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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 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: 001-42634

American Integrity Insurance Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

33-2925846
(I.R.S. Employer Identification No.)

**3000 Bayport Drive, Suite 500
Tampa, Florida**
(Address of principal executive offices)

33607
(Zip Code)

(813) 880-7000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.001 par value	AI	New York Stock Exchange

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 ☒

As of May 14, 2026, there were 19,590,817 shares of common stock, par value of \$0.001 per share, outstanding.

American Integrity Insurance Group, Inc.
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EXPLANATORY NOTE

This Quarterly Report on Form 10-Q covers a period that includes a portion of time prior to the completion of our initial public offering (the “IPO”) on May 9, 2025. In connection with the completion of the IPO, American Integrity Insurance Group, Inc. (the “Company,” “American Integrity,” “we,” “our” or “us”) effected a corporate contribution in which the owners of the equity interests of American Integrity Insurance Group, LLC (“AIIG”) contributed all of their equity interests in AIIG to the Company in exchange for an aggregate of 12,904,495 shares of the Company’s common stock, par value \$0.001 per share (the “Common Stock”). Except as otherwise noted herein, our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q are those of the Company and its consolidated operations.

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements” as defined in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q may be forward-looking statements. Forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to, statements regarding: our outlook; our business strategy; writing new business and retaining existing policies; new insurance products; availability of reinsurance coverage; expectations on future growth; future Citizens Property Insurance Corporation (“Citizens”) take-out opportunities; anticipated future operating results and operating expenses, cash flows, capital resources and liquidity; reserves for losses and loss adjustment expenses; geographic expansion; reduction of our quota share; competition; future regulatory, judicial and legislative changes; forecasts of future revenues and appropriately planning our expenses; and our plans regarding our capital expenditures and investment portfolios. In some cases, you can identify forward-looking statements by terms such as “anticipates,” “believes,” “contemplates,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “targets,” “will,” “would” or the negative of these terms or other similar expressions.

Forward-looking statements are neither historical facts nor assurances of future performance, and are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- the potential that we may face significant losses due to being a property and casualty insurer and our exposure to catastrophic events and severe weather conditions, which can be unpredictable;
- our loss reserves are estimates and may be inadequate to cover our actual liability for losses, and actual claims incurred have exceeded, and in the future may exceed, reserves established for claims;
- the dependence of our financial results on the regulatory, legal, economic and weather conditions in Florida due to the fact that we conduct substantially all of our business in Florida;
- changing climate conditions may increase the severity and frequency of catastrophic events and severe weather conditions;
- the severity and frequency of catastrophe events of which are unpredictable;
- dependence upon the effectiveness of exclusions and other loss limitation methods in the insurance policies we assume or write;
- reliance upon third-party distribution partners, including independent insurance agents, homebuilder-affiliated agents and national insurance carriers;
- our ability to pursue Citizens’ take-out opportunities;
- cyclical changes in the insurance industry;
- our ability to obtain reinsurance coverage at commercially reasonable rates, or at all;
- credit risk of our reinsurers who may suffer a downgrade;
- the inherent uncertainty of models and our reliance on such models as a tool to evaluate risk, and the dependence of our results upon our ability to accurately price the risks we underwrite;
- the possibility that our information technology systems may fail or be disrupted;
- our ability to expand our business and the possible need to acquire additional capital in the future to fund such expansion;
- the ability of our claims department, or the third-party claims adjusters whom we may engage, to effectively manage or remediate claims as well as unanticipated increases in the severity or frequency of claims;

- the possibility that actual renewals of our existing policies will not meet expectations;
- increased competition and market conditions, including changes in our financial stability and credit ratings;
- the extensive regulatory environment in which we operate that requires approval of rate increases, can mandate rate decreases, and that can dictate underwriting practices and mandate participation in loss sharing arrangements, and other potential further restrictive regulation we may face;
- mandatory assessments or competition from government entities may create short-term liabilities or affect our ability to underwrite more policies; and
- other risks identified in Part II, Item 1A “*Risk Factors*” in this Quarterly Report on Form 10-Q and Part I, Item 1A “*Risk Factors*” in our most recent Annual Report on Form 10-K.

New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this Quarterly Report on Form 10-Q may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

PART I – FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (unaudited)

American Integrity Insurance Group, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)

	March 31, 2026 (unaudited)	December 31, 2025
Assets		
Fixed maturities, available-for-sale, at fair value (amortized cost of \$347,017 and \$327,910, respectively)	\$ 347,264	\$ 330,489
Short-term investments (amortized cost of \$2,480 and \$18,121, respectively)	2,479	18,121
Total investments	349,743	348,610
Cash and cash equivalents	171,182	203,902
Restricted cash	55,169	40,217
Premiums receivable, net	44,432	45,031
Accrued investment income	3,072	3,458
Prepaid reinsurance premiums	157,888	275,093
Reinsurance recoverable, net	275,290	269,056
Net reinsurance commission receivable	58,871	—
Property and equipment, net	6,390	5,718
Right-of-use assets – operating leases	35,702	449
Deferred income tax asset, net	8,943	8,636
Other assets	8,372	24,904
Total assets	\$ 1,175,054	\$ 1,225,074
Liabilities and shareholders' equity		
Liabilities:		
Unpaid losses and loss adjustment expenses	\$ 264,857	\$ 266,591
Income tax payable	4,734	2,680
Unearned premiums	470,789	481,557
Reinsurance payable	5,350	78,526
Advance premiums	25,892	11,752
Long-term debt	515	618
Lease liabilities – operating leases	32,652	458
Deferred policy acquisition costs, net of unearned ceding commissions	8,804	12,902
Other liabilities and accrued expenses	25,978	32,968
Total liabilities	\$ 839,571	\$ 888,052
Shareholders' equity: ⁽¹⁾		
Common stock, \$0.001 par value, 100,000,000 shares authorized, 19,581,343 shares issued and outstanding at March 31, 2026 and 19,579,009 shares issued and outstanding at December 31, 2025	\$ 20	\$ 20
Additional paid-in capital	106,162	105,896
Accumulated other comprehensive income, net of taxes	184	1,928
Retained earnings	229,117	229,178
Total shareholders' equity	\$ 335,483	\$ 337,022
Total liabilities and shareholders' equity	\$ 1,175,054	\$ 1,225,074

See accompanying notes to unaudited condensed consolidated financial statements.

- (1) Both the number of shares outstanding and their par value have been retrospectively recast for all prior periods presented to reflect the par value of the outstanding stock of American Integrity Insurance Group, Inc. as a result of the Corporate Contribution. See Note 1 — “Nature of Operations and Basis of Presentation” and Note 14 — “Earnings Per Share.”

American Integrity Insurance Group, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations and Comprehensive Income (Unaudited)
(In thousands, except share and per share data)

	Three Months Ended March 31,	
	2026	2025
Revenues:		
Gross premiums written	\$ 220,004	\$ 212,150
Change in gross unearned premiums	10,768	(1,994)
Gross premiums earned	230,772	210,156
Ceded premiums earned	(148,564)	(144,754)
Net premiums earned	82,208	65,402
Policy fees	2,745	2,204
Net investment income	5,652	4,103
Net realized gains on investments	53	16
Other income	273	161
Total revenues	90,931	71,886
Expenses:		
Losses and loss adjustment expenses, net	31,725	20,862
Policy acquisition expenses	15,985	3,107
General and administrative expenses	15,966	5,008
Total expenses	63,676	28,977
Income before income taxes	27,255	42,909
Income tax expense	7,345	4,813
Net income	\$ 19,910	\$ 38,096
Other comprehensive income (loss):		
Unrealized holding gains (losses) on available-for-sale securities, net of taxes	(1,705)	457
Reclassification adjustment for net realized gains (losses), net of taxes	(39)	(12)
Total other comprehensive income (loss)	(1,744)	445
Comprehensive income	\$ 18,166	\$ 38,541
Earnings per share: ⁽¹⁾		
Basic earnings per share	\$ 1.02	\$ 2.78
Diluted earnings per share	\$ 1.02	\$ 2.78
Weighted average shares outstanding – Basic	19,579,035	12,904,495
Weighted average shares outstanding – Diluted	19,579,308	12,904,495

See accompanying notes to unaudited condensed consolidated financial statements.

- (1) Both the number of shares outstanding and their par value have been retrospectively recast for all prior periods presented to reflect the par value of the outstanding stock of American Integrity Insurance Group, Inc. as a result of the Corporate Contribution. See Note 1 — “Nature of Operations and Basis of Presentation” and Note 14 — “Earnings Per Share.”

American Integrity Insurance Group, Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)
Three Months Ended March 31, 2026
(In thousands, except share amounts)

	Common Shares	Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at December 31, 2025	19,579,009	\$ 20	\$ 105,896	\$ 229,178	\$ 1,928	\$ 337,022
Common stock dividends (\$1.02 per share)	—	—	—	(19,971)	—	(19,971)
Total other comprehensive income (loss)	—	—	—	—	(1,744)	(1,744)
Net income	—	—	—	19,910	—	19,910
Vesting of restricted stock awards	2,334	—	45	—	—	45
Stock-based compensation on restricted stock units	—	—	221	—	—	221
Balance at March 31, 2026	19,581,343	\$ 20	\$ 106,162	\$ 229,117	\$ 184	\$ 335,483

	Common Shares	Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at December 31, 2024	12,904,495	\$ 13	\$ 10,274	\$ 152,432	\$ (327)	\$ 162,392
Distributions to members – tax advances and profit distributions (\$1.15 per share) ⁽¹⁾	—	—	—	(14,875)	—	(14,875)
Total other comprehensive income	—	—	—	—	445	445
Net income	—	—	—	38,096	—	38,096
Balance at March 31, 2025	12,904,495	\$ 13	\$ 10,274	\$ 175,653	\$ 118	\$ 186,058

See accompanying notes to unaudited condensed consolidated financial statements.

- (1) The distributions were made to members prior to the IPO. See Note 1 — “Nature of Operations and Basis of Presentation” and Note 11 — “Shareholders’ Equity.”

American Integrity Insurance Group, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In thousands)

	For the Three Months Ended March 31,	
	2026	2025
Cash flows provided by (used in) operating activities		
Net income	\$ 19,910	\$ 38,096
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation expense	266	—
Amortization and depreciation	798	497
Deferred income taxes	282	(1,090)
Net realized (gains)	(53)	(16)
Changes in operating assets and liabilities:		
Premiums receivable	599	(4,899)
Accrued investment income	386	238
Prepaid reinsurance premiums	117,205	89,856
Reinsurance recoverable	(6,234)	22,394
Net reinsurance commission receivable	8,312	—
Other assets	13,534	8,879
Unpaid losses and loss adjustment expense	(1,734)	(44,089)
Unearned premiums	(10,768)	1,994
Reinsurance payable	(140,359)	(55,072)
Advance premiums	14,140	13,950
Income taxes payable (recoverable)	2,054	6,418
Operating lease payments	389	(501)
Deferred policy acquisition costs, net unearned ceding commissions	(4,098)	(5,095)
Other liabilities and accrued expenses	(7,837)	(3,475)
Net cash provided by operating activities	6,792	68,085
Cash flows provided by (used in) investing activities		
Purchases of property and equipment	(1,267)	(108)
Proceeds from sales and maturities of fixed maturity securities	20,534	59,870
Purchases of fixed maturity securities	(39,424)	(51,419)
Proceeds from sales and maturities of short-term investments	22,659	—
Purchases of short-term investments	(6,988)	—
Net cash provided by (used in) investing activities	(4,486)	8,343
Cash flows provided by (used in) financing activities		
Cash dividends paid	(19,971)	—
Cash distributions to members ⁽¹⁾	—	(14,875)
Repayment of long-term debt	(103)	(103)
Net cash used in financing activities	(20,074)	(14,978)
Net increase in cash, cash equivalents and restricted cash	(17,768)	61,450
Cash, cash equivalents and restricted cash at beginning of year	244,119	179,272
Cash, cash equivalents and restricted cash at end of period	<u>\$ 226,351</u>	<u>\$ 240,722</u>

(1) The distributions were made to members prior to the IPO. See Note 1 — “Nature of Operations and Basis of Presentation” and Note 11 — “Shareholders’ Equity.”

American Integrity Insurance Group, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In thousands)

	For the Three Months Ended March 31,	
	2026	2025
Supplemental disclosures of cash flow information		
Interest paid	\$ 12	\$ —
Income taxes paid	\$ 5,311	\$ —

The following table is a reconciliation of cash, cash equivalents, and restricted cash reported within the Company's condensed consolidated balance sheets:

	March 31, 2026	December 31, 2025
Cash and cash equivalents	\$ 171,182	\$ 203,902
Restricted cash	55,169	40,217
Total cash, cash equivalents and restricted cash shown in the Condensed Consolidated Statements of Cash Flows	<u>\$ 226,351</u>	<u>\$ 244,119</u>

See accompanying notes to unaudited condensed consolidated financial statements.

1. Nature of Operations and Basis of Presentation

Organization and Description of the Company

American Integrity Insurance Group, Inc., a Delaware corporation (the “Company”), was formed on January 15, 2025. American Integrity Insurance Group, LLC, a Texas limited liability company (“AIIG”), was formed in 2006. On May 7, 2025, the holders of all of the outstanding equity of AIIG contributed all of their equity interests in AIIG to the Company (the “Corporate Contribution”), in exchange for 12,904,495 shares of the Company’s common stock, par value \$0.001 per share (the “Common Stock”), immediately prior to the Company’s initial public offering (the “IPO”). This is further described in the “*Initial Public Offering and Corporate Contribution*” section below. The operations of AIIG represent the predecessor to the Company prior to the IPO, and the consolidated and combined entities of the Company are described in more detail below. Information for any periods prior to May 7, 2025 relates to AIIG and its subsidiaries.

The Company and its wholly-owned subsidiaries are engaged in the property and casualty insurance business. The Company’s subsidiaries include American Integrity Insurance Company (f/k/a American Integrity Insurance Company of Florida, Inc.) (“AIIC”), a property and casualty insurance company domiciled in the state of Florida; AIIG; American Integrity MGA, LLC (“AIMGA”), a Texas limited liability company operating as a managing general agency and functioning as a manager for the insurance subsidiary’s business; American Integrity Claims Services, LLC (“AICS”), a Texas limited liability company operating as a third-party administrator and providing insurance claims processing services; Pinnacle Insurance Consultants, LLC (“PIC”), a Nevada limited liability company operating as a licensed insurance agency in the state of Florida; and Pinnacle Analytics, LLC (“PA”), a Texas limited liability company performing limited reinsurance brokerage functions for the insurance subsidiary’s business. During 2023, the Company entered into an agreement with Artex SAC Limited (“Artex”), a Bermuda Licensed Segregated Accounts Company, to establish Catstyle Segregated Account (“Catstyle”). Catstyle is a segregated account controlled by the Company formed for the purpose of conducting reinsurance business.

The Company’s property and casualty insurance is currently offered in Florida, Georgia, North Carolina, and South Carolina.

Basis of Presentation and Principles of Consolidation

The Company has prepared the accompanying unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and the Securities and Exchange Commission (“SEC”). References to the Accounting Standard Codification (“ASC”) and the Accounting Standard Updates (“ASU”) included hereinafter refer to the Accounting Standards Codification and Updates issued by the Financial Accounting Standards Board (“FASB”) as the source of the authoritative GAAP. In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation have been included in these condensed consolidated financial statements.

The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, as well as variable interest entities (“VIE”) in which the Company is determined to be the primary beneficiary. All intercompany balances and transactions have been eliminated in consolidation.

The condensed consolidated financial statements for prior periods give effect to the Corporate Contribution discussed below, including the exchange of all 122,900 units of AIIG for an aggregate of 12,904,495 shares of Common Stock of the Company, which is equivalent to an overall exchange ratio of one-for-105. All share and earnings per share amounts presented herein have been retroactively adjusted to give effect to the Corporate Contribution as if they occurred prior to all prior periods presented.

Initial Public Offering and Corporate Contribution

Immediately prior to the IPO, the owners of the equity interests of AIIG contributed all of their equity interests to the Company in exchange for an aggregate of 12,904,495 shares of Common Stock in the Corporate Contribution. On May 9, 2025, the Company completed its IPO of an aggregate of 6,875,000 shares of the Company's Common Stock, at a price to the public of \$16.00 per share, 6,250,000 of which shares were sold by the Company and 625,000 of which shares were sold by certain selling stockholders. The gross proceeds to the Company from the IPO were \$100 million, and gross proceeds to the selling stockholders from the IPO were \$10 million, before deducting underwriting discounts and commissions of \$7 million. Pending their further use, the proceeds were invested in investment grade instruments. On May 13, 2025, the underwriters completed the exercise of their option to purchase an additional 1,031,250 shares of Common Stock from the selling stockholders resulting in an additional \$16.5 million in gross proceeds to the selling stockholders, before deducting underwriting discounts and commissions. The Company did not receive any gross proceeds from the sales of shares of Common Stock by the selling stockholders.

In connection with the IPO, the Company issued a net amount of 417,470 shares of restricted stock to certain employees and consultants (the "Restricted Stock Grant") after giving effect to the withholding of approximately 234,587 shares of Common Stock to satisfy the estimated tax withholding and remittance obligations (the "Restricted Stock Grant Net Settlement"). The Company incurred a one-time share-based compensation expense of \$10.4 million in connection with the Restricted Stock Grant, which was expensed in general and administrative expenses on the condensed consolidated statements of operations and comprehensive income. The Company also paid \$3.8 million for tax withheld on vesting of restricted stock in connection with the Restricted Stock Grant Net Settlement. The compensation expense for these awards was recognized in the second quarter of 2025.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. As a result, actual results could differ from those estimates. Management evaluates estimates on an ongoing basis when updated information related to such estimates becomes available. The most significant areas that require management judgment are the estimate of unpaid losses and loss adjustment expenses, evaluation of reinsurance recoverable, evaluation of ceding commission, and valuation of investments.

2. Significant Accounting Policies

Changes to Significant Accounting Policies

There have been no changes to significant accounting policies as reported in the audited consolidated financial statements of the Company for the year ended December 31, 2025. The Company has included the Restricted Stock policy, which is a newly updated policy to reflect the performance-based restricted stock units ("PSUs") granted for the unaudited condensed consolidated financial statements of the Company for the three months ended March 31, 2026.

Restricted Stock

The PSUs are subject to performance-based vesting conditions and are accounted for as equity under ASC Topic 718, *Compensation—Stock Compensation*. PSUs are valued based on the fair value of the underlying award, which is the closing price of the Common Stock on the date of the grant. The Company recognizes the compensation cost for PSUs on a straight-line basis over the awards' three-year vesting period as general and administrative expenses within the Company's consolidated statements of operations and comprehensive income. The PSUs were granted assuming expected maximum achievement of the applicable performance conditions. Accordingly, compensation

American Integrity Insurance Group, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Dollar amounts in thousands, except share and per share data, unless otherwise stated)

cost is subject to decreases based on the Company's actual performance relative to the established metrics for each performance year. The Company recognizes any PSU forfeitures when they occur.

Recently Issued and Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07 *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which amended the guidance in ASC 280, *Segment Reporting*, to require a public entity to disclose significant segment expenses and other segment items on an annual and interim basis and to provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. Public entities with a single reportable segment are required to provide the new disclosures and all the disclosures required under ASC 280. The guidance is applied retrospectively to all periods presented in financial statements, unless it is impracticable. The guidance applies to all public entities and is effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024. The Company adopted ASU 2023-07 for its 2024 year-end. The adoption of the ASU did not have a material impact on the consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which amended the guidance in ASC 740 to enhance the transparency and decision-usefulness of income tax disclosures, particularly in the rate reconciliation table and disclosures about income taxes paid. The guidance applies to all entities subject to income taxes and permits either prospective or retrospective application. For public business entities, the new requirements will be effective for annual periods beginning after December 15, 2024. The Company adopted ASU 2023-09 on a prospective basis beginning with the year ended December 31, 2025. The adoption did not have a material impact on the Company's consolidated financial condition or results of operations, but resulted in additional income tax disclosures in the consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which provides updated guidance on the recognition, measurement, and disclosure of costs incurred in connection with internally developed software. The new standard is intended to align accounting practices for software that is developed in-house with recent advancements in technology and current industry practices. ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, and interim periods within those annual periods. The Company adopted ASU 2025-06 on January 1, 2026 using the prospective method. The adoption of the ASU did not have a material impact on the condensed consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40)*. This ASU requires disaggregated disclosure of income statement expenses, such as employee compensation and depreciation, for public business entities. The ASU does not change the expense captions an entity presents on the face of the income statement; rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the consolidated financial statements. The ASU also requires disclosure of a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. ASU 2024-03 is effective for all public business entities for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company will adopt the guidance on December 31, 2027, and is currently assessing the impact of this ASU on the consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies the guidance in Topic 270 to improve the consistency of interim financial reporting. The ASU provides a comprehensive list of required interim disclosures and introduces a disclosure principle requiring entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for annual reporting periods beginning after December 15, 2027 and interim periods within those annual periods. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2025-11 on its consolidated financial statements and related disclosures.

American Integrity Insurance Group, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(Dollar amounts in thousands, except share and per share data, unless otherwise stated)

3. Variable Interest Entity

As part of the 2023-2024 catastrophe excess of loss reinsurance placement, which inceptioned on June 1, 2023, AIIC entered into a reinsurance agreement with Catstyle, a segregated account controlled by the Company. Catstyle provides reinsurance coverage for layer one of the Company's catastrophe reinsurance program effective June 1, 2023 through May 31, 2024, June 1, 2024 through May 31, 2025, and June 1, 2025 through May 31, 2026. Catstyle reinsurance eliminates in consolidation.

To establish the Catstyle, AIIG entered into a master preference shareholder agreement with Artex whereby AIIG purchased 1,000 non-voting redeemable preference shares, par value of \$1.00, to become the sole shareholder of Catstyle. AIIG also contributed additional surplus in order to fully capitalize Catstyle.

The Company was determined to be the primary beneficiary of Catstyle, a silo that is a VIE within Artex, as AIIG has the power to direct the activities that significantly affect the economic performance as well as the obligation to absorb losses and the right to receive benefits that could potentially be significant of Catstyle. Thus, AIIG has consolidated the assets, liabilities and operations of Catstyle in its consolidated financial statements with intercompany balances and transactions eliminated in consolidation.

The following table presents, on a consolidated basis, the balance sheet classification and exposure of restricted cash and investments held in the segregated account, which are used to settle reinsurance obligations of the VIE as of the dates presented. Restricted cash and investments held in the segregated account are required to be held in a trust account solely for the benefit of the Company and can be used to settle activity under the reinsurance agreement. Any restricted cash or investments held in the segregated account not actively being used to settle activity under the reinsurance agreement can be paid to the Company by dividend based upon underwriting results of the segregated account or by expiration or termination of the reinsurance agreement. Catstyle cannot declare or pay dividends without necessary approvals from the Bermuda Monetary Authority (the "Authority").

	March 31, 2026	December 31, 2025
Restricted cash and cash equivalents	\$ 54,311	\$ 39,364
Total	<u>\$ 54,311</u>	<u>\$ 39,364</u>

4. Investments

Available-for-Sale Securities

The amortized cost and estimated fair value of available-for-sale securities were as follows:

	March 31, 2026				
	Amortized Cost	Allowance for Credit Loss	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury and U.S. government agencies	\$ 30,673	\$ —	\$ 16	\$ (16)	\$ 30,673
Corporate debt securities	190,217	—	568	(220)	190,565
Asset-backed securities	126,127	—	302	(403)	126,026
Total fixed maturity securities	347,017	—	886	(639)	347,264
Short-term investments	2,480	—	—	(1)	2,479
Total available-for-sale investments	<u>\$ 349,497</u>	<u>\$ —</u>	<u>\$ 886</u>	<u>\$ (640)</u>	<u>\$ 349,743</u>

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December 31, 2025					
	Amortized Cost	Allowance for Credit Loss	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury and U.S. government agencies	\$ 30,646	\$ —	\$ 76	\$ —	\$ 30,722
Corporate debt securities	205,109	—	1,793	(103)	206,799
Asset-backed securities	92,155	—	826	(13)	92,968
Total fixed maturity securities	327,910	—	2,695	(116)	330,489
Short-term investments	18,121	—	1	(1)	18,121
Total available-for-sale investments	\$ 346,031	\$ —	\$ 2,696	\$ (117)	\$ 348,610

A summary of the aggregate estimated fair values of available-for-sale securities with unrealized losses segregated by time period in an unrealized loss position is as follows:

March 31, 2026					
	Less than 12 months		12 months or greater		Total
	Estimated Fair Value	Unrealized losses	Estimated Fair Value	Unrealized losses	Estimated Fair Value Unrealized losses
U.S. Treasury and U.S. government agencies	\$ —	\$ —	\$ 30,673	\$ (16)	\$ 30,673 \$ (16)
Corporate debt securities	—	—	190,565	(220)	190,565 (220)
Asset-backed securities	38,836	(227)	87,190	(176)	126,026 (403)
Short-term investments	2,479	(1)	—	—	2,479 (1)
Total	\$ 41,315	\$ (228)	\$ 308,428	\$ (412)	\$ 349,743 \$ (640)

December 31, 2025					
	Less than 12 months		12 months or greater		Total
	Estimated Fair Value	Unrealized losses	Estimated Fair Value	Unrealized losses	Estimated Fair Value Unrealized losses
Corporate debt securities	\$ 134,892	\$ (19)	\$ 71,907	\$ (84)	\$ 206,799 \$ (103)
Asset-backed securities	78,644	(12)	14,324	(1)	92,968 (13)
Short-term investments	18,121	(1)	—	—	18,121 (1)
Total	\$ 231,657	\$ (32)	\$ 86,231	\$ (85)	\$ 317,888 \$ (117)

As of March 31, 2026 and December 31, 2025, there were 77 and 17 available-for-sale fixed-maturity securities, respectively, in an unrealized loss position.

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A summary of the amortized cost and estimated fair value of available-for-sale securities at March 31, 2026, by contractual maturity is as follows. The expected maturities may differ from the contractual maturities because certain borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Estimated Fair Value
Years to maturity		
Government and corporate securities:		
Due in one year or less	\$ 85,371	\$ 85,373
Due after one year through five years	137,999	138,344
Due after five years through 10 years	—	—
Due after 10 years	—	—
Other securities, which provide for periodic payments:		
Asset-backed securities	126,127	126,026
Total	\$ 349,497	\$ 349,743

The following table presents components of the Company's net investment income as follows:

	Three Months Ended March 31,	
	2026	2025
Fixed maturities, available-for-sale	\$ 3,835	\$ 2,131
Short-term investments	117	—
Cash and cash equivalents	1,908	2,115
Gross investment income	5,860	4,246
Investment expenses	(208)	(143)
Net investment income	\$ 5,652	\$ 4,103

Proceeds from sales or maturities of fixed maturity available-for-sale securities for the three months ended March 31, 2026 were \$20,534, with \$82 and \$24 of gross realized gains and losses, respectively. Proceeds from sales of fixed maturity available-for-sale securities for the three months ended March 31, 2025 were \$59,870, with \$111 and \$93 of gross realized gains and losses, respectively. Proceeds from sales or maturities of short-term securities for the three months ended March 31, 2026 were \$22,659, with \$0 and \$5 of gross realized gains and losses, respectively. There were no proceeds from sales or maturities of short-term securities for the three months ended March 31, 2025.

The Company did not record any activity pertaining to the allowance for credit losses as of March 31, 2026 or December 31, 2025.

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5. Fair Value Measurements

The tables below present information about the Company's financial assets measured at fair value on a recurring basis:

	March 31, 2026			
	Total	Level 1	Level 2	Level 3
U.S. Treasury and U.S. government agencies	\$ 30,673	\$ 30,673	\$ —	\$ —
Corporate debt securities	190,565	—	190,565	—
Asset-backed securities	126,026	—	126,026	—
Short-term investments	2,479	—	2,479	—
Total	<u>\$ 349,743</u>	<u>\$ 30,673</u>	<u>\$ 319,070</u>	<u>\$ —</u>

	December 31, 2025			
	Total	Level 1	Level 2	Level 3
U.S. Treasury and U.S. government agencies	\$ 30,722	\$ 30,722	\$ —	\$ —
Corporate debt securities	206,799	—	206,799	—
Asset-backed securities	92,968	—	92,968	—
Short-term investments	18,121	—	18,121	—
Total	<u>\$ 348,610</u>	<u>\$ 30,722</u>	<u>\$ 317,888</u>	<u>\$ —</u>

The Company had no assets carried at fair value in the Level 3 category as of March 31, 2026 and December 31, 2025.

The Company classifies U.S. Treasury bonds and government agencies within Level 1 of the fair value hierarchy because they are valued based on quoted market prices in active markets. Corporate debt securities, short-term investments, and asset-backed securities categorized as Level 2 were valued using a market approach. Valuations were based upon quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets, or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities) or can be corroborated by observable market data.

During the three months ended March 31, 2026, the Company had no event or circumstance change that would cause an instrument to be transferred between levels.

The following table summarizes the carrying value and estimated fair value of the Company's financial instruments not carried at fair value as of the date presented:

	March 31, 2026		December 31, 2025	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Long-term debt:				
Surplus note	\$ 515	\$ 401	\$ 618	\$ 499

The Company's long-term debt represents a surplus note. Fair value was determined by management based on the expected cash flows discounted using the interest rate specified in the surplus note agreement with the Florida State Board of Administration ("FSBA"). The interest rate is not obtained from an external market source but is defined within the agreement as a rate equivalent to the 10-year Constant Maturity Treasury Rate, adjusted quarterly in accordance with the terms of the agreement. The Company's use of funds from the surplus note is limited by the terms of the agreement. The Company has concluded that the contractual interest rate quoted by the FSBA to be appropriate for purposes of establishing the fair value of the surplus note (Level 3).

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6. Property and Equipment

Property and equipment consisted of the following as of:

	March 31, 2026	December 31, 2025
Furniture	\$ 2,826	\$ 1,715
Leasehold improvements	218	218
Computer equipment	4,343	4,186
Vehicle fleet	545	545
Internally developed software	6,178	6,178
Total, at cost	14,110	12,842
Accumulated depreciation and amortization	(7,720)	(7,124)
Property and equipment, net	<u>\$ 6,390</u>	<u>\$ 5,718</u>

Depreciation and amortization expense related to property and equipment was \$595 and \$196 for the three months ended March 31, 2026 and 2025, respectively.

7. Deferred Policy Acquisition Costs, Net of Ceding Commissions

The tables below show the activity regarding deferred policy acquisition costs (“DPAC”) for the three months ended March 31, 2026 and 2025.

For the three months ended March 31, 2026 and 2025, the Company allocated earned ceding commission income of \$12,932 and \$14,814 to policy acquisition costs, respectively, and \$12,916 and \$23,879 to general and administrative expenses, respectively.

	Three Months Ended March 31, 2026		
	DPAC, excluding unearned ceding commission	Unearned ceding commission	Total
DPAC, beginning of period	\$ 58,810	\$ (71,712)	\$ (12,902)
Policy acquisition costs deferred during the period:			
Producer commissions	24,221	—	24,221
Premium taxes	3,098	—	3,098
Other acquisition costs	2,747	—	2,747
Ceding commissions	—	(22,129)	(22,129)
Total policy acquisition costs	30,066	(22,129)	7,937
Amortization	(29,687)	25,848	(3,839)
DPAC, end of period	<u>\$ 59,189</u>	<u>\$ (67,993)</u>	<u>\$ (8,804)</u>

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	Three Months Ended March 31, 2025		
	DPAC, excluding unearned ceding commission	Unearned ceding commission	Total
DPAC, beginning of period	\$ 38,803	\$ (70,734)	\$ (31,931)
Policy acquisition costs deferred during the period:			
Producer commissions	18,086	—	18,086
Premium taxes	2,664	—	2,664
Other acquisition costs	2,490	—	2,490
Ceding commissions	—	(38,218)	(38,218)
Total policy acquisition costs	23,240	(38,218)	(14,978)
Amortization	(18,593)	38,666	20,073
DPAC, end of period	<u>\$ 43,450</u>	<u>\$ (70,286)</u>	<u>\$ (26,836)</u>

8. Liability for Unpaid Losses and Loss Adjustment Expenses

The liability for unpaid losses and loss adjustment expenses (“LAE”) includes an amount determined from loss reports and individual cases and an amount, based on past experience, for losses incurred but not yet reported.

The following table provides a reconciliation of changes in the liability for unpaid losses and LAE:

	Three Months Ended March 31,	
	2026	2025
Unpaid Loss and LAE beginning of period	\$ 266,591	\$ 475,708
Less: Reinsurance recoverables on unpaid losses and LAE	192,336	415,086
Net unpaid loss and LAE at beginning of period	74,255	60,622
Add: Losses and LAE, net of reinsurance, incurred related to:		
Current period	31,725	20,283
Prior period	—	579
Total net losses and LAE incurred	31,725	20,862
Less: Losses and LAE paid, net of reinsurance, related to:		
Current period	6,833	4,017
Prior period	14,949	15,701
Total net paid losses and LAE	21,782	19,718
Unpaid loss and LAE, net of reinsurance at end of period	84,198	61,766
Add: Reinsurance recoverables on unpaid losses and LAE	180,659	369,854
Unpaid loss and LAE at end of period	<u>\$ 264,857</u>	<u>\$ 431,620</u>

During the three months ended March 31, 2026, the liability for unpaid losses and LAE, net of reinsurance, increased by \$9,943 from \$74,255 as of December 31, 2025 to \$84,198 as of March 31, 2026. The increase was primarily as a result of an increase in reserves related to non-catastrophe storms of \$5,755, with an additional increase in reserves for Citizens, a Florida state-supported insurer, assumed business of \$4,106.

Prior period development includes changes in estimated losses and LAE for all events occurring in prior periods including hurricanes and other weather events. In 2026, the Company’s net loss and LAE incurred for the three months ended March 31, 2026 reflected no prior year development. These adjustments are generally the result of

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ongoing analysis of recent loss development trends. Original estimates are decreased or increased as additional information becomes known regarding individual claims.

9. Reinsurance

In order to limit the Company's potential exposure to individual risks and catastrophic events, the Company purchases reinsurance from third-party reinsurers as well as the Florida Hurricane Catastrophe Fund ("FHCF"), a state-mandated catastrophe fund for Florida policies only. All of the Company's reinsurance partners were rated "A-" or higher by A.M. Best Company, Inc. ("A.M. Best") or "BBB" or higher by Standard & Poor's Financial Services LLC ("S&P") or were fully collateralized.

In 2024, the Company also began participating in a "take-out program" through which the Company assumes insurance policies held by Citizens. The take-out program is a legislatively mandated program designed to reduce the state's risk exposure by encouraging private companies to assume policies from Citizens.

Effective December 31, 2025 to December 31, 2026, the Company entered into quota share agreements that generally provide coverage for 25% of all losses net of other reinsurance coverages, the aggregate of which shall not exceed 116.6% of net ceded premiums earned. The reinsurers' net liability on catastrophe losses shall not exceed 2.5% of gross premiums earned net of inuring reinsurance premium. In the determination of ceded premiums under the agreements, the maximum amount allowed by the reinsurers for other inuring reinsurance coverages is limited to 31% of gross premiums earned for the term of the contract. The reinsurers allow the Company a provisional ceding commission of 68.25% to 69.00%, depending on the reinsurer, that adjusts based on loss experience.

The Company remains contingently liable in the event the reinsuring companies do not meet their obligations under these reinsurance contracts. Given the quality of the reinsuring companies, management believes this possibility to be remote. See Note 8 – "*Liability for Unpaid Losses and Loss Adjustment Expenses*" for recoveries due from reinsurers relating to paid and unpaid losses and LAE under these treaties.

Effect of Reinsurance

The effects of reinsurance on premiums written and earned were as follows:

	Three Months Ended March 31,			
	2026		2025	
	Written	Earned	Written	Earned
Direct premiums	\$ 218,840	\$ 218,004	\$ 180,925	\$ 166,771
Assumed Premiums	1,164	12,768	31,225	43,385
Gross Premiums	220,004	230,772	212,150	210,156
Ceded premiums	(38,409)	(148,564)	(58,754)	(144,754)
Net premiums	<u>\$ 181,595</u>	<u>\$ 82,208</u>	<u>\$ 153,396</u>	<u>\$ 65,402</u>

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The Company's reinsurance arrangements affected certain items in the consolidated statements of operations and comprehensive income for the three months ended March 31, 2026 and 2025 by the following amounts:

	Three Months Ended March 31,	
	2026	2025
Ceded premiums earned	\$ (148,564)	\$ (144,754)
Ceded losses and loss adjustment expenses incurred	11,319	20,862
Ceded policy acquisition expenses	25,848	38,693

For the three months ended March 31, 2026 and 2025, recoveries received under reinsurance contracts were \$5,619 and \$36,285, respectively.

10. Regulatory Requirements and Restrictions

State laws and regulations, as well as national regulatory agency requirements, govern the operations of all insurers. The various laws and regulations require that insurers maintain minimum amounts of statutory surplus and risk-based capital ("RBC"); restrict insurers' ability to pay dividends; restrict the allowable investment types and investment mixes and subject the Company's insurers to assessments.

The Company's insurance subsidiary is subject to regulations and standards of the Florida Office of Insurance Regulation ("FLOIR"). It is also subject to regulations and standards of regulatory authorities in other states where they are licensed, although as a Florida-domiciled insurer, its principal regulatory authority is the FLOIR.

The Company's insurance subsidiary, AIIC, prepares its statutory-basis financial statements in accordance with statutory accounting practices prescribed or permitted by FLOIR. The commissioner of the FLOIR has the right to permit other practices that may deviate from prescribed practices. AIIC does not obtain and follow any permitted practice. As of March 31, 2026 and December 31, 2025, AIIC reported statutory capital and surplus of \$200,664 and \$193,080, respectively. For the three months ended March 31, 2026 and 2025, AIIC reported statutory net income of \$5,957 and \$17,886, respectively. Statutory-basis surplus differs from shareholders' equity reported in accordance with GAAP primarily due to the impact of the Company's IPO proceeds, and because policy acquisition costs are expensed when incurred, certain assets that are not admitted assets are eliminated from the consolidated balance sheets, and surplus notes are reported as surplus rather than liabilities. In addition, the recognition of deferred tax assets is based on different recoverability assumptions.

The Florida statutes require a residential property insurance company to maintain statutory surplus as to policyholders of at least \$1,500 or 10% of the insurer's total liabilities, whichever is greater. Accordingly, as of March 31, 2026 and December 31, 2025, AIIC exceeded the minimum statutory surplus requirement, which was \$20,066 and \$19,308, respectively. Under Florida law, without regulatory approval, AIIC may pay dividends if they do not exceed the greater of: (i) the lesser of 10% of surplus or net income, not including realized capital gains, plus a two-year carry forward; (ii) 10% of surplus, with dividends payable limited to unassigned funds minus 25% of unrealized capital gains; or (iii) the lesser of 10% of surplus or net investment income plus a three-year carry forward with dividends payable limited to unassigned funds minus 25% of unrealized capital gains. AIIC did not pay any dividends during the three months ended March 31, 2026, and it can still pay dividends without regulatory approval.

AIIC is also required annually to comply with the National Association of Insurance Commissioners ("NAIC") RBC requirements. RBC requirements prescribe a method of measuring the amount of capital appropriate for an insurance company to support its overall business operations in light of its size and risk profile. NAIC RBC requirements are used by regulators to determine appropriate regulatory actions relating to insurers who show signs of a weak or deteriorating condition. As of March 31, 2026 and December 31, 2025, based on calculations using the appropriate NAIC RBC formula, AIIC reported total adjusted capital in excess of the requirements.

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AIIC has maintained a cash deposit with the Insurance Commissioner of the State of Florida and other states in which AIIC is authorized to write business in order to meet regulatory requirements and such cash deposit is included in restricted cash on the condensed consolidated balance sheets.

In addition, Florida property and casualty insurance companies are required to adhere to prescribed premium-to-capital surplus ratios. Florida state law requires that the ratio of 90% of premiums written divided by surplus as to policyholders does not exceed 10 to 1 for gross premiums written or 4 to 1 for net premiums written. As of March 31, 2026, AIIC had a ratio of gross and net premiums written to surplus of 1.0 to 1 and 0.8 to 1, respectively, which met the requirements.

The Company also has the Catstyle reinsurance segregated account, where the Company can withdraw from cash held in the segregated account, but must provide written notice to the trustee in the form of a withdrawal notice in order to access the funds. However, consent of the grantor is not required to access the funds, and the funds' use is not restricted within the terms of the trust agreement. Catstyle is regulated by the Authority and is required to meet and maintain certain minimum levels of solvency and liquidity. Catstyle's statutory capital and surplus necessary to satisfy the regulatory requirements in the aggregate was \$48,826 and \$38,398 as of March 31, 2026 and December 31, 2025, respectively. As of March 31, 2026 and December 31, 2025, the actual amount of statutory capital and surplus was \$48,826 and \$38,398, respectively. The liabilities of Catstyle are fully collateralized and accordingly capital and surplus are available to be paid out in dividends and subject to approval in accordance with regulations of the Authority.

11. Shareholders' Equity

Immediately prior to the IPO, the owners of the equity interests of AIIG contributed all of their equity interests to the Company in exchange for an aggregate of 12,904,495 shares of Common Stock.

Initial Public Offering

The Company's amended and restated certificate of incorporation authorizes 100,000,000 shares of Common Stock, of which 19,581,343 shares were issued and outstanding as of March 31, 2026, and 10,000,000 shares of preferred stock, \$0.001 par value per share, of which no shares were issued and outstanding as of March 31, 2026.

The Company issued 6,250,000 shares of Common Stock to the public, at a price of \$16.00 per share in its IPO. The Company received net proceeds of \$93 million after deducting underwriting discounts and commissions and paid \$4.2 million in offering expenses that reduced the proceeds received in additional paid-in capital in the consolidated balance sheets. In addition, in connection with the IPO, the Company used \$3.8 million of the proceeds from the offering to satisfy the Restricted Stock Grant Net Settlement and \$3.0 million of the proceeds of the offering to terminate the management services agreement by and between James Sowell Company, L.P. and AIIG, but these costs were expensed in general and administrative expenses on the consolidated statements of operations and comprehensive income.

Distributions

The Company is a legal entity separate and distinct from its subsidiaries. As a holding company, the primary sources of cash needed to meet its obligations are distributions, dividends, and other permitted payments from its subsidiaries and consolidated VIEs. While there are no restrictions on distributions from AIMGA, AICS, PA, and PIC, dividends from AIIC and Catstyle are restricted. See Note 10 – “Regulatory Requirements and Restrictions” for the restrictions on dividends from AIIC and Note 3 – “Variable Interest Entity” for restrictions on dividends from Catstyle.

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Prior to the IPO, taxable income was allocated to the members of AIIG in accordance with the United States Internal Revenue Code and AIIG's amended and restated company agreement. Tax distributions totaled \$4.9 million during the three months ended March 31, 2025.

Additionally, according to AIIG's company agreement and prior to the IPO, AIIG's Board of Directors was permitted to, in its discretion, declare distributions to AIIG's members in proportion to such members' respective percentage ownership interests. The Company made \$10.0 million of discretionary distributions to members during the three months ended March 31, 2025.

Special Cash Dividend

On February 24, 2026, the Company's Board of Directors declared a \$20.0 million special cash dividend of \$1.02 per common share. The dividends were paid on March 30, 2026 to stockholders of record as of March 16, 2026.

12. Stock-Based Compensation

The Company adopted the American Integrity Insurance Group, Inc. 2025 Long-Term Incentive Plan (the "Plan") effective May 7, 2025. The maximum number of shares of Common Stock that may be issued pursuant to awards under the Plan is 2,175,758 shares of Common Stock.

At March 31, 2026, there were 1,898,810 shares of Common Stock available for future issuance under the Plan.

Restricted Stock Awards

During 2025 and the first quarter of 2026, the Company issued shares of restricted stock ("RSAs") to its non-employee members of the Board of Directors pursuant to the American Integrity Insurance Group, Inc. 2025 Non-Employee Director Compensation Policy (the "Non-Employee Director Compensation Policy") approved on September 9, 2025, under the Plan. Under the Non-Employee Director Compensation Policy, an initial grant of 2,658 RSAs was awarded on September 9, 2025, followed by quarterly grants totaling 2,334 and 4,386 RSAs as of March 31, 2026 and December 31, 2025, respectively. The RSAs awarded under the Non-Employee Director Compensation Policy vest immediately on their respective grant date.

A summary of all RSA activity for the three months ended March 31, 2026 is as follows:

	Number of RSAs	Weighted Average Grant Date Fair Value
Granted and unvested at December 31, 2025	—	\$ —
Granted	2,334	19.28
Vested	(2,334)	19.28
Nonvested at March 31, 2026	—	\$ —

During the three months ended March 31, 2026, the Company recognized \$45 of share-based compensation expense related to the RSAs granted to the non-employee members of the Board of Directors within general and administrative expenses in the consolidated statements of operations and comprehensive income.

Restricted Stock Units

On December 4, 2025, the Compensation Committee of the Board of Directors approved the grant of 46,876 time-based restricted stock units ("RSUs") pursuant to the Company's form of RSU agreement (the "RSU Agreement") under the Plan. The RSUs were granted to certain executive officers with a grant-date fair value of \$20.62 per share, which was determined using the closing price of our Common Stock reported on the New York Stock Exchange on the grant date. One-third of these RSUs vest annually on the Plan's adoption anniversary date over a three-year term,

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commencing on May 7, 2026. The vesting of the shares granted pursuant to the RSU Agreement is contingent upon the employee's continuous employment with the Company through each vesting period.

On March 2, 2026, the Compensation Committee of the Board of Directors approved the grant of 44,137 time-based RSUs pursuant to the RSU Agreement under the Plan. These RSUs were granted to certain executive officers based on a grant-date fair value of \$21.16 per share, which was determined using the closing price of our Common Stock reported on the New York Stock Exchange on the grant date. One-third of these RSUs vest annually over a three-year term, commencing on March 2, 2027. The shares vested under the RSU Agreement are contingent upon the employee's continuous employment with the Company through each vesting period.

On March 2, 2026, the Compensation Committee of the Board of Directors approved the grant of 176,557 PSUs pursuant to the Company's form of PSU Agreement under the Plan. These PSUs were granted to certain executive officers based on a grant-date fair value of \$21.16 per share, which was determined using the closing price of our Common Stock reported on the New York Stock Exchange on the grant date. These PSUs are subject to a three-year performance period, commencing on January 1, 2026 and ending on December 31, 2028. Performance is measured annually, and following the conclusion of each performance year, the Compensation Committee of the Board of Directors will certify the Company's achievement of the applicable performance metrics and determine the number of PSUs earned for that year.

Notwithstanding the annual performance measurement, the PSUs do not vest until the completion of the full three-year performance period, and participants must remain employed through the end of the performance period to receive any shares underlying the awards. Shares earned based on the annual performance assessments are therefore subject to continued employment through December 31, 2028 and will vest following the end of the performance period, but no later than March 15, 2029.

These PSUs were granted assuming expected maximum achievement of the applicable performance conditions and are subject to decreases based on the Company's actual performance relative to the established metrics for each performance year.

A summary of all RSU and PSU activity for the three months ended March 31, 2026 is as follows:

	Number of RSUs and PSUs	Weighted Average Grant Date Fair Value
Granted and unvested RSUs and PSUs at December 31, 2025	46,876	\$ 20.62
Granted - RSUs	44,137	21.16
Granted - PSUs	176,557	21.16
Vested	—	—
Forfeited	—	—
Granted and unvested RSUs and PSUs at March 31, 2026	267,570	\$ 21.07

The Company recognizes the compensation cost for the RSUs and PSUs on a straight-line basis over the awards' vesting period.

The Company recognized compensation costs associated with the RSUs and PSUs of \$221 for the three months ended March 31, 2026. The Company did not grant RSUs or PSUs under the Plan prior to December 4, 2025, and therefore no compensation cost related to RSUs or PSUs was recognized for the three months ended March 31, 2025.

13. Segment Reporting

Operating segments are defined as components of a company that engage in activities from which it may earn revenues and incur expenses for which separate operational financial information is available and is regularly evaluated by the chief operating decision maker (“CODM”). For the purpose of allocating the Company’s resources and assessing its operating performance, the Company identified the CODM to be the Chief Executive Officer.

The Company concluded that it has only one reportable operating segment. This conclusion is based on the three characteristics of an operating segment within ASC 280. The first characteristic of an operating segment is that it engages in business activities from which it may recognize revenues and incur expenses. The second characteristic is that its operating results are regularly reviewed by the CODM to make decisions about resources to be allocated to the segment and assess its performance. The third characteristic is that its discrete financial information is available. The Company considered each of these factors in determining that the consolidated entity is the single operating segment. As there is only one operating segment, the Company did not assess any aggregation or materiality and concluded that the Company will report a single reportable segment. As there is a single reportable segment, the CODM uses information that is presented in the consolidated financial statements to evaluate the performance of the single segment, including net income as the measure of profit or loss. The CODM uses net income to monitor budgeted versus actual results, which assists in the evaluation of segment performance and what resources are needed. The CODM also uses net income to assess the Company’s performance in comparison with competitors. No single customer represents more than 10% of the Company’s revenue.

14. Earnings Per Share

Basic earnings per share is computed by dividing income available to common shareholders by the weighted-average number of common shares outstanding during the period.

For the purposes of determining the basic and diluted weighted-average number of common shares outstanding during the periods presented that are prior to the IPO, the Company retrospectively reflected the Corporate Contribution in connection with the IPO. As such, the basic and diluted weighted-average number of common shares outstanding for those periods reflect the exchange of AIIG’s membership units into shares of Common Stock on the date of the IPO, assuming that all shares of Common Stock issued in conjunction with the IPO was issued and outstanding as of the beginning of the earliest period presented.

The Company historically had a Profit Participation Plan (“PPP”) that was terminated upon the IPO. For the comparative historical period presented, it was determined in accordance with ASC 260, *Earnings Per Share*, (“ASC 260”), that the participants of the PPP were able to participate in undistributed earnings with Common Stock based on a predetermined formula on a nonforfeitable basis, thus representing a participating security. The Company applies the two-class method to allocate income between the common shareholders and the PPP participants.

The RSUs and PSUs have a contractual right to participate in undistributed earnings with Common Stock. The Company applies the two-class method to allocate income between common shareholders and RSU and PSU holders.

The following table presents the net income and the weighted average number of shares outstanding used in the earnings per share calculations. For the three months ended March 31, 2025, there were no potentially dilutive instruments outstanding.

For the three months ended March 31, 2026, diluted earnings per share reflects the impact of RSUs and PSUs using the treasury stock method. As of March 31, 2026, approximately 273 shares were considered dilutive, primarily related to RSUs and PSUs. The impact of these dilutive shares was immaterial and did not change diluted earnings per share when rounded.

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	Three Months Ended March 31,	
	2026	2025
Numerator:		
Net income attributable to common shareholders	\$ 19,910	\$ 38,096
Income allocated to participating securities	—	2,190
Income available for common shareholders	\$ 19,910	\$ 35,906
Denominator:		
Shares outstanding	19,581,343	12,904,495
Weighted average common shares outstanding - basic	19,579,035	12,904,495
Weighted average common shares outstanding - diluted ⁽¹⁾	19,579,308	12,904,495
Earnings available to common shareholders per share		
Basic	<u>\$ 1.02</u>	<u>\$ 2.78</u>
Diluted	<u>\$ 1.02</u>	<u>\$ 2.78</u>

(1) 17,503 anti-dilutive shares were excluded from the diluted EPS computation for the three months ended March 31, 2026 in accordance with ASC 260.

15. Other Comprehensive Income (Loss)

Comprehensive income (loss) includes changes in unrealized gains and losses on fixed maturities classified as available-for-sale. Reclassification adjustments for realized (gains) losses are reflected in net realized gains (losses) on investments on the consolidated statements of operations and comprehensive income.

The following table provides a summary of other comprehensive income (loss) and discloses the tax impact of each component of other comprehensive income (loss) for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,					
	2026			2025		
	Pre-Tax	Income Tax Benefit (Expense)	Net-of-Tax Amount	Pre-Tax	Income Tax Benefit (Expense)	Net-of-Tax Amount
Net changes to available-for-sale securities:						
Unrealized holding gains (losses) arising during period	\$ (2,280)	\$ 575	\$ (1,705)	\$ 612	\$ (155)	\$ 457
Reclassification adjustment for (gains) losses realized in net income	(53)	14	(39)	(16)	4	(12)
Other comprehensive income (loss)	<u>\$ (2,333)</u>	<u>\$ 589</u>	<u>\$ (1,744)</u>	<u>\$ 596</u>	<u>\$ (151)</u>	<u>\$ 445</u>

16. Income Taxes

The Company was incorporated as a Delaware corporation on January 15, 2025 and is subject to U.S. federal and state corporate income tax. From January 1, 2025 through May 7, 2025, the Company and its non-insurance subsidiaries were included in a single partnership return and were not subject to entity-level U.S. income tax. The Company's insurance subsidiary, AIIC, was subject to U.S. federal and state corporate income tax and filed on a

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stand-alone basis. Effective May 7, 2025, the Company and its non-insurance corporate subsidiaries became subject to U.S. federal and state income tax. Beginning in 2026, the Company will file a consolidated federal corporate income tax return with its eligible subsidiaries. Taxes will be settled among the subsidiaries in accordance with the Company's tax sharing agreement.

In accordance with ASC 740, each interim period is considered integral to the annual period and tax expense is generally determined using an estimate of the annual effective income tax rate ("AETR"). The Company records income tax expense each quarter using the estimated AETR to provide for income taxes on a current year-to-date basis, adjusted for discrete items that are noted in the relevant period. During the three months ended March 31, 2026, there were no discrete items identified. During the three months ended March 31, 2025, the non-taxable entities represented a reduction to the overall effective tax rate of 11.7%.

The provision for income taxes for the three months ended March 31, 2026 and 2025 was \$7.3 million and \$4.8 million, respectively, based on pretax income of \$27.3 million and \$42.9 million, respectively. The effective tax rate was 26.9% and 11.2% for the three months ended March 31, 2026 and 2025, respectively. The tax provision for the three months ended March 31, 2026 differs from tax expense in the same period in 2025 primarily due to non-taxable entities' pretax income adjustment of \$24 million, which resulted in the recognition of discrete tax benefits of \$5 million during the three months ended March 31, 2025.

The difference between the effective tax rate and the U.S. federal statutory tax rate of 21% for the three months ended March 31, 2026 was primarily due to state income taxes and non-deductible compensation related to employee stock awards granted and fully vested during the quarter.

17. Commitments and Contingencies

Obligations under Multi-Year Reinsurance Contracts

The Company purchases reinsurance coverage to protect its capital and to limit its losses when certain major events occur. The Company's reinsurance commitments generally run from June 1 of the current year to May 31 of the following year. From time to time, certain of the Company's reinsurance agreements may be for periods longer than one year. Amounts payable for coverage during the current June 1 to May 31 contract period are recorded as reinsurance payable in the consolidated balance sheets. Multi-year contract commitments for future years are recorded at the beginning of the coverage period. As of March 31, 2026 and December 31, 2025, there were no multi-year reinsurance contract obligations.

Litigation

Lawsuits and other legal proceedings are filed against the Company from time to time. Many of these legal proceedings involve claims under insurance policies that the Company underwrites. The Company is also involved in various other legal proceedings and litigation unrelated to claims under the Company's contracts, which arise in the ordinary course of business. The Company accrues amounts resulting from claim-related legal proceedings in unpaid losses and loss adjustment expenses during the period it determines an unfavorable outcome becomes probable and amounts can be estimated. Management believes that the resolution of these legal actions will not have a material impact on the Company's consolidated financial statements. The Company contests liability and/or the amount of damages as appropriate in each pending matter.

Florida Insurance Guaranty Association

In April 2023, the Florida Insurance Guaranty Association ("FIGA") issued an order for the collection of a 1.0% FIGA assessment policy surcharge for policies effective October 1, 2023 through September 30, 2024. The order directed member insurance companies to collect policy surcharge amounts in advance and to remit those surcharge amounts to FIGA on a quarterly basis. The Company recorded an accrued liability totaling \$2,059 and \$1,690,

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respectively, in other liability and accrued expenses as of March 31, 2026 and December 31, 2025, which represents the policy surcharge amounts collected, but unremitted to FIGA as of that date.

18. Leases

On February 20, 2025, the Company entered into a new 152-month lease agreement for approximately 75,000 square feet of office space in Tampa, Florida. Access to the leased premises commenced on March 31, 2026 and was made available for use by the Company. Accordingly, the right-of-use asset and lease liability have been recognized as of March 31, 2026. Total future contractual lease payments under this agreement are expected to approximate \$45.7 million over the lease term. The terms of the new lease agreement include an eight-month rent abatement period upon commencement. As a result, lease payments in 2026 are lower than subsequent years.

Operating lease cost was \$370 and \$543 for the three months ended March 31, 2026 and 2025, respectively, and is included in other operating expenses on the condensed consolidated statements of operations and comprehensive income. Short-term and variable lease costs were immaterial for the three months ended March 31, 2026 and 2025. The following table provides supplemental balance sheet information about the Company's leases as of March 31, 2026 and December 31, 2025:

	March 31, 2026	December 31, 2025
Operating leases:		
Right-of-use assets	\$ 35,702	\$ 449
Lease liability	\$ 32,652	\$ 458
Weighted-average remaining lease term:		
Operating leases	12.59 years	0.34 years
Weighted-average discount rate:		
Operating leases	5.36 %	3.42 %

Supplemental disclosure of cash flow information related to leases was as follows for the three months ended March 31, 2026 and 2025:

	Three Months Ended March 31,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 389	\$ 562

The estimated future minimum payments of operating leases as of March 31, 2026 are as follows:

	Operating Leases
2026 remaining	\$ 353
2027	3,403
2028	3,473
2029	3,585
2030	3,631
Thereafter	31,957
Total lease payments	46,402
Less: imputed interest	(13,750)
Present value of lease liabilities	<u>\$ 32,652</u>

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19. 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 financial statements as of March 31, 2026.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion provides a detailed analysis of our financial condition, results of operations, liquidity, and capital resources. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes included in this Quarterly Report on Form 10-Q, as well as our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2025. This analysis includes forward-looking statements, which are subject to various risks and uncertainties. Actual results may differ from projections due to factors beyond our control, as detailed under Part II, Item 1A "Risk Factors" in this Quarterly Report on Form 10-Q and under Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K. References to the "Company," "American Integrity," "we," "us" or "our" refer to American Integrity Insurance Group, Inc.

Overview

We are a profitable and growing insurance group headquartered in Tampa, Florida. Through our insurance carrier subsidiary, American Integrity Insurance Company ("AIIC"), we provide personal residential property insurance for single-family homeowners and condominium owners, as well as coverage for vacant dwellings and investment properties, predominantly in Florida. Florida represented 93.0% of our policies in-force as of March 31, 2026. As of March 31, 2026, 70.7% of our in-force premium was in the insurance market in which we underwrite and sell policies to policyholders where we choose to offer coverage without the assistance of residual market mechanisms (the "Voluntary Market"). Moreover, 94.4% of our Voluntary Market in-force premium was in our core Florida market and 5.6% was in South Carolina, Georgia, and North Carolina, where we have strategically expanded to support and enhance our relationships with our builder agency network.

We strive to generate consistent underwriting profits, exclusive of investment income or gains and losses from the sale of invested assets. Our goal is to achieve profitability across economic and insurance cycles by maintaining a conservative financial position, increasing premiums written and risk exposure when we believe market conditions are favorable, and reducing risk exposure during periods when we believe market conditions are unfavorable and earning profits is more challenging. AIIC, our statutory insurance carrier, maintains a Financial Stability Rating of "A" (Exceptional) by Demotech, and a financial strength rating of "BBB+" with a stable outlook from the Kroll Bond Rating Agency, LLC. Additionally, the Company maintains a BB+ issuer rating, with a stable outlook, from the Kroll Bond Rating Agency, LLC.

We generate revenue primarily from insurance premiums earned, net of reinsurance ceded. We also generate revenue from policy fees, installment income fees, income generated through the investment of our assets, and realized gains or losses on the sale of our invested assets. Our financial results are highly seasonal due to the occurrence of hurricanes and tropical storms typically between June 1st and November 30th of each year in Florida and the other states in which we operate. Our reinsurance purchasing, including our catastrophe excess of loss reinsurance coverages, which commence on June 1st annually, also materially influences our financial results and are impacted by changes in reinsurance rates or alterations in terms and conditions, including in attachment or loss retention levels.

Key Factors Affecting Our Results of Operations and Comparability Between Periods

Florida Trends. Prior to the legislative reforms passed in December 2022, the legal and regulatory environment in Florida posed significant challenges for property and casualty insurers, particularly due to excessive litigation and aggressive claims practices relating to issues such as assignment of benefits abuse, extended statute of limitations, and attorney fee multipliers, which led to disproportionately high litigation rates in Florida relative to other geographies. These factors increased claims costs and reinsurance expenses, impacting the profitability of insurers operating in Florida. Recent legislative changes, however, have improved operating conditions in the Florida insurance market, including a reduction in claims litigation activity since the reforms were enacted in December 2022. We believe these legislative reforms provide greater opportunities for us to profitably underwrite residential property insurance in Florida.

Citizens "Take-out" Program. In the first quarter of 2026, we assumed 584 policies from Citizens Property Insurance Corporation ("Citizens"), representing \$1.2 million in assumed unearned premiums. These policies we assume carry no upfront acquisition costs and are covered by our current treaty year reinsurance program which may impact comparability between periods depending on the number of policies and unearned premiums assumed.

In late 2025, we began selectively participating in commercial policy take-outs from Citizens. During the first quarter of 2026, 42 of the 584 total assumed policies were commercial take-outs, representing \$0.6 million of the \$1.2 million in

assumed unearned premiums. These policies are subject to the same underwriting and profitability standards as our residential assumptions and are intended to complement our existing portfolio.

While we expect there will continue to be opportunities to assume policies from Citizens, we believe the number of policies available that meet our underwriting and profitability standards has declined and may continue to decline over time.

Changing Climate Conditions. Over the past two decades, the increasing frequency and severity of severe weather events have highlighted the unpredictable nature of climate trends. Climate change has the potential to influence the occurrence and intensity of natural disasters, including convective storms, hurricanes, tornadoes, hailstorms, severe winter storms, and flooding, among others. This unpredictability creates challenges in assessing future risks and exposures.

We continuously monitor climate data and collaborate with climate change and catastrophe modeling experts to refine our risk assessment models, enhancing our preparedness for evolving climate-related challenges.

Seasonality of our Business. Our business is seasonal as hurricanes and other named storms typically occur in the geographies where we operate between June 1st and November 30th of each year. This may result in significant variability in our losses and loss adjustment expenses (“LAE”) depending on the number, location and strength of hurricanes and other named storms during these months as compared to other months. In addition, because our catastrophe reinsurance program renews on June 1st each year, the ceded premiums written recorded in the second quarter are typically substantially higher than any other quarter during a fiscal year. In some instances, this will cause our reported net premiums written to be negative (or substantially lower than other quarters) in the second quarter of each year.

Inflation. We may be adversely affected during periods of high inflation, primarily because of increased labor and material costs, which could cause claims and claim expenses to increase. This has been evident since the COVID-19 pandemic in early 2020. In addition, periods of high inflation can lead to periods of high interest rates, which may impact the performance of our investment portfolios. The impact of inflation on our results cannot be known with any certainty; however, we revise our reserves for unpaid losses as additional information becomes available, and reflect adjustments to our reserves, if any, in our earnings in the periods in which we determine the adjustments are necessary. We monitor inflation trends and factor them into the pricing of our new business and renewal policies.

Cost and Availability of Reinsurance. We purchase excess of loss and quota share reinsurance as part of our capital management strategy and in an effort to reduce volatility of earnings and protect our balance sheet from the impact of potential catastrophe events. Our ability to implement an effective reinsurance strategy is dependent, in part, on the cost and availability of reinsurance coverage. We ceded 64.4% and 68.9% of our gross premiums earned in the three months ended March 31, 2026 and March 31, 2025, respectively.

Quota share. Effective January 1, 2026, we reduced the percentage of our ceding commission on our quota share reinsurance treaty from 40% to 25%, which impacted the comparability of our results between periods. A lower ceding commission increases the amount of premiums we retain on policies we write, and the reduction in the ceding commission on our quota share reinsurance treaty also reduces the amount reimbursed by reinsurers pursuant to the treaty, which increases policy acquisition expenses and general and administrative expenses.

Initial Public Offering and Corporate Contribution

On May 9, 2025, we completed our initial public offering (the “IPO”) of an aggregate of 6,875,000 shares of the Company’s common stock, par value \$0.001 per share (the “Common Stock”), at a price to the public of \$16.00 per share, 6,250,000 of which shares were sold by the Company and 625,000 of which shares were sold by certain selling stockholders. The gross proceeds to us from the IPO were \$100 million, and gross proceeds to the selling stockholders from the IPO were \$10 million, before deducting underwriting discounts and commissions and estimated offering expenses. On May 13, 2025, the underwriters completed the exercise of their option to purchase an additional 1,031,250 shares of Common Stock from the selling stockholders resulting in an additional \$16.5 million in gross proceeds to the selling stockholders, before deducting underwriting discounts and commissions. We did not receive any gross proceeds from the sales of shares of Common Stock by the selling stockholders. In connection with our IPO, we effected a net issuance of 417,470 shares of restricted stock to certain of our employees and consultants (the “Restricted Stock Grant”) after giving effect to the withholding of approximately 234,587 shares of Common Stock to satisfy the estimated tax withholding and remittance obligations (the “Restricted Stock Grant Net Settlement”). We incurred a one-time share-based compensation expense of \$10.4 million in connection with the Restricted Stock Grant and paid \$3.8 million in connection with the Restricted Stock Grant Net Settlement. The compensation expense for these awards was recognized in the second

quarter of 2025. Immediately prior to the IPO, the owners of the equity interests of American Integrity Insurance Group, LLC (“AIIG”) contributed all of their equity interests to the Company in exchange for an aggregate of 12,904,495 shares of Common Stock.

Results of Operations

Three Months Ended March 31, 2026 Compared to Three Months Ended March 31, 2025

The following table summarizes our results of operations for the three months ended March 31, 2026 and three months ended March 31, 2025:

(\$ in thousands)	Three Months Ended March 31,			
	2026	2025	Change	% Change
Gross premiums written	\$ 220,004	\$ 212,150	\$ 7,854	3.7 %
Change in gross unearned premiums	10,768	(1,994)	12,762	(640.0)%
Gross premiums earned	230,772	210,156	20,616	9.8 %
Ceded premiums earned	(148,564)	(144,754)	(3,810)	2.6 %
Net premiums earned	82,208	65,402	16,806	25.7 %
Policy fees	2,745	2,204	541	24.5 %
Net investment income	5,652	4,103	1,549	37.8 %
Net realized gains (losses) on investments	53	16	37	231.3 %
Other income	273	161	112	69.6 %
Total Revenues	90,931	71,886	19,045	26.5 %
Losses and loss adjustment expenses	31,725	20,862	10,863	52.1 %
Policy acquisition expenses	15,985	3,107	12,878	414.5 %
General and administrative expenses	15,966	5,008	10,958	218.8 %
Total Expenses	63,676	28,977	34,699	119.7 %
Income before taxes	27,255	42,909	(15,654)	(36.5)%
Income tax expense	7,345	4,813	2,532	52.6 %
Net Income	\$ 19,910	\$ 38,096	\$ (18,186)	(47.7)%
Loss ratio ⁽¹⁾	37.3%	30.9%		
Expense ratio ⁽²⁾	37.6%	12.0%		
Combined ratio ⁽³⁾	75.0%	42.9%		
Return on equity ⁽⁴⁾	23.7%	87.5%		
Ceded catastrophe excess of loss premiums ratio ⁽⁵⁾	46.6%	41.4%		
Net underlying loss and loss adjustment expense ratio ⁽⁶⁾	37.3%	30.0%		
Gross underlying loss and loss adjustment expense ratio ⁽⁷⁾	19.1%	16.2%		

- (1) Loss ratio is a key business metric and is the ratio of losses and LAE to net premiums earned plus policy fees. Management uses this operating metric to analyze our loss trends and believes it is useful for investors to evaluate this component separately from our other operating expenses.
- (2) Expense ratio is a key business metric and is the ratio of policy acquisition expenses and general and administrative expenses to net premiums earned plus policy fees. Management uses this metric to analyze our expense trends and believes it is useful for investors to evaluate these components separately from our loss and LAE.
- (3) Combined ratio is a key business metric, defined as the sum of the loss ratio and the expense ratio. Management uses this operating metric to analyze our total expense trends and believes it is a key indicator for investors when evaluating the overall profitability of our business.
- (4) Return on equity is a key business metric, defined as net income divided by the average beginning and ending shareholders’ equity during the applicable period. This metric is annualized for interim periods by multiplying by the applicable ratio in order to present return on equity consistently.
- (5) Ceded catastrophe excess of loss premiums ratio is a key business metric and a non-GAAP measure defined as ceded catastrophe excess of loss premiums earned divided by gross premiums earned. We view this ratio as meaningful to our business as it provides a

view into the cost of our catastrophe reinsurance program. The most directly comparable GAAP financial measure is the ratio of ceded premiums earned to gross premiums earned. The ceded catastrophe excess of loss premiums ratio should not be considered a substitute for ceded premiums earned and does not reflect the overall profitability of our business.

- (6) Net underlying loss and loss adjustment expense ratio is a key business metric and a non-GAAP measure defined as the ratio of loss and LAE, net, less current year net catastrophe losses and net prior year reserve development divided by net premiums earned plus policy fees. We view this ratio as meaningful to our business as it allows us to analyze our loss trends before the impact of catastrophe losses and prior year reserve development. The most directly comparable GAAP measure is the loss ratio. The net underlying loss and LAE ratio should not be considered a substitute for the loss ratio and does not reflect the overall profitability of our business.
- (7) Gross underlying loss and loss adjustment expense ratio is a key business metric and a non-GAAP measure defined as the ratio of net underlying loss and LAE plus ceded non-catastrophe losses divided by total gross earned premiums and policy fees. We view this ratio as meaningful to our business as it allows us to analyze our loss trends before the impact of reinsurance and to evaluate the cost of non-catastrophe losses for every dollar of gross premium earned. The most directly comparable GAAP measure is the loss ratio. The gross underlying loss and LAE ratio should not be considered a substitute for the loss ratio and does not reflect the overall profitability of our business.

Policies In-Force

Policies in-force represents the number of active insurance policies with coverage in effect as of the end of the period referenced. We utilize the change in the number of policies in-force to assess the trajectories of our operations.

In-force premium represents the annual premium for active insurance policies with coverage in effect as of the end of the period referenced. Our geographic diversification strategy, including expansion into states such as South Carolina, Georgia, and North Carolina, has generally resulted in lower average premiums compared to Florida due to our view on the appropriate amount to charge for the risk we underwrite.

The following table shows our policies in-force and in-force premium by product as of March 31, 2026 and March 31, 2025:

(\$ in thousands)	As of March 31,			
	2026		2025	
	Policies in-force	In-force premium	Policies in-force	In-force premium
HO-3	289,250	\$ 642,351	243,943	\$ 590,921
HO-4	4,009	1,067	3,773	1,064
HO-5	8,229	10,684	1,815	1,903
HO-6	15,442	27,270	14,639	27,256
MH	5,606	18,873	6,768	22,950
DP-1 (Including vacant)	26,659	62,583	27,894	66,867
DP-3	76,119	189,972	74,142	193,425
Commercial	234	15,528	—	—
Watercraft	3,676	5,214	3,367	4,072
Golf Cart	8,084	1,264	6,916	1,053
Umbrella	—	—	75	28
Total	437,308	\$ 974,806	383,332	\$ 909,539

The following table shows our policies in-force and in-force premiums by county as of March 31, 2026 and March 31, 2025:

(\$ in thousands) County	As of March 31,			
	2026		2025	
	Policies in-force	In-force premium	Policies in-force	In-force premium
POLK	28,528	\$ 49,208	24,484	\$ 45,436
ORANGE	26,772	58,788	24,601	56,588
LEE	25,851	66,386	26,487	74,914
DUVAL	23,722	37,987	21,812	38,315
HILLSBOROUGH	21,542	50,462	20,370	50,440
OSCEOLA	21,068	41,422	18,146	38,335
PASCO	20,789	43,220	18,210	38,407
PALM BEACH	19,412	75,386	19,355	79,869
MARION	17,667	24,188	15,547	24,249
BREVARD	14,972	37,143	13,588	34,184
VOLUSIA	14,113	28,974	12,980	28,202
OTHERS	202,872	461,642	167,752	400,600
Total	437,308	\$ 974,806	383,332	\$ 909,539

Policies in-force were 437,308 as of March 31, 2026, an increase of 14.1% compared to policies in-force of 383,332 as of March 31, 2025. The increase in our policies in-force was primarily due to new policies written through the Voluntary Market and the 2025 Citizens take-outs.

During the three months ended March 31, 2026, we wrote 29,867 policies in the Voluntary Market, which was an increase of 5,313 compared to 24,554 new policies written in the Voluntary Market during the three months ended March 31, 2025. We experienced policy retention rates of 83.6% during the first quarter of 2026, up from 78.1% during the first quarter of 2025.

The following table shows our policies in-force and in-force premium by source:

(\$ in thousands)	Policies In-Force	In-Force Premium
As of March 31, 2026		
Voluntary Market	344,961	\$ 689,221
Citizens Legacy Take-Outs ⁽¹⁾	5,367	21,829
Citizens Take-Outs ⁽²⁾⁽³⁾⁽⁴⁾	77,160	221,266
FY 2025 Citizens Take-Outs ⁽⁴⁾⁽⁶⁾	9,243	40,080
FY 2026 Citizens Take-Outs ⁽⁵⁾⁽⁶⁾	577	2,410
Total	437,308	\$ 974,806

- (1) Reflects policies assumed from Citizens in or prior to 2014 that have since been renewed directly with the Company. The Company did not conduct any take-outs in the years 2015 through 2023.
- (2) Reflects policies assumed from Citizens in 2024 and 2025 that have since renewed directly with the Company.
- (3) There were 68,844 policies assumed from Citizens during 2024; and 56,450 policies, or 82.0%, were still in-force as of March 31, 2026.
- (4) There were 33,861 policies assumed from Citizens during 2025; and 29,953 policies, or 88.5%, were still in-force as of March 31, 2026.
- (5) There were 584 policies assumed from Citizens during the three months ended March 31, 2026; and 577 policies, or 98.8%, were still in-force as of March 31, 2026.
- (6) Reflects policies assumed from Citizens during the stated calendar year that have less than a year remaining under their current Citizens policy and will be offered a renewal policy with the Company upon expiration.

Revenues

Gross premiums written increased by \$7.8 million, or 3.7%, to \$220.0 million for the three months ended March 31, 2026, compared to \$212.2 million for the three months ended March 31, 2025. The increase was primarily driven by growth in our Voluntary Market writings, reflecting higher new and renewal business.

Gross premiums earned increased to \$230.8 million for the three months ended March 31, 2026, from \$210.2 million for the three months ended March 31, 2025. The \$20.6 million, or 9.8%, increase was due largely to our increase in gross premiums written related to the growth in the Voluntary Market.

Ceded premiums earned increased \$3.8 million, or 2.6%, to \$148.6 million for the three months ended March 31, 2026, from \$144.8 million for the three months ended March 31, 2025. The increase in ceded premiums earned was due to growth in our gross premiums earned, and the windfall from the Citizens take-out resulting in lower ceded catastrophe excess of loss premiums earned for the three months ended March 31, 2025, offset by lower ceded premiums reflecting the reduction in our non-catastrophe quota share reinsurance arrangement.

Net premiums earned grew by \$16.8 million, or 25.7%, reaching \$82.2 million for the three months ended March 31, 2026, up from \$65.4 million for the three months ended March 31, 2025. This increase was due largely to the increase in gross premiums earned outpacing the increase in ceded premiums earned.

Policy fees increased \$0.5 million, or 24.5%, to \$2.7 million for the three months ended March 31, 2026 from \$2.2 million for the three months ended March 31, 2025. The increase in policies written during the three months ended March 31, 2026 contributed to the increase in policy fees.

Net investment income increased \$1.6 million, or 37.8%, to \$5.7 million for the three months ended March 31, 2026 from \$4.1 million for the three months ended March 31, 2025. The increase in net investment income was due to an increase in invested assets driven by the increased in-force premiums and the proceeds from our IPO.

Sales of available-for-sale debt securities resulted in net realized investment gains of \$53,135 for the three months ended March 31, 2026 and net realized investment gains of \$15,518 for the three months ended March 31, 2025.

Other income was \$0.3 million for the three months ended March 31, 2026, in line with \$0.2 million for the three months ended March 31, 2025.

Expenses

Losses and LAE increased \$10.8 million, or 52.1%, to \$31.7 million for the three months ended March 31, 2026 from \$20.9 million for the three months ended March 31, 2025. The increase in losses and LAE was primarily driven by higher net premiums earned.

Policy acquisition expenses increased \$12.9 million, or 414.5%, to \$16.0 million for the three months ended March 31, 2026 from \$3.1 million for the three months ended March 31, 2025. The increase was primarily driven by the increase in policies written during the three months ended March 31, 2026, the windfall from Citizens take-outs during the three months ended March 31, 2025, and less ceding commission due to the reduction in our non-catastrophe quota share reinsurance arrangement from 40% to 25% on January 1, 2026.

General and administrative expenses increased \$11.0 million, or 218.8%, to \$16.0 million for the three months ended March 31, 2026 from \$5.0 million for the three months ended March 31, 2025. The increase was primarily driven by lower ceding commissions associated with a reduction in our non-catastrophe quota share reinsurance arrangement from 40% to 25% on January 1, 2026.

Income tax expense was \$7.3 million and \$4.8 million for the three months ended March 31, 2026 and 2025, respectively. Our effective tax rate for the three months ended March 31, 2026 and 2025 was 26.9% and 11.2%, respectively. The increase in the effective tax rate was primarily due to the absence of discrete tax benefits recognized in the prior year period, as the 2025 period included a \$24 million pretax income adjustment related to non-taxable entities that resulted in \$5.0 million of discrete tax benefits. For the three months ended March 31, 2026, our effective tax rate differed from the U.S. federal statutory rate of 21% primarily due to state income taxes.

Key Business Metrics and Ratios

Loss ratio

Loss ratio is the ratio of losses and LAE to net premiums earned plus policy fees. We add policy fees to net premiums earned when calculating our loss and expense ratios to include the total revenue produced by a policy, given they are earned when a policy is written. Our loss ratio increased by 6.4 percentage points for the three months ended March 31, 2026, to 37.3%, compared to 30.9% for the three months ended March 31, 2025. The increase in the loss ratio reflects the impact of the Citizens take-out windfall on net premiums earned for the three months ended March 31, 2025.

Expense ratio

Expense ratio is the ratio of policy acquisition expenses and general and administrative expenses to net premiums earned plus policy fees. Our expense ratio increased by 25.6 percentage points to 37.6% for the three months ended March 31, 2026 compared to 12.0% for the three months ended March 31, 2025, driven by the increase in policies written during the three months ended March 31, 2026, the Citizens take-out windfall for the three months ended March 31, 2025, and less ceding commission due to the reduction in our non-catastrophe quota share reinsurance arrangement from 40% to 25% on January 1, 2026.

Combined ratio

Combined ratio is the sum of the loss ratio and the expense ratio. We utilize combined ratio to assess our underwriting performance. A combined ratio below 100% indicates an underwriting profit, while a combined ratio exceeding 100% indicates an underwriting loss. Our combined ratio increased to 75.0% for the three months ended March 31, 2026 from 42.9% for the three months ended March 31, 2025 due to the increases in our expense ratio and loss ratio.

Return on equity

Return on equity is defined as net income, divided by the average beginning and ending shareholders' equity during the applicable period. This metric is annualized for interim periods by multiplying by the applicable ratio in order to present return on equity consistently. Our return on equity decreased to 23.7% for the three months ended March 31, 2026 from 87.5% for the three months ended March 31, 2025. The decrease in our return on equity was due to less windfall from Citizens take-outs for the three months ended March 31, 2026 versus the three months ended March 31, 2025.

Non-GAAP Financial Measures

We utilize certain non-GAAP financial measures to analyze our business and provide useful information about our financial performance. The non-GAAP financial measures are not recognized terms under GAAP and should not be considered as alternatives to the corresponding GAAP measures of financial performance, or any other performance measure derived in accordance with GAAP. Because not all companies use identical calculations, the presentation of the non-GAAP financial measures may not be comparable to other similarly titled measures of other companies and can differ significantly from company to company. Our management uses these non-GAAP financial measures, in conjunction with GAAP financial measures, as an integral part of managing our business and to, among other things: (i) monitor and evaluate the performance of our business operations and financial performance; (ii) facilitate internal comparisons of the historical operating performance of our business operations; (iii) facilitate external comparisons of the results of our overall business to the historical operating performance of other companies that may have different capital structures and debt levels and different go-to-market models; (iv) review and assess the operating performance of our management team; (v) analyze and evaluate financial and strategic planning decisions regarding future operating investments; and (vi) plan for and prepare future annual operating budgets and determine appropriate levels of operating investments.

We monitor the following key business metrics and non-GAAP financial measures that assist us in evaluating our business, measuring our performance, identifying trends and making strategic decisions. As such, we have presented the following non-GAAP measure, their most directly comparable GAAP measure, and key business metrics:

Non-GAAP Measure	Comparable GAAP Measure
Underwriting income (loss)	Income before taxes
Adjusted net income	Net income
Adjusted earnings per share	Earnings per share
Adjusted return on equity	Return on equity
Net underlying loss and loss adjustment expense ratio	Losses and loss adjustment expense ratio
Gross underlying loss and loss adjustment expense ratio	Losses and loss adjustment expense ratio
Ceded catastrophe excess of loss premiums ratio	Ceded premiums earned to gross premiums earned

Underwriting income (loss)

Underwriting income (loss) is a non-GAAP financial measure defined as income (loss) before income taxes, excluding net investment income, net realized gains and losses on investments, interest expense, and other income. We use underwriting income as an internal performance measure in the management of our operations because we believe it gives us and users of our financial information useful insight into our results of operations and our underlying business performance and provides insight into the results of how effective our policy underwriting is. Underwriting income (loss) should not be viewed as a substitute for net income calculated in accordance with GAAP and other companies may define underwriting income differently.

Underwriting income decreased by \$17.4 million, or 44.9%, to \$21.3 million from \$38.6 million for the three months ended March 31, 2025. The decrease was primarily driven by lower contributions from the Citizens take-out program, partially offset by growth in the Voluntary Market reflecting higher earned premiums from new and renewal policies.

Underwriting income for the three months ended March 31, 2026 and 2025 reconciles to income before taxes as follows:

(\$ in thousands)	Three Months Ended March 31,			
	2026		2025	
Income before taxes	\$	27,255	\$	42,909
Less:				
Net investment income		5,652		4,103
Net realized gains on investments		53		16
Other income		273		161
Underwriting income	\$	21,277	\$	38,629

Adjusted net income and Adjusted earnings per share

Adjusted net income is a non-GAAP financial measure defined as net income excluding net realized gains or losses on investments, stock compensation expense incurred in connection with our IPO, and certain non-recurring or non-cash expenses, including those incurred in connection with our IPO, net of tax. We use adjusted net income as an internal performance measure in the management of our operations because we believe it gives us and users of our financial information useful insight into our results of operations and our underlying business performance excluding the impact of realized gains and losses on the sale of securities, which we do not view as core to the underlying trends in our business. Adjusted net income should not be viewed as a substitute for net income calculated in accordance with GAAP, and other companies may define adjusted net income differently.

For the three months ended March 31, 2026, adjusted net income decreased by \$18.0 million, or 47.1%, to \$20.1 million from \$38.1 million for the three months ended March 31, 2025. The decrease was primarily driven by lower contributions from the Citizens take-out program, partially offset by growth in the Voluntary Market.

Adjusted earnings per share is a non-GAAP measure, which is calculated as adjusted net income available to common shareholders divided by weighted average diluted common shares outstanding. Management believes this metric is

meaningful, as it allows investors to evaluate underlying profitability and enhances comparability across periods by excluding items that are heavily impacted by investment market fluctuations and other economic factors and are not indicative of operating trends.

Adjusted net income and adjusted earnings per share for the three months ended March 31, 2026 and 2025 reconcile to net income and earnings per share, respectively, as follows:

(\$ in thousands)	Three Months Ended March 31,	
	2026	2025
Net Income	\$ 19,910	\$ 38,096
Add:		
One-time non-recurring expenses ⁽¹⁾	329	—
Less:		
Net realized gains on Investments	53	16
Tax effect ⁽²⁾	58	(4)
Adjusted net income	\$ 20,128	\$ 38,084
Adjusted income allocated to participating securities	—	2,190
Numerator:		
Adjusted net income available for common shareholders	\$ 20,128	\$ 35,894
Denominator:		
Weighted average common shares outstanding:		
Basic	19,579,035	12,904,495
Diluted	19,579,308	12,904,495
Earnings per share:		
Basic	\$ 1.02	\$ 2.78
Diluted	\$ 1.02	\$ 2.78
Adjusted earnings per share:		
Basic	\$ 1.03	\$ 2.78
Diluted	\$ 1.03	\$ 2.78

- (1) Material non-recurring items that we do not expect to continue in the future and believe are not reflective of our ongoing operations and our performance.
- (2) We included the tax impact of all adjustments to adjusted net income using the U.S. federal statutory corporate tax rate of 21%. While the Company's actual effective tax rates for the three months ended March 31, 2026 and 2025 were 26.9% and 11.2%, respectively, the use of the statutory rate provides a consistent and simplified approach for comparability. This approach is applied uniformly, including to items that may be partially or fully nondeductible for tax purposes. The tax effect row is presented exclusive of the change in tax status impact.

Adjusted return on equity

Adjusted return on equity is a non-GAAP financial measure defined as adjusted net income divided by the average of beginning and ending shareholders' equity during the applicable period and is annualized for periods of less than one year. We use adjusted return on equity as an internal performance measure in the management of our operations because we believe it gives us and users of our financial information useful insight into our underlying business performance. Adjusted return on equity should not be viewed as a substitute for any metrics calculated in accordance with GAAP, and other companies may define adjusted return on equity differently.

Adjusted return on equity decreased by 63.5 percentage points to 23.9% for the three months ended March 31, 2026 from 87.4% for the three months ended March 31, 2025. The decrease in adjusted return on equity was primarily due to less windfall from Citizens take-outs for the three months ended March 31, 2026 compared to three months ended March 31, 2025.

Adjusted return on equity for the three months ended March 31, 2026 and 2025 reconciles to return on equity as follows:

(\$ in thousands)	Three Months Ended March 31,	
	2026	2025
Net income	\$ 19,910	\$ 38,096
Average beginning and ending shareholders' equity ⁽¹⁾	336,253	174,226
Return on equity	23.7%	87.5%
Adjusted net income (after tax) ⁽²⁾⁽³⁾	\$ 20,128	\$ 38,084
Average shareholders' equity	336,253	174,226
Adjusted return on equity ⁽²⁾⁽³⁾	23.9%	87.4%

- (1) Average beginning and ending shareholders' equity represents the average of shareholders' equity at the beginning and end of the period presented.
- (2) Adjusted return on equity is the adjusted net income (after tax) divided by the average beginning and ending shareholders' equity.
- (3) We included the tax impact of all adjustments to adjusted net income using the US federal statutory corporate tax rate of 21%. While the Company's actual effective tax rates for the three months ended March 31, 2026 and 2025 were 26.9% and 11.2% respectively, the use of the statutory rate provides a consistent and simplified approach for comparability. This approach is applied uniformly, including to items that may be partially or fully nondeductible for tax purposes.

Net underlying loss and loss adjustment expense ratio

Net underlying loss and loss adjustment expense ratio is a non-GAAP measure. We calculate the net underlying loss and loss adjustment expense ratio by subtracting current year net catastrophe losses and prior year net reserve development from total net losses and LAE and dividing that amount by the sum of total net premiums earned plus policy fees. We use the net underlying loss and LAE ratio to allow us to analyze our loss trends before the impact of catastrophe losses and prior year reserve development. These two items can have a significant impact on our loss trends in a given period. We believe it is useful for investors to evaluate these components both separately and in the aggregate when reviewing our performance. The most directly comparable GAAP measure is net loss and LAE ratio. The net underlying loss and LAE ratio should not be considered a substitute for net loss and LAE ratio and does not reflect the overall profitability of our business.

We experienced no net prior year reserve development for the three months ended March 31, 2026 and unfavorable net prior year development of \$0.6 million for the three months ended March 31, 2025. We experienced no catastrophe losses for the three months ended March 31, 2026 and for the three months ended March 31, 2025.

The net underlying loss and loss adjustment expense ratio increased to 37.3% for the three months ended March 31, 2026 from 30.0% for the three months ended March 31, 2025, primarily driven by less windfall from Citizens take-out net earned premiums for the three months ended March 31, 2026 compared to March 31, 2025 and higher net losses reflecting increased retention due to the reduction in our non-catastrophe quota share reinsurance arrangement, partially offset by growth in net premiums earned.

The following table summarizes the loss and LAE ratios and net underlying loss and LAE ratios for the three months ended March 31, 2026 and 2025:

(\$ in thousands)	Three Months Ended March 31,	
	2026	2025
Total Net Premiums Earned	\$ 82,208	\$ 65,402
Plus: Policy Fees	2,745	2,204
Total Net Premiums Earned Plus Policy Fees	84,953	67,606
Losses and Loss Adjustment Expenses, Net	\$ 31,725	\$ 20,862
Loss and Loss Adjustment Expense Ratio (% Net Premiums Earned Plus Policy Fees)	37.3%	30.9%
Less:		
Current Year Net Catastrophe Losses	—	—
Prior Year Net Reserve Development	—	579
Underlying Loss and Loss Adjustment Expenses, Net	\$ 31,725	\$ 20,283
Net Underlying Loss and Loss Adjustment Expense Ratio (% Net Premiums Earned Plus Policy Fees)	37.3%	30.0%

Gross underlying loss and loss adjustment expense ratio

Gross underlying loss and loss adjustment expense ratio is a non-GAAP measure. We calculate the gross underlying loss and LAE ratio by adding net underlying loss and LAE and ceded non-catastrophe losses and dividing that amount by the sum of total gross earned premium and policy fees. We use the gross underlying loss and LAE ratio to analyze our loss trends before the impact of reinsurance.

We believe it is useful for investors to evaluate the cost of non-catastrophe losses for every dollar of gross premium earned. The most comparable GAAP measure is the net loss and LAE ratio. The gross underlying loss and LAE ratio should not be considered a substitute for net loss and LAE ratio and does not reflect the overall profitability of our business.

The following tables summarize the gross underlying loss and LAE ratios for the three months ended March 31, 2026, and 2025:

(\$ in thousands)	Three Months Ended March 31,	
	2026	2025
Total Gross Premiums Earned	\$ 230,772	\$ 210,156
Plus: Policy Fees	2,745	2,204
Total Gross Premiums Earned Plus Policy Fees	233,517	212,360
Losses and Loss Adjustment Expenses, Net	31,725	20,862
Less:		
Current Year Net Catastrophe Losses	—	—
Prior Year Net Reserve Development	—	579
Underlying Loss and Loss Adjustment Expenses, Net	\$ 31,725	\$ 20,283
Add:		
Ceded Non-Catastrophe Loss and Loss Adjustment Expense	12,762	14,020
Gross Underlying Loss and Loss Adjustment Expenses	\$ 44,487	\$ 34,303
Loss and Loss Adjustment Expense Ratio (% Net Premiums Earned Plus Policy Fees)	37.3%	30.9%
Gross Underlying Loss and Loss Adjustment Expense Ratio (% Gross Premiums Earned Plus Policy Fees)	19.1%	16.2%

Ceded catastrophe excess of loss premiums ratio

Ceded catastrophe excess of loss premiums ratio is a non-GAAP measure and, expressed as percentage, is defined as ceded catastrophe excess of loss premiums earned divided by gross premiums earned. We believe it is useful for investors to

evaluate ceded catastrophe excess of loss premiums ratio as it provides a proxy for our cost of catastrophe reinsurance. The most directly comparable GAAP measure is the ratio of ceded premiums earned to gross premiums earned. The ceded catastrophe excess of loss premiums ratio should not be considered a substitute for ceded premiums earned and does not reflect the overall profitability of our business.

Ceded catastrophe excess of loss premiums ratio increased 5.2 percentage points, to 46.6% for the three months ended March 31, 2026 from 41.4% for the three months ended March 31, 2025. This increase was primarily driven by the three month period end March 31, 2025 having lower ceded premiums earned relative to gross premiums earned due to the windfall from Citizens take-outs compared to the three months ended March 31, 2026 where this benefit was less pronounced.

The calculation of our ceded excess of loss premiums ratio for the three months ended March 31, 2026 and 2025 is shown in the table below:

(\$ in thousands)	Three Months Ended March 31,	
	2026	2025
Gross Premiums Earned	\$ 230,772	\$ 210,156
Total Ceded Premiums Earned	(148,564)	(144,754)
Less: NCQSR and other ancillary reinsurance treaties	(40,952)	(57,731)
Ceded Catastrophe Excess of Loss Premiums Earned	\$ (107,612)	\$ (87,023)
Ceded Catastrophe Excess of Loss Premiums Ratio	46.6 %	41.4 %

Liquidity and Capital Resources

Liquidity is a measure of a company's ability to generate cash flows sufficient to meet the short-term and long-term cash requirements of its business operations. Funds generated from operations have been sufficient to meet our current and long-term liquidity requirements.

The liquidity of the Company, comprised of cash, cash equivalents and our liquid fixed income portfolios, fluctuates from time to time. As of March 31, 2026, our liquidity totaled \$575.6 million. A portion of that liquidity is not held at AIIC. The total cash and cash equivalents not held at the insurance subsidiary was \$136.5 million as of March 31, 2026. Our liquidity framework is designed to support operational flexibility, ensuring we can fund claims obligations, capital expenditures, and growth initiatives without reliance on external financing. In the event of a large loss event, we may utilize proceeds from our investment portfolios as a source of liquidity to service claims.

On May 9, 2025, we consummated our IPO and received net proceeds of \$82 million, after (i) deducting underwriting discounts and commissions totaling \$7.0 million as well as \$4.2 million of other expenses related to the offering, (ii) using approximately \$3.8 million of the proceeds from the offering to satisfy the Restricted Stock Grant Net Settlement and (iii) using \$3.0 million of the proceeds of the offering to terminate the management services agreement by and between James Sowell Company, L.P. and AIIG.

We maintain a disciplined capital management approach, balancing organic growth investments with stockholder return considerations. Our capital resources include:

- Operating cash flow, which remains the primary source of funding for day-to-day operations and claim payments.
- Reinsurance arrangements, which provide financial resilience against catastrophe loss events.
- Potential strategic financing, including debt instruments or equity offerings, which may be considered to accelerate expansion opportunities.

Future capital requirements will be driven by business growth, regulatory capital needs, and evolving market conditions. Our goal is to optimize capital efficiency while maintaining a strong financial foundation for long-term success.

The principal source of liquidity at the Company is from its subsidiaries, including fees paid by the insurance subsidiary, AIIC, and dividends paid by other subsidiaries generated from, among other things, income earned on policy fees and fees

paid by AIIC to American Integrity MGA, LLC (“AIMGA”) for general agency, inspections, agent commissions, general operating expenses and claims adjusting services.

Future capital allocation decisions, including dividend distributions and share repurchases, will be determined by our Board of Directors based on profitability trends, regulatory considerations, and long-term stockholder value objectives. We did not declare or pay any dividends during 2025. On February 24, 2026, our Board of Directors declared a special cash dividend of \$1.02 per share of Common Stock payable on March 30, 2026 to stockholders of record at the close of business on March 16, 2026. The aggregate amount of the payment made in connection with this special cash dividend was approximately \$20.0 million, and we paid such dividend using cash on hand.

While we currently intend to retain any future earnings for use in the operation of our business and have no plans to declare or pay any additional cash dividends in the foreseeable future, our Board of Directors may, from time to time, reassess whether to declare dividends in the future.

As discussed in Note 10 – “*Regulatory Requirements and Restrictions*” in the notes to our consolidated financial statements, there are limitations on the dividends a subsidiary may pay to its immediate parent company.

The maximum amount of dividends that can be paid by Florida insurance companies without prior approval of the Florida Office of Insurance Regulation is subject to restrictions as referenced below and in Note 10 – “*Regulatory Requirements and Restrictions*” in the notes to our consolidated financial statements. Dividends from AIIC can only be paid from accumulated unassigned funds derived from net operating profits and net realized capital gains. Subject to such accumulated unassigned funds, the maximum dividend that may be paid by AIIC to the Company without prior approval is further limited to the lesser of statutory net income from operations of the preceding calendar year or statutory unassigned surplus as of the preceding year end. As of March 31, 2026, AIIC has not declared dividends.

Liquidity for AIIC is primarily required to cover payments for reinsurance premiums, claims payments including potential payments of catastrophe losses (offset by recovery of any reimbursement amounts under our reinsurance agreements), fees paid to affiliates for managing general agency services, claims adjusting services, premium and income taxes, regulatory assessments, general operating expenses, and interest and principal payments on debt obligations. Principal sources of liquidity for AIIC consist of the revenue generated from the collection of written premiums and the collection of reinsurance recoverable.

Principal sources of liquidity for the Company include fees paid by our insurance subsidiary, AIIC, and dividends paid by other subsidiaries generated from, among other things, income earned on policy fees and fees paid by AIIC to AIMGA for general agency, inspections, agent commissions, general operating expenses and claims adjusting services.

Cash flows

Our most significant source of cash is from premiums received from our policyholders, which, for most policies, we receive at the beginning of the coverage period, although some policyholders elect to pay in installments over the duration of the policy. Our most significant cash outflow is for the cost of our reinsurance agreements in the form of ceded premiums and for claims that arise when a policyholder incurs an insured loss. Because the payment of claims occurs after the receipt of the premium, sometimes years later, we invest the cash in various investment securities that earn interest and dividends. We also use cash to pay commissions to distribution partners, as well as to pay for ongoing operating expenses such as salaries, professional services and taxes. As described under “*Reinsurance*” below, we use reinsurance to manage the risk that we take on our policies. We cede, or pay out, part of the premiums we receive to our reinsurers and collect cash back when losses subject to our reinsurance coverage are paid.

The timing of our cash flows from operating activities can vary among periods due to the timing by which payments are made or received. Some of our payments and receipts, including loss settlements and subsequent reinsurance receipts, can be significant, so their timing can influence cash flows from operating activities in any given period. Management believes that cash receipts from premiums, proceeds from investment sales and redemptions and investment income are sufficient to cover cash outflows for the foreseeable future.

Our cash flows for the three months ended March 31, 2026 and 2025 were:

(\$ in thousands)	Three Months Ended March 31,	
	2026	2025
Cash and cash equivalents (net) provided by: Operating activities	\$ 6,792	\$ 68,085
Cash and cash equivalents (net) provided by (used in): Investing activities	(4,486)	8,343
Cash and cash equivalents (net) used in: Financing activities	(20,074)	(14,978)
Net increase in cash and cash equivalents	\$ (17,768)	\$ 61,450

Cash provided by operating activities was \$6.8 million for the three months ended March 31, 2026 compared to \$68.1 million provided by operating activities for the three months ended March 31, 2025. The decrease in cash provided by operating activities resulted from higher cash outflows related to reinsurance activity and loss payments associated with increased gross premiums earned.

Cash used in investing activities was \$(4.5) million for the three months ended March 31, 2026 compared to \$8.3 million provided by investing activities for the three months ended March 31, 2025. The increase in net cash used in investing activities was primarily attributable to the purchases of fixed income securities and short-term investments in excess of proceeds from sales and maturities of fixed maturity securities and short-term investments during the period.

Net cash used in financing activities was \$(20.1) million for the three months ended March 31, 2026 compared to \$(15.0) million used in financing activities for the three months ended March 31, 2025. The increase in net cash used in financing activities was primarily attributable to the special cash dividend paid to stockholders during the period.

Capitalization

Capital resources provide protection for policyholders, furnish the financial strength to support the business of underwriting insurance risks and facilitate continued business growth. The following table provides our shareholders' equity, total long-term debt, total capital resources, debt-to-total capital ratio and debt-to-equity ratio as of March 31, 2026, and December 31, 2025.

(\$ in thousands)	March 31, 2026	December 31, 2025
Shareholders' equity	\$ 335,483	\$ 337,022
Long-term debt	515	618
Total capital resources	335,998	337,640
Debt-to-total capital ratio	0.2%	0.2%
Debt-to-equity ratio	0.2%	0.2%

The debt-to-total capital ratio is calculated as total long-term debt divided by total capital resources, whereas the debt-to-equity ratio is calculated as total long-term debt divided by shareholders' equity. These ratios help management measure the amount of financing leverage in place in relation to equity and future leverage capacity.

Critical Accounting Estimates

In order to align with GAAP, preparing financial statements requires us to forecast future events through estimates and assumptions. These projections, along with their underlying assumptions, significantly impact the reported values of assets and liabilities, the disclosure of potential assets and liabilities, and the recorded figures for revenues and expenses. Among the accounting estimates, the accounting estimates discussed below are those that demand judgment, where different decisions could lead to substantial alterations in the reported outcomes. For a detailed discussion of our accounting policies, see our notes to the consolidated financial statements. Our current critical accounting policies and estimates are:

Liability for unpaid losses and loss adjustment expenses

We set aside reserves, net of estimated subrogation, to provide for the estimated costs of paying losses and LAE under insurance policies we issued. Liability for unpaid losses and LAE represent management's best estimate of the ultimate cost of settling all outstanding claims, including claims that have been incurred, but not yet reported ("IBNR") as of a financial statement date. With the assistance of an independent, actuarial firm, we use statistical analysis to establish

liabilities for unpaid losses and LAE. We do not discount the liability for unpaid losses and LAE for financial statement purposes. In establishing the liability for unpaid losses and LAE, actuarial judgment is relied upon in order to make appropriate assumptions to estimate a best estimate of ultimate losses. Those estimates are based on our historical information, industry information and estimates of trends that may affect the ultimate frequency of incurred but not reported claims and changes in ultimate claims severity.

We regularly review our reserve estimates and adjust them as necessary as experience develops or as new information becomes known to us. Such adjustments are included in current operations. During the loss settlement period, if we have indications that claims frequency or severity exceeds our initial expectations, we generally increase our reserves for losses and LAE. Conversely, when claims frequency and severity trends are more favorable than initially anticipated, we generally reduce our reserves for losses and LAE once we have sufficient data to confirm the validity of the favorable trends. Even after such adjustments, the ultimate liability may exceed or be less than the revised estimates. Accordingly, the ultimate settlement of losses and the related LAE may vary significantly from the estimate included in our consolidated financial statements.

Reserving for reported claims relies on a detailed assessment of individual risks, understanding the specifics of each claim, and considering the insurance policy terms related to the particular type of loss. Reserving for unreported claims and LAE involves utilizing historical data per line of insurance adjusted to present circumstances. Typically, the reserving process implicitly considers inflation by analyzing costs, trends, and reviewing historical reserving outcomes across several years.

The process of estimating the reserves for losses and LAE requires a high degree of judgment and is subject to several variables. Reserve estimates for our ultimate liability are derived using several different actuarial estimation methods, depending on the type of loss:

- Loss development method: The loss development method uses actual loss data and the historical development profiles on older underwriting years to project more recent, less developed years to their ultimate position.
- Frequency/severity methods: These methods are similar to the paid and case incurred loss development methods except that estimates of ultimate claim counts (a measure of claim frequency) and ultimate average severity are derived separately and then multiplied together to provide an estimate of ultimate loss.
- Incremental cost per closed claim method: This method is similar to the frequency/severity method except that paid severities are selected for each incremental development period, and then are trending using selected short-term and long-term trend factors.
- Bornhuetter-Ferguson method: The Bornhuetter-Ferguson method uses as a starting point an assumed initial expected loss ratio and blends in the loss ratio, which is implied by the claims experience to date using benchmark loss development patterns on paid claims data or reported claims data.
- IBNR-to-case outstanding method: This method requires the estimation of consistent paid and reported (case) incurred loss development patterns and age-to-ultimate factors. These patterns imply a specific expected relationship between IBNR, including both development or known claims (bulk reserve) and losses on a true late reported claims, and reported case incurred losses.
- DCC development methods: When DCC data is evaluated separately from losses, historical paid and case incurred DCC data may be arranged in a triangular format and projected to ultimate using the same technique as used for losses (i.e., loss development methods). In addition, projections using triangles of ratios of paid DCC-to-paid loss and ratios of paid DCC-to-case incurred losses can be made; those triangles can be constructed using ratios of incremental (e.g. annual) amounts, or ratios of cumulative amounts. Indications that result from projecting these ratios must be multiplied by the ultimate loss selections to arrive at ultimate DCC indications. Similarly, triangles of ratios of paid DCC-to-closed or reported claim counts can be used. The results from projecting these ratios will require multiplication by ultimate claim count selections to arrive at ultimate DCC indications.

Each actuarial methodology requires the selection and application of various parameters and assumptions. The key parameters and assumptions include:

- 1) Loss development factors – These factors are key assumptions in the loss development methods which assume recent accident years will follow the development patterns of prior accident years.

- 2) Initial expected loss ratio selections – The initial expected loss ratio selection is the key assumption in the Bornhuetter-Ferguson methods. The selection was made based on average of development methods loss ratios and selected loss ratio trend.
- 3) Claim count decay ratios – The decay ratio is the key assumption in the projection of ultimate claim counts for catastrophe and non-catastrophe storms.
- 4) Short-term and long-term projected severity trends – These severity trends are the key assumption in projecting severities for accident years in their future development periods.

Our reserves are driven by several important factors, including litigation and regulatory trends, legislative activity, climate change, social and economic patterns and claims inflation assumptions. Our reserve estimates reflect current inflation in legal claims' settlements and assume we will not be subject to losses from significant new legal liability theories. Our reserve estimates assume that there will not be significant changes in the regulatory and legislative environment. The impact of potential changes in the regulatory or legislative environment is difficult to quantify in the absence of specific, significant new regulation or legislation. In the event of significant new regulation or legislation, we will attempt to quantify its impact on our business, but no assurance can be given that our attempt to quantify such inputs will be accurate or successful.

Our financial status, reported outcomes, and liquidity are susceptible to shifts in critical assumptions determining our loss reserves. While we do not anticipate changes in claim frequency to significantly impact our reserves, fluctuations in the severity of claims could influence these reserves.

These amounts fell within the range of total reserves provided by our independent actuary. As of March 31, 2026, we recorded \$10.1 million in case reserves and an additional \$254.7 million for IBNR reserves, totaling \$264.9 million in reserves, with an added \$275.3 million attributable to reinsurance claims payable.

For further detail, see Note 8 – “*Liability for Unpaid Losses and Loss Adjustment Expenses*” in our notes to the consolidated financial statements.

Reinsurance

We follow industry standards by reinsuring a portion of our risks. Reinsurance involves transferring, or “ceding,” a share of the risk exposure from the policies we write to another insurer, known as a reinsurer. If our reinsurers are unable to fulfill their obligations under our reinsurance agreements, we remain accountable for the entire insured loss.

In cases where losses fall within our reinsurance coverage, we document recoverable amounts from our reinsurers for paid losses and an estimation of recoverable amounts on unpaid losses. The reinsurance recoverables on unpaid losses are estimated in a manner consistent with the Company's estimate of unpaid losses and LAE associated with the insured business, thus fluctuating with changes to our estimates of unpaid losses. The estimation of recoverable amounts from reinsurers on unpaid losses may change in the future, and if there is a change, it could adversely affect the amounts stated in our consolidated financial statements.

We estimate uncollectible amounts receivable from reinsurers based on an assessment of factors including the creditworthiness of the reinsurers and the adequacy of collateral obtained, where applicable.

Ceding Commission

A sliding scale ceding commission is a type of contingent fee paid in connection with a reinsurance treaty and is based on the loss experience of the underlying insurance contract. At inception, the commission is estimated, and adjustments are subsequently made as more information becomes available regarding actual loss experience.

In connection with quota share reinsurance arrangements for non-catastrophe losses, the Company receives ceding commissions from the reinsurers to reimburse its direct and indirect acquisition costs as well as other expenses.

The amount of ceding commissions ultimately received by the Company are contingent upon the amount of premium written and earned and the commission rate is adjusted on a sliding scale based upon loss ratios of the ceded premium.

Accordingly, the Company develops estimates of ceding commissions based on an evaluation of historical experience and available information, with subsequent adjustment for true-ups recorded prospectively.

Investments

The Company currently classifies all of its investments in debt securities and short-term investments as available-for-sale and reports them at fair value. Short-term investments consist of investments in interest-bearing assets with original maturities of 12 months or less. The Company records subsequent changes in value through the date of disposition as unrealized holding gains and losses, net of taxes, and includes them as a component of accumulated other comprehensive income until reclassified to earnings upon sale. Realized gains and losses on the sale of investments are determined using the specific-identification method and included in earnings. The Company amortizes any premium or discount on fixed maturities over the remaining maturity period of the related securities using the effective interest method and reports the amortization in net investment income. The Company recognizes dividends and interest income when earned. We have a financial stability rating of A, "Exceptional" from Demotech, an independent financial firm specializing in evaluating the financial stability of regional and specialty insurers, and whose rating is accepted by major mortgage companies. We do not have a rating from A.M. Best.

Fair Value

In our disclosure of the fair value of our investments, we utilize a hierarchy based on the quality of inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Adjustments to transaction prices or quoted market prices may be required in illiquid or disorderly markets in order to estimate fair value. The three levels of the fair value hierarchy are described below:

- Level 1 – Valuations based on quoted prices in active markets for identical assets and liabilities;
- Level 2 – Valuations based on observable inputs that do not meet the criteria for Level 1, including quoted prices in inactive markets and quoted prices in active markets for similar, but not identical instruments; and
- Level 3 – Valuations based on unobservable inputs, which are based upon the best available information when external market data is limited or unavailable.

We estimate the fair value of our investments using the closing prices on the last business day of the reporting period, obtained from active markets using independent pricing sources. For securities for which quoted prices in active markets are unavailable, we use observable inputs such as quoted prices in inactive markets, quoted prices in active markets for similar instruments, benchmark interest rates, broker quotes and other relevant inputs. Our estimates of fair value reflect the interest rate environment that existed as of the close of business on March 31, 2026 and December 31, 2025. Changes in interest rates subsequent to March 31, 2026 may affect the fair value of our investments.

Investment securities are subject to fluctuations in fair value due to changes in issuer-specific circumstances, such as credit rating, and changes in industry-specific circumstances, such as movements in credit spreads based on the market's perception of industry risks. In addition, fixed maturities are subject to fluctuations in fair value due to changes in interest rates as a result of governmental monetary policies, domestic and international economic and political conditions and other factors beyond our control. A rise in interest rates would decrease the net unrealized holding gains of our investment portfolios, offset by our ability to earn higher rates of return on funds reinvested. Conversely, a decline in interest rates would increase the net unrealized holding gains of our investment portfolios, offset by lower rates of return on funds reinvested. Unrealized gains and losses on our fixed maturity securities are included in accumulated other comprehensive income as a separate component of total shareholders' equity.

Impairment

Quarterly, the Company performs an assessment of all investments to determine if any are impaired as the result of a credit loss. An investment is impaired when the fair value of the investment declines to an amount less than the cost or amortized cost of that investment. For each fixed-income security in an unrealized loss position, if the intent is to sell the security or if it is more likely than not that the Company will be required to sell the security before recovering the cost or amortized cost basis for reasons such as liquidity needs, contractual or regulatory requirements, the security's entire decline in fair value is recorded in earnings. If the intent is not to sell the security or it is not more likely than not that the Company will be

required to sell the security, the Company will evaluate whether any impairment is attributable to credit-related factors. Such evaluation includes consideration of factors such as:

- Failure of the issuer of the security to make scheduled interest or principal payment;
- Downgrades in the security's credit rating since acquisition by three or more notches;
- Adverse conditions specifically related to the security, an industry, or geographic area;
- Changes in the financial condition of the issuer of the security; and
- The payment structure of the security and the likelihood of the issuer being able to make payments that increase in the future.

Upon determination of a credit-related impairment, an allowance for credit losses will be recognized and is measured as the amount by which the security's amortized cost basis exceeds the entity's best estimate of the present value of cash flows expected to be collected. The allowance is limited to the difference between the amortized cost basis and the security's fair value. Subsequent recovery of any previously recorded impairment will be recognized through reversal of the allowance for credit losses.

Deferred income taxes

We account for taxes under the asset and liability method, under which we record deferred income taxes as assets or liabilities on our balance sheet to reflect the net tax effect of the temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their respective tax bases. We recognize deferred tax assets and liabilities for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which we expect to recover or settle those temporary differences. Should a change in tax rates occur, we recognize the effect on deferred tax assets and liabilities in operations in the period that includes the enactment date. Realization of our deferred income tax assets depends upon our generation of sufficient future taxable income.

We recognize the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority. The amount of income tax expense or benefit recorded in future periods will depend on the jurisdictions in which we operate and the tax laws and regulations in effect. The Company is subject to payment of U.S. federal and state income taxes as a corporation.

Recent Accounting Pronouncements

We currently qualify as an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. Accordingly, we are provided the option to adopt new or revised accounting guidance either (i) within the same periods as those otherwise applicable to non-emerging growth companies or (ii) within the same time periods as private companies. We have elected to avail ourselves of this extended transition period and, as a result, we will not be required to adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other public companies.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year in which we have total annual gross revenues of \$1.235 billion or more; (ii) the last day of our fiscal year following the fifth anniversary of the date of the completion of our IPO; (iii) the date on which we have issued more than \$1 billion in nonconvertible debt during the previous three years; and (iv) the date on which we are deemed to be a large accelerated filer under the rules of the SEC.

See Note 2 – "Significant Accounting Policies" in our notes to the consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of economic losses due to adverse changes in the estimated fair value of a financial instrument as the result of changes in interest rates, duration, equity prices, foreign currency exchange rates, and commodity prices. The primary components of market risk affecting us are interest rate risk, duration risk and credit risk. We do not have significant exposure to equity risk, foreign currency exchange rate risk or commodity risk.

As of March 31, 2026, and December 31, 2025, our investment portfolios contained fixed-maturity securities. These securities are not intended for trading or speculative purposes. Our primary aim is to maximize after-tax investment income while ensuring sufficient liquidity to fulfill policyholder obligations. Additionally, we strive to minimize market risk, which encompasses potential economic losses resulting from adverse fluctuations in securities' prices.

In developing our investment strategies, we consider various factors such as credit ratings, investment concentrations, regulatory requirements, expected interest rate fluctuations, durations, and prevailing market conditions. Our investment portfolios are managed by Goldman Sachs Asset Management, overseen by our Board of Directors and an investment committee appointed by AIIC's Board of Directors.

Our investment portfolios are predominantly exposed to interest rate risk, duration risk and credit risk. We classify these fixed-maturity securities as available-for-sale. Any unrealized gains or losses, adjusted for deferred income taxes, are reported as part of other comprehensive income within our shareholders' equity. Consequently, significant temporary changes in their fair value could potentially affect the carrying value of our shareholders' equity.

The effective weighted average duration of our fixed income portfolio at AIIC was 2.09 years and 1.31 years at March 31, 2026 and 2025, respectively, and 2.09 years at December 31, 2025. As of March 31, 2026, the estimated weighted-average credit quality rating of the fixed income portfolio was AA-.

Interest Rate Risk

Interest rate risk is the risk that we will incur economic losses due to adverse changes in interest rates. When market interest rates rise, the fair value of our fixed maturity securities decreases. Conversely, as interest rates fall, the fair value of our fixed maturity securities increases.

Credit Risk

Credit risk is the potential loss resulting from adverse changes in an issuer's ability to repay its debt obligations. We have exposure to credit risk as a holder of fixed maturity investments. Credit risk can expose us to potential losses arising principally from adverse changes in the financial condition of the issuers of our fixed maturity securities. We mitigate the risk by primarily investing in fixed-maturity securities that are rated "BBB" (S&P) or higher and diversifying our investment portfolios to avoid concentrations in any single issuer or business sector. Pursuant to our investment policy, only \$1.0 million may be invested in below investment grade bonds.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in the Exchange Act, Rule 13a-15(e)) that are designed to assure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

As required by Exchange Act Rule 13a-15(b) or Rule 15d-15(b), as of the end of the period covered by this Quarterly Report, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2026, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during our most recent fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

There are no material pending legal proceedings to which we are a party or of which any of our property is the subject. From time to time, we are subject to routine legal proceedings in the ordinary course of business. We believe that the ultimate resolution of these matters will not have a material adverse effect on our business, financial condition, results of operations or cash flows.

Item 1A. Risk Factors

There were no material changes to the risk factors disclosed in Part I, Item 1A “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025. For more information concerning our risk factors, please see Part I, Item 1A “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities

There were no sales of unregistered securities during the quarter ended March 31, 2026 that were not previously reported on a Current Report on Form 8-K.

Use of Proceeds

On May 9, 2025, we completed our IPO, and all shares of Common Stock sold were registered pursuant to a registration statement on Form S-1 (File No. 333-286524), as amended, declared effective by the SEC on May 7, 2025. We received net proceeds of \$82 million, after (i) deducting underwriting discounts and commissions totaling \$7.0 million as well as \$4.2 million of other expenses related to the offering, (ii) using approximately \$3.8 million of the proceeds from the offering to satisfy tax withholding and remittance obligations related to the net settlement of shares of restricted stock issued in connection with the IPO and (iii) using \$3.0 million of the proceeds of the offering to terminate the management services agreement by and between James Sowell Company, L.P. and AIIG. Pending their further use, the net proceeds from our IPO have been invested in investment grade instruments, and there has been no material change in the expected use of the net proceeds from our IPO as described in our prospectus dated May 7, 2025 filed with the SEC pursuant to Rule 424(b) under the Securities Act of 1933, as amended, on May 8, 2025.

Issuer Purchases of Equity Securities

There were no repurchases of our Common Stock during the three months ended March 31, 2026.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

This item is not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements

On March 12, 2026, Robert Ritchie, the Company’s Chief Executive Officer, adopted a “Rule 10b5-1 trading arrangement” as defined in Item 408(a) of Regulation S-K (the “Ritchie 10b5-1 Plan”) that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c). The Ritchie 10b5-1 Plan provides for the sale of up to 775,000 shares of Common Stock pursuant to one or more limit orders from June 11, 2026 until December 10, 2027, subject to earlier termination in accordance with the terms of the Ritchie 10b5-1 Plan and applicable laws, rules and regulations.

No other director or officer (as defined in Rule 16a-1(f) of the Exchange Act) of the Company adopted, modified, or terminated any “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (in each case, as defined in Item 408(a) of Regulation S-K), during the quarter ended March 31, 2026.

Item 6. Exhibits

The following exhibits are incorporated herein by reference or are filed with this Quarterly Report on Form 10-Q, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K):

Exhibit Number	Description
3.1	<u>Amended and Restated Certificate of Incorporation of American Integrity Insurance Group, Inc. (incorporated by reference to Exhibit 3.1 to the Company’s Current Report on Form 8-K filed with the SEC on May 9, 2025).</u>
3.2	<u>Amended and Restated Bylaws of American Integrity Insurance Group, Inc. (incorporated by reference to Exhibit 3.2 to the Company’s Current Report on Form 8-K filed with the SEC on May 9, 2025).</u>
4.1	<u>Registration Rights Agreement, dated May 7, 2025, by and among the Company, Sowell Investments Holding Co., LLC and Robert Ritchie (incorporated by reference to Exhibit 4.1 to the Company’s Quarterly Report on Form 10-Q filed with the SEC on June 10, 2025).</u>
10.1 ⁺	<u>Employment Agreement, dated April 6, 2026, by and between the Company and Brian Foley (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K filed with the SEC on April 6, 2026).</u>
10.2	<u>General Release and Consulting Agreement, dated April 6, 2026, by and between the Company and Ben Lurie (incorporated by reference to Exhibit 10.2 to the Company’s Current Report on Form 8-K filed with the SEC on April 6, 2026).</u>
31.1*	<u>Certification of Principal Executive Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Principal Financial Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1**	<u>Certifications of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

** The certifications attached as Exhibit 32.1 are not deemed “filed” with the SEC and are not to be incorporated by reference into any filing of American Integrity Insurance Group, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

+ Certain of the exhibits and schedules to this Exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. American Integrity Insurance Group, Inc. agrees to furnish a copy of all omitted exhibits and schedules to the Securities and Exchange Commission upon request.

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.

AMERICAN INTEGRITY INSURANCE GROUP, INC.

Date: May 14, 2026

By: /s/ Robert Ritchie

Robert Ritchie
Chief Executive Officer
(Principal Executive Officer)

Date: May 14, 2026

By: /s/ Brian Foley

Brian Foley
Chief Financial Officer
(Principal Financial Officer)

Date: May 14, 2026

By: /s/ Steve Biggs

Steve Biggs
Chief Accounting Officer
(Principal Accounting Officer)