

**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, 2025**  
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: **001-40399**



**Enact Holdings, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**46-1579166**

(I.R.S. Employer  
Identification Number)

**8325 Six Forks Road  
Raleigh, North Carolina 27615  
(919) 846-4100**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$0.01 per share	ACT	The Nasdaq Stock Market, LLC

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 April 30, 2025, there were 150,066,274 shares of Common Stock, par value \$0.01 per share, outstanding.

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## Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q, including Management's Discussion and Analysis of Financial Condition and Results of Operations, contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements may address, among other things, our expected financial and operational results, the related assumptions underlying our expected results and the quotations of management. These forward-looking statements are distinguished by use of words such as "will," "would," "anticipate," "expect," "believe," "designed," "plan," or "intend," the negative of these terms and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. Our forward-looking statements contained herein speak only as of the date of this quarterly report.

Although Enact Holdings, Inc. (the "Company") believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be achieved and it undertakes no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise, except as required by applicable law. Factors or events that we cannot predict, including the following, may cause our actual results to differ from those expressed in forward-looking statements:

- inability to continue to maintain the private mortgage insurer eligibility requirements ("PMIERS") or any other restrictions imposed on us by the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"), government-sponsored enterprises collectively referred to as the "GSEs";
- deterioration in economic conditions, a decline in home prices or a severe recession, including from the impact of tariffs and other government economic policies;
- uncertainty around the time loans remain in our delinquent inventory including effects of forbearance programs and foreclosure timing;
- uncertainty of our loss reserve estimates or inaccuracies in our models;
- competition for our customers or the loss of a significant customer;
- changes to the charters or practices of the GSEs, including actions or decisions to decrease or discontinue the use of mortgage insurance;
- lenders or investors seeking alternatives to private mortgage insurance;
- failure of our risk management or loss mitigation strategies;
- risks related to emerging and changing technologies, including artificial intelligence;
- fluctuations in interest rates;
- limited availability of capital and the need to seek additional capital on unfavorable terms;
- limited availability of reinsurance;
- adverse actions by rating agencies;
- competition with government-owned enterprises and GSEs;
- failure to manage the risk in our investment portfolio;
- disruption in the servicing of mortgages covered by our insurance policies or poor servicer performance;

- unanticipated claims arising under and risks associated with our delegated underwriting program or contract underwriting program;
- inadequacy of the premiums we charge to compensate for the losses we incur;
- decrease in the volume of Low-Down Payment Loan originations;
- failure to protect our confidential customer information;
- adverse changes in regulatory requirements;
- inability to maintain sufficient regulatory capital;
- risks relating to our continuing relationship with Genworth Financial, Inc.;
- changes in tax laws;
- litigation, regulatory investigations or other actions;
- inability to attract and retain key employees;
- failure or any compromise of the security of our computer systems, disaster recovery systems, business continuity plans and failures to safeguard or breaches of confidential information; and
- occurrence of natural or man-made disasters or public health emergencies, including pandemics and disasters caused or exacerbated by climate change.

We provide additional information regarding these and other risks and uncertainties in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the U.S. Securities and Exchange Commission (“SEC”) on February 28, 2025. In addition, unlisted factors may present significant additional obstacles to the realization of forward-looking statements. We therefore caution you against relying on any forward-looking statements.

Part I. Financial Information

Item 1. Financial Statements

ENACT HOLDINGS, INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS

(Amounts in thousands, except par value amount)	March 31, 2025 (Unaudited)	December 31, 2024
<b>Assets</b>		
Fixed maturity securities available-for-sale, at fair value (amortized cost of \$5,992,370 and \$5,876,502; allowance for credit losses of \$273 and \$0)	\$ 5,815,337	\$ 5,624,773
Short-term investments, at fair value	3,696	3,367
Total investments	5,819,033	5,628,140
Cash and cash equivalents	635,269	599,432
Accrued investment income	49,653	49,595
Deferred acquisition costs	23,322	23,771
Premiums receivable	46,451	53,031
Other assets	103,352	102,549
Deferred tax asset	44,440	65,013
<b>Total assets</b>	<b>\$ 6,721,520</b>	<b>\$ 6,521,531</b>
<b>Liabilities and equity</b>		
<i>Liabilities:</i>		
Loss reserves	\$ 542,528	\$ 524,715
Unearned premiums	107,519	114,680
Other liabilities	208,667	142,990
Long-term borrowings	743,399	743,050
<b>Total liabilities</b>	<b>1,602,113</b>	<b>1,525,435</b>
<i>Equity:</i>		
Common stock (\$0.01 par value; 600,000 shares authorized; 150,765 shares issued and outstanding as of March 31, 2025, and 152,318 shares issued and outstanding as of December 31, 2024)	1,508	1,523
Additional paid-in capital	2,007,776	2,076,788
Accumulated other comprehensive income	(152,482)	(207,455)
Retained earnings	3,262,605	3,125,240
<b>Total equity</b>	<b>5,119,407</b>	<b>4,996,096</b>
<b>Total liabilities and equity</b>	<b>\$ 6,721,520</b>	<b>\$ 6,521,531</b>

See Notes to Condensed Consolidated Financial Statements

**ENACT HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)

(Amounts in thousands, except per share amounts)	Three months ended March 31,	
	2025	2024
<b>Revenues:</b>		
Premiums	\$ 244,786	\$ 240,747
Net investment income	63,037	57,111
Net investment gains (losses)	(3,243)	(6,684)
Other income	2,196	402
<b>Total revenues</b>	<b>306,776</b>	<b>291,576</b>
<b>Losses and expenses:</b>		
Losses incurred	30,541	19,501
Acquisition and operating expenses, net of deferrals	50,094	50,934
Amortization of deferred acquisition costs and intangibles	2,429	2,259
Interest expense	12,291	12,961
<b>Total losses and expenses</b>	<b>95,355</b>	<b>85,655</b>
<b>Income before income taxes</b>	<b>211,421</b>	<b>205,921</b>
Provision for income taxes	45,643	44,933
<b>Net income</b>	<b>\$ 165,778</b>	<b>\$ 160,988</b>
<b>Net income per common share:</b>		
Basic	\$ 1.09	\$ 1.01
Diluted	\$ 1.08	\$ 1.01
<b>Weighted average common shares outstanding:</b>		
Basic	151,831	158,818
Diluted	152,907	160,087

See Notes to Condensed Consolidated Financial Statements

**ENACT HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(Unaudited)**

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
Net income	\$ 165,778	\$ 160,988
Other comprehensive income (loss), net of taxes:		
Net unrealized gains (losses) on securities without an allowance for credit losses	58,894	(7,079)
Foreign currency translation gain (loss)	(3,921)	2
Other comprehensive income (loss)	54,973	(7,077)
<b>Total comprehensive income (loss)</b>	<b>\$ 220,751</b>	<b>\$ 153,911</b>

See Notes to Condensed Consolidated Financial Statements

**ENACT HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**(Unaudited)**

	Three months ended March 31, 2025				
(Amounts in thousands)	Common stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
<b>Balance as of December 31, 2024</b>	<b>\$ 1,523</b>	<b>\$ 2,076,788</b>	<b>\$ (207,455)</b>	<b>\$ 3,125,240</b>	<b>\$ 4,996,096</b>
Comprehensive income (loss):					
Net income	—	—	—	165,778	165,778
Other comprehensive income (loss), net of taxes	—	—	54,973	—	54,973
Repurchase of common stock	(19)	(65,264)	—	—	(65,283)
Stock-based compensation expense and exercises and other	4	(3,748)	—	(325)	(4,069)
Dividends	—	—	—	(28,088)	(28,088)
<b>Balance as of March 31, 2025</b>	<b>\$ 1,508</b>	<b>\$ 2,007,776</b>	<b>\$ (152,482)</b>	<b>\$ 3,262,605</b>	<b>\$ 5,119,407</b>
	Three months ended March 31, 2024				
(Amounts in thousands)	Common stock	Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings	Total equity
<b>Balance as of December 31, 2023</b>	<b>\$ 1,593</b>	<b>\$ 2,310,891</b>	<b>\$ (230,400)</b>	<b>\$ 2,550,263</b>	<b>\$ 4,632,347</b>
Comprehensive income (loss):					
Net income	—	—	—	160,988	160,988
Other comprehensive income (loss), net of taxes	—	—	(7,077)	—	(7,077)
Repurchase of common stock	(17)	(49,707)	—	—	(49,724)
Stock-based compensation expense and exercises and other	1	3,014	—	(328)	2,687
Dividends	—	—	—	(25,457)	(25,457)
<b>Balance as of March 31, 2024</b>	<b>\$ 1,577</b>	<b>\$ 2,264,198</b>	<b>\$ (237,477)</b>	<b>\$ 2,685,466</b>	<b>\$ 4,713,764</b>

See Notes to Condensed Consolidated Financial Statements

**ENACT HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
<b>Cash flows from operating activities:</b>		
Net income	\$ 165,778	\$ 160,988
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Net investment (gains) losses	3,243	6,684
Amortization of fixed maturity securities discounts and premiums	(3,411)	(2,437)
Amortization of deferred acquisition costs and intangibles	2,429	2,259
Acquisition costs deferred	(1,242)	(1,399)
Deferred income taxes	4,492	1,032
Stock-based compensation expense	3,872	3,937
Amortization of debt issuance costs	349	674
<i>Change in certain assets and liabilities:</i>		
Accrued investment income	(59)	(1,891)
Premiums receivable	6,580	1,143
Other assets	(904)	447
Loss reserves	17,813	13,252
Unearned premiums	(7,161)	(10,444)
Other liabilities	34,945	13,051
<b>Net cash provided by operating activities</b>	<b>226,724</b>	<b>187,296</b>
<b>Cash flows from investing activities:</b>		
Purchases of fixed maturity securities available-for-sale	(505,026)	(409,240)
Purchases of limited partnerships and equity interests	(500)	(5,512)
Proceeds from sales of fixed maturity securities available-for-sale	142,643	190,227
Proceeds from maturities of fixed maturity securities available-for-sale	276,497	104,412
Net change in short-term investments	(322)	10,254
Other	(2,867)	(3,609)
<b>Net cash used in investing activities</b>	<b>(89,575)</b>	<b>(113,468)</b>
<b>Cash flows from financing activities:</b>		
Repurchase of common stock	(65,283)	(49,724)
Dividends paid	(28,088)	(25,457)
Other	(7,941)	—
<b>Net cash used in financing activities</b>	<b>(101,312)</b>	<b>(75,181)</b>
Net increase (decrease) in cash and cash equivalents	35,837	(1,353)
Cash and cash equivalents at beginning of period	599,432	615,683
<b>Cash and cash equivalents at end of period</b>	<b>\$ 635,269</b>	<b>\$ 614,330</b>

See Notes to Condensed Consolidated Financial Statements

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(Unaudited)**(1) Nature of business, organization structure and basis of presentation**

The accompanying unaudited condensed consolidated financial statements include, on a consolidated basis, the accounts of Enact Holdings, Inc. ("EHI," together with its subsidiaries, the "Company," "we," "us" or "our"). EHI is a subsidiary of Genworth Financial, Inc. ("Genworth") and has been since EHI's incorporation in Delaware in 2012. In September 2021, we completed a minority initial public offering ("IPO") of 18.4% of EHI's common stock.

We are engaged in the business of writing and assuming residential mortgage guaranty insurance. The insurance protects lenders and investors against certain losses resulting from nonpayment of loans secured by mortgages, deeds of trust, or other instruments constituting a lien on residential real estate. We offer private mortgage insurance products predominantly insuring prime-based, individually underwritten residential mortgage loans ("primary mortgage insurance"). Our primary mortgage insurance enables borrowers to buy homes with a down payment of less than 20% of the home's value. Primary mortgage insurance also facilitates the sale of these low down payment mortgage loans in the secondary mortgage market, most of which are sold to government-sponsored enterprises. We also selectively enter into insurance transactions with lenders and investors, under which we insure a portfolio of loans at or after origination.

We also perform fee-based contract underwriting services for mortgage lenders. The provision of underwriting services by mortgage insurers eliminates the duplicative lender and mortgage insurer underwriting activities and expedites the approval process.

We operate our business through our primary insurance subsidiary, Enact Mortgage Insurance Corporation, ("EMICO"), formerly known as Genworth Mortgage Insurance Corporation, with operations in all 50 states and the District of Columbia. EMICO is an approved insurer by the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac"). Fannie Mae and Freddie Mac are government-sponsored enterprises, and we refer to them collectively as the "GSEs."

We also offer mortgage-related insurance and reinsurance through our wholly owned Bermuda-based subsidiary, Enact Re Ltd. ("Enact Re"). As of March 31, 2025, Enact Re reinsured EMICO's new and existing insurance in-force under quota share reinsurance agreements and invests in new business opportunities for Enact, including assumption of excess-of-loss reinsurance relating to GSE risk share.

We operate our business in a single segment, which is how our chief operating decision maker ("CODM"), who is our Chief Executive Officer, reviews our financial performance and allocates resources.

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). Preparing financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from those estimates. These unaudited condensed consolidated financial statements include all adjustments (including normal recurring adjustments) considered necessary by management to present a fair statement of the financial position, results of operations and cash flows for the periods presented. The results reported in these unaudited condensed consolidated financial statements should not be regarded as necessarily indicative of results that may be expected for the entire year. The unaudited condensed consolidated financial statements included herein should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2024 and 2023.

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**(2) Accounting changes****Accounting Pronouncements Recently Adopted**

We have not adopted new accounting pronouncements in 2025.

**Accounting Pronouncements Not Yet Adopted***Income Tax Disclosure*

In December 2023, the FASB issued new accounting guidance to improve income tax disclosures. The guidance requires annual disclosure of specific categories in the income tax rate reconciliation, separate disclosure of additional information related to reconciling items that meet a quantitative threshold and additional disclosures about income taxes paid, among other qualitative and quantitative disclosure improvements. The guidance will have no impact on our consolidated financial statements but will expand our disclosures effective for annual reporting periods beginning on January 1, 2025 using the prospective or retrospective method, which we are in the process of developing.

*Income Statement Disaggregation*

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires disaggregated disclosures in the notes to the financial statements of certain categories of expenses included in our consolidated statements of income, including employee compensation, depreciation and intangible asset amortization. This guidance is effective for us for annual reporting periods beginning on January 1, 2027 and interim periods beginning on January 1, 2028 using the prospective or retrospective method, with early adoption permitted. We are currently evaluating the impact the guidance may have on our processes, controls and disclosures.

**(3) Investments****Net Investment Income**

Sources of net investment income were as follows for the periods indicated:

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
Fixed maturity securities available-for-sale	\$ 58,452	\$ 51,156
Cash, cash equivalents and short-term investments	6,623	7,645
Gross investment income before expenses and fees	65,075	58,801
Investment expenses and fees	(2,038)	(1,690)
<b>Net investment income</b>	<b>\$ 63,037</b>	<b>\$ 57,111</b>

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**Net Investment Gains (Losses)**

The following table sets forth net investment gains (losses) for the periods indicated:

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
Fixed maturity securities available-for-sale:		
Gross realized gains	\$ 369	\$ 203
Gross realized (losses)	(3,497)	(6,876)
Net realized gains (losses)	(3,128)	(6,673)
Change in allowance for credit losses on fixed maturity securities	(273)	—
Change in allowance for credit losses on commitment	158	(11)
<b>Net investment gains (losses)</b>	<b>\$ (3,243)</b>	<b>\$ (6,684)</b>

There was no allowance for credit losses recorded on fixed maturity securities classified as available-for-sale as of December 31, 2024, or activity during the three months ended March 31, 2024.

**Unrealized Investment Gains (Losses)**

Net unrealized gains and losses on available-for-sale securities reflected as a separate component of accumulated other comprehensive income ("AOCI") were as follows as of the dates indicated:

(Amounts in thousands)	March 31, 2025	December 31, 2024
Net unrealized gains (losses) on investment securities:		
Fixed maturity securities	\$ (176,760)	\$ (251,729)
Short-term investments	4	(3)
Unrealized gains (losses) on investment securities	(176,756)	(251,732)
Income taxes	28,026	44,108
<b>Net unrealized investment gains (losses)</b>	<b>\$ (148,730)</b>	<b>\$ (207,624)</b>

The change in net unrealized gains (losses) on available-for-sale securities reported in accumulated other comprehensive income was as follows as of and for the periods indicated:

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
<b>Beginning balance</b>	<b>\$ (207,624)</b>	<b>\$ (230,556)</b>
<i>Unrealized gains (losses) arising during the period:</i>		
Unrealized gains (losses) on investment securities	71,848	(15,665)
Provision for income taxes	(15,425)	3,314
Change in unrealized gains (losses) on investment securities	56,423	(12,351)
Reclassification adjustments to net investment (gains) losses, net of taxes of \$(657) and \$(1,401), respectively	2,471	5,272
Change in net unrealized investment gains (losses)	58,894	(7,079)
<b>Ending balance</b>	<b>\$ (148,730)</b>	<b>\$ (237,635)</b>

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

Amounts reclassified out of accumulated other comprehensive income to net investment gains (losses) include realized gains (losses) on sales of securities, which are determined on a specific identification basis.

**Fixed Maturity Securities Available-For-Sale**

As of March 31, 2025, the amortized cost, gross unrealized gains (losses) and fair value of our investment securities were as follows:

(Amounts in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Allowance for credit losses	Fair value
U.S. government, agencies and GSEs	\$ 287,643	\$ 2,800	\$ (1,435)	\$ —	\$ 289,008
State and political subdivisions	540,495	1,571	(65,925)	—	476,141
Non-U.S. government	113,342	780	(969)	—	113,153
U.S. corporate	2,978,401	20,555	(98,751)	—	2,900,205
Non-U.S. corporate	786,865	5,589	(23,228)	(273)	768,953
Residential mortgage-backed	111,660	505	(482)	—	111,683
Commercial mortgage-backed	20,597	105	—	—	20,702
Other asset-backed	1,153,367	5,513	(23,388)	—	1,135,492
<b>Total fixed maturity securities available-for-sale</b>	<b>\$ 5,992,370</b>	<b>\$ 37,418</b>	<b>\$ (214,178)</b>	<b>\$ (273)</b>	<b>\$ 5,815,337</b>
Short-term investments	3,692	4	—	—	3,696
<b>Total investments</b>	<b>\$ 5,996,062</b>	<b>\$ 37,422</b>	<b>\$ (214,178)</b>	<b>\$ (273)</b>	<b>\$ 5,819,033</b>

As of December 31, 2024, the amortized cost, gross unrealized gains (losses) and fair value of our investment securities were as follows:

(Amounts in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
U.S. government, agencies and GSEs	\$ 281,858	\$ 590	\$ (5,085)	\$ 277,363
State and political subdivisions	541,715	1,388	(75,627)	467,476
Non-U.S. government	85,566	94	(1,858)	83,802
U.S. corporate	2,943,900	11,363	(129,584)	2,825,679
Non-U.S. corporate	800,141	2,533	(30,050)	772,624
Residential mortgage-backed	8,394	27	(57)	8,364
Other asset-backed	1,214,928	4,716	(30,179)	1,189,465
<b>Total fixed maturity securities available-for-sale</b>	<b>\$ 5,876,502</b>	<b>\$ 20,711</b>	<b>\$ (272,440)</b>	<b>\$ 5,624,773</b>
Short-term investments	3,370	1	(4)	3,367
<b>Total investments</b>	<b>\$ 5,879,872</b>	<b>\$ 20,712</b>	<b>\$ (272,444)</b>	<b>\$ 5,628,140</b>

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**Gross Unrealized Losses and Fair Values of Fixed Maturity Securities Available-For-Sale**

The following table presents the gross unrealized losses and fair values of our fixed maturity securities for which an allowance for credit losses has not been recorded, aggregated by investment type and length of time that individual fixed maturity securities have been in a continuous unrealized loss position, as of March 31, 2025:

(Dollar amounts in thousands)	Less than 12 months			12 months or more			Total		
	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities
<b>Fixed maturity securities:</b>									
U.S. government, agencies and GSEs	\$ 75,658	\$ (1,180)	12	\$ 18,126	\$ (255)	7	\$ 93,784	\$ (1,435)	19
State and political subdivisions	47,020	(2,623)	11	392,765	(63,302)	81	439,785	(65,925)	92
Non-U.S. government	30,832	(467)	45	9,776	(502)	1	40,608	(969)	46
U.S. corporate	649,982	(11,504)	177	1,246,554	(87,247)	232	1,896,536	(98,751)	409
Non-U.S. corporate	123,572	(2,410)	52	313,493	(20,818)	61	437,065	(23,228)	113
Residential mortgage-backed	75,399	(468)	26	2,433	(14)	4	77,832	(482)	30
Other asset-backed	156,138	(919)	69	449,391	(22,469)	116	605,529	(23,388)	185
<b>Total for fixed maturity securities in an unrealized loss position</b>	<b>\$ 1,158,601</b>	<b>\$ (19,571)</b>	<b>392</b>	<b>\$ 2,432,538</b>	<b>\$ (194,607)</b>	<b>502</b>	<b>\$ 3,591,139</b>	<b>\$ (214,178)</b>	<b>894</b>

We did not recognize an allowance for credit losses on securities in an unrealized loss position included in the table above. Based on a qualitative and quantitative review of the issuers of the securities, we believe the unrealized losses are largely due to changes in interest rates and recent market volatility and are not indicative of credit losses. The issuers continue to make timely principal and interest payments.

For all securities in an unrealized loss position without an allowance for credit losses, we expect to recover the amortized cost based on our estimate of the amount and timing of cash flows to be collected. We do not intend to sell, nor do we expect that we will be required to sell these securities prior to recovering our amortized cost.

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The following table presents the gross unrealized losses and fair values of our fixed maturity securities, aggregated by investment type and length of time that individual fixed maturity securities have been in a continuous unrealized loss position, as of December 31, 2024:

(Dollar amounts in thousands)	Less than 12 months			12 months or more			Total		
	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities	Fair value	Gross unrealized losses	Number of securities
<b>Fixed maturity securities:</b>									
U.S. government, agencies and GSEs	\$ 157,596	\$ (4,704)	32	\$ 19,998	\$ (381)	9	\$ 177,594	\$ (5,085)	41
State and political subdivisions	48,280	(2,366)	17	396,638	(73,261)	84	444,918	(75,627)	101
Non-U.S. government	56,631	(1,236)	76	9,692	(622)	1	66,323	(1,858)	77
U.S. corporate	881,643	(20,844)	265	1,379,860	(108,740)	264	2,261,503	(129,584)	529
Non-U.S. corporate	195,648	(4,015)	102	385,508	(26,035)	74	581,156	(30,050)	176
Residential mortgage-backed	3,313	(31)	3	2,822	(26)	4	6,135	(57)	7
Other asset-backed	101,549	(1,168)	49	527,531	(29,011)	130	629,080	(30,179)	179
<b>Total for fixed maturity securities in an unrealized loss position</b>	<b>\$ 1,444,660</b>	<b>\$ (34,364)</b>	<b>544</b>	<b>\$ 2,722,049</b>	<b>\$ (238,076)</b>	<b>566</b>	<b>\$ 4,166,709</b>	<b>\$ (272,440)</b>	<b>1,110</b>

**Contractual Maturities of Fixed Maturity Securities Available-For-Sale**

The scheduled maturity distribution of fixed maturity securities as of March 31, 2025, is set forth below. Actual maturities may differ from contractual maturities because issuers of securities may have the right to call or prepay obligations with or without call or prepayment penalties.

(Amounts in thousands)	Amortized cost	Fair value
Due one year or less	\$ 264,671	\$ 263,849
Due after one year through five years	1,709,680	1,646,604
Due after five years through ten years	2,261,321	2,171,249
Due after ten years	471,074	465,758
<b>Subtotal</b>	<b>4,706,746</b>	<b>4,547,460</b>
Residential mortgage-backed	111,660	111,683
Commercial mortgage-backed	20,597	20,702
Other asset-backed	1,153,367	1,135,492
<b>Total fixed maturity securities available-for-sale</b>	<b>\$ 5,992,370</b>	<b>\$ 5,815,337</b>

As of March 31, 2025, securities issued by the finance and insurance, utilities, technology and communications, consumer—non-cyclical, and energy industry groups represented approximately 30%, 13%, 12%, 11%, and 10% respectively, of our domestic and foreign corporate fixed maturity securities portfolio. No other industry group comprised more than 9% of our investment portfolio.

As of March 31, 2025, we did not hold any fixed maturity securities in any single issuer, other than securities issued or guaranteed by the U.S. government, which exceeded 10% of equity.

As of March 31, 2025, and December 31, 2024, \$23.3 million and \$25.7 million, respectively, of securities in our portfolio were on deposit with various state insurance commissioners in order to comply with relevant insurance regulations.

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In connection with its reinsurance activities, the Company is required to maintain assets in trusts for the benefit of its contractual counterparties. As of March 31, 2025 and December 31, 2024, the fair value of the assets on deposit in these trusts was \$200.9 million and \$141.9 million, respectively, of which \$27.5 million and \$6.3 million, respectively, related to cash and cash equivalents.

During 2024, the Company entered into an agreement to invest in a limited partnership with an expected term of ten years. The investment is recorded within Other assets. As of March 31, 2025, we have committed to additionally fund approximately \$9.5 million over the remaining life of the fund.

**(4) Fair value*****Recurring fair value measurements***

We hold fixed maturity securities and short-term investments, which are carried at fair value. The fair value of fixed maturity securities and short-term investments are estimated primarily based on information derived from third-party pricing services ("pricing services"), internal models and/or broker quotes, which use a market approach, income approach or a combination of the market and income approach depending on the type of instrument and availability of information. In general, a market approach is utilized if there is readily available and relevant market activity for an individual security. In certain cases where market information is not available for a specific security but is available for similar securities, that security is valued using market information for similar securities, which is also a market approach. When market information is not available for a specific security (or similar securities) or is available but such information is less relevant or reliable, an income approach or a combination of a market and income approach is utilized. For securities with optionality, such as call or prepayment features (including asset-backed securities), an income or combination approach may be used. These valuation techniques may change from period to period, based on the relevance and availability of market data.

Further, while we consider the valuations provided by pricing services and broker quotes to be of high quality, management determines the fair value of our investment securities after considering all relevant and available information.

In general, we first obtain valuations from pricing services. If prices are unavailable for public securities, we obtain broker quotes. For all securities, excluding certain private fixed maturity securities, if neither a pricing service nor broker quotes valuation is available, we determine fair value using internal models. For certain private fixed maturity securities where we do not obtain valuations from pricing services, we utilize an internal model to determine fair value since transactions for similar securities are not readily observable and these securities are not typically valued by pricing services.

Given our understanding of the pricing methodologies and procedures of pricing services, the securities valued by pricing services are typically classified as Level 2 unless we determine the valuation process for a security or group of securities utilizes significant unobservable inputs, which would result in the valuation being classified as Level 3.

Broker quotes are typically based on an income approach given the lack of available market data. As the valuation typically includes significant unobservable inputs, we classify the securities where fair value is based on our consideration of broker quotes as Level 3 measurements.

For private fixed maturity securities, we utilize an income approach where we obtain public bond spreads and utilize those in an internal model to determine fair value. Other inputs to the model include rating and weighted-average life, as well as sector which is used to assign the spread. We then add an additional premium, which represents an unobservable input, to the public bond spread to adjust for the liquidity and other features of our private placements. We utilize the estimated market yield to discount

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the expected cash flows of the security to determine fair value. We utilize price caps for securities where the estimated market yield results in a valuation that may exceed the amount that would be received in a market transaction. When a security does not have an external rating, we assign the security an internal rating to determine the appropriate public bond spread that should be utilized in the valuation. While we generally consider the public bond spreads by sector and maturity to be observable inputs, we evaluate the similarities of our private placement with the public bonds, any price caps utilized, liquidity premiums applied, and whether external ratings are available for our private placements to determine whether the spreads utilized would be considered observable inputs, and therefore be classified as Level 2. We classify private securities without an external rating or public bond spread as Level 3. In general, a significant increase (decrease) in credit spreads would have resulted in a significant decrease (increase) in the fair value for our fixed maturity securities as of March 31, 2025.

For remaining securities priced using internal models, we determine fair value using an income approach. We maximize the use of observable inputs but typically utilize significant unobservable inputs to determine fair value. Accordingly, the valuations are typically classified as Level 3.

Our assessment of whether or not there were significant unobservable inputs related to fixed maturity securities was based on our observations obtained through the course of managing our investment portfolio, including interaction with other market participants, observations related to the availability and consistency of pricing and/or rating, and understanding of general market activity such as new issuance and the level of secondary market trading for a class of securities. Additionally, we considered data obtained from pricing services to determine whether our estimated values incorporate significant unobservable inputs that would result in the valuation being classified as Level 3.

A summary of the inputs used for our fixed maturity securities and short-term investments based on the level in which instruments are classified is included below. We have combined certain classes of instruments together as the nature of the inputs is similar.

**Level 1 measurements**

There were no fixed maturity securities classified as Level 1 as of March 31, 2025, and December 31, 2024.

**Level 2 measurements****Fixed maturity securities:*****Third-party pricing services***

In estimating the fair value of fixed maturity securities, approximately 91% of our portfolio was priced using third-party pricing services as of March 31, 2025. These pricing services utilize industry-standard valuation techniques that include market-based approaches, income-based approaches, a combination of market-based and income-based approaches or other proprietary, internally generated models as part of the valuation processes. These third-party pricing vendors maximize the use of publicly available data inputs to generate valuations for each asset class. Priority and type of inputs used may change frequently as certain inputs may be more direct drivers of valuation at the time of pricing. Examples of significant inputs incorporated by pricing services may include sector and issuer spreads, seasoning, capital structure, security optionality, collateral data, prepayment assumptions, default assumptions, delinquencies, debt covenants, benchmark yields, trade data, dealer quotes, credit ratings, maturity and weighted-average life. We conduct regular meetings with our pricing services for the purpose of understanding the methodologies, techniques and inputs used by the third-party pricing providers.

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The following table presents a summary of the significant inputs used by our pricing services for certain fair value measurements of fixed maturity securities that are classified as Level 2 as of March 31, 2025:

(Amounts in thousands)	Fair value	Primary methodologies	Significant inputs
U.S. government, agencies and GSEs	\$ 289,008	Price quotes from trading desk, broker feeds	Bid side prices, trade prices, Option Adjusted Spread ("OAS") to swap curve, Bond Market Association OAS, Treasury Curve, Agency Bullet Curve, maturity to issuer spread
State and political subdivisions	\$ 476,141	Multi-dimensional attribute-based modeling systems, third-party pricing vendors	Trade prices, material event notices, Municipal Market Data benchmark yields, broker quotes
Non-U.S. government	\$ 113,153	Matrix pricing, spread priced to benchmark curves, price quotes from market makers	Benchmark yields, trade prices, broker quotes, comparative transactions, issuer spreads, bid-offer spread, market research publications, third-party pricing sources
U.S. corporate	\$ 2,483,692	Multi-dimensional attribute-based modeling systems, broker quotes, price quotes from market makers, internal models, OAS-based models	Bid side prices to Treasury Curve, Issuer Curve, which includes sector, quality, duration, OAS percentage and change for spread matrix, trade prices, comparative transactions, Trade Reporting and Compliance Engine ("TRACE") reports
Non-U.S. corporate	\$ 644,100	Multi-dimensional attribute-based modeling systems, OAS-based models, price quotes from market makers	Benchmark yields, trade prices, broker quotes, comparative transactions, issuer spreads, bid-offer spread, market research publications, third-party pricing sources
Residential mortgage-backed	\$ 111,683	OAS-based models, single factor binomial models, internally priced	Prepayment and default assumptions, aggregation of bonds with similar characteristics, including collateral type, vintage, tranche type, weighted-average life, weighted-average loan age, issuer program and delinquency ratio, pay up and pay down factors, TRACE reports

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Commercial mortgage-backed	\$	20,702	Multi-dimensional attribute-based modeling systems, pricing matrix, spread matrix priced to swap curves, Trepp commercial mortgage-backed securities analytics model	Credit risk, interest rate risk, prepayment speeds, new issue data, collateral performance, origination year, tranche type, original credit ratings, weighted-average life, cash flows, spreads derived from broker quotes, bid side prices, spreads to daily updated swaps curves, TRACE reports
Other asset-backed	\$	1,132,232	Multi-dimensional attribute-based modeling systems, spread matrix priced to swap curves, price quotes from market makers	Spreads to daily updated swap curves, spreads derived from trade prices and broker quotes, bid side prices, new issue data, collateral performance, analysis of prepayment speeds, cash flows, collateral loss analytics, historical issue analysis, trade data from market makers, TRACE reports

**Internal models**

A portion of our Level 2 U.S. corporate and non-U.S. corporate securities are valued using internal models. The fair value of these fixed maturity securities was \$190.5 million and \$74.4 million, respectively, as of March 31, 2025. Internally modeled securities are primarily private fixed maturity securities where we use market observable inputs such as an interest rate yield curve, published credit spreads for similar securities based on the external ratings of the instrument and related industry sector of the issuer. Additionally, we may apply certain price caps and liquidity premiums in the valuation of private fixed maturity securities. Price caps and liquidity premiums are established using inputs from market participants.

**Short-term investments:**

The fair value of short-term investments classified as Level 2 is determined after considering prices obtained by pricing services.

**Level 3 measurements****Broker quotes**

A portion of our non-U.S. corporate and other asset-backed securities are valued using broker quotes. Broker quotes are obtained from third-party providers that have current market knowledge to provide a reasonable price for securities not routinely priced by pricing services. Brokers utilized for valuation of assets are reviewed annually. The fair value of our Level 3 fixed maturity securities priced by broker quotes was \$15.1 million as of March 31, 2025.

**Internal models**

A portion of our U.S. corporate and non-U.S. corporate securities are valued using internal models. The primary inputs to the valuation of the bond population include quoted prices for identical assets, or similar assets in markets that are not active, contractual cash flows, duration, call provisions, issuer rating, benchmark yields and credit spreads. Certain private fixed maturity securities are valued using an internal model using market observable inputs such as the interest rate yield curve, as well as published credit spreads for similar securities, which includes significant unobservable inputs. Additionally, we may apply certain price caps and liquidity premiums in the valuation of private fixed maturity securities. Price caps are established using inputs from market participants. For structured securities, the primary inputs to

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the valuation include quoted prices for identical assets, or similar assets in markets that are not active, contractual cash flows, weighted-average coupon, weighted-average maturity, issuer rating, structure of the security, expected prepayment speeds and volumes, collateral type, current and forecasted loss severity, average delinquency rates, vintage of the loans, geographic region, debt service coverage ratios, payment priority with the tranche, benchmark yields and credit spreads. The fair value of our Level 3 fixed maturity securities priced using internal models was \$264.6 million as of March 31, 2025.

The following tables set forth our assets by class of instrument that are measured at fair value on a recurring basis as of the dates indicated:

(Amounts in thousands)	March 31, 2025			
	Total	Level 1	Level 2	Level 3
<b>Fixed maturity securities:</b>				
U.S. government, agencies and GSEs	\$ 289,008	\$ —	\$ 289,008	\$ —
State and political subdivisions	476,141	—	476,141	—
Non-U.S. government	113,153	—	113,153	—
U.S. corporate	2,900,205	—	2,674,235	225,970
Non-U.S. corporate	768,953	—	718,479	50,474
Residential mortgage-backed	111,683	—	111,683	—
Commercial mortgage-backed	20,702	—	20,702	—
Other asset-backed	1,135,492	—	1,132,232	3,260
<b>Total fixed maturity securities</b>	<b>5,815,337</b>	<b>—</b>	<b>5,535,633</b>	<b>279,704</b>
Short-term investments	3,696	—	3,696	—
<b>Total</b>	<b>\$ 5,819,033</b>	<b>\$ —</b>	<b>\$ 5,539,329</b>	<b>\$ 279,704</b>

(Amounts in thousands)	December 31, 2024			
	Total	Level 1	Level 2	Level 3
<b>Fixed maturity securities:</b>				
U.S. government, agencies and GSEs	\$ 277,363	\$ —	\$ 277,363	\$ —
State and political subdivisions	467,476	—	467,476	—
Non-U.S. government	83,802	—	83,802	—
U.S. corporate	2,825,679	—	2,602,893	222,786
Non-U.S. corporate	772,624	—	716,071	56,553
Residential mortgage-backed	8,364	—	8,364	—
Other asset-backed	1,189,465	—	1,187,263	2,202
<b>Total fixed maturity securities</b>	<b>5,624,773</b>	<b>—</b>	<b>5,343,232</b>	<b>281,541</b>
Short-term investments	3,367	—	3,367	—
<b>Total</b>	<b>\$ 5,628,140</b>	<b>\$ —</b>	<b>\$ 5,346,599</b>	<b>\$ 281,541</b>

We had no liabilities recorded at fair value as of March 31, 2025, and December 31, 2024.

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The following tables present additional information about assets measured at fair value on a recurring basis and for which we have utilized significant unobservable (Level 3) inputs to determine fair value as of or for the dates indicated:

(Amounts in thousands)	Beginning balance as of January 1, 2025	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3 <sup>(1)</sup>	Transfer out of Level 3 <sup>(1)</sup>	Ending balance as of March 31, 2025	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	\$ 222,786	\$ 239	\$ 3,167	\$ —	\$ —	\$ (222)	\$ —	\$ —	\$ 225,970	\$ 239	\$ 3,167
Non-U.S. corporate	56,553	(6)	232	1,800	—	(8,105)	—	—	50,474	(6)	223
Other asset-backed	2,202	9	(36)	986	—	(1)	100	—	3,260	9	(35)
<b>Total</b>	<b>\$ 281,541</b>	<b>\$ 242</b>	<b>\$ 3,363</b>	<b>\$ 2,786</b>	<b>\$ —</b>	<b>\$ (8,328)</b>	<b>\$ 100</b>	<b>\$ —</b>	<b>\$ 279,704</b>	<b>\$ 242</b>	<b>\$ 3,355</b>

(Amounts in thousands)	Beginning balance as of January 1, 2024	Total realized and unrealized gains (losses)		Purchases	Sales	Settlements	Transfer into Level 3 <sup>(1)</sup>	Transfer out of Level 3 <sup>(1)</sup>	Ending balance as of March 31, 2024	Total gains (losses) attributable to assets still held	
		Included in net income	Included in OCI							Included in net income	Included in OCI
Fixed maturity securities:											
U.S. corporate	\$ 247,205	\$ (7)	\$ (1,892)	\$ —	\$ —	\$ (358)	\$ 4,651	\$ —	\$ 249,599	\$ (7)	\$ (1,892)
Non-U.S. corporate	81,321	7	(669)	—	—	(105)	—	—	80,554	7	(669)
Other asset-backed	2,958	8	38	3,935	—	(60)	—	(2,088)	4,791	8	13
<b>Total</b>	<b>\$ 331,484</b>	<b>\$ 8</b>	<b>\$ (2,523)</b>	<b>\$ 3,935</b>	<b>\$ —</b>	<b>\$ (523)</b>	<b>\$ 4,651</b>	<b>\$ (2,088)</b>	<b>\$ 334,944</b>	<b>\$ 8</b>	<b>\$ (2,548)</b>

<sup>(1)</sup> The transfers into and out of Level 3 for fixed maturity securities were related to changes in the primary pricing source and changes in the observability of external information used in determining the fair value, such as external ratings or credit spreads.

Purchases, sales, and settlements represent the activity that occurred during the period that results in a change of the asset but does not represent changes in fair value for the instruments held at the beginning of the period.

The amount presented for realized and unrealized gains (losses) included in net income for fixed maturity securities primarily represents amortization and accretion of premiums and discounts on certain fixed maturity securities recorded within net investment income.

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The following table presents a summary of the significant unobservable inputs used for certain asset fair value measurements that are based on internal models and classified as Level 3 as of March 31, 2025:

(Amounts in thousands)	Valuation technique	Fair value <sup>(1)</sup>	Unobservable input	Range (bps)	Weighted-average <sup>(2)</sup> (bps)
<b>Fixed maturity securities:</b>					
U.S. corporate	Internal models	\$ 225,970	Credit spreads	14 - 174	102
Non-U.S. corporate	Internal models	\$ 38,603	Credit spreads	90 - 143	118

<sup>(1)</sup> Certain classes of instruments classified as Level 3 may be excluded as a result of not being material or due to limitations in being able to obtain the underlying inputs used by certain third-party sources, such as broker quotes, used as an input in determining fair value.

<sup>(2)</sup> Unobservable inputs weighted by the relative fair value of the associated instrument.

We have certain financial instruments that are not recorded at fair value, including cash and cash equivalents and accrued investment income, the carrying value of which approximate fair value due to the short-term nature of these instruments and are not included in this disclosure.

***Liabilities not required to be carried at fair value***

The following represents our estimated fair value of financial liabilities that are not required to be carried at fair value, classified as Level 2, as of the dates indicated:

(Amounts in thousands)	March 31, 2025		December 31, 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term borrowings	\$ 743,399	\$ 769,943	\$ 743,050	\$ 764,070

**(5) Loss reserves**

Our reserve for losses and loss adjustment expenses ("LAE") consisted of the following as of the dates indicated:

(Amounts in thousands)	March 31, 2025	December 31, 2024
Domestic mortgage insurance	\$ 537,480	\$ 520,032
Other reserves	5,048	4,683
<b>Total loss reserves</b>	<b>\$ 542,528</b>	<b>\$ 524,715</b>

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Activity for the liability for domestic mortgage insurance loss reserves for the three months ended March 31, is summarized as follows:

(Amounts in thousands)	2025	2024
Gross loss reserves, beginning balance	\$ 520,032	\$ 517,515
Reinsurance recoverable, beginning balance	(2,909)	(1,294)
Net loss reserves, beginning balance	517,123	516,221
Losses and LAE incurred related to current accident year	77,842	74,364
Losses and LAE incurred related to prior accident years	(51,789)	(54,848)
Total incurred	26,053	19,516
Losses and LAE paid related to current accident year	(99)	(191)
Losses and LAE paid related to prior accident years	(8,395)	(6,548)
Total paid	(8,494)	(6,739)
Net loss reserves, ending balance	534,682	528,998
Reinsurance recoverable, ending balance	2,798	1,772
<b>Gross loss reserves, ending balance</b>	<b>\$ 537,480</b>	<b>\$ 530,770</b>

The liability for loss reserves represents our current best estimate; however, there may be future adjustments to this estimate and related assumptions. Such adjustments, reflecting any variety of new and adverse trends, could possibly be significant, and result in future increases to reserves by amounts that could be material to our results of operations, financial condition and liquidity.

Losses incurred related to insured events of the current accident year relate to defaults that occurred in that year and represent the estimated ultimate amount of losses to be paid on such defaults. Losses incurred related to insured events of prior accident years represent the (favorable) or unfavorable development of reserves as a result of the actual rates at which delinquencies go to claim ("claim rates") and claim amounts being different than those we estimated when originally establishing the reserves. These estimates are based on our historical experience, which we believe is representative of expected future losses at the time of estimation. As a result of the extended period of time that may exist between the reporting of a delinquency and the claim payment, as well as changes in economic conditions and the real estate market, significant uncertainty and variability exist on amounts ultimately paid.

For the three months ended March 31, 2025, losses and LAE incurred of \$78 million related to insured events of the current accident year was primarily attributable to new delinquencies compared to \$74 million for the three months ended March 31, 2024.

For the three months ended March 31, 2025, we also recorded favorable reserve adjustments of \$47 million primarily on prior accident year reserves, driven by cure performance of delinquencies from early 2024 and prior.

During the three months ended March 31, 2024, we released \$54 million of reserves primarily driven by cure performance of delinquencies from early 2023 and prior.

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**(6) Reinsurance**

We reinsure a portion of our policy risks to third parties in order to reduce our ultimate losses, diversify our exposures and comply with regulatory requirements. We also assume certain policy risks written by other companies.

Reinsurance does not relieve us from our obligations to policyholders. In the event that the reinsurers are unable to meet their obligations, we remain liable for the reinsured claims. We monitor both the financial condition of individual reinsurers and risk concentrations arising from similar geographic regions, activities and economic characteristics of reinsurers to lessen the risk of default by such reinsurers.

The following table sets forth the effects of reinsurance on premiums written and earned for the periods indicated:

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
<b>Net premiums written:</b>		
Direct	\$ 263,081	\$ 255,160
Assumed	7,305	1,571
Ceded	(32,761)	(26,428)
<b>Net premiums written</b>	<b>\$ 237,625</b>	<b>\$ 230,303</b>
<b>Net premiums earned:</b>		
Direct	\$ 270,242	\$ 265,604
Assumed	7,305	1,571
Ceded	(32,761)	(26,428)
<b>Net premiums earned</b>	<b>\$ 244,786</b>	<b>\$ 240,747</b>

The difference between written premiums of \$237.6 million and earned premiums of \$244.8 million represents the decrease in unearned premiums for the three months ended March 31, 2025. The decrease in unearned premiums was primarily the result of premiums earned over time coupled with low originations of our single premium mortgage insurance product.

**Excess-of-loss reinsurance**

We engage in excess-of-loss ("XOL") insurance transactions either through a panel of traditional reinsurance providers or through collateralized reinsurance with unaffiliated special purpose insurers ("Triangle Re Entities"). During the respective coverage periods of these agreements, EMICO retains the first layer of aggregate loss exposure on covered policies while the reinsurer provides the second layer of coverage, up to the defined reinsurance coverage amount. EMICO retains losses in excess of the respective reinsurance coverage amount.

The Triangle Re Entities fully collateralize their coverage by issuing insurance-linked notes ("ILNs") to eligible capital market investors in unregistered private offerings. Traditional reinsurance providers collateralize a portion of their coverage by holding funds in trust. We believe that the risk transfer requirements for reinsurance accounting were met as these XOL insurance transactions assume significant insurance risk and a reasonable possibility of significant loss.

EMICO has rights to terminate the ILNs or traditional XOL reinsurance agreements upon the occurrence of certain events.

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The following table presents the issue date, policy dates, initial and current first layer retained aggregate loss and initial and current reinsurance coverage amount under each reinsurance transaction. Current amounts are presented as of March 31, 2025:

**Mortgage insurance-linked notes**

(Amounts in millions)	Issue date	Policy dates	Initial first layer retained loss	Current first layer retained loss	Initial reinsurance coverage	Current reinsurance coverage
Triangle Re 2021-2 Ltd.	4/16/2021	9/01/2020 - 12/31/2020	\$189	\$187	\$303	\$107
Triangle Re 2021-3 Ltd.	9/02/2021	1/01/2021 - 6/30/2021	\$304	\$300	\$372	\$161
Triangle Re 2023-1 Ltd.	11/15/2023	7/01/2022 - 6/30/2023	\$244	\$243	\$248	\$220
<b>Total</b>						<b>\$488</b>

**Traditional excess-of-loss reinsurance**

(Amounts in millions)	Issue date	Policy dates	Initial first layer retained loss	Current first layer retained loss	Initial reinsurance coverage	Current reinsurance coverage
2021 XOL	2/04/2021	1/01/2021 - 12/31/2021	\$671	\$663	\$206	\$82
2022-1 XOL	1/27/2022	1/01/2022 - 12/31/2022	\$462	\$451	\$196	\$160
2022-2 XOL	1/27/2022	1/01/2022 - 12/31/2022	\$385	\$374	\$25	\$25
2022-3 XOL	3/24/2022	7/01/2021 - 12/31/2021	\$317	\$312	\$289	\$154
2022-4 XOL	3/24/2022	7/01/2021 - 12/31/2021	\$264	\$260	\$36	\$36
2022-5 XOL	9/15/2022	1/01/2022 - 6/30/2022	\$256	\$249	\$201	\$157
2023-1 XOL	3/08/2023	1/01/2023 - 12/31/2023	\$360	\$358	\$180	\$180
2024-1 XOL	1/30/2024	1/01/2024 - 12/31/2024	\$362	\$362	\$270	\$270
2024-2 XOL	6/25/2024	7/01/2023 - 12/31/2023	\$134	\$134	\$90	\$90
2025-1 XOL	1/27/2025	1/01/2025 - 12/31/2025	\$68	\$68	\$32	\$32
2025-2 XOL	1/27/2025	1/01/2025 - 12/31/2025	\$57	\$57	\$5	\$5
<b>Total</b>						<b>\$1,191</b>

On January 27, 2025, we entered into an excess-of-loss reinsurance transaction that covers a portion of expected new insurance written from January 1, 2026, through December 31, 2026, and provides reinsurance coverage of approximately \$260 million.

**Quota Share Reinsurance**

EMICO engages in quota share reinsurance agreements with a panel of third-party reinsurers. Under the agreements, we cede a percentage of premiums earned, claims and claims expenses on eligible policies. The agreements also include a specific ceding commission and profit commission determined based on ceded claims. EMICO has rights to terminate the reinsurance agreements upon the occurrence of certain events. Reinsurance recoverables are recorded in Other assets on the consolidated balance sheets.

Agreement	Issue date	Policy dates	Ceding percentage	Ceding commission	Profit commission
QS 2023-1	6/30/2023	1/01/2023 - 12/31/2023	16.125%	20%	up to 55%
QS 2024-1	1/03/2024	1/01/2024 - 12/31/2024	21.225%	20%	up to 55%
QS 2025-1	11/26/2024	1/01/2025 - 12/31/2025	27.150%	20%	up to 62%
QS 2026-1	11/26/2024	1/01/2026 - 12/31/2026	27.000%	20%	up to 61%

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**(7) Borrowings**

In May 2024, we issued \$750 million aggregate principal amount of Senior Notes due 2029 (the "2029 Notes"). The 2029 Notes are the Company's unsecured senior obligations. The 2029 Notes pay interest semi-annually on May 28 and November 28 at a rate of 6.25% per year, beginning on November 28, 2024, and will mature on May 28, 2029.

At any time, or from time to time, prior to April 28, 2029 (the "Par Call Date"), the Company may redeem the 2029 Notes in whole or in part, at its option, at a redemption price equal to the greater of (i) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the 2029 Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 30 basis points less interest accrued to the redemption date, and (ii) 100% of the principal amount of the 2029 Notes to be redeemed, plus, in either case, accrued and unpaid interest thereon to, but excluding, the redemption date. At any time on or after the Par Call Date, the Company may redeem the 2029 Notes in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the 2029 Notes to be redeemed, plus accrued and unpaid interest thereon to, but excluding, the redemption date.

The 2029 Notes contain customary events of default which, subject to certain notice and cure conditions, can result in the acceleration of the principal and accrued interest on the outstanding notes if we breach the terms of the indenture.

The following table sets forth long-term borrowings as of the dates indicated:

(Amounts in thousands)	March 31, 2025	December 31, 2024
6.25% Senior Notes, due 2029	\$ 750,000	\$ 750,000
Deferred borrowing charges and discount	(6,601)	(6,950)
<b>Total</b>	<b>\$ 743,399</b>	<b>\$ 743,050</b>

*Redemption of Senior Notes due 2025*

In June 2024, we exercised our right to redeem all \$750 million of the outstanding aggregate principal amount of our 6.5% senior notes due 2025 ("2025 Notes") at a price of 101% of the principal amount. We funded the redemption primarily through the proceeds of the 2029 Notes. The redemption resulted in a loss on debt extinguishment of \$10.9 million.

*Revolving Credit Agreement*

On June 30, 2022, we entered into a credit agreement with a syndicate of lenders that provides for a five-year, unsecured revolving credit facility (the "Facility") in the initial aggregate principal amount of \$200 million, including the ability for EHI to increase the commitments under the Facility, on an uncommitted basis, by an additional aggregate principal amount of up to \$100 million. Borrowings under the Facility will accrue interest at a floating rate tied to a standard short-term borrowing index, selected at EHI's option, plus an applicable margin. The applicable margins are based on the ratings established by certain debt rating agencies for EHI's senior unsecured debt. The Facility matures in June 2027, but under certain conditions EHI may need to repay any outstanding amounts and terminate the Facility earlier than the maturity date.

We may use borrowings under the Facility for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility contains several covenants, including financial covenants relating to minimum

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

net worth, capital and liquidity levels, maximum debt to capitalization level and PMIERS compliance. We are in compliance with all covenants of the Facility and the Facility has remained undrawn through March 31, 2025.

**(8) Income taxes**

We compute the provision for income taxes on a separate return with benefits-for-loss method. If during the three-month periods ended March 31, 2025 and 2024, we had computed taxes using the separate return method, the provision for income taxes would have been unchanged.

**(9) Related party transactions**

We have various agreements with Genworth that provide for reimbursement to and from Genworth of certain administrative and operating expenses that include, but are not limited to, information technology services and administrative services (such as finance, human resources and employee benefit administration). These agreements provide for an allocation of corporate expenses to all Genworth businesses or subsidiaries. We incurred costs for these services of \$2.3 million and \$2.8 million for the three months ended March 31, 2025 and 2024, respectively.

The investment portfolios of our insurance subsidiaries are primarily managed by Genworth. Under the terms of the investment management agreement, we are charged a fee by Genworth. All fees paid to Genworth are charged to investment expense and are included in net investment income in the condensed consolidated statements of income. The total investment expenses paid to Genworth were \$1.8 million and \$1.5 million for the three months ended March 31, 2025 and 2024, respectively.

Our employees participate in certain benefit plans sponsored by Genworth and certain share-based compensation plans that utilize shares of Genworth common stock and other incentive plans.

We paid cash dividends of \$22.8 million and \$20.8 million to Genworth in the three months ended March 31, 2025 and 2024, respectively. The amount and timing of future dividends will be based upon the prevailing and prospective macro-economic conditions, regulatory landscape and business performance and remain subject to required approvals. We paid Genworth \$53.0 million and \$39.9 million related to shares repurchased in the three months ended March 31, 2025 and 2024, respectively.

We have a tax sharing agreement in place with Genworth, such that we participate in a single U.S. consolidated income tax return filing. All intercompany balances related to this agreement are settled at least annually.

The condensed consolidated financial statements include the following amounts due to and from Genworth relating to recurring service and expense agreements as of:

(Amounts in thousands)	March 31, 2025	December 31, 2024
Amounts payable to Genworth	\$ 9,639	\$ 8,197
Amounts receivable from Genworth	\$ 153	\$ 199

**(10) Net income per common share**

The basic earnings per share computation is based on the weighted average number of shares of common stock outstanding. For the three months ended March 31, 2025 and 2024, the calculation of dilutive weighted average shares considers the impact of restricted stock units and performance stock units issued to employees, as well as deferred stock units issued to our directors.

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

The calculation of basic and diluted net income per share is as follows:

(Amounts in thousands, except per share amounts)	Three months ended March 31,	
	2025	2024
Net income available to EHI common stockholders	\$ 165,778	\$ 160,988
Net income per common share:		
Basic	\$ 1.09	\$ 1.01
Diluted	\$ 1.08	\$ 1.01
Weighted average common shares outstanding:		
Basic	151,831	158,818
Diluted	152,907	160,087

**(11) Changes in accumulated other comprehensive income**

The following tables present a roll forward of accumulated other comprehensive income for the three months indicated:

(Amounts in thousands)	Net unrealized investment gains (losses)	Foreign currency translation	Total
<b>Balance as of January 1, 2025, net of tax</b>	<b>\$ (207,624)</b>	<b>\$ 169</b>	<b>\$ (207,455)</b>
Other comprehensive income (loss) before reclassifications	56,423	(3,921)	52,502
Amounts reclassified from other comprehensive income (loss)	2,471	—	2,471
Total other comprehensive income (loss)	58,894	(3,921)	54,973
<b>Balance as of March 31, 2025, net of tax</b>	<b>\$ (148,730)</b>	<b>\$ (3,752)</b>	<b>\$ (152,482)</b>

(Amounts in thousands)	Net unrealized investment gains (losses)	Foreign currency translation	Total
<b>Balance as of January 1, 2024, net of tax</b>	<b>\$ (230,556)</b>	<b>\$ 156</b>	<b>\$ (230,400)</b>
Other comprehensive income (loss) before reclassifications	(12,351)	2	(12,349)
Amounts reclassified from other comprehensive income (loss)	5,272	—	5,272
Total other comprehensive income (loss)	(7,079)	2	(7,077)
<b>Balance as of March 31, 2024, net of tax</b>	<b>\$ (237,635)</b>	<b>\$ 158</b>	<b>\$ (237,477)</b>

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

The following table presents the effect of the reclassification of significant items out of accumulated other comprehensive income (loss) on the respective line items of the consolidated statements of income, for the periods indicated:

(Amounts in thousands)	Amounts reclassified from accumulated other comprehensive income (loss)		Affected line item in the condensed consolidated statements of income
	Three months ended March 31,		
	2025	2024	
Net unrealized gains (losses) on investments	\$ (3,128)	\$ (6,673)	Net investment gains (losses)
Benefit (expense) from income taxes	657	1,401	Provision for income taxes

**(12) Stockholders' equity**

***Share Repurchase Program***

On August 1, 2023, we announced the authorization of a share repurchase program which allowed for the repurchase of up to \$100 million of EHI's common stock. On May 1, 2024, we announced the authorization of a share repurchase program that allows for the repurchase of an additional \$250 million of EHI's common stock. Under the program, share repurchases may be made at our discretion from time to time in open market transactions in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, privately negotiated transactions, or by other means, including through Rule 10b5-1 trading plans. In support, Enact has entered into an agreement with Genworth Holdings, Inc. to repurchase its Enact shares as part of the program to maintain Genworth's current ownership interest in Enact. We expect the timing and amount of any future share repurchases will be opportunistic and will depend on a variety of factors, including EHI's share price, capital availability, business and market conditions, regulatory requirements, and debt covenant restrictions. Each program does not obligate EHI to acquire any amount of common stock, may be suspended or terminated at any time at the Company's discretion without prior notice, and does not have a specified expiration date.

During the three months ended March 31, 2025, the Company purchased 1,962,023 shares at an average price of \$33.38 per share, excluding commissions, compared to 1,779,838 shares at an average price of \$27.51 per share, excluding commissions, during the three months ended March 31, 2024. As of March 31, 2025, \$27.4 million remained available under the share repurchase program that was announced on May 1, 2024. All treasury stock has been retired as of March 31, 2025.

Subsequent to quarter end, the Company purchased 693,345 shares at an average price of \$34.60 per share through April 30, 2025. On April 30, 2025, we also announced the authorization of a new share repurchase program that allows for the repurchase of an additional \$350 million of EHI's common stock.

**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
(Unaudited)

**Cash Dividends**

The following table presents the amount of dividends declared and paid, on a per share basis, for each quarter and annual period.

Quarter Ended	2025	2024
March 31	\$ 0.185	\$ 0.16
June 30	N/A	0.185
September 30	N/A	0.185
December 31	N/A	0.185
<b>Total dividends per common share declared and paid</b>	<b>\$ 0.185</b>	<b>\$ 0.715</b>

Subsequent to quarter end we announced an increase of our quarterly dividend to \$0.21 per common share.

**(13) Segment Reporting**

We operate our business in a single reportable segment, Mortgage Insurance, which is how our CODM, who is our Chief Executive Officer, reviews our financial performance and allocates resources. We derive revenue primarily through writing and assuming residential mortgage guaranty insurance in the United States. We manage our single segment on a consolidated basis, and our reported measure of segment profit or loss is consolidated net income.

The CODM uses net income to evaluate income generated from segment assets in deciding how to reinvest profits into the core business, or into other parts of the entity, such as new business initiatives or to return capital to shareholders. Net income is also considered in our competitive analysis and financial planning processes.

Our significant segment expenses are those disclosed on our condensed consolidated statements of income and our measure of segment assets are those reported on the condensed consolidated balance sheets.

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

The following discussion and analysis of our consolidated financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and related notes for the three months ended March 31, 2025 and 2024, and our audited consolidated financial statements and related notes for the years ended December 31, 2024 and 2023 within our Annual Report on Form 10-K for the fiscal year ending December 31, 2024 (the "Annual Report").

In addition to historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause actual results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections entitled "Cautionary Note Regarding Forward-Looking Statements" above and Part I, Item 1A "Risk Factors" in our Annual Report. We are not undertaking any obligation to update any forward-looking statements or other statements we may make in the following discussion or elsewhere in this document even though these statements may be affected by events or circumstances occurring after the forward-looking statements or other statements were made. Future results could differ significantly from the historical results presented in this section. References to "EHI," "Enact," "Enact Holdings," the "Company," "we" or "our" herein are, unless the context otherwise requires, to EHI on a consolidated basis.

### Key Factors Affecting Our Results

There have been no material changes to the factors affecting our results, as compared to those disclosed in the Annual Report, other than the impact of items as discussed below in "—Trends and Conditions."

### Trends and Conditions

Macroeconomic environment. While inflation remained elevated in the first quarter of 2025, household balance sheets were supported by low rates of unemployment and continued earnings growth. Beginning in April 2025, the United States economy became subject to significant volatility and uncertainty, largely related to changing economic policies, including new and increasing tariffs. The ancillary effects of these tariffs and other economic policy on the domestic and global economies could materially impact the United States housing markets and our business.

The Bureau of Labor Statistics reported in March 2025 that Consumer Price Index ("CPI") inflation was 2.4% year-over-year compared to 2.9% year-over-year in December 2024. Elevated inflation remains a challenge for the Federal Open Market Committee as it navigates heightened uncertainty. Mortgage rates remain elevated as well.

Mortgage origination remained slow in the first quarter of 2025 in response to elevated mortgage rates and sustained low housing supply. Over the past few years, housing affordability has deteriorated as elevated mortgage rates and home price appreciation outpaced median family income according to the National Association of Realtors Housing Affordability Index. National house prices continued to rise into 2025 according to the Federal Housing Finance Agency ("FHFA") Monthly Purchase-Only House Price Index (Seasonally Adjusted).

The unemployment rate as of March 31, 2025, was 4.2%, relatively consistent with December 31, 2024. As of March 31, 2025, the number of unemployed Americans stood at approximately 7.1 million and the number of long-term unemployed Americans (over 26 weeks out of the workforce) was approximately 1.5 million.

Regulatory developments. Private mortgage insurance market penetration and eventual market size are affected in part by actions that impact housing or housing finance policy taken by the GSEs and the U.S. government, including but not limited to, the Federal Housing Administration ("FHA") and the FHFA. In the past, these actions have included announced changes, or potential changes, to underwriting

standards, including changes to the GSEs' automated underwriting systems, FHA pricing, GSE guaranty fees, loan limits and alternative products.

On October 24, 2022, the FHFA announced the validation and approval of both the FICO 10T credit score model and the VantageScore 4.0 credit score model for anticipated use by the GSEs as well as proposing to change the requirement that lenders provide credit reports from all three nationwide consumer reporting agencies and instead only requiring credit reports from two of the three nationwide credit reporting agencies. The validation of the new credit scores is currently expected to require lenders to deliver both credit scores for each loan sold to the GSEs. Implementation, which has been delayed beyond 2025, will require system and process updates along with coordination across stakeholders of the industry.

Competitive environment. The U.S. private mortgage insurance industry is highly competitive. Our market share is influenced by the execution of our go to market strategy, including but not limited to, pricing competitiveness relative to our peers and our selective participation in forward commitment transactions. We continue to manage the quality of new business through pricing and our underwriting guidelines, which are modified from time to time when circumstances warrant. We see the market and underwriting conditions, including the pricing environment, as being within our risk-adjusted return appetite enabling us to write new business at attractive returns. Ultimately, we expect our new insurance written with its strong credit profile and attractive pricing to positively contribute to our future profitability and return on equity.

Our portfolio. New insurance written ("NIW") of \$9.8 billion in the first quarter of 2025 decreased 7% compared to the first quarter of 2024 driven primarily by lower estimated market share. Our primary persistency rate was 84% during the first quarter of 2025 and 85% for the first quarter of 2024. The persistency rate remains higher than historical levels driven by a large percentage of our in-force policies with mortgage rates below current mortgage rates.

Net earned premiums increased approximately 2% in the first quarter of 2025 compared to the first quarter of 2024 primarily as a result of higher assumed premiums and insurance in-force growth, partially offset by higher ceded premiums.

Loss experience. Our loss ratio for the three months ended March 31, 2025, was 12% as compared to 8% for the three months ended March 31, 2024. Both periods were impacted by favorable reserve development. In the first quarter of 2025, we released \$47 million of reserves, driven by cure performance of delinquencies from early 2024 and prior. This compares to the first quarter of 2024, where we recorded a \$54 million reserve release primarily on delinquencies from early 2023 and prior.

New delinquencies in the first quarter of 2025 increased compared to the first quarter of 2024 due primarily to aging of our large, newer books. Current period primary delinquencies of 12,237 contributed \$75 million of loss expense in the first quarter of 2025. We incurred \$74 million of losses from 11,395 delinquencies that were reported in the first quarter of 2024. In determining the loss expense estimate, considerations were given to recent cure and claim experience and the prevailing and prospective economic conditions.

The severity of loss on loans that go to claim may be negatively impacted by extended forbearance and foreclosure timelines, the associated elevated expenses and the higher loan amount of the recent new delinquencies. These negative influences on loss severity could be mitigated, in part, by embedded home price appreciation. The majority of our mortgage insurance policies limit the number of months of unpaid interest and associated expenses that are included in the mortgage insurance claim amount to a maximum of 36 months.

Capital requirements and ratings. As of March 31, 2025, EMICO's estimated risk-to-capital ratio under North Carolina law and enforced by the North Carolina Department of Insurance ("NCDOI"), EMICO's domestic insurance regulator, was 10.5:1, compared with risk-to-capital ratios of 10.5:1 and 11.2:1 as of December 31, 2024, and March 31, 2024, respectively. EMICO's risk-to-capital ratio remains

below the NCDOL's maximum risk-to-capital ratio of 25:1. North Carolina's calculation of risk-to-capital excludes the risk in-force for delinquent loans given the established loss reserves against all delinquencies. EMICO's ongoing risk-to-capital ratio will depend principally on the magnitude of future losses incurred by EMICO, the effectiveness of ongoing loss mitigation activities, new business volume and profitability, the impact of quota share reinsurance, the amount of policy lapses and the amount of additional capital that is generated or distributed by the business.

Under PMIERS, we are subject to operational and financial requirements that private mortgage insurers must meet in order to remain eligible to insure loans that are purchased by the GSEs. As of March 31, 2025, we had estimated available assets of \$4,999 million against \$3,033 million net required assets under PMIERS compared to available assets of \$5,095 million against \$3,043 million net required assets as of December 31, 2024. The sufficiency ratio as of March 31, 2025, was 165%, or \$1,966 million, above the PMIERS requirements, compared to 167%, or \$2,052 million, above the PMIERS requirements as of December 31, 2024. Our PMIERS required assets benefited from a reinsurance credit of \$1,880 million and \$1,885 million related to third-party reinsurance as of March 31, 2025, and December 31, 2024, respectively. Our PMIERS required assets as of December 31, 2024, benefited from the application of a 0.30 multiplier applied to the risk-based required asset amount factor for certain non-performing loans as defined under PMIERS. The application of the 0.30 multiplier to all eligible delinquencies provided \$28 million of benefit to our PMIERS required assets as of December 31, 2024. Use of the multiplier was discontinued effective March 31, 2025.

On August 21, 2024, the GSEs and the FHFA released updated PMIERS requirements phasing in a revision to available asset standards between March 31, 2025 and September 30, 2026. The updated standards differentiate between bonds based on credit quality and liquidity. The updates also establish limits for assets backed by residential mortgages or commercial real estate to mitigate the impact if such assets lose value during periods of housing stress. We expect to hold capital sufficiency well in excess of these requirements and do not expect the impact of these updates to be material to our sufficiency.

On January 17, 2025, Fitch upgraded the long-term financial strength and issuer credit ratings of EMICO from A- to A.

Recent transactions. In January 2025, we entered into two excess-of-loss reinsurance transactions that cover a portion of expected new insurance written from January 1, 2025, through December 31, 2025, and January 1, 2026, through December 31, 2026, and provide reinsurance coverage of approximately \$225 million and \$260 million, respectively.

Capital returns. In March 2025, our primary mortgage insurance operating company, EMICO, completed a dividend to EHI that supports our ability to return capital to shareholders. We paid a dividend of \$0.185 per common share during the first quarter of 2025.

Subsequent to quarter end we announced an increase of our quarterly dividend to \$0.21 per common share. Future dividend payments are subject to quarterly review and approval by our Board of Directors and Genworth and will be targeted to be paid in the third month of each quarter.

On May 1, 2024, we announced the authorization of a share repurchase program that allows for the repurchase of up to \$250 million of EHI's common stock. On April 30, 2025, we announced the authorization of a new share repurchase program that allows for the repurchase of an additional \$350 million of EHI's common stock. Under the programs, share repurchases may be made at our discretion from time to time in open market transactions in compliance with Rule 10b-18 under the Securities Exchange Act of 1934, as amended, privately negotiated transactions, or by other means, including through Rule 10b5-1 trading plans. In support, Enact has entered into an agreement with Genworth Holdings, Inc. to repurchase its Enact shares as part of the program to maintain Genworth's current ownership interest in Enact. We expect the timing and amount of any future share repurchases will be opportunistic and will depend on a variety of factors, including EHI's share price, capital availability, business and market conditions, regulatory requirements, and debt covenant restrictions. The programs

do not obligate EHI to acquire any amount of common stock, it may be suspended or terminated at any time at the Company's discretion without prior notice, and it does not have a specified expiration date.

Returning capital to shareholders, balanced with our growth and risk management priorities, remains a priority as we look to drive shareholder value through time. Future return of capital will be shaped by our capital prioritization framework, which sets the following priorities: supporting our existing policyholders, growing our mortgage insurance business, funding attractive new business opportunities and returning capital to shareholders. Our total return of capital will also be based on our view of the prevailing and prospective macroeconomic conditions, regulatory landscape and business performance.

## Results of Operations and Key Metrics

### Results of Operations

#### Three months ended March 31, 2025, compared to three months ended March 31, 2024

The following table sets forth our consolidated results for the periods indicated:

(Amounts in thousands)	Three months ended March 31,		Increase (decrease) and percentage change	
	2025	2024	2025 vs. 2024	
<b>Revenues:</b>				
Premiums	\$ 244,786	\$ 240,747	\$ 4,039	2 %
Net investment income	63,037	57,111	5,926	10 %
Net investment gains (losses)	(3,243)	(6,684)	3,441	(51)%
Other income	2,196	402	1,794	NM <sup>(1)</sup>
<b>Total revenues</b>	<b>306,776</b>	<b>291,576</b>	<b>15,200</b>	<b>5 %</b>
<b>Losses and expenses:</b>				
Losses incurred	30,541	19,501	11,040	57 %
Acquisition and operating expenses, net of deferrals	50,094	50,934	(840)	(2)%
Amortization of deferred acquisition costs and intangibles	2,429	2,259	170	8 %
Interest expense	12,291	12,961	(670)	(5)%
<b>Total losses and expenses</b>	<b>95,355</b>	<b>85,655</b>	<b>9,700</b>	<b>11 %</b>
Income before income taxes	211,421	205,921	5,500	3 %
Provision for income taxes	45,643	44,933	710	2 %
<b>Net income</b>	<b>\$ 165,778</b>	<b>\$ 160,988</b>	<b>\$ 4,790</b>	<b>3 %</b>
Loss ratio <sup>(2)</sup>	12 %	8 %		
Expense ratio <sup>(3)</sup>	21 %	22 %		
Net earned premium rate <sup>(4)</sup>	0.35%	0.36%		

<sup>(1)</sup> We define "NM" as not meaningful for increases or decreases greater than 300%.

<sup>(2)</sup> Loss ratio is calculated by dividing losses incurred by net earned premiums.

<sup>(3)</sup> Expense ratio is calculated by dividing acquisition and operating expenses, net of deferrals, plus amortization of deferred acquisition costs and intangibles by net earned premiums.

<sup>(4)</sup> Net earned premium rate is calculated by dividing direct earned premium less ceded premium, by average primary IIF.

### Revenues

Premiums increased for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily as a result of increased assumed premiums and insurance in-force growth, partially offset by higher ceded premiums. The net earned premium rate was 0.35% for the three months ended March 31, 2025, down slightly from 0.36% for the three months ended March 31, 2024.

Net investment income increased for the three months ended March 31, 2025, compared to the three months ended March 31, 2024, primarily due to higher yields as a result of elevated interest rates and higher average invested assets.

Net investment losses in the first quarter of 2025 and 2024 were driven primarily by realized losses on the sale of fixed maturity securities.

### Losses and expenses

Losses incurred during the first quarter of 2025 and 2024 were both impacted by prior year development. In the first quarter of 2025, we recorded a reserve release of \$47 million, driven by cure performance of delinquencies from early 2024 and prior years. In the first quarter of 2024, we recorded a reserve release of \$54 million primarily related to delinquencies from early 2023 and prior years. Current period primary delinquencies of 12,237 contributed \$75 million of loss expense in the three months ended March 31, 2025. This compares to \$74 million of loss expense from 11,395 primary delinquencies in the first quarter of 2024.

The following table shows incurred losses for domestic mortgage insurance related to current and prior accident years for the periods indicated:

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
Losses and LAE incurred related to current accident year	\$ 77,842	\$ 74,364
Losses and LAE incurred related to prior accident years	(51,789)	(54,848)
<b>Total incurred <sup>(1)</sup></b>	<b>\$ 26,053</b>	<b>\$ 19,516</b>

<sup>(1)</sup> Excludes other reserves.

Acquisition and operating expenses, net of deferrals, remained relatively flat for the three months ended March 31, 2025.

The expense ratio decreased slightly as a result of premium growth outpacing increases in expenses.

Interest expense primarily relates to our 2029 Notes. For additional details see Note 7 to our unaudited condensed consolidated financial statements for the three months ended March 31, 2025 and 2024.

#### Provision for income taxes

The effective tax rate was 21.6% and 21.8% for the three months ended March 31, 2025 and 2024, respectively.

#### Use of Non-GAAP Financial Measures

We use a non-U.S. GAAP (“non-GAAP”) financial measure entitled “adjusted operating income.” This non-GAAP financial measure is additionally evaluated by both management and our Board of Directors. Management also uses adjusted operating income (loss) as a basis for determining awards and compensation for senior management and to evaluate performance on a basis comparable to that used by analysts. This measure has been established in order to increase transparency for the purposes of evaluating our core operating trends and enabling more meaningful comparisons with our peers. Although “adjusted operating income” is a non-GAAP financial measure, for the reasons discussed above we believe this measure aids in understanding the underlying performance of our operations.

“Adjusted operating income” is defined as U.S. GAAP net income excluding the effects of (i) net investment gains (losses), (ii) restructuring costs and infrequent or unusual non-operating items, and (iii) gains (losses) on the extinguishment of debt.

- (i) Net investment gains (losses) — The recognition of realized investment gains or losses can vary significantly across periods as the activity is highly discretionary based on the timing of individual securities sales due to such factors as market opportunities or exposure management. Trends in the profitability of our fundamental operating activities can be more clearly identified without the fluctuations of these realized gains and losses. We do not view them to be indicative of our

fundamental operating activities. Therefore, these items are excluded from our calculation of adjusted operating income.

- (ii) Restructuring costs and infrequent or unusual non-operating items are also excluded from adjusted operating income if, in our opinion, they are not indicative of overall operating trends.
- (iii) Gains (losses) on the extinguishment of debt are also excluded from adjusted operating income, as we do not view them to be indicative of overall operating trends.

In reporting non-GAAP measures in the future, we may make other adjustments for expenses and gains we do not consider reflective of core operating performance in a particular period. We may disclose other non-GAAP operating measures if we believe that such a presentation would be helpful for investors to evaluate our operating condition by including additional information.

Adjusted operating income is not a measure of total profitability, and therefore should not be considered in isolation or viewed as a substitute for U.S. GAAP net income. Our definition of adjusted operating income may not be comparable to similarly named measures reported by other companies, including our peers.

Adjustments to reconcile net income to adjusted operating income assume a 21% tax rate (unless otherwise indicated).

The following table includes a reconciliation of net income to adjusted operating income for the periods indicated:

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
Net income	\$ 165,778	\$ 160,988
Adjustments to net income:		
Net investment (gains) losses	3,243	6,684
Costs associated with reorganization	629	(42)
Taxes on adjustments	(813)	(1,395)
<b>Adjusted operating income</b>	<b>\$ 168,837</b>	<b>\$ 166,235</b>

Adjusted operating income increased for the three months ended March 31, 2025, as compared to March 31, 2024, primarily due to increases in net investment income and earned premiums, partially offset by higher losses.

#### **Key Metrics**

Management reviews the key metrics included within this section when analyzing the performance of our business. The metrics provided in this section are on a direct basis related to our domestic mortgage insurance portfolio.

The following table sets forth selected operating performance measures on a primary basis as of or for the periods indicated:

(Dollar amounts in millions)	Three months ended March 31,	
	2025	2024
New insurance written	\$9,818	\$10,526
Primary insurance in-force <sup>(1)</sup>	\$268,366	\$263,645
Primary risk in-force	\$69,937	\$67,950
Persistency rate	84 %	85 %
Primary policies in-force (count)	955,210	969,866
Delinquent loans (count)	22,349	19,492
Delinquency rate	2.34 %	2.01 %

<sup>(1)</sup> Represents the aggregate unpaid principal balance for loans we insure.

*New insurance written ("NIW")*

NIW for the three months ended March 31, 2025, decreased 7% compared to the three months ended March 31, 2024 primarily due to lower estimated market share.

The following table presents NIW by product for the periods indicated:

(Amounts in millions)	Three months ended March 31,			
	2025		2024	
Primary	\$ 9,818	100 %	\$ 10,526	100 %
Pool	—	—	—	—
<b>Total</b>	<b>\$ 9,818</b>	<b>100 %</b>	<b>\$ 10,526</b>	<b>100 %</b>

The following table presents primary NIW by underlying type of mortgage for the periods indicated:

(Amounts in millions)	Three months ended March 31,			
	2025		2024	
Purchases	\$ 9,139	93 %	\$ 10,072	96 %
Refinances	679	7	454	4
<b>Total</b>	<b>\$ 9,818</b>	<b>100 %</b>	<b>\$ 10,526</b>	<b>100 %</b>

The following table presents primary NIW by policy payment type for the periods indicated:

(Amounts in millions)	Three months ended March 31,			
	2025		2024	
Monthly	\$ 9,229	94 %	\$ 10,034	95 %
Single	576	6	475	5
Other	13	—	17	—
<b>Total</b>	<b>\$ 9,818</b>	<b>100 %</b>	<b>\$ 10,526</b>	<b>100 %</b>

The following table presents primary NIW by FICO score for the periods indicated:

(Amounts in millions)	Three months ended March 31,			
	2025		2024	
Over 760	\$ 4,989	51 %	\$ 5,218	49 %
740-759	1,590	16	1,664	16
720-739	1,280	13	1,368	13
700-719	894	9	990	9
680-699	548	6	629	6
660-679 <sup>(1)</sup>	313	3	388	4
640-659	145	1	193	2
620-639	51	1	73	1
<620	8	—	3	—
<b>Total</b>	<b>\$ 9,818</b>	<b>100 %</b>	<b>\$ 10,526</b>	<b>100 %</b>

<sup>(1)</sup> Loans with unknown FICO scores are included in the 660-679 category.

Loan-to-value (“LTV”) ratio is calculated by dividing the original loan amount, excluding financed premium, by the property’s acquisition value or fair market value at the time of origination. The following table presents primary NIW by LTV ratio for the periods indicated:

(Amounts in millions)	Three months ended March 31,			
	2025		2024	
95.01% and above	\$ 2,019	21 %	\$ 2,262	21 %
90.01% to 95.00%	3,571	36	3,876	37
85.01% to 90.00%	2,913	30	3,177	30
85.00% and below	1,315	13	1,211	12
<b>Total</b>	<b>\$ 9,818</b>	<b>100 %</b>	<b>\$ 10,526</b>	<b>100 %</b>

Debt-to-income (“DTI”) ratio is calculated by dividing the borrower’s total monthly debt obligations by total monthly gross income. The following table presents primary NIW by DTI ratio for the periods indicated:

(Amounts in millions)	Three months ended March 31,			
	2025		2024	
45.01% and above	\$ 2,852	29 %	\$ 3,165	30 %
38.01% to 45.00%	3,591	37	3,824	36
38.00% and below	3,375	34	3,537	34
<b>Total</b>	<b>\$ 9,818</b>	<b>100 %</b>	<b>\$ 10,526</b>	<b>100 %</b>

*Insurance in-force (“IIF”) and Risk in-force (“RIF”)*

IIF decreased since December 31, 2024, as policy lapse and cancellations outpaced NIW. The primary persistency rate was 84% and 85% for the three months ended March 31, 2025 and 2024, respectively. RIF decreased since December 31, 2024 primarily as a result of lower IIF.

The following table sets forth IIF and RIF as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
Primary IIF	\$ 268,366	100 %	\$ 268,825	100 %	\$ 263,645	100 %
Pool IIF	367	—	379	—	422	—
<b>Total IIF</b>	<b>\$ 268,733</b>	<b>100 %</b>	<b>\$ 269,204</b>	<b>100 %</b>	<b>\$ 264,067</b>	<b>100 %</b>
Primary RIF	\$ 69,937	100 %	\$ 69,985	100 %	\$ 67,950	100 %
Pool RIF	55	—	57	—	67	—
<b>Total RIF</b>	<b>\$ 69,992</b>	<b>100 %</b>	<b>\$ 70,042</b>	<b>100 %</b>	<b>\$ 68,017</b>	<b>100 %</b>

The following table sets forth primary IIF and primary RIF by origination as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
Purchases IIF	\$ 244,409	91 %	\$ 243,730	91 %	\$ 234,211	89 %
Refinances IIF	23,957	9	25,095	9	29,434	11
<b>Total IIF</b>	<b>\$ 268,366</b>	<b>100 %</b>	<b>\$ 268,825</b>	<b>100 %</b>	<b>\$ 263,645</b>	<b>100 %</b>
Purchases RIF	\$ 64,228	92 %	\$ 64,031	91 %	\$ 61,263	90 %
Refinances RIF	5,709	8	5,954	9	6,687	10
<b>Total RIF</b>	<b>\$ 69,937</b>	<b>100 %</b>	<b>\$ 69,985</b>	<b>100 %</b>	<b>\$ 67,950</b>	<b>100 %</b>

The following table sets forth primary IIF and primary RIF by product as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
Monthly IIF	\$ 241,572	90 %	\$ 241,785	90 %	\$ 234,747	89 %
Single IIF	25,108	9	25,301	9	27,013	10
Other IIF	1,686	1	1,739	1	1,885	1
<b>Total IIF</b>	<b>\$ 268,366</b>	<b>100 %</b>	<b>\$ 268,825</b>	<b>100 %</b>	<b>\$ 263,645</b>	<b>100 %</b>
Monthly RIF	\$ 64,113	92 %	\$ 64,078	91 %	\$ 61,606	91 %
Single RIF	5,395	8	5,466	8	5,867	8
Other RIF	429	—	441	1	477	1
<b>Total RIF</b>	<b>\$ 69,937</b>	<b>100 %</b>	<b>\$ 69,985</b>	<b>100 %</b>	<b>\$ 67,950</b>	<b>100 %</b>

The following table sets forth primary IIF by policy year as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
2008 and prior	\$ 4,706	2 %	\$ 4,860	2 %	\$ 5,420	2 %
2009-2017	8,143	3	9,045	3	12,383	5
2018	4,584	2	4,790	2	5,524	2
2019	10,966	4	11,415	4	13,126	5
2020	33,268	12	34,940	13	42,183	16
2021	54,493	20	57,266	21	66,971	25
2022	51,444	19	53,063	20	58,051	22
2023	43,938	16	45,208	17	49,556	19
2024	47,107	18	48,238	18	10,431	4
2025	9,717	4	—	—	—	—
<b>Total</b>	<b>\$ 268,366</b>	<b>100 %</b>	<b>\$ 268,825</b>	<b>100 %</b>	<b>\$ 263,645</b>	<b>100 %</b>

The following table sets forth primary RIF by policy year as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
2008 and prior	\$ 1,217	2 %	\$ 1,256	2 %	\$ 1,397	2 %
2009-2017	2,119	3	2,368	3	3,267	5
2018	1,181	2	1,233	2	1,419	2
2019	2,867	4	2,984	4	3,403	5
2020	9,119	13	9,553	14	11,181	16
2021	14,427	21	15,043	21	17,174	25
2022	13,102	19	13,476	19	14,629	22
2023	11,403	16	11,719	17	12,810	19
2024	12,070	17	12,353	18	2,670	4
2025	2,432	3	—	—	—	—
<b>Total</b>	<b>\$ 69,937</b>	<b>100 %</b>	<b>\$ 69,985</b>	<b>100 %</b>	<b>\$ 67,950</b>	<b>100 %</b>

The following table presents the development of primary IIF for the periods indicated:

(Amounts in millions)	Three months ended March 31,	
	2025	2024
Beginning balance	\$ 268,825	\$ 262,937
NIW	9,818	10,526
Cancellations, principal repayments and other reductions <sup>(1)</sup>	(10,277)	(9,818)
<b>Ending balance</b>	<b>\$ 268,366</b>	<b>\$ 263,645</b>

<sup>(1)</sup> Includes the estimated amortization of unpaid principal balance of covered loans.

The following table sets forth primary IIF by LTV ratio at origination as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
95.01% and above	\$ 51,280	19 %	\$ 50,318	18 %	\$ 46,259	17 %
90.01% to 95.00%	112,086	42	112,362	42	109,566	42
85.01% to 90.00%	79,332	29	79,932	30	78,214	30
85.00% and below	25,668	10	26,213	10	29,606	11
<b>Total</b>	<b>\$ 268,366</b>	<b>100 %</b>	<b>\$ 268,825</b>	<b>100 %</b>	<b>\$ 263,645</b>	<b>100 %</b>

The following table sets forth primary RIF by LTV ratio at origination as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
95.01% and above	\$ 14,682	21 %	\$ 14,428	21 %	\$ 13,250	20 %
90.01% to 95.00%	32,597	47	32,686	47	31,881	47
85.01% to 90.00%	19,583	28	19,729	28	19,265	28
85.00% and below	3,075	4	3,142	4	3,554	5
<b>Total</b>	<b>\$ 69,937</b>	<b>100 %</b>	<b>\$ 69,985</b>	<b>100 %</b>	<b>\$ 67,950</b>	<b>100 %</b>

The following table sets forth primary IIF by FICO score at origination as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
Over 760	\$ 115,914	43 %	\$ 115,554	43 %	\$ 111,589	43 %
740-759	43,924	17	43,955	17	43,155	17
720-739	37,643	14	37,717	14	37,068	14
700-719	29,629	11	29,819	11	29,679	11
680-699	21,082	8	21,355	8	21,628	8
660-679 <sup>(1)</sup>	11,126	4	11,245	4	11,316	4
640-659	6,068	2	6,147	2	6,109	2
620-639	2,419	1	2,461	1	2,488	1
<620	561	—	572	—	613	—
<b>Total</b>	<b>\$ 268,366</b>	<b>100 %</b>	<b>\$ 268,825</b>	<b>100 %</b>	<b>\$ 263,645</b>	<b>100 %</b>

<sup>(1)</sup> Loans with unknown FICO scores are included in the 660-679 category.

The following table sets forth primary RIF by FICO score at origination as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
Over 760	\$ 30,093	43 %	\$ 29,985	43 %	\$ 28,703	42 %
740-759	11,493	17	11,494	17	11,167	17
720-739	9,939	14	9,949	14	9,669	14
700-719	7,711	11	7,746	11	7,629	11
680-699	5,464	8	5,523	8	5,524	8
660-679 <sup>(1)</sup>	2,901	4	2,924	4	2,908	4
640-659	1,574	2	1,589	2	1,562	3
620-639	619	1	629	1	632	1
<620	143	—	146	—	156	—
<b>Total</b>	<b>\$ 69,937</b>	<b>100 %</b>	<b>\$ 69,985</b>	<b>100 %</b>	<b>\$ 67,950</b>	<b>100 %</b>

<sup>(1)</sup> Loans with unknown FICO scores are included in the 660-679 category.

The following table sets forth primary IIF by DTI score at origination as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
45.01% and above	\$ 60,714	23 %	\$ 59,864	22 %	\$ 54,943	21 %
38.01% to 45.00%	97,492	36	97,361	36	94,459	36
38.00% and below	110,160	41	111,600	42	114,243	43
<b>Total</b>	<b>\$ 268,366</b>	<b>100 %</b>	<b>\$ 268,825</b>	<b>100 %</b>	<b>\$ 263,645</b>	<b>100 %</b>

The following table sets forth primary RIF by DTI score at origination as of the dates indicated:

(Amounts in millions)	March 31, 2025		December 31, 2024		March 31, 2024	
45.01% and above	\$ 15,910	23 %	\$ 15,674	22 %	\$ 14,265	21 %
38.01% to 45.00%	25,273	36	25,226	36	24,289	36
38.00% and below	28,754	41	29,085	42	29,396	43
<b>Total</b>	<b>\$ 69,937</b>	<b>100 %</b>	<b>\$ 69,985</b>	<b>100 %</b>	<b>\$ 67,950</b>	<b>100 %</b>

#### *Delinquent loans and claims*

Our delinquency management process begins with notification by the loan servicer of a delinquency on an insured loan. "Delinquency" is defined in our master policies as the borrower's failure to pay when due an amount equal to the scheduled monthly mortgage payment under the terms of the mortgage. Generally, our master policies require an insured to notify us of a delinquency if the borrower fails to make two consecutive monthly mortgage payments prior to the due date of the next mortgage payment. We generally consider a loan to be delinquent and establish required reserves after the insured notifies us that the borrower has failed to make two scheduled mortgage payments. Borrowers default for a variety of reasons, including but not limited to a reduction of income, unemployment, divorce, illness/death, inability to manage credit, falling home prices and interest rate levels. Borrowers may cure delinquencies by making all of the delinquent loan payments, agreeing to a loan modification, or by selling the property in full satisfaction of all amounts due under the mortgage. In most cases, delinquencies that are not cured result in a claim under our policy.

The following table shows a roll forward of the number of primary loans in default for the periods indicated:

(Loan count)	Three months ended March 31,	
	2025	2024
Number of delinquencies, beginning of period	23,566	20,432
New defaults	12,237	11,395
Cures	(13,263)	(12,160)
Claims paid	(179)	(172)
Rescissions and claim denials	(12)	(3)
<b>Number of delinquencies, end of period</b>	<b>22,349</b>	<b>19,492</b>

The following table sets forth changes in our direct primary case loss reserves for the periods indicated:

(Amounts in thousands) <sup>(1)</sup>	Three months ended March 31,	
	2025	2024
Loss reserves, beginning of period	\$ 472,110	\$ 476,709
Claims paid	(10,018)	(6,458)
Change in reserve	27,237	15,540
<b>Loss reserves, end of period</b>	<b>\$ 489,329</b>	<b>\$ 485,791</b>

<sup>(1)</sup> Direct primary case reserves exclude LAE, pool, IBNR and reinsurance reserves.

The following tables set forth primary delinquencies, direct primary case reserves and RIF by aged missed payment status as of the dates indicated:

(Dollar amounts in millions)	March 31, 2025			
	Delinquencies	Direct primary case reserves <sup>(1)</sup>	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	10,646	\$ 102	\$ 714	14 %
4 - 11 payments	8,420	210	618	34 %
12 payments or more	3,283	177	225	79 %
<b>Total</b>	<b>22,349</b>	<b>\$ 489</b>	<b>\$ 1,557</b>	<b>31 %</b>

(Dollar amounts in millions)	December 31, 2024			
	Delinquencies	Direct primary case reserves <sup>(1)</sup>	Risk in-force	Reserves as % of risk in-force
Payments in default:				
3 payments or less	12,712	\$ 108	\$ 849	13 %
4 - 11 payments	7,701	191	545	35 %
12 payments or more	3,153	173	213	81 %
<b>Total</b>	<b>23,566</b>	<b>\$ 472</b>	<b>\$ 1,607</b>	<b>29 %</b>

March 31, 2024				
(Dollar amounts in millions)	Delinquencies	Direct primary case reserves <sup>(1)</sup>	Risk in-force	Reserves as % of risk in-force
<b>Payments in default:</b>				
3 payments or less	9,506	\$ 87	\$ 600	14 %
4 - 11 payments	6,853	220	468	47 %
12 payments or more	3,133	179	197	91 %
<b>Total</b>	<b>19,492</b>	<b>\$ 486</b>	<b>\$ 1,265</b>	<b>38 %</b>

<sup>(1)</sup> Direct primary case reserves exclude LAE, pool, IBNR and reinsurance reserves.

The total reserves as a percentage of RIF as of March 31, 2025, has increased slightly compared to December 31, 2024, as a result of fewer newer delinquencies that have a lower expected claim rate.

Primary insurance delinquency rates differ from region to region in the United States at any one time depending upon economic conditions and cyclical growth patterns. Delinquency rates are shown by region based upon the location of the underlying property, rather than the location of the lender.

The table below sets forth our primary delinquency rates for the ten largest states by our primary RIF as of March 31, 2025:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
<b>By state:</b>			
California	12 %	12 %	2.56 %
Texas	9	9	2.49 %
Florida <sup>(1)</sup>	8	12	3.28 %
New York <sup>(1)</sup>	5	10	3.09 %
Illinois <sup>(1)</sup>	4	6	2.90 %
Arizona	4	3	2.26 %
Michigan	4	3	1.97 %
Georgia	3	4	2.89 %
North Carolina	3	2	1.90 %
Pennsylvania	3	3	2.15 %
All other states <sup>(2)</sup>	45	36	2.04 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>2.34 %</b>

<sup>(1)</sup> Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.

<sup>(2)</sup> Includes the District of Columbia.

The table below sets forth our primary delinquency rates for the ten largest states by our primary RIF as of December 31, 2024:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
<b>By state:</b>			
California	12 %	12 %	2.53 %
Texas	9	9	2.64 %
Florida <sup>(1)</sup>	8	12	3.67 %
New York <sup>(1)</sup>	5	10	3.30 %
Illinois <sup>(1)</sup>	4	6	2.96 %
Arizona	4	3	2.35 %
Michigan	4	3	2.14 %
Georgia	3	4	3.02 %
North Carolina	3	2	2.14 %
Pennsylvania	3	3	2.17 %
All other states <sup>(2)</sup>	45	36	2.10 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>2.45 %</b>

<sup>(1)</sup> Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.

<sup>(2)</sup> Includes the District of Columbia.

The table below sets forth our primary delinquency rates for the ten largest Metropolitan Statistical Areas (“MSA”) or Metro Divisions (“MD”) by our primary RIF as of March 31, 2025:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
<b>By MSA or MD:</b>			
Phoenix, AZ MSA	3 %	3 %	2.36 %
Chicago-Naperville, IL MD	3	4	3.21 %
Atlanta, GA MSA	3	3	3.13 %
New York, NY MD	2	6	3.56 %
Houston, TX MSA	2	3	3.15 %
Dallas, TX MD	2	2	2.18 %
Washington-Arlington, DC MD	2	2	2.06 %
Riverside-San Bernardino, CA MSA	2	3	3.36 %
Los Angeles-Long Beach, CA MD	2	3	3.17 %
Denver-Aurora-Lakewood, CO MSA	2	1	1.53 %
All Other MSAs/MDs	77	70	2.22 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>2.34 %</b>

The table below sets forth our primary delinquency rates for the ten largest MSAs or MDs by our primary RIF as of December 31, 2024:

	Percent of RIF	Percent of direct primary case reserves	Delinquency rate
By MSA or MD:			
Phoenix, AZ MSA	3 %	3 %	2.41 %
Chicago-Naperville, IL MD	3	4	3.29 %
Atlanta, GA MSA	3	3	3.02 %
New York, NY MD	2	6	3.53 %
Houston, TX MSA	2	3	3.58 %
Dallas, TX MD	2	2	2.38 %
Washington-Arlington, DC MD	2	2	2.03 %
Riverside-San Bernardino, CA MSA	2	3	3.25 %
Los Angeles-Long Beach, CA MD	2	2	2.65 %
Denver-Aurora-Lakewood, CO MSA	2	1	1.38 %
All Other MSAs/MDs	77	71	2.35 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>2.45 %</b>

The number of delinquencies often does not correlate directly with the number of claims received because delinquencies may cure. The rate at which delinquencies cure is influenced by borrowers' financial resources and circumstances and regional economic differences. Whether a delinquency leads to a claim correlates highly with the borrower's equity at the time of delinquency, as it influences the borrower's willingness to continue to make payments, the borrower's or the insured's ability to sell the home for an amount sufficient to satisfy all amounts due under the mortgage loan and the borrower's financial ability to continue making payments. When we receive notice of a delinquency, we use our proprietary model to determine whether a delinquent loan is a candidate for a modification. When our model identifies such a candidate, our loan workout specialists prioritize cases for loss mitigation based upon the likelihood that the loan will result in a claim. Loss mitigation actions include loan modification, extension of credit to bring a loan current, foreclosure forbearance, pre-foreclosure sale and deed-in-lieu. These loss mitigation efforts often are an effective way to reduce our claim exposure and ultimate payouts.

The following table sets forth the dispersion of primary RIF and direct primary case reserves by policy year and delinquency rates as of March 31, 2025:

Policy year:	Percent of RIF	Percent of direct primary case reserves	Delinquency rate	Cumulative delinquency rate <sup>(1)</sup>
2008 and prior	2 %	10 %	7.91 %	5.55 %
2009-2017	3	9	4.61 %	0.62 %
2018	2	4	4.57 %	0.93 %
2019	4	7	3.13 %	0.83 %
2020	13	13	2.08 %	0.89 %
2021	21	21	2.17 %	1.41 %
2022	19	21	2.43 %	2.10 %
2023	16	12	1.84 %	1.62 %
2024	17	3	0.67 %	0.63 %
2025	3	—	0.02 %	0.02 %
<b>Total portfolio</b>	<b>100 %</b>	<b>100 %</b>	<b>2.34 %</b>	<b>4.14 %</b>

<sup>(1)</sup> Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

The following table sets forth the dispersion of primary RIF and loss reserves by policy year and delinquency rates as of December 31, 2024:

Policy year:	Percent of RIF	Percent of direct primary case reserves	Delinquency rate	Cumulative delinquency rate <sup>(1)</sup>
2008 and prior	2 %	10 %	8.17 %	5.55 %
2009-2016	2	6	4.75 %	0.60 %
2017	1	4	4.37 %	0.84 %
2018	2	5	4.66 %	0.96 %
2019	4	8	3.31 %	0.89 %
2020	14	14	2.14 %	0.94 %
2021	21	21	2.25 %	1.51 %
2022	19	20	2.50 %	2.18 %
2023	17	10	1.83 %	1.64 %
2024	18	2	0.49 %	0.47 %
<b>Total portfolio</b>	<b>100 %</b>	<b>100 %</b>	<b>2.45 %</b>	<b>4.17 %</b>

<sup>(1)</sup> Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

Loss reserves in policy years 2008 and prior are outsized compared to their representation of RIF. The size of these policy years at origination, particularly 2005 through 2008, combined with the significant decline in home prices led to significant losses in policy years prior to 2009. Although uncertainty remains with respect to the ultimate losses we will experience on these policy years, they have become a smaller percentage of our total mortgage insurance portfolio. The concentration of loss reserves has shifted to

newer book years in line with changes in RIF. As of March 31, 2025, our 2018 and newer policy years represented approximately 95% of our primary RIF and 81% of our total direct primary case reserves.

### **Investment Portfolio**

Our investment portfolio is affected by factors described below, each of which in turn may be affected by current macroeconomic conditions as noted above in “—Trends and Conditions.” The investment portfolios of our insurance subsidiaries are directed by the Enact Investment Committee, a management-level committee, with Genworth serving as the primary investment manager. The investment portfolio of EHI is directed by a separate management-level EHI Investment Committee with a third-party investment manager. These parties, with oversight from our Board of Directors and our senior management team, are responsible for the execution of our investment strategy. Our investment portfolio is an important component of our consolidated financial results and represents our primary source of claims paying resources. Our investment portfolio primarily consists of a diverse mix of highly rated fixed maturity securities and is designed to achieve the following objectives:

- Meet policyholder obligations through maintenance of sufficient liquidity;
- Preserve capital;
- Generate investment income;
- Maximize statutory capital; and
- Increase shareholder value, among other objectives.

To achieve our portfolio objectives, our investment strategy focuses primarily on:

- Our business outlook, including current and expected future investment conditions;
- Investments selection based on fundamental, research-driven strategies;
- Diversification across a mix of fixed income, low-volatility investments while actively pursuing strategies to enhance yield;
- Regular evaluation and optimization of our asset class mix;
- Continuous monitoring of investment quality, duration, and liquidity; and
- Regulatory capital requirements.

### Fixed Maturity Securities Available-for-Sale

The following table presents the fair value of our fixed maturity securities available-for-sale as of the dates indicated:

(Amounts in thousands)	March 31, 2025		December 31, 2024	
	Fair value	% of total	Fair value	% of total
U.S. government, agencies and GSEs	\$ 289,008	5 %	\$ 277,363	5 %
State and political subdivisions	476,141	8	467,476	8
Non-U.S. government	113,153	2	83,802	2
U.S. corporate	2,900,205	50	2,825,679	50
Non-U.S. corporate	768,953	13	772,624	14
Residential mortgage-backed	111,683	2	8,364	—
Commercial mortgage-backed	20,702	—	—	—
Other asset-backed	1,135,492	20	1,189,465	21
<b>Total available-for-sale fixed maturity securities</b>	<b>\$ 5,815,337</b>	<b>100 %</b>	<b>\$ 5,624,773</b>	<b>100 %</b>

Our investment portfolio did not include any direct residential real estate or whole mortgage loans as of March 31, 2025 or December 31, 2024. We have no derivative financial instruments in our investment portfolio.

As of March 31, 2025, and December 31, 2024, 99% and 99% of our investment portfolio was rated investment grade, respectively. The following table presents the security ratings of our fixed maturity securities as of the dates indicated:

	March 31, 2025	December 31, 2024
AAA	10 %	11 %
AA	24	22
A	29	31
BBB	36	35
BB & below	1	1
<b>Total</b>	<b>100 %</b>	<b>100 %</b>

The table below presents the effective duration and investment yield on our investments available-for-sale, excluding cash and cash equivalents as of the dates indicated:

	March 31, 2025	December 31, 2024
Duration (in years)	4.3	4.1
Pre-tax yield (% of average investment portfolio assets)	4.1 %	4.0 %

We manage credit risk by analyzing issuers, transaction structures and any associated collateral. We also manage credit risk through country, industry, sector and issuer diversification and prudent asset allocation practices.

We primarily mitigate interest rate risk by employing a buy and hold investment philosophy that seeks to match fixed income maturities with expected liability cash flows in modestly adverse economic scenarios.

## Liquidity and Capital Resources

### Cash Flows

The following table summarizes our consolidated cash flows for the periods indicated:

(Amounts in thousands)	Three months ended March 31,	
	2025	2024
Net cash provided by (used in):		
Operating activities	\$ 226,724	\$ 187,296
Investing activities	(89,575)	(113,468)
Financing activities	(101,312)	(75,181)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ 35,837</b>	<b>\$ (1,353)</b>

Our most significant source of operating cash flows is from premiums received from our insurance policies, while our most significant uses of operating cash flows are generally for claims paid on our insured policies and our operating expenses. Net cash provided by operating activities increased largely due to higher net investment income and premiums and the timing of tax payments. Cash flows from operations were also impacted by net investment losses and changes in reserves and unearned premiums.

Investing activities are primarily related to purchases, sales and maturities of our investment portfolio. Net cash used in investing activities increased primarily as a result of purchases of fixed maturity securities outpacing maturities and sales in the current year due to the deployment of operating cash flows.

During the three months ended March 31, 2025, our cash flows from financing activities included dividends paid of \$28 million and share repurchases of \$65 million. The amount and timing of future dividends is discussed within “—Trends and Conditions” as well as below. During the three months ended March 31, 2024, our cash flows from financing activities included dividends paid of \$25 million and share repurchases of \$50 million.

### Capital Resources and Financing Activities

We issued our 2029 Notes in the second quarter of 2024 with interest payable semi-annually in arrears in May and November of each year. The 2029 Notes mature on May 28, 2029. We may redeem the 2029 Notes, in whole or in part, at any time prior to April 28, 2029, at our option, by paying an additional premium. At any time on or after April 28, 2029, we may redeem the 2029 Notes, in whole or in part, at our option, at 100% of the principal amount, plus accrued and unpaid interest. The 2029 Notes contain customary events of default which, subject to certain notice and cure conditions, can result in the acceleration of the principal and accrued interest on the outstanding notes if we breach the terms of the indenture.

The proceeds from our 2029 Notes, along with other available cash, were used to redeem our 2025 Notes during the second quarter of 2024.

On June 30, 2022, we entered into a credit agreement with a syndicate of lenders that provides for a five-year, unsecured revolving credit facility (the “Facility”) in the initial aggregate principal amount of \$200 million. The Facility matures in June 2027, but under certain conditions EHI may need to repay any outstanding amounts and terminate the Facility earlier than the maturity date. We may use borrowings under the Facility for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility contains several covenants, including financial covenants relating to minimum net worth, capital and

liquidity levels, maximum debt to capitalization level and PMIERS compliance. We are in compliance with all covenants of the Facility and the Facility has remained undrawn through March 31, 2025.

We continually evaluate opportunities based upon market conditions to further increase our financial flexibility including through raising additional capital, restructuring or refinancing some or all of our outstanding debt or pursuing other options such as reinsurance or credit risk transfer transactions. There can be no guarantee that any such opportunities will be available on favorable terms or at all.

#### ***Restrictions on the Payment of Dividends***

The ability of our regulated insurance operating subsidiaries to pay dividends and distributions to us is restricted by certain provisions of North Carolina insurance laws. Our insurance subsidiaries may pay dividends only from unassigned surplus; payments made from sources other than unassigned surplus, such as paid-in and contributed surplus, are categorized as distributions. Notice of all dividends must be submitted to the Commissioner of the NCDI (the "Commissioner") within 5 business days after declaration of the dividend, and at least 30 days before payment thereof. No dividend may be paid until 30 days after the Commissioner has received notice of the declaration thereof and (i) has not within that period disapproved the payment or (ii) has approved the payment within the 30-day period. Any distribution, regardless of amount, requires that same 30-day notice to the Commissioner, but also requires the Commissioner's affirmative approval before being paid. Based on our estimated statutory results and in accordance with applicable dividend restrictions, our insurance subsidiaries have the capacity to pay dividends from unassigned surplus of \$194 million as of March 31, 2025, with 30-day advance notice to the Commissioner of the intent to pay. In addition to dividends and distributions, alternative mechanisms, such as share repurchases, subject to any requisite regulatory approvals, may be utilized from time to time to upstream surplus.

In addition, we review multiple other considerations in parallel to determine a prospective dividend strategy for our regulated insurance operating subsidiaries. Given the regulatory focus on the reasonableness of an insurer's surplus in relation to its outstanding liabilities and the adequacy of its surplus relative to its financial needs for any dividend, our insurance subsidiaries consider the minimum amount of policyholder surplus after giving effect to any contemplated future dividends. Regulatory minimum policyholder surplus is not codified in North Carolina law and limitations may vary based on prevailing business conditions including, but not limited to, the prevailing and future macroeconomic conditions. We estimate regulators would require a minimum policyholder surplus of approximately \$300 million to meet their threshold standard. We are subject to statutory accounting requirements that establish a contingency reserve of at least 50% of net earned premiums annually for ten years, after which time it is released into policyholder surplus. While we began 10-year contingency reserve releases during 2024, minimum policyholder surplus could be a limitation on the future dividends of our regulated operating subsidiaries.

Another consideration in the development of the dividend strategies for our regulated insurance operating subsidiaries is our expected level of compliance with PMIERS. Under PMIERS, EMICO is subject to operational and financial requirements that approved insurers must meet in order to remain eligible to insure loans purchased by the GSEs.

Our regulated insurance operating subsidiaries are also subject to statutory "risk-to-capital" ("RTC") requirements that affect the dividend strategies of our regulated operating subsidiaries. EMICO's domiciliary regulator, the NCDI, requires the maintenance of a statutory RTC ratio not to exceed 25:1. See "—Risk-to-Capital Ratio" for additional RTC trend analysis.

We consider potential future dividends compared to the prior year statutory net income in the evaluation of dividend strategies for our regulated operating subsidiaries. We also consider the dividend payout ratio, or the ratio of potential future dividends compared to the estimated U.S. GAAP net income, in the evaluation of our dividend strategies. In either case, we do not have prescribed target or maximum thresholds, but we do evaluate the reasonableness of a potential dividend relative to the actual or

estimated income generated in the proceeding or preceding calendar year after giving consideration to prevailing business conditions including, but not limited to the prevailing and future macroeconomic conditions. In addition, the dividend strategies of our regulated operating subsidiaries are made in consultation with Genworth.

In March 2025, EMICO completed a dividend of approximately \$200 million that will primarily be used to support our ability to return capital to shareholders and bolster financial flexibility. We intend to continue to use future EMICO dividends and distributions for these purposes.

The credit agreement entered into in connection with the Facility contains customary restrictions on EHI's ability to pay cash dividends. Under the credit agreement, EHI is permitted to make cash distributions (1) so long as no Default or Event of Default (as each are defined in the credit agreement) has occurred and is continuing and EHI is in pro forma compliance with its financial covenants as described below, at the time of and after giving effect to such payment, (2) within 60 days of declaration of any cash dividend so long as the payment was permitted under the credit agreement at the time of such declaration and (3) other customary exceptions as more fully set forth in the credit agreement.

The credit agreement requires EHI to maintain the following financial covenants: a minimum consolidated net worth equal to the sum of (i) 72.5% of EHI's consolidated net worth as of June 30, 2022 ("the Closing Date"), (ii) 50% of EHI's positive consolidated net income for each fiscal quarter after the Closing Date and (iii) 50% of any increase in EHI's consolidated net worth after the Closing Date resulting from equity issuances or capital contributions; in respect of EMICO, a minimum total adjusted capital amount equal to 72.5% of EMICO's total adjusted capital as of the Closing Date; a maximum debt-to-total capitalization ratio of 0.35 to 1.00; a minimum liquidity level of \$25,000,000; and compliance with all applicable financial requirements under the Private Mortgage Insurer Eligibility Requirements published by the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association. For purposes of determining EHI's compliance with the foregoing financial covenants, the consolidated net worth metric, total adjusted capital metric, debt-to-capitalization ratio and liquidity metric (including, in each case, any component thereof) are each calculated as set forth in the credit agreement.

In addition to the restrictions described above, all dividends from EHI are subject to Genworth consent and EHI Board of Directors approval.

#### ***Risk-to-Capital Ratio***

We compute our RTC ratio on a separate company statutory basis, as well as for our combined insurance operations. The RTC ratio is net RIF divided by policyholders' surplus plus statutory contingency reserve. Our net RIF represents RIF, net of reinsurance ceded, and excludes risk on policies that are currently delinquent and for which loss reserves have been established. Statutory capital consists primarily of statutory policyholders' surplus (which increases as a result of statutory net income and decreases as a result of statutory net loss and dividends paid), plus the statutory contingency reserve. The statutory contingency reserve is reported as a liability on the statutory balance sheet.

Certain states have insurance laws or regulations that require a mortgage insurer to maintain a minimum amount of statutory capital (including the statutory contingency reserve) relative to its level of RIF in order for the mortgage insurer to continue to write new business. While formulations of minimum capital vary in certain states, the most common measure applied allows for a maximum permitted RTC ratio of 25:1.

The following table presents the calculation of our estimated RTC ratio for our combined mortgage insurance subsidiaries as of the dates indicated:

(Dollar amounts in millions)	March 31, 2025	December 31, 2024
Statutory policyholders' surplus	\$ 815	\$ 887
Contingency reserves	4,381	4,336
Combined statutory capital	<u>\$ 5,196</u>	<u>\$ 5,223</u>
Adjusted RIF <sup>(1)</sup>	\$ 54,569	\$ 55,001
Combined risk-to-capital ratio	10.5	10.5

<sup>(1)</sup> Adjusted RIF for purposes of calculating combined statutory RTC differs from RIF presented elsewhere herein. In accordance with NCDOL requirements, adjusted RIF excludes delinquent policies.

The following table presents the calculation of our estimated RTC ratio for our primary insurance company, EMICO, as of the dates indicated:

(Dollar amounts in millions)	March 31, 2025	December 31, 2024
Statutory policyholders' surplus	\$ 777	\$ 850
Contingency reserves	4,370	4,325
EMICO statutory capital	<u>\$ 5,147</u>	<u>\$ 5,175</u>
Adjusted RIF <sup>(1)</sup>	\$ 53,951	\$ 54,418
EMICO risk-to-capital ratio	10.5	10.5

<sup>(1)</sup> Adjusted RIF for purposes of calculating EMICO statutory RTC differs from RIF presented elsewhere herein. In accordance with NCDOL requirements, adjusted RIF excludes delinquent policies.

### **Liquidity**

As of March 31, 2025, we maintained liquidity in the form of cash and cash equivalents of \$635 million compared to \$599 million as of December 31, 2024, and we also held significant levels of investment-grade fixed maturity securities and short-term investments that can be monetized should our cash and cash equivalents be insufficient to meet our obligations.

On June 30, 2022, we entered into a five-year, unsecured revolving credit facility with a syndicate of lenders in the initial aggregate principal amount of \$200 million. The Facility matures in June 2027, but under certain conditions EHI may need to repay any outstanding amounts and terminate the Facility earlier than the maturity date. The Facility may be used for working capital needs and general corporate purposes, including the execution of dividends to our shareholders and capital contributions to our insurance subsidiaries. The Facility has remained undrawn through March 31, 2025.

The principal sources of liquidity in our business currently include insurance premiums, net investment income and cash flows from investment sales and maturities. We believe that our assets and the operating cash flows generated by our mortgage insurance subsidiary will provide the funds necessary to satisfy our claim payments, operating expenses and taxes in both the short term and long term. However, our subsidiaries are subject to regulatory and other capital restrictions with respect to the payment of dividends. We currently have no material financing commitments, such as lines of credit or guarantees, that are expected to affect our liquidity, other than the 2029 Notes and the Facility.

### **Financial Strength Ratings**

The following EMICO financial strength ratings have been independently assigned by third-party rating organizations and represent our current ratings, which are subject to change.

<b>Name of Agency</b>	<b>Rating</b>	<b>Outlook</b>	<b>Action</b>	<b>Date of Rating</b>
Moody's Investor Service, Inc.	A3	Positive	Affirm	March 27, 2024
Fitch Ratings, Inc.	A	Stable	Upgrade	January 17, 2025
S&P Global Ratings	A-	Stable	Upgrade	January 8, 2024
A.M. Best	A-	Stable	Affirm	August 23, 2024

In August 2023, Enact Re was independently assigned a rating of A- by third-party rating organization A.M. Best. In August 2024, Enact Re was independently assigned a rating of A- by S&P Global Ratings.

### **Contractual Obligations and Commitments**

Our loss reserves have a high degree of estimation due to macroeconomic uncertainty and the nature of our business. Therefore, it is possible we could have higher contractual obligations related to these loss reserves if they do not cure or progress to claim as we expect. Other than changes in our aforementioned loss reserves, there have been no material additions or changes to our contractual obligations or other off-balance sheet arrangements.

### **Critical Accounting Estimates**

As of the filing date of this report, there were no material changes in our critical accounting estimates from those discussed in our Annual Report.

### **New Accounting Standards**

Refer to Note 2 in our unaudited condensed consolidated financial statements for the three months ended March 31, 2025 and 2024, and in our audited consolidated financial statements for the years ended December 31, 2024 and 2023, for a discussion of recently adopted and not yet adopted accounting standards.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk

We own and manage a large investment portfolio of various holdings, types and maturities. Investment income is one of our material sources of revenue and the investment portfolio represents the primary resource supporting operational and claim payments. The assets within the investment portfolio are exposed to the same factors that affect overall financial market performance. While our investment portfolio is exposed to factors affecting markets worldwide, it is most sensitive to fluctuations in the drivers of United States markets.

We manage market risk via our defined investment policy guidelines implemented by our investment managers with oversight from our Board of Directors and our senior management. Important drivers of our market risk exposure that we monitor and manage include but are not limited to:

- *Changes to the level of interest rates.* Increasing interest rates may reduce the value of certain fixed-rate bonds held in the investment portfolio. Higher rates may cause variable-rate assets to generate additional income. Decreasing rates will have the reverse impact. Significant changes in interest rates can also affect persistency and claim rates that may require that the investment portfolio be restructured to better align it with future liabilities and claim payments. Such restructuring may cause investments to be liquidated when market conditions are adverse.
- *Changes to the term structure of interest rates.* Rising or falling rates typically change by different amounts along the yield curve. These changes may have unforeseen impacts on the value of certain assets.
- *Market volatility/changes in the real or perceived credit quality of investments.* Deterioration in the quality of investments, identified through changes to our own or third-party (e.g., rating agency) assessments, will reduce the value and potentially the liquidity of investments.
- *Concentration risk.* If the investment portfolio is highly concentrated in one asset, or in multiple assets whose values are highly correlated, the value of the total portfolio may be greatly affected by the change in value of just one asset or a group of highly correlated assets.
- *Prepayment risk.* Bonds may have call provisions that permit debtors to repay prior to maturity when it is to their advantage. This typically occurs when rates fall below the interest rate of the debt.

Market risk is measured for all investment assets at the individual security level. Market risks that are not fully captured by the quantitative analysis and material market risk changes that occur from the last reporting period to the current are discussed within “—Trends and conditions” and “—Investment Portfolio” in “Item 2—Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

As of March 31, 2025, the effective duration of our investments available-for-sale was 4.3 years, which means that an instantaneous parallel shift (movement up or down) in the yield curve of 100 basis points would result in a change of 4.3% in fair value of our investments available-for-sale.

#### **Item 4. Controls and Procedures**

##### **Evaluation of Disclosure Controls and Procedures**

As of March 31, 2025, an evaluation was conducted under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based on this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2025.

##### **Changes in Internal Control Over Financial Reporting During the Quarter Ended March 31, 2025**

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Part II. Other Information

### Item 1. Legal Proceedings

We are not subject to any pending material legal proceedings.

### Item 1A. Risk Factors

We have disclosed within Part I, Item 1A in our Annual Report the risk factors that could have a material adverse effect on our business, results of operations and/or financial condition. There have been no material changes from the risk factors previously disclosed. You should carefully consider the risk factors set forth in the Annual Report and the other information set forth elsewhere in this Form 10-Q. These risk factors and other information may not describe every risk that we face. The occurrence of any additional risks and uncertainties that are currently immaterial or unknown could have a material adverse effect on our business, results of operations and/or financial condition.

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

#### Issuer Purchases of Equity Securities

The table below sets forth information regarding repurchases of our common shares during the three months ended March 31, 2025:

Period (Dollar amounts in thousands except per share amounts)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet be Purchased under Plans or Programs <sup>(1)</sup>
January 1 - January 31, 2025	591,363	\$ 32.60	591,363	\$ 73,594
February 1 - February 28, 2025	659,205	\$ 33.55	659,205	\$ 51,478
March 1 - March 31, 2025	711,455	\$ 33.88	711,455	\$ 27,377
Total	1,962,023	\$ 33.38	1,962,023	\$ 27,377

<sup>(1)</sup> On May 1, 2024, we announced authorization of a share repurchase program which allows for the purchase of an additional \$250 million of EHI's common stock. The authorization has no expiration date.

On April 30, 2025, we announced the authorization of a new share repurchase program that allows for the repurchase of an additional \$350 million of EHI's common stock. The Company purchased 693,345 shares at an average price of \$34.60 from April 1, 2025 through April 30, 2025.

### Item 5. Other Information

On April 30, 2025, we announced the authorization of a new share repurchase program which allows for the repurchase of up to an additional \$350 million of EHI's common stock. Under the program, share repurchases may be made at the Company's discretion from time to time in open market transactions, privately negotiated transactions, or by other means, including through Rule 10b5-1 and Rule 10b-18 trading plans. In support, Enact has entered into an agreement with Genworth Holdings, Inc. to repurchase its Enact shares as part of the program to maintain Genworth's current ownership interest in Enact. We expect the timing and amount of any future share repurchases will be opportunistic and will depend on a variety of factors, including EHI's share price, capital availability, business and market conditions, regulatory requirements, and debt covenant restrictions. The program does not obligate EHI to

acquire any amount of common stock, it may be suspended or terminated at any time at the Company's discretion without prior notice, and it does not have a specified expiration date.

*Trading Plans*

During the quarter ended March 31, 2025, no director or Section 16 officer adopted or terminated any "Rule 10b5-1 trading arrangements" or "non-Rule 10b5-1 trading arrangements" (in each case, as defined in Item 408(a) of Regulation S-K).

## Item 6. Exhibits

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
10.1*	<a href="#">Share Repurchase Agreement, dated April 28, 2025, by and between Enact Holdings, Inc. and Genworth Holdings, Inc</a>
31.1*	<a href="#">Certification of Principal Executive Officer</a>
31.2*	<a href="#">Certification of Principal Financial Officer</a>
32.1**	<a href="#">Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code — Principal Executive Officer</a>
32.2**	<a href="#">Certification Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code — Principal Financial Officer</a>
101.INS	Inline XBRL Instance 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

\*\* Furnished herewith and not deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended



## SHARE REPURCHASE AGREEMENT

This Share Repurchase Agreement (this “Agreement”) is made and entered into as of April 30, 2025, by and between Enact Holdings, Inc., a Delaware corporation (the “Company”), and Genworth Holdings, Inc., a Delaware corporation (the “Genworth”).

### RECITALS

WHEREAS, Genworth owns 121,611,828 shares (the “Shares”) of the Common Stock, par value \$0.01 per share, of the Company (the “Common Stock”), representing approximately 81% of the outstanding shares of Common Stock;

WHEREAS, the Company’s Board of Directors has authorized the Company to repurchase shares of Common Stock for a purchase price of up to \$350 million (the “Repurchase Program”);

WHEREAS, pursuant to the Repurchase Program, the Company intends to repurchase shares of its Common Stock from stockholders other than Genworth (“Market Repurchases”), from time to time and subject to market and other conditions; and

WHEREAS, the Company and Genworth are entering into this Agreement to effect repurchases of Genworth’s Shares in proportion to the Market Repurchases;

WHEREAS, the relationship and transactions contemplated hereby were approved by the Company’s Audit Committee of the Board of Directors comprised of independent directors who are not affiliated with Genworth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### ARTICLE I REPURCHASE

**Section 1.01 Repurchase of Shares.** On each Settlement Date (as defined below), Genworth shall sell to the Company, and the Company shall repurchase from Genworth, a number of Shares equal to the Repurchase Shares, under the terms and subject to the conditions hereof and in reliance upon the representations, warranties and agreements contained herein at the Repurchase Price Per Share.

**Section 1.02 Settlement Notice.** Two Business Days prior to each Settlement Date, the Company shall deliver a notice to Genworth by email (each, a “Settlement Notice”) specifying its calculation of the Repurchase Shares and the Repurchase Price Per Share.

**Section 1.03 Reporting and Limitation on Market Repurchases at End of Quarter.** The Company shall notify Genworth within one Business Day of any Market Repurchases made

during a Settlement Period, including the number of shares of Common Stock purchased, the average purchase price and the total purchase price. In addition, the Company shall notify Genworth within one Business Day of the entry into a Rule 10b-18 agreement and disclose to Genworth the parameters of such agreement, including any pricing matrix with respect to Market Repurchases or any 10b5-1 plan and disclose to Genworth the parameters of such plan, including any pricing matrix with respect to Market Repurchases. The Company shall not engage in any Market Repurchases during the last two Business Days of any quarter.

#### **Section 1.04 Definitions.**

(a) “Business Day” means Monday to Friday, except for any day on which banking institutions in New York, New York or Raleigh, North Carolina are authorized or required by applicable law or executive order to close.

(b) “Repurchase Shares” means a number of Shares (rounded to the nearest whole Share) equal to (i) the aggregate number of shares of Common Stock repurchased by the Company pursuant to Market Repurchases during the Settlement Period, multiplied by (ii) 4.3 (which is the approximate ratio as of the date of this Agreement of Genworth’s Shares relative to the shares of Common Stock owned by stockholders other than Genworth, and shall be adjusted with deference and upon mutual consent of the parties to maintain Genworth’s ownership level). For the avoidance of doubt, acquisitions or deemed acquisitions of Common Stock outside of the Repurchase Program (for example, pursuant to net settlement of equity compensation awards) shall not constitute Repurchase Shares.

(c) “Repurchase Price Per Share” means the weighted average price per share (rounded to the nearest whole cent) paid by the Company in connection with Market Repurchases during the Settlement Period, calculated without regard to any broker’s fees, commissions or expenses payable in connection with such repurchases.

(d) “Settlement Date” means (i) the last Business Day of each calendar month and (ii) any other Business Day during such calendar month (no more frequently than weekly) as requested in writing by Genworth from time to time.

(e) “Settlement Period” means, with respect to a Settlement Notice, the period (i) beginning on and including the date of the last Settlement Notice issued by the Company (or, if no Settlement Notice has yet been issued, the date of this Agreement) and (ii) ending on and including the day immediately prior to the date of such Settlement Notice.

## **ARTICLE II CLOSING**

**Section 2.01 Settlement.** Each repurchase of Shares shall take place via the electronic exchange of documents and signature pages at 9:00 a.m., New York time, on the Settlement Date or at such other time, date or place as Genworth and the Company may agree in writing (each, a “Closing”).

**Section 2.02 Closing Deliverables.** At each Closing, Genworth shall deliver an executed instruction letter to the Company's transfer agent, along with any stock power or other documents required by the transfer agent, instructing the transfer agent to deliver the Repurchase Shares to the Company or as may otherwise be instructed by the Company, and the Company agrees to deliver to Genworth a dollar amount equal to the product of the Repurchase Price Per Share and the number of Repurchase Shares by wire transfer of immediately available funds.

### **ARTICLE III REPRESENTATIONS AND WARRANTIES OF GENWORTH**

Genworth represents and warrants to the Company as follows, as of this date of this Agreement and as of each Closing:

**Section 3.01 Title to Repurchase Shares.** Genworth has, and immediately prior to each Closing will have, good and valid title to the Shares to be sold, free and clear of all liens, encumbrances, equities or adverse claims.

**Section 3.02 Required Consents; Authority.** Except as would not impair in any material respect the ability of Genworth to consummate its obligations hereunder, all consents, approvals, authorizations, orders and qualifications necessary for the execution, delivery and performance by Genworth of this Agreement, and for the sale and delivery of the Repurchase Shares to be sold by Genworth hereunder, have been obtained; and Genworth has full right, power and authority to enter into, execute and deliver this Agreement and to sell, assign, transfer and deliver the Repurchase Shares to be sold by Genworth hereunder; this Agreement has been duly authorized, executed and delivered by or on behalf of Genworth.

**Section 3.03 Receipt of Information.** Genworth has received all the information it considers necessary or appropriate for deciding whether to consummate the transactions contemplated provided by this Agreement. Genworth has had an opportunity to ask questions of and to receive answers from, the Company concerning the Company, the Repurchase Shares and the transactions described in this Agreement. Genworth has had the opportunity to discuss with its tax advisors the consequences of the transactions described in this Agreement. Genworth has not received, nor is it relying on, any representations or warranties from the Company other than as provided herein, and the Company hereby disclaims any other express or implied representations or warranties with respect to itself.

### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

The Company represents and warrants to Genworth as follows, as of this date of this Agreement and as of each Closing:

**Section 4.01 Authority Relative to this Agreement.** The Company has full corporate power and authority to enter into, execute and deliver this Agreement and to perform its

obligations hereunder; and this Agreement and the consummation by it of the transactions contemplated hereby have been duly authorized, executed and delivered by the Company.

**Section 4.02 Approvals.** Except as would not impair in any material respect the ability of the Company to consummate its obligations hereunder, all consents, approvals, authorizations, orders and qualifications necessary for the execution, delivery and performance by the Company of this Agreement and the consummation of the transactions contemplated by this Agreement have been obtained.

## **ARTICLE V MISCELLANEOUS**

**Section 5.01 Termination.** Unless extended by the mutual written consent of each of the parties hereto, this Agreement shall automatically terminate and be of no further force and effect upon the the date on which the Repurchase Program terminates (whether as a result of the Company fully utilizing its \$350 million repurchase authorization, the Company early terminating such program or otherwise), or (ii) if earlier, at any time upon notice by both the Company and Genworth that the parties have agreed to terminate this Agreement, provided such termination will be without prejudice to the parties respective obligations with respect to the purchase and sale of Repurchase Shares arising prior to such notice.

**Section 5.02 Savings Clause.** No provision of this Agreement shall be construed to require any party or its affiliates to take any action that would violate any applicable law (whether statutory or common), rule or regulation.

**Section 5.03 Amendment and Waiver.** No provision of this Agreement may be amended or modified except by a written instrument signed by all parties hereto. Either party may, in its sole discretion, waive any and all rights granted to it in this Agreement; provided, that no waiver by any party of any provision hereof shall be effective unless explicitly set forth in writing and executed by the party so waiving. The waiver by any party hereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other subsequent breach.

**Section 5.04 Severability.** If any term or other provision (or part thereof) of this Agreement is invalid, illegal or incapable of being enforced under any law or as a matter of public policy, all other conditions and provisions (or part thereof) of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision (or part thereof) is invalid, illegal or incapable of being enforced, the parties to this Agreement shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement be consummated as originally contemplated to the greatest extent possible.

**Section 5.05 Entire Agreement.** Except as otherwise expressly provided in this Agreement, this Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter of this Agreement and supersedes all prior agreements and undertakings, both written and oral, between or on behalf of the Parties hereto with respect to the subject matter of this Agreement.

**Section 5.06 Assignment; No Third-Party Beneficiaries.** This Agreement shall not be assigned by any party hereto without the prior written consent of the other party hereto. This Agreement is for the sole benefit of the parties to this Agreement and their permitted successors and assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

**Section 5.07 No Broker.** No party has engaged any third party as broker or finder or incurred or become obligated to pay any broker's commission or finder's fee in connection with the repurchases to be occur pursuant to this Agreement.

**Section 5.08 Counterparts.** This Agreement may be executed in one or more counterparts each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic mail shall be as effective as delivery of a manually executed counterpart of any such Agreement.

**Section 5.09 Notices.** All notices, requests, claims, demands and other communications under this Agreement shall be made in accordance with Section 10.5 of the Third Amended and Restated Master Agreement between Genworth Financial, Inc. and the Company, dated August 29, 2023, as such may be amended from time to time, except that each Settlement Notice shall be delivered to an email address designated by Genworth.

**Section 5.10 Governing Law.** This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware (without giving effect to any provision thereof relating to conflicts of laws principles that would apply the laws of another jurisdiction).

**Section 5.11 Rules of Construction.** Interpretation of this Agreement shall be governed by the following rules of construction: (a) words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other gender as the context requires, (b) references to the terms Article, Section, and paragraph are references to the Articles, Sections, and paragraphs to this Agreement unless otherwise specified, (c) the word “including” and words of similar import shall mean “including, without limitation,” (d) provisions shall apply, when appropriate, to successive events and transactions, (e) any reference to any law, rule or regulation herein shall, unless otherwise specified, refer to such law, rule or regulation as amended, modified or supplemented from time to time, (f) any reference to any contract, agreement or organizational document is to the contract, agreement or organizational document as amended, modified, supplemented or replaced from time to time, unless otherwise

stated and (g) this Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting or causing any instrument to be drafted.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

GENWORTH HOLDINGS, INC.

By: /s/ Thomas J. McInerney

Name: Thomas J. McInerney

Title: President and Chief Executive Officer

ENACT HOLDINGS, INC.

By: /s/ Rohit Gupta

Name: Rohit Gupta

Title: President and Chief Executive Officer

[Signature Page to Share Repurchase Agreement]

**CERTIFICATIONS**

I, Rohit Gupta, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Enact Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 2, 2025

By: \_\_\_\_\_  
/s/ Rohit Gupta  
**Rohit Gupta**  
**President and Chief Executive Officer**  
**(Principal Executive Officer)**





