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 period ended June 30, 2026

☐ **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 001-36157

ESSENT GROUP LTD.

(Exact name of registrant as specified in its charter)

Bermuda	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

Clarendon House
2 Church Street
Hamilton HM11, Bermuda
(Address of principal executive offices and zip code)
(441) 297-9901
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, $0.015 par value	ESNT	New York Stock Exchange

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232-405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.) Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

The number of the registrant's common shares outstanding as of July 31, 2026 was 89,876,493.

Essent Group Ltd. and Subsidiaries

Form 10-Q

Index

Unless the context otherwise indicates or requires, the terms "we," "our," "us," "Essent," and the "Company," as used in this Quarterly Report on Form 10-Q, refer to Essent Group Ltd. and its directly and indirectly owned subsidiaries, including our primary operating subsidiaries, Essent Guaranty, Inc. ("Essent Guaranty"), Essent Reinsurance Ltd. ("Essent Re"), and Essent Title Insurance, Inc. ("Essent Title"), as a combined entity, except where otherwise stated or where it is clear that the terms mean only Essent Group Ltd. exclusive of its subsidiaries.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q, or Quarterly Report, includes forward-looking statements pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts or present facts or conditions, such as statements regarding our future financial condition or results of operations, our prospects and strategies for future growth, the introduction of new products and services, and the implementation of our marketing and branding strategies. In many cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or the negative of these terms or other comparable terminology.

The forward-looking statements contained in this Quarterly Report reflect our views as of the date of this Quarterly Report about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, performance or achievements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements, including, but not limited to, those factors described below, in Part I, Item 2 "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Quarterly Report, and in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the Securities and Exchange Commission. These factors include, without limitation, the following:

- changes in or to Fannie Mae and Freddie Mac, which we refer to collectively as the GSEs, whether through Federal legislation, restructurings or a shift in business practices;
- failure to continue to meet the mortgage insurer eligibility requirements of the GSEs;
- competition for our customers or the loss of a significant customer;
- lenders or investors seeking alternatives to private mortgage insurance;
- increase in the number of loans insured through Federal government mortgage insurance programs, including those offered by the Federal Housing Administration;
- decline in the volume of low down payment mortgage originations;
- uncertainty of loss reserve estimates;
- decrease in the length of time our insurance policies are in force;
- deteriorating economic conditions;
- recently enacted U.S. Federal tax reform and its impact on us, our shareholders and our operations;
- the definition of "Qualified Mortgage" reducing the size of the mortgage origination market or creating incentives to use government mortgage insurance programs;
- the definition of "Qualified Residential Mortgage" reducing the number of low down payment loans or lenders and investors seeking alternatives to private mortgage insurance;
- the implementation of the Basel III Capital Accord, which may discourage the use of private mortgage insurance;
- management of risk in our investment portfolio;

- fluctuations in interest rates;
- inadequacy of the premiums we charge to compensate for our losses incurred;
- dependence on management team and qualified personnel;
- disturbance to our information technology systems;
- change in our customers' capital requirements discouraging the use of mortgage insurance;
- declines in the value of borrowers' homes;
- limited availability of capital or reinsurance;
- unanticipated claims arise under and risks associated with our contract underwriting program;
- industry practice that loss reserves are established only upon a loan default;
- disruption in mortgage loan servicing;
- risk of future legal proceedings;
- customers' technological demands;
- our non-U.S. operations becoming subject to U.S. Federal income taxation;
- becoming considered a passive foreign investment company for U.S. Federal income tax purposes; and
- potential restrictions on the ability of our insurance subsidiaries to pay dividends.

Readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on these forward-looking statements. All of the forward-looking statements we have included in this Quarterly Report are based on information available to us on the date of this Quarterly Report. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as otherwise required by law.

We intend to use our website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Such disclosures will be included on our website in the "Events & Presentations" section. Accordingly, investors should monitor such portion of our website, in addition to following our press releases, SEC filings and public conference calls and webcasts.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

Essent Group Ltd. and Subsidiaries

Condensed Consolidated Balance Sheets (Unaudited)

(In thousands, except per share amounts)	June 30, 2026	December 31, 2025
Assets		
Investments		
Fixed maturities available for sale, at fair value (amortized cost: 2026 — $5,636,263; 2025 — $5,631,201)	$ 5,414,809	$ 5,455,593
Short-term investments available for sale, at fair value (amortized cost: 2026 — $623,895; 2025 — $648,492)	623,886	648,492
Total investments available for sale	6,038,695	6,104,085
Other invested assets	441,852	382,513
Total investments	6,480,547	6,486,598
Cash	74,333	123,049
Accrued investment income	48,306	47,371
Accounts receivable	169,772	51,267
Deferred policy acquisition costs	68,857	9,547
Property, equipment and software (at cost, less accumulated depreciation of $73,197 in 2026 and $71,466 in 2025)	47,753	49,189
Prepaid federal income tax	496,325	513,425
Goodwill and acquired intangible assets, net	77,451	78,153
Other assets	128,538	82,404
Total assets	$ 7,591,882	$ 7,441,003
Liabilities and Stockholders' Equity		
Liabilities		
Reserve for losses and LAE	$ 518,799	$ 446,822
Unearned premium reserve	256,827	91,730
Net deferred tax liability	449,738	465,351
Senior Notes due 2029, net	495,972	495,301
Other liabilities	207,145	185,072
Total liabilities	1,928,481	1,684,276
Commitments and contingencies (see Note 7)		
Stockholders' Equity		
Common shares, $0.015 par value:		
Authorized - 233,333; issued and outstanding - 89,876 shares in 2026 and 95,456 shares in 2025	1,348	1,432
Additional paid-in capital	298,724	649,895
Accumulated other comprehensive loss	(190,662)	(151,985)
Retained earnings	5,553,991	5,257,385
Total stockholders' equity	5,663,401	5,756,727
Total liabilities and stockholders' equity	$ 7,591,882	$ 7,441,003

See accompanying notes to condensed consolidated financial statements.

Essent Group Ltd. and Subsidiaries

Condensed Consolidated Statements of Comprehensive Income (Unaudited)

(In thousands, except per share amounts)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenues:				
Net premiums written	$ 307,285	$ 241,488	$ 701,954	$ 479,759
(Increase) decrease in unearned premiums	(30,521)	7,321	(165,097)	14,898
Net premiums earned	276,764	248,809	536,857	494,657
Net investment income	61,612	59,289	120,867	117,499
Realized investment gains (losses), net	(111)	(129)	(258)	(310)
Income from other invested assets	19,385	4,466	29,564	11,874
Other income	5,036	6,708	11,728	12,981
Total revenues	362,686	319,143	698,758	636,701
Losses and expenses:				
Provision for losses and LAE	48,961	17,055	97,177	48,342
Other underwriting and operating expenses	75,258	62,765	148,241	133,889
Interest expense	8,148	8,148	16,296	16,296
Total losses and expenses	132,367	87,968	261,714	198,527
Income before income taxes	230,319	231,175	437,044	438,174
Income tax expense	40,605	35,836	75,531	67,402
Net income	$ 189,714	$ 195,339	$ 361,513	$ 370,772
Earnings per share:				
Basic	$ 2.09	$ 1.95	$ 3.92	$ 3.65
Diluted	2.08	1.93	3.89	3.62
Weighted average shares outstanding:				
Basic	90,740	100,037	92,271	101,451
Diluted	91,389	101,059	92,972	102,495
Net income	$ 189,714	$ 195,339	$ 361,513	$ 370,772
Other comprehensive income (loss):				
Unrealized (depreciation) appreciation of investments, net of tax (benefit) expense of $231 and $2,070 in the three months ended June 30, 2026 and 2025, and ($7,178) and $13,365 in the six months ended June 30, 2026 and 2025, respectively.	(2,726)	16,580	(38,677)	88,318
Total other comprehensive income (loss)	(2,726)	16,580	(38,677)	88,318
Comprehensive income	$ 186,988	$ 211,919	$ 322,836	$ 459,090

See accompanying notes to condensed consolidated financial statements.

Essent Group Ltd. and Subsidiaries

Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited)

(In thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Common Shares				
Balance, beginning of period	$ 1,396	$ 1,537	$ 1,432	$ 1,575
Issuance of management incentive shares	—	—	7	8
Forfeiture of management incentive shares	—	—	—	(1)
Cancellation of treasury stock	(48)	(44)	(91)	(89)
Balance, end of period	1,348	1,493	1,348	1,493
Additional Paid-In Capital				
Balance, beginning of period	486,672	1,055,340	649,895	1,214,956
Dividends and dividend equivalents declared	458	464	721	669
Issuance of management incentive shares	—	—	(7)	(8)
Forfeiture of management incentive shares	—	—	—	1
Stock-based compensation expense	3,351	3,950	10,689	12,942
Cancellation of treasury stock	(191,757)	(171,417)	(362,574)	(340,223)
Balance, end of period	298,724	888,337	298,724	888,337
Accumulated Other Comprehensive Loss				
Balance, beginning of period	(187,936)	(232,246)	(151,985)	(303,984)
Other comprehensive income (loss)	(2,726)	16,580	(38,677)	88,318
Balance, end of period	(190,662)	(215,666)	(190,662)	(215,666)
Retained Earnings				
Balance, beginning of period	5,396,370	4,834,675	5,257,385	4,691,111
Net income	189,714	195,339	361,513	370,772
Dividends and dividend equivalents declared	(32,093)	(31,330)	(64,907)	(63,199)
Balance, end of period	5,553,991	4,998,684	5,553,991	4,998,684
Treasury Stock				
Balance, beginning of period	—	—	—	—
Treasury stock acquired	(191,805)	(171,461)	(362,665)	(340,312)
Cancellation of treasury stock	191,805	171,461	362,665	340,312
Balance, end of period	—	—	—	—
Total Stockholders' Equity	$ 5,663,401	$ 5,672,848	$ 5,663,401	$ 5,672,848

See accompanying notes to condensed consolidated financial statements.

Essent Group Ltd. and Subsidiaries

Condensed Consolidated Statements of Cash Flows (Unaudited)

(In thousands)	Six Months Ended June 30, 2026	2025
Operating Activities		
Net income	$ 361,513	$ 370,772
Adjustments to reconcile net income to net cash provided by operating activities:		
Realized investment losses, net	258	310
Income from other invested assets	(29,564)	(11,874)
Distribution of income from other invested assets	6,513	3,327
Depreciation and amortization	2,433	2,714
Stock-based compensation expense	10,689	12,942
Amortization of premium on investment securities	6,247	7,007
Deferred income tax provision (benefit)	(8,253)	21,409
Change in:		
Accrued investment income	(935)	(2,208)
Accounts receivable	(118,433)	3,786
Deferred policy acquisition costs	(59,310)	416
Prepaid federal income tax	17,100	(7,756)
Other assets	(45,015)	(2,147)
Reserve for losses and LAE	71,977	35,883
Unearned premium reserve	165,097	(13,601)
Other accrued liabilities	8,817	(9,876)
Net cash provided by operating activities	389,134	411,104
Investing Activities		
Net change in short-term investments	24,597	180,990
Purchase of investments available for sale	(535,774)	(602,313)
Proceeds from maturity and paydowns of investments available for sale	463,945	414,860
Proceeds from sales of investments available for sale	74,313	6,226
Purchase of other invested assets	(39,976)	(48,617)
Return of investment from other invested assets	3,686	1,241
Purchase of property and equipment and capitalization of internal-use software	(1,790)	(963)
Net cash used in investing activities	(10,999)	(48,576)
Financing Activities		
Treasury stock acquired	(362,665)	(339,362)
Dividends paid	(64,186)	(62,530)
Net cash used in financing activities	(426,851)	(401,892)
Net decrease in cash	(48,716)	(39,364)
Cash at beginning of year	123,049	131,480
Cash at end of period	$ 74,333	$ 92,116
Supplemental Disclosure of Cash Flow Information		
Income tax payments	$ (73,525)	$ (53,737)
Interest payments	(15,625)	(15,625)
Noncash Transactions		
Excise taxes payable for share repurchases	$ —	$ 950
Property, equipment, and capitalized internal-use software costs included in other liabilities	98	—
Lease liabilities arising from obtaining right-of-use assets	292	4,294

See accompanying notes to condensed consolidated financial statements.

In these notes to condensed consolidated financial statements, “Essent”, “Company”, “we”, “us”, and “our” refer to Essent Group Ltd. and its subsidiaries, unless the context otherwise requires.

Note 1. Nature of Operations and Basis of Presentation

Essent Group Ltd. (“Essent Group”) is a Bermuda-based holding company, which, through its wholly-owned subsidiaries, offers private mortgage insurance and reinsurance for mortgages secured by residential properties located in the United States. Mortgage insurance facilitates the sale of low down payment (generally less than 20%) mortgage loans into the secondary mortgage market, primarily to two government-sponsored enterprises (“GSEs”), Fannie Mae and Freddie Mac.

The primary mortgage insurance operations are conducted through Essent Guaranty, Inc. (“Essent Guaranty”), which is domiciled in the state of Pennsylvania. Essent Guaranty is headquartered in Radnor, Pennsylvania and maintains an operations center in Winston-Salem, North Carolina. Essent Guaranty is approved as a qualified mortgage insurer by the GSEs and is licensed to write mortgage insurance in all 50 states and the District of Columbia.

Essent Guaranty reinsures new insurance written ("NIW") to Essent Reinsurance Ltd. (“Essent Re”), an affiliated Bermuda domiciled Class 3B Insurer licensed pursuant to Section 4 of the Bermuda Insurance Act 1978 that provides insurance and reinsurance coverage of mortgage credit risk. Essent Re also provides insurance and reinsurance to Freddie Mac and Fannie Mae. The following table summarizes the quota share reinsurance coverage that Essent Re has provided to Essent Guaranty for the respective NIW periods:

NIW Period	Ceding Percentage
January 1, 2025 to Present	50%
January 1, 2021 to December 31, 2024	35%
Prior to January 1, 2021	25%

In 2016, Essent Re formed Essent Agency (Bermuda) Ltd., a wholly-owned subsidiary, which provides underwriting consulting services to third-party reinsurers. Effective January 1, 2026, Essent Re began reinsuring certain property and casualty risks.

In addition to offering mortgage insurance, we provide contract underwriting services on a limited basis through CUW Solutions, LLC ("CUW Solutions"), a Delaware limited liability company, that provides, among other things, mortgage contract underwriting services to lenders and mortgage insurance underwriting services to affiliates. CUW Solutions is headquartered in Radnor, Pennsylvania and it maintains an operations center in Winston-Salem, North Carolina that is subleased from Essent Guaranty.

We also offer title insurance products both directly and through a network of title insurance agents through Essent Title Insurance, Inc. ("Essent Title"), as well as title and settlement services. Our title insurance operations are headquartered in Radnor, Pennsylvania, with additional locations in Columbia, Missouri and Pittsburgh, Pennsylvania.

We have two reportable business segments: Mortgage Insurance and Reinsurance. Our Mortgage Insurance segment offers private mortgage insurance for residential first-lien mortgages secured by residential properties located in the United States through our U.S. mortgage insurance subsidiary, Essent Guaranty, and also offers other credit risk management solutions, including contract underwriting, to our customers. Our Reinsurance segment reinsures U.S. mortgage risk in the GSE credit risk transfer market through our Bermuda-based reinsurance subsidiary, Essent Re, and also provides underwriting consulting services to third-party reinsurers. Effective January 1, 2026, Essent Re began reinsuring certain property and casualty risks.

We have prepared the condensed consolidated financial statements included herein pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). We have condensed or omitted certain information and footnote disclosures normally included in consolidated financial statements prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) pursuant to such rules and regulations. In the opinion of management, the statements include all adjustments (which include normal recurring adjustments) required for a fair statement of financial position, results of operations and cash flows for the interim periods presented. These statements should be read in conjunction with the consolidated financial statements and notes thereto, including Note 1 and Note 2 to the consolidated financial statements, included in our Annual Report on Form 10-K for the year ended December 31, 2025, which discloses the principles of consolidation and a summary of significant accounting policies. The results of operations for the interim periods are not necessarily indicative of the results for the full year. We evaluated the need to recognize or disclose events that occurred subsequent to June 30, 2026 prior to the issuance of these condensed consolidated financial statements.

Certain amounts in prior years have been reclassified to conform to the current year presentation.

Note 2. Recently Issued Accounting Standards

Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”) and in January 2025, the FASB issued ASU No. 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date, which clarified the effective date of ASU 2024-03. ASU 2024-03 will require the Company to disclose the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization, as applicable, included in certain expense captions in the Consolidated Statements of Operations, as well as qualitatively describe remaining amounts included in those captions. ASU 2024-03 will also require the Company to disclose both the amount and the Company’s definition of selling expenses. The ASU is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027. The Company is currently evaluating the impact that the ASU will have on our consolidated financial statements.

In September 2025, the FASB issued Accounting Standard Update No. 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software (“ASU 2025-06”). The amendments in ASU 2025-06 clarify and refine the criteria for capitalizing costs related to internal-use software. Under the new guidance, capitalization is permitted when both of the following conditions are met: (i) management has authorized and committed to funding the software project, and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. ASU 2025-06 is effective for fiscal periods beginning after December 15, 2027, and interim periods thereafter. The Company is currently evaluating the impact that the ASU will have on our consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, “Interim Reporting (Topic 270) Narrow-Scope Improvements.” The amendments in this Update clarify interim disclosure requirements and the applicability of Topic 270. The objective of the update is to provide clarity about current interim requirements. The amendments in this update also include a disclosure principle that requires entities to disclose events since the end of the last annual reporting period that have a material impact on the entity. The amendments in this ASU are required to be adopted for interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact that the ASU will have on our consolidated financial statements.

Note 3. Investments

Investments available for sale consist of the following:

June 30, 2026 (In thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. Treasury securities	$ 280,267	$ 157	$ (5,936)	$ 274,488
U.S. agency mortgage-backed securities	1,184,056	3,235	(83,461)	1,103,830
Municipal debt securities(1)	634,284	5,346	(35,859)	603,771
Non-U.S. government securities	58,202	—	(8,931)	49,271
Corporate debt securities (2)	2,030,876	4,902	(68,694)	1,967,084
Residential and commercial mortgage securities	485,796	499	(24,153)	462,142
Asset-backed securities	962,782	1,414	(9,973)	954,223
Money market funds	623,895	—	(9)	623,886
Total investments available for sale	$ 6,260,158	$ 15,553	$ (237,016)	$ 6,038,695

December 31, 2025 (In thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. Treasury securities	$ 373,567	$ 2,121	$ (5,976)	$ 369,712
U.S. agency mortgage-backed securities	1,243,823	7,822	(76,750)	1,174,895
Municipal debt securities (1)	641,153	5,483	(36,225)	610,411
Non-U.S. government securities	64,470	—	(8,446)	56,024
Corporate debt securities (2)	2,017,246	17,381	(54,547)	1,980,080
Residential and commercial mortgage securities	486,441	1,046	(23,382)	464,105
Asset-backed securities	804,501	3,832	(7,967)	800,366
Money market funds	648,492	—	—	648,492
Total investments available for sale	$ 6,279,693	$ 37,685	$ (213,293)	$ 6,104,085

(1) The following table summarizes municipal debt securities as of :	June 30, 2026	December 31, 2025
Special revenue bonds	81.5%	81.2%
General obligation bonds	18.5	18.8
Total	100.0%	100.0%

(2) The following table summarizes corporate debt securities as of :	June 30, 2026	December 31, 2025
Financial	39.9%	40.9%
Consumer, non-cyclical	18.8	18.1
Industrial	8.6	9.0
Utilities	8.3	7.9
Consumer, cyclical	6.4	6.0
Technology	6.1	6.1
Energy	4.9	4.7
Communications	4.4	4.7
Basic Materials	2.6	2.6
Total	100.0%	100.0%

Essent Group Ltd. and Subsidiaries

Notes to Condensed Consolidated Financial Statements (Unaudited)

The amortized cost and fair value of investments available for sale at June 30, 2026, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties. Because most U.S. agency mortgage-backed securities, residential and commercial mortgage securities and asset-backed securities provide for periodic payments throughout their lives, they are listed below in separate categories.

(In thousands)	Amortized Cost	Fair Value
U.S. Treasury securities:		
Due in 1 year	$ 101,928	$ 101,543
Due after 1 but within 5 years	148,313	145,724
Due after 5 but within 10 years	15,488	14,679
Due after 10 years	14,538	12,542
Subtotal	280,267	274,488
Municipal debt securities:		
Due in 1 year	11,586	11,543
Due after 1 but within 5 years	95,653	92,751
Due after 5 but within 10 years	149,193	141,461
Due after 10 years	377,852	358,016
Subtotal	634,284	603,771
Non-U.S. government securities:		
Due in 1 year	14,823	14,713
Due after 1 but within 5 years	3,851	3,652
Due after 5 but within 10 years	10,082	8,802
Due after 10 years	29,446	22,104
Subtotal	58,202	49,271
Corporate debt securities:		
Due in 1 year	129,538	128,879
Due after 1 but within 5 years	616,969	596,009
Due after 5 but within 10 years	1,083,138	1,068,153
Due after 10 years	201,231	174,043
Subtotal	2,030,876	1,967,084
U.S. agency mortgage-backed securities	1,184,056	1,103,830
Residential and commercial mortgage securities	485,796	462,142
Asset-backed securities	962,782	954,223
Money market funds	623,895	623,886
Total investments available for sale	$ 6,260,158	$ 6,038,695

The components of realized investment (losses) gains, net on the condensed consolidated statements of comprehensive income were as follows:

(In thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Realized gross gains	$ 330	$ 19	$ 674	$ 19
Realized gross losses	(441)	(148)	(932)	(329)

The fair value of investments available for sale in an unrealized loss position and the related unrealized losses for which no allowance for credit loss has been recorded were as follows:

	Less than 12 months		12 months or more		Total	
June 30, 2026 (In thousands)	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**
U.S. Treasury securities	$ 105,334	$ (720)	$ 119,919	$ (5,216)	$ 225,253	$ (5,936)
U.S. agency mortgage-backed securities	300,916	(3,739)	513,692	(79,722)	814,608	(83,461)
Municipal debt securities	86,379	(1,207)	280,715	(34,652)	367,094	(35,859)
Non-U.S. government securities	19,083	(3,721)	30,188	(5,210)	49,271	(8,931)
Corporate debt securities	868,067	(11,824)	584,126	(56,870)	1,452,193	(68,694)
Residential and commercial mortgage securities	94,162	(1,096)	323,424	(23,057)	417,586	(24,153)
Asset-backed securities	361,474	(2,511)	129,409	(7,462)	490,883	(9,973)
Money market funds	92,487	(9)	—	—	92,487	(9)
Total	$ 1,927,902	$ (24,827)	$ 1,981,473	$ (212,189)	$ 3,909,375	$ (237,016)

	Less than 12 months		12 months or more		Total	
December 31, 2025 (In thousands)	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**	**Fair Value**	**Gross Unrealized Losses**
U.S. Treasury securities	$ 1,048	$ (8)	$ 179,121	$ (5,968)	$ 180,169	$ (5,976)
U.S. agency mortgage-backed securities	45,415	(90)	638,729	(76,660)	684,144	(76,750)
Municipal debt securities	74,928	(1,015)	314,515	(35,210)	389,443	(36,225)
Non-U.S. government securities	—	—	56,024	(8,446)	56,024	(8,446)
Corporate debt securities	196,571	(1,106)	706,561	(53,441)	903,132	(54,547)
Residential and commercial mortgage securities	36,552	(240)	364,271	(23,142)	400,823	(23,382)
Asset-backed securities	103,989	(871)	150,158	(7,096)	254,147	(7,967)
Total	$ 458,503	$ (3,330)	$ 2,409,379	$ (209,963)	$ 2,867,882	$ (213,293)

At June 30, 2026 and December 31, 2025, we held 2,298 and 1,763 individual investment securities, respectively, that were in an unrealized loss position. We assess our intent to sell these securities and whether we will be required to sell these securities before the recovery of their amortized cost basis when determining whether to record an impairment on the securities in an unrealized loss position. In assessing whether the decline in the fair value at June 30, 2026 of any of these securities resulted from a credit loss or other factors, we made inquiries of our investment managers to determine that each issuer was current on its scheduled interest and principal payments. We reviewed the credit rating of these securities noting that approximately 99% of the securities at June 30, 2026 had investment-grade ratings. We concluded that gross unrealized losses noted above were primarily associated with the changes in interest rates subsequent to purchase rather than due to credit impairment. There were no impairments recorded in the three and six months ended June 30, 2026 or 2025.

The Company's other invested assets at June 30, 2026 and December 31, 2025 totaled $441.9 million and $382.5 million, respectively. Other invested assets are principally comprised of limited partnership interests which are generally accounted for under the equity method or fair value using net asset value (or its equivalent) as a practical expedient. Our proportionate share of earnings or losses or changes in fair value are reported in income from other invested assets on the condensed consolidated statements of comprehensive income. For entities accounted for under the equity method that follow industry-specific guidance for investment companies, our proportionate share of earnings or losses includes changes in the fair value of the underlying assets of these entities. Due to the timing of receiving financial information from these partnerships, the results are generally reported on a one month or quarter lag.

Other invested assets that are accounted for at fair value using the net asset value (or its equivalent) as a practical expedient totaled $217.5 million as of June 30, 2026 and $180.0 million as of December 31, 2025. The majority of these investments were in limited partnerships invested primarily in real estate and technology. At June 30, 2026, maximum future funding commitments were $84.1 million. For limited partnership investments that have a contractual expiration date, we expect the liquidation of the underlying assets to occur within the next one to nine years. For certain of these investments, the Company does not have the contractual option to redeem but receives distributions based on the liquidation of the underlying assets. In addition, the Company generally does not have the ability to sell or transfer these investments without consent from the general partner of individual limited partnerships.

The fair value of investments deposited with insurance regulatory authorities to meet statutory requirements was $8.9 million at June 30, 2026 and $8.7 million at December 31, 2025. In connection with its insurance and reinsurance activities, Essent Re is required to maintain assets in trusts for the benefit of its contractual counterparties. The fair value of the investments on deposit in these trusts was $1.0 billion at both June 30, 2026 and December 31, 2025. Essent Guaranty is also required to maintain assets on deposit for the benefit of the sponsor of a fixed income investment commitment. The fair value of the assets on deposit was $5.2 million at both June 30, 2026 and December 31, 2025.

Net investment income consists of:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Fixed maturities	$ 58,220	$ 54,946	$ 112,523	$ 107,432
Short-term investments	5,249	6,073	11,777	13,548
Gross investment income	63,469	61,019	124,300	120,980
Investment expenses	(1,857)	(1,730)	(3,433)	(3,481)
Net investment income	$ 61,612	$ 59,289	$ 120,867	$ 117,499

Note 4. Reinsurance

In the ordinary course of business, our mortgage insurance subsidiary uses reinsurance to provide protection against adverse loss experience and to expand our capital sources. Reinsurance recoverables are recorded as assets and included in other assets on our condensed consolidated balance sheets, predicated on a reinsurer's ability to meet their obligations under the reinsurance agreements. If the reinsurers are unable to satisfy their obligations under the agreements, our insurance subsidiaries would be liable for such defaulted amounts. Our reinsurance subsidiary reinsures certain property and casualty risks and assumes premium from the ceding insurers for the reinsurance coverage provided.

Premiums written and earned is comprised of the following for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Net premiums written:				
Direct	$ 276,923	$ 274,872	$ 551,790	$ 547,266
Assumed	65,475	—	221,840	—
Ceded (1)	(35,113)	(33,384)	(71,676)	(67,507)
Net premiums written	$ 307,285	$ 241,488	$ 701,954	$ 479,759
Net premiums earned:				
Direct	$ 280,954	$ 282,193	$ 560,564	$ 562,164
Assumed	30,923	—	47,969	—
Ceded (1)	(35,113)	(33,384)	(71,676)	(67,507)
Net premiums earned	$ 276,764	$ 248,809	$ 536,857	$ 494,657

(1) Net of profit commission.

Quota Share Reinsurance

Essent Guaranty has entered into outward quota share reinsurance agreements with panels of third-party reinsurers ("QSR" agreements). Each of the third-party reinsurers has a financial strength rating of A- or better by S&P Global Ratings, A.M. Best Ratings Services, Inc. or both. Under each QSR agreement, Essent Guaranty will cede premiums earned on all eligible policies written during a specified period, in exchange for reimbursement of ceded claims and claims expenses on covered policies, a specified ceding commission, and a profit commission that varies directly and inversely with ceded claims. Essent Guaranty has certain termination rights under each QSR agreement, including the option to terminate each QSR agreement subject to a termination fee.

The following table summarizes Essent Guaranty's quota share reinsurance agreements as of June 30, 2026:

QSR Agreement	Coverage Period	Ceding Percentage
QSR-2019	September 1, 2019 - December 31, 2020	**(1)**
QSR-2022	January 1, 2022 - December 31, 2022	20%
QSR-2023	January 1, 2023 - December 31, 2023	17.5%
QSR-2024	January 1, 2024 - December 31, 2024	15%
QSR-2025	January 1, 2025 - December 31, 2025	25%
QSR-2026	January 1, 2026 - December 31, 2026	25%

(1) Under QSR-2019, Essent Guaranty cedes 36% of premiums on singles policies and 18% on all other policies.

Total risk in force (RIF) ceded under the QSR agreements was $11.0 billion as of June 30, 2026. During the fourth quarter of 2025, Essent also entered into a forward quota share transaction covering 20% of the risk of all eligible policies written by Essent Guaranty, Inc. in calendar year 2027.

Excess of Loss Reinsurance

Essent Guaranty has entered into fully collateralized outward reinsurance agreements ("Radnor Re Transactions") with unaffiliated special purpose insurers domiciled in Bermuda. For the reinsurance coverage periods, Essent Guaranty and its affiliates retain the first layer of the respective aggregate losses, and a Radnor Re special purpose insurer will then provide second layer coverage up to the outstanding reinsurance coverage amount. Essent Guaranty and its affiliates retain losses in excess of the outstanding reinsurance coverage amount. The reinsurance premium due to each Radnor Re special purpose insurer is calculated by multiplying the outstanding reinsurance coverage amount at the beginning of a period by a coupon rate, which is the sum of one-month SOFR plus a risk margin, and then subtracting actual investment income collected on the assets in the related reinsurance trust during that period. The aggregate excess of loss reinsurance coverage decreases over a ten-year period as the underlying covered mortgages amortize. Essent Guaranty has rights to terminate the Radnor Re Transactions. The Radnor Re entities collateralized the coverage by issuing mortgage insurance-linked notes ("ILNs") in an aggregate amount equal to the initial coverage to unaffiliated investors. The notes have ten-year legal maturities and are non-recourse to any assets of Essent Guaranty or its affiliates. The proceeds of the notes were deposited into reinsurance trusts for the benefit of Essent Guaranty and will be the source of reinsurance claim payments to Essent Guaranty and principal repayments on the ILNs.

Essent Guaranty has also entered into outward reinsurance agreements with panels of reinsurers that provide excess of loss coverage on new insurance written from January 1, 2019 through August 31, 2019 and from October 1, 2021 through December 31, 2025. For the reinsurance coverage periods, Essent Guaranty and its affiliates retain the first layer of the respective aggregate losses, and the reinsurance panels will then provide second layer coverage up to the outstanding reinsurance coverage amounts. Essent Guaranty and its affiliates retain losses in excess of the outstanding reinsurance coverage amounts. Essent Guaranty has rights to terminate these reinsurance agreements.

The following table summarizes Essent Guaranty's excess of loss coverages and retentions provided by insurance linked notes as of June 30, 2026:

(In thousands)

Deal Name	Vintage	Remaining Insurance in Force	Remaining Risk in Force	Remaining Reinsurance in Force	Remaining First Layer Retention	Optional Termination Date
Radnor Re 2021-1	Aug. 2020 - Mar. 2021	$ 15,836,468	$ 4,438,234	$ 50,256	$ 275,536	June 26, 2028
Radnor Re 2021-2	Apr. 2021 - Sep. 2021	22,156,669	6,327,178	161,600	268,364	November 25, 2027
Radnor Re 2022-1	Oct. 2021 - Jul. 2022	22,499,218	6,295,041	113,796	284,970	September 25, 2028
Radnor Re 2023-1	Aug. 2022 - Jun. 2023	22,822,493	6,296,006	181,895	264,081	July 25, 2028
Radnor Re 2024-1	Jul. 2023 - Jul. 2024	21,827,253	6,054,012	192,982	251,896	September 25, 2029
Total		$ 105,142,101	$ 29,410,471	$ 700,529	$ 1,344,847	

The following table summarizes Essent Guaranty's excess of loss reinsurance coverages and retentions provided by panels of reinsurers as of June 30, 2026:

(In thousands)

Deal Name	Vintage	Remaining Insurance in Force	Remaining Risk in Force	Remaining Reinsurance in Force	Remaining First Layer Retention	Optional Termination Date
XOL 2020-1	Jan. 2019 - Aug. 2019	$ 4,244,203	$ 1,130,161	$ 29,152	$ 209,852	January 25, 2027
XOL 2022-1	Oct. 2021 - Dec. 2022	51,203,122	14,212,909	128,222	457,603	January 1, 2030
XOL 2023-1	Jan. 2023 - Dec. 2023	28,813,310	8,021,276	31,375	350,226	January 1, 2029
XOL 2024-1	Jan. 2024 - Dec. 2024	32,088,603	8,848,689	58,005	327,683	January 1, 2030
XOL 2025-1	Jan. 2025 - Dec. 2025	40,096,727	10,640,673	80,821	343,234	January 1, 2031
Total		$ 156,445,965	$ 42,853,708	$ 327,575	$ 1,688,598	

In April 2025, Essent entered into an excess of loss transaction effective July 1, 2026 with a panel of highly rated third-party reinsurers covering 20% of all eligible policies written by Essent Guaranty, Inc. in calendar year 2026.

The amount of monthly reinsurance premiums ceded to the Radnor Re entities will fluctuate due to changes in one-month SOFR and changes in money market rates that affect investment income collected on the assets in the reinsurance trusts. As the reinsurance premium will vary based on changes in these rates, we concluded that the Radnor Re Transactions contain embedded derivatives that will be accounted for separately like freestanding derivatives. The change in the fair value of the embedded derivatives is reported in earnings and included in other income.

In connection with the Radnor Re Transactions, we concluded that the risk transfer requirements for reinsurance accounting were met as each Radnor Re entity is assuming significant insurance risk and a reasonable possibility of a significant loss. In addition, we assessed whether each Radnor Re entity was a variable interest entity ("VIE") and the appropriate accounting for the Radnor Re entities if they were VIEs. A VIE is a legal entity that does not have sufficient equity at risk to finance its activities without additional subordinated financial support or is structured such that equity investors lack the ability to make significant decisions relating to the entity’s operations through voting rights or do not substantively participate in the gains and losses of the entity. A VIE is consolidated by its primary beneficiary. The primary beneficiary is the entity that has both (1) the power to direct the activities of the VIE that most significantly affect the entity’s economic performance and (2) the obligation to absorb losses or the right to receive benefits that could be potentially significant to the VIE. While also considering these factors, the consolidation conclusion depends on the breadth of the decision-making ability and ability to influence activities that significantly affect the economic performance of the VIE. We concluded that the Radnor Re entities are VIEs. However, given that Essent Guaranty (1) does not have the unilateral power to direct the activities that most significantly affect their economic performance and (2) does not have the obligation to absorb losses or the right to receive benefits that could be potentially significant to these entities, the Radnor Re entities are not consolidated in these financial statements.

The following table presents total assets of each Radnor Re special purpose insurer as well as our maximum exposure to loss associated with each Radnor Re entity, representing the fair value of the embedded derivatives, using observable inputs in active markets (Level 2), included in other accrued liabilities on our condensed consolidated balance sheet and the estimated net present value of investment earnings on the assets in the reinsurance trusts, each as of June 30, 2026:

		Maximum Exposure to Loss		
(In thousands)	**Total VIE Assets**	**On - Balance Sheet**	**Off - Balance Sheet**	**Total**
Radnor Re 2021-1 Ltd.	$ 50,256	$ (5,560)	$ —	$ (5,560)
Radnor Re 2021-2 Ltd.	161,600	(6,553)	18	(6,535)
Radnor Re 2022-1 Ltd.	113,796	(563)	16	(547)
Radnor Re 2023-1 Ltd.	181,895	(128)	26	(102)
Radnor Re 2024-1 Ltd.	192,982	(258)	18	(240)
Total	$ 700,529	$ (13,062)	$ 78	$ (12,984)

The assets of the Radnor Re entities are the source of reinsurance claim payments to Essent Guaranty and provide capital relief under the PMIERs financial strength requirements (see Note 14). A decline in the assets available to pay claims would reduce the capital relief available to Essent Guaranty.

Note 5. Reserve for Losses and Loss Adjustment Expenses

The following table provides a reconciliation of the beginning and ending reserve balances for losses and loss adjustment expenses (“LAE”) for the six months ended June 30:

(In thousands)	**2026**	**2025**
Reserve for losses and LAE at beginning of period	$ 446,822	$ 328,866
Less: Reinsurance recoverables	56,219	36,754
Net reserve for losses and LAE at beginning of period	390,603	292,112
Add provision for losses and LAE, net of reinsurance, occurring in:		
Current period	151,584	96,403
Prior years	(54,407)	(48,061)
Net incurred losses and LAE during the current period	97,177	48,342
Deduct payments for losses and LAE, net of reinsurance, occurring in:		
Current period	348	367
Prior years	33,178	17,403
Net loss and LAE payments during the current period	33,526	17,770
Net reserve for losses and LAE at end of period	454,254	322,684
Plus: Reinsurance recoverables, net of unpaid claims	64,545	42,065
Reserve for losses and LAE at end of period	$ 518,799	$ 364,749

For the six months ended June 30, 2026, $33.2 million was paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. There has been $54.4 million of favorable prior year development during the six months ended June 30, 2026. Net reserves remaining as of June 30, 2026 for prior years are $303.0 million as a result of re-estimation of unpaid losses and loss adjustment expenses. For the six months ended June 30, 2025, $17.4 million was paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. There was $48.1 million of favorable prior year development during the six months ended June 30, 2025. Net reserves remaining as of June 30, 2025 for prior years were $226.6 million as a result of re-estimation of unpaid losses and loss adjustment expenses. In both periods, the favorable prior years' loss development was the result of a re-estimation of amounts ultimately to be paid on prior year defaults in the default inventory, including the impact of previously identified defaults that cured. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

On September 26, 2024, Hurricane Helene made landfall and caused property damage in certain counties in Florida, Georgia, South Carolina, North Carolina, Tennessee and Virginia. On October 9, 2024, Hurricane Milton made landfall, causing damage in certain counties in Florida. Loans in default increased by 3,620 in the year ended December 31, 2024, including 2,119 defaults we identified as hurricane-related defaults. Based on prior industry experience, we expected the ultimate number of hurricane-related defaults that result in claims would be less than the default-to-claim experience of non-hurricane-related defaults. In addition, under our master policy, our exposure may be limited on hurricane-related claims. For example, we are permitted to exclude a claim entirely where damage to the property underlying a mortgage was the proximate cause of the default and adjust a claim where the property underlying a mortgage in default is subject to unrestored physical damage. Accordingly, when establishing our loss reserves as of December 31, 2024, we applied a lower estimated claim rate to new default notices received in the fourth quarter of 2024 from the affected areas than the claim rate we apply to other notices in our default inventory.

During 2025 and through the second quarter of 2026, we observed a decline in the number of defaults associated with hurricanes Helene and Milton. In the second quarter of 2026, we began reserving for the remaining hurricane-related defaults consistently with the standard methodology used for our default inventory, which did not have a significant impact on our provision for losses and loss adjustment expenses in the three and six months ended June 30, 2026 or the reserve balance at June 30, 2026.

The Federal Reserve increased the target federal funds rate several times during 2022 and 2023 in an effort to reduce consumer price inflation. As a result of progress on inflation, the Federal Reserve reduced the target federal funds rate by 100 basis points in 2024 and by another 75 basis points during 2025. Mortgage interest rates remain elevated which has reduced home sale activity and may affect the options available to delinquent borrowers. It is reasonably possible that our estimate of losses could change in the near term as a result of changes in the economic environment, the impact of elevated mortgage interest rates on home sale activity, housing inventory and home prices.

Note 6. Debt Obligations

Essent Group has $500 million of 6.25% publicly issued senior notes (the “Senior Notes") that mature on July 1, 2029. Interest on the Senior Notes is payable semi-annually in arrears on January 1 and July 1 of each year. The Senior Notes are presented on the consolidated balance sheets net of an unamortized issuance discount of $1.1 million and $1.3 million and deferred issuance costs of $2.9 million and $3.4 million as of June 30, 2026 and December 31, 2025, respectively.

The Company has a revolving credit facility of up to $500 million of senior unsecured revolving loans (the “Revolving Credit Facility”) that mature on July 1, 2029. There were no borrowings on the Revolving Credit Facility in the three and six months ended June 30, 2026 or in the year ended December 31, 2025. A commitment fee is due quarterly on the average daily amount of the undrawn revolving commitment. The annual commitment fee rate as of June 30, 2026 was 0.175%, down from 0.225% as of June 30, 2025 due to the upgrade to our senior unsecured debt rating by Moody’s in August 2025. The Revolving Credit Facility also provides for an aggregate principal amount of up to $250 million in uncommitted incremental revolving credit facilities that may be exercised at the Company’s option, so long as the Company receives sufficient commitments from the bank lenders. The Revolving Credit Facility contains several covenants, including financial covenants relating to minimum net worth, maximum debt to capitalization level and Essent Guaranty's compliance with the PMIERs. The Company was in compliance with all financial covenants as of June 30, 2026.

Note 7. Commitments and Contingencies

Obligations under Guarantees

Under the terms of CUW Solutions' contract underwriting agreements with lenders and subject to contractual limitations on liability, we agree to indemnify certain lenders against losses incurred in the event that we make an error in determining whether loans processed meet specified underwriting criteria, to the extent that such error materially restricts or impairs the salability of such loan, results in a material reduction in the value of such loan or results in the lender repurchasing the loan. The indemnification may be in the form of monetary or other remedies. There were no payments related to these indemnifications in the six months ended June 30, 2026 and less than $0.1 million in the six months ended June 30, 2025. As of June 30, 2026, management believes any potential claims for indemnification related to contract underwriting services through June 30, 2026 are not material to our consolidated financial position or results of operations.

In addition to the indemnifications discussed above, in the normal course of business, we enter into agreements or other relationships with third parties pursuant to which we may be obligated under specified circumstances to indemnify the counterparties with respect to certain matters. Our contractual indemnification obligations typically arise in the context of agreements entered into by us to, among other things, purchase or sell services, finance our business and business transactions, lease real property and license intellectual property. The agreements we enter into in the normal course of business generally require us to pay certain amounts to the other party associated with claims or losses if they result from our breach of the agreement, including the inaccuracy of representations or warranties. The agreements we enter into may also contain other indemnification provisions that obligate us to pay amounts upon the occurrence of certain events, such as the negligence or willful misconduct of our employees, infringement of third-party intellectual property rights or claims that performance of the agreement constitutes a violation of law. Generally, payment by us under an indemnification provision is conditioned upon the other party making a claim, and typically we can challenge the other party's claims. Further, our indemnification obligations may be limited in time and/or amount, and in some instances, we may have recourse against third parties for certain payments made by us under an indemnification agreement or obligation. As of June 30, 2026, contingencies triggering material indemnification obligations or payments have not occurred historically and are not expected to occur. The nature of the indemnification provisions in the various types of agreements and relationships described above are believed to be low risk and pervasive, and we consider them to have a remote risk of loss or payment. We have not recorded any provisions on the condensed consolidated balance sheets related to indemnifications.

Note 8. Capital Stock

Our authorized share capital consists of 233.3 million shares of a single class of common shares. The common shares have no preemptive rights or other rights to subscribe for additional shares, and no rights of redemption, conversion or exchange. Under certain circumstances and subject to the provisions of Bermuda law and our bye-laws, we may be required to make an offer to repurchase shares held by members. The common shares rank pari passu with one another in all respects as to rights of payment and distribution. In general, holders of common shares will have one vote for each common share held by them and will be entitled to vote, on a non-cumulative basis, at all meetings of shareholders. In the event that a shareholder is considered a 9.5% Shareholder under our bye-laws, such shareholder's votes will be reduced by whatever amount is necessary so that after any such reduction the votes of such shareholder will not result in any other person being treated as a 9.5% Shareholder with respect to the vote on such matter. Under these provisions certain shareholders may have their voting rights limited to less than one vote per share, while other shareholders may have voting rights in excess of one vote per share.

Dividends

The following table presents the amounts declared and paid per common share each quarter:

Quarter Ended	2026	2025
March 31	$ 0.35	$ 0.31
June 30	0.35	0.31
September 30	—	0.31
December 31	—	0.31
Total dividends per common share declared and paid	$ 0.70	$ 1.24

In August 2026, the Board of Directors declared a quarterly cash dividend of $0.35 per common share payable on September 10, 2026 to shareholders of record on August 31, 2026.

Share Repurchase Plan

In February 2025, the Board of Directors approved a share repurchase plan that authorized the Company to repurchase $500 million of common shares in the open market through December 31, 2026. In November 2025, the Board of Directors approved a share repurchase plan that authorizes the Company to repurchase an additional $500 million of common shares in the open market through December 31, 2027. From January 1, 2026 through June 30, 2026 the Company purchased 5,826,799 common shares at a cost of $348.4 million. The shares repurchased were recorded at cost and included in treasury stock. All treasury stock has been cancelled as of June 30, 2026.

Note 9. Stock-Based Compensation

In 2013, Essent Group's Board of Directors adopted, and Essent Group's shareholders approved, the Essent Group Ltd. 2013 Long-Term Incentive Plan (the "2013 Plan"), which was effective upon completion of the initial public offering. The 2013 Plan was most recently amended effective upon shareholder approval in May 2023 to increase the number of shares available for issuance under the 2013 Plan by 2 million shares. The types of awards available under the 2013 Plan include nonvested shares, nonvested share units, non-qualified share options, incentive stock options, share appreciation rights, and other share-based or cash-based awards. Nonvested shares and nonvested share units granted under the 2013 Plan have rights to dividends, which entitle holders to the same dividend value per share as holders of common shares in the form of dividend equivalent units ("DEUs"). DEUs are subject to the same vesting and other terms and conditions as the corresponding nonvested shares and nonvested share units. DEUs vest when the underlying shares or share units vest and are forfeited if the underlying share or share units forfeit prior to vesting. The maximum number of shares and share units available for issuance is 7.5 million under the 2013 Plan, as amended. As of June 30, 2026, there were 2.6 million common shares available for future grant under the 2013 Plan.

The following table summarizes nonvested common share, nonvested common share unit and DEU activity for the six months ended June 30, 2026:

	2026									
	Time and Performance-Based Share Awards		Time-Based Share Awards		Time and Performance-Based Share Units		Time-Based Share Units		DEUs	
(Shares in thousands)	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares	Weighted Average Grant Date Fair Value	Number of Share Units	Weighted Average Grant Date Fair Value	Number of Share Units	Weighted Average Grant Date Fair Value	Dividend Equivalent Units	Weighted Average Grant Date Fair Value
Outstanding at beginning of year	780	$ 18.66	113	$ 53.07	103	$ 20.92	544	$ 49.96	66	$ 56.59
Granted	206	24.25	—	—	53	24.25	169	64.70	16	58.23
Vested	(289)	12.66	(60)	50.49	(18)	12.66	(231)	46.62	(34)	54.84
Forfeited	(10)	12.66	—	—	(8)	22.14	(62)	51.93	(4)	57.04
Outstanding at end of period	687	$ 22.96	53	$ 56.03	130	$ 23.36	420	$ 57.46	44	$ 58.50

In February 2026, certain members of senior management were granted nonvested common shares under the 2013 Plan that are subject to performance-based vesting and common share units subject to time-based vesting. The time-based share units granted in February 2026 vest annually in three equal installments commencing on March 1 of the year following the grant year. The performance-based share awards granted in February 2026 vest based upon our compounded annual book value per share growth percentage and relative total shareholder return during a three-year performance period that commenced on January 1, 2026, and they vest on March 1, 2029. Shares were issued at the maximum 200% of target. The portion of these nonvested performance-based share awards that will be earned is as follows:

		Relative Total Shareholder Return vs. S&P 1500 Financial Services Index		
		≤25th percentile	**50th percentile**	**≥75th percentile**
Three-Year Book Value Per Share CAGR	**11%**	100%	150%	200%
	10%	75%	125%	175%
	9%	50%	100%	150%
	7%	25%	75%	125%
	6%	0%	50%	100%

Certain time-and-performance based share awards and units include retirement provisions under which the service requirements are considered satisfied when the employee with a required minimum years of continuous service reaches the eligible retirement age. Under these provisions, stock-based compensation is expensed from the grant date through the date that the employee will satisfy these conditions.

In the event that the compounded annual book value per share growth or the relative total shareholder return falls between the performance levels shown above, the nonvested common shares earned will be determined on a straight-line basis between the respective levels shown.

In connection with our incentive program covering bonus awards for performance year 2025, in February 2026, time-based share units were issued to certain employees that vest in three equal installments on March 1, 2027, 2028 and 2029.

Quoted market prices are used for the valuation of common shares granted that do not contain a market condition under ASC 718. The performance-based share awards granted in February 2024, 2025 and 2026 contain a market condition and were valued based on analysis provided by a third-party valuation firm using a risk-neutral simulation taking into effect the vesting conditions of the grant.

The total fair value on the vesting date of nonvested shares, share units or DEUs that vested was $38.9 million and $32.8 million for the six months ended June 30, 2026 and 2025, respectively. As of June 30, 2026, there was $20.2 million of total unrecognized compensation expense related to nonvested shares or share units outstanding at June 30, 2026 and we expect to recognize the expense over a weighted average period of 2.11 years.

Employees have the option to tender shares to Essent Group to pay the minimum employee statutory withholding taxes associated with shares upon vesting. Common shares tendered by employees to pay employee withholding taxes totaled 232,965 in the six months ended June 30, 2026. The tendered shares were recorded at cost and included in treasury stock. All treasury stock has been cancelled as of June 30, 2026.

Compensation expense, net of forfeitures, and related tax effects recognized in connection with nonvested shares and share units was as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Compensation expense	$ 3,351	$ 3,950	$ 10,689	$ 12,942
Income tax benefit	597	752	2,041	2,569

Note 10. Dividends Restrictions

Our U.S. insurance subsidiaries are subject to certain capital and dividend rules and regulations as prescribed by jurisdictions in which they are authorized to operate. Under the insurance laws of the Commonwealth of Pennsylvania, an insurance company may pay dividends during any 12-month period in an amount equal to the greater of (i) 10% of the preceding year-end statutory policyholders' surplus or (ii) the preceding year's statutory net income. The Pennsylvania statute also specifies that dividends and other distributions can be paid out of positive unassigned surplus without prior approval. At June 30, 2026, Essent Guaranty had unassigned surplus of approximately $301.9 million. As of June 30, 2026, Essent Guaranty could pay additional ordinary dividends in 2026 of $301.9 million. In the three and six months ended June 30, 2026, Essent

Guaranty paid dividends of $115 million to its parent, Essent US Holdings, Inc. In the three and six months ended June 30, 2025, Essent Guaranty paid dividends of $65 million and $130 million, respectively, to its parent, Essent US Holdings, Inc.

Essent Re is subject to certain dividend restrictions as prescribed by the Bermuda Monetary Authority and under certain agreements with counterparties. In connection with the quota share reinsurance agreement with Essent Guaranty, Essent Re has agreed to maintain a minimum total equity of $100 million. As of June 30, 2026, Essent Re had total equity of $1.6 billion. In the three and six months ended June 30, 2026, Essent Re paid dividends of $100 million and $200 million, respectively, to its parent, Essent Group Ltd. In the three and six months ended June 30, 2025, Essent Re paid dividends of $120 million and $220 million, respectively, to its parent, Essent Group Ltd.

At June 30, 2026, our insurance subsidiaries were in compliance with these rules, regulations and agreements.

Note 11. Earnings per Share (EPS)

The following table reconciles the net income and the weighted average common shares outstanding used in the computations of basic and diluted earnings per common share:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands, except per share amounts)	**2026**	**2025**	**2026**	**2025**
Net income	$ 189,714	$ 195,339	$ 361,513	$ 370,772
Basic weighted average shares outstanding	90,740	100,037	92,271	101,451
Dilutive effect of nonvested shares	649	1,022	701	1,044
Diluted weighted average shares outstanding	91,389	101,059	92,972	102,495
Basic earnings per share	$ 2.09	$ 1.95	$ 3.92	$ 3.65
Diluted earnings per share	$ 2.08	$ 1.93	$ 3.89	$ 3.62

There were 16,900 and 24,270 antidilutive shares for the three months ended June 30, 2026 and 2025, respectively, and 49,393 and 68,254 antidilutive shares for the six months ended June 30, 2026 and 2025, respectively.

Nonvested performance-based share awards are considered contingently issuable for purposes of the EPS calculation. The 2026, 2025 and 2024 performance-based share awards vest based upon our compounded annual book value per share growth percentage and relative total shareholder return during a three-year performance period. The following table summarizes the performance-based shares issuable if the reporting date was the end of the contingency period:

	2026 Performance-Based Grants		2025 Performance-Based Grants		2024 Performance-Based Grants		2023 Performance-Based Grants	
Reporting Date	**Percent Issuable Relative to Target**	**As a Percent of Shares Issued**	**Percent Issuable Relative to Target**	**As a Percent of Shares Issued**	**Percent Issuable Relative to Target**	**As a Percent of Shares Issued**	**Percent Issuable Relative to Target**	**As a Percent of Shares Issued**
June 30, 2026	105%	52.5%	153%	76.5%	110%	55%	**(1)**	**(1)**
June 30, 2025			200%	100%	128%	64%	195%	97.5%

(1) The 2023 performance based awards vested at 193% relative to target on March 1, 2026.

Note 12. Accumulated Other Comprehensive Income (Loss)

The following table presents the rollforward of accumulated other comprehensive loss for the three and six months ended June 30, 2026 and 2025:

	Three Months Ended June 30,					
	2026			2025		
(In thousands)	**Before Tax**	**Tax Effect**	**Net of Tax**	**Before Tax**	**Tax Effect**	**Net of Tax**
Balance at beginning of period	$ (218,968)	$ 31,032	$ (187,936)	$ (271,265)	$ 39,019	$ (232,246)
Other comprehensive income (loss):						
Unrealized holding gains (losses) on investments:						
Unrealized holding gains (losses) arising during the period	(2,606)	(214)	(2,820)	18,521	(2,043)	16,478
Less: Reclassification adjustment for (gains) losses included in net income (1)	111	(17)	94	129	(27)	102
Net unrealized gains (losses) on investments	(2,495)	(231)	(2,726)	18,650	(2,070)	16,580
Other comprehensive income (loss)	(2,495)	(231)	(2,726)	18,650	(2,070)	16,580
Balance at end of period	$ (221,463)	$ 30,801	$ (190,662)	$ (252,615)	$ 36,949	$ (215,666)

	Six Months Ended June 30,					
	2026			2025		
(In thousands)	**Before Tax**	**Tax Effect**	**Net of Tax**	**Before Tax**	**Tax Effect**	**Net of Tax**
Balance at beginning of period	$ (175,608)	$ 23,623	$ (151,985)	$ (354,298)	$ 50,314	$ (303,984)
Other comprehensive income (loss):						
Unrealized holding gains (losses) on investments:						
Unrealized holding gains (losses) arising during the period	(46,113)	7,233	(38,880)	101,373	(13,303)	88,070
Less: Reclassification adjustment for (gains) losses included in net income (1)	258	(55)	203	310	(62)	248
Net unrealized gains (losses) on investments	(45,855)	7,178	(38,677)	101,683	(13,365)	88,318
Other comprehensive income (loss)	(45,855)	7,178	(38,677)	101,683	(13,365)	88,318
Balance at end of period	$ (221,463)	$ 30,801	$ (190,662)	$ (252,615)	$ 36,949	$ (215,666)

(1) Included in net realized investment losses on our condensed consolidated statements of comprehensive income.

Note 13. Fair Value of Financial Instruments

We carry certain of our financial instruments at fair value. We define fair value as the current amount that would be exchanged to sell an asset or transfer a liability, other than in a forced liquidation.

Fair Value Hierarchy

ASC No. 820 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect our market assumptions. The level within the fair value hierarchy to measure the financial instrument shall be determined based on the lowest level input that is significant to the fair value measurement. The three levels of the fair value hierarchy are as follows:

- Level 1 — Quoted prices for identical instruments in active markets accessible at the measurement date.
- Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and valuations in which all significant inputs are observable in active markets. Inputs are observable for substantially the full term of the financial instrument.
- Level 3 — Valuations derived from one or more significant inputs that are unobservable.

Determination of Fair Value

When available, we generally use quoted market prices to determine fair value and classify the financial instrument in Level 1. In cases where quoted market prices for similar financial instruments are available, we utilize these inputs for valuation techniques and classify the financial instrument in Level 2. In cases where quoted market prices are not available, fair values are based on estimates using discounted cash flows, present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rates and estimates of future cash flows and we classify the financial instrument in Level 3. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

We used the following methods and assumptions in estimating fair values of financial instruments:

- Investments available for sale — Investments available for sale are valued using quoted market prices in active markets, when available, and those investments are classified as Level 1 of the fair value hierarchy. Level 1 investments available for sale include investments such as U.S. Treasury securities and money market funds. Investments available for sale are classified as Level 2 of the fair value hierarchy if quoted market prices are not available and fair values are estimated using quoted prices of similar securities or recently executed transactions for the securities. U.S. agency securities, U.S. agency mortgage-backed securities, municipal debt securities, non-U.S. government securities, corporate debt securities, residential and commercial mortgage securities and asset-backed securities are classified as Level 2 investments.

  We use independent pricing sources to determine the fair value of securities available for sale in Level 1 and Level 2 of the fair value hierarchy. We use one primary pricing service to provide individual security pricing based on observable market data and receive one quote per security. To ensure securities are appropriately classified in the fair value hierarchy, we review the pricing techniques and methodologies of the independent pricing service and believe that their policies adequately consider market activity, either based on specific transactions for the issue valued or based on modeling of securities with similar credit quality, duration, yield and structure that were recently traded. U.S. agency securities, U.S. agency mortgage-backed securities, municipal debt securities, non-U.S. government securities and corporate debt securities are valued by our primary vendor using recently executed transactions and proprietary models based on observable inputs, such as interest rate spreads, yield curves and credit risk. Residential and commercial mortgage securities and asset-backed securities are valued by our primary vendor using proprietary models based on observable inputs, such as interest rate spreads, prepayment speeds and credit risk. As part of our evaluation of investment prices provided by our primary pricing service, we obtained and reviewed their pricing methodologies which include a description of how each security type is evaluated and priced. We review the reasonableness of prices received from our primary pricing service by comparison to prices obtained from additional pricing sources. We have not made any adjustments to the prices obtained from our primary pricing service.

Assets and Liabilities Measured at Fair Value

All assets measured at fair value are categorized in the table below based upon the lowest level of significant input to the valuations. All fair value measurements at the reporting date were on a recurring basis.

June 30, 2026 (In thousands)	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Recurring fair value measurements				
Financial Assets:				
U.S. Treasury securities	$ 274,488	$ —	$ —	$ 274,488
U.S. agency mortgage-backed securities	—	1,103,830	—	1,103,830
Municipal debt securities	—	603,771	—	603,771
Non-U.S. government securities	—	49,271	—	49,271
Corporate debt securities	—	1,967,084	—	1,967,084
Residential and commercial mortgage securities	—	462,142	—	462,142
Asset-backed securities	—	954,223	—	954,223
Money market funds	623,886	—	—	623,886
Total assets at fair value (1) (2)	$ 898,374	$ 5,140,321	$ —	$ 6,038,695

December 31, 2025 (In thousands)	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Recurring fair value measurements				
Financial Assets:				
U.S. Treasury securities	$ 369,712	$ —	$ —	$ 369,712
U.S. agency mortgage-backed securities	—	1,174,895	—	1,174,895
Municipal debt securities	—	610,411	—	610,411
Non-U.S. government securities	—	56,024	—	56,024
Corporate debt securities	—	1,980,080	—	1,980,080
Residential and commercial mortgage securities	—	464,105	—	464,105
Asset-backed securities	—	800,366	—	800,366
Money market funds	648,492	—	—	648,492
Total assets at fair value (1) (2)	$ 1,018,204	$ 5,085,881	$ —	$ 6,104,085

(1) Does not include the fair value of embedded derivatives, which we have accounted for separately as freestanding derivatives and included in other assets or other accrued liabilities in our condensed consolidated balance sheet. See Note 4 for more information.
(2) Does not include certain other invested assets that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient, as applicable accounting standards do not provide for classification within the fair value hierarchy.

Assets and Liabilities Not Carried at Fair Value

Our senior notes are carried at amortized cost, net of issuance costs, on our condensed consolidated balance sheets. The carrying amount and estimated fair value of our senior notes was $496.0 million and $515.4 million, respectively, as of June 30, 2026. The carrying amount and estimated fair value of our senior notes was $495.3 million and $522.6 million, respectively, as of December 31, 2025. The fair value of our senior notes is estimated based on quoted market prices.

Note 14. Statutory Accounting

Our U.S. insurance subsidiaries prepare statutory-basis financial statements in accordance with the accounting practices prescribed or permitted by their respective state's department of insurance, which is a comprehensive basis of accounting other than GAAP. We did not use any prescribed or permitted statutory accounting practices (individually or in the aggregate) that resulted in reported statutory surplus or capital that was significantly different from the statutory surplus or capital that would have been reported had National Association of Insurance Commissioners' statutory accounting practices been followed. The following tables present Essent Guaranty's statutory net income for the six months ended June 30, 2026 and 2025 as well as statutory surplus and contingency reserve liability at June 30, 2026 and December 31, 2025:

	Six Months Ended June 30,	
(In thousands)	**2026**	**2025**
Statutory net income	$ 205,957	$ 248,689

(In thousands)	**June 30, 2026**	**December 31, 2025**
Statutory surplus	$ 1,007,192	$ 951,100
Contingency reserve liability	2,671,010	2,621,787

Net income determined in accordance with statutory accounting practices differs from GAAP. In 2026 and 2025, the more significant differences between net income determined under statutory accounting practices and GAAP for Essent Guaranty relate to policy acquisition costs and income taxes. Under statutory accounting practices, policy acquisition costs are expensed as incurred while such costs are capitalized and amortized to expense over the life of the policy under GAAP. We are eligible for a tax deduction, subject to certain limitations for amounts required by state law or regulation to be set aside in statutory contingency reserves when we purchase non-interest-bearing United States Mortgage Guaranty Tax and Loss Bonds ("T&L Bonds") issued by the Treasury Department. Under statutory accounting practices, this deduction reduces the tax provision recorded by Essent Guaranty and, as a result, increases statutory net income and surplus as compared to net income and equity determined in accordance with GAAP.

At June 30, 2026 and December 31, 2025, the statutory capital of Essent Guaranty, which is defined as the total of statutory surplus and contingency reserves, was in excess of the statutory capital necessary to satisfy its regulatory requirements.

Fannie Mae and Freddie Mac, at the direction of the Federal Housing Finance Agency, maintain coordinated Private Mortgage Insurer Eligibility Requirements, which we refer to as the "PMIERs." The PMIERs represent the standards by which private mortgage insurers are eligible to provide mortgage insurance on loans owned or guaranteed by Fannie Mae and Freddie Mac. The PMIERs include financial strength requirements incorporating a risk-based framework that require approved insurers to have a sufficient level of liquid assets from which to pay claims. The PMIERs also include enhanced operational performance expectations and define remedial actions that apply should an approved insurer fail to comply with these requirements. In August 2024, the GSEs issued updates to the PMIERs calculation of Available Assets. The updated PMIERs Available Asset requirements are subject to a phased-in implementation beginning with the quarter ended March 31, 2025, and will become fully effective on September 30, 2026. As of June 30, 2026, Essent Guaranty, our GSE-approved mortgage insurance company, was in compliance with the PMIERs.

Statement of Statutory Accounting Principles No. 58, *Mortgage Guaranty Insurance,* requires mortgage insurers to establish a special contingency reserve for statutory accounting purposes included in total liabilities equal to 50% of earned premium for that year. This reserve is required to be maintained for a period of 120 months to protect against the effects of adverse economic cycles. After 120 months, the reserve is released to unassigned funds. In the event an insurer’s loss ratio in any calendar year exceeds 35%, however, the insurer may, after regulatory approval, release from its contingency reserves an amount equal to the excess portion of such losses. During the six months ended June 30, 2026 and 2025, Essent Guaranty increased its contingency reserve by $131.8 million and $142.3 million, respectively. During the six months ended June 30, 2026 and 2025, Essent Guaranty released contingency reserves of $82.6 million and $70.7 million, respectively, to unassigned funds upon completion of the 120 month holding period.

Under The Insurance Act 1978, as amended, and related regulations of Bermuda (the "Insurance Act"), Essent Re is required to annually prepare statutory financial statements and a statutory financial return in accordance with the financial reporting provisions of the Insurance Act, which is a basis other than GAAP. The Insurance Act also requires that Essent Re maintain minimum share capital of $1 million and must ensure that the value of its general business assets exceeds the amount of its general business liabilities by an amount greater than the prescribed minimum solvency margins and enhanced capital requirement pertaining to its general business. At June 30, 2026, all such requirements were met.

Essent Re's statutory capital and surplus was $1.6 billion and $1.7 billion as of June 30, 2026 and December 31, 2025. Essent Re's statutory net income was $151.6 million and $161.7 million for the six months ended June 30, 2026 and 2025, respectively. Statutory capital and surplus as of June 30, 2026 and December 31, 2025 and statutory net income in the six months ended June 30, 2026 and 2025 determined in accordance with statutory accounting practices were not significantly different than the amounts determined under GAAP.

Note 15. Segment Reporting

We have two reportable business segments: Mortgage Insurance and Reinsurance. Our Mortgage Insurance segment offers private mortgage insurance for mortgages secured by residential properties located in the United States. We provide private mortgage insurance on residential first-lien mortgage loans (“mortgage insurance”) through our mortgage insurance subsidiary, Essent Guaranty, Inc., which we refer to as "Essent Guaranty", and also offer other credit risk management solutions, including contract underwriting, to our customers.

Our Reinsurance segment reinsures U.S. mortgage risk in the GSE credit risk transfer market and provides underwriting consulting services to third-party reinsurers ("GSE and other risk share") through our wholly owned, Bermuda-based subsidiary, Essent Reinsurance Ltd., which we refer to as "Essent Re". Effective January 1, 2026, Essent Re began reinsuring certain property and casualty risks.

In addition, our "Corporate & Other" category is used to reconcile our reportable segment to consolidated results and includes business activities associated with our title insurance operations, income and losses from holding company treasury operations and general corporate operating expenses not attributable to our operating segments. Our title insurance operations are an operating segment that does not meet the quantitative thresholds of a separate reportable segment.

We allocate corporate management and support expenses to operating segments based on their percentage of total operating segment revenues, which approximates the estimated percentage of management time and resources spent on each operating segment. We view our borrowings as holding company capital and liquidity and as such, all interest expense is included in Corporate & Other.

Our senior management team, including our President & Chief Executive Officer (Essent's chief operating decision maker or "CODM"), uses income (loss) before income taxes as the primary measure to evaluate the financial performance of the operating segments and to allocate resources to those segments, including capital allocations and assessing headcount. The CODM also assesses the profitability of our Mortgage Insurance and Reinsurance segments through analysis of the loss ratio, expense ratio and combined ratio. We do not manage our segments by assets.

As of June 30, 2026 and December 31, 2025, all goodwill is assigned to our title operating segment, which is included in our Corporate & Other category. Goodwill was $48.8 million at both June 30, 2026 and December 31, 2025.

In connection with the reinsurance of certain property and casualty risks, acquisition costs deferred in our Reinsurance segment were $75.9 million during the six months ended June 30, 2026 and the amortization of those deferred acquisition costs in our Reinsurance segment was $16.7 million for the six months ended June 30, 2026.

Segment Information: Profit & Loss

The following table reconciles the components of reportable segment profit and loss to consolidated profit and loss for the periods presented. Within the tables, we have disclosed significant segment expenses at a level of disaggregation that coincides with what is regularly provided to the CODM. Other underwriting and operating expenses in the Mortgage Insurance and Reinsurance segments include software, professional fees, travel, and occupancy costs. The accounting policies of our operating segments are the same as those described in the summary of significant accounting policies in our Form 10-K. We do not have inter-segment transactions.

Essent Group Ltd. and Subsidiaries

Notes to Condensed Consolidated Financial Statements (Unaudited)

(In thousands)	Three Months Ended June 30, 2026 Mortgage Insurance	Reinsurance	Corporate & Other	Consolidated	Three Months Ended June 30, 2025 Mortgage Insurance	Reinsurance	Corporate & Other	Consolidated
Revenues:								
Net premiums earned	$ 215,662	$ 43,639	$ 17,463	$ 276,764	$ 220,262	$ 13,875	$ 14,672	$ 248,809
Net investment income	43,965	6,088	11,559	61,612	43,676	5,216	10,397	59,289
Realized investment gains (losses), net	(94)	—	(17)	(111)	(124)	—	(5)	(129)
Income from other invested assets	12,975	—	6,410	19,385	3,619	—	847	4,466
Other income	1,396	1,345	2,295	5,036	1,614	1,909	3,185	6,708
Total revenues	273,904	51,072	37,710	362,686	269,047	21,000	29,096	319,143
Losses and expenses:								
Provision for losses and LAE	29,391	18,723	847	48,961	15,323	36	1,696	17,055
Compensation and benefits	14,898	1,781	13,825	30,504	15,667	1,126	13,926	30,719
Premium and other taxes	5,996	14	545	6,555	5,984	16	495	6,495
Acquisition costs, net (3)	(7,770)	11,849	—	4,079	(6,770)	285	—	(6,485)
Other underwriting and operating expenses	10,695	987	22,438	34,120	9,744	959	21,333	32,036
Net operating expenses before allocations	23,819	14,631	36,808	75,258	24,625	2,386	35,754	62,765
Corporate expense allocations	8,086	653	(8,739)	—	8,979	263	(9,242)	—
Operating expenses after allocations	31,905	15,284	28,069	75,258	33,604	2,649	26,512	62,765
Interest expense	—	—	8,148	8,148	—	—	8,148	8,148
Income (loss) before income taxes	**$ 212,608**	**$ 17,065**	**$ 646**	**$ 230,319**	**$ 220,120**	**$ 18,315**	**$ (7,260)**	**$ 231,175**
Loss ratio (1)	13.6 %	42.9 %			7.0 %	0.3 %		
Expense ratio (2)	14.8 %	35.0 %			15.3 %	19.1 %		
Combined ratio	**28.4 %**	**77.9 %**			**22.3 %**	**19.4 %**		

(1) Loss ratio is calculated by dividing the provision (benefit) for losses and LAE by net premiums earned.

(2) Expense ratio is calculated by dividing operating expenses after allocations by net premiums earned.

(3) Acquisition costs are net of ceding commissions earned on outward reinsurance and include ceding commissions incurred on reinsurance assumed.

	Six Months Ended June 30, 2026				Six Months Ended June 30, 2025			
(In thousands)	**Mortgage Insurance**	**Reinsurance**	**Corporate & Other**	**Consolidated**	**Mortgage Insurance**	**Reinsurance**	**Corporate & Other**	**Consolidated**
Revenues:								
Net premiums earned	$ 431,325	$ 72,949	$ 32,583	$ 536,857	$ 438,386	$ 29,609	$ 26,662	$ 494,657
Net investment income	86,322	10,758	23,787	120,867	86,466	10,056	20,977	117,499
Realized investment gains (losses), net	(282)	—	24	(258)	(225)	—	(85)	(310)
Income from other invested assets	18,737	—	10,827	29,564	6,828	—	5,046	11,874
Other income	3,139	3,316	5,273	11,728	3,162	4,862	4,957	12,981
Total revenues	539,241	87,023	72,494	698,758	534,617	44,527	57,557	636,701
Losses and expenses:								
Provision for losses and LAE	67,011	28,652	1,514	97,177	46,043	39	2,260	48,342
Compensation and benefits	31,515	3,966	31,678	67,159	34,277	2,406	33,728	70,411
Premium and other taxes	11,988	32	981	13,001	11,548	27	1,823	13,398
Acquisition costs, net **(3)**	(15,148)	18,591	—	3,443	(13,200)	642	—	(12,558)
Other underwriting and operating expenses	21,529	1,967	41,142	64,638	20,134	1,768	40,736	62,638
Net operating expenses before allocations	49,884	24,556	73,801	148,241	52,759	4,843	76,287	133,889
Corporate expense allocations	19,628	1,204	(20,832)	—	21,783	473	(22,256)	—
Operating expenses after allocations	69,512	25,760	52,969	148,241	74,542	5,316	54,031	133,889
Interest expense	—	—	16,296	16,296	—	—	16,296	16,296
Income (loss) before income taxes	**$ 402,718**	**$ 32,611**	**$ 1,715**	**$ 437,044**	**$ 414,032**	**$ 39,172**	**$ (15,030)**	**$ 438,174**
Loss ratio (1)	15.5 %	39.3 %			10.5 %	0.1 %		
Expense ratio (2)	16.1 %	35.3 %			17.0 %	18.0 %		
Combined ratio	31.6 %	74.6 %			27.5 %	18.1 %		

(1) Loss ratio is calculated by dividing the provision for losses and LAE by net premiums earned.

(2) Expense ratio is calculated by dividing operating expenses after allocations by net premiums earned.

(3) Acquisition costs are net of ceding commissions earned on outward reinsurance and include ceding commissions incurred on reinsurance assumed.

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

The following discussion should be read together with our audited consolidated financial statements and related notes included in our Annual Report on Form 10-K as of and for the year ended December 31, 2025 as filed with the Securities and Exchange Commission and referred to herein as the "Annual Report," and our condensed consolidated financial statements and related notes as of and for the three and six months ended June 30, 2026 included in Part I, Item 1 of this Quarterly Report on Form 10-Q, which we refer to as the "Quarterly 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 "Special Note Regarding Forward-Looking Statements" in this Quarterly Report and Part I, Item 1A "Risk Factors" in our Annual Report and Part II, Item 1A "Risk Factors" in this Quarterly 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.

Overview

Essent Group Ltd. (collectively with its subsidiaries, "Essent") serves the housing finance industry by offering private mortgage insurance and reinsurance, title insurance and settlement services to mortgage lenders, borrowers and investors to support homeownership. We have two reportable segments: Mortgage Insurance and Reinsurance.

Essent Guaranty, Inc., our wholly-owned mortgage insurance subsidiary which we refer to as "Essent Guaranty," is approved by Fannie Mae and Freddie Mac and licensed to write coverage in all 50 states and the District of Columbia. Our mortgage insurance operations generated new insurance written, or NIW, of approximately $14.1 billion and $25.2 billion for the three and six months ended June 30, 2026, respectively, compared to approximately $12.5 billion and $22.5 billion for the three and six months ended June 30, 2025, respectively. The financial strength ratings of Essent Guaranty are A2 with a stable outlook by Moody's Ratings ("Moody's"), A- with a stable outlook by S&P Global Ratings ("S&P") and A (Excellent) with a stable outlook by A.M. Best Ratings Services, Inc. ("AM Best").

Through our wholly-owned Bermuda-based subsidiary, Essent Reinsurance Ltd., which we refer to as "Essent Re", we reinsure U.S. mortgage risk in the GSE credit risk transfer market and also provide underwriting consulting services to third-party reinsurers. As of June 30, 2026, Essent Re provided insurance or reinsurance relating to GSE and other mortgage risk share transactions covering approximately $2.1 billion of risk. Essent Re also reinsures Essent Guaranty's NIW under a quota share reinsurance agreement. Effective January 1, 2026, Essent Re began reinsuring certain property and casualty risks. The financial strength ratings of Essent Re are A- with a stable outlook by S&P and A (Excellent) with a stable outlook by AM Best.

We also offer title insurance products both directly and through a network of title insurance agents through Essent Title Insurance, Inc., which we refer to as "Essent Title", as well as title and settlement services. Title insurance operations are included in the Corporate & Other category.

We have a highly experienced, talented team with 518 employees as of June 30, 2026. Our holding company and reinsurance business are domiciled in Bermuda. Our U.S. mortgage insurance and title insurance operations are headquartered in Radnor, Pennsylvania.

Current Developments

The Federal Reserve increased the target federal funds rate several times during 2022 and 2023 in an effort to reduce consumer price inflation. As a result of progress on inflation, the Federal Reserve reduced the target federal funds rate by 100 basis points in 2024 and by another 75 basis points during 2025. Mortgage interest rates, however, have remained elevated, which has reduced home buying and mortgage refinance activity resulting in lower volumes of mortgage originations, NIW and title insurance and settlement service transactions. Higher interest rates have also resulted in increases in our net investment income generated by our investment portfolio and the persistency of our mortgage insurance in force.

Ongoing geopolitical tensions and military conflicts in the Middle East, including the conflict involving Iran, may adversely affect our operations as it relates to the conflict's impact on the interest rate environment, consumer habits, as well as conflict-related events that could lead to future property and casualty losses in our Reinsurance segment.

Legislative and Regulatory Developments

Our results are significantly impacted by, and our future success may be affected by, legislative and regulatory developments affecting the housing finance industry. See Part I, Item 1 “Business—Regulation” and Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Legislative and Regulatory Developments” in our Annual Report for a discussion of the laws and regulations to which we are subject as well as legislative and regulatory developments affecting the housing finance industry.

Bermuda Corporate Income Tax

On December 27, 2023, the Government of Bermuda enacted the Corporate Income Tax Act 2023 (CIT). Starting January 1, 2025, the CIT imposes a new 15% corporate income tax on in-scope entities that are resident in Bermuda or that have a Bermuda permanent establishment, without regard to any assurances that had previously been given pursuant to the Exempted Undertakings Tax Protection Act 1966.

Although our annual revenue meets the CIT threshold for "in-scope" (€750M), our Bermuda companies are not "in scope" because of a statutory exception for entities having “limited international presence” or "LIP". We currently meet the criteria for the LIP exception, which is available to our Bermuda companies for a period of five years, or when the LIP criteria are no longer met, whichever is sooner. The LIP exemption criteria are subject to interpretation of existing Bermuda law, as well as any related new regulations that may be issued by the Government of Bermuda. Also, future strategic business decisions could impact qualification for the LIP exception. Accordingly, no assurances can be made that we will continue meeting the LIP exception criteria during the four years remaining in our five-year exemption period.

Credit Score Models

In April 2026, FHFA announced that the GSEs will begin accepting loans with the VantageScore 4.0 model for certain approved lenders and will begin moving forward with FICO 10T. During the second quarter of 2026, Essent Guaranty began insuring loans from approved lenders that were submitted using the VantageScore 4.0 model. The loans insured that were submitted with a VantageScore credit score represent a de minimis amount of our NIW for the three and six months ended June 30, 2026 and IIF and RIF at June 30, 2026.

Factors Affecting Our Results of Operations

Net Premiums Written and Earned

Premiums associated with our U.S. mortgage insurance business are based on mortgage insurance in force, or IIF, during all or a portion of a period. A change in the average IIF during a period causes premiums to increase or decrease as compared to prior periods. Average net premium rates in effect during a given period will also cause premiums to differ when compared to earlier periods. IIF at the end of a reporting period is a function of the IIF at the beginning of such reporting period plus NIW less policy cancellations (including claims paid) during the period. As a result, premiums are generally influenced by:

- NIW, which is the aggregate principal amount of the new mortgages that are insured during a period. Many factors affect NIW, including, among others, the volume of low down payment home mortgage originations, the competition to provide credit enhancement on those mortgages, the number of customers who have approved us to provide mortgage insurance and changes in our NIW from certain customers;

- Cancellations of our insurance policies, which are impacted by payments on mortgages, home price appreciation, or refinancings, which in turn are affected by mortgage interest rates. Cancellations are also impacted by the levels of claim payments and rescissions;

- Premium rates, which represent the amount of the premium due as a percentage of IIF. Premium rates are based on the risk characteristics of the loans insured, the percentage of coverage on the loans, competition from other mortgage insurers and general industry conditions; and

- Premiums ceded or assumed under reinsurance arrangements. See Note 4 to our condensed consolidated financial statements.

Mortgage insurance premiums are paid either on a monthly installment basis (“monthly premiums”), in a single payment at origination (“single premiums”), or in some cases as an annual premium. For monthly premiums, we receive a monthly premium payment which is recorded as net premiums earned in the month the coverage is provided. Monthly premium payments are based on the original mortgage amount rather than the amortized loan balance. Net premiums written may be in excess of net premiums earned due to single premium policies. For single premiums, we receive a single premium payment at origination, which is recorded as "unearned premium" and earned over the estimated life of the policy, which ranges from 36 to 156 months depending on the term of the underlying mortgage and loan-to-value ratio at date of origination. If single premium policies are cancelled due to repayment of the underlying loan and the premium is non-refundable, the remaining unearned premium balance is immediately recognized as earned premium revenue. Substantially all of our single premium policies in force as of June 30, 2026 were non-refundable. Premiums collected on annual policies are recognized as net premiums earned on a straight-line basis over the year of coverage. For the six months ended June 30, 2026 and 2025, monthly premium policies comprised 98% and 99% of our NIW, respectively.

Premiums associated with our GSE and other mortgage risk share transactions are based on the level of risk in force and premium rates on the transactions. Premiums associated with property and casualty reinsurance are generally earned on a pro rata basis over the terms of the underlying policies or reinsurance contracts. Premiums written are based on contract and policy terms and include estimates based on information received from ceding companies. Subsequent revisions to premium estimates are recorded in the period in which they are determined.

Title insurance premiums are based on the number of title insurance policies issued and generally recognized as income at the transaction closing date which approximates the policy effective date.

Persistency and Business Mix

The percentage of IIF that remains on our books after any 12-month period is defined as our persistency rate. Because our insurance premiums are earned over the life of a policy, higher persistency rates can have a significant impact on our profitability. The persistency rate on our portfolio was 84.0% at June 30, 2026. Generally, higher prepayment speeds lead to lower persistency.

Prepayment speeds and the relative mix of business between single premium policies and monthly premium policies also impact our profitability. Our premium rates include certain assumptions regarding repayment or prepayment speeds of the mortgages. Because premiums are paid at origination on single premium policies, assuming all other factors remain constant, if loans are prepaid earlier than expected, our profitability on these loans is likely to increase and, if loans are repaid slower than expected, our profitability on these loans is likely to decrease. By contrast, if monthly premium loans are repaid earlier than anticipated, our premium earned with respect to those loans and therefore our profitability declines. Currently, the expected return on single premium policies is less than the expected return on monthly policies.

Net Investment Income

Our investment portfolio was predominantly comprised of investment-grade fixed income securities and money market funds as of June 30, 2026. The principal factors that influence investment income are the size of the investment portfolio and the yield on individual securities. As measured by amortized cost (which excludes changes in fair market value, such as from changes in interest rates), the size of our investment portfolio is mainly a function of increases in capital and cash generated from or used in operations which is impacted by net premiums received, investment earnings, net claim payments and expenses. Realized gains and losses are a function of the difference between the amount received on the sale of a security and the security's amortized cost, as well as any provision for credit losses or impairments recognized in earnings. The amount received on the sale of fixed income securities is affected by the coupon rate of the security compared to the yield of comparable securities at the time of sale.

Income from Other Invested Assets

As part of our overall investment strategy, we also allocate a percentage of our portfolio to limited partnership investments and traditional venture capital and private equity investments. The results of these investing activities are reported in income from other invested assets. These investments are generally accounted for under the equity method or fair value using net asset value (or its equivalent) as a practical expedient. For entities accounted for under the equity method that follow industry-specific guidance for investment companies, our proportionate share of earnings or losses includes changes in the fair value of the underlying assets of these entities. Fluctuations in the fair value of these entities may increase the volatility of the Company's reported results of operations.

Other Income

Other income includes revenues associated with underwriting consulting services to third-party reinsurers, title settlement services and contract underwriting services. The level of these revenues are dependent upon the number of customers who have engaged us for these services. Revenue from underwriting consulting services to third-party reinsurers is also dependent upon the level of premiums associated with the transactions underwritten for these customers. Revenue from title settlement services and contract underwriting revenue are also dependent upon the number of loans underwritten for these customers.

In connection with the acquisition of our mortgage insurance platform, we entered into a services agreement with Triad Guaranty Inc. and its wholly-owned subsidiary, Triad Guaranty Insurance Corporation, which we refer to collectively as "Triad," to provide certain information technology maintenance and development and customer support-related services. In return for these services, we receive a flat monthly fee which is recorded in other income. During 2023, Triad entered into a three year renewal and extended the services agreement through November 2026.

As more fully described in Note 4 to our condensed consolidated financial statements, the premiums ceded under certain reinsurance contracts with unaffiliated third parties varies based on changes in market interest rates. Under GAAP, these contracts contain embedded derivatives that are accounted for separately as freestanding derivatives. The change in the fair value of the embedded derivatives is reported in earnings and included in other income.

Provision for Losses and Loss Adjustment Expenses

Mortgage Insurance

The provision for losses and loss adjustment expenses reflects the current expense that is recorded within a particular period to reflect actual and estimated loss payments that we believe will ultimately be made as a result of insured loans that are in default.

Losses incurred are generally affected by:

- the overall state of the economy, which broadly affects the likelihood that borrowers may default on their loans and have the ability to cure such defaults;
- changes in housing values, which affect our ability to mitigate our losses through the sale of properties with loans in default as well as borrower willingness to continue to make mortgage payments when the value of the home is below or perceived to be below the mortgage balance;
- the product mix of IIF, with loans having higher risk characteristics generally resulting in higher defaults and claims;
- the size of loans insured, with higher average loan amounts tending to increase losses incurred;
- the loan-to-value ratio, with higher average loan-to-value ratios tending to increase losses incurred;
- the percentage of coverage on insured loans, with deeper average coverage tending to increase losses incurred;
- credit quality of borrowers, including higher debt-to-income ratios and lower credit scores, which tend to increase incurred losses;
- the level and amount of reinsurance coverage maintained with third parties;

- the rate at which we rescind policies. Because of tighter underwriting standards generally in the mortgage lending industry and terms set forth in our master policy, we expect that our level of rescission activity will be lower than rescission activity seen in the mortgage insurance industry for vintages originated prior to the financial crisis; and

- the distribution of claims over the life of a book. As of June 30, 2026, 47% of our IIF relates to mortgage insurance business written before January 1, 2023 and was at least three years old. As a result, based on historical industry performance, we expect the number of defaults and claims we experience, as well as our provision for losses and loss adjustment expenses ("LAE"), to increase as our portfolio seasons. See "— Mortgage Insurance Earnings and Cash Flow Cycle" below.

We establish loss reserves for delinquent loans when we are notified that a borrower has missed at least two consecutive monthly payments ("Case Reserves"), as well as estimated reserves for defaults that may have occurred but not yet been reported to us ("IBNR Reserves"). We also establish reserves for the associated loss adjustment expenses, consisting of the estimated cost of the claims administration process, including legal and other fees. Using both internal and external information, we establish our reserves based on the likelihood that a default will reach claim status and estimated claim severity. See Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies" included in our Annual Report for further information.

Based upon our experience and industry data, claims incidence for mortgage insurance is generally highest in the third through sixth years after loan origination. As of June 30, 2026, 47% of our IIF relates to business written before January 1, 2023 and was at least three years old. As such, we expect incurred losses and claims to increase as a greater amount of this book of insurance is entering its anticipated period of highest claim frequency. The actual default rate and the average reserve per default that we experience as our portfolio matures is difficult to predict and is dependent on the specific characteristics of our current in-force book (including the credit score of the borrower, the loan-to-value ratio of the mortgage, geographic concentrations, etc.), as well as the profile of new business we write in the future. In addition, the default rate and the average reserve per default will be affected by future macroeconomic factors such as housing prices, interest rates and employment.

The Federal Reserve increased the target federal funds rate several times during 2022 and 2023 in an effort to reduce consumer price inflation. As a result of subsequent reductions in inflation rates, the Federal Reserve reduced the target federal funds rate by 100 basis points in 2024 and by another 75 basis points during 2025. Mortgage interest rates, however, have remained elevated, which may lower home sale activity and affect the options available to delinquent borrowers. It is reasonably possible that our estimate of losses could change in the near term as a result of changes in the economic environment, the impact of elevated levels of consumer price inflation on home sale activity, housing inventory, and home prices.

On September 26, 2024, Hurricane Helene made landfall and caused property damage in certain counties in Florida, Georgia, South Carolina, North Carolina, Tennessee and Virginia. On October 9, 2024, Hurricane Milton made landfall, causing damage in certain counties in Florida. Loans in default increased by 3,620 in the year ended December 31, 2024, including 2,119 defaults we identified as hurricane-related defaults. Based on prior industry experience, we expected the ultimate number of hurricane-related defaults that result in claims would be less than the default-to-claim experience of non-hurricane-related defaults. In addition, under our master policy, our exposure may be limited on hurricane-related claims. For example, we are permitted to exclude a claim entirely where damage to the property underlying a mortgage was the proximate cause of the default and adjust a claim where the property underlying a mortgage in default is subject to unrestored physical damage. Accordingly, when establishing our loss reserves as of December 31, 2024, we applied a lower estimated claim rate to new default notices received in the fourth quarter of 2024 from the affected areas than the claim rate we apply to other notices in our default inventory.

During 2025 and through the second quarter of 2026, we observed a decline in the number of defaults associated with hurricanes Helene and Milton. In the second quarter of 2026, we began reserving for the remaining hurricane-related defaults consistently with the standard methodology used for our default inventory, which did not have a significant impact on our provision for losses and loss adjustment expenses in the three and six months ended June 30, 2026 or the reserve balance at June 30, 2026.

As more fully described in Note 4 to our condensed consolidated financial statements, at June 30, 2026, we had approximately $1.0 billion of excess of loss reinsurance covering NIW from January 1, 2019 through August 31, 2019 and August 1, 2020 through December 31, 2025 and quota share reinsurance on portions of our NIW effective September 1, 2019 through December 31, 2020 and January 1, 2022 through December 31, 2026. The impact on our reserves in future periods will be dependent upon the amount of delinquent notices received from loan servicers, the performance of defaults and our expectations for the amount of ultimate losses on these delinquencies.

Property and Casualty Reinsurance

The Company estimates the reserves for property and casualty reinsurance based on reports from ceding companies and industry data analyzed using standard actuarial and statistical techniques. The Company selects initial expected loss and loss adjustment expense ratios based on information provided by ceding companies, actuaries and its underwriters, supplemented by industry data where appropriate. The analysis includes assessing currently available data, predictions of future developments, estimates of future trends, and other factors. These estimates are reviewed regularly and, as experience develops and new information becomes known, the reserves are adjusted as necessary. Such adjustments, if any, are reflected in income in the period in which they are determined. The final settlement of losses may vary, perhaps materially, from the reserves recorded.

Title Insurance

Our reserve for title insurance claim losses includes reserves for known claims as well as for losses that have been incurred but not yet reported to us ("IBNR"), net of recoupments. We reserve for each known claim based on our review of the estimated amount of the claim and the costs required to settle the claim. Reserves for IBNR claims are estimates that are established at the time the premium revenue is recognized and are based upon historical experience and other factors, including industry trends, claim loss history, legal environment, geographic considerations, and the types of policies written. We also reserve for losses arising from closing and disbursement functions due to fraud or operational error.

Although claims against title insurance policies can be reported relatively soon after the policy has been issued, claims may also be reported many years later. By their nature, title claims are often complex, vary greatly in dollar amounts and are affected by economic and market conditions, as well as the legal environment existing at the time of settlement of the claims. Estimating future title loss payments is difficult because of the complex nature of title claims, the long periods of time over which claims are paid, significantly varying dollar amounts of individual claims and other factors.

Outward Reinsurance

We use reinsurance to provide protection against adverse loss experience in our mortgage insurance and title insurance portfolios and to expand our capital sources. When we enter into a reinsurance agreement, the reinsurer receives a premium and, in exchange, agrees to insure an agreed upon portion of incurred losses. These arrangements have the impact of reducing our earned premiums, but also reduce our mortgage insurance risk in force (RIF), which provides capital relief, and may include capital relief under the PMIERs financial strength requirements. Our incurred losses are reduced by any incurred losses ceded in accordance with the reinsurance agreement. For additional information regarding reinsurance, see Note 4 to our condensed consolidated financial statements.

Other Underwriting and Operating Expenses

Our other underwriting and operating expenses include components that are substantially fixed, as well as expenses that generally increase or decrease in line with the level of mortgage insurance NIW, reinsurance premiums earned, title insurance policies issued and settlement services provided.

Our most significant expense is compensation and benefits for our employees, which represented 41% and 45% of other underwriting and operating expenses for the three and six months ended June 30, 2026, compared to 49% and 53% for the three and six months ended June 30, 2025. Compensation and benefits expense includes base and incentive cash compensation, stock compensation expense, benefits and payroll taxes.

Underwriting and other expenses include acquisition costs, legal, consulting, other professional fees, premium taxes, travel, entertainment, marketing, licensing, supplies, hardware, software, rent, utilities, depreciation and amortization and other expenses. Acquisition costs are net of ceding commissions earned on outward reinsurance and include ceding commissions incurred on reinsurance assumed. We anticipate that as we continue to add new customers and increase our mortgage insurance IIF, assume additional reinsurance, and increase title insurance policies issued and settlement services provided, our expenses will also continue to increase.

Other underwriting and operating expenses also include premiums retained by agents, which represent the portion of title insurance premiums retained by our third-party agents pursuant to the terms of their respective agency contracts and are recorded as an expense. The percentage of premiums retained by agents vary according to regional differences in real estate closing practices and state regulations.

Income Taxes

Income taxes are incurred based on the amount of earnings or losses generated in the jurisdictions in which we operate and the applicable tax rates and regulations in those jurisdictions. Our U.S. insurance subsidiaries are generally not subject to income taxes in most states in which we operate; however, our non-insurance subsidiaries are subject to state income taxes. Except for six states, most notably Florida, our insurance subsidiaries pay premium taxes in lieu of state income taxes. Premium taxes are recorded in other underwriting and operating expenses.

Essent Group Ltd. ("Essent Group") and its wholly-owned subsidiary, Essent Re, are domiciled in Bermuda, and their income is currently not subject to a corporate income tax. See "—Legislative and Regulatory Developments—Bermuda Corporate Income Tax" above. Essent Re reinsures U.S. mortgage risk in the GSE credit risk transfer market, provides underwriting consulting services to third-party reinsurers and effective January 1, 2026, reinsures certain property and casualty risks. Essent Re also reinsures Essent Guaranty's NIW under a quota share reinsurance agreement. The following table summarizes the quota share reinsurance coverage that Essent Re has provided to Essent Guaranty for the respective NIW periods:

NIW Period	Ceding Percentage
January 1, 2025 to Present	50%
January 1, 2021 to December 31, 2024	35%
Prior to January 1, 2021	25%

The amount of income tax expense or benefit recorded in future periods will be dependent on the jurisdictions in which we operate and the tax laws and regulations in effect.

Earnings and Cash Flow Cycle

In general, the majority of any underwriting profit (premium revenue minus losses) that a book of mortgage insurance policies generates occurs in the early years of the book, with the largest portion of any underwriting profit realized in the first year. Subsequent years of a book generally result in modest underwriting profit or underwriting losses. This pattern generally occurs because relatively few of the claims that a book will ultimately experience typically occur in the first few years of the book, when premium revenue is highest, while subsequent years are affected by declining premium revenues, as the number of insured loans decreases (primarily due to loan prepayments), and by increasing losses.

In general, the underwriting profit generated by certain lines of property and casualty insurance policies depends on the pattern in which written premiums are earned over the coverage period and the estimate of the initial reserves for future claim payments. Significant periods of time may elapse between the point at which premiums are written and earned and the occurrence of an insured loss, the reporting of the loss to the reinsurer and subsequent payments to the ceding insurer by the reinsurer.

Key Performance Indicators

Insurance In Force

As discussed above, mortgage insurance premiums we collect and earn are generated based on our IIF, which is a function of our NIW and cancellations. The following table includes a summary of the change in our IIF for the three and six months ended June 30, 2026 and 2025 for our mortgage insurance portfolio. In addition, this table includes our RIF at the end of each period.

(In thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
IIF, beginning of period	$ 247,909,417	$ 244,692,492	$ 248,356,397	$ 243,645,423
NIW - Flow	14,144,104	12,544,731	25,220,294	22,490,067
Cancellations	(12,333,287)	(10,439,604)	(23,856,457)	(19,337,871)
IIF, end of period	$ 249,720,234	$ 246,797,619	$ 249,720,234	$ 246,797,619
Average IIF during the period	$ 248,468,781	$ 245,747,813	$ 248,188,468	$ 244,902,942
RIF, end of period	$ 56,435,078	$ 56,811,096	$ 56,435,078	$ 56,811,096

The following is a summary of our IIF at June 30, 2026 by vintage:

($ in thousands)	$	%
2026 (through June 30)	$ 24,756,568	9.9 %
2025	40,156,852	16.1
2024	34,628,333	13.9
2023	31,851,543	12.8
2022	42,323,563	16.9
2021	37,012,232	14.8
2020 and prior	38,991,143	15.6
	$ 249,720,234	100.0%

Average Net Premium Rate

Our average net premium rate is calculated by dividing net premiums earned for the mortgage insurance portfolio by average insurance in force for the period and is dependent on a number of factors, including: (1) the risk characteristics and average coverage on the mortgages we insure; (2) the mix of monthly premiums compared to single premiums in our portfolio; (3) cancellations of non-refundable single premiums during the period; (4) changes to our pricing for NIW; and (5) premiums ceded under third-party reinsurance agreements. The following table presents the average net premium rate for our U.S. mortgage insurance portfolio:

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Base average premium rate	0.40%	0.41%	0.41%	0.41%
Single premium cancellations	—	—	—	—
Gross average premium rate	0.40	0.41	0.41	0.41
Ceded premiums	(0.05)	(0.05)	(0.06)	(0.05)
Net average premium rate	0.35%	0.36%	0.35%	0.36%

The continued use of outward reinsurance along with changes to the level of future cancellations of non-refundable single premium policies and mix of IIF may impact our average net premium rate in future periods.

Persistency Rate

The measure for assessing the impact of policy cancellations on IIF is our persistency rate, defined as the percentage of IIF that remains on our books after any twelve-month period. See additional discussion regarding the impact of the persistency rate on our performance in "— Factors Affecting Our Results of Operations — Persistency and Business Mix."

Risk-to-Capital

The risk-to-capital ratio has historically been used as a measure of capital adequacy in the U.S. mortgage insurance industry and is calculated as a ratio of net risk in force to statutory capital. Net risk in force represents total risk in force net of reinsurance ceded and net of exposures on policies for which loss reserves have been established. Statutory capital for our U.S. insurance companies is computed based on accounting practices prescribed or permitted by the Pennsylvania Insurance Department. See additional discussion in "— Liquidity and Capital Resources — Insurance Company Capital."

As of June 30, 2026, the net risk in force for Essent Guaranty was $31.1 billion and its statutory capital was $3.7 billion, resulting in a risk-to-capital ratio of 8.5:1. The amount of capital required varies in each jurisdiction in which we operate; however, generally, the maximum permitted risk-to-capital ratio is 25.0 to 1. State insurance regulators have continued to examine their respective capital rules to determine whether, in light of the 2007-2008 financial crisis, changes are needed to more accurately assess mortgage insurers' ability to withstand stressful economic conditions. As a result, the capital metrics under which they assess and measure capital adequacy may change in the future. Independent of the state regulator and GSE capital requirements, management continually assesses the risk of our insurance portfolio and current market and economic conditions to determine the appropriate levels of capital to support our business.

Results of Operations: Consolidated

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

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Revenues:				
Net premiums written	$ 307,285	$ 241,488	$ 701,954	$ 479,759
(Increase) decrease in unearned premiums	(30,521)	7,321	(165,097)	14,898
Net premiums earned	276,764	248,809	536,857	494,657
Net investment income	61,612	59,289	120,867	117,499
Realized investment gains (losses), net	(111)	(129)	(258)	(310)
Income from other invested assets	19,385	4,466	29,564	11,874
Other income	5,036	6,708	11,728	12,981
Total revenues	362,686	319,143	698,758	636,701
Losses and expenses:				
Provision for losses and LAE	48,961	17,055	97,177	48,342
Other underwriting and operating expenses	75,258	62,765	148,241	133,889
Interest expense	8,148	8,148	16,296	16,296
Total losses and expenses	132,367	87,968	261,714	198,527
Income before income taxes	230,319	231,175	437,044	438,174
Income tax expense	40,605	35,836	75,531	67,402
Net income	**$ 189,714**	**$ 195,339**	**$ 361,513**	**$ 370,772**

Revenues

Net Premiums Earned

Net premiums earned for the three and six months ended June 30, 2026 increased compared to the three and six months ended June 30, 2025, primarily due to property and casualty reinsurance assumed beginning January 1, 2026. For more information, see Net Premiums Written and Earned under "Results of Operations: Mortgage Insurance", Net Premiums Written and Earned under "Results of Operations: Reinsurance" and Net Premiums Earned under "Results of Operations: Corporate & Other".

Net Investment Income

Our consolidated net investment income was derived from the following sources for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Fixed maturities	$ 58,220	$ 54,946	$ 112,523	$ 107,432
Short-term investments	5,249	6,073	11,777	13,548
Gross investment income	63,469	61,019	124,300	120,980
Investment expenses	(1,857)	(1,730)	(3,433)	(3,481)
Net investment income	$ 61,612	$ 59,289	$ 120,867	$ 117,499

The increase in net investment income for the three and six months ended June 30, 2026 as compared to the same periods in 2025 was due to an increase in the pre-tax investment income yield and an increase in the average balance of cash and available-for-sale investments. The pre-tax investment income yield on cash and available-for-sale investments increased from 3.85% for the three months ended June 30, 2025 to 3.99% for the three months ended June 30, 2026, and from 3.81% for the six months ended June 30, 2025 to 3.89% for the six months ended June 30, 2026, primarily due to a general increase in investment yields due to rising interest rates. The average cash and available-for-sale investment portfolio balance was $6.4 billion for both the three and six months ended June 30, 2026 and $6.3 billion for both the three and six months ended June 30, 2025, respectively. See "— Liquidity and Capital Resources" for further details of our investment portfolio.

Income from Other Invested Assets

Income from other invested assets for the three months ended June 30, 2026 was $19.4 million as compared to $4.5 million for the three months ended June 30, 2025. Income from other invested assets for the six months ended June 30, 2026 was $29.6 million as compared to $11.9 million for the six months ended June 30, 2025. The increase in income from other invested assets for the three and six months ended June 30, 2026 compared to the three and six months ended June 30, 2025 was due to increased favorable fair value adjustments recorded.

Other Income

Other income for the three months ended June 30, 2026 was $5.0 million as compared to $6.7 million for the three months ended June 30, 2025. Other income for the six months ended June 30, 2026 was $11.7 million as compared to $13.0 million for the six months ended June 30, 2025. Other income includes revenues associated with underwriting consulting services to third-party reinsurers, title settlement services and contract underwriting services, as well as changes in the fair value of our embedded derivatives associated with certain reinsurance contracts.

Losses and Expenses

Provision for Losses

The increased provision for losses for the three and six months ended June 30, 2026 compared to the three and six months ended June 30, 2025 was primarily due to property and casualty reinsurance assumed beginning January 1, 2026 and an increase in the average reserve per default due to aging of defaults remaining within the mortgage insurance portfolio. See "Results of Operations: Mortgage Insurance" and "Results of Operations: Reinsurance" for more information.

Other Underwriting and Operating Expenses

The increase in underwriting and operating expenses for the three and six months ended June 30, 2026 compared to the three and six months ended June 30, 2025 was primarily due to an increase in operating expenses in our Reinsurance segment, partially offset by decreases in operating expenses in our Mortgage Insurance segment. For more information, see "Results of Operations: Mortgage Insurance", "Results of Operations: Reinsurance" and "Results of Operations: Corporate & Other."

Interest Expense

For the three month periods ended June 30, 2026 and 2025, we incurred interest expense of $8.1 million, respectively. For the six month periods ended June 30, 2026 and 2025, we incurred interest expense of $16.3 million, respectively. The average amount of borrowings outstanding were $500 million at a weighted average interest rate of 6.25% for all periods presented.

Income Taxes

Our subsidiaries in the United States file a consolidated U.S. Federal income tax return. Our income tax expense was $40.6 million and $35.8 million for the three months ended June 30, 2026 and 2025, respectively and $75.5 million and $67.4 million for the six months ended June 30, 2026 and 2025, respectively. The provision for income taxes for the six months ended June 30, 2026 was calculated using an estimated annual effective tax rate of 17.3% compared to 15.4% for the six months ended June 30, 2025. The increase in our estimated annual effective tax rate is primarily related to estimated withholding taxes to be incurred on intercompany dividends by Essent US Holdings, Inc. to its parent company. For the six months ended June 30, 2026, income tax expense includes $6.4 million of discrete tax expense associated with realized and unrealized gains recognized during the period partially offset by $1.1 million excess tax benefits associated with the vesting of common shares and common share units. For the six months ended June 30, 2025, income tax expense includes $2.7 million of discrete tax expense associated with realized and unrealized gains recognized during the period partially offset by $0.8 million excess tax benefits associated with the vesting of common shares and common share units.

Results of Operations: Mortgage Insurance

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Revenues:				
Net premiums earned	$ 215,662	$ 220,262	$ 431,325	$ 438,386
Net investment income	43,965	43,676	86,322	86,466
Realized investment gains (losses), net	(94)	(124)	(282)	(225)
Income from other invested assets	12,975	3,619	18,737	6,828
Other income	1,396	1,614	3,139	3,162
Total revenues	273,904	269,047	539,241	534,617
Losses and expenses:				
Provision for losses and LAE	29,391	15,323	67,011	46,043
Other underwriting and operating expenses	23,819	24,625	49,884	52,759
Total losses and expenses before allocations	53,210	39,948	116,895	98,802
Corporate expense allocations	8,086	8,979	19,628	21,783
Total losses and expenses after allocations	61,296	48,927	136,523	120,585
Income before income tax expense	$ 212,608	$ 220,120	$ 402,718	$ 414,032
Loss ratio (1)	13.6 %	7.0 %	15.5 %	10.5 %
Expense ratio (2)	14.8	15.3	16.1 %	17.0 %
Combined ratio	28.4 %	22.3 %	31.6 %	27.5 %

(1) Loss ratio is calculated by dividing the provision for losses and LAE by net premiums earned.

(2) Expense ratio is calculated by dividing the sum of other underwriting and operating expenses and corporate expense allocations by net premiums earned.

Three and Six Months Ended June 30, 2026 Compared to the Three and Six Months Ended June 30, 2025

For the three months ended June 30, 2026, our Mortgage Insurance segment reported income before income tax expense of $212.6 million, compared to income before income tax expense of $220.1 million for the three months ended June 30, 2025. For the six months ended June 30, 2026, our Mortgage Insurance segment reported income before income tax expense of $402.7 million, compared to income before income tax expense of $414.0 million for the six months ended June 30, 2025. The decrease in our operating results during the three and six months ended June 30, 2026 compared to the same periods in 2025 was primarily due to an increase in the provision for losses and a decrease in net premiums earned, partially offset by an increase in income from other invested assets and a decrease in other underwriting and operating expenses.

Net Premiums Written and Earned

Net premiums earned in the three and six months ended June 30, 2026 decreased compared to the three and six months ended June 30, 2025. The average net premium rate decreased to 0.35% for the three months ended June 30, 2026 compared to 0.36% for the three months ended June 30, 2025 as a result of a decrease in the base premium rate. The average net premium rate decreased to 0.35% for the six months ended June 30, 2026 compared to 0.36% for the six months ended June 30, 2025 due to an increase in ceded premiums as a result of higher ceded losses under our third party quota share arrangements. Our average IIF increased from $245.7 billion for the three months ended June 30, 2025 to $248.5 billion for the three months ended June 30, 2026 and from $244.9 billion for the six months ended June 30, 2025 to $248.2 billion for the six months ended June 30, 2026.

The following table presents the components of the change in unearned premiums within our Mortgage Insurance segment for the following periods:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Unearned premium recognized in earnings	7,404	9,072	15,024	19,902
Net premiums written on single premium policies	(2,390)	(2,216)	(4,294)	(4,053)
Decrease in unearned premiums	5,014	6,856	10,730	15,849

Provision for Losses and Loss Adjustment Expenses

In the three months ended June 30, 2026 we recorded a provision for losses of $29.4 million compared to a provision of $15.3 million for the three months ended June 30, 2025. In the six months ended June 30, 2026 we recorded a provision for losses of $67.0 million compared to a provision of $46.0 million for the six months ended June 30, 2025. The increase in the provision for losses in the three and six months ended June 30, 2026 compared to the same periods in 2025 was primarily the result of an increase in our average reserve per default due to aging of defaults remaining within the mortgage insurance portfolio and an increase in the average RIF per default.

The following table presents a rollforward of insured loans in default for our mortgage insurance portfolio for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Beginning default inventory	20,332	17,759	20,210	18,439
Plus: new defaults	9,846	8,810	20,946	18,474
Less: cures	(9,559)	(9,078)	(20,267)	(19,251)
Less: claims paid	(316)	(215)	(555)	(368)
Less: rescissions and denials, net	(25)	(21)	(56)	(39)
Ending default inventory	20,278	17,255	20,278	17,255

The following table includes additional information about our loans in default as of the dates indicated for our mortgage insurance portfolio:

	As of June 30,	
	2026	**2025**
Case reserves (in thousands)	$ 438,920	$ 319,408
Total reserves (in thousands)	$ 475,011	$ 345,952
Ending default inventory	20,278	17,255
Average case reserve per default (in thousands)	$ 21.6	$ 18.5
Average total reserve per default (in thousands)	$ 23.4	$ 20.0
Default rate	2.53%	2.12%
Claims received included in ending default inventory	461	214

The following table provides a reconciliation of the beginning and ending mortgage insurance reserve balances for losses and LAE:

(In thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Reserve for losses and LAE at beginning of period	$ 458,901	$ 338,128	$ 429,610	$ 310,156
Less: Reinsurance recoverables	61,591	40,351	56,120	36,655
Net reserve for losses and LAE at beginning of period	397,310	297,777	373,490	273,501
Add provision for losses and LAE occurring in:				
Current period	58,393	45,119	121,185	94,047
Prior years	(29,002)	(29,796)	(54,174)	(48,004)
Incurred losses and LAE during the current period	29,391	15,323	67,011	46,043
Deduct payments for losses and LAE occurring in:				
Current period	260	315	348	366
Prior years	17,148	8,799	30,860	15,192
Loss and LAE payments during the current period	17,408	9,114	31,208	15,558
Net reserve for losses and LAE at end of period	409,293	303,986	409,293	303,986
Plus: Reinsurance recoverables	65,718	41,966	65,718	41,966
Reserve for losses and LAE at end of period	$ 475,011	$ 345,952	$ 475,011	$ 345,952

The following tables provide a detail of reserves and defaulted RIF by the number of missed payments and pending claims for our mortgage insurance portfolio:

($ in thousands)	As of June 30, 2026 Number of Policies in Default	Percentage of Policies in Default	Amount of Reserves	Percentage of Reserves	Defaulted RIF	Reserves as a Percentage of Defaulted RIF
Missed payments:						
Two payments	6,268	31%	$ 34,008	8%	$ 495,232	7%
Three payments	2,812	14	29,835	7	237,120	13
Four to eleven payments	7,772	38	187,370	43	684,887	27
Twelve or more payments	2,965	15	154,442	35	252,845	61
Pending claims	461	2	33,265	7	36,888	90
Total case reserves	20,278	100%	$ 438,920	100%	$ 1,706,972	26%
IBNR			32,919			
LAE			3,172			
Total reserves for losses and LAE			$ 475,011			

($ in thousands)	Number of Policies in Default	Percentage of Policies in Default	Amount of Reserves	Percentage of Reserves	Defaulted RIF	Reserves as a Percentage of Defaulted RIF
	As of June 30, 2025					
Missed payments:						
Two payments	5,634	33%	$ 29,534	9%	$ 436,738	7%
Three payments	2,375	14	23,028	7	189,938	12
Four to eleven payments	6,644	38	134,497	42	561,051	24
Twelve or more payments	2,388	14	118,154	37	190,189	62
Pending claims	214	1	14,195	5	15,789	90
Total case reserves	17,255	100%	$ 319,408	100%	$ 1,393,705	23%
IBNR			23,956			
LAE			2,588			
Total reserves for losses and LAE			$ 345,952			

During the three months ended June 30, 2026, the Mortgage Insurance provision for losses and LAE was a provision of $29.4 million, comprised of $58.4 million of current year losses partially offset by $29.0 million of favorable prior years' loss development. During the three months ended June 30, 2025, the provision for losses and LAE was $15.3 million, comprised of $45.1 million of current year losses offset by $29.8 million of favorable prior years' loss development.

During the six months ended June 30, 2026, the Mortgage Insurance provision for losses and LAE was a provision of $67.0 million, comprised of $121.2 million of current year losses partially offset by $54.2 million of favorable prior years' loss development. During the six months ended June 30, 2025, the provision for losses and LAE was $46.0 million, comprised of $94.0 million of current year losses offset by $48.0 million of favorable prior years' loss development.

In all periods, the prior years' loss development was the result of a re-estimation of amounts ultimately to be paid on prior year defaults in the default inventory, including the impact of previously identified defaults that cured.

The following table includes additional information about our claims paid and claim severity for our mortgage insurance portfolio for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
($ in thousands)	2026	2025	2026	2025
Number of claims paid	316	215	555	368
Amount of claims paid	$ 17,283	$ 9,007	$ 31,208	$ 15,337
Claim severity	85%	67%	85%	68%

Other Underwriting and Operating Expenses

Following are the components of other underwriting and operating expenses for the Mortgage Insurance segment for the periods indicated:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
($ in thousands)	$	%	$	%	$	%	$	%
Compensation and benefits	$ 14,898	63%	$ 15,667	64%	$ 31,515	63%	$ 34,277	65%
Premium taxes	5,996	25	5,984	24	11,988	24	11,548	22
Acquisition costs, net	(7,770)	(33)	(6,770)	(27)	(15,148)	(30)	(13,200)	(25)
Other	10,695	44	9,744	40	21,529	43	20,134	37
Total other underwriting and operating expenses	$ 23,819	100%	$ 24,625	100%	$ 49,884	100%	$ 52,759	100%
Average number of employees during the period	259		276		260		280	

The significant factors contributing to the change in other underwriting and operating expenses are:

- Compensation and benefits decreased during the three and six months ended June 30, 2026 compared to the same periods in 2025 primarily due to a decrease in average number of employees during the current period. Compensation and benefits includes salaries, wages and bonus, stock compensation expense, benefits and payroll taxes. The first quarter of each year typically has higher compensation and benefits expense than the subsequent quarters due to payroll taxes on annual bonus payouts and vesting of nonvested stock and stock units, as well as higher stock-based compensation expense.
- Acquisition costs are net of ceding commissions earned on outward reinsurance. The change in acquisition costs during the three and six month periods ended June 30, 2026 compared to the same periods in 2025 resulted from increased ceding commission earned due to increased outward reinsurance of insurance in force under our outstanding quota share arrangements.
- Other expenses include professional fees, travel, marketing, hardware, software, rent, depreciation and amortization and other facilities expenses. The increase in other expenses for the three and six months ended June 30, 2026 compared to the same periods in 2025 was primarily attributable to increases in professional fees.

Results of Operations: Reinsurance

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Revenues:				
Net premiums earned	$ 43,639	$ 13,875	$ 72,949	$ 29,609
Net investment income	6,088	5,216	10,758	10,056
Other income	1,345	1,909	3,316	4,862
Total revenues	51,072	21,000	87,023	44,527
Losses and expenses:				
Provision for losses and LAE	18,723	36	28,652	39
Other underwriting and operating expenses	14,631	2,386	24,556	4,843
Total losses and expenses before allocations	33,354	2,422	53,208	4,882
Corporate expense allocations	653	263	1,204	473
Total losses and expenses after allocations	34,007	2,685	54,412	5,355
Income before income tax expense	$ 17,065	$ 18,315	$ 32,611	$ 39,172
Loss ratio (1)	42.9 %	0.3 %	39.3 %	0.1 %
Expense ratio (2)	35.0	19.1	35.3	18.0
Combined ratio	77.9 %	19.4 %	74.6 %	18.1 %

(1) Loss ratio is calculated by dividing the provision for losses and LAE by net premiums earned.
(2) Expense ratio is calculated by dividing the sum of other underwriting and operating expenses and corporate expense allocations by net premiums earned.

Three and Six Months Ended June 30, 2026 Compared to the Three and Six Months Ended June 30, 2025

Net Premiums Written and Earned

Reinsurance net premiums earned increased during the three and six month periods ended June 30, 2026 compared to the same periods in 2025 primarily due to premiums earned on the reinsurance of certain property and casualty risks, which Essent Re began writing effective January 1, 2026. Premiums earned also include premiums from Essent Re's participation in the GSE-sponsored mortgage risk share transactions.

The following table sets forth our Reinsurance segment's net premiums written between mortgage and non-mortgage business:

($ in thousands)	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
	$	%	$	%	$	%	$	%
Mortgage	$ 13,700	17 %	$ 13,181	98%	$ 26,936	11 %	$ 30,102	99%
Non-mortgage	65,475	83	229	2	221,840	89	458	1
Total net premiums written	$ 79,175	100 %	$ 13,410	100 %	$ 248,776	100 %	$ 30,560	100 %

The following table sets forth our Reinsurance segment's net premiums earned between mortgage and non-mortgage business:

($ in thousands)	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
	$	%	$	%	$	%	$	%
Mortgage	$ 12,716	29 %	$ 13,646	98%	$ 24,980	34 %	$ 29,151	98%
Non-mortgage	30,923	71	229	2	47,969	66	458	2
Total net premiums earned	$ 43,639	100 %	$ 13,875	100 %	$ 72,949	100 %	$ 29,609	100 %

The following table presents the average mortgage reinsurance risk in force and the average premium rates for the periods indicated:

($ in thousands)	Three Months Ended June 30,	
	2026	2025
Average reinsured mortgage risk in force	$ 2,068,050	$ 2,239,743
Average premium rate on mortgage risk in force	2.5 %	2.4 %

Other Income

The decrease in other income in Reinsurance for the three and six month periods ended June 30, 2026 compared to the same periods in 2025 was due to a decline in third party consulting service revenues.

Provision for Losses and Loss Adjustment Expenses

In the three and six months ended June 30, 2026 we recorded a provision for losses of $18.7 million and $28.7 million, respectively, compared to a provision of $36 thousand and $39 thousand for the three and six months ended June 30, 2025, respectively. The increase in provision for losses and loss adjustment expenses for the three and six month periods ended June 30, 2026 primarily relates to loss provisions recorded for property and casualty premiums earned during 2026. Property and casualty ultimate losses are estimated on premiums earned and the average loss ratios for property and casualty reinsurance are inherently higher than loss ratios on the reinsurance of GSE-sponsored mortgage risk share transactions. Reinsurance reserves as of June 30, 2026 and 2025 were $27.7 million and $88 thousand, respectively.

Other Underwriting and Operating Expenses

Following are the components of other underwriting and operating expenses for Reinsurance segment for the periods indicated:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
($ in thousands)	**$**	**%**	**$**	**%**	**$**	**%**	**$**	**%**
Compensation and benefits	$ 1,781	12%	$ 1,126	47%	$ 3,966	16%	$ 2,406	50%
Premium and other taxes	14	—	16	1	32	—	27	1
Acquisition costs, net	11,849	81	285	12	18,591	76	642	13
Other	987	7	959	40	1,967	8	1,768	37
Total other underwriting and operating expenses	$ 14,631	100 %	$ 2,386	100 %	$ 24,556	100 %	$ 4,843	100 %
Average number of employees during the period		10		8		10		8

The significant factors contributing to the change in other underwriting and operating expenses are:

- Compensation and benefits increased for the three and six month periods ended June 30, 2026 compared to the same periods in 2025 primarily due to an increase in headcount and incentive compensation. Compensation and benefits includes salaries, wages and bonus, stock compensation expense, benefits and payroll taxes.

- Premium and other taxes within the Reinsurance segment relate to federal excise taxes paid on certain mortgage reinsurance premiums.

- The increase in acquisition costs for the three and six month periods ended June 30, 2026 compared to the same periods in 2025 is primarily due to ceding and brokerage commissions and acquisition costs incurred on property and casualty risks that Essent Re began reinsuring effective January 1, 2026.

- Other expenses increased for the three and six month periods ended June 30, 2026 compared to the same periods in 2025 as a result of increased professional fees incurred with the reinsurance of property and casualty risks beginning in the first quarter of 2026. Other expenses include professional fees, travel, marketing, hardware, software, rent, depreciation and amortization and other facilities expenses.

Results of Operations: Corporate & Other

(In thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenues:				
Net premiums earned	$ 17,463	$ 14,672	$ 32,583	$ 26,662
Net investment income	11,559	10,397	23,787	20,977
Realized investment gains (losses), net	(17)	(5)	24	(85)
Income (loss) from other invested assets	6,410	847	10,827	5,046
Other income	2,295	3,185	5,273	4,957
Total revenues	37,710	29,096	72,494	57,557
Losses and expenses:				
Provision for losses and LAE	847	1,696	1,514	2,260
Other underwriting and operating expenses	36,808	35,754	73,801	76,287
Interest expense	8,148	8,148	16,296	16,296
Total losses and expenses before allocations	45,803	45,598	91,611	94,843
Corporate expense allocations	(8,739)	(9,242)	(20,832)	(22,256)
Total losses and expenses after allocations	37,064	36,356	70,779	72,587
Income (loss) before income tax expense	$ 646	$ (7,260)	$ 1,715	$ (15,030)

Three and Six Months Ended June 30, 2026 Compared to the Three and Six Months Ended June 30, 2025

Net Premiums Earned

Net premiums earned reported in Corporate & Other relate to premiums earned by our title insurance operations. The increase in net premiums earned is due to an increase in title insurance policies issued in the three and six month periods ended June 30, 2026 compared to the same periods in 2025.

Provision for Losses & LAE

The provision for losses reported in Corporate & Other relates to loss provisions recorded by our title insurance operations. Title insurance reserves were $16.0 million at June 30, 2026 and $16.9 million at December 31, 2025.

Other Underwriting and Operating Expenses

Following are the components of other underwriting and operating expenses for the Corporate & Other category for the periods indicated:

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
($ in thousands)	$	%	$	%	$	%	$	%
Compensation and benefits	$ 13,825	38%	$ 13,926	39%	$ 31,678	43%	$ 33,728	44%
Premium taxes	545	1	495	1	981	1	1,823	2
Other	22,438	61	21,333	60	41,142	56	40,736	53
Total other underwriting and operating expenses	$ 36,808	100%	$ 35,754	100%	$ 73,801	100%	$ 76,287	100%
Average number of employees during the period		251		257		249		278

The significant factors contributing to the change in other underwriting and operating expenses are:

- Compensation and benefits decreased in the six months ended June 30, 2026 compared to the same period in 2025 primarily due to decreases in the average number of employees and a decrease in stock based compensation expense. Compensation and benefits includes salaries, wages and bonus, stock compensation expense, benefits and payroll taxes.

- Premium taxes decreased during the six months ended June 30, 2026 compared to the same period in 2025 primarily due to $1.0 million of net expense associated with prior year premium tax returns incurred during the first quarter of 2025.
- Other expenses include title and settlement services direct costs, professional fees, travel, marketing, hardware, software, rent, depreciation and amortization and other facilities expenses. Other expenses also includes premiums retained by agents which represents the portion of title insurance premiums retained by our third-party agents pursuant to the terms of their respective agency contracts. Other expenses increased in the three and six months ended June 30, 2026 compared to the same periods in 2025 primarily due to an increase in title expenses associated with an increase in title policies issued.

Liquidity and Capital Resources

Overview

Our sources of funds consist primarily of:

- our investment portfolio and interest income on the portfolio;
- net premiums that we will receive from our existing IIF as well as policies that we write in the future;
- borrowings under our Revolving Credit Facility; and
- issuance of capital shares.

Our obligations consist primarily of:

- claim payments under our policies;
- interest payments and repayment of borrowings under our Senior Notes and Revolving Credit Facility;
- the other costs and operating expenses of our business;
- the repurchase of common shares under the share repurchase plan approved by our Board of Directors; and
- the payment of dividends on our common shares.

As of June 30, 2026, we had substantial liquidity with cash of $74.3 million, short-term investments of $623.9 million and fixed maturity investments of $5.4 billion. We also had $500 million available capacity under our Revolving Credit Facility. Cash and investments available for sale at the holding companies totaled $1.1 billion at June 30, 2026. In addition, Essent Guaranty is a member of the Federal Home Loan Bank of Pittsburgh (the “FHLBank”) and has access to secured borrowing capacity with the FHLBank to provide Essent Guaranty with supplemental liquidity. Essent Guaranty had no outstanding borrowings with the FHLBank at June 30, 2026.

Management believes that the Company has sufficient liquidity available both at its holding companies and in its insurance and other operating subsidiaries to meet its operating cash needs and obligations and committed capital expenditures for the next 12 months.

While the Company and all of its subsidiaries are expected to have sufficient liquidity to meet all their expected obligations, additional capital may be required to meet any new capital requirements that are adopted by regulatory authorities or the GSEs, to respond to changes in the business or economic environment, to provide additional capital related to the growth of our risk in force in our mortgage insurance portfolio, or to fund new business initiatives. We regularly review potential investments and acquisitions, some of which may be material, that, if consummated, would expand our existing business or result in new lines of business, and at any given time we may be in discussions concerning possible transactions. We continually evaluate opportunities based upon market conditions to further increase our financial flexibility through the issuance of equity or debt, or other options including reinsurance or credit risk transfer transactions. There can be no guarantee that any such opportunities will be available on acceptable terms or at all.

At the operating subsidiary level, liquidity could be impacted by any one of the following factors:

- significant decline in the value of our investments;
- inability to sell investment assets to provide cash to fund operating needs;
- decline in expected revenues generated from operations;
- increase in expected claim payments related to our IIF; or
- increase in operating expenses.

Our U.S. insurance subsidiaries are subject to certain capital and dividend rules and regulations prescribed by jurisdictions in which they are authorized to operate and, in the case of Essent Guaranty, the GSEs. Under the insurance laws of the Commonwealth of Pennsylvania, the insurance subsidiaries may pay dividends during any twelve-month period in an amount equal to the greater of (i) 10% of the preceding year-end statutory policyholders' surplus or (ii) the preceding year's statutory net income. The Pennsylvania statute also requires that, without the prior approval of the Pennsylvania Insurance Department, dividends and other distributions may only be paid out of positive unassigned surplus. At June 30, 2026, Essent Guaranty had unassigned surplus of approximately $301.9 million. As of June 30, 2026, Essent Guaranty could pay additional ordinary dividends in 2026 of $301.9 million.

Essent Re is subject to certain dividend restrictions as prescribed by the Bermuda Monetary Authority and under certain agreements with counterparties. Class 3B insurers must obtain the BMA's prior approval for a reduction by 15% or more of total statutory capital or for a reduction by 25% or more of total statutory capital and surplus as set forth in its previous year's statutory financial statements. In connection with a quota share reinsurance agreement with Essent Guaranty, Essent Re has agreed to maintain a minimum total equity of $100.0 million. As of June 30, 2026, Essent Re had total equity of $1.6 billion. In connection with its insurance and reinsurance activities, Essent Re is required to maintain assets in trusts for the benefit of its contractual counterparties. See Note 3 to our condensed consolidated financial statements. As of June 30, 2026, Essent Re could pay additional dividends in 2026 of $223.8 million without prior approval from the BMA.

At June 30, 2026, our insurance subsidiaries were in compliance with these rules, regulations and agreements.

Cash Flows

The following table summarizes our consolidated cash flows from operating, investing and financing activities:

	Six Months Ended June 30,	
(In thousands)	**2026**	**2025**
Net cash provided by operating activities	$ 389,134	$ 411,104
Net cash used in investing activities	(10,999)	(48,576)
Net cash used in financing activities	(426,851)	(401,892)
Net decrease in cash	$ (48,716)	$ (39,364)

Operating Activities

Cash flows provided by operating activities totaled $389.1 million for the six months ended June 30, 2026, as compared to $411.1 million for the six months ended June 30, 2025. The decrease in cash flows provided by operating activities was due to the timing of certain premium collections and an increase in claims paid, partially offset by a decrease in prepaid federal income taxes during the six months ended June 30, 2026 compared to the same period in 2025.

Investing Activities

Cash flows used in investing activities totaled $11.0 million for the six months ended June 30, 2026 compared to $48.6 million for the six months ended June 30, 2025. The decrease in cash flows used in investing activities in the six months ended June 30, 2026 compared to six months ended June 30, 2025 was largely due to net cash inflows from available-for-sale and short-term investments, partially offset by a decrease in purchases of other invested assets.

Financing Activities

Cash flow used in financing activities totaled $426.9 million and $401.9 million for the six months ended June 30, 2026 and 2025, respectively. Cash flows used in financing activities relates to the quarterly cash dividends paid, repurchases of common stock under our share repurchase plans and treasury stock acquired from employees to satisfy tax withholding obligations.

Insurance Company Capital

We compute a risk-to-capital ratio for our U.S. mortgage insurance company on a separate company statutory basis. The risk-to-capital ratio is our net risk in force divided by our statutory capital. Our net risk in force represents risk in force net of reinsurance ceded, if any, and net of exposures on policies 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. A mortgage insurance company is required to make annual contributions to the contingency reserve of 50% of net premiums earned. These contributions must generally be maintained for a period of ten years. However, with regulatory approval, a mortgage insurance company may make early withdrawals from the contingency reserve when incurred losses exceed 35% of net premiums earned in a calendar year.

During the six months ended June 30, 2026 and 2025, no capital contributions were made to our U.S. mortgage insurance subsidiary and Essent Guaranty paid dividends to Essent US Holdings, Inc. of $115 million and $130 million, respectively. During the six months ended June 30, 2026, and 2025, no capital contributions were made to Essent Title Insurance.

Essent Guaranty has entered into reinsurance agreements that provide excess of loss reinsurance coverage for new defaults on portfolios of mortgage insurance policies issued from January 1, 2019 through August 31, 2019 and August 1, 2020 through December 31, 2025. The aggregate excess of loss reinsurance coverages decrease over a ten-year period as the underlying covered mortgages amortize. In April 2025, Essent entered into an excess of loss transaction, effective July 1, 2026 with a panel of highly rated third-party reinsurers covering 20% of all eligible policies written by Essent Guaranty, Inc. in calendar year 2026. In March 2026, Essent Guaranty entered into an excess of loss transaction, effective July 1, 2027 with a panel of highly rated third-party reinsurers covering 20% of all eligible policies written by Essent Guaranty, Inc. in calendar year 2027.

Essent Guaranty has entered into a quota share reinsurance agreement with a panel of third-party reinsurers ("QSR" agreement"). Each of the third-party reinsurers has a minimum financial strength rating of A- or better by S&P Global Ratings, AM Best or both. Under each QSR agreement, Essent Guaranty will cede premiums on a percentage of risk on all eligible policies written during a specified period, in exchange for reimbursement of ceded claims and claims expenses on covered policies, a specific ceding commission, as well as a profit commission that varies directly and inversely with ceded claims. These reinsurance coverages also reduces net risk in force and PMIERs Minimum Required Assets. See Note 4 to our condensed consolidated financial statements.

The following table summarizes Essent Guaranty's quota share reinsurance agreements as of June 30, 2026:

QSR Agreement	Coverage Period	Ceding Percentage
QSR-2019	September 1, 2019 - December 31, 2020	**(1)**
QSR-2022	January 1, 2022 - December 31, 2022	20%
QSR-2023	January 1, 2023 - December 31, 2023	17.5%
QSR-2024	January 1, 2024 - December 31, 2024	15%
QSR-2025	January 1, 2025 - December 31, 2025	25%
QSR-2026	January 1, 2026 - December 31, 2026	25%

(1) Under QSR-2019, Essent Guaranty cedes 36% of premiums on singles policies and 18% on all other policies.

During the fourth quarter of 2025, Essent Guaranty entered into a forward quota share agreement with highly rated third-party reinsurers ceding 20% of the risk on all eligible policies written by Essent Guaranty in calendar year 2027.

Our risk-to-capital calculation for Essent Guaranty was as follows:

Statutory capital: **($ in thousands)**	**As of June 30, 2026**	
Policyholders’ surplus	$	1,007,192
Contingency reserves		2,671,010
Statutory capital	$	3,678,202
Net risk in force	$	31,118,806
Risk-to-capital ratio		8.5:1

For additional information regarding regulatory capital, see Note 14 to our condensed consolidated financial statements. The information above has been derived from the annual and quarterly statements of Essent Guaranty, which have been prepared in conformity with accounting practices prescribed or permitted by the Pennsylvania Insurance Department and the National Association of Insurance Commissioners Accounting Practices and Procedures Manual. Such practices vary from accounting principles generally accepted in the United States.

Essent Re has entered into GSE and other risk share transactions, including insurance and reinsurance transactions with Freddie Mac and Fannie Mae. Essent Guaranty also reinsures new insurance written ("NIW") to Essent Re. The following table summarizes the quota share reinsurance coverage that Essent Re has provided to Essent Guaranty for the respective NIW periods:

NIW Period	**Ceding Percentage**
January 1, 2025 to Present	50%
January 1, 2021 to December 31, 2024	35%
Prior to January 1, 2021	25%

During the six months ended June 30, 2026 and 2025, Essent Re paid $200 million and $220 million in dividends to Essent Group, respectively. Essent Group made no capital contributions to Essent Re during the six months ended June 30, 2026 and 2025. As of June 30, 2026, Essent Re had total stockholders’ equity of $1.6 billion.

Financial Strength Ratings

The financial strength rating of Essent Guaranty, our principal mortgage insurance subsidiary, is rated A2 with a stable outlook by Moody’s Ratings (“Moody's”), A- with a stable outlook by S&P and A (Excellent) with stable outlook by AM Best. The financial strength rating of Essent Re is A- with a stable outlook by S&P and A (Excellent) with stable outlook by AM Best.

Private Mortgage Insurer Eligibility Requirements

Fannie Mae and Freddie Mac, maintain coordinated Private Mortgage Insurer Eligibility Requirements, which we refer to as the "PMIERs." The PMIERs represent the standards by which private mortgage insurers are eligible to provide mortgage insurance on loans owned or guaranteed by Fannie Mae and Freddie Mac. The PMIERs include financial strength requirements incorporating a risk-based framework that require approved insurers to have a sufficient level of liquid assets from which to pay claims. This risk-based framework provides that an insurer must hold a substantially higher level of required assets for insured loans that are in default compared to a performing loan. The PMIERs also include enhanced operational performance expectations and define remedial actions that apply should an approved insurer fail to comply with these requirements. As of June 30, 2026, Essent Guaranty, our GSE-approved mortgage insurance company, was in compliance with the PMIERs. As of June 30, 2026, Essent Guaranty's Available Assets were $3.6 billion or 172% of its Minimum Required Assets of $2.1 billion based on our interpretation of the PMIERs.

Under PMIERs guidance issued by the GSEs effective June 30, 2020, Essent will apply a 0.30 multiplier to the risk-based required asset amount factor for each insured loan in default backed by a property located in a FEMA Declared Major Disaster Area eligible for Individual Assistance and that either (1) is subject to a forbearance plan granted in response to a

FEMA Declared Major Disaster, the terms of which are materially consistent with terms of forbearance plans, repayment plans or loan modification trial period offered by Fannie Mae or Freddie Mac, or (2) has an initial missed payment occurring up to either (i) 30 days prior to the first day of the incident period specified in the FEMA Major Disaster Declaration or (ii) 90 days following the last day of the incident period specified in the FEMA Major Disaster Declaration, not to exceed 180 days from the first day of the incident period specified in the FEMA Major Disaster Declaration. In the case of the foregoing, the 0.30 multiplier shall be applied to the risk-based required asset amount factor for a non-performing primary mortgage guaranty insurance loan for no longer than three calendar months beginning with the month the loan becomes a non-performing primary mortgage guaranty insurance loan by reaching two missed monthly payments absent a forbearance plan described in (1) above.

In August 2024, the GSEs issued updates to the PMIERs calculation of Available Assets. The updated PMIERs Available Asset requirements are subject to a phased-in implementation beginning with the quarter ending March 31, 2025, and will become fully effective on September 30, 2026. Essent expects to remain in full compliance with the PMIERs requirements.

Financial Condition

Stockholders' Equity

As of June 30, 2026, stockholders' equity was $5.7 billion, compared to $5.8 billion as of December 31, 2025. Stockholders' equity decreased primarily due the repurchase of common shares under our share repurchase plan, an increase in accumulated other comprehensive loss related to an increase in our net unrealized investment losses, and dividends paid partially offset by net income generated in 2026.

Investments

As of June 30, 2026 and December 31, 2025, investments totaled $6.5 billion and $6.5 billion, respectively. In addition, our total cash was $74.3 million as of June 30, 2026, compared to $123.0 million as of December 31, 2025.

Investments Available for Sale by Asset Class

Asset Class **($ in thousands)**	**June 30, 2026** **Fair Value**	**Percent**	**December 31, 2025** **Fair Value**	**Percent**
U.S. Treasury securities	$ 274,488	4.5%	$ 369,712	6.1%
U.S. agency mortgage-backed securities	1,103,830	18.3	1,174,895	19.2
Municipal debt securities(1)	603,771	10.0	610,411	10.0
Non-U.S. government securities	49,271	0.8	56,024	0.9
Corporate debt securities(2)	1,967,084	32.6	1,980,080	32.5
Residential and commercial mortgage securities	462,142	7.7	464,105	7.6
Asset-backed securities	954,223	15.8	800,366	13.1
Money market funds	623,886	10.3	648,492	10.6
Total Investments Available for Sale	**$ 6,038,695**	**100.0%**	**$ 6,104,085**	**100.0%**

(1) The following table summarizes municipal debt securities as of :	**June 30, 2026**	**December 31, 2025**
Special revenue bonds	81.5%	81.2%
General obligation bonds	18.5	18.8
Total	100.0%	100.0%

(2) The following table summarizes corporate debt securities as of :	**June 30, 2026**	**December 31, 2025**
Financial	39.9%	40.9%
Consumer, non-cyclical	18.8	18.1
Industrial	8.6	9.0
Utilities	8.3	7.9
Consumer, cyclical	6.4	6.0
Technology	6.1	6.1
Energy	4.9	4.7
Communications	4.4	4.7
Basic Materials	2.6	2.6
Total	100.0%	100.0%

Investments Available for Sale by Rating

Rating (1) ($ in thousands)	June 30, 2026 Fair Value	June 30, 2026 Percent	December 31, 2025 Fair Value	December 31, 2025 Percent
Aaa	$ 905,610	16.7%	$ 846,230	15.5%
Aa1	1,636,582	30.2	1,799,508	32.9
Aa2	347,853	6.4	300,026	5.5
Aa3	324,831	6.0	319,848	5.9
A1	510,764	9.5	545,918	10.0
A2	530,561	9.8	511,146	9.4
A3	481,679	8.9	494,434	9.1
Baa1	254,449	4.7	244,424	4.5
Baa2	214,466	4.0	208,247	3.8
Baa3	140,522	2.6	122,596	2.2
Below Baa3	67,492	1.2	63,216	1.2
Total (2)	**$ 5,414,809**	**100.0%**	**$ 5,455,593**	**100.0%**

(1) Based on ratings issued by Moody's, if available. S&P or Fitch Ratings ("Fitch") rating utilized if Moody's not available.
(2) Excludes $623,886 and $648,492 of money market funds at June 30, 2026 and December 31, 2025, respectively.

Investments Available for Sale by Effective Duration

Effective Duration ($ in thousands)	June 30, 2026 Fair Value	June 30, 2026 Percent	December 31, 2025 Fair Value	December 31, 2025 Percent
< 1 Year	$ 1,619,802	26.8%	$ 1,549,327	25.4%
1 to < 2 Years	465,830	7.7	527,914	8.6
2 to < 3 Years	483,881	8.0	532,211	8.7
3 to < 4 Years	664,408	11.0	571,255	9.4
4 to < 5 Years	499,657	8.3	536,135	8.8
5 or more Years	2,305,117	38.2	2,387,243	39.1
Total Investments Available for Sale	**$ 6,038,695**	**100.0%**	**$ 6,104,085**	**100.0%**

Off-Balance Sheet Arrangements

Essent Guaranty has entered into fully collateralized reinsurance agreements ("Radnor Re Transactions") with unaffiliated special purpose insurers domiciled in Bermuda. The Radnor Re special purpose insurers are special purpose variable interest entities that are not consolidated in our condensed consolidated financial statements because we do not have the unilateral power to direct those activities that are significant to their economic performance. As of June 30, 2026, our estimated off-balance sheet maximum exposure to loss from the Radnor Re entities was $0.1 million, representing the estimated net present value of investment earnings on the assets in the reinsurance trusts. See Note 4 to our condensed consolidated financial statements for additional information.

Critical Accounting Policies

As of the filing date of this report, there were no significant changes in our critical accounting policies from those discussed in our 2025 Form 10-K. See Note 2 to our condensed consolidated financial statements for recently issued accounting standards adopted or under evaluation.

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 primary sources of cash flow supporting operations 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 U.S. markets.

We manage market risk via defined investment policy implemented by our treasury function with oversight from our board of directors and our senior management. Important drivers of our market risk exposure monitored and managed by us 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 which may in turn 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 are highlighted. In addition, material market risk changes that occur from the last reporting period to the current are discussed. Changes to how risks are managed will also be identified and described.

At June 30, 2026, the effective duration of our investments available for sale was 3.8 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 3.8% in fair value of our investments available for sale. Excluding short-term investments, our investments available for sale effective duration 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

Disclosure Controls and Procedures

Our management carried out an evaluation, under the supervision and with the participation of our chief executive officer and chief financial officer, of the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2026, the end of the period covered by this Quarterly Report.

Changes in Internal Control Over Financial Reporting

During our most recent fiscal quarter, there has not been any change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently subject to any material legal proceedings.

Item 1A. Risk Factors

Risk factors that affect our business and financial results are discussed in Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025. There have been no material changes in our risk factors from those previously disclosed in our Annual Report. You should carefully consider the risks described in our Annual Report, which could materially affect our business, financial condition or future results. The risks described in our Annual Report, along with the disclosure below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, and/or operating results. If any of the risks actually occur, our business, financial condition, and/or results of operations could be negatively affected.

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

Repurchases of Securities

The table below sets forth information regarding repurchases of our common shares during the three months ended June 30, 2026:

Period ($ 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 the Plans or Programs (1)
April 1 - April 30, 2026	941,871	$ 61.37	934,427	
May 1 - May 31, 2026	992,562	$ 60.82	992,562	
June 1 - June 30, 2026	1,305,613	$ 56.40	1,305,613	
Total	3,240,046		3,232,602	$ 223,279

(1) During the three months ended June 30, 2026, the Company repurchased 3,232,602 common shares at a total cost of $191.4 million. The remaining $223.3 million in the table represents the amount available to repurchase shares under the November 2025 share repurchase authorization as of June 30, 2026.

Item 5. Other Information

Executive Trading Plans

On June 15, 2026, Roy Kasmar, a member of the Company's board of directors, entered into a 10b5-1 sales plan (the "Plan") intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. The Plan provides for the sale of up to an aggregate of 2,337 shares of the Company's common stock beneficially owned by Mr. Kasmar during the term of the Plan and will be in effect until the earlier of (1) June 15, 2027, and (2) the date on which an aggregate of 2,337 shares of the Company's common shares have been sold under the Plan.

Item 6. Exhibits

(a) Exhibits:

Exhibit No.	Description
31.1	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from this Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL: (i) the Condensed Consolidated Balance Sheets (Unaudited); (ii) the Condensed Consolidated Statements of Comprehensive Income (Unaudited); (iii) the Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited); (iv) the Condensed Consolidated Statements of Cash Flows (Unaudited); and (v) the Notes to Condensed Consolidated Financial Statements (Unaudited).

* Management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized, on the date indicated.

	ESSENT GROUP LTD.
Date: August 7, 2026	/s/ MARK A. CASALE
	Mark A. Casale President, Chief Executive Officer and Chairman (Principal Executive Officer)
Date: August 7, 2026	/s/ DAVID B. WEINSTOCK
	David B. Weinstock Senior Vice President and Chief Financial Officer (Principal Financial Officer)

Exhibit 31.1

CERTIFICATION

I, Mark A. Casale, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essent Group Ltd.;

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.

Date: August 7, 2026
/s/ MARK A. CASALE

Mark A. Casale
President, Chief Executive Officer and Chairman
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, David B. Weinstock, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Essent Group Ltd.;

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.

Date: August 7, 2026
/s/ DAVID B. WEINSTOCK

David B. Weinstock
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

The undersigned, Mark A. Casale, President, Chief Executive Officer and Chairman of Essent Group Ltd. (the "Company"), and David B. Weinstock, Senior Vice President and Chief Financial Officer of the Company, each hereby certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

(1) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: August 7, 2026

/s/ MARK A. CASALE

Mark A. Casale
President, Chief Executive Officer and Chairman

/s/ DAVID B. WEINSTOCK

David B. Weinstock
Senior Vice President and Chief Financial Officer