

## Risk Factors Comparison 2025-02-25 to 2024-03-15 Form: 10-K

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The following summary risk factors and other information included in this Annual Report should be carefully considered. The summary risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not currently known to us or that we currently deem less significant may also affect our business operations or financial results. If any of the following risks actually occur, our stock price, business, operating results and financial condition could be materially adversely affected. For more information, see below for more detailed descriptions of each risk factor.

- Our brands and businesses, including ~~our the~~ insurance business **we manage**, operate in an especially competitive and evolving industry.
- **We face a variety of risks from our expansion into the insurance business, including as a result of higher than expected claims costs and other factors outside of the Company's control, which may result in an adverse impact on the Company's financial condition.**
- Our future growth is dependent in part on our ability to **manage the operations of and** grow ~~our the~~ insurance business **we manage and operate** by limiting attrition and building surplus and increasing our revenue by increasing the number of sales of home- related services per customer and consumer. We may not succeed in these efforts.
- The incidence, frequency and severity of weather events, extensive wildfires, and other catastrophes, particularly occurring where Porch has a concentration of homeowners insurance policyholders, or that adversely impact consumer confidence and spending behavior in the industries we serve, could have a material effect on our results of operations and financial condition.
- Our **efforts** insurance business and operations are subject to **develop new** a variety of uncertainties, including, without limitation, regulatory approval of insurance rates, policy forms, insurance products, license applications **expand in targeted insurance markets, improve business processes and workflows, use Home Factors in underwriting, or make** acquisitions **may not be successful** of businesses or strategic initiatives, including our planned formation of the reciprocal exchange, and **may create enhanced risk** other matters within the purview of insurance regulators.
- We rely on strategic, proprietary relationships with third parties to provide us with access to personal data and product information.
- We may not be able to protect our systems, technology and infrastructure from cyberattacks and cyberattacks experienced by third parties may adversely affect us.
- If personal, confidential, or sensitive user information or property data that we maintain and store is breached or otherwise accessed by unauthorized persons, it may be costly to mitigate, and our reputation could be harmed.
- **We rely on our ability to reach home services companies' customers and home service- related consumers earlier than our competitors, and throughout the home buying and homeownership journey.**
- **Our efforts to develop new insurance products, expand in targeted insurance markets, improve business processes and workflows, or make acquisitions may not be successful and may create enhanced risk.**
- Our brands and businesses are sensitive to general economic events, trends and conditions, including those related to, without limitation, the housing and financial markets, which impacts the demand and costs for a portion of our products and services.
- Our businesses, including our insurance business, are subject to various federal, state and local laws and regulations, which could limit growth and impose additional costs on us, and we must comply with such laws, regulations and regulatory interpretations and any changes or stricter interpretations of any of the foregoing (whether through private litigation or governmental action).
- We may be unable to access the capital markets when needed, which could adversely affect the ability to take advantage of business opportunities as they arise and to fund operations in a cost- effective manner.
- We may face negative consequences from the actions and omissions of our service providers, and our terms and conditions may not adequately protect us from claims.
- We may fail to adequately protect our intellectual property rights or may be accused of infringing the intellectual property rights of third parties.
- **Termination of a** **We operate an reinsurance-- insurance** contract due to distress at **business through a reciprocal exchange, Porch Insurance Reciprocal Exchange (" PIRE "). We do not own PIRE but provide certain management services for which we receive compensation. The growth and financial health of PIRE directly affect our operating revenue and the payment of interest and principal** one- on of HOA surplus notes we hold is uncertain.
- **If the management fee rate retained by Porch ' s reinsurers may expose HOA insurance services businesses is reduced or if there is a significant decrease in the amount of direct and assumed premiums written by PIRE, revenues and profitability of** the Company to various risks that could **be** materially and adversely affect affected HOA' s and the Company' s business, financial condition, and results of operations.
- **PIRE** Our insurance company subsidiary is dependent on the use of reinsurance.
- We may change the structure of ~~our the~~ reinsurance arrangement **for PIRE and our reinsurance captive** in the future, which may impact our overall risk profile and financial and capital condition.
- **There can Reinsurance may be unavailable at current levels** no assurance that our planned formation of a reciprocal exchange will receive regulatory approval, and **prices if obtained, that the approval would be based on terms as proposed or which may limit PIRE' s ability to write new business. Furthermore, reinsurance subject subjects PIRE to additional requirements that counterparty risk and** may not be acceptable **adequate** to the Company **protect it against losses, which could have a material effect on results of our operations and financial condition.**
- **The performance of PIRE' s and our reinsurance captive' s investment portfolios is subject to a variety of investment risks .**
- The financial strength ratings of ~~our~~ **PIRE and Homeowners of America (" HOA ")**, its insurance company subsidiary, could be downgraded.
- Increases in parts, appliance and home system prices and other operating costs could adversely impact our business, financial position, results of operations and cash flows.
- **The Reinsurance may be unavailable at current levels and prices, which may limit our ability to write new business. Furthermore, reinsurance subjects us to counterparty risk and may not be adequate to protect us against losses, which could have a material effect effects** on results of our operations **emerging claim** and financial condition **coverage issues in the insurance industry are uncertain .**
- Failure to maintain **PIRE** our insurance carrier' s risk- based capital at the required levels

could adversely affect the ability of our insurance company subsidiary to maintain regulatory authority to conduct our business. • Our PIRE's and our insurance businesses captive's loss reserves may be inadequate to cover actual losses. • PIRE and our reinsurance captive could be forced to sell investments to meet liquidity requirements. • Our results of operations and financial condition may be adversely affected due to limitations in the analytical models or changes in accessibility to such models used to assess and predict PIRE's exposure to catastrophic losses. • A sustained decline in the price of our common stock would negatively impact HOA regulatory surplus, which may require it to raise additional funds to enable HOA to adhere to regulatory requirements and maintain its financial stability rating. • If the costs of providing services to PIRE are not controlled, our profitability could be materially adversely affected. • Our quarterly operating results may fluctuate in the future. As a result, we may fail to meet or exceed the expectations of the market, including research analysts or investors, which could cause our stock price to decline. • Our quarterly results of operations fluctuate due to seasonality in consumer demand and historical weather trends, in addition to other factors associated with our industry. • We have a history of losses, and we may be unable to achieve or sustain profitability. • Our risk management policies and procedures may prove to be ineffective and leave us exposed to unidentified or unanticipated risk. • We are subject to credit risk arising from the financial soundness of counterparties, including PIRE's and our reinsurance partners captive's reinsurers, which may have a material adverse effect on our business, financial condition, and results of operations. • The insurance businesses we manage and operate are subject to state governmental regulation, which could limit the growth of the insurance businesses and impose additional costs on PIRE and HOA. • The processing, storage, use and disclosure of personal data is subject to a variety of federal and state laws and regulations and could give rise to liabilities and increased costs. • Litigation and regulatory actions could distract management, increase our expenses or subject us to material monetary damages and other remedies. • Servicing our indebtedness requires a significant amount of cash, and we may not have sufficient cash flow from our business to make such payments. • The indenture governing our conditional conversion features of the 2026 Notes and 2028 Notes contains, if triggered, may adversely affect and instruments governing any future indebtedness of our financial condition and would likely contain, restrictions that may limit our flexibility in operating results. • Conversion of our 2026 Notes or our business, and any default on our 2028 Notes may dilute the ownership interest of our stockholders. • other future secured indebtedness could result in foreclosure by or our secured debtholders on our assets. • We face risks associated with our independent contractors. • We depend on key personnel to operate our business, and if we are unable to retain, attract and integrate qualified personnel, our ability to develop and successfully grow our business could be harmed. • We may experience Expansion of our employee base to foreign countries will subject us to additional risks that can related to acquisitions and divestitures which could adversely affect our business, results of operations, and financial results condition. • The price of the Company's securities may change significantly, and investors could lose all or part of their investment as a result. • Nasdaq may delist Because there are no current plans to pay cash dividends on the Company's securities from trading common stock for the foreseeable future, you may not receive any return on its exchange, investment unless you sell your common stock for a price greater than that which you paid for could limit investors' ability to make transactions in its securities and subject the Company to additional trading restrictions. The summary risk factors described above should be read together with the text of the full risk factors below and in the other information set forth in this Annual Report, including our consolidated financial statements and the related notes, as well as in other documents that we file with the SEC. If any such risks and uncertainties actually occur, our business, prospects, financial condition and results of operations could be materially and adversely affected. These risks are more fully described below, and these risks are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial may also materially adversely affect our business, prospects, financial condition and results of operations. Risks Relating to Porch's Business and Industry Our brands and businesses operate in home-related product and service industries, which include insurance, mortgage software, title insurance software, warranty, moving services, inspection software, home repair, and marketing, financial and other software for home services companies; all of which are competitive, evolving, and some of which are highly regulated. There are many existing competitors and a consistent and growing stream of new entrants, services and products. Some of our competitors are well-established, have greater functional and compliance maturity, or have better competitive positions with respect to certain geographical areas, consumer and service provider demographics, and / or types of services offered. Some of our competitors have stronger brand name recognition, better economies of scale, more developed software platforms or other intellectual property, and / or better access to capital. Additionally, the home and home-related services industries continue to undergo consolidation and vertical integration, which may make it more difficult to compete with existing competitors and new entrants. Any of these advantages could enable these competitors to reach more consumers and service providers than we reach, offer products and services that are more appealing to consumers and service providers than our products and services, and respond more quickly and / or cost effectively than we respond to evolving market opportunities and trends, any of which could adversely affect our business, financial condition and results of operations. Alternatively, our innovative business model and our limited track record as a public company may cause confusion in the market such that failures of our competitors or companies operating in similar or adjacent spaces may impact consumer or investor perceptions of the digital home services industry as a whole. If we are unable to compete effectively against competitors, services or products or if we are unable to establish or maintain a consumer brand that resonates with customers and / or enhance our existing brands and the brands of our recently acquired companies, or if we are unable to maintain high customer satisfaction or compete with the pricing offered by our competitors, the result could be decreases in the size and level of engagement of our consumer and service provider bases, any of which could adversely affect our business, financial condition and results of operations. would be adversely affected attractive, lower-risk economies for Porch shareholders. Our intent is to not continue The Company has implemented a reinsurance program, which includes the participation use of our a captive reinsurer in providing Excess of Loss reinsurance as of April 1, 2025; however, we cannot be

certain that PIRE will be able to fully place its excess of loss reinsurance needs with third party reinsurers and may need to utilize Pirex's captive reinsurer if it is unable to do so. Under this arrangement, the captive owned by the Company serves as the reinsurer, and the consolidated books and tax returns of the Company reflect a liability consisting of the full reserve amount attributable to the reinsured business, which is significantly higher than previous years' insurance related liabilities. The success of the Company's captive reinsurance program is dependent on a number of factors outside the control of the Company, including, but not limited to, weather events, continued access to financial solutions, a favorable regulatory environment, and the overall tax position of the Company. If the captive reinsurance program is not successful, the Company's financial condition could be adversely impacted. Additionally, capital held by the captive cannot be used elsewhere within the Company without applicable regulatory pre-approval. **HOA** Whether PIRE will continue to use the captive reinsurer going forward depends upon a number of circumstances, including the availability and pricing of reinsurance from third parties, the amount of capital it holds and regulatory requirements. If PIRE were to cease using the captive, our access to its capital and assets would remain restricted while it has runoff reinsurance obligations. PIRE is highly dependent on maintaining successful relationships with third-party independent agents and agencies. Negative changes in such relationships could adversely affect its **HOA's** insurance business, including, but not limited to, reduced sales, the loss of existing policies, the need to lower prices, or the need to pay higher commissions. In addition, although such agents / agencies are appointed as independent contractors with the authority to solicit and bind insurance policies on **PIRE-HOA's** behalf, any misconduct on their part could have an adverse effect on our business, financial conditions, reputation and results of operations. **We are also subject to the cyclical nature of the insurance industry. The financial performance of the insurance industry has historically fluctuated with periods of lower premium rates and excess underwriting capacity resulting from increased competition followed by periods of higher premium rates and reduced underwriting capacity resulting from decreased competition. Although the financial performance of an insurance company depends on its own specific business characteristics, the profitability of many insurance companies tends to follow this cyclical market pattern. Because the cyclical nature of the market is due in large part to the actions of competitors and general economic factors, we cannot predict the timing or duration of changes in the market cycle.** Our future growth is dependent in part on our ability to **manage the operations of and grow our the insurance business we manage and operate by limiting attrition, building the surplus of PIRE, and increasing our revenue by increasing the number of sales of home-related services per customer and consumer. We may not succeed in these efforts. We are also subject to the cyclical nature of the insurance industry. The financial performance of the insurance industry has historically fluctuated with periods of lower premium rates and excess underwriting capacity resulting from increased competition followed by periods of higher premium rates and reduced underwriting capacity resulting from decreased competition. Although the financial performance of an insurance company depends on its own specific business characteristics, the profitability of many insurance companies tends to follow this cyclical market pattern. Because the cyclical nature of the market is due in large part to the actions of competitors and general economic factors, we cannot predict the timing or duration of changes in the market cycle. Our future growth is dependent in part on our ability to manage the operations of and grow the insurance business we manage.** The insurance industry is highly competitive and regulated, and our growth depends on our ability to continue to obtain reinsurance at levels and pricing favorable to us, manage risk, limit policy attrition, obtain regulatory alignment on our business plans and financials, and continue to build **the surplus of PIRE** to support additional growth, which may require raising capital if unable to grow organically. There can be no assurance we will be successful in these efforts. Our future growth also depends in part on increasing the revenue generated from each customer or consumer we serve. We plan on increasing this revenue by increasing the number of value-add touchpoints with customers and consumers for whom we have access rights by offering new services and by improving conversion rates and revenue generation of both existing and new services. There can be no assurance we will be successful in these efforts. Failure to increase revenue per customer or consumer may slow our growth, which could in turn have an adverse impact on our business, financial condition and results of operations. Our growth therefore depends, in part, on our ability to attract new customers, maintain existing customers, sell additional products and services to existing customers, and increase prices **to align with industry trends**. This depends on our ability to understand and anticipate customers' needs and our ability to deliver consistent, reliable, high-quality services and products. If we fail to engage new customers, continue to re-engage with our existing customers or to cross-sell additional services, our operating results could be materially impacted. **The incidence, frequency and severity of weather events, extensive wildfires, and other catastrophes, particularly occurring where PIRE has a concentration of homeowners insurance policyholders, or that adversely impact consumer confidence and spending behavior in the industries we serve, could have a material effect on our results of operations and financial condition.** In particular, severe weather events and the effects of climate change, including, tornado and hail events, hurricanes extensive wildfires, drought, storms, flooding, and other catastrophes, and the frequency of such events, as well as the impacts of future global pandemics and other health crises, may harm **our the insurance business**. For example, as it relates to our insurance carrier entity, we **manage** will be directly exposed to a portion of these losses. As it relates to our captive reinsurer, Porticus Re, a significant and **operate and** severe weather event could **result in additional capital being required at PIRE, whether from** cause our captive to lose all or a significant portion of its collateral which may need to be replaced by Pirex to ensure continued operations **or a third party investor**. While we intend to manage our risk via reinsurance, there can be no guarantee this will adequately reduce our exposure to losses due to various risks inherent in reinsurance generally and with our reinsurance program, including, but not limited to, the inability to negotiate reinsurance contracts at renewal at acceptable terms or at all, our limited number of reinsurance partners, large catastrophes that exceed our aggregate reinsurance coverage limits, the inability or unwillingness of counterparties to pay **us** reinsurance receivables we believe we are owed, multiple losses in a single year that exceed our ability to reinstate reinsurance contracts, and the potential for fraud or misrepresentation committed by our reinsurance partners. The availability of reinsurance and its price are generally

determined in the reinsurance market by conditions beyond our control and can be negatively impacted by such severe weather events and the effects of climate change, including, tornado and hail events, hurricanes, extensive wildfires, drought, flooding and other catastrophes, and the frequency of such events, as well as the impacts of future global pandemics and other health crises, may harm our the insurance business we manage and operate. Additionally, a significant increase in insurance claims and the cost of the claims by consumers who purchase our insurance could reduce our PIRE's access to reinsurance. These events have in the past and could in the future negatively affect the economy in general, and the housing and home services markets in particular. These events and trends could also result in decreased marketing and advertising expenditures by service providers or cash flow problems for service providers that could affect their ability to pay us subscription fees, their ability to purchase leads from us and the success of any revenue sharing arrangements with them or could result in service providers decreasing and / or delaying subscription fees paid for our platform or being more likely to default on incurred fees, which would result in decreased revenue. Any of these events that could negatively affect the home industries we PIRE serve serves and could adversely affect our business, financial condition and results of operations. Marketing Our efforts designed to drive traffic to our brands and develop new insurance products, expand in targeted insurance markets, improve businesses-- business processes and workflows, use of Home Factors in underwriting, or make acquisitions may not be successful or cost-effective. Attracting home services companies and consumers may create enhanced risk. Our efforts to our brands and develop new products, expand in targeted insurance markets, improve businesses-- business involves considerable processes and workflows, or make acquisitions may require us to make substantial expenditures for online and offline marketing and sales. We have made, and expect to continue to make, significant marketing expenditures, primarily for digital marketing such as paid search engine marketing, display advertising and third-party affiliate agreements. These efforts may not be successful, and even if successful, they may create additional risks including, but not limited to: • Changes to or our cost-business processes or workflow, including the use of new technologies, may give rise to execution risk. • Models underlying automated underwriting and pricing decisions may not be effective. Our • Demand for new products or expansion into new markets may not meet our expectations. • New products or services and expansion into new markets may change our risk exposures, and the data models we use to manage such exposures may not be as effective as those used in existing markets or with existing products. • Acquisitions may not be successfully integrated, resulting in substantial disruption, costs, or delays, and adversely affecting our ability to compete, and may also market our brands on any given property or channel is subject to the policies of the relevant third-party seller or publisher of advertising or marketing affiliate. As a result, we cannot assure you that in unforeseen liabilities or impact our credit ratings. • In connection with these-- the parties will conversion of policyholders to a new product, some policyholders' pricing may increase, while the pricing for other policyholders may decrease, the net impact of which could negatively impact retention and profit margins. • Negative publicity and potential for reputational harm using home data to inform risk calculations. • We may not limit or prohibit be able to consistently replicate favorable results with the us use from purchasing certain types of Home Factors advertising, advertising certain of our products and services and / or using one or more current or prospective marketing channels in underwriting the future. If a significant marketing channel took such an action generally, for carriers other than HOA a significant period of time and / or on a recurring basis, which may be due to carrier location, modeling capabilities, or business goals of other carriers. These efforts may require substantial expenditures, which may negatively impact results in the near term and if not successful, could materially and adversely affect our business, financial condition and results of operations could be adversely affected. In addition, if we fail to comply with the..... adversely affect our business, financial condition and results of operations. We rely on strategic, unique relationships with third parties to provide us with access to derive personal data and information, and property data. We rely on strategic relationships with third party parties, including home services companies, to provide us with access to derive personal information, including such as property insights data, about their customers in exchange for giving such companies access to our ERP and CRM services or other value. In the future, any of these third parties could sever its relationship with us, change its data sharing policies, including making them more restrictive, or alter its own data collection practices, any of which could result in the loss of, or significant impairment to, our ability to access, collect and use personal information about their customers or consumers. We also license data from third-party data brokers and other data suppliers. However, we cannot provide assurance that we will continue to be able to access, collect or use personal information or property data provided by consumers, service providers and commercial partners as we currently do or may want to do in the future. Our ability to access, collect and use personal information and property data provided by these parties may be adversely affected by federal and state laws and regulations that make it burdensome for us to collect or use personal information and property data. Additionally, our collection and use of personal information or property data may cause privacy concerns of the individuals from whom we collect personal information, privacy and reputational concerns of commercial partners that provide us with end customer personal information and property data, and adverse consumer reaction to our marketing practices. This could cause us to lose customers and reduce the number of commercial partners using our platforms. We also use consumer data that we directly collect from consumers or license from third parties to provide engage in targeted marketing services to third parties based upon such consumer data and their online behavior. Practices in this industry are under scrutiny by federal and state law enforcement agencies and regulators in light of new and proposed federal and state laws, and pressure from some lawmakers and privacy advocates regarding how consumer data is collected and used in the ad tech industry. If we are unable to collect information from our customers or our service providers and commercial partners do not continue to provide us with information of their customers, or if applicable laws prohibit or materially impair our use of such information, our ability to provide services to consumers and drive consumer access to service providers may be materially impacted. This may make our products, services and pricing for such products and services less appealing to consumers and service providers, which in turn may lead to reduced utilization of our products and services. To the extent any of the foregoing occurs, our business, financial condition and results of operations may be adversely

impacted. **We Marketing efforts designed to drive traffic to our brands and businesses** may not be **successful** able to protect **our or systems, technology cost- effective. Attracting home services companies and infrastructure consumers to our brands and businesses involves considerable expenditures for online and offline marketing and sales. We have made, and expect to continue to make, significant marketing expenditures, primarily for digital marketing such as paid search engine marketing, display advertising and third- party affiliate agreements. These efforts may not be successful or cost-effective. Our ability to market our brands on any given property or channel is subject to the policies of the relevant third- party seller or publisher of advertising or marketing affiliate. As a result, we cannot assure you that these parties will not limit or prohibit us from cyberattacks purchasing certain types of advertising, advertising certain of our products and services and / or using one or more current or prospective marketing channels in the future. If a significant marketing channel took such and- an cyberattacks experienced by- action generally, for a significant period of time and / or on a recurring basis, our business, financial condition and results of operations could be adversely affected. In addition, if we fail to comply with the policies of third parties may- party sellers, publishers of advertising and / or marketing affiliates, our advertisements could be removed without notice and / or our accounts could be suspended or terminated, any of which could adversely affect us. If personal, confidential, or our sensitive user information- business, financial condition and results of operations. In addition, or our property data our failure to respond to rapid and frequent changes in the pricing and operating dynamics of marketing channels, as well as changing policies and guidelines applicable to digital advertising, which may unilaterally be updated by search engines without advance notice, could adversely affect our digital marketing efforts and free search engine traffic. Such changes could adversely affect the placement and pricing of paid listings, as well as the ranking of our brands and businesses within search results, any or all of which could increase our marketing expenditures, particularly if free traffic is replaced with paid traffic. Additionally, our competitors may engage in marketing strategies and search engine optimization techniques that we maintain- increase the relative ranking of their brands and store is breached- businesses within search engine results at the expense of or our rankings within such search results. This otherwise accessed by unauthorized persons, it may be costly to mitigate, and our reputation could be harmed- have a negative impact on the results of our search engine marketing efforts. Any or all of these events could adversely affect our business, financial condition and results of operations.** We receive, process, store and transmit a significant amount of **personal, confidential or sensitive** personal information and property data about consumers that use our products and services, as well as our employees. While we continuously develop and maintain systems designed to protect the security, integrity and confidentiality of this information, we cannot guarantee that inadvertent or unauthorized use or disclosure will not occur or that third parties will not gain unauthorized access to this information. When such events occur, we may not be able to remedy them, we may be required by law to notify regulators, impacted individuals and commercial partners, and it may be costly to mitigate the impact of such events and to develop and implement protections to prevent future events of this nature from occurring. If we or any third party that we engage to host our platforms or to otherwise store or process data experience a breach of security, third parties could gain unauthorized access to personal data about our users and subscribers. As a result, or associated with any required regulatory disclosures, we could face governmental enforcement actions, significant fines, litigation (including consumer class actions), claims for breach of contract and / or indemnity by third parties, and harm to the reputation of our brands and business, each of which could adversely affect our business, financial condition and results of operations. A single breach could result in claims for damages or indemnification from many counterparties. Any such breach or other unauthorized access could indirectly harm the reputation of our brands and businesses and, in turn, adversely affect our business, financial condition and results of operations. Even if we do not experience such events firsthand, the impact of any such events experienced by third parties including service providers, could indirectly harm the reputation of our brands and businesses and, in turn, adversely affect our business, financial condition and results of operations. We may be attacked by perpetrators of malicious technology- related events, such as the use of botnets, malware or other destructive or disruptive software, distributed denial of service attacks, phishing, attempts to misappropriate user information and account login credentials, ransomware attempts, and other similar malicious activities including malicious activities from internal bad actors. The incidence of events of this nature is on the rise worldwide. While we continuously develop and maintain systems designed to detect and prevent events of this nature from impacting our systems, technology, infrastructure, products, services and users, have invested and continue to invest in these efforts and related personnel and training, and deploy data minimization strategies where appropriate, our efforts may not be successful. These efforts, which include developing and maintaining the systems of recently acquired companies, are costly and require ongoing monitoring and updating as technologies change and efforts to overcome preventative security measures are becoming more sophisticated. Despite these efforts, some of our systems have experienced past security incidents, none of which had a material adverse effect on our business, financial condition and results of operations, and we could experience significant events of this nature in the future. Any event of this nature that we experience could damage our systems, technology and infrastructure and / or those of our users, prevent us from providing our products and services, compromise the integrity of our products and services, damage our reputation, erode our brands and / or be costly to remedy, and may subject us to investigations by regulatory authorities, fines, claims for breach of contract or indemnity by third parties and / or litigation that could result in liability to third parties. Even if we do not experience such events firsthand, the impact of any such events experienced by third parties could have a similar effect. **We sell Our business model relies in large part on selling- or otherwise providing provide** certain consumer personal information to third parties **as part of our business.** These third parties may be subject to similar cyberattacks and there can be no assurance that such third parties have adequate cybersecurity infrastructure to prevent breaches of the personal data sold to them by us. We may not have adequate insurance coverage to compensate for losses resulting from any of the above events. If we or any third party with whom we do business or otherwise rely upon experience an event of this nature, our business, financial condition and results of operations could be adversely affected. **and** equipment, parts, raw materials, wages and salaries, employee benefits, healthcare, contractor costs, self- insurance costs and other

insurance premiums, as well as various regulatory compliance costs, all of which may be subject to inflationary and other pressures. Such increase in operating expenses, including contract claims costs, could have a material adverse impact on our consolidated business, financial position, results of operations and cash flows. Prices for raw materials, such as steel and fuel, are subject to market volatility ~~and may be negatively affected by the application of tariffs on foreign goods~~. We cannot predict the extent to which our home warranty business line may experience future increases in costs of refrigerants, appliances and equipment, parts, raw materials, wages and salaries, employee benefits, healthcare, contractor costs, self-insurance costs and other insurance premiums, as well as various regulatory compliance costs and other operating costs. To the extent such costs increase, we may be prevented, in whole or in part, from passing these cost increases through to our existing and prospective customers, which could have a material adverse impact on our consolidated business, financial position, results of operations and cash flows. **The effects of emerging claim and coverage issues in the insurance industry are uncertain** We rely on ~~our ability~~ **a combination of laws and contractual restrictions on access to reach and use of proprietary information with employees, independent contractors, home services companies, consumers, customers and home service providers, commercial partners, suppliers, affiliates and others to establish and protect our and their various intellectual property rights.** No assurances can be given that these efforts will result in adequate trademark and service mark protection, adequate domain name rights and protections. Despite these measures, challenges to our intellectual property rights could still arise, third parties could copy or otherwise obtain and use our intellectual property without authorization, and / or laws regarding the enforceability of existing intellectual property rights could change in an adverse manner. We may also be subject to claims from third parties in the **future** ~~related~~ **related** to alleged intellectual property infringement by us. These claims, if resolved in a manner adverse to us, could result in significant liabilities and could restrict or prohibit our ability to use the technology on which we rely. Even if these claims are resolved in our favor, such claims could result in significant expenses and could distract our management until resolved. The occurrence of any of these events could result in the erosion of our various brands and limitations on our ability to operate our business, as well as impede our ability to effectively compete against competitors with similar technologies, any of which could adversely affect our business, financial condition and results of operations. **Risks Relating to Our Insurance Business** ~~We rely on our ability to reach~~ **We rely on our ability to reach** ~~Our Insurance Business~~ **consumers earlier than our competitors, and ongoing** throughout the homebuying and homeownership journey. Our competitors could find ways to reach these customers and consumers earlier than us or at other times during the homebuying and homeownership journey. Our consumer access model allows us to market and offer services to **customers of home services, public utilities, and moving service** ~~companies~~ **customers** very early and throughout the homebuying and homeownership journey. We also have relationships with commercial partners that provide us with data about consumers who may require a variety of home **-related** services early and throughout the homebuying and homeownership journey. There can be no assurances that we will continue to receive access to these customers and consumers relative to our competitors. Our competitors may adopt a similar model or may develop a new model that affords them similar or earlier access. Any erosion of our competitive advantage in access to **customers of home services, public utilities, and moving service** ~~companies~~ **customers and home service-related consumers** may impair future opportunities to monetize those customers and impact our retention rates, which in turn could adversely impact our business, financial condition and results of operations. Even if we capture early access to ~~these home services companies~~ **these home services companies** customers, if we are unable to convert that access into sales of our services and products, it could negatively impact revenue growth and adversely impact ~~our business, financial condition and results.....~~, which could in turn adversely affect our business, financial condition and results of operations. Our success depends, in part, on our ability to develop and monetize versions of our products and services for mobile and other digital devices. As consumers increasingly access products and services through mobile and other digital devices, we will need to continue to devote significant time and resources to develop new applications and functionalities to ensure that our products and services are accessible across these platforms. If we do not keep pace with evolving online, market and industry trends, including the introduction of new and enhanced digital devices, **use of artificial intelligence ("AI")**, and changes in the preferences and needs of consumers and service providers generally, offer new and / or enhanced products and services in response to such trends that resonate with consumers and service providers, monetize products and services for mobile and other digital devices as effectively as our traditional products and services and / or maintain related systems, technology and infrastructure in an efficient and cost-effective manner, our business, financial condition and results of operations could be adversely affected. In addition, the success of future mobile and other digital products and services depends on their interoperability with various third-party operating systems, technology, infrastructure and standards, including rapidly evolving mobile data privacy standards, over which we have no control. Any changes to any of these things that compromise the quality or functionality of our mobile and other digital products and services could adversely affect their usage levels and / or our ability to attract consumers and service providers, which could adversely affect our business, financial condition and results of operations. **We have been incorporating and continue to work to further incorporate AI into our products, services and internal operations. Implementation of AI and machine learning technologies may result in legal and regulatory risks, reputational harm or have other adverse consequences to our business. We have and are continuing to incorporate AI, including machine learning and independent algorithms, in certain of our products, services and internal operations, which is intended to enhance their operation and effectiveness internally and for our customers, suppliers and consumers. AI innovation presents risks and challenges that could impact our business. Our, or vendors', AI algorithms may be flawed. Our datasets or AI training algorithms may be insufficient or contain biased information. Additionally, many countries and regions have proposed new and evolving regulations related to the use of AI and machine learning technologies. The nature of regulations may impose onerous obligations and may require us to unexpectedly rework our or platform reevaluate improvements to be compliant. Use of AI technologies may expose us to an increased risk of regulatory enforcement and litigation. Moreover, some of the AI features involve the processing of personal data and may be subject to laws, policies, legal obligations, and codes of conduct related to privacy and data protection. AI**

development and deployment practices could subject us to competitive harm, regulatory enforcement, increased cybersecurity risks, reputational harm and legal liability. Risks Relating to our Insurance Operations We operate an insurance business through a reciprocal exchange, PIRE. We do not own PIRE but provide certain management services for which we receive compensation. The growth and financial health of PIRE directly affect our operating revenue and the payment of interest and principal on surplus notes we hold is complex and highly integrated uncertain. Effective January 1, 2025, we sold our insurance company subsidiary, HOA, to PIRE, a newly formed reciprocal insurance exchange organized under the laws of Texas. The formation of PIRE and its subsequent purchase of HOA were funded by surplus notes sold by PIRE to us totaling \$ 47 million. These notes are in addition to a preexisting surplus note for \$ 49 million issued by HOA to us, which HOA subsequently assigned to, and was assumed by, PIRE. Porch's Insurance Services business (a new segment as of January 1, 2025) serves as the attorney-in- fact of PIRE and is subject to requirements mandated by Texas Department of Insurance (" TDI ") to continue operating under its certificate of authority. We do not own PIRE but instead provide certain management services as its attorney-in- fact. We receive compensation in the form of commissions and fees calculated based on PIRE' s gross written premium and policies in force. PIRE' s financial position and operating results are consolidated and presented with ours as if we fail are a single entity. As a result, our reported earnings and balance sheet remain subject to financial, legal and operational risks arising from PIRE' s insurance business even though we do not own it. As such, the growth and financial health of PIRE directly affect our operating revenue. While our long- term plan is to deconsolidate PIRE' s financial statements from our financial statements, our eventual ability to do so involves factors beyond our control and we may not be successfully -- successful manage releases in achieving deconsolidation. Notwithstanding, as Porch does not own PIRE, Porch is not entitled to distributions of its profits or surplus. These limitations apply even while PIRE' s and or our integrate financial position and results of operations are deconsolidated. A significant portion of our revenues will come from fees and commissions on insurance premiums written by PIRE. PIRE will sell a new solutions insurance product as a new insurance brand, it subject to regulatory approval, and there can be no certainty when or whether such new brand and product expected to launch in fiscal 2025 will achieve market acceptance or be approved by the TDI on the terms we expect. If PIRE is unable to achieve market acceptance for the brand and product or grow or renew policies, the premium revenue of PIRE could harm be adversely affected, which could reduce our management fee and commission revenue. Circumstances our or events that could impair PIRE' s ability to grow or renew policies include severe weather events, competition, loss of reinsurance, loss of financial strength ratings, losses in PIRE' s investment portfolio, legal, judicial or regulatory changes that we did not anticipate in our pricing and macroeconomic conditions including inflation. Similarly, agents and policyholders may choose to cancel or non- renew their policies following the reorganization of the insurance business, financial condition, and we previously owned into a reciprocal exchange. The transfer of HOA to PIRE may results result in price increases of operations. We manage a complex platform of solutions that consists of our or software a perception of additional risk to policyholders and they may choose to move their business to a competing insurer at or before renewal. Such cancellations or non- renewals could negatively impact our revenues. If the management fee and commissions we receive from PIRE are reduced or if there is a significant decrease in the amount of direct and affiliated assumed insurance premiums written by PIRE, our revenues and profitability could be adversely affected. Similarly, price competition or the inability to obtain rate increases may limit the amount of fees and commissions we can charge. If the costs of providing services for companies to PIRE exceed our management fees and products for consumers commissions, our profitability could be materially adversely affected. Porch will be the owner of the attorney-in- fact and will not possess Many any of our solutions include legal ownership in PIRE. An attorney-in- fact is a large number of product centers separate legal entity from a reciprocal exchange. PIRE' s governing body is an independent subscribers advisory committee (the " SAC ") over which the Company has no control and may in the future make decisions that are not in the best interests of the Company or its stockholders and, as such, we cannot guarantee that there will be no future disruptions in the management relationship between Porch and PIRE. We may be exposed to losses from PIRE' s insurance policies even though we don' t own it. Our subsidiary serves as attorney-in- fact for PIRE and in that capacity undertakes certain obligations specified in its contracts with PIRE and its subscribers. These contractual obligations do not include responsibility for losses incurred under PIRE' s insurance policies. If PIRE becomes impaired or insolvent, a receiver or others may allege breaches of our contractual duties to PIRE as a contributing factor to such impairment or insolvency and may include losses under PIRE' s insurance policies as an element of alleged damages. We would defend against such allegations and damages vigorously. In the unlikely event that PIRE were to become insolvent, existing law allows the TDI to commence a receivership proceeding over PIRE. An exchange cannot be a debtor under the Federal Bankruptcy Code. A Texas receiver may be able to compel the attorney-in- fact to continue providing services to a reciprocal exchange that is involved in a receivership proceeding. A Texas receiver may also bring action against an attorney-in- fact within a receivership proceeding based on available theories of damages arising from the attorney-in- fact' s management of PIRE. While various single business enterprise theories may also be asserted by a Texas receiver to obtain jurisdiction over the assets of an attorney-in- fact, the success of any such assertion of jurisdiction is uncertain under existing law and would be highly integrated dependent upon the facts and require interoperability with circumstances existing at the time. The payment of interest and principal on surplus notes we hold is uncertain. We hold surplus notes issued by PIRE totaling \$ 106 million. The notes are subordinated to all other indebtedness of PIRE, including policy liabilities. Payment of interest and principal are subject to satisfaction of specified risk- based capital levels and regulatory approval by the Texas Department of Insurance. There is no certainty that PIRE will meet those requirements or receive approval to pay us interest and principal. Further, notwithstanding receipt of regulatory approval, there can be no guarantee that PIRE will be able to repay timely or all the interest and principal

on the surplus notes we hold. We are dependent upon management fees we retain from PIRE, which represent a significant source of revenue. As compensation for the services provided, ~~Porch products~~ will receive ongoing commissions and policy fees equal to a blended take rate of approximately 20 % of PIRE's gross written premium. Therefore, management fee revenue from PIRE is calculated by multiplying the management fee rate by the direct and assumed premiums written by PIRE. Accordingly, any reduction in direct and assumed premiums written by PIRE and / or the management fee rate could have a negative effect on our revenues and net income. The management fee rate is determined by Porch and can be changed at any time in Porch's discretion. The process of setting the management fee rate includes, but is not limited to, the evaluation of current year operating results compared to both prior year and industry estimated results for both Porch's insurance services businesses and PIRE, and consideration of several factors for both entities including, but not limited to: their relative financial strength and capital position; projected revenue, expense and earnings for the subsequent year; future capital needs; ~~as well as products and services competitive position.~~ The evaluation of ~~third~~ these factors could result in a reduction to the management fee rate and our revenues and profitability could be materially adversely affected. As the attorney - in- fact for subscribers in the reciprocal insurance exchange structure with PIRE as our sole customer, we are dependent on the financial condition of PIRE. If PIRE were to fail to maintain acceptable financial strength ratings, its competitive position in the insurance industry could be adversely affected. If a rating downgrade led to customers not renewing or canceling policies, or impacted PIRE's ability to attract new customers, the premium revenue of PIRE could be adversely affected, which could reduce our management fee revenue and, in turn, our revenues and profitability could be materially adversely affected. The consolidated financial statements reflect the effects of reinsurance transactions. The primary purpose of reinsurance is to protect us, at a cost, from losses in excess of the amount it is prepared to accept and to protect our capital. Reinsurance is placed on both a quota- share and excess- of- loss basis. Ceded reinsurance arrangements do not discharge us as the primary insurer and if reinsurers are unable or unwilling to ~~party~~ pay service providers. Due to this complexity or if we do not purchase sufficient reinsurance, it could seriously impact PIRE and our reinsurance captive. Additionally, net premiums written and earned by PIRE will be impacted by ~~the development cycles~~ amount of premiums PIRE cedes under their reinsurance transactions. The amount of profit commission PIRE receives, ~~which we operate~~ reduces the amount of premiums PIRE cedes, ~~we may experience errors in our software, corruption or~~ is variable year- to- year and is dependent on the amount of ~~losses~~ of ceded. Changes from one year to the next ~~our~~ or data or unexpected within a year could substantially change the financial performance of PIRE issues from time to time. For example, the amount of capital available ~~our solutions may face interoperability difficulties with software operating systems or~~ for programs being used by PIRE. The insolvency ~~our~~ or termination customers, or new releases, upgrades, fixes or the integration of a reinsurance contract at ~~acquired technologies may have unanticipated consequences on~~ one the operation and performance of our ~~or more reinsurers of PIRE may expose PIRE and other~~ the Company solutions. If we encounter integration challenges or discover errors in our solutions late in our development cycle, it may cause us to various risks that delay our launch dates. Any major integration or interoperability issues or launch delays could materially and adversely affect PIRE ~~our~~ business, financial condition, and..... a material and adverse impact on HOA's and the Company's business, operations, financial condition, and results of operations. As it These risks include, but are not limited to, risks associated with: • the surplus note, including HOA's ability to make timely payments of principal and interest, repay the surplus note in full, and the Company's ability to recover any unpaid amounts to the extent HOA is unable to repay the principal and interest in full; • enforcing and recovering the collateral underlying the letter of credit and pursuing potential claims related ~~relates to~~ our captive the fraud connected to Vesttoo and others, including the time and expense associated with pursuing potential claims and the uncertainty associated with obtaining any recoveries in excess of costs, and the uncertainty of obtaining any recoveries at all; • the reciprocal exchange, including the impact TDI's previous regulatory supervision of HOA may have on the timing and approval of the reciprocal exchange; • securing and maintaining sufficient replacement reinsurance --- reinsurer , Porticus Re, coverage on terms and costs favorable to HOA to maintain adequate coverage in future periods against potential excess losses in the event of a significant and severe weather event reduces ~~could cause our captive, especially in~~ the amount case of premiums we cede holding less amounts of third party reinsurance, is variable year- to -year and lose all or a significant portion of ~~is its dependent on~~ collateral which may need to be replaced by Porch to ensure continued operations. Porticus Re, will carry this risk at least until March 31, 2025 when the current amount of losses ceded. Changes from one year to the next or within a year could substantially change the financial performance of our insurance ~~reinsurance terms will expire~~ company subsidiary, the amount of capital available for our insurance company subsidiary or both. In January 2024, we entered into a business collaboration agreement with Aon. Pursuant to this agreement with Aon, Aon made a cash payment to Porch in the amount of approximately \$ 25 million plus will make an additional cash payment to us in 2025, and will share with our insurance carrier affiliates a percentage of the brokerage revenue received by Aon for the for which HOA the placement of reinsurance contracts on their behalf that incept or renew each calendar year from 2025 through 2028. If we breach the agreement, we may be required to refund certain of the amounts paid by Aon to us (or to our affiliates) under the Agreement, subject to customary cure rights. Among other things, we could breach the agreement through incidents outside of our control, such has ~~as a decrease in~~ not obtained adequate supplemental coverage, and to satisfy regulatory and rating agency requirements; • maintaining adequate surplus levels to satisfy regulatory requirements; and • HOA's continuing ability to stay out of regulatory supervision and maintain its financial stability rating . - We face a variety of risks through our ~~or~~ expansion into the ~~by directly or indirectly placing~~ insurance ~~reinsurance~~ business. In 2021, we expanded our insurance operations through the acquisition of HOA, a leading property and casualty insurance company focused on products in the residential homeowner space. We are a full- service insurance company operating in 22 states exposing us to the regulatory risk of complying with ~~brokers unaffiliated~~ insurance laws that vary by state as well as underwriting and claims management risk.

Other risks of our entry into the insurance business include, without limitation, difficulties integrating the new insurance business with Aon our ongoing operations, potential diversion of management's time and other resources from our previously established lines of business, the need for additional capital and other resources to expand into this new line of business, and inefficient integration of operational and management systems and controls. Any We bear the cost of paying insured claims. As a result, the likelihood of being significantly affected by the risks inherent to the insurance industry, and the magnitude of such required repayment upon risks, are increased. Claims costs may be adversely affected by increases in costs of home repair as a result breach of inflated material costs, supply chain shortages, increases in labor costs, and demand surge during catastrophic events. In addition, prices for raw materials, such as lumber and steel, are subject to market volatility. We cannot predict the extent to which our insurance carrier business line may experience future increases in claims costs. To the extent such costs increase, we may be prevented, in whole or in part, from passing these the agreement cost increases through to our existing and prospective customers. Such increases in costs could have a material adverse impact on our consolidated business, financial position, results of operations, and cash flows. Although we follow the industry practice of transferring, or our ceding, part of the risk we have assumed to a reinsurance company in exchange for part of the premium we receive in connection with the risk or securing excess of loss reinsurance coverage, we may not be able to successfully mitigate our risk through such reinsurance arrangements. Although reinsurance would make the reinsurer liable to us to the extent the risk is transferred to the reinsurer or we have coverage under an excess of loss reinsurance arrangement, it will not relieve us of our liability to our policyholders. If any of our reinsurers are unable or unwilling to pay amounts they owe us in a timely fashion, we could suffer a significant loss or a shortage of liquidity, which would have a material adverse effect on our business and results of operations. In addition, reinsurance may not be available for an acceptable cost or at all. Failure to successfully mitigate an acceptable portion of our risk could materially and adversely affect our ability to write insurance business and harm our business. If our actual losses from insured claims were to exceed our loss reserves, our business, financial condition and results of operations would be adversely affected. The Company..... duration of changes in the market cycle. We may be unable to negotiate new reinsurance contracts to provide continuous coverage or negotiate reinsurance on the same terms and rates as are currently available, as such availability depends in part on factors outside of our control. A new contract may cost more, or may not provide sufficient reinsurance protection. Market forces and external factors, such as significant losses from hurricanes or terrorist attacks or an increase in capital requirements, has impacted, and likely to continue to impact, the availability and cost of the reinsurance we purchase. If we were PIRE is unable to maintain our current level of reinsurance, extend our reinsurance contracts or purchase new reinsurance protection in amounts that we consider sufficient at current or acceptable prices, we would have to either accept an increase in our exposure, reduce our their insurance writings or develop or seek other alternatives. The unavailability of acceptable reinsurance protection would have an adverse impact on our PIRE's business model, which depends on reinsurance companies to absorb any unfavorable variance from the level of losses anticipated at underwriting. If we are PIRE is unable to obtain adequate reinsurance at reasonable rates, we it would have to increase our their risk exposure or reduce the level of our their underwriting commitments, each of which could have a material adverse effect upon our their business volume and profitability. Alternatively, we PIRE could elect to pay higher than reasonable rates for reinsurance coverage, which could have a material adverse effect upon our their profitability until policy premium rates could be raised, in most cases subject to approval by state regulators, which could cause long delays to offset this additional cost. It is possible There can be no assurance that Porticus Re may need the Texas reciprocal exchange (the "Reciprocal") will commence business. In 2023, we filed an application to place portions form and license the Reciprocal with the Texas Department of the catastrophe Insurance reinsurance program ("TDI"). As such Applications of this nature involve intensive dialog with regulators that can result in material changes to all aspects of the business plan originally presented, including changes that a significant and severe weather event could cause Poreh our captive to terminate lose all or a significant portion of its collateral which may need to be replaced by the Company to ensure continued operations. Reinsurance is a contract by which and which an insurer, which may be referred to as the ceding insurer, agrees with a second insurer, called a reinsurer, that the reinsurer will cover a portion of the losses incurred by the ceding insurer in the event a claim is made under a policy issued by the ceding insurer, in exchange for a premium. HOA PIRE obtains reinsurance to help manage its exposure to property and casualty insurance risks. Reinsurance is purchased annually, and capacity and acceptable pricing cannot be guaranteed, which may limit HOA PIRE's growth or financial strength rating. If reinsurance becomes unavailable at current levels or prices, our ability to write new business will be hindered. Although our the reinsurance counterparties of PIRE are liable to us PIRE according to the terms of the reinsurance policies, we PIRE remain remains primarily liable to our policyholders as the direct insurers on all risks reinsured. As a result, reinsurance does not not proceed. Although our reinsurance counterparties are liable to us according to the terms of the reinsurance policies, we remain primarily liable to our policyholders as the direct insurers on all risks reinsured. As a result, reinsurance does not eliminate the obligation of our PIRE and HOA, its insurance company subsidiary, to pay all claims, and we are PIRE is subject to the risk that one or more of our its reinsurance reinsurers will be unable or unwilling to honor its obligations, that the reinsurers will not pay in a timely fashion, or that our PIRE's losses are so large that they exceed the limits specified in our its reinsurance contracts, limiting recovery. Reinsurers may become financially unsound by the time that they are called upon to pay amounts due, which may not occur for many years, in which case we PIRE may have no legal ability to recover what is due to us it under our its agreement with such reinsurer. Any disputes with reinsurers regarding coverage under reinsurance contracts could be time consuming, costly, and uncertain of success. Failure The results of operations of PIRE and our reinsurance captive depend, in part, on the performance of their investment portfolios. PIRE and our reinsurance captive seek to hold a high maintain our insurance carriers' risk-based capital at quality portfolio managed by a provider investment advisory firm in accordance with its plans to form investment policy and routinely reviewed by the Reciprocal internal management team. Matters within the scope Investments, however, are subject to general economic conditions and market risks as well as risks inherent to particular securities. The values of PIRE the

TDI's review-issuer's payments on such investments. Downgrades in the credit ratings of fixed income securities could also have a significant negative effect on the market valuation of such securities. Such factors could reduce **our insurance businesses'** net investment **income-incomes** and result in realized investment losses, as well as negatively impact **its** statutory capital. **PIRE-Our insurance businesses'** and our reinsurance captive's investment portfolios are subject to increased valuation uncertainties when investment markets are illiquid, thereby increasing the risk that the estimated fair value (i.e. carrying amount) of the securities **that PIRE and our reinsurance-- insurance captive-businesses** hold in their **portfolios-- portfolio** does not reflect prices at which **accrual transactions would occur** include **but maximum percentages of investment in certain types of securities and minimum levels of credit quality, which they believe are within applicable guidelines established by the National Association of Insurance Commissioners. In addition, PIRE and our reinsurance captive seek to employ investment strategies that** are not limited to those listed below: **• correlated with its insurance and reinsurance exposures, however, losses in the their adequacy of investment portfolios may occur at the Reciprocal's same time as underwriting losses. The financial strength ratings of PIRE and HOAIC-- HOA, its insurance company subsidiary, could be downgraded. Financial strength ratings reflect a rating agency's opinion** capitalization and methods used to capitalize it; **• the terms of PIRE, the Reciprocal's governing documents, including the compensation paid to the attorney-- in- fact; • the premiums to be charged by the Reciprocal and the benefits offered to its subscribers; • the amount and duration of the subscriber contribution paid by its subscribers • the Reciprocal's relationship with Porticus Re and HOA's financial strength managing general agency, operating performance** including reinsurance premium, **strategic** commissions and fees charged by them for services as general agent; **• the powers and composition --- position** of the Reciprocal's subscribers' committee; and **• the terms of sale of HOAIC to the Reciprocal. Insurance is regulated on a state-by-state basis. Approval by the TDI, if obtained, applies only to the Reciprocal's ability to operate in Texas meet obligations to policyholders. Expansion outside The ratings of PIRE and HOA are** Texas will require additional state-by-state applications, with each application subject to **periodic review and dialog** with state regulators that can result in changes unfavorable to the Reciprocal, including changes that could cause Poreh to terminate plans to expand the Reciprocal into specific states. Under existing GAAP, we expect the Reciprocal will consolidate with Poreh for financial reporting purposes. While deconsolidation of the Reciprocal from Poreh is a goal, there is no assurance that **such** our plan for achieving deconsolidation will be successful, nor can there be any assurance that deconsolidation will be achieved in the future. Accordingly, all the risk factors identified in this section that currently adversely affect our existing insurance business will continue to adversely affect our business, prospects, financial condition and results of operations if the Reciprocal successfully commences business. If Poreh's plans are implemented, the sole sources of insurance income available to Poreh will be (a) the management fee received by its subsidiary that will serve as the attorney- in- fact ("AIF") of the Reciprocal, (b) commissions and fees charged by HOA's managing general agency and AIF for services as general agent and (c) reinsurance premiums paid by the Reciprocal to Porticus Re, our Cayman Islands captive reinsurance company. An attorney- in- fact's income is the product of two factors: (a) the gross written premium paid to the reciprocal exchange by subscribers plus reinsurance premiums paid to the reciprocal exchange by affiliated insurers, multiplied by (b) the percentage of gross written premium set by the reciprocal exchange's governing documents. Poreh has proposed governing documents that set a maximum fee, but allow the attorney- in- fact to set a lower fee. There are various factors that can influence the attorney- in- fact's decision to set the fee at a specific level including, but not limited to, the reciprocal exchange's financial strength, capital position, projected revenue and expenses and competitive position in the market. If the amount of gross written premiums paid to the Reciprocal decreases for any reason, the fee revenue of the attorney- in- fact will correspondingly decrease. The risk factors that adversely affect insurance sales within our existing insurance businesses will apply to insurance sales by the Reciprocal. As an entirely new entity, there can be no assurance how the Reciprocal will be received by consumers, regulators, rating **ratings** agencies, and entities that historically refer business to HOA. Our efforts to encourage a transition of policyholders from HOAIC to the Reciprocal may result in a number of existing HOAIC policyholders shifting their business to other insurers, leading to a decrease in the overall level of premium currently written in the insurance segment of our business. Likewise, if the fee percentage decreases, the fee revenue to the attorney- in- fact will correspondingly decrease. Events that may result in a decrease in an attorney- in- fact's fee include, but are not limited to price competition, regulatory disapproval of our rates or the AIF fee. An attorney- in- fact is a separate legal entity from a reciprocal exchange. The reciprocal exchange is managed by an independent subscribers committee over which Poreh will have no control. Poreh will be the owner of the attorney- in- fact and **will not be changed. Rating agencies could** possess any legal ownership in the reciprocal exchange-- **change. If or expand the their requirements or could find that PIRE and HOA** Reciprocal, through its subscribers committee, terminates Poreh as its attorney- in- fact, Poreh will no longer **meet** have access to the **criteria established** attorney- in- fact fees or **for current ratings. Insolvencies or credit downgrades of our** reinsurance **partners** premiums as sources of revenue and a significant portion of revenue from the insurance business. Additionally, Poreh would **could impact** lose access to the admitted insurance carrier. A reciprocal exchange has no mechanism by which dividends or distributions of profits can be paid to an attorney- in- fact. The sale of HOAIC to the Reciprocal will result in Poreh no longer having access to dividends from HOAIC. Except for the fees and commissions paid to the AIF and Homeowners of America MGA, Inc, Poreh will derive no cash flow benefit from profitable operating results in the Reciprocal or HOAIC. Nothing in the laws governing Texas reciprocal exchanges makes an attorney- in- fact liable for losses incurred by a reciprocal exchange. Nevertheless, Poreh, through its ownership of the AIF, will have an interest in the financial condition of the Reciprocal. If the Reciprocal fails to maintain acceptable levels of financial strength and ratings, its competitive position in the market would be adversely affected. Anything that adversely affects premium income to the Reciprocal results in decreased fee revenue to the AIF. Poreh may, for various business reasons impossible at present to predict, decide to provide additional surplus to the Reciprocal in response to future adverse financial developments in the Reciprocal's business. Nothing herein, however, constitutes a commitment by Poreh to make contributions to the surplus of the Reciprocal under any circumstances. In the unlikely event that the Reciprocal were to

become insolvent, existing law allows the TDI to commence a receivership proceeding over the Reciprocal. An exchange cannot be a debtor under the Federal Bankruptcy Code. A Texas receiver may be able to compel the attorney-in-fact to continue providing services to a reciprocal exchange that is involved in a receivership proceeding. A Texas receiver may also bring action against an attorney-in-fact within a receivership proceeding based on available theories of damages arising from the attorney-in-fact's management of the reciprocal exchange. While various single business enterprise theories may also be asserted by a Texas receiver to obtain jurisdiction over the assets of an attorney-in-fact, the success of any such assertion of jurisdiction is uncertain under existing law and would be highly dependent upon the facts and circumstances existing at the time. The material risks to Poreh from operating its insurance business through a reciprocal exchange may differ considerably from risks described herein due to requirements imposed on Poreh and the Reciprocal by the TDI as conditions for approving the formation and licensing of the Reciprocal, or by insurance regulators in other -- **the states as conditions for granting insurance licenses to the Reciprocal, which requirements cannot be known at this time.** Financial strength ratings reflect a rating agency's opinion of **PIRE** our insurance company subsidiary's financial strength, operating performance, strategic position and **HOA** ability to meet obligations to policyholders. Our ratings are subject to periodic review and there is no assurance that our ratings will not be changed. Rating agencies could change or expand their requirements or could find that our insurance company subsidiary no longer meet the criteria established for current ratings. Insolvencies or credit downgrades of our reinsurance partners could impact the rating agency's opinion of our insurance company subsidiary's financial strength and ability to meet obligations to policyholders causing a downgrade or withdrawal of the rating. The current rating agency used for the insurance business **PIRE and HOA** could go out of business or become unacceptable to partners of the insurance business **we manage and operate**, leaving the company without a rating until a new rating could be achieved with a different rating agency. There is no guarantee that another rating agency would have a similar rating and view of **the company PIRE and HOA**. If **the our insurer** financial strength ratings **of PIRE and HOA** were to be downgraded, our agents might find it more difficult to market our products or might choose to emphasize the products of other carriers and lenders, **and** would be likely to not accept our insurance **provided by PIRE and HOA** as sufficient to protect their collateral. Either or both could have severe financial consequences for **PIRE** our insurance company subsidiary. Our home warranty business line may be adversely affected by increases in the level of our operating expenses, such as refrigerants, appliances and **HOA** equipment, parts, raw materials,..... issues in the insurance industry are uncertain. As industry practices, economic, legal, judicial, social, and other environmental conditions change, unexpected issues related to claims and coverage may emerge. These issues may adversely affect **PIRE and** our insurance reinsurance businesses **captive** by either extending coverage beyond the underwriting intent or by increasing the number and size of claims. Examples of emerging claims and coverage issues include, but are not limited to: • Plaintiffs targeting property and casualty ("P & C") insurers in class action litigation relating to claims- handling and other practices; • Medical developments linking health issues to particular cases, resulting in liability claims; and • Claims related to unanticipated consequences of current or new technologies, including cyber- security related risks and claims relating to potentially changing climate conditions. In some instances, these emerging issues may not become apparent for some time after affected insurance policies have been issued. As a result, the full extent of liability may not be immediately known, nor their financial impacts adequately provided for in premium charges. In addition, potential passage of new legislation designed to expand the right to sue, to remove limitations on recovery, to extend statutes of limitations or otherwise repeal or weaken tort reforms could have an adverse impact on **our the** insurance businesses **we manage and operate**. The effects of these and other unforeseen emerging claim and coverage issues are difficult to predict **and**, could harm **our the** insurance businesses **we manage and operate**, and materially adversely affect their results and operations. **Our consolidated, which in turn could materially and adversely affect the management fees we receive and our results of operations and financial condition statements reflect the effects of reinsurance transactions. PIRE and HOA, The primary purpose of reinsurance is its to protect us, at a cost, from losses in excess of the amount it is prepared to accept and to protect our capital. Reinsurance is placed on both a quota- share and excess- of- loss basis. Ceded reinsurance arrangements do not discharge us as the primary insurer and if reinsurers are unable or unwilling to pay or if we do not purchase sufficient reinsurance, it could seriously impact our insurance company subsidiary. Additionally, our net premiums written and earned will..... authority to conduct our business. We must have sufficient capital to comply with insurance regulatory requirements and maintain authority to conduct our their business.** The National Association of Insurance Commissioners has developed a system to test the adequacy of statutory capital of U. S.- based insurers, known as risk- based capital that all states have adopted. This system establishes the minimum amount of capital necessary for an insurance company to support its overall business operations. It identifies insurers, including property- casualty insurers, that may be inadequately capitalized by looking at certain inherent risks of each insurer's assets and liabilities and its mix of net written premiums. Insurers falling below a calculated threshold may be subject to varying degrees of regulatory action, including supervision, rehabilitation or liquidation. **TDI requires PIRE to meet specific conditions related to surplus, net written premium, and risk- based capital in order to maintain its certificate of authority. If PIRE fails to meet these conditions, its certificate of authority may be suspended which means that it would not be authorized to sell insurance in the state of Texas. This would subsequently have a material adverse effect on the Company's consolidated results of operations and financial condition.** Similarly, our wholly- owned, Cayman Islands- based captive reinsurer, Porticus Re, is subject to additional capital and other regulatory requirements imposed by the Cayman Islands Monetary Authority ("CIMA"). Although these capital requirements are generally less constraining than U. S. capital requirements, failure to satisfy these requirements could result in regulatory actions from the CIMA or loss of or modification of Porticus Re's Class B (iii) insurer license, which could adversely impact **our PIRE's** ability to improve **our its** overall capital efficiency. **PIRE** As a mid- sized carrier expanding its national presence, we may face additional capital and surplus requirements as compared to those of our larger and more established competitors. Failure to maintain adequate risk- based capital at the required levels could result in increasingly onerous reporting and examination requirements and could adversely affect **our PIRE's** ability to maintain

regulatory authority to conduct our business. Loss reserves are estimates of the ultimate cost of claims and do not represent a precise calculation of any ultimate liability. These estimates are based on historical information and on estimates of future trends that may affect the frequency and severity of claims that may be reported in the future. Estimating loss reserves is a difficult, complex, and inherently uncertain process involving many variables and subjective judgments. Significant periods of time can elapse between the occurrence of an insured loss, the reporting of a claim, and payment of that claim. Loss reserves are estimates of the ultimate cost of claims and do not represent a precise calculation of any ultimate liability of PIRE or our insurance reinsurance businesses captive. These estimates are based on the analysis of historical loss development patterns and on estimates of current labor and material costs. The various factors reviewed include: • loss emergence, reporting and development patterns; • underlying policy terms and conditions; • business and exposure mix; • trends in claims frequency and severity; • changes in operations; • emerging economic and social trends; • inflation; and • changes in the regulatory and litigation environments. This process assumes that past experience, adjusted for the effects of current developments and anticipated trends, is an appropriate basis for predicting future events. It also assumes that adequate historical or other data exists upon which to make these judgments. There is no precise method for evaluating the impact of variances in estimates. If the actual amount of insured losses is greater than the amount reserved for these losses, the our insurance businesses' profitability of PIRE and our reinsurance captive could suffer. PIRE The performance of our insurance businesses' investment portfolios is subject to a variety of investment risks. The results of operations of our insurance businesses depend, in part, on the performance of their investment portfolios. Our insurance businesses seek to hold a high-quality portfolio managed by a provider investment advisory firm in accordance with its investment policy and routinely reviewed by the internal management team. Investments, however, are subject to general economic conditions and market risks as well as risks inherent to particular securities. The values of our insurance businesses' investment portfolios are subject to the risk that certain investments may default or become impaired due to deterioration in the financial condition of an and issuer's payments on such investments..... prices at which accrual transactions would occur -- our . Risks for all types of securities are managed through the application of our insurance businesses' investment policies, which establish investment parameters that include maximum percentages of investment in certain types of securities and minimum levels of credit quality, which they believe are within applicable guidelines established by the National Association of Insurance Commissioners. In addition, our insurance businesses seek to employ investment strategies that are not correlated with its insurance and reinsurance captive exposures, however, losses in their investment portfolios may occur at the same time as underwriting losses. Our insurance businesses could be forced to sell investments to meet liquidity requirements. Our insurance businesses invest premiums until they are needed to pay policyholder claims. Consequently, PIRE and our insurance reinsurance businesses captive seek to manage the duration of their investment portfolios based on the duration of their losses and loss adjustment expenses payment cycles in order to ensure sufficient liquidity and to avoid having to unexpectedly liquidate investments , including the 18.3 million shares of Porch stock that HOA holds, to fund claims or increase surplus . In addition, unfavorable trends in litigation could potentially result in the need to sell investments to fund these liabilities. Our PIRE and our insurance reinsurance businesses captive may not be able to sell their investments at favorable prices or at all , and such sales may not reflect the intrinsic value of the investment . Sales of invested assets could result in significant realized losses depending on the conditions of the general market, interest rates, and credit issues with individual securities. Further, losses may impact surplus and require additional capital to fund statutory surplus requirements, which may not be available or available on terms that are not favorable to PIRE and our reinsurance captive. The failure to accurately and timely pay claims could harm the insurance businesses we manage and operate. Though the insurance businesses historically evaluated and paid claims timely and in accordance with its policies and statutory obligations, the they Company must continue to manage costs and close claims expeditiously . Our Many factors affect the ability to evaluate and pay claims accurately and timely, including training and experience of claims staff, claims department's culture and the effectiveness of management, the ability to develop or select and implement appropriate procedures and systems to support claims functions and other factors. The failure to accurately and timely pay claims could lead to regulatory and administrative actions or material litigation, undermine the insurance businesses' reputation in the marketplace and materially and adversely affect their businesses, financial conditions and results of operations . If the insurance businesses we manage and operate are unable to hire, train and retain claims staff, their claims departments may be required to handle and an increasing workload, which could adversely affect the quality of their claims administration, and could materially and adversely impact the fees we receive for managing and operating the insurance businesses, which in turn could adversely impact our financial condition may be adversely affected due to limitations in the analytical models or changes in accessibility to such models used to assess and results of operations predict our exposure to catastrophic losses. Models developed internally and by third-party vendors are used along with our own historical data in assessing property insurance exposure to catastrophic losses. These models assume various conditions and probability scenarios; however, they do not necessarily accurately predict future losses or measure losses currently incurred. Further, the accuracy of such models may be negatively impacted by changing climate conditions. Catastrophe models use historical information and scientific research about natural events, such as hurricanes and earthquakes, as well as detailed information about our PIRE's in-force business. This information is used in connection with pricing and risk management activities. However, since actual catastrophic events vary considerably, there are limitations with respect to its usefulness in predicting losses in any reporting period. Other limitations are evident in significant variations in estimates between models, material increases and decreases in results due to model changes and refinements of the underlying data elements and actual conditions that are not yet well understood or may not be properly incorporated into the models . Regulatory factors could impact the value at which HOA carries our shares on its statutory financial statements, negatively impact HOA regulatory surplus, and require us to take additional steps to enable HOA to adhere to regulatory requirements and maintain its financial stability rating. As a Texas domestic property and casualty insurer,

HOA is subject to various regulatory requirements, including minimum surplus as regards to policyholders and requirements relating to the credit quality, liquidity and diversification of investments. The amount of surplus and investments maintained by HOA also impacts its financial stability rating. Pursuant to the contribution transactions described in Note 8 of the Notes to Consolidated Financial Statements in “ Item 8. Financial Statements and Supplementary Data ” of this Annual Report, a total of 18.3 million shares of common stock were contributed to HOA primarily to support its compliance with requirements under Texas law relating to surplus and to maintain its financial stability rating. The value at which the contributed shares are carried on the statutory financial statements of HOA is subject to ongoing regulatory risks, including the following: Valuation of the contributed shares for purposes of HOA statutory financial statements remains subject to continuing oversight by the TDI, which may in the future require that the shares be recorded at a more steeply discounted value than TDI initially approved depending upon our results of operation and other future events, including excess losses incurred by the HOA insurance business due to severe weather events. Other restrictions under Texas law limit the total amount HOA may invest in an affiliate such as Porch Group, Inc., which could limit the portion of the contributed shares’ value that can be included as admitted assets on its statutory financial statements. These and other regulatory factors beyond our control or that we have not anticipated could negatively impact the value at which the contributed shares are recorded on HOA’ s statutory financial statements in future filings with TDI, which could negatively impact HOA’ s surplus position and its Demotech, Inc. financial stability rating. In such event, HOA may need to raise additional funds or take other steps to enable it to adhere to Texas regulatory requirements, including as to surplus, and to maintain its financial stability rating. The availability of additional funds through Company debt or equity financing is subject to numerous risks, including the trading price of our common stock at such time, other market conditions, and restrictions under the indentures governing our outstanding convertible senior notes on the incurrence of additional indebtedness. The shares of our common stock held by HOA represent a significant portion of its surplus as regards to policyholders. The value at which HOA carries these shares for regulatory financial reporting purposes will fluctuate over time with changes in the trading price of our common stock. A decline in the trading price of our common stock (whether sustained or temporary but at quarter end) would negatively impact the amount of surplus that HOA reports on its statutory financial statements. It is possible that this could require HOA to raise additional funds to enable it to adhere to regulatory requirements relating to surplus and to maintain its financial stability rating. In such case, it may need to raise additional capital through surplus note debt financing. Such financing may be supplied by us or by third party investors. If by us, we may need to issue additional shares which could result in significant additional dilution to existing stockholders, and we face significant restrictions on our ability to obtain additional debt financing due to the restrictive covenants under the indentures governing our outstanding convertible senior notes. If, instead, financing is by third party investors, they may require that their surplus notes rank senior to the surplus notes of PIRE we hold. Future sales of our common stock by HOA, or deconsolidation of PIRE’ s financial statements from our financial statements, could cause our stock price to decline. Although HOA holds the shares of common stock described in this Annual Report on Form 10- K primarily to strengthen its surplus position and maintain its financial stability rating, and while it is neither our plan nor intent, HOA may sell all or a portion of the shares from time to time in the future as it may deem necessary or appropriate to support the needs of its business, including, for example, to generate additional cash to pay claims and expenses, to improve liquidity and asset diversification, to otherwise meet applicable regulatory requirements and maintain its financial stability rating, or to finance the acquisition of new business. In addition, HOA could be forced to sell shares if insurance regulatory authorities disallow the shares to be recorded as admitted assets on its statutory financial statements or require the shares to be recorded at a greater discount than initially approved by TDI. Additionally, if HOA is placed under receivership by TDI, the receiver may sell shares in connection with the liquidation or rehabilitation of HOA. The timing and amount of any such sales, and the offering price and proceeds thereof, cannot be predicted as of the date of this prospectus. Market conditions, the method of distribution and other factors could make it difficult for the selling shareholder to sell shares when necessary to meet underlying needs or objectives. The sale of shares of our common stock by HOA in the public market, or the perception by the market that those sales could occur, may cause the market price of our common stock to decline. Such sales, or the possibility that such sales may occur, also could make it more difficult for us to raise funds through the sale of equity in the future. Once shares are sold by HOA to unrelated parties or we are able to deconsolidate PIRE’ s financial statements from our financial statements, they will no longer be treated as treasury shares for financial reporting purposes, may be dilutive to earnings per share, will be entitled to vote and will count for quorum purposes. In accordance with the subscriber’ s agreement, we perform policy issuance and renewal services for the subscribers at PIRE and we serve as the attorney- in- fact on behalf of the subscribers at PIRE with respect to administrative services. The most significant costs we incur in providing policy issuance and renewal services are employee costs and technology costs. Our largest expense is employee costs, including salaries, healthcare, pension, and other benefit costs. Regulatory developments, provider relationships, pandemics and demographic and economic factors that are beyond our control, such as inflation, are indicators that employee costs could increase, which could reduce our profitability. Technological development is necessary to facilitate ease of doing business for employees, agents, and customers. Our technological developments are focused on simplifying and improving the employee, agent, and customer experiences, increasing efficiencies, redesigning products, and addressing other potentially disruptive changes in the insurance industry, including the use of data and artificial intelligence. As we continue to develop technology initiatives in order to remain competitive, our profitability could be negatively impacted as we invest in system development.

Risks Relating to Financial Reporting and Results of Operations We have previously identified material weaknesses in our internal control over financial reporting that could have resulted in material misstatements in our financial

statements and in the inability of our independent registered public accounting firm to provide an unqualified audit opinion which could have a material adverse effect on us. As a public company, we are required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, which require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of controls over financial reporting. As disclosed under "Item 9A. Controls and Procedures" of this Annual Report, during the course of preparing our audited financial statements for our Annual Reports on Form 10-K for the fiscal years ended December 31, 2020, 2021 and 2022, we, in conjunction with our independent registered public accounting firm, identified certain material weaknesses. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of annual or interim financial statements will not be prevented or detected on a timely basis. During 2020, 2021, 2022, and 2023, and 2024 we dedicated multiple internal resources and supplemented those internal resources with various third-party specialists to assist with the implementation of the detailed remediation plans, including enhancing our processes and systems. As of December 31, 2023, we have remediated all of the previously identified material weaknesses and concluded that our internal control over financial reporting is effective. Our management, including our chief executive officer and chief financial officer, does not expect that our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. Over time, controls may become inadequate because of changes in circumstances or deterioration in the degree of compliance with policies or procedures may occur. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected. Our quarterly operating results may fluctuate as a result of a variety of factors, many of which are outside of our control. If our quarterly operating results or guidance fall below the expectations of research analysts or investors, the price of our common stock could decline substantially. Fluctuations in our quarterly operating results or guidance may be due to a number of factors, including, but not limited to, those listed below: • economic trends related to software companies, companies not yet profitable, home-related companies, companies that went public through a special purpose acquisition company (SPAC) transaction, the home services and insurance industries, and general economic, industry and market conditions; • seasonality; • the extent to which home services companies, consumers, service providers, and commercial partners are attracted to our solutions to satisfy their (and in the case of home services companies and commercial partners, their customers') needs; • the timing, commitment levels, and revenue share rates at which we enter into agreement for our solutions with home services companies and service providers, along with their ongoing capacity and fulfillment performance to handle volume and the effectiveness of our marketing and affiliate channels to drive volume to our network; • the volume of consumer referrals that home services companies and commercial partners send to us, and the addition or loss of large home services companies or commercial partners, including through acquisitions or consolidations; • the mix of home services companies and commercial partners across small, mid-sized and large organizations; • changes in our pricing policies or those of our competitors, including loss of customers due to increased price of our policies; • volatility in commissions from our received by the insurance business we manage and operate; • severe weather events, including tornado and hail events, hurricanes, extensive wildfires and other catastrophes, and the frequency of any of the foregoing, including the effects of climate change and global pandemics; • volatility, as well as severity, in claims from our for the insurance business we manage and operate; • widespread claim costs associated with P & C claims; • losses resulting from actual policy experience that is adverse to assumptions made in product pricing; • our insurance carrier being placed under regulatory supervision or losing or receiving a downgrade its credit rating; • the timing and delay in introducing new policy pricing due to seeking regulatory approval for price changes • losses resulting from a decline in the value of our invested assets; • declines in value and / or losses with respect to companies and other entities whose securities we hold and counterparties with whom we transact business or to whom we have credit exposure, including reinsurers, and declines in the value of investments; • the financial health of our home services companies, consumers, service providers, and commercial partners; • the amount and timing of operating expenses, including those related to the maintenance and expansion of our business, operations and infrastructure; • the timing and success of new solutions introduced by us; • the timing and success of current and new products and services introduced by our competitors; • other changes in the competitive dynamics of our industry, including consolidation among competitors, customers or strategic partners; • our ability to manage our existing business and future growth, including increases in the number of customers on our platform and new geographic regions; and • various other factors, including those related to significant disruptions in our systems and platform infrastructure risks related to independent contractors, and privacy and data security breaches, each of which is described elsewhere in this "Item 1A. Risk Factors" section. Our earnings guidance and resulting external analyst estimates are largely based on our view of our business and the broader housing, housing services and insurance markets. Further, there is additional risk in our ability to accurately forecast our operational and financial performance and provide earnings guidance as a result of evolving economic downturn, continued inflationary cost increases and uncertainty of frequency and severity of weather events and related claims. Failure to meet our guidance or analyst expectations for earnings would have an adverse impact on the market price of our common stock. Our businesses are seasonal due to consumer demands and historical weather trends, and as a result our results of operations and cash flows fluctuate significantly from quarter to quarter. Historically, our revenues have been strongest in the second and third fiscal quarters due to peak real estate transaction activity occurring during the summer months coupled with historically more mild weather. The first and fourth fiscal quarters are generally weakest, due to lower real estate transaction activity during the winter months coupled with historically more severe weather events. As a result, our operating results for any given quarterly period are not necessarily indicative of operating results for an entire year. In addition, we are rapidly

evolving our partnerships and capabilities, and continually improving our underwriting and approach to reinsurance, which makes comparisons to previous seasons difficult. We have experienced net losses in each year since our inception. We incurred operating losses of \$ **64.6 million**, \$ 190.4 million, and \$ 177.0 million and \$ **83.4 million** for the years ended December 31, **2024**, 2023, and 2022 and 2021, respectively, and as of December 31, **2023-2024**, we had an accumulated deficit of \$ **722-754** . **19 million**. We will need to generate and sustain increased revenue levels and decrease proportionate expenses in future periods to achieve profitability, and even if we do, we may not be able to maintain or increase profitability. While we are undertaking efforts that we believe will increase our revenue, these efforts may not be sufficiently successful in order to offset these expenses. Many of our efforts to generate additional revenue are new and unproven, and any failure to adequately increase revenue or contain the related costs could prevent us from attaining or increasing profitability. Our recent growth in revenue and number of home services companies, consumers, service providers and commercial partners may not be sustainable, and we may not achieve sufficient revenue to achieve or maintain profitability. We may incur significant losses in the future for a number of reasons, including the other risks described in this “ Item 1A. Risk Factors ,” section, and we may encounter unforeseen expenses, difficulties, complications and delays and other unknown events. Accordingly, we may not be able to achieve or maintain profitability and we may incur significant losses for the foreseeable future. We have incurred and will continue to incur increased costs as a result of being a public company that reports to the SEC and our management will be required to devote substantial time to meet compliance obligations. As a public company reporting to the SEC, we incur significant legal, accounting and other expenses that we did not incur as a private company. We are subject to reporting requirements of the Exchange Act and the Sarbanes- Oxley Act of 2002, as well as rules subsequently implemented by the Securities and Exchange Commission that impose significant requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. In addition, on July 21, 2010, the Dodd- Frank Wall Street Reform and Protection Act was enacted. There are significant corporate governance and executive compensation- related provisions in the Dodd- Frank Act that increased our legal and financial compliance costs, make some activities more difficult, time- consuming or costly and may also place undue strain on our personnel, systems and resources. Our management and other personnel devote a substantial amount of time to these compliance initiatives. Compliance with public company requirements is costly and makes certain activities more time- consuming generally, and those costs will increase if we continue to acquire new companies, in particular. A number of those requirements will require us to carry out activities we, or an acquired company, have not done previously. For example, we have adopted and will continue to adopt new internal controls and disclosure controls and procedures. In addition, expenses associated with SEC reporting requirements will be incurred. Furthermore, if any issues in complying with those requirements are identified (for example, our auditors have in the past and may in the future identify material weaknesses or significant deficiencies in our internal control over financial reporting), we could incur additional costs rectifying those issues, and the existence of those issues could adversely affect our reputation or investor perceptions of it. Companies are also facing increasing scrutiny from customers, regulators, investors, and other stakeholders related to their environmental, social and governance (“ ESG ”) practices and disclosures. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact our reputation, ability to do business with certain partners, and harm our business. New government regulations could also result in new or more stringent forms of ESG oversight and expanding mandatory and voluntary reporting, diligence, and disclosure, including with respect to climate- related disclosure. Increased ESG related compliance costs could impact our operations and business. ~~Our risk management policies and procedures may prove to be ineffective and leave us exposed to unidentified or unanticipated risk.~~ We have identified and continue to develop enterprise- wide risk management policies and procedures to mitigate risk and loss to which we are exposed. There are inherent limitations to our risk management strategies because there may be existing or future risks that have not been fully identified. If internal risk management policies and procedures are ineffective, we may suffer unexpected losses which could be material and adversely affect our financial results and operations. Our risk management framework may not evolve at the same pace as we expand our business. As a result, there is a risk that new products or new business strategies may present risks that are not fully identified, effectively monitored, or thoroughly managed. We have exposure to different counterparties in the industries in which we operate, which expose us to credit risk in the event of a default or other failure to adhere to contractual obligations by a counterparty. Specifically, **PIRE and our insurance-reinsurance carrier captive cedes- cede** risk to third- party insurance companies through reinsurance contracts that cover large volumes of business and exposes us to increased credit risk. Our credit risk may be exacerbated when collateral held by us ~~PIRE and our reinsurance captive~~ is not sufficient to offset credit risk, changes in value, cannot be realized upon, or is liquidated at prices not sufficient to recover the full amount of the ~~amount credit exposure due to us~~. This could lead to losses, the extent of which is unknown, and any such losses could have a material adverse effect on our business, financial condition, and results of operations. Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited. As of December 31, **2023-2024**, we had net operating loss carryforwards for U. S. federal income tax purposes and state income tax purposes of \$ **425-430** . **14 million** and \$ **260-289** . **47 million**, respectively, available to offset future taxable income. If not utilized, the federal net operating loss carryforward amounts generated prior to January 1, 2018, will begin to expire in 2031, and the state net operating loss carryforward amounts will begin to expire in **2023-2025**. Realization of these net operating loss carryforwards depends on our future taxable income, and there is a risk that our existing carryforwards subject to expiration could expire unused and be unavailable to offset future income tax liabilities, which could materially and adversely affect our operating results. In addition, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, if a corporation undergoes an “ ownership change, ” generally defined as a greater than 50 % change (by value) in its equity ownership over a three- year period, the corporation’ s ability to use its pre- change net operating loss carryforwards and other pre- change tax attributes, such as research tax credits, to offset its post- change income may be limited. The Company has determined that it has experienced a limited number of ownership changes in its history, but ~~have has~~ concluded that the

resulting limitation does not impose any significant constraints on the benefit of its tax attributes. Additional ownership changes may occur in the future. Risks Relating to Compliance with Laws and Regulations, and Litigation ~~Our~~ **The** insurance businesses **we manage** are subject to state governmental regulation, which could limit the growth of our insurance businesses and **operate** ~~impose additional costs on us.~~ Our insurance businesses are subject to extensive regulation and supervision by individual state insurance departments in the states where they transact business. This regulation is generally designed to protect the interests of customers, and not necessarily the interests of insurers or agents, their shareholders, or other investors. Numerous aspects of our insurance businesses are subject to regulation, including premium rates, mandatory covered risks, limitations on the ability to not renew business, prohibited exclusions, licensing and appointment of agents, restrictions on the size of risks that may be insured under a single policy, policy forms and coverages, advertising and other conduct, including restrictions on the use of credit information and other underwriting factors, as well as other underwriting and claims practices. To the extent our insurance businesses decide to expand product offerings to include other insurance products, such as pet, auto, or life insurance, this would subject them to additional regulatory requirements and scrutiny in each state where it elects to offer such products. States may also regulate various aspects of the contractual relationships between insurers and independent agents. Such laws and regulations are usually overseen and enforced by various insurance departments, as well as through private rights of action and by some state attorneys general. Such regulations or enforcement actions may result in rate suppression, limit the ability of our insurance businesses to manage exposure to unprofitable or volatile risks, or lead to fines, premium refunds, or other adverse consequences. As a result of noncompliance, regulators could impose fines or other penalties, including cease- and- desist orders for an individual state, or all states, until the identified noncompliance is rectified. ~~Our~~ **TDI requires PIRE to meet specific conditions related to surplus and capital in order to maintain its certificate of authority. If PIRE fails to meet these conditions, its certificate of authority may be suspended which means that it would not be authorized to sell insurance in the state of Texas. This would subsequently have a material adverse effect on the Company's consolidated results of operations and financial condition.** ~~The~~ insurance businesses **we manage and operate** are also subject to examinations by the insurance departments of any state where our insurance businesses are domiciled or licensed to sell insurance. These insurance departments may, at any time, conduct comprehensive or targeted examinations of our business practices and address concerns or perceived deficiencies. The results of these examinations can give rise to regulatory orders requiring fines, remedial, injunctive, or other corrective action. The exams could also result in the expenditure of significant management time or financial resources. ~~Our~~ **The** insurance businesses **we manage and operate** maintain licenses with a number of individual state insurance departments. If ~~we~~ **PIRE and HOA** are unable to comply with such regulations, ~~we~~ **they** may be precluded or temporarily suspended from carrying on some or all of the activities of ~~our~~ **their** insurance businesses or otherwise be fined or penalized in a given jurisdiction. Additionally, actual or perceived failure to comply with such state regulation may give rise to a right to terminate under arrangements with the insurance providers. ~~Our~~ **The** continued ability to maintain ~~our~~ insurance licenses in the jurisdictions in which ~~we~~ **the insurance businesses** are licensed or to expand to new operations or new jurisdictions depends on ~~our~~ **their** compliance with the rules and regulations promulgated from time to time by the regulatory authorities in each of these jurisdictions. In all jurisdictions, the applicable laws and regulations are subject to amendment and interpretation by regulatory authorities. Generally, such authorities are vested with relatively broad discretion to grant, renew and revoke licenses and approvals and to implement and interpret rules and regulations. No assurances can be given that ~~our~~ **the** insurance businesses can continue to be conducted in any given jurisdiction as it has been conducted in the past or that we will be able to expand ~~our~~ **the** insurance business in the future. Certain states require insurers, such as **HOA-PIRE**, to participate in various pools or risk sharing mechanisms or to accept certain classes of risk, regardless of whether such risks meet underwriting guidelines for voluntary business. Some states also limit or impose restrictions on the ability of an insurer to withdraw from certain classes of business. State insurance departments can impose significant charges on an insurer in connection with a market withdrawal or refuse to approve withdrawal plans on the ground that this could lead to market disruption. Laws and regulations that limit cancellations and non- renewals of policies or that subject withdrawal plans prior to approval requirements may significantly restrict ~~our~~ **the** insurance businesses' ability to exit unprofitable markets. Such actions and related regulatory restrictions may limit their ability to reduce potential exposure to hurricane- related losses. Furthermore, certain states have enacted laws requiring an insurer conducting business in that state to participate in assigned risk and / or shared market plans. For example, state law requires all companies licensed to write property insurance in Texas to be a member of the Texas Windstorm Insurance Association (" TWIA "). TWIA provides basic property coverage to applicants in certain designated catastrophe areas who are unable to obtain insurance in the private market. Carrier participation is based on the amount of a company's voluntary market share. In these markets, **PIRE and** ~~our insurance business,~~ Homeowners of America Insurance Company (**HOA** -- **HOA** ); may be compelled to underwrite significant amounts of business at lower- than- desired rates, possibly leading to an unacceptable return on equity. Alternatively, as TWIA recognizes a financial deficit, it has the ability to assess participating insurers, adversely affecting our results of operations and financial condition. Furthermore, certain states require insurers to participate in guaranty funds for impaired or insolvent companies. These funds periodically assess losses against all insurance companies doing business in the state. ~~For example, in 2022 HOAIC was subject to guaranty fund assessments in Texas and South Carolina.~~ Our results of operations and financial condition could be adversely affected by any of these factors. We receive, process, store and transmit a significant amount of ~~personally confidential or sensitive~~ personal information about consumers that use our products and services. In addition, we accept payments (including recurring payments) from home services companies, consumers and service providers. The manner in which we share, store, use, disclose and protect this information is determined by the respective privacy and data security policies of our various businesses, as well as federal and state laws and regulations and evolving industry standards and practices. These laws, regulations, standards and practices are continually evolving, and in some cases, may subject us to inconsistent and conflicting obligations and may be subject to differing interpretations. In addition, new laws, regulations, standards and practices of this nature are proposed and adopted from

time to time. Moreover, multiple legislative proposals concerning privacy and the protection of user information are being considered by the U. S. Congress and various state legislatures. Other Multiple U. S. state legislatures have already enacted privacy legislation, several one of the strictest and most comprehensive of which is the California Consumer Privacy Act of 2018 (the “CCPA”), as modified by the California Privacy Rights Act of 2020 (the “CPRA”). The CCPA imposes impose strict requirements and restrictions on the use of personal information with respect to California their respective state consumers, including mandating that companies provide consumers with information with respect to personal information being collected about them and how it is being used upon request, as well granting consumers significant control over the use of their personal information (including the right to have such information deleted and the right to object to the “sale” (as defined in the CCPA applicable state law) of such information) and mandating new operational requirements for businesses (primarily providing consumers with enhanced privacy- related disclosures). The exercise of CCPA imposes strict requirements on the these rights may impact our business and ability of our businesses to provide use personal California user and subscriber information in connection with our various products, and services and operations, such as retargeting users with advertisements online, which could adversely affect our business, financial condition and results of operations. The These CPRA laws also introduced data minimization and storage limitation requirements and created a new regulatory agency agencies to implement and enforce the law. Other states have similarly enacted comprehensive privacy laws, which are similar to the CCPA and CPRA in many respects, and legislative Legislative proposals to adopt comprehensive privacy laws in other states are under consideration. While we continue to invest heavily in compliance efforts with respect to applicable privacy and data protection policies, law and regulation and industry standards and practices, we could still be subject to claims of non- compliance that we may not be able to successfully defend, and / or to significant fines and penalties. Moreover, any non- compliance or perceived non- compliance by us or any third party we engage to store or process information, or any compromise of security that results in unauthorized access to (or use or transmission of) personal information could result in a variety of claims against us, including governmental enforcement actions, significant fines, litigation (including consumer class actions), claims for breach of contract and indemnity by third parties and adverse publicity. When such events occur, our reputation could be harmed and the competitive positions of our various brands and businesses could be diminished, which could adversely affect our business, financial condition and results of operations. Additionally, to the extent multiple U. S. state- level laws are introduced with inconsistent or conflicting standards and there is no federal preemption of such laws, compliance could be even more difficult to achieve and our potential exposure to the risks discussed above could increase. Furthermore, our ability to comply with all applicable privacy and data protection policies, law and regulation and industry standards and practices may affect our ability to do business with our commercial partners. Some commercial partners have imposed significant data protection requirements in the past, and commercial partners may in the future impose requirements that, particularly given our relative size and resources, result in burdensome compliance obligations to us. These obligations and ongoing compliance with existing and future privacy and data protection laws worldwide could be costly, and if we cannot fully comply, we could face liability, reputational harm or loss of relationships with customers or commercial partners. The devotion of significant costs to compliance (versus the development of products and services) could result in delays in the development of new products and services, decreases in or loss of business with commercial partners, abandonment of problematic products and services in existing jurisdictions and an inability to introduce new products and services in certain new and existing jurisdictions, each of which could adversely affect our business, financial condition and results of operations. Certain of our business customers (namely, including loan officers, mortgage companies, financial institutions and other companies’ business customers that may be involved in the home purchase, mortgage and settlement process) are or may be, and in some cases we are or may be, subject to, and / or we may facilitate compliance with, a variety of federal, state, and local laws, including those related to consumer protection and financial services. Many of our customers and prospective customers are highly regulated and, of that group, may be required to comply with stringent regulations in connection with performing business functions that our products and services address. In some cases, we facilitate (directly or indirectly) compliance with these regulatory requirements. While we currently operate our business in an effort to ensure our business itself is not subject to extensive regulation, there is a risk that certain regulations could become applicable to us, including as we expand the functionality of, and services offered through our platforms. In addition, we and our partners, vendors, and other service providers must comply with laws and regulatory regimes that apply to us directly and our partners, vendors, and other service providers indirectly, such as through certain of our products and / or our contractual relationships with our customers. In particular, certain laws, regulations, and rules our customers are subject to, and with which may or do facilitate compliance, directly or indirectly, include: • the Truth in Lending Act, or TILA, and Regulation Z promulgated thereunder, and similar state laws, which require certain disclosures to borrowers regarding the terms and conditions of their loans and credit transactions, and require creditors to comply with certain lending practice restrictions as well as the TILA- RESPA Integrated Disclosure rule, or TRID, which imposes specific requirements around the collection of information, charging of fees, and disclosure of specific loan terms and costs upon receipt of an application for credit; • the Real Estate Settlement Procedures Act, or RESPA, and Regulation X, which, among other matters, prohibits giving or accepting any fee, kickback or a thing of value for the referral of real estate settlement services or accepting a portion or split of a settlement fee other than for services actually provided; for affiliated business relationships, prohibits receiving anything other than a legitimate return on ownership, requiring use of an affiliate, and failing to provide a disclosure of the affiliate relationship; • the Equal Credit Opportunity Act, or ECOA, and Regulation B promulgated thereunder, and similar state fair lending laws, which prohibit creditors from discouraging or discriminating against credit applicants on the basis of race, color, sex, age, religion, national origin, marital status, the fact that all or part of the applicant’s income derives from any public assistance program or the fact that the applicant has in good faith exercised any right under the federal Consumer Credit Protection Act; • the Fair Credit Reporting Act, or FCRA, and Regulation V promulgated thereunder, which impose certain obligations on consumer reporting agencies, users of consumer reports and those that furnish information to consumer reporting agencies, including

obligations relating to obtaining consumer reports, marketing using consumer reports, taking adverse action on the basis of information from consumer reports and protecting the privacy and security of consumer reports and consumer report information; • Section 5 of the Federal Trade Commission Act, or the FTC Act, which prohibits unfair and deceptive acts or practices in or affecting commerce, and Section 1031 of the Dodd- Frank Act, which prohibits unfair, deceptive or abusive acts or practices in connection with any consumer financial product, warranty contract or service, and analogous state laws prohibiting unfair, deceptive or abusive acts or practices; • the Gramm- Leach- Bliley Act, or GLBA, and Regulation P promulgated thereunder, which include limitations on financial services firms' disclosure of nonpublic personal information about a consumer to nonaffiliated third parties, in certain circumstances requires financial services firms to limit the use and further disclosure of nonpublic personal information by nonaffiliated third parties to whom they disclose such information, and requires financial services firms to disclose certain privacy notices and practices with respect to information sharing with affiliated and unaffiliated entities as well as to safeguard personal borrower information, and other privacy laws and regulations; • the Home Mortgage Disclosure Act, or HMDA, and Regulation C, which require reporting of loan origination data, including the number of loan applications taken, approved, denied and withdrawn; • the Fair Housing Act, or FHA, which prohibits discrimination in housing on the basis of race, sex, national origin, and certain other characteristics; • the Secure and Fair Enforcement for Mortgage Licensing, or the SAFE Act, which imposes state licensing requirements on mortgage loan originators; • the Electronic Signatures in Global and National Commerce Act, or ESIGN Act, and similar state laws, particularly the Uniform Electronic Transactions Act, or UETA, which authorize the creation of legally binding and enforceable agreements utilizing electronic records and signatures and which require financial services firms to obtain a consumer' s consent to electronically receive disclosures required under federal and state laws and regulations; • the Americans with Disabilities Act, or ADA, which has been interpreted to include websites as " places of public accommodations " that must meet certain federal requirements related to access and use; • the Bank Secrecy Act, or BSA, and the USA PATRIOT Act, which relate to compliance with anti- money laundering, borrower due diligence and record- keeping policies and procedures; • the regulations promulgated by the Office of Foreign Assets Control, or OFAC, under the U. S. Treasury Department related to the administration and enforcement of sanctions against foreign jurisdictions and persons that threaten U. S. foreign policy and national security goals, primarily to prevent targeted jurisdictions and persons from accessing the U. S. financial system; and • other federal, state- specific and local laws and regulations. In addition to the laws, regulations, and rules that apply to our customers and others, and that we facilitate compliance with, we may be deemed to be subject to certain laws, regulations, and rules through our relationships with our customers or others including RESPA, FCRA, FTC Act, GLBA, FHA, TCPA, TSR, ESIGN Act, ADA, OFAC, and other federal and state- specific laws and regulations, including those that impose requirements related to unfair or deceptive business practices and consumer protection, as well as other state laws relating to privacy, information security, and conduct in connection with data breaches. We may also be examined on a periodic basis by various regulatory agencies and may be required to review certain of our partners, vendors, or other service providers. These potential examinations may lead to increased regulatory compliance efforts that are time- consuming and expensive operationally. Matters subject to review and examination by federal and state regulatory agencies and external auditors include our internal information technology controls in connection with our performance of services, the agreements giving rise to these activities, and the design of our products and services. Any inability to satisfy these examinations and maintain compliance with applicable regulations could adversely affect our ability to conduct our business, including attracting and maintaining customers. Furthermore, federal and state officials are discussing various potential changes to laws and regulations that could impact us, including additional data privacy regulations, among others. Changes in these areas, generally in the regulatory environment in which we and our customers operate, could adversely impact our competitive position and results of operations. While we have developed policies and procedures designed to assist in compliance with these laws and regulations, no assurance can be given that our compliance policies and procedures will be effective. Compliance with these requirements is also costly, time- consuming and limits our operational flexibility. Additionally, Congress, states' regulatory agencies, as well as local municipalities, could further regulate the relevant industries in ways that make it more difficult or costly for us to offer our products and related services. These laws also are often subject to changes that could severely limit the operations of our business model. Further, changes in the regulatory application and / or judicial interpretation of the laws and regulations applicable to our businesses could also impact the manner in which we conduct our business. If we or our partners, vendors or other service providers are found to be in non- compliance with applicable laws, we could become subject to greater scrutiny by federal and / or state regulatory agencies, and / or face other sanctions, which may have an adverse effect on our ability to continue to provide our services or make our products and related services available in particular states, or utilize the services of third- party providers, which may harm our business. In addition, non- compliance could subject us to damages, class action lawsuits, administrative enforcement actions, rescission rights held by investors in securities offerings and civil and criminal liability, all of which would adversely affect our business, financial condition, and results of operations. We are subject to payment network rules, and any material modification of our payment card acceptance privileges could have a material adverse effect on our business, results of operations, and financial condition. The loss of our credit and debit card acceptance privileges or the significant modification of the terms under which we obtain card acceptance privileges would significantly limit our business model since a substantial number of our customers and commercial partners pay using credit or debit cards. We are required by our payment processors to comply with payment card network operating rules, including the Payment Card Industry Data Security Standards (the " PCI DSS "). Under the PCI DSS, we are required to adopt and implement internal controls over the use, storage, and transmission of card data to help prevent credit card fraud. If we fail to comply with the rules and regulations adopted by the payment card networks, including the PCI DSS, we would be in breach of our contractual obligations to payment processors and merchant banks. Such failure to comply may damage our relationship with payment card networks, subject us to restrictions, fines, penalties, damages, and civil liability, and could eventually prevent us from processing or

accepting payment cards, which would have a material adverse effect on our business, results of operations, and financial condition. Moreover, the payment card networks could adopt new operating rules or interpret or reinterpret existing rules that we or our payment processors might find difficult or even impossible to comply with, or costly to implement. As a result, we could lose our ability to give consumers the option of using payment cards to make their payments. Further, there is no guarantee that, even if we comply with the rules and regulations adopted by the payment card networks, we will be able to maintain our payment card acceptance privileges. We also cannot guarantee that our compliance with network rules or the PCI DSS will prevent illegal or improper use of our payments platform or the theft, loss, or misuse of the credit card data of customers or participants, or a security breach. We are also required to submit to periodic audits, self- assessments, and other assessments of our compliance with the PCI DSS. If an audit, self- assessment, or other assessment indicates that we need to take steps to remediate any deficiencies, such remediation efforts may distract our management team and require us to undertake costly and time- consuming remediation efforts, and we could lose our payment card acceptance privileges. Our marketing efforts are subject to a variety of federal and state regulations. We conduct marketing activities, directly and indirectly, via telephone, text (SMS) messages, email, direct mail and / or through other online and offline marketing channels. Such general marketing activities are governed by numerous federal and state regulations, including the Telemarketing Sales Rule (“ TSR ”), the TCPA, state and federal Do- Not- Call regulations and other state telemarketing laws, federal and state privacy laws, the CAN- SPAM Act, and the FTC Act and its accompanying regulations and guidelines, among others. In addition to being subject to action by regulatory agencies, some of these laws, like the TCPA, allow private individuals to bring litigation against companies for breach of these laws. We are also dependent on our third- party partners to comply with applicable laws. Any lawsuit or action by a regulatory agency for an actual or alleged violation of applicable law or regulation by us or our third- party partners may have an adverse effect on our business, results of operations and financial condition. All U. S. jurisdictions require insurers to maintain control of their marketing materials. States have adopted legislation defining and prohibiting unfair methods of competition and unfair or deceptive practices in the business of insurance. Prohibited practices include but are not limited to, misrepresentations, false advertising, coercion, disparaging other insurers, unfair claims settlement practices and procedures, and discrimination in the business of insurance. Noncompliance with any such state statute may subject ~~our the~~ insurance businesses **we manage and operate** to regulatory action by the relevant state insurance regulator, and in certain states, private litigation. The federal government may also regulate aspects of ~~our the~~ insurance businesses **we manage and operate**, such as protection of consumer confidential information, or the use of consumer credit scores to underwrite and assess the risk of customers under the Fair Credit Reporting Act (“ FCRA ”). Among other things, the FCRA requires insurance companies to have a permissible purpose prior to obtaining and using a consumer report for underwriting purposes as well as comply with notice and recordkeeping requirements. Failure to comply with federal requirements under the FCRA or any other applicable federal laws would subject ~~our the~~ insurance businesses **we manage and operate** to regulatory fines and other sanctions. **Litigation and regulatory actions could distract management, increase our expenses or subject us to material monetary damages and other remedies.** We are subject to various legal proceedings and claims that have arisen out of the conduct of our business and are not yet resolved, ~~including claims alleging violations of the automated calling and / or Do Not Call restrictions of the TCPA, and putative class action claims for failure to pay overtime, failure to pay compensation at the time of separation and unfair business practices in violation of California law.~~ In the future, we may be involved from time to time in various additional legal proceedings, including, but not limited to, actions relating to breach of contract, breach of federal and state privacy laws, and intellectual property infringement, as well as regulatory investigations or civil and criminal enforcement actions that might necessitate changes to our business or operations. Regardless of whether any claims, investigations or actions against us have merit, ~~or whether we are ultimately held liable or subject to payment of damages or penalties, claims, investigations and enforcement actions may be expensive to defend or comply with,~~ and may divert management’ s time away from our operations. If any legal proceeding, regulatory investigation or regulatory enforcement action were to result in an unfavorable outcome, it could have a material adverse effect on our business, financial position and results of operations. Any adverse publicity resulting from actual or potential litigation, regulatory enforcement actions or regulatory investigations may also materially and adversely affect our reputation, which in turn could adversely affect our business, financial condition and results of operations. See “ Item 3. Legal Proceedings ” of this Annual Report for additional information with respect to material litigation and other proceedings to which we are party. Our moving services business is subject to state regulations and certain state regulatory structures do not address our business model for moving services. Compliance with required licensure and other regulatory requirements could be costly and any inability to comply could harm our business. Our moving services business is subject to licensure and bonding requirements that various states impose in connection with the performance of certain services and trades. Additionally, in some jurisdictions, the existing regulatory structures do not contemplate our hybrid business model of marketplace (where consumers search for providers on our platform and book moving services themselves) and managed services (where we manage moving services on consumers’ behalf). Furthermore, interest groups in certain jurisdictions have lobbied and may in the future lobby for regulations that make our hybrid model more difficult or impossible to maintain in those jurisdictions. Any future changes to (or judicial or regulatory interpretations of) these regulations, whether due to lobbying efforts or otherwise, could impose significant compliance costs. Any failure to obtain or maintain required licensure and otherwise comply with applicable regulations in relevant jurisdictions could inhibit or prohibit our ability to operate our moving services business in those jurisdictions. Additionally, we may be deemed, correctly or incorrectly, a contractor with respect to our service providers, which may subject us to licensure and / or bonding requirements and may subject us to penalties for past operations. Any of the foregoing could have a negative impact on our business, financial condition and results of operations. Moreover, any failures by us, contracted operators, or third- party carriers, to comply with the various applicable federal safety laws and regulations, or downgrades in our safety rating, could have a material adverse impact on our operations or financial condition, and could cause us to lose customers, as well as the

ability to obtain insurance coverage for certain moving services. Risks Relating to **Personnel** We have personnel that we classify..... results of operations. Risks Relating to our Indebtedness Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness now or in the future (including our 0.75 % convertible senior notes due 2026 (the “2026 Notes”) and 6.75 % convertible senior secured notes due 2028 (the “2028 Notes”)), depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. In addition, our ability to repurchase the 2026 Notes or 2028 Notes or to pay cash upon conversions of the notes may be limited by law, by regulatory authority or by agreements governing our future indebtedness. Our business may not continue to generate cash flow from operations in the future sufficient to service our indebtedness and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance indebtedness (including the 2026 Notes or 2028 Notes) will depend on the capital markets and our financial condition at such time. Our failure to repurchase notes at a time when the repurchase is required by the indenture or to pay any cash payable on future conversions of the notes as required by the indenture would constitute a default under the indenture. A default under the indenture or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the notes or make cash payments upon conversions thereof. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default the notes. **The conditional conversion features of the 2026 Notes and 2028 Notes, if triggered, may adversely affect our financial condition and operating results.** We completed an offering of the 2026 Notes in September 2021 and an offering of the 2028 Notes in April 2023. In the event the conditional conversion feature of the 2026 Notes or 2028 Notes is triggered, holders of the triggered notes will be entitled to convert the notes at any time during specified periods at their option. If one or more holders elect to convert their notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the notes as a current rather than long-term liability, which would result in a material reduction of our net working capital. **The conversion of some or all of our 2026 Notes or 2028 Notes may dilute the ownership interests of our stockholders.** Upon conversion of the notes, we have the option to pay or deliver, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock. If we elect to settle our conversion obligation in shares of our common stock or a combination of cash and shares of our common stock, any sales in the public market of our common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. However, in connection with the pricing of the 2026 Notes, we entered into capped call transactions with certain option counterparties. The capped call transactions are expected generally to reduce (but not eliminate) potential dilution to our common stock upon conversion of any notes and / or offset any cash payments we are required to make in excess of the principal amount of converted notes, as the case may be, with such reduction and / or offset subject to a cap. Finally, the existence of the 2026 Notes and 2028 Notes may encourage short selling by market participants that engage in hedging or arbitrage activity, and anticipated conversion of the notes into shares of our common stock could depress the price of our common stock. The indenture governing our 2028 Notes contains, and instruments governing any future indebtedness of ours would likely contain, restrictions that may limit our flexibility in operating our business, and any default on our 2028 Notes or other future secured indebtedness could result in foreclosure by our secured debtholders on our assets. The indenture and security agreement and related documents governing our 2028 Notes contain, and instruments governing any future indebtedness of ours would likely contain, a number of covenants that impose significant operating and financial restrictions on us, including restrictions on our ability to, among other things: • create liens on certain assets; • incur or guarantee additional debt or issue redeemable equity; • pay dividends on, repurchase or make distributions on account of capital stock or make other restricted payments (including limiting **cash used to make** repurchases of our 2026 Notes to \$ 50 million in the aggregate, **of which we have \$ 26.8 million remaining to use after repurchases made in fiscal 2024**); • make certain unpermitted investments; • consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and • sell, transfer or otherwise convey certain assets. The indenture governing our 2028 Notes also requires us to maintain a minimum amount of unrestricted cash and cash equivalents of at least \$ 25 million (tested monthly on the last day of each calendar month) on a consolidated basis among Porch Group, Inc. and certain of its domestic subsidiaries. In addition, if more than \$ 30.0 million aggregate principal amount of our 2026 Notes remain outstanding on June 14, 2026, the holders of the 2028 Notes have the right to require us to repurchase for cash on June 15, 2026, all or any portion of their 2028 Notes at a repurchase price equal to 106.5 % of the principal amount of the 2028 Notes to be repurchased, plus accrued and unpaid interest. As of December 31, 2023-2024, there was \$ 225-173.0-8 million aggregate principal amount of 2026 Notes outstanding. If we are unable to repurchase or otherwise refinance a sufficient amount of the remaining outstanding 2026 Notes prior to June 14, 2026, and the holders of all or a substantial portion of the outstanding 2028 Notes require us to repurchase their 2028 Notes pursuant to this indenture provision, our liquidity will be materially adversely affected, and there are no assurances that we would have sufficient funds available to satisfy the repurchase of all such 2028 Notes. **In addition, to the extent more than \$ 30.0 million aggregate principal amount of our 2026 Notes remains outstanding within one year prior to June 14, 2026, we may be required to include an explanatory paragraph in the notes to our financial statements expressing substantial doubt about our ability to continue as a going concern.** As a result of these restrictions, we will be limited as to how we conduct our business, and we may be unable to raise additional debt or equity financing to compete effectively or to capitalize on available business opportunities. Any failure to comply with these covenants could result in a default under our 2028 Notes or instruments governing any future indebtedness of ours. Additionally, our 2028 Notes are

secured by a first- priority lien in substantially all assets of Porch Group, Inc. and certain of its domestic subsidiaries. Upon a default, unless waived, amounts due under the 2028 Notes could be accelerated, and the holders of our 2028 Notes could initiate foreclosure proceedings against their collateral, which could potentially force us into bankruptcy or liquidation. In addition, a default under our 2028 Notes indenture could trigger a cross- default under agreements governing any future indebtedness as well as the indenture governing our 2026 Notes. Our results of operations may not be sufficient to service our indebtedness and to fund our other expenditures, and we may not be able to obtain financing to meet these requirements. If we experience a default under our 2028 Notes indenture, 2026 Notes indenture or instruments governing our future indebtedness, our business, financial condition, and results of operations may be materially adversely affected. **Conversion of our** Certain provisions in the indenture governing the 2026 Notes **or** and indenture governing the 2028 Notes may **delay dilute the ownership interest of or our** prevent an **stockholders or may** otherwise **depress** beneficial takeover attempt of us. Certain provisions in the indenture governing the **price of our common stock. The conversion of some or all of our** 2026 Notes **or** and indenture governing the 2028 Notes may **make it more difficult dilute the ownership interests of or our** expensive **stockholders. Upon conversion of the notes, we have the option to pay for** or a third party to acquire us, **deliver, as the case may be, cash, shares of our common stock, For** or example a combination of cash and shares of our common stock. **If we elect to settle our conversion obligation in shares of our common stock or a combination of cash and shares of our common stock , any sales in the** indenture governing public market of our common stock **issuable upon such conversion could adversely affect prevailing market prices of our common stock. The existence of** the 2026 Notes requires us to repurchase the notes for cash upon the occurrence of a fundamental change (as defined in the indenture governing the 2026 Notes) of us and , in certain circumstances, to increase the conversion rate for a holder that converts their notes in connection with a make- whole fundamental change (as defined in the indenture governing the notes). Similarly, the indenture governing the 2028 Notes requires us to repurchase **may encourage short selling by market participants that engage in hedging or arbitrage activity, and anticipated conversion of** the notes **into shares** for cash upon the occurrence of a fundamental change (as defined in the indenture governing the 2028 Notes) at a premium. A takeover of us may trigger the requirement that we repurchase the notes and / **or our common stock** increase the conversion rate in the case of the 2026 Notes, which could **depress** make it more costly for a potential acquirer to engage in such takeover. Such additional costs may have the effect **price** of delaying or **our common stock** preventing a takeover of us that would otherwise be beneficial to investors . The accounting method for the 2026 Notes and 2028 Notes could adversely affect our reported financial condition and results. The accounting method for reflecting the 2026 Notes and 2028 Notes on our balance sheet, accruing interest expense for the notes and reflecting the underlying shares of our common stock in our reported diluted earnings per share may adversely affect our reported earnings and financial condition. The notes are reflected as a liability on our balance sheets, with the carrying amount equal to the principal amount of the notes, net of unamortized issuance costs. The issuance costs attributable to the notes are treated as a debt discount for accounting purposes, which is amortized into interest expense over the term of the notes. As a result of this amortization, the interest expense that we expect to recognize for the notes for accounting purposes **is** will be greater than the cash interest payments we will pay on the notes, which will result **results** in lower reported **net** income. In addition, we expect that the shares underlying the notes **are** will be reflected in our diluted earnings per share using the “ if converted ” method. However, if reflecting the notes in diluted earnings per share is anti- dilutive, then the shares underlying the notes will not be reflected in our diluted earnings per share. Furthermore, if any of the conditions to the convertibility of the notes is satisfied, then we may be required under applicable accounting standards to reclassify the liability carrying value of the notes as current, rather than a long- term, liability. This reclassification could be required even if no noteholders convert their notes and could materially reduce our reported working capital. **Certain provisions in** The capped call transactions may affect the value of **indenture governing** the 2026 Notes and **indenture governing** the 2028 Notes may **delay our** or common stock **prevent an otherwise beneficial takeover attempt of us . In** Certain provisions in the indenture governing the 2026 Notes and indenture governing the 2028 Notes may make it more difficult or expensive for a third party to acquire us. For example, the indenture governing the 2026 Notes requires us to repurchase the notes for cash upon the occurrence of a fundamental change (as defined in the indenture governing the 2026 Notes) of us and, in certain circumstances, to increase the conversion rate for a holder that converts their notes in connection with a make- whole fundamental change (as defined in the **pricing** indenture governing the notes). Similarly, the indenture governing the 2028 Notes requires us to repurchase the notes for cash upon the occurrence of a fundamental change (as defined in the indenture governing the 2028 Notes) at a premium. A takeover of us may trigger the requirement that we repurchase the notes and / or increase the conversion rate in the case of the 2026 Notes, which could make it more costly for a potential acquirer to engage in such takeover. Such additional costs may have the effect of delaying or preventing a takeover of us that would otherwise be beneficial to investors. **Risks Relating to Personnel** We have personnel that we entered into capped call transactions **classify as independent contractors for U. S. federal, state and international employment law purposes in certain positions in our business. We are not in a position to directly provide the same direction, motivation and oversight to these independent contractors as we would if such personnel were our own employees. As a result, these independent contractors may not comply** with **applicable** law or our policies and procedures, including, but not limited to, our information security policies, or reflect our culture or values. If these independent contractors violate applicable law or **of if** our policies and procedures in dealing with home services companies, consumers, service providers or other third parties **fail or failure** to meet our standards or reflect our culture **it** could adversely affect our business, financial condition and results of operations. In addition, a court could hold us civilly or criminally accountable based on vicarious liability because of the actions of our independent contractors. We are subject to the Internal Revenue Service regulations and state laws regarding independent contractor classification in the United States, which are subject to changes in judicial and agency interpretation, and it could be determined that the independent contractor classification is inapplicable. Furthermore, the legal landscape with respect to the classification of gig economy

independent contractors, such as our service providers, is subject to intense public scrutiny. If legal standards for classification of independent contractors change, it may be necessary to modify our compensation structure for these personnel, including by paying additional compensation and taxes and / or reimbursing expenses, or abandon certain types of services we provide that option counterparties. The capped call transactions are expected generally to reduce potential performed by independent contractors. In addition, if to our common stock upon conversion of any notes and / or offset any cash payments we are required determined to have misclassified such personnel make in excess of the principal amount of converted notes, as independent contractors, we would incur additional exposure under federal and state law, including workers' compensation, unemployment benefits, labor, employment and tort laws, including for prior periods, as well as potential liability for employee benefits and tax withholdings. Any of these outcomes could result in significant costs to us, could impair our financial condition and our ability to conduct our business and could damage our reputation and our ability to attract and retain other personnel. In addition to independent contractors located in the United States, as of December 31, 2024 we had approximately 700 individual independent contractors in aggregate located across 14 foreign countries. Most are primarily located in Mexico and have supported the us for many many years legal standards for classification of independent contractors change, it may be necessary to modify our compensation structure for these personnel, including by paying additional compensation and taxes and / or reimbursing expenses, or abandon certain types of services we provide that are performed by independent contractors. In addition, if we are determined to have misclassified such personnel as independent contractors, we would incur additional exposure under federal and state law, including workers' compensation, unemployment benefits, labor, employment and tort laws, including for prior periods, as well as potential liability for employee benefits and tax withholdings. Any of these outcomes could result in significant costs to us, could impair our financial condition and our ability to conduct our business and could damage our reputation and our ability to attract and retain other personnel. In addition to independent contractors located in the United States, as of February 2024 we have approximately 700 individual independent contractors in aggregate located across 14 foreign countries, with most primarily located in either Mexico, India, or Costa Rica. As a result, we are subject to certain additional risks and exposure under foreign laws related to independent contractors in foreign jurisdictions, including risks related to an actual or alleged misclassification of such independent contractors under local law, compliance with other applicable local labor laws and changes in applicable local labor laws, resistance of commercial partners to off-shoring of customer service functions and related consumer data, fluctuations in foreign currencies, changes in the economic strength of foreign countries, difficulties in enforcing contractual obligations and intellectual property rights, economic sanctions and social, political and economic instability. Foreign laws and regulations that govern the status and classification of workers are subject to change, varying degrees of oversight and enforcement, and differing interpretations; there is a current shift toward governments favoring employment classification for workers engaged on an exclusive basis or for longer term role. If there is an adverse determination regarding the classification of any of our independent contractors by a foreign court or foreign government agency, we could incur significant costs including costs related to fines or penalties, wage payments, payroll tax liabilities, employee benefits, judgments, and / or legal settlements. In addition, any resulting reclassification of foreign contractors could increase our operating costs and could necessitate changes to our operating and personnel strategies. As a result, failure to manage these risks and comply with foreign laws could result in significant costs to us, could impair our financial condition and our ability to conduct our business and could damage our reputation and our ability to attract and retain other personnel. In addition, many U.S.- based companies are seeking to hire talented information technology personnel and other skilled personnel located in other jurisdictions, leading to additional competition for the services of independent contractors in the jurisdictions in which we retain independent contractors. The remote work by independent contractors and the use of their own equipment makes compliance with and enforcement of our information security policies and procedures more difficult. We must also comply with applicable anti- corruption and anti- bribery laws such as the U.S. Foreign Corrupt Practices Act and local laws prohibiting corrupt payments to government officials, which may present significant challenges in the jurisdictions in which we operate. We cannot guarantee compliance with all applicable laws, and violations could result in substantial fines, sanctions, civil or criminal penalties, competitive or reputational harm, litigation or regulatory action and other consequences that might adversely affect our business, financial condition and results of operations. We believe our success has depended, and continues to depend, on the efforts and talents of our executives and employees. Our future success depends on our continuing ability to attract, develop, motivate and retain highly qualified and skilled employees. Qualified individuals are in high demand, and we may incur significant costs to attract and retain them. Experienced information technology personnel, who are critical to the success of our business, are in particularly high demand. The loss or disability of executive officers or key employees, especially our Chief Executive Officer, could materially adversely affect our ability to execute our business plan and strategy, and we may not be able to be able to find adequate replacements on a timely basis, or at all. Our executive officers and other employees are at- will employees, which means they may terminate their employment relationships with such reduction as at any time, and / or their knowledge of our offset subject business and industry would be extremely difficult to replace. Although our current remote work environment facilitates our ability to attract talent across a cap- wider geographic base, we must adopt new techniques and tools to effectively train and integrate new hires and preserve our culture. As we grow and mature as a public company, we may find it difficult to maintain our corporate culture. If we do not continue to foster our corporate culture or maintain our core values as we grow and evolve, we may be unable to support the passion, creativity, teamwork, focus and innovation we believe we need to support our growth. Failure to effectively train our employees could create challenges for us in maintaining high levels of employee awareness of, and compliance with, our internal procedures and external regulatory compliance requirements, in addition to increasing our recruiting, training and supervisory costs, while failure to preserve our culture for any reason could harm our future success, including our ability to retain and recruit personnel, innovate and operate effectively and execute on our business strategy. In addition, job candidates and existing employees often consider the

value of the equity awards they receive in connection with establishing their employment. Volatility initial hedges of the capped call transactions, the option counterparties or their respective affiliates purchased shares of our common stock or common lack of performance in our stock and price may also affect or our entered into various derivative transactions ability to attract and retain key employees. Any failure to successfully attract, integrate or retain qualified personnel to fulfill our current or future needs could adversely affect our business, results of operations and financial condition. We have established and are growing a presence in India for the purpose of hiring skilled personnel to support our operations, and intend to continue to grow our employee base in India as part of our overall growth and expense management strategies. Our current international operations and our plans to expand international operations may place strain on our employee management systems and resources. Further, operating in international markets requires significant resources, time, and management attention, and subjects us to regulatory, economic, and political risks and competition that are different from those in the United States. Because of our limited experience with respect to our common stock concurrently with international operations, there can be no assurance that our efforts will be successful shortly after the pricing of the notes. In addition, the option counterparties and/or our international operations may fail to succeed or pose substantial risks to their-- the respective affiliates may modify their hedge positions by entering into or unwinding various derivatives Company due to a number of factors including, but not limited to, difficulties and costs associated with staffing respect to our common stock and/or purchasing or selling our common stock or other securities of managing foreign operations, compliance with foreign laws and regulations, including employment, tax, privacy and data protection laws and regulations, legal systems in which ours-- our ability to enforce and protect our rights may be different or less effective than in secondary market transactions following the United States and in which the ultimate result of dispute resolution is more difficult to predict, and general macroeconomic conditions, including pricing- rising interest rates of the notes and inflation, unfavorable fluctuations in foreign currency prior to the maturity of the notes (and are likely exchange rate, slower growth or recession, or instability in the global banking system. Our failure to successfully manage do so during any of these risks or could harm our existing and future international observation- operations period and impair our overall business. Risks Relating to Our Growth Strategy and Strategic Initiatives We may experience risks related to acquisitions a conversion of notes). This activity could cause or avoid an and divestitures increase or a decrease in the market price of our common stock or the notes, which could affect your ability to convert the notes and, to the extent the activity occurs following conversion or during any observation period related to a conversion of notes, it could affect the number of shares and value of the consideration that you will receive upon conversion of such notes. Finally, if any such capped call transactions fail to become effective, the option counterparties or their respective affiliates may unwind their hedge positions with respect to our common stock, which could adversely affect our financial results. We have made acquisitions and divestitures in the past and we may to seek to identify potential acquisition candidates to expand our business generally in the future or identify businesses which may no longer be aligned with our strategic initiatives and long- term objectives. If we do not identify suitable acquisition candidates or complete acquisitions with satisfactory pricing and the other terms, our growth could be adversely affected. Even if we complete what we believe to be suitable acquisitions, we may experience related operational and financial risks. As a result, to the extent that we desire to grow through acquisitions, we will need to: • properly identify, value, and complete prospective acquisitions, especially those of companies with limited operating histories; • successfully integrate acquired businesses to the extent and in a manner that aligns with our strategy; • successfully identify and realize potential synergies among acquired and existing business; • retain our- or common stock hire senior management and management and other key personnel at acquired businesses; and • successfully manage acquisition- related strain on our management, operations and financial resources. We may not be successful in addressing these challenges or any other problems encountered in connection with historical and future acquisitions. Adverse reactions by potential acquisition targets could frustrate our ability to execute on our acquisition strategy as could the failure of our due diligence process to uncover material risks, legal or otherwise. We may also be negatively impacted by adverse reactions of home services companies, consumers, service providers and business partners to the disclosure or consummation of any acquisition. In addition, the anticipated benefits of one or more acquisitions may not be realized. Also, future acquisitions could result in increased operating losses, dilutive issuances of equity securities and / or the assumption of contingent liabilities. Additionally, acquisitions may be compensated in part with future or contingent payments that will create future liabilities or dilution for us upon the consummation of such acquisitions. Lastly, the value of goodwill and the other other intangible assets acquired could be impacted by one or more continuing unfavorable events and / or trends, which could result in significant impairment charges. The occurrence of any of these events could have an adverse effects on our business, financial condition and results of operations. The success of any acquisition depends on the acquired business performing at or better than our expectations and achieving anticipated synergies, benefits and cost savings, and further depends, in part, on our ability to successfully combine and integrate our culture and current operations with the acquired company's culture and business. It is possible that the integration process could result in higher than expected costs, diversion of management attention, the disruption of either company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the combined company's ability to maintain relationships with customers, suppliers, vendors and employees, operating in a decentralized environment for longer than expected, or to achieve the anticipated benefits and cost savings of any particular acquisition. If we experience difficulties with the integration process or other unforeseen costs, the anticipated benefits and cost savings of any acquisition may notes-- acquisition may not be realized fully or at all, or may take longer to realize than expected. Management continues to refine its integration plan. The integration planning and implementation process will result in significant costs and divert management attention and resources. These integration matters could have an adverse effect on our combined company for an undetermined period. Any of the foregoing may have a material and adverse effect on our business, results of operations and financial condition. In addition, divestitures pose risks and challenges that could negatively

impact our business, including required separation or carve-out activities and costs, disputes with buyers, or potential impairment charges. We may also dispose of a business at a price or on terms that are less than we had previously anticipated. After reaching an agreement with a buyer for the disposition of a business, we may also be subject to satisfaction of pre-closing conditions, including any necessary regulatory and governmental approvals on acceptable terms, which may prevent us from completing a transaction. Dispositions may also involve continued financial involvement, as we may be required to retain responsibility for, or agree to indemnify buyers against contingent liabilities related to businesses sold, such as lawsuits, tax liabilities, lease payments, or product liability claims. In certain situations, indemnification could meet or exceed the purchase price we receive. Further, the purchase price for any disposition may be subject to adjustment based upon performance of the business. Under these types of arrangements, performance by the divested businesses or other conditions outside of our control, including any obligations to indemnify, could affect future financial results. We may not be able to effectively manage our growth. Our future growth, if any, may cause a significant strain on our management and our operational, financial, and other resources. Our ability to manage our growth effectively will require us to implement and improve our operational, financial, and management systems and to expand, train, manage, and motivate our employees. These demands may require the hiring of additional management personnel and the development of additional expertise by our management. Any increase in resources used without a corresponding increase in our operational, financial, and management systems could have a material adverse effect on our business, financial condition, and results **of operations**.

**Additional Risks Relating to Ownership of Company Securities**

The trading price of the Company's common stock is likely to be volatile. The stock market recently has experienced extreme volatility. This volatility often has been unrelated or disproportionate to the operating performance of particular companies. You may not be able to resell your shares at an attractive price due to a number of factors such as those listed in "Risks Relating to Porch's Business and Industry" and the following:

- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of the Company's competitors;
- changes in expectations as to the Company's future financial performance, including financial estimates and investment recommendations by securities analysts and investors, **and changes in expectations in PIRE's financial performance**;
- declines in the market prices of stocks generally;
- strategic actions by the Company or its competitors;
- announcements by the Company or its competitors of significant contracts, acquisitions, joint ventures, other strategic relationships or capital commitments;
- any significant change in the Company's management;
- changes in general economic or market conditions or trends in the Company's industry or markets;
- changes in business or regulatory conditions, including new laws or regulations or new interpretations of existing laws or regulations applicable to the Company's business;
- future sales of the Company's common stock or other securities;
- investor perceptions or the investment opportunity associated with the Company's common stock relative to other investment alternatives;
- the public's response to press releases or other public announcements by the Company or third parties, including the Company's filings with the SEC;
- litigation involving the Company, the Company's industry, or both, or investigations by regulators into the Company's operations or those of the Company's competitors;
- guidance, if any, that the Company provides to the public, any changes in this guidance or the Company's failure to meet this guidance;
- additional dilution caused by the Company issuing additional equity, whether grants related to its Management Incentive Plan, stock provided to acquisitions as some or all of the purchase price, future fundraising events, or other issuances approved by the Company's Board of Directors;
- **the sale of our shares held by HOA to unrelated parties or the deconsolidation of PIRE's financial statements from our financial statements, at which point such shares would no longer be treated as treasury shares for financial reporting purposes, may be dilutive to earnings per share, will be entitled to vote and will count for quorum purposes, and in which case the Company may no longer be able to control the voting or investment decisions with respect to such shares**;
- the development and sustainability of an active trading market for the Company's common stock;
- actions by institutional or activist stockholders;
- changes in accounting standards, policies, guidelines, interpretations or principles; and
- other events or factors, including those resulting from natural disasters, war, acts of terrorism, other global health crises and pandemics, or responses to these events.

These broad market and industry fluctuations may adversely affect the market price of the Company's common stock, regardless of the Company's actual operating performance. In addition, price volatility may be greater if the public float and trading volume of the Company's common stock is low. In the past, following periods of market volatility, stockholders have instituted securities class action litigation. If the Company was involved in securities litigation, it could have a substantial cost and divert resources and the attention of executive management from the Company's business regardless of the outcome of such litigation. Future sales, or the perception of future sales, by us or our stockholders in the public market could cause the market price for the Company's common stock to decline. The sale of shares of our common stock in the public market, or the perception that such sales could occur, could harm the prevailing market price of shares of our common stock. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that it deems appropriate. In addition, common stock reserved for future issuance under our equity incentive plans will become eligible for sale in the public market once those shares are issued, subject to provisions relating to various vesting agreements and, in some cases, limitations on volume and manner of sale applicable to affiliates under Rule 144, as applicable. As of December 31, ~~2023~~ **2024**, the aggregate number of shares of common stock reserved for future issuance under our equity incentive plans is ~~8.7~~ **0.7** million. The compensation committee of our Board of Directors will determine the exact number of shares to be issued during ~~2024~~ **2025**, and the number of shares reserved for future issuance under its equity incentive plans at its discretion. The number of equity incentive awards awarded are based upon dollar values and the market price of our common stock and, as a result, a decline in our stock price may result in the compensation committee of our Board of directors issuing, or seeking flexibility from stockholders to issue, equity incentive awards that represent a greater number of shares than at higher stock prices. We have filed and may in the future file one or more registration statements on Form S-8 under the Securities Act of 1933, as amended (the "Securities Act") to register shares of common stock or securities convertible into or exchangeable for shares of common stock issued pursuant to our equity

incentive plans. Any such Form S- 8 registration statements will automatically become effective upon filing. Accordingly, shares registered under such registration statements generally will be available for sale in the open market. Any additional equity grants or vesting and / or exercise of equity incentive awards will cause our stockholders to be diluted and may negatively affect the price of our common stock. We have previously issued and in the future may issue shares of common stock in connection with recently completed, pending or future acquisitions. A portion of the total consideration in these acquisitions is earnout consideration, which, if payable, will be in the form of shares of common stock issuable in the future. We may also issue securities in connection with investments or acquisitions in the future. The amount of shares of common stock issued in connection with an investment or acquisition could constitute a material portion of our then- outstanding shares of common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to our stockholders. ~~Currently, our common stock is publicly traded on the Nasdaq~~ **may** ~~Capital Market under the symbol PRCH..... the compliance period. If Nasdaq delists - delist~~ the Company's securities from trading on its exchange ~~^ability to make transactions in its securities and subject the Company to additional trading restrictions.~~ **Currently, our common stock is publicly traded on the Nasdaq** Capital Market under the symbol PRCH. In order to continue listing our securities on the Nasdaq Capital Market, the Company will be required to maintain certain financial, distribution and stock price levels. Among other required listing standards, the Company will be required to maintain a minimum amount in stockholders' equity (generally \$ 2.5 million for companies trading on the Nasdaq Capital Market) and a minimum number of holders of our securities (generally 300 public holders). Nasdaq also requires the Company to comply with a minimum closing bid price requirement of \$ 1.00 per share for thirty consecutive business days. If a company trades for thirty consecutive business days below the \$ 1.00 minimum closing bid price requirement, Nasdaq will send a deficiency notice to the company advising that it has been afforded a " compliance period " of 180 calendar days to regain compliance with the applicable requirements. **For example and as previously reported, the Company received such a notice of stock price deficiency in September 2023 and cured such deficiency within the compliance period.** If Nasdaq delists ~~the~~ and the Company is not able to list its securities on another national securities exchange, we expect our securities could be quoted on an over- the- counter market. If this were to occur, we could face significant material adverse consequences, including: • a limited availability of market quotations for our securities; • reduced liquidity for our securities; • a determination that the Company common stock is a " penny stock " which will require brokers trading in Company common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities; • a limited amount of news and analyst coverage; and • a decreased ability to issue additional securities or obtain additional financing in the future. The National Securities Markets Improvement Act of 1996, which is a federal statute, prevents or preempts the states from regulating the sale of certain securities, which are referred to as " covered securities. " Since the Company's common stock is listed on the Nasdaq, they are covered securities. Although the states are preempted from regulating the sale of its securities, the federal statute does allow the states to investigate companies if there is a suspicion of fraud, and, if there is a finding of fraudulent activity, then the states can regulate or bar the sale of covered securities in a particular case. If the Company was no longer listed on the Nasdaq, its securities would not be covered securities and it would be subject to regulation in each state in which it offers its securities. ~~Because there are no current plans to pay cash dividends on the Company's common stock for the foreseeable future, you may not receive any return on investment unless you sell your common stock for a price greater than that which you paid for it.~~ The Company intends to retain future earnings, if any, for future operations, expansion and debt repayment and there are no current plans to pay any cash dividends for the foreseeable future. The declaration, amount and payment of any future dividends on shares of the common stock will be at the sole discretion of our Board of Directors. The Company's Board of Directors may take into account general and economic conditions, the Company's financial condition and results of operations, the Company's available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax, and regulatory restrictions, implications on the payment of dividends by the Company to its stockholders or by its subsidiaries to it and such other factors as the Company's Board of Directors may deem relevant. In addition, the Company's ability to pay dividends is limited by covenants of Porch's existing and outstanding indebtedness and may be limited by covenants of any future indebtedness the Company incurs. As a result, investors may not receive any return on an investment in the Company's common stock unless they sell the Company's common stock for a price greater than ~~that~~ what the investor paid for it. If securities analysts do not publish research or reports about the Company's business or if they downgrade the Company's stock or the Company's sector, the Company's stock price and trading volume could decline. The trading market for the Company's common stock will rely in part on the research and reports that industry or financial analysts publish about the Company or its business. The Company will not control these analysts. In addition, some financial analysts may have limited expertise with Porch's model and operations. Furthermore, if one or more of the analysts who do cover the Company downgrade its stock or industry, or the stock of any of its competitors, or publish inaccurate or unfavorable research about its business, the price of the Company's stock could decline. If one or more of these analysts ceases coverage of the Company or fails to publish reports on it regularly, the Company could lose visibility in the market, which in turn could cause its stock price or trading volume to decline. Anti- takeover provisions in the Company's organizational documents could delay or prevent a change of control. The Company's Amended and Restated Articles of Incorporation (the " Charter ") and its Amended and Restated Bylaws (the " Bylaws ") contain certain provisions that may have an anti- takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by the Company's stockholders. **These** ~~First, the Board of Directors is classified into three classes. Directors of each class serve for staggered three- year periods. Although the Company's Board has amended the Charter to eliminate this classified Board structure, the declassification will not be fully phased in until after the 2024 annual meeting of stockholders. Certain provisions of the Company's Charter and Bylaws may have an anti- takeover effect and may delay, defer or prevent a merger, acquisition, tender offer, takeover attempt or other change of control transaction that a~~

~~stockholder might consider in its best interest, including those attempts that might result in a premium over the market price for the shares held by the Company's stockholders. Other~~ provisions in the Charter and / or Bylaws include: • the ability of the Company's Board of Directors to issue one or more series of preferred stock; • advance notice for nominations of directors by stockholders and for stockholders to include matters to be considered at the Company's annual meetings; • certain limitations on convening special stockholder meetings; and • the Company's Board of Directors have the express authority to make, alter or repeal the Company's Bylaws. These anti- takeover provisions could make it more difficult for a third party to acquire the Company, even if the third party's offer may be considered beneficial by many of the Company's stockholders. As a result, the Company's stockholders may be limited in their ability to obtain a premium for their shares. These provisions could also discourage proxy contests and make it more difficult for any stockholders to elect directors of their choosing and to cause the Company to take other corporate actions they desire. The Company's Charter designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by the Company's stockholders, which could limit the Company's stockholders' ability to obtain a favorable judicial forum for disputes with the Company or its directors, officers, employees or stockholders. The Company's Charter provides that, subject to limited exceptions, any (1) derivative action or proceeding brought on behalf of the Company, (2) action asserting a claim of breach of a fiduciary duty owed by any director, officer, stockholder or employee to the Company or its stockholders, (3) action asserting a claim arising pursuant to any provision of the Delaware corporate statute or the Company's Charter or the Company's Bylaws, or (4) action asserting a claim governed by the internal affairs doctrine shall, to the fullest extent permitted by law, be exclusively brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, another state or federal court located within the State of Delaware. Any person or entity purchasing or otherwise acquiring any interest in shares of the Company's capital stock shall be deemed to have notice of and to have consented to the provisions of the Company's Charter described above. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with the Company or its directors, officers or other employees, which may discourage such lawsuits against the Company and its directors, officers and employees. Alternatively, if a court were to find these provisions of the Company's Charter inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, the Company may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect the Company's business and financial condition. 43