costs, such as rent and utilities. Operating expenses as a percent of net earned premiums decreased by 7.6% for the nine months ended September 30, 2026, to 17.2%, compared to 24.8% for the same period in 2025. The decrease in the ratio was mostly due to improved administrative cost efficiency.

Segment Results

We measure the performance of our consolidated results, in part, based on our underwriting gain or loss. The following table provides the underwriting gain or loss for the nine months ended September 30, 2026 and 2025 (dollars in thousands):

Segment Gain (Loss)

	Nine months ended September 30,		
	2026	2025	$ Change
Personal Lines	$ 1,891	$ (4,676)	$ 6,567
Commercial Lines	(1,269)	(4,342)	3,073
Total underwriting gain (loss)	$ 622	$ (9,018)	$ 9,640

Other Corporate Expenses

Other corporate expenses consist of expenses not allocated to segments. These expenses include public company costs, as well as other expenses such as legal and consulting expenses not directly relating to the insurance operations and expense related to the funds-withheld obligation. Other corporate expenses increased by $805,000, or 38.6%, to $2.9 million for the nine months ended September 30, 2026, compared to $2.1 million for the same period in 2025. The increase was primarily from the Company allocating more of its operating expenses to its corporate segment as the commercial segment runs off.

Liquidity and Capital Resources

Sources and Uses of Funds

At September 30, 2026, the Company had $44.2 million in cash, cash equivalents and short-term investments. Our principal sources of funds are insurance premiums, investment income and proceeds from maturities and sales of invested

assets. These funds are primarily used to pay claims, commissions, employee compensation, taxes and other operating expenses, and service debt and mandatorily redeemable preferred stock.

We conduct our business operations primarily through our Insurance Company Subsidiaries. The Parent Company's ability to service debt and mandatorily redeemable preferred stock and pay administrative expenses is primarily reliant upon our intercompany service fees paid by the Insurance Company Subsidiaries to the Parent Company for management, administrative, and information technology services provided to the Insurance Company Subsidiaries by the Parent Company. Secondarily, the Parent Company may receive dividends from the Insurance Company Subsidiaries; however, this is not the primary means by which the Parent Company supports its funding as state insurance laws restrict the ability of our Insurance Company Subsidiaries to declare dividends to the Parent Company. Generally, the limitations are based on the greater of statutory net income for the preceding year or 10% of statutory surplus at the end of the preceding year. There were no dividends paid from our Insurance Company Subsidiaries for the nine months ended September 30, 2026 and 2025. We do not anticipate any dividends being paid to the Parent Company from our insurance subsidiaries in the near term.

Due to significant losses in 2025, much of which is attributable to the legacy commercial liability lines of business (which are now all in runoff), both Insurance Company Subsidiaries lacked sufficient capital to continue to underwrite the volume of business they have historically written. Accordingly, PHI contributed $17.5 million into TIC during 2025 and the first quarter of 2026. In addition, PHI contributed all of its $7.6 million ownership interest in WPIC to TIC effective December 31, 2025. Even with these contributions, TIC fell within the Company Action Level of the Risk Based Capital ("RBC") with an RBC ratio of 236% as of December 31, 2025, and was required to submit an updated plan of remediation to its domiciliary regulator. TIC is also subject to additional regulatory monitoring requirements as a result of the Company not being above the minimum required RBC levels as of December 31, 2025. TIC was above the Company Action Level as of June 30, 2026 and September 30, 2026. However, TIC still remains under additional regulatory monitoring for the near term.

To fund these additional contributions, PHI raised $7.5 million from the issuance of the Series B Preferred Stock in the first quarter of 2025, utilized proceeds from the second $10.0 million earnout from the CIS Sale, which were received in the second quarter of 2025, and raised $8.0 million from the issuance of the Series C Preferred Stock in December 2025. In February 2026, PHI completed a backstopped rights offering for $14.0 million utilizing a portion of the proceeds to redeem the $7.5 million Series B Preferred Stock and contribute $3.0 million of cash to TIC in February 2026. WPIC no longer writes any business and TIC’s writings are significantly constrained by its diminished capital position.

As an effort to support TIC and WPIC, PHI received no intercompany service fees from the Insurance Company Subsidiaries during 2025 and only $200,000 and $1.5 million for the three and nine months ended September 30, 2026, respectively. PHI has relied significantly on proceeds from sales of assets and capital raises over the last two years in order to ensure its ability to meet its obligations as they became due.

The Company received $10.0 million from the third and final earnout of the CIS Sale on August 21, 2026. With the receipt of this payment along with future anticipated revenue from TIC, management believes the Company has the ability to meet its obligations as they become due over the next twelve months.

Cash Flows

Operating Activities. Cash used in operating activities for the nine months ended September 30, 2026 was $27.7 million, compared to $18.7 million for the same period in 2025. The $9.0 million increase in cash used in operating activities was primarily due to a $5.1 million decrease in net premiums collected during the first nine months of 2026, compared to the same period in 2025. In addition, there was a $5.1 million increase in acquisition costs paid during the first nine months of 2026, compared to the same period in 2025.

Investing Activities. Cash provided by investing activities for the nine months ended September 30, 2026 was $8.5 million, compared to $9.0 million of cash used in investing activities for the same period in 2025. The $17.5 million increase in cash provided by investing activities was primarily due to a decrease of $66.2 million in the amount of investments purchased for the nine months ended September 30, 2026, compared to the same period in 2025. The increase in cash was also from the proceeds from maturities and redemptions of investments increasing $62.6 million for the nine months ended September 30, 2026, compared to the same period in 2025. These increases were offset by a $111.2 million decrease in proceeds received from sales of investments for the nine months ended September 30, 2026, compared to the same period in 2025.

Financing Activities. Cash provided by financing activities for the nine months ended September 30, 2026 was $6.2 million compared to $7.5 million for the same period in 2025. The $1.3 million decrease in cash provided by financing activities was attributed to the $7.5 million repayment of the Series B Preferred Stock during the nine months of 2026. This was offset by $14.0 million of common stock issued during the first nine months of 2026. The Company also paid $261,000 related to common stock issuance costs during the nine months of 2026.

Statutory Capital and Surplus

Our Insurance Company Subsidiaries are required to file quarterly and annual financial reports with state insurance regulators. These financial reports are prepared using statutory accounting practices promulgated by the Insurance Company Subsidiaries' state of domiciliary, rather than GAAP. The Insurance Company Subsidiaries' aggregate statutory capital and surplus, which is a statutory measure of equity, was $44.0 million and $42.6 million at September 30, 2026 and December 31, 2025, respectively.

Non-GAAP Financial Measures

Adjusted Operating Income and Adjusted Operating Income Per Share

Adjusted operating income or loss and adjusted operating income or loss per share are non-GAAP measures that represent net income or loss excluding net realized investment gains (losses), change in fair value of equity securities, change in fair value of contingent considerations, contingent consideration bonus expense and additional accretion of warrants from Series B Preferred Stock payoff. The most directly comparable financial GAAP measures to adjusted operating income and adjusted operating income per share are net income allocable to common shareholders and net income allocable to common shareholders per share, respectively. Adjusted operating income and adjusted operating income per share are intended as supplemental information and are not meant to replace net income allocable to common shareholders or net income allocable to common shareholders per share. Adjusted operating income and adjusted operating income per share should be read in conjunction with the GAAP financial results. Our definition of adjusted operating income may be different from that used by other companies. The following is a reconciliation of net income (loss) to adjusted operating income (loss) (dollars in thousands), as well as net income (loss) allocable to common shareholders per share to adjusted operating income (loss) per share:

	Three Months Ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ (1,622)	$ (3,970)	$ 3,536	$ (1,397)
Less:				
Net realized investment gains (losses)	(39)	4	(140)	(21)
Change in fair value of equity securities	—	13	111	(244)
Change in fair value of contingent considerations	—	(1,500)	5,710	8,250
Contingent consideration bonus expense	—	219	—	(922)
Additional accretion of warrants from Series B Preferred Stock payoff	—	—	(946)	—
Impact of income tax expense (benefit) from adjustments *	—	—	—	—
Adjusted operating income (loss)	$ (1,583)	$ (2,706)	$ (1,199)	$ (8,460)
Weighted average common shares diluted	3,746,092	1,746,125	3,321,202	1,746,125
Diluted income (loss) per common share:				
Net income (loss)	$ (0.43)	$ (2.27)	$ 1.06	$ (0.80)
Less:				
Net realized investment gains (losses)	(0.01)	—	(0.04)	(0.01)
Change in fair value of equity securities	—	0.01	0.03	(0.14)
Change in fair value of contingent considerations	—	(0.86)	1.72	4.73
Contingent consideration bonus expense	—	0.13	—	(0.53)
Additional accretion of warrants from Series B Preferred Stock payoff	—	—	(0.29)	—
Impact of income tax expense (benefit) from adjustments *	—	—	—	—
Adjusted operating income (loss) per share	$ (0.42)	$ (1.55)	$ (0.36)	$ (4.85)

* The Company has recorded a full valuation allowance against its deferred tax assets as of September 30, 2026 and September 30, 2025, respectively. As a result, there were no taxable impacts to adjusted operating income (loss) from the adjustments to net income (loss) in the table above after taking into account the use of net operating losses and the change in the valuation allowance.

We use adjusted operating income or loss and adjusted operating income or loss per share to assess our performance and to evaluate the results of our overall business. We believe these measures provide investors with valuable information relating to our ongoing performance that may be obscured by the net effect of realized gains and losses as a result of our market risk

sensitive instruments, which primarily relate to debt securities that are available for sale and not held for trading purposes. The change in fair value of equity securities and realized gains and losses may vary significantly between periods and are generally driven by external economic developments, such as capital market conditions. Accordingly, adjusted operating income excludes the effect of items that tend to be highly variable from period to period and highlights the results from our ongoing business operations and the underlying results of our business. We believe that it is useful for investors to evaluate adjusted operating income and adjusted operating income per share, along with net income and net income per share, when reviewing and evaluating our performance.

Recent Accounting Pronouncements

Refer to Note 1 ~ *Summary of Significant Accounting Policies – Accounting Guidance Not Yet Adopted* of the Notes to the Condensed Consolidated Financial Statements for detailed information regarding recently issued accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable for smaller reporting companies.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company’s management, including its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company’s disclosure controls and procedures, as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of September 30, 2026. Based on such evaluations, the Company's Chief Executive Officer and Chief Financial Officer have concluded the Company’s disclosure controls and procedures are effective in recording, processing, summarizing, and reporting, on a timely basis, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, and that information is accumulated and communicated to the Company’s management, including the Company’s Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

During the three months ended September 30, 2026, management implemented enhancements to its internal control review processes surrounding the accounting for income taxes to address an identified control deficiency. Other than the remediation just discussed, there were no other changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that have materially affected, or are reasonably likely to materially affect the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information required by this item is included under Note 14 ~ *Commitments and Contingencies* of the Notes to the Condensed Consolidated Financial Statements of the Company's Form 10-Q for the nine months ended September 30, 2026, which is hereby incorporated by reference.

ITEM 1A. RISK FACTORS

There were no material changes to the risk factors disclosed in our Annual Report on Form 10-K ("Item 1A Risk Factors") filed with the SEC on March 27, 2026.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION

During the three months ended September 30, 2026, none of the Company's directors or Section 16 officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Presurance securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or any "non-Rule 10b5-1 trading arrangement" as such term is defined in Item 408(c) of Regulation S-K.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference			
		Form	Period Ending	Exhibit / Appendix Number	Filing Date
31.1	Section 302 Certification — CEO				
31.2	Section 302 Certification — CFO				
32.1*	Section 906 Certification — CEO				
32.2*	Section 906 Certification — CFO				
101.INS	inline XBRL Instance Document				
101.SCH	inline XBRL Taxonomy Extension Schema Document				
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)				

* This certification is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

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, thereunto duly authorized.

PRESURANCE HOLDINGS, INC.

By: /s/ Harold J. Meloche
Harold J. Meloche
Chief Financial Officer,
Principal Financial Officer,
Principal Accounting Officer

Dated: November 12, 2026

Exhibit 31.1

CHIEF EXECUTIVE OFFICER'S 302 CERTIFICATION

I, Brian J. Roney, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Presurance Holdings, Inc. for the quarterly period ended September 30, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2026

/s/ Brian J. Roney

Brian J. Roney

Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CHIEF FINANCIAL OFFICER'S 302 CERTIFICATION

I, Harold J. Meloche, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Presurance Holdings, Inc. for the quarterly period ended September 30, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2026

/s/ Harold J. Meloche

Harold J. Meloche

Chief Financial Officer
(principal financial officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Presurance Holdings, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian J. Roney, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 12, 2026

/s/ Brian J. Roney

Brian J. Roney
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Presurance Holdings, Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Harold J. Meloche, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 12, 2026

/s/ Harold J. Meloche

Harold J. Meloche

Chief Financial Officer