

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended March 31, 2026

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-39252

**Clover Health Investments, Corp.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**Not Applicable<sup>(1)</sup>**

(Address of principal executive offices)

**98-1515192**

(I.R.S. Employer  
Identification No.)

**Not Applicable<sup>(1)</sup>**

(Zip Code)

**Not Applicable<sup>(1)</sup>**

Registrant's telephone number, including area code

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.0001 per share	CLOV	The NASDAQ Stock Market LLC

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

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

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

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

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

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

At May 1, 2026, the registrant had 430,969,398 shares of Class A Common Stock, \$0.0001 par value per share, and 95,714,926 shares of Class B Common Stock, \$0.0001 par value per share, issued and outstanding.

<sup>(1)</sup> We are a remote-first company. Accordingly, we do not maintain a headquarters. For purposes of compliance with applicable requirements of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended, stockholder communications required to be sent to our principal executive offices may be directed to the email address: secretary@cloverhealth.com, or to our agent for service of process at The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801.

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*As used in this report, "Company," "Clover," "Clover Health," "we," "us," "our," "our company," and similar terms refer to Clover Health Investments, Corp. and its consolidated subsidiaries, unless otherwise noted or the context otherwise requires.*

#### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements contained in this Quarterly Report on Form 10-Q, other than statements of historical fact, including statements regarding our future results of operations, financial position, market size and opportunity, our business strategy and plans, the factors affecting our performance and our objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "could," "should," "would," "can," "expect," "project," "outlook," "forecast," "objective," "plan," "potential," "seek," "grow," "target," "if," and the negative or plural of these words and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including the risk factors described in Part II, Item 1A, "Risk Factors" of this Quarterly Report on Form 10-Q. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this Quarterly Report on Form 10-Q may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Forward-looking statements contained in this Quarterly Report on Form 10-Q involve a number of judgments, risks and uncertainties, including, without limitation, risks related to:

- our expectations regarding results of operations, financial condition, and cash flows;
- our expectations regarding the development and management of our business;
- our ability to maintain and increase adoption and use of Clover Assistant ("CA"), including the expansion of Clover Assistant technology for external payors and providers under the brand name Counterpart Assistant;
- our ability to successfully enter new service markets and manage our operations;
- anticipated trends and challenges in our business and in the markets in which we operate;
- any current, pending, or future legislation, regulations or policies that could have a negative effect on our revenue, profit margins, cash flows and business, including, without limitation The Patient Protection and Affordable Care Act, or the ACA, and other rules, regulations, and policies relating to healthcare, Medicare generally and medical loss ratios;
- our ability to effectively manage our member base and provider network;
- the anticipated benefits associated with the use of Clover Assistant, including our ability to utilize the platform to manage our medical expenses and medical loss ratios;
- our ability to maintain or improve our Star Ratings or otherwise continue to improve the financial performance of our business;
- our ability to develop new features and functionality that meet market needs and achieve market acceptance;
- our ability to retain and hire necessary employees and staff our operations appropriately;
- the timing and amount of certain investments in growth;
- the outcome of any known and unknown litigation and regulatory proceedings;
- fluctuations in the price of our Class A common stock and our continued compliance with Nasdaq's listing requirements;
- our ability to maintain, protect, and enhance our intellectual property;
- general economic conditions and uncertainty;
- inflation and fluctuating interest rates;
- geopolitical uncertainty and instability

We caution you that the foregoing list of judgments, risks, and uncertainties that may cause actual results to differ materially from those in the forward-looking statements may not be complete. You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur or may be materially different from what we expect. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Except as required by law, we undertake no obligation to update any of these forward-looking statements after the date of this Quarterly Report on Form 10-Q or to conform these statements to actual results or revised expectations.

This Quarterly Report on Form 10-Q contains estimates, projections, and other information concerning our industry, our business and the markets for our products. We obtained the industry, market, and similar data set forth in this Quarterly Report on Form 10-Q from our own internal estimates and research and from industry research, publications, surveys, and studies conducted by third parties, including governmental agencies, and such information is inherently subject to uncertainties. Actual events or circumstances may differ materially from events and circumstances that are assumed in this information. You are cautioned not to give undue weight to any such information, projections or estimates.

As a result of a number of known and unknown risks and uncertainties, including without limitation, the important factors described in our reports filed with the SEC, including the discussion under "Risk Factors" in this Quarterly Report on Form 10-Q, our actual results or performance may be materially different from those expressed or implied by these forward-looking statements.

#### **Additional Information**

Our website address is [www.cloverhealth.com](http://www.cloverhealth.com). Our filings with the SEC are posted on our website and available free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. The content on our website or on any other website referred to in this document is not incorporated by reference in this document. Further, the Company's references to website URLs are intended to be inactive textual references only.

#### **Channels for Disclosure of Information**

Investors and others should note that we routinely announce material information to investors and the marketplace using filings with the SEC, press releases, public conference calls, presentations, webcasts, and the investor relations page of our website at [investors.cloverhealth.com](http://investors.cloverhealth.com). We use the investor relations page of our website for purposes of compliance with Regulation FD and as a routine channel for distribution of important information, including news releases, analyst presentations, financial information, and corporate governance practices. We also use certain social media channels as a means of disclosing information about the Company and our products to our customers, investors, and the public, including @CloverHealth and #CloverHealth on X and the LinkedIn account of our Chief Executive Officer, Andrew Toy. The information posted on social media channels is not incorporated by reference in this report or in any other report or document we file with the SEC. While not all of the information that we post to the investor relations page of our website or to social media accounts is of a material nature, some information could be deemed to be material. Accordingly, we encourage investors, the media, and others interested in the Company to review the information that we share on our investor relations page of our website at [investors.cloverhealth.com](http://investors.cloverhealth.com) and to sign up for and regularly follow our social media accounts. Users may automatically receive email alerts and other information about the Company when enrolling an email address by visiting "Email Alerts" in the "Investor Resources" section of our website at [investors.cloverhealth.com](http://investors.cloverhealth.com).

**PART 1**

**Item 1. Financial Statements (Unaudited)**

CLOVER HEALTH INVESTMENTS, CORP.  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(Dollars in thousands, except share amounts)

	March 31, 2026	December 31, 2025
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 173,265	\$ 78,301
Short-term investments	4,294	17,047
Investment securities, available-for-sale (Amortized cost: 2026: \$24,216; 2025: \$23,231)	24,190	23,131
Investment securities, held-to-maturity (Fair value: 2026: \$1,794; 2025: \$1,779)	1,794	1,777
Accrued retrospective premiums	129,215	63,875
Healthcare receivables	73,474	94,866
Prepaid expenses	18,423	18,209
Other assets, current	23,366	10,649
<b>Total current assets</b>	<b>448,021</b>	<b>307,855</b>
Investment securities, available-for-sale (Amortized cost: 2026: \$202,886; 2025: \$186,464)	202,240	187,092
Investment securities, held-to-maturity (Fair value: 2026: \$12,300; 2025: \$12,495)	12,444	12,571
Property and equipment, net	6,904	6,385
Other intangible assets	2,990	2,990
Other assets, non-current	25,129	24,118
<b>Total assets</b>	<b>\$ 697,728</b>	<b>\$ 541,011</b>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Unpaid claims	\$ 260,417	\$ 153,250
Accounts payable and accrued expenses	39,170	36,211
Accrued salaries and benefits	31,230	16,038
Other liabilities, current	5,766	3,324
<b>Total current liabilities</b>	<b>336,583</b>	<b>208,823</b>
Other liabilities, non-current	21,719	23,484
<b>Total liabilities</b>	<b>358,302</b>	<b>232,307</b>
Commitments and Contingencies (Note 12)		
Stockholders' equity:		
Class A Common Stock, \$0.0001 par value; 2,500,000,000 shares authorized at March 31, 2026 and December 31, 2025; 429,555,578 and 426,669,369 issued and outstanding at March 31, 2026 and December 31, 2025, respectively	43	43
Class B Common Stock, \$0.0001 par value; 500,000,000 shares authorized at March 31, 2026 and December 31, 2025; 95,715,856 and 92,373,157 issued and outstanding at March 31, 2026 and December 31, 2025, respectively	9	9
Additional paid-in capital	2,695,144	2,682,663
Accumulated other comprehensive (loss) income	(672)	528
Accumulated deficit	(2,261,018)	(2,288,352)
Less: Treasury stock, at cost; 34,977,670 and 33,412,273 shares held at March 31, 2026 and December 31, 2025, respectively	(94,080)	(86,187)
<b>Total stockholders' equity</b>	<b>339,426</b>	<b>308,704</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 697,728</b>	<b>\$ 541,011</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CLOVER HEALTH INVESTMENTS, CORP.  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME  
(Dollars in thousands, except per share and share amounts)

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>Revenues:</b>		
Premiums earned, net (Net of ceded premiums of \$92 and \$95 for the three months ended March 31, 2026 and 2025, respectively)	\$ 744,189	\$ 456,906
Other income	5,000	5,425
<b>Total revenues</b>	<b>749,189</b>	<b>462,331</b>
<b>Operating expenses:</b>		
Net medical claims incurred	589,648	353,442
Salaries and benefits	57,063	59,022
General and administrative expenses	74,629	50,675
Depreciation and amortization	515	466
<b>Total operating expenses</b>	<b>721,855</b>	<b>463,605</b>
Income (loss) from operations	27,334	(1,274)
<b>Net income (loss)</b>	<b>\$ 27,334</b>	<b>\$ (1,274)</b>
<b>Per share data:</b>		
Basic weighted average number of class A and class B common shares and common share equivalents outstanding	522,184,385	497,056,331
Diluted weighted average number of class A and class B common shares and common share equivalents outstanding	532,501,448	497,056,331
Basic earnings (loss) per share	\$ 0.05	\$ —
Diluted earnings (loss) per share	\$ 0.05	\$ —
Net unrealized (loss) gain on available-for-sale investments	(1,200)	1,510
<b>Comprehensive income</b>	<b>\$ 26,134</b>	<b>\$ 236</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CLOVER HEALTH INVESTMENTS, CORP.  
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
(Dollars in thousands, except share amounts)

	Class A Common Stock		Class B Common Stock		Treasury Stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive (loss) income	Total stockholders' equity
	Shares	Amount	Shares	Amount	Shares	Amount				
<b>Balance, December 31, 2025</b>	<b>426,669,369</b>	<b>\$ 43</b>	<b>92,373,157</b>	<b>\$ 9</b>	<b>33,412,273</b>	<b>\$(86,187)</b>	<b>\$2,682,663</b>	<b>\$ (2,288,352)</b>	<b>\$ 528</b>	<b>\$ 308,704</b>
Stock issuance for exercise of stock options, net of early exercise liability	23,782	—	—	—	—	—	30	—	—	30
Stock-based compensation	—	—	—	—	—	—	12,451	—	—	12,451
Vested restricted stock units	4,427,824	—	3,342,699	—	—	—	—	—	—	—
Unrealized holdings gain on investment securities, available for sale	—	—	—	—	—	—	—	—	(1,200)	(1,200)
Shares withheld for taxes on equity awards	(1,565,397)	—	—	—	1,565,397	(7,893)	—	—	—	(7,893)
Net income	—	—	—	—	—	—	—	27,334	—	27,334
<b>Balance, March 31, 2026</b>	<b>429,555,578</b>	<b>\$ 43</b>	<b>95,715,856</b>	<b>\$ 9</b>	<b>34,977,670</b>	<b>\$(94,080)</b>	<b>\$2,695,144</b>	<b>\$ (2,261,018)</b>	<b>\$ (672)</b>	<b>\$ 339,426</b>
	Class A Common Stock		Class B Common Stock		Treasury Stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive (loss) income	Total stockholders' equity
	Shares	Amount	Shares	Amount	Shares	Amount				
<b>Balance, December 31, 2024</b>	<b>414,493,051</b>	<b>\$ 41</b>	<b>89,032,305</b>	<b>\$ 9</b>	<b>18,752,947</b>	<b>\$(30,991)</b>	<b>\$2,576,471</b>	<b>\$ (2,202,803)</b>	<b>\$ (1,584)</b>	<b>\$ 341,143</b>
Stock issuance for exercise of stock options, net of early exercise liability	139,709	—	—	—	—	—	215	—	—	215
Stock-based compensation	—	—	—	—	—	—	26,437	—	—	26,437
Vested restricted stock units	6,431,417	1	3,342,698	—	—	—	—	—	—	1
Unrealized holdings gain on investment securities, available for sale	—	—	—	—	—	—	—	—	1,510	1,510
Shares withheld for taxes on equity awards	(1,833,218)	—	—	—	1,833,218	(13,659)	—	—	—	(13,659)
Repurchases of common stock	(5,069,423)	(1)	—	—	5,069,423	(18,297)	—	—	—	(18,298)
Net loss	—	—	—	—	—	—	—	(1,274)	—	(1,274)
<b>Balance, March 31, 2025</b>	<b>414,161,536</b>	<b>\$ 41</b>	<b>92,375,003</b>	<b>\$ 9</b>	<b>25,655,588</b>	<b>\$(62,947)</b>	<b>\$2,603,123</b>	<b>\$ (2,204,077)</b>	<b>\$ (74)</b>	<b>\$ 336,075</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.

CLOVER HEALTH INVESTMENTS, CORP.  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Dollars in thousands)

	Three months ended March 31,	
	2026	2025
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ 27,334	\$ (1,274)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	515	466
Stock-based compensation	12,271	26,437
Accretion, net of amortization	(441)	(437)
Change in accrued interest earned	141	540
Net realized gains on investment securities	(28)	(42)
Changes in operating assets and liabilities:		
Accrued retrospective premiums	(65,340)	(43,474)
Prepaid expenses	(214)	(3,415)
Other assets	(13,730)	(1,147)
Healthcare receivables	21,392	(1,990)
Unpaid claims	107,167	(5,358)
Accounts payable and accrued expenses	2,959	(4,011)
Accrued salaries and benefits	15,192	11,433
Other liabilities	677	5,979
Net cash provided by (used in) operating activities	107,895	(16,293)
<b>Cash flows from investing activities:</b>		
Purchases of short-term investments, available-for-sale, and held-to-maturity securities	(40,915)	(33,169)
Proceeds from sales of short-term investments and available-for-sale securities	33,838	16,483
Proceeds from maturities of short-term investments and available-for-sale securities	2,863	25,801
Purchases of property and equipment	(854)	(185)
Net cash (used in) provided by investing activities	(5,068)	8,930
<b>Cash flows from financing activities:</b>		
Issuance of common stock, net of early exercise liability	30	215
Cash paid for shares withheld related to stock-based compensation	(7,893)	(13,659)
Repurchases of common stock	—	(18,297)
Net cash used in financing activities	(7,863)	(31,741)
Net increase (decrease) in cash and cash equivalents	94,964	(39,104)
Cash and cash equivalents, beginning of period	78,301	194,543
Cash and cash equivalents, end of period	<u>\$ 173,265</u>	<u>\$ 155,439</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

**CLOVER HEALTH INVESTMENTS, CORP.**  
**Notes to the Condensed Consolidated Financial Statements**

**1. Organization and Operations**

Clover Health Investments, Corp. (collectively with its affiliates and subsidiaries, "Clover" or the "Company") is focused on empowering physicians to identify and manage chronic diseases early. Clover has centered its strategy on building and deploying technology through its flagship software platform, Clover Assistant, to help America's seniors receive better care at lower costs.

Clover aims to provide affordable, high-quality Medicare Advantage plans, including Preferred Provider Organization ("PPO") and Health Maintenance Organization ("HMO") plans, through its regulated insurance subsidiaries. The Company's regulated insurance subsidiaries consist of Clover Insurance Company and Clover HMO of New Jersey Inc., which operate the Company's PPO and HMO health plans, respectively. Medical Service Professionals of NJ, LLC, houses Clover's employed physicians and the related support staff for Clover's in-home care program. Clover's administrative functions and insurance operations are primarily operated by its Clover Health, LLC and Clover Health Labs, LLC subsidiaries.

Clover's approach is to combine technology, data analytics, and preventive care to lower costs and increase the quality of health and life of Medicare beneficiaries. Clover's technology platform is designed to use machine learning-powered systems to deliver data and insights to physicians in order to improve outcomes for beneficiaries through the early identification and management of chronic disease and drive down costs. Clover's MA plans generally provide access to a wide network of primary care providers, specialists, and hospitals, enabling its members to see any doctor participating in Medicare willing to accept them. Clover focuses on minimizing members' out-of-pocket costs and offers many plans that allow members to pay the same co-pays for primary care provider visits regardless of whether their physician is in- or out-of-network.

In 2024, the Company launched Counterpart Health, Inc., a new Software-as-a-Service ("SaaS") and Tech Enabled Services Solution to bring the power of CA Technology to Medicare Advantage payors and providers. This external offering aims to equip clinician users with the Company's already built, clinician-centric, and AI-powered care management platform. Strategically, Counterpart Health, Inc., a subsidiary of Clover Health, aims to extend the benefits of data-driven proven technology and personalized care to a wider audience, enabling enhanced patient outcomes and reduced healthcare costs across the nation. Counterpart Health is complementary to Clover Health, and enables the Company to deploy and expand the reach of its existing technology asset for new potential growth and high margin business opportunities, with low startup costs.

For additional information, see Note 1 included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K").

**2. Summary of Significant Accounting Policies**

***Basis of presentation***

The Company's unaudited condensed consolidated financial statements have been prepared in conformity with the generally accepted accounting principles in the United States ("GAAP") as well as in accordance with the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") and include the accounts of the Company and its wholly-owned subsidiaries. In the opinion of management, the Company has made all necessary adjustments, which include normal recurring adjustments, necessary for a fair presentation of its financial condition and its results of operations for the periods presented. All material intercompany balances and transactions have been eliminated in consolidating these financial statements. Investments over which we exercise significant influence, but do not control, are accounted for using the applicable accounting treatment based on the nature of the investment. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes to the financial statements included in the 2025 Form 10-K.

***Use of estimates***

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that impact the amounts reported in the condensed consolidated financial statements and the accompanying notes.

The areas involving the most significant use of estimates are the amounts of incurred but not reported claims. Many factors can cause actual outcomes to deviate from these assumptions and estimates, such as changes in economic conditions, changes in government healthcare policy (including CMS's May 2025 announcement of its intention to significantly increase the volume of Risk Adjustment Data Validation ("RADV") audits), advances in medical technology, changes in treatment patterns, and changes in average lifespan. Accordingly, the Company cannot determine with precision the ultimate amounts that it will pay for, or the timing of payment of actual claims, or whether the assets supporting the liabilities will grow to the level the Company assumes prior to payment of claims. If the Company's actual experience is different from its assumptions or estimates, the Company's reserves may prove inadequate. As a result, the Company would incur a charge to operations in the period in which it determines such a shortfall exists, which could have a material adverse effect on the Company's business, results of operations, and financial condition. Other areas involving significant estimates include risk adjustment provisions related to Medicare contracts and the valuation of the Company's investment securities, reinsurance, premium deficiency reserve, stock-based compensation, recoveries from third parties for coordination of benefits, and final determination of medical cost adjustment pools.

### ***Segment information***

The Company operates as one reportable segment, Insurance. The Insurance segment provides PPO and HMO plans to Medicare Advantage members in several states.

### ***Deferred acquisition costs***

Acquisition costs directly related to the successful acquisition of new business, which are primarily made up of commissions costs, are deferred and subsequently amortized. Deferred acquisition costs are recorded within Other assets, current in the Condensed Consolidated Balance Sheets and are amortized over the estimated life of the related contracts. The amortization of deferred acquisition costs is recorded within General and administrative expenses in the Condensed Consolidated Statements of Operations and Comprehensive Income. For the three months ended March 31, 2026 and 2025, charges related to deferred acquisition costs of \$4.8 million and \$2.9 million, respectively, were recognized within General and administrative expenses.

### ***Recent accounting pronouncements***

#### *Recently adopted accounting pronouncements*

There have been no new accounting pronouncements adopted during the three months ended March 31, 2026 that had a material impact on the Company's condensed consolidated financial statements.

#### *Accounting pronouncements effective in future periods*

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)*. The amendments in this update would require a public entity to disclose information about purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion for each income statement line item that contains those expenses. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027. ASU 2024-03 allows for early adoption and requires either prospective adoption to consolidated financial statements issued for reporting periods after the effective date of ASU 2024-03 or retrospectively to any or all prior periods presented in the consolidated financial statements. The Company is currently evaluating the impact of ASU 2024-03 on its consolidated financial statements and related disclosures.

In August 2025, the FASB issued ASU 2025-06, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. The amendments in this update modernize the accounting for costs related to internal-use software to better align with current software development practices, such as agile methodologies. The update removes the previous stage-based model for capitalization. Instead, capitalization will begin when management authorizes and commits funding to a project, and it is probable the project will be completed for its intended function. The ASU is effective for annual periods beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of ASU 2025-06 on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-07, *Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606): Derivatives Scope Refinements and Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract*. The amendments in this update expand the scope exception in Topic 815 to exclude certain non-exchange-traded contracts with underlying based on the operations or activities of one of the parties to the contract. Additionally, the update clarifies that share-based noncash consideration received from a customer is subject to the guidance in Topic 606 until the right to consideration is unconditional. The ASU is effective for annual periods beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact of ASU 2025-07 on its consolidated financial statements and related disclosures.

In April 2026, the FASB issued ASU 2026-01, *Equity (Topic 505): Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock*. The amendments in this update require entities to initially measure paid-in-kind ("PIK") dividends on equity-classified preferred stock using the PIK dividend rate stated in the preferred stock agreement, rather than at fair value. The ASU is effective for annual periods beginning after December 15, 2026, including interim periods within those fiscal years, with early adoption permitted. The Company is currently evaluating the impact of ASU 2026-01 on its consolidated financial statements and related disclosures.

### 3. Investment Securities

The following tables present amortized cost and fair values of investments at March 31, 2026 and December 31, 2025, respectively:

March 31, 2026	Amortized cost	Accumulated unrealized gains	Accumulated unrealized losses	Fair value
(in thousands)				
Investment securities, held-to-maturity				
U.S. government and government agencies and authorities	\$ 14,238	\$ —	\$ (144)	\$ 14,094
Investment securities, available-for-sale				
U.S. government and government agencies and authorities	140,647	105	(541)	140,211
Corporate debt securities	86,171	67	(304)	85,934
Other	284	1	—	285
Total held-to-maturity and available-for-sale investment securities	\$ 241,340	\$ 173	\$ (989)	\$ 240,524

December 31, 2025	Amortized cost	Accumulated unrealized gains	Accumulated unrealized losses	Fair value
(in thousands)				
Investment securities, held-to-maturity				
U.S. government and government agencies and authorities	\$ 14,348	\$ 3	\$ (77)	\$ 14,274
Investment securities, available-for-sale				
U.S. government and government agencies and authorities	129,217	522	(292)	129,447
Corporate debt securities	80,197	309	(11)	80,495
Other	281	—	—	281
Total held-to-maturity and available-for-sale investment securities	\$ 224,043	\$ 834	\$ (380)	\$ 224,497

The following table presents the amortized cost and fair value of debt securities at March 31, 2026, by contractual maturity:

March 31, 2026	Held-to-maturity		Available-for-sale	
	Amortized cost	Fair value	Amortized cost	Fair value
(in thousands)				
Due within one year	\$ 1,794	\$ 1,794	\$ 24,216	\$ 24,190
Due after one year through five years	12,333	12,213	202,886	202,240
Due after five years through ten years	—	—	—	—
Due after ten years	111	87	—	—
Total	\$ 14,238	\$ 14,094	\$ 227,102	\$ 226,430

For the three months ended March 31, 2026 and 2025, respectively, net investment income, which is included in Other income in the Condensed Consolidated Statements of Operations and Comprehensive Income, was derived from the following sources:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	(in thousands)	
Cash and cash equivalents	\$ 2,056	\$ 2,350
Short-term investments	104	—
Investment securities	2,158	2,258
Investment income, net	<u>\$ 4,318</u>	<u>\$ 4,608</u>

Gross unrealized losses and fair values aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position were as follows at March 31, 2026 and December 31, 2025, respectively:

<b>March 31, 2026</b>	<b>Less than 12 months</b>		<b>Greater than 12 months</b>		<b>Total</b>	
	<b>Fair value</b>	<b>Unrealized loss</b>	<b>Fair value</b>	<b>Unrealized loss</b>	<b>Fair value</b>	<b>Unrealized loss</b>
	(in thousands, except number of positions)					
U.S. government and government agencies and authorities	\$ 102,328	\$ (449)	\$ 7,799	\$ (236)	\$ 110,127	\$ (685)
Corporate debt securities	62,022	(304)	—	—	62,022	(304)
<b>Total</b>	<u>\$ 164,350</u>	<u>\$ (753)</u>	<u>\$ 7,799</u>	<u>\$ (236)</u>	<u>\$ 172,149</u>	<u>\$ (989)</u>
Number of positions		156		12		168

<b>December 31, 2025</b>	<b>Less than 12 months</b>		<b>Greater than 12 months</b>		<b>Total</b>	
	<b>Fair value</b>	<b>Unrealized loss</b>	<b>Fair value</b>	<b>Unrealized loss</b>	<b>Fair value</b>	<b>Unrealized loss</b>
	(in thousands, except number of positions)					
U.S. government and government agencies and authorities	\$ 16,669	\$ (38)	\$ 14,626	\$ (331)	\$ 31,295	\$ (369)
Corporate debt securities	13,733	(11)	—	—	13,733	(11)
<b>Total</b>	<u>\$ 30,402</u>	<u>\$ (49)</u>	<u>\$ 14,626</u>	<u>\$ (331)</u>	<u>\$ 45,028</u>	<u>\$ (380)</u>
Number of positions		24		9		33

The Company did not record any credit allowances for debt securities that were in an unrealized loss position at March 31, 2026 and December 31, 2025.

At March 31, 2026, all securities were investment grade, with credit ratings of BBB or higher by S&P Global or as determined by other credit rating agencies within the Company's investment policy. Unrealized losses on investment grade securities are principally related to changes in interest rates or changes in issuer or sector related credit spreads since the securities were acquired. The gross unrealized investment losses at March 31, 2026, were assessed, based on, among other things:

- The relative magnitude to which fair values of these securities have been below their amortized cost was not indicative of an impairment loss;
- The absence of compelling evidence that would cause the Company to call into question the financial condition or near-term prospects of the issuer of the applicable security; and
- The Company's ability and intent to hold the applicable security for a period of time sufficient to allow for any anticipated recovery.

Proceeds from sales and maturities of investment securities, inclusive of short-term investments, and related gross realized gains (losses) which are included in Other income in the Condensed Consolidated Statements of Operations and Comprehensive Income, were as follows for the three months ended March 31, 2026 and 2025, respectively:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	(in thousands)	
Proceeds from sales of investment securities	\$ 33,838	\$ 16,483
Proceeds from maturities of investment securities	2,863	25,801
Gross realized gains	83	42
Gross realized losses	(55)	—
Net realized gains	<u>\$ 28</u>	<u>\$ 42</u>

At March 31, 2026 and December 31, 2025, the Company had \$14.8 million and \$14.6 million, respectively, in deposits with various states and regulatory bodies that are included as part of the Company's investment balances.

#### 4. Fair Value Measurements

The following tables present a summary of fair value measurements for financial instruments at March 31, 2026 and December 31, 2025, respectively:

<b>March 31, 2026</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value</b>
	(in thousands)			
U.S. government and government agencies	\$ —	\$ 140,211	\$ —	\$ 140,211
Corporate debt securities	—	85,934	—	85,934
Private equity investments	—	—	12,226	12,226
Warrants receivable	—	—	—	—
Other	—	285	—	285
Total assets at fair value	<u>\$ —</u>	<u>\$ 226,430</u>	<u>\$ 12,226</u>	<u>\$ 238,656</u>

<b>December 31, 2025</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total Fair Value</b>
	(in thousands)			
U.S. government and government agencies	\$ —	\$ 129,447	\$ —	\$ 129,447
Corporate debt securities	—	80,495	—	80,495
Private equity investments	—	—	12,226	12,226
Warrants receivable	—	—	—	—
Other	—	281	—	281
Total assets at fair value	<u>\$ —</u>	<u>\$ 210,223</u>	<u>\$ 12,226</u>	<u>\$ 222,449</u>

The changes in balances of Clover's Level 3 financial assets and liabilities were as follows:

	<b>Equity Investments</b>
	<b>(in thousands)</b>
Balance, December 31, 2025	\$ 12,226
Realized gains	—
Unrealized gains (losses)	—
Purchases	—
Sales	—
Transfers in	—
Balance, March 31, 2026	\$ 12,226
Unrealized gains for assets still held, included in Net income	\$ —

### ***Equity Investments***

The Company owns equity securities in privately held companies. Their fair value is classified as Level 3 because the valuation relies primarily on unobservable inputs that require significant management judgment. While the valuation process utilizes inputs based on observable market transactions such as comparable company multiples or similar private placements, these must be significantly adjusted using unobservable assumptions to reflect the specific risks and characteristics of the non-marketable private investment. This reliance on subjective, unobservable inputs is the basis for the Level 3 classification and results in a higher degree of valuation uncertainty.

### **5. Healthcare Receivables**

Healthcare receivables include pharmaceutical rebates that are accrued as they are earned and estimated based on contracted rebate rates, eligible amounts submitted to the manufacturers by the Company's pharmacy manager, pharmacy utilization volume, and historical collection patterns. Also included in Healthcare receivables are Medicare Part D settlement receivables, member premium receivables, and other CMS receivables. The Company reported \$73.5 million and \$94.9 million within Healthcare receivables at March 31, 2026 and December 31, 2025, respectively.

### **6. Related Party Transactions**

#### ***Related party agreements***

The Company has a contract with Medical Records Exchange, LLC (formerly known as "ChartFast," now d/b/a Credo) pursuant to which the Company receives administrative services related to medical records retrieval via Credo's electronic applications and web portal platform. Vivek Garipalli, the Company's Executive Chairman and significant stockholder of the Company, is an indirect owner of Credo Health Solutions, Inc. Expenses and fees incurred related to this agreement were \$1.8 million and \$0.2 million for the three months ended March 31, 2026 and 2025, respectively. Additionally, \$0.3 million and none were payable to Credo at March 31, 2026, and December 31, 2025, respectively.

Since July 2, 2021, the Company has contracted with Thyme Care, Inc. ("Thyme Care"), an oncology care management company, through which Thyme Care was engaged to provide cancer care management services to the Company's Insurance members and develop a provider network to help ensure member access to high-value oncology care. The Company and Thyme Care have amended the terms of the engagement, effective April 1, 2023, to include additional clinical services available to Clover members as well as the value based payment terms. The Company entered into an agreement with Thyme Care effective September 23, 2020 where the Company purchased 1,773,049 shares (less than five percent (5%) of its class A common stock). The fair value of these shares is \$3.9 million at March 31, 2026, and is recognized within Other assets, non-current, in the Condensed Consolidated Balance Sheets. In accordance with ASC 321, *Investments - Equity Securities*, any changes in fair value associated with these shares are recognized within Other income in the Condensed Consolidated Statements of Operations and Comprehensive Income. Mr. Garipalli is a member of the board of directors of Thyme Care and holds an equity interest of less than five percent (5%) of that entity. Expenses and fees incurred related to this agreement were \$4.0 million and \$2.7 million for the three months ended March 31, 2026 and 2025, respectively. Additionally, \$9.7 million and \$6.6 million were payable to Thyme Care at March 31, 2026, and December 31, 2025, respectively.

The Company entered into a Master Services Agreement in July 2025 with Guidehealth, LLC ("Guidehealth") for value-based care enablement and outsourced administrative services. These services primarily leverage technology and support teams to accelerate and enhance medication adherence rates and patient outcomes. Thomas Tran, a member of the Company's Board of Directors and Chair of the Company's Audit Committee, also serves as a director of Guidehealth and holds an ownership interest of less than 5% in Guidehealth. Pursuant to this agreement, the Company did not recognize any expense for the three months ended March 31, 2026 and \$0.5 million was payable to Guidehealth at March 31, 2026.

The Company holds a non-controlling equity investment in Character Biosciences ("CB"), which is accounted for under ASC 321, *Investments - Equity Securities*, at fair value. In accordance with ASC 321, the Company recognizes the fair value of its equity investment in CB within Other assets, non-current on its Condensed Consolidated Balance Sheets and recognizes any change in fair value within Other Income in its Condensed Consolidated Statements of Operations and Comprehensive Income. At March 31, 2026 and December 31, 2025 the fair value of this investment was \$8.3 million. CB is considered a related party due to the Company's Executive Chairman and a significant stockholder of the Company, Vivek Garipalli, serves as a member of CB's Board of Directors. There were no transactions between the Company and CB during the periods presented.

## 7. Unpaid Claims

Activity within the liability for Unpaid claims, including claims adjustment expenses, for the three months ended March 31, 2026 and 2025, respectively, is summarized as follows:

<b>Three Months Ended March 31,</b>	<b>2026</b>	<b>2025</b>
	<b>(in thousands)</b>	
Gross and net balance, beginning of period	\$ 153,250	\$ 156,396
Incurred related to:		
Current year	570,166	357,864
Prior years	6,414	(11,488)
<b>Total incurred</b>	<b>576,580</b>	<b>346,376</b>
Paid related to:		
Current year	353,283	229,111
Prior years	116,130	122,623
<b>Total paid</b>	<b>469,413</b>	<b>351,734</b>
Gross and net balance, end of period	<u>\$ 260,417</u>	<u>\$ 151,038</u>

The Company uses two methods of standard actuarial techniques to establish unpaid claims reserves. Management estimates are supported by the Company's actuarial analysis. The Company utilizes an internal actuarial team to review the adequacy of unpaid claim and unpaid claim adjustment expense. The estimation of claim costs is inherently difficult and requires significant judgment. The estimation has considerable inherent variability and can fluctuate significantly depending upon several factors, including medical cost trends and claim payment patterns, general economic conditions, and regulatory changes. The time value of money is not taken into account for the purposes of calculating the liability for unpaid claims. Management believes that the current reserves are adequate based on currently available information.

### *Unpaid Claims for Insurance Operations*

Unpaid claims for Insurance operations were \$260.4 million at March 31, 2026. During the three months ended March 31, 2026, \$116.1 million was paid for incurred claims attributable to insured events of prior years. An unfavorable development of \$6.4 million was recognized during the three months ended March 31, 2026, resulting from the Company's actual experience with claims developing differently as compared to the Company's estimates at December 31, 2025. A favorable development of \$11.5 million was recognized during the three months ended March 31, 2025, resulting from the Company's actual experience with claims developing differently as compared to the Company's estimates at December 31, 2024. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. The ratio of current year medical claims paid as a percentage of current year net medical claims incurred was 62.0% for the three months ended March 31, 2026, and 64.0% for the three months ended March 31, 2025. This ratio serves as an indicator of claims processing speed, indicating that claims were processed at a slower rate during the three months ended March 31, 2026, than during the three months ended March 31, 2025.

## 8. Variable Interest Entity and Equity Method of Accounting

On February 4, 2022, CB, a former affiliate of the Company, completed a private capital transaction in which it raised \$17.9 million from the issuance of 16,210,602 shares of its preferred stock. Upon completion of the transaction, the Company owned approximately 25.5% of CB. As a result, the Company reassessed its interest in CB and determined that while CB was a Variable Interest Entity ("VIE"), the Company was not considered the primary beneficiary of the VIE because it did not have the power, through voting or similar rights and the license agreements, to direct the activities of CB that most significantly impacted CB's economic performance. Since that initial financing, CB has completed a series of additional capital raises through the issuance of its shares, each of which has diluted the Company's ownership.

At September 30, 2025, it was concluded that the Company's ability to exert significant influence over CB no longer existed. This change in conclusion was influenced by the multiple rounds of funding dropping the Company's ownership below the 20% threshold and the lack of evidence to support continued significant influence. As a result, the Company transitioned its recognition of its equity investment in CB from the equity method of accounting under ASC 323, *Investments - Equity Method and Joint Ventures*, to fair value measurement under ASC 321, *Investments - Equity Securities*. See Note 4 "Fair Value Measurements" for further information regarding the valuation techniques and inputs used to determine the fair value of Level 3 investments.

## 9. Employee Benefit Plans

### *Employee Savings Plan*

The Company has a defined contribution retirement savings plan (the "401(k) Plan") covering eligible employees, which includes safe harbor matching contributions based on the amount of employees' contributions to the 401(k) Plan. The Company contributes to the 401(k) Plan annually 100.0% of the first 4.0% of compensation that is contributed by the employee up to 4.0% of eligible annual compensation after one year of service. The Company's service contributions to the 401(k) Plan amounted to approximately \$0.5 million for both the three months ended March 31, 2026 and 2025, and are included in Salaries and benefits in the Condensed Consolidated Statements of Operations and Comprehensive Income. The Company's cash match is invested pursuant to the participant's contribution direction. Employer contributions are immediately 100.0% vested.

### *Stock-based Compensation*

The Company's 2020 Equity Incentive Plan (the "2020 Plan") provides for grants of restricted stocks units ("RSUs"), performance-based restricted stock units ("PRsUs") and stock options to acquire shares of the Company's common stock, to employees, directors, officers, and non-employee consultants of the Company and its affiliates, and the Company's 2020 Management Incentive Plan (the "2020 MIP") provides for grants of RSUs and PRsUs to the Company's Executive Chair and CEO. During the year ended December 31, 2021, the Company approved the 2020 Plan and the 2020 MIP, and the Company's 2014 Equity Incentive Plan (the "2014 Plan") was terminated. When the 2014 Plan was terminated, the outstanding awards previously granted thereunder were assumed by the Company, and no new awards are available for grant under the 2014 Plan. Shares that are expired, terminated, surrendered, or canceled under the 2014 Plan without having been fully exercised are available for awards under the 2020 Plan. On March 9, 2022, the Board adopted the Company's 2022 Inducement Award Plan (the "Inducement Plan" and, collectively with the 2020 Plan, the 2020 MIP, and the 2014 Plan, the "Plans") without stockholder approval in accordance with Nasdaq Listing Rules. Under the Inducement Plan, the Company may grant non-qualified stock options, RSUs, stock appreciation rights, and other stock or cash-based awards to an employee in connection with his or her commencement of employment, or following a bona fide period of non-employment, with the Company or an affiliate.

The 2020 Plan has an evergreen provision that requires the number of shares available for issuance under the plan to be increased on the first day of each fiscal year beginning with the 2022 fiscal year and ending on (and including) the last day of the 2024 fiscal year, in each case, in an amount equal to the lesser of (i) seven percent (7%) of the outstanding shares of Class A common Stock on the last day of the immediately preceding fiscal year and (ii) such number of shares of Class A common Stock determined by the Board; provided that for each fiscal year beginning with the 2025 fiscal year through the fiscal year that includes the expiration date of the plan, each such increase shall be reduced to the lesser of five percent (5%) of the outstanding shares of Class A common Stock on the last day of the immediately preceding fiscal year or such number of shares as determined by the Board.

The maximum number of shares of the Company's common stock reserved for issuance over the term of the Plans, shares outstanding under the Plans, and shares remaining under the Plans at March 31, 2026 were as follows:

<b>March 31, 2026</b>	<b>Shares Authorized Under Plans</b>	<b>Shares Outstanding Under Plans</b>	<b>Shares Remaining Under Plans</b>
2014 Plan	54,402,262	21,932,580	N/A
2020 Plan	112,256,721	35,523,108	19,002,473
2020 MIP	33,426,983	—	—
Inducement Plan	11,000,000	2,829,703	—

The Plans are administered by the Talent and Compensation Committee of the Board (the "Compensation Committee"). Stock options granted under the Plans are subject to the terms and conditions described in the applicable Plan and the applicable stock option grant agreement. The exercise prices, vesting, and other restrictions applicable to the stock options are determined at the discretion of the Compensation Committee, except that the exercise price per share of incentive stock options may not be less than 100.0% of the fair market value of a share of common stock on the date of grant. Stock options awarded under the Plans expire 10 years after the grant date and generally vest over 4 years. The number of stock options granted is determined by dividing the approved grant date dollar value of an option by the Black Scholes option pricing value per share (as further discussed below). RSU awards are subject to the terms and conditions set forth in the Plans and the applicable RSU grant agreement. Vesting and other restrictions applicable to RSU awards are determined at the discretion of the Compensation Committee, but generally vest over one to four years from the date of the grant. The number of RSUs granted is determined by dividing the cash value of an RSU award by the average closing price of a share of the Company's Class A common stock over a specified period through the date of grant. The total estimated grant date fair value is amortized over the requisite service period.

The Company recorded Stock-based compensation for stock options, RSUs, and PRSUs granted under the Plans, and discounts offered in connection with the Company's 2020 Employee Stock Purchase Plan ("ESPP") of \$12.5 million and \$26.4 million during the three months ended March 31, 2026 and 2025, respectively, and such expenses are presented in Salaries and benefits in the Condensed Consolidated Statements of Operations and Comprehensive Income.

Compensation cost presented in Salaries and benefits in the Condensed Consolidated Statements of Operations and Comprehensive Income were as follows:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<b>(in thousands)</b>	
Stock options	\$ 29	\$ 178
RSUs	12,052	23,024
PRSUs	233	3,083
ESPP	137	152
Total compensation cost recognized for stock-based compensation plans	<u>\$ 12,451</u>	<u>\$ 26,437</u>

At March 31, 2026, there was approximately \$343.9 million of unrecognized stock-based compensation expense related to unvested stock options, unvested RSUs, unvested PRSUs and the ESPP.

### Stock Options

The Company did not grant stock options during the three months ended March 31, 2026 and 2025, respectively.

A summary of option activity under the 2020 Plan during the three months ended March 31, 2026, was as follows:

	Number of stock options	Weighted- average exercise price
Outstanding, January 1, 2026	773,859	\$ 8.88
Granted	—	—
Exercised	—	—
Forfeited	—	—
Outstanding, March 31, 2026	<u>773,859</u>	<u>\$ 8.88</u>

A summary of stock option activity under the 2014 Plan during the three months ended March 31, 2026, was as follows:

	Number of stock options	Weighted- average exercise price
Outstanding, January 1, 2026	22,990,399	\$ 2.75
Granted	—	—
Exercised	(23,782)	1.26
Forfeited	(1,034,037)	1.94
Outstanding, March 31, 2026	<u>21,932,580</u>	<u>\$ 2.79</u>

At March 31, 2026, outstanding stock options, substantially all of which are expected to vest, had an aggregate intrinsic value of \$0.9 million, and a weighted-average remaining contractual term of 3.21 years. At March 31, 2026, there were 22,706,439 options exercisable under the Plan, with an aggregate intrinsic value of \$0.9 million, a weighted-average exercise price of \$3.00 per share, and a weighted-average remaining contractual term of 3.21 years. The total value of stock options exercised during the three months ended March 31, 2026 and 2025 was less than \$0.1 million and \$0.5 million, respectively. Cash received from stock option exercises during the three months ended March 31, 2026 and 2025 totaled less than \$0.1 million and \$0.2 million, respectively.

### Restricted Stock Units

A summary of total RSU activity is presented below:

	Number of RSUs	Weighted- average grant date fair value per share
Outstanding, January 1, 2026	42,953,954	\$ 3.44
Granted	3,221,389	2.22
Released	(7,770,523)	8.12
Forfeited	(888,534)	2.73
Outstanding, March 31, 2026	<u>37,516,286</u>	<u>\$ 2.38</u>

### Performance Restricted Stock Units

The Company has granted PRSUs to certain executives and key employees, which become eligible to vest based on achievement of certain Company or individual performance milestones (“Non-Market PRSUs”) and certain Company stock price targets (“Market PRSUs”), each as determined by the Compensation Committee. Market PRSUs will vest if prior to the vesting date the average closing price of one share of the Company’s common stock for 90 consecutive days equals or exceeds a specified price. The PRSU expense referenced above is mainly attributable to Market PRSUs that vest based on pre-established milestones that primarily consist of the volume-weighted average stock closing price ranging from \$20 to \$30 for 90 consecutive days. The grant date fair value of the Non-Market PRSUs was based on the closing price of the Company’s Class A common stock and recognized as expense over the requisite performance period under the accelerated attribution method and is adjusted in future periods for the success or failure to achieve the specified performance condition. The grant date fair value of the Market PRSUs was determined using a Monte Carlo simulation model that incorporated multiple valuation assumptions, including the probability of achieving the specified market condition. Expense for Market PRSUs is recognized over the derived service period under the accelerated attribution method and is not adjusted in future periods for the success or failure to achieve the specified market condition.

At January 7, 2026, the end of the performance period, the market conditions associated with the Company’s Market PRSUs were not achieved. Accordingly, the awards were forfeited and cancelled. Consistent with ASC 718, *Compensation - Stock Compensation*, previously recognized compensation cost associated with these awards was not reversed and no additional compensation expense was recognized upon cancellation as the derived service period had been completed.

A summary of PRSU activity is presented below:

	Number of PRSUs	Weighted- average grant date fair value per share
Non-vested, January 1, 2026	27,523,030	\$ 9.57
Granted during 2026	—	—
Vested	—	—
Forfeited	(27,460,364)	9.59
Non-vested at March 31, 2026	<u>62,666</u>	<u>\$ 3.81</u>

At March 31, 2026, there was no unrecognized share-based compensation expense related to PRSUs.

### 2020 Employee Stock Purchase Plan

On January 6, 2021, the Board adopted and the Company’s stockholders approved the ESPP, which permits eligible employees and service providers of either the Company or designated related companies and affiliates to contribute up to 15% of their eligible compensation during defined offering periods to purchase shares of the Company’s Class A common stock at a 15% discount from the fair market value of the common stock as determined on specific dates at specific intervals. Subject to adjustments provided in the ESPP that are discussed below, the maximum number of shares of common stock that may be purchased under the ESPP is 18,430,557 shares, and the maximum number of shares that may be purchased on any single purchase date by any one participant is 5,000 shares. At March 31, 2026, 16,427,870 shares of Class A common stock were available for issuance under the ESPP.

The ESPP includes an evergreen provision that limits the maximum number of shares of Class A common stock that may be issued under the plan, to 2,785,582 shares, plus the number of shares of Class A common stock that are automatically added on the first day of each fiscal year beginning with the 2022 fiscal year and ending on (and including) the first day of the 2030 fiscal year, in an amount equal to the lesser of (i) one percent (1%) of the total number of shares of Class A common stock outstanding on the last day of the calendar month prior to the date of such automatic increase, and (ii) such number of shares of Class A common stock as determined by the Board; provided that the maximum number of shares of Class A common stock reserved under the ESPP shall not exceed 10.0% of the total outstanding capital stock of the Company (inclusive of the shares reserved under the ESPP) as of January 7, 2021, on an as-converted basis.

The assumptions that the Company used in the Black-Scholes option-pricing model to determine the fair value of the purchase rights under the ESPP for the most recent offering period, is as follows:

**Offering period from November 23, 2025 to May 21, 2026**

Weighted-average risk-free interest rate	3.8 %
Expected term (in years)	0.49 years
Expected volatility	79.5 %

**10. Income Taxes**

The consolidated effective tax rate of the Company for the three months ended March 31, 2026 and 2025, was 0.0% and 0.0%, respectively. Although the Company generated net income for the three months ended March 31, 2026, it continues to maintain significant net operating loss carryforwards and a net deferred tax asset position. As a result, and in accordance with accounting standards, the Company maintains a valuation allowance to reduce the value of the net deferred tax assets to zero. The Company believes that at March 31, 2026, it had no material uncertain tax positions. Interest and penalties related to unrecognized tax expense (benefits) are recognized in income tax expense, when applicable.

There were no material liabilities for interest and penalties accrued at March 31, 2026 and December 31, 2025.

**11. Net Income (Loss) per Share**

Basic and diluted earnings (loss) per share attributable to Class A common stockholders and Class B common stockholders (collectively, "Common Stockholders") for the years indicated were calculated as follows:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<small>(in thousands, except for per share and share amounts)</small>	
<b>Numerator:</b>		
Net income (loss) attributable to common stockholders	\$ 27,334	\$ (1,274)
<b>Denominator:</b>		
Basic weighted average number of common shares and common share equivalents outstanding	522,184,385	497,056,331
<b>Dilutive shares:</b>		
RSU	8,254,960	N/A
PRSU	25,686	N/A
Stock Options	2,036,417	N/A
Diluted weighted average shares used in computing net income (loss) per share of common stock	<u>532,501,448</u>	<u>497,056,331</u>
Basic earnings (loss) per share	\$ 0.05	\$ —
Diluted earnings (loss) per share	\$ 0.05	\$ —

Potentially dilutive securities are excluded from the computation of diluted earnings (loss) per share if their effect would be anti-dilutive. For the three months ended March 31, 2026, certain potentially dilutive securities were excluded from the computation of diluted earnings per share because their inclusion would have been anti-dilutive. For the three months ended March 31, 2025, the Company incurred a net loss attributable to common stockholders; therefore, all potentially dilutive securities, which include Options, RSUs, and PRSUs, were excluded from the computation of diluted loss per share as their effect would have been anti-dilutive.

The following table presents the potentially dilutive shares that were excluded from the computation of diluted net earnings (loss) per share of common stock:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
Options to purchase common stock	13,317,762	24,108,874
RSUs	25,053,581	46,399,272
PRsUs	—	29,214,073
Total potentially dilutive shares excluded from computation of net earnings (loss) per share	<u>38,371,343</u>	<u>99,722,219</u>

## **12. Commitments and Contingencies**

### *Legal Actions*

Various lawsuits against the Company may arise in the ordinary course of the Company's business. Contingent liabilities arising from ordinary course litigation, income taxes and other matters are not expected to be material in relation to the financial position of the Company. At March 31, 2026, and December 31, 2025, respectively, there were no material known contingent liabilities arising; outside the normal course of business other than as set forth below. In accordance with ASC No. 450-20, *Loss Contingencies*, we will record accruals for loss contingencies when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated.

### *Securities Class Actions and Investigations*

Beginning in February 2021, the Company received subpoenas from the SEC related to certain disclosures and aspects of our business as well as certain matters described in an article issued on February 4, 2021, by Hindenburg Research LLC (the "Hindenburg Article"). The Company cooperated with the SEC's investigation (the "Investigation"). The Hindenburg Article, which discussed, among other things, an inquiry by the U.S. Attorney's Office for the Eastern District of Pennsylvania relating to, among other things, certain of the Company's arrangements with providers participating in its network and programs, and Clover Assistant, was the subject of the Company's Current Report on Form 8-K dated February 5, 2021. As previously disclosed on the Company's Current Report on Form 8-K filed on September 30, 2024, by letter dated September 26, 2024 (the "Notice"), the Staff of the SEC Division of Enforcement notified the Company that the SEC had concluded the Investigation, and based on the information that the SEC had as of the date of the Notice, the Staff did not intend to recommend an enforcement action by the SEC against the Company relating to the Investigation.

### 13. Operating Segments

Clover Health has one reportable segment: Insurance. The Insurance segment provides PPO and HMO plans to Medicare Advantage members in several states. The segment information is prepared on the same basis that the Company's chief executive officer, who is the Chief Operating Decision Maker ("CODM"). These segment groupings are consistent with information used by the CODM, to assess performance and allocate resources. The CODM uses segment gross profit in competitive analysis by benchmarking to the Company's competitors. The competitive analysis along with the monitoring of budgeted versus actual results are used in assessing performance of the segment and in establishing management's compensation. The accounting policies of the Insurance segment are the same as those described in the summary of significant accounting policies.

Insurance Segment	Three months ended March 31,	
	2026	2025
	(in thousands)	
Premiums earned, net (net of ceded premiums)	\$ 744,189	\$ 456,906
Less:		
Net medical claims incurred	610,001	367,887
Segment gross profit	\$ 134,188	\$ 89,019
Reconciliation:		
Elimination of intersegment profits	\$ 20,353	\$ 14,445
Other income	5,000	5,425
Salaries and benefits	(57,063)	(59,022)
General and administrative expenses	(74,629)	(50,675)
Depreciation and amortization	(515)	(466)
Net income (loss)	\$ 27,334	\$ (1,274)

### 14. Dividend Restrictions

The Company's regulated insurance subsidiaries are subject to regulations and standards in their respective jurisdictions. These standards, among other things, require these subsidiaries to maintain specified levels of statutory capital and limit the timing and amount of dividends and other distributions that may be paid to their parent companies. Accordingly, the Company's regulated insurance subsidiaries' ability to declare and pay dividends is limited by state regulations, including requirements to obtain prior approval from the New Jersey Department of Banking and Insurance.

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

*The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of our condensed consolidated results of operations and financial condition. The discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto for the three months ended March 31, 2026, contained in this Quarterly Report on Form 10-Q (the "Form 10-Q") and the audited consolidated financial statements and notes thereto for the year ended December 31, 2025, contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission (the "SEC") on February 27, 2026 (the "2025 Form 10-K"). This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the "Risk Factors" section of the 2025 Form 10-K. Actual results may differ materially from those contained in any forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements" for additional information. Unless the context otherwise requires, references in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" to "we," "us," "our," "Clover," "Clover Health," and the "Company" mean the business and operations of Clover Health Investments, Corp. and its consolidated subsidiaries.*

### **Overview**

At Clover Health, our vision is to empower every physician with the technology to identify, manage, and treat chronic diseases earlier. Our strategy is to improve the care of people with Medicare, develop wide physician networks, and provide technology to help empower physicians. Our proprietary software platform, Clover Assistant (licensed externally as Counterpart Assistant), helps us execute this strategy by enabling physicians to detect, identify, and manage chronic diseases earlier than they otherwise could. This technology is a cloud-based software platform that provides physicians with access to data-driven and personalized insights for the patients they treat.

We operate Preferred Provider Organization ("PPO") and Health Maintenance Organization ("HMO") Medicare Advantage ("MA") plans for Medicare-eligible individuals. We aim to provide high-quality, affordable healthcare for all Medicare beneficiaries. Among plans with similar major characteristics, we offer most members in our MA plans (the "members") among the lowest average out-of-pocket costs for primary care provider and specialist co-pays in their markets. We strongly believe in providing our members provider choice, and we consider our PPO plans to be our flagship insurance product. An important feature of our MA product is wide network access. We believe the use of Clover Assistant and related data insights allows us to improve clinical decision-making through a highly scalable platform. At March 31, 2026, we operated our MA plans in five states and 203 counties, with 155,773 members.

### **Key Performance Measures**

We manage our operations based on one reportable segment: Insurance. Through our Insurance segment, we provide PPO and HMO plans to Medicare Advantage members in several states.

The segment grouping is consistent with the information used by our Chief Executive Officer (identified as our chief operating decision maker) ("CODM") to assess performance and allocate the Company's resources.

We review several key performance measures, discussed below, to evaluate our business and results, measure performance, identify trends, formulate plans, and make strategic decisions. We believe that the presentation of such metrics is useful to management and counterparties to model the performance of healthcare companies such as Clover.

Through our Insurance segment, we provide PPO and HMO plans to members in several states. We seek to improve care and lower costs for our members by empowering providers with intuitive data-driven, personalized insights to support treatment of members through our software platform, Clover Assistant.

The following table presents key financial measures for the periods indicated:

	Three Months Ended March 31,			
	2026		2025	
	Total	PMPM <sup>(1)</sup>	Total	PMPM <sup>(1)</sup>
(dollar amounts in thousands, except PMPM amounts)				
<b>Consolidated:</b>				
Total revenues	\$ 749,189	\$ 1,615	\$ 462,331	\$ 1,511
Net medical claims incurred	\$ 589,648	\$ 1,271	\$ 353,442	\$ 1,156
Consolidated Gross profit	\$ 159,541	\$ 344	\$ 108,889	\$ 356
Adjusted SG&A	\$ 119,284	\$ 257	\$ 83,107	\$ 272
Adjusted EBITDA	\$ 40,257	\$ 87	\$ 25,782	\$ 84
Adjusted Net income	\$ 39,742	\$ 86	\$ 25,316	\$ 83
<b>Insurance Segment:</b>				
Average Medicare Advantage membership (#)	154,607	N/A	101,959	N/A
Premiums earned, net	\$ 744,189	\$ 1,604	\$ 456,906	\$ 1,494
Insurance Net medical claims incurred	\$ 610,001	\$ 1,315	\$ 367,887	\$ 1,203
Insurance Benefits Expense Ratio	86.5 %	N/A	86.1 %	N/A

<sup>(1)</sup> Calculated per member per month ("PMPM") figures are based on the applicable amount divided by member months in the given period. Member months represents the number of months members are enrolled in a Clover Health plan in the period.

#### *Total revenues*

Total revenues represents the sum of Premiums earned, net and Other income for a given period. Premiums earned, net reflects the earned portion of premiums under our Medicare Advantage contracts with CMS, net of premiums ceded to reinsurers and inclusive of risk adjustment revenue. Other income primarily consists of investment income and other ancillary revenues. We believe Total revenues is a useful measure of the overall scale and growth of our business, as it captures the aggregate economic inflows generated from our Insurance operations and related activities. Management uses Total revenues to evaluate period-over-period growth, assess the impact of membership levels and risk adjustment performance, analyze revenue trends relative to medical cost and operating expense trends, and support strategic planning and capital allocation decisions.

#### *Membership and associated premiums earned and medical claim expenses*

We define new and returning members on a calendar year basis. Any member who is active on July 1 of a given year is considered a returning member in the following year. Any member who joins a Clover plan after July 1 in a given year is considered a new member for the entirety of the following calendar year. We view our number of members and associated PMPM premiums earned and medical claim expenses, in the aggregate and on a PMPM basis, as useful metrics to assess our financial performance. Member growth and retention aligns with our mission, drives our Total revenues, expands brand awareness, deepens our market penetration, creates additional opportunities to inform our data-driven insights to improve care and decrease medical claim expenses, and generates additional data to continue to improve the functioning of Clover Assistant. Among other things, the longer a member is enrolled in one of our insurance plans, the more data we collect and synthesize and the more actionable insights we generate. We believe these data-driven insights lead to better care delivery as well as improved identification, documentation and management of members' chronic conditions, helping to lower PMPM medical claim expenses.

#### *Premiums earned, net*

Premiums earned, net represents the earned portion of our premiums earned, gross, less the earned portion that is ceded to third-party reinsurers under our reinsurance agreements. Premiums are earned in the period in which members are entitled to receive services, and are net of estimated uncollectible amounts, retroactive membership adjustments, and any adjustments to recognize rebates under the minimum benefit ratios required under the ACA.

We earn premiums through our plans offered under contracts with CMS. We receive premiums from CMS on a monthly basis based on our actuarial bid and the risk-adjustment model used by CMS. Premiums anticipated to be received within twelve months based on the documented diagnostic criteria of our members are estimated and included in revenues for the period, including the member months for which the payment is designated by CMS.

Premiums ceded is the amount of premiums earned, gross ceded to reinsurers. From time to time, we enter into reinsurance contracts to limit our exposure to potential losses as well as to provide additional capacity for growth. Under these agreements, the "reinsurer," agrees to cover a portion of the claims of another insurer, i.e., us, the "primary insurer," in return for a portion of their premium. Ceded earned premiums are earned over the reinsurance contract period in proportion to the period of risk covered. The volume of our ceded earned premium is impacted by the level of our premiums earned, gross and any decision we make to adjust our reinsurance agreements.

#### *Insurance net medical claims incurred*

Insurance net medical claims incurred are our medical expenses and consist of the costs of claims, including the costs incurred for claims net of amounts ceded to reinsurers. We enter into reinsurance contracts to limit our exposure to potential catastrophic losses. These expenses generally vary based on the total number of members and their utilization rate of our services.

#### Non-GAAP Financial Measures

We use non-GAAP measures in this Form 10-Q, including Consolidated Gross profit, Adjusted SG&A, Adjusted EBITDA, and Adjusted Net income from operations, and Insurance Benefits expense ratio ("BER"). These non-GAAP financial measures are provided to enhance the reader's understanding of Clover Health's past financial performance and our prospects for the future. Clover Health's management team uses these non-GAAP financial measures in assessing Clover Health's performance, as well as in planning and forecasting future periods. These non-GAAP financial measures are not computed according to GAAP, and the methods we use to compute them may differ from the methods used by other companies. Non-GAAP financial measures are supplemental to and should not be considered a substitute for financial information presented in accordance with GAAP and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

For a description of these non-GAAP financial measures, including the reasons management uses such measures, and the reconciliations of these non-GAAP financial measures to the comparable GAAP measures, please see "Consolidated Gross profit", "Adjusted SG&A", "Adjusted EBITDA", "Adjusted Net income", and "Benefits expense ratio" below.

#### *Consolidated Gross profit*

Consolidated Gross profit represents net income (loss) before salaries and benefits, general and administrative expenses, depreciation and amortization, premium deficiency reserve expense, restructuring costs, impairment of goodwill and other intangible assets, interest expense, change in fair value of warrants, and loss on investment. We believe that Consolidated Gross profit provides management, investors, and others a useful view of consolidated business performance and is much more informative of operational results. Accordingly, we believe that Consolidated Gross profit provides investors and others useful information to understand and evaluate our operating results in the same manner as our management and our board of directors.

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	<i>(in thousands)</i>	
Net income (loss) (GAAP):	\$ 27,334	\$ (1,274)
Adjustments:		
Salaries and benefits	57,063	59,022
General and administrative expenses	74,629	50,675
Depreciation and amortization	515	466
Consolidated Gross profit (Non-GAAP)	<u>\$ 159,541</u>	<u>\$ 108,889</u>

### Adjusted SG&A

Adjusted Salaries and benefits plus General and Administrative expenses ("SG&A") is a non-GAAP financial measure defined by us as total SG&A less stock-based compensation and non-recurring legal expenses and settlements. We believe that Adjusted SG&A provides management, investors, and others a useful view of our operating spend as it excludes non-cash, stock-based compensation and expenses related to investments that management believes do not reflect the Company's core operating expenses. We believe that Adjusted SG&A as a percentage of Total revenues is useful to management, investors, and others because it allows us to measure our operational leverage as revenue scales.

The table below provides a reconciliation of Total SG&A, a GAAP financial measure, to Adjusted SG&A, a non-GAAP measure:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
Salaries and benefits	\$ 57,063	\$ 59,022
General and administrative expenses	74,629	50,675
Total SG&A (GAAP)	131,692	109,697
Adjustments:		
Stock-based compensation	(12,271)	(26,437)
Non-recurring legal expenses and settlements	(137)	(153)
Adjusted SG&A (non-GAAP)	\$ 119,284	\$ 83,107
Total revenues (GAAP)	\$ 749,189	\$ 462,331
Adjusted SG&A (non-GAAP) as a percentage of Total revenues	15.9 %	18.0 %

### Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure defined by us as net income (loss) before depreciation and amortization, loss on investment, interest expense, change in fair value of warrants, stock-based compensation, premium deficiency reserve expense, restructuring (recoveries) costs, impairment of goodwill and other intangible assets, and non-recurring legal expenses and settlements. Adjusted EBITDA is a key measure used by our management team and the board of directors to understand and evaluate our operating performance and trends, to prepare and approve our annual budget and to develop short and long-term operating plans. In particular, we believe that the exclusion of the amounts eliminated in calculating Adjusted EBITDA provide useful measures for period-to-period comparisons of our business. Accordingly, we believe that Adjusted EBITDA provides investors and others useful information to understand and evaluate our operating results in the same manner as our management and our board of directors.

The table below provides a reconciliation of Net income (loss), a GAAP financial measure, to Adjusted EBITDA, a non-GAAP financial measure:

	Three Months Ended March 31,	
	2026	2025
	(in thousands)	
Net income (loss) (GAAP):	\$ 27,334	\$ (1,274)
Adjustments:		
Depreciation and amortization	515	466
Stock-based compensation	12,271	26,437
Non-recurring legal expenses and settlements	137	153
Adjusted EBITDA (non-GAAP)	\$ 40,257	\$ 25,782

### Adjusted Net income

Adjusted Net income is a non-GAAP financial measure defined by us as net income (loss) before stock-based compensation, premium deficiency reserve benefit, restructuring costs, non-recurring legal expenses and settlement, and impairment of goodwill and other intangible assets. Adjusted Net income is a key measure used by our management team and the board of directors to understand and evaluate our operating performance and trends. We believe that Adjusted Net income is helpful to investors in assessing the Company's financial performance in the same manner as our management and our board of directors.

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	(in thousands)	
Net income (loss) (GAAP):	\$ 27,334	\$ (1,274)
Adjustments:		
Stock-based compensation	12,271	26,437
Non-recurring legal expenses and settlements	137	153
Adjusted Net income (non-GAAP)	<u>\$ 39,742</u>	<u>\$ 25,316</u>

### Insurance Benefits Expense Ratio

Insurance Benefits Expense Ratio ("BER") is a non-GAAP financial measure. We calculate our BER by taking the total of Insurance net medical expenses incurred and quality improvements, and dividing that total by premiums earned on a net basis, in a given period. Quality improvements include expenses associated with activities that improve health outcomes, as defined by the U.S. Department of Health and Human Services ("HHS"), as well as those directly tied to enhancing healthcare quality, such as the Company's spend on health information technology, wellness and prevention programs, initiatives to reduce hospital readmissions, and our clinically focused Member Rewards program for the current year. We believe our BER is useful to management, investors, and others because it offers a clearer and more accurate representation of our investment in healthcare quality and member engagement, and gives a comprehensive view of costs related to maintaining and improving the quality of care of our members, which is crucial for sustaining member satisfaction and adherence to treatment regimens. The Company has discontinued disclosure of Normalized Insurance Benefits Expense Ratio ("Normalized BER") beginning in the first quarter of 2026, as management no longer uses this metric to evaluate operating performance or allocate resources. The Company will continue to present Insurance Benefits Expense Ratio.

The tables below provide reconciliations of Insurance Net medical claims incurred, net and Premiums earned, net which are GAAP measures, to Insurance BER, which represents a non-GAAP measure.

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
	(in thousands)	
Net medical claims incurred, net (GAAP)	\$ 610,001	\$ 367,887
Adjustments:		
Quality improvements	34,047	25,712
Insurance Benefits Expense (non-GAAP)	<u>\$ 644,048</u>	<u>\$ 393,599</u>
Premiums earned, net (GAAP)	\$ 744,189	\$ 456,906
Insurance Benefits Expense Ratio (non-GAAP)	86.5 %	86.1 %

## Results of Operations

### Comparison of the Three Months Ended March 31, 2026 and 2025

The following table summarizes our condensed consolidated results of operations for the three months ended March 31, 2026 and 2025. The period-to-period comparison of results is not necessarily indicative of results for future periods.

	Three Months Ended March 31,		Change Between 2026 and 2025	
	2026	2025	(\$)	(%)
(in thousands)				
<b>Revenues</b>				
Premiums earned, net (Net of ceded premiums of \$92 and \$95 for the three months ended March 31, 2026 and 2025, respectively)	\$ 744,189	\$ 456,906	\$ 287,283	62.9 %
Other income	5,000	5,425	(425)	(7.8)
<b>Total revenues</b>	<b>749,189</b>	<b>462,331</b>	<b>286,858</b>	<b>62.0</b>
<b>Operating expenses</b>				
Net medical claims incurred	589,648	353,442	236,206	66.8
Salaries and benefits	57,063	59,022	(1,959)	(3.3)
General and administrative expenses	74,629	50,675	23,954	47.3
Depreciation and amortization	515	466	49	10.5
<b>Total operating expenses</b>	<b>721,855</b>	<b>463,605</b>	<b>258,250</b>	<b>55.7</b>
Income (loss) from operations	27,334	(1,274)	28,608	*
<b>Net income (loss)</b>	<b>\$ 27,334</b>	<b>\$ (1,274)</b>	<b>\$ 28,608</b>	<b>*</b>

\* Not presented because the current or prior period amount is zero or the amount for the line item changed from a gain to a loss (or vice versa) and thus yields a result that is not meaningful.

#### **Premiums earned, net**

Premiums earned, net increased \$287.3 million, or 63%, to \$744.2 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025. The increase was primarily driven by growth in our average members over the period, which increased approximately 51%. In addition, we are currently being paid on 4.0 stars in the current year as compared to 3.5 stars in the prior period for our PPO plans which comprises the large majority of our members.

#### **Other income**

Other income decreased by \$0.4 million, or 8%, to \$5.0 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025. The decrease was primarily driven by a lower interest rate environment during the period, which resulted in lower investment income.

#### **Net medical claims incurred**

Net medical claims incurred increased \$236.2 million, or 67%, to \$589.6 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025. The increase was primarily driven by growth in our average members during the period, which increased approximately 51%.

#### **Salaries and benefits**

Salaries and benefits decreased by \$2.0 million, or 3%, to \$57.1 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025. This decrease was primarily driven by a decrease in our stock-based compensation expense partially offset by an increase in base salaries as a result of an increase in headcount to support our membership growth.

#### **General and administrative expenses**

General and administrative expenses increased \$24.0 million, or 47%, to \$74.6 million for the three months ended March 31, 2026, compared to the three months ended March 31, 2025. The increase was primarily driven by higher professional fees and broker fees driven by membership growth during the most recent annual enrollment period.

## Liquidity and Capital Resources

We manage our liquidity and financial position in the context of our overall business strategy. We continually forecast and manage our cash, investments, working capital balances, and capital structure to meet the short-term and long-term obligations of our businesses while seeking to maintain liquidity and financial flexibility.

Historically, we have financed our operations primarily from the proceeds we received through premiums earned under our MA plans. We expect that our cash, cash equivalents, investments, and our current projections of cash flows, taken together, will be sufficient to meet our projected operating and regulatory requirements for the next 12 months based on our current plans. Our future capital requirements will depend on many factors, including our needs to support our business growth, to respond to business opportunities, challenges or unforeseen circumstances, or for other reasons. We may be required to seek additional equity or debt financing to provide the capital required to maintain or expand our operations. Any future equity financing may be dilutive to our existing investors, and any future debt financing may include debt service requirements and financial and other restrictive covenants that may constrain our operations and growth strategies. If additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us, or at all. If we are unable to raise additional capital when desired, our business, results of operations, and financial condition would be adversely affected.

### *Consolidated Entities*

Our cash equivalents and investment securities consist primarily of money market funds, U.S. government debt securities, and corporate debt securities. At March 31, 2026 and December 31, 2025, total cash, cash equivalents, and investments were \$418.2 million and \$319.9 million, respectively. These totals consist of \$240.7 million and \$224.6 million at March 31, 2026 and December 31, 2025, respectively, that specifically relate to available-for-sale and held-to-maturity investment securities.

### *Unregulated Entities*

At March 31, 2026 and December 31, 2025, total cash, cash equivalents, and investments for the parent company, Clover Health Investments, Corp., and unregulated subsidiaries were \$105.5 million and \$122.0 million, respectively. We operate as a holding company in a highly regulated industry. As such, we may receive dividends and administrative expense reimbursements from our subsidiaries, two of which are subject to regulatory restrictions. We continue to maintain significant levels of aggregate excess statutory capital and surplus in our state-regulated insurance subsidiaries.

### *Regulated Entities*

At March 31, 2026 and December 31, 2025, total cash, cash equivalents, and investments for our regulated subsidiaries were \$312.7 million and \$197.9 million, respectively. Additionally, our regulated insurance subsidiaries held \$178.5 million and \$178.1 million of available-for-sale and held-to-maturity investment securities at March 31, 2026 and December 31, 2025, respectively. Our use of operating cash derived from our unregulated subsidiaries is generally not restricted by departments of insurance (or comparable state regulatory agencies). Our regulated insurance subsidiaries are subject to regulations and standards in their respective jurisdictions on their ability to declare and pay dividends to the parent. As of March 31, 2026, there have been no dividends paid to the parent. Insurance regulators have broad powers to prevent reduction of statutory surplus to inadequate levels, and there is no assurance that dividends of the maximum amounts calculated under any applicable formula would be permitted. State insurance regulatory authorities that have jurisdiction over the payment of dividends by our regulated insurance subsidiary may in the future adopt statutory provisions more restrictive than those currently in effect.

For a detailed discussion of our regulatory requirements, including aggregate statutory capital and surplus as well as dividends paid from the subsidiaries to the parent, please refer to Notes 20 "Dividend Restrictions", 21 "Statutory Equity", and 22 "Regulatory Matters" in the 2025 Form 10-K.

## Cash Flows

The following table summarizes our condensed consolidated cash flows for the three months ended March 31, 2026 and 2025.

Three Months ended March 31,	2026	2025
	(in thousands)	
Cash Flows Data:		
Net cash provided by (used in) operating activities	\$ 107,895	\$ (16,293)
Net cash (used in) provided by investing activities	(5,068)	8,930
Net cash used in financing activities	(7,863)	(31,741)
Increase (decrease) in cash and cash equivalents	\$ 94,964	\$ (39,104)

### ***Cash Requirements***

Our cash requirements within the next twelve months include medical claims payable, accounts payable and accrued liabilities, current liabilities, purchase commitments, and other obligations. We expect the cash required to meet these obligations to be primarily generated through cash, cash equivalents, short-term investments, and our current projections of cash flows from operations.

### ***Operating Activities***

Our largest source of operating cash flows is capitated payments from CMS. Our primary uses of cash from operating activities are payments for medical benefits and payments of operating expenses.

For the three months ended March 31, 2026, Net cash provided by operating activities was \$107.9 million, which reflects Net income of \$27.3 million. The changes in operating assets and liabilities were largely attributable to a \$107.2 million increase in Unpaid claims. Non-cash activities primarily included a \$12.3 million charge to Stock-based compensation.

For the three months ended March 31, 2025, Net cash used in operating activities was \$16.3 million, which reflects a Net loss of \$1.3 million. Non-cash activities primarily included a \$26.4 million charge to Stock-based compensation expense.

### ***Investing Activities***

Net cash used in investing activities for the three months ended March 31, 2026 of \$5.1 million was primarily due to \$40.9 million used to purchase investments. This was partially offset by \$36.7 million provided from the sales and maturities of investment securities.

Net cash provided by investing activities for the three months ended March 31, 2025 of \$8.9 million was primarily due to \$42.3 million provided from the sales and maturities of investment securities. This was partially offset by \$33.2 million used to purchase investments.

For additional information regarding our investing activities, please refer to Note 3 "Investment Securities" to our condensed consolidated financial statements included in this Form 10-Q.

### ***Financing Activities***

Net cash used in financing activities for the three months ended March 31, 2026 of \$7.9 million was primarily the result of cash paid for shares withheld related to stock-based compensation totaling \$7.9 million.

Net cash used in financing activities for the three months ended March 31, 2025 of \$31.7 million was primarily the result of cash paid for repurchases our Class A common stock totaling \$18.3 million in addition to cash paid for shares withheld related to stock-based compensation totaling \$13.7 million.

### ***Financing Arrangements***

There have been no material changes to our financing arrangements at March 31, 2026.

### ***Contractual Obligations and Commitments***

We believe that funds from projected future operating cash flows, cash, cash equivalents, and investments will be sufficient for future operations and commitments, and for capital acquisitions and other strategic transactions, over at least the next 12 months.

Material cash requirements from known contractual obligations and commitments at March 31, 2026 include operating lease obligations of \$3.8 million. These commitments are associated with contracts that were enforceable and legally binding at March 31, 2026, and that specified all significant terms, including fixed or minimum serves to be used, fixed, minimum, or variable price provisions, and the approximate timing of the actions under the contracts. There were no other material cash requirements from known contractual obligations and commitments at March 31, 2026. For additional information regarding our remaining estimated contractual obligations and commitments, see Note 12 "Commitments and Contingencies" in the accompanying notes to the consolidated financial statements included in this Form 10-Q.

### ***Indemnification Agreements***

In the ordinary course of business, we enter into agreements, with various parties (providers, vendors, consultants, etc.), with varying scope and terms, pursuant to which we may agree to defend, indemnify, and hold harmless the other parties from any claim, demand, loss, lawsuit, settlement, judgment, fine, or other liability, and all related expenses that may accrue therefrom (including reasonable attorneys' fees), arising from or in connection with third party claims, including, but not limited to, negligence, recklessness, willful misconduct, fraud, or otherwise wrongful act or omission with respect to our obligations under the applicable agreements.

### **Off-balance Sheet Arrangements**

We do not have any off-balance sheet arrangements, as defined by applicable regulations of the SEC, that are reasonably likely to have a current or future material effect on our financial condition, results of operations, liquidity, capital expenditures, or capital resources.

### **Critical Accounting Policies and Estimates**

We believe that the accounting policies and estimates involve a significant degree of judgment and complexity. There have been no significant changes in our critical accounting policies and estimates during the three months ended March 31, 2026, as compared to the critical accounting policies and estimates disclosed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the 2025 Form 10-K.

### **Recently Issued and Adopted Accounting Pronouncements**

See Note 2 "Summary of Significant Accounting Policies" in the accompanying notes to the consolidated financial statements included in this Form 10-Q for a discussion of accounting pronouncements recently adopted and recently issued accounting pronouncements not yet adopted and their potential impact to our consolidated financial statements.

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

Market risk is the risk of economic losses due to adverse changes in the estimated fair value of a financial instrument as the result of changes in equity prices, interest rates, foreign currency exchange rates and commodity prices. Our Condensed Consolidated Balance Sheets include assets and liabilities with estimated fair values that are subject to market risk. Our primary market risk has been interest rate risk associated with investments in instruments with fixed maturities. We do not have material exposure to commodity risk.

We are also exposed to credit risk on our investment portfolio. We manage the exposure to credit risk in our portfolio by investing in high quality securities and diversifying our holdings.

We monitor our investment portfolio to ensure that credit risk does not exceed prudent levels. Our investment policy is focused on preservation of capital, liquidity and earning a modest yield. Substantially all of our investment portfolio is invested in U.S. Treasury fixed maturity securities. At March 31, 2026, none of our fixed maturity securities portfolio was unrated or rated below investment grade.

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

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

Disclosure controls are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Exchange Act, such as this report, is recorded, processed, summarized, and reported within the time period specified in the SEC's rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure. Our management evaluated, with the participation of our current chief executive officer and chief financial officer (our "Certifying Officers"), the effectiveness of our disclosure controls and procedures at March 31, 2026, pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, our Certifying Officers concluded that, at March 31, 2026, our disclosure controls and procedures were effective.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

#### **Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II

### Item 1. Legal Proceedings

From time to time, in the normal course of business, we are subject to various legal proceedings, investigations (both formal and informal), and claims incidental to the conduct of a highly regulated business. Such proceedings can be costly, time consuming, and unpredictable. Therefore, no assurance can be given on the outcome of any proceeding or the potential impact on our financial condition or results of operation.

Information concerning legal proceedings can be found in Note 12 "Commitments and Contingencies" in the accompanying notes to condensed consolidated financial statements included in Part I, Item 1 of this Form 10-Q, which information is incorporated by reference into this item.

### Item 1A. Risk Factors

Except as subsequently disclosed in our periodic reports, there have been no material changes in our risk factors from those disclosed in Part I, Item 1A of the 2025 Form 10-K. In the course of conducting our business operations, we are exposed to a variety of recurring and new risks, any of which have affected or could materially adversely affect our business, financial condition, and results of operations. The market price of our Class A common stock could decline, possibly significantly or permanently, if one or more of these risks and uncertainties occurs. Any factor described in this report or in any of our other SEC filings could by itself, or together with other factors, adversely affect our financial results and condition. For a discussion of risk factors that could adversely affect our financial results and condition, and the value of, and return on, an investment in the Company, please see the "Item 1A. Risk Factors" section included in the 2025 Form 10-K, as well as the factors identified under "Cautionary Note Regarding Forward-Looking Statements" at the beginning of Part I, Item 1 of this Form 10-Q and as may be updated in subsequent filings with the SEC.

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

None.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

During the three months ended March 31, 2026, as described below, two of the Company's officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408(a) of Regulation S-K of the Securities Act). None of the Company's directors (as defined in Rule 16a-1(f) of the Exchange Act) entered into such a trading arrangement during the quarter.

On March 12, 2026, Karen Soares, the Chief Legal Officer of the Company, adopted a Rule 10b5-1 trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended. The trading plan was entered into during an open trading window in accordance with the Company's Insider Trading Policy and includes a cooling-off period of 90 days. The plan provides for the potential sale of up to 236,240 shares of the Company's Class A Common Stock, subject to specified market price conditions and other terms, beginning no earlier than June 11, 2026, and ending no later than February 28, 2027. Ms. Soares has informed the Company that the purpose of the trading plan is to facilitate personal financial planning, including tax and diversification strategies. Any transactions under the plan will be disclosed publicly through Form 4 filings with the Securities and Exchange Commission, as applicable.

On March 12, 2026, Jamie Reynoso, our Chief Executive Officer of Medicare Advantage, adopted a Rule 10b5-1 trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended. The trading plan was entered into during an open trading window in accordance with the Company's Insider Trading Policy and includes a cooling-off period of 90 days. The plan provides for the potential sale of up to 300,868 shares of the Company's Class A Common Stock, subject to specified market price conditions and other terms, beginning no earlier than June 11, 2026, and ending no later than February 28, 2027. Ms. Reynoso has informed the Company that the purpose of the trading plan is to facilitate personal financial planning, including tax and diversification strategies. Any transactions under the plan will be disclosed publicly through Form 4 filings with the Securities and Exchange Commission, as applicable.

## Item 6. Exhibits and Financial Statement Schedules

A list of exhibits to this Form 10-Q is set forth below:

<b>Exhibit No.</b>	<b>Description</b>
10.1*	<a href="#">Amended Form of Restricted Stock Unit Award Agreement</a>
31.1*	<a href="#">Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
31.2*	<a href="#">Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
32.1†	<a href="#">Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
32.2†	<a href="#">Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Filed herewith.

† Furnished herewith.



**CLOVER HEALTH INVESTMENTS, CORP.**

**2020 EQUITY INCENTIVE PLAN**

**NOTICE OF RESTRICTED STOCK UNIT GRANT**

**[INSERT NAME]:**

You have been granted the right to receive an Award of Restricted Stock Units, subject to the terms and conditions of this Restricted Stock Unit Grant Notice (the “*Notice of Grant*”), the Clover Health Investments, Corp. 2020 Equity Incentive Plan (the “*Plan*”) and the attached Restricted Stock Unit Agreement ([which includes the Country-Specific Addendum,] the “*Award Agreement*”), as set forth below. Unless otherwise defined herein, the terms used in this Notice of Grant shall have the meanings defined in the Plan.

Grant Number: [INSERT NUMBER]

Date of Grant: [INSERT DATE]

Vesting Commencement Date: [INSERT DATE]

Number of Restricted Stock Units: [INSERT NUMBER]

Vesting Schedule:

Subject to Section 3 of the Award Agreement, the Restricted Stock Units will vest in accordance with the following schedule: [INSERT VESTING SCHEDULE].

By accepting this Award (whether electronically or otherwise), Participant acknowledges and agrees to the following:

1. This Award is governed by the terms and conditions of this Award Agreement and the Plan. In the event of a conflict between the terms of the Plan and this Award Agreement, the terms of the Plan will prevail. Capitalized terms used and not defined in this Award Agreement and the Notice of Grant will have the meaning set forth in the Plan.
2. Participant has received a copy of the Plan, the Award Agreement, the Plan prospectus, and the Insider Trading Policy and represents that Participant has read these documents and is familiar with their terms. Participant further agrees to accept as binding, conclusive, and final all decisions and interpretations of the Administrator (or its delegees) regarding any questions relating to this Award and the Plan.
3. Vesting of the Award is subject to Participant’s continuous status as a Service Provider, which is for an unspecified duration and may be terminated at any time, with or without Cause, and nothing in the Award Agreement or the Plan changes the nature of that relationship.
4. The Company is not providing any tax, legal, or financial advice, nor is the Company making any recommendations regarding participation in the Plan. Participant should consult with his or her own personal tax, legal, and financial advisors regarding participation in the Plan before taking any action related to the Plan.
5. Participant consents to electronic delivery and participation as set forth in the Plan and the Award Agreement.

PARTICIPANT:

CLOVER HEALTH INVESTMENTS, CORP.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
By

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**CLOVER HEALTH INVESTMENTS, CORP.**

**2020 EQUITY INCENTIVE PLAN**

**RESTRICTED STOCK UNIT AGREEMENT**

1. Grant. The Company hereby grants to the individual (the "**Participant**") named in the Notice of Restricted Stock Unit Grant (the "**Notice of Grant**") an Award of Restricted Stock Units under the Clover Health Investments, Corp. 2020 Equity Incentive Plan (the "**Plan**"), subject to all of the terms and conditions in the Notice of Grant, this Restricted Stock Unit Agreement (the "**Award Agreement**") and the Plan, which is incorporated herein by reference. [If there is a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.]

2. Company's Obligation to Pay. Each Restricted Stock Unit represents the right to receive a Share on the date it vests. Unless and until the Restricted Stock Units will have vested in the manner set forth in Section 3, Participant will have no right to receive Shares pursuant to any such Restricted Stock Units. Prior to actual payment of any vested Restricted Stock Units, such Restricted Stock Units will represent an unsecured obligation of the Company. Any Restricted Stock Units that vest in accordance with Section 3 will be settled by delivery of whole Shares as set forth herein to Participant (or in the event of Participant's death, to his or her estate), subject to Participant satisfying any Tax-Related Items as set forth in Section 7. Subject to the provisions of Section 4, such vested Restricted Stock Units will be settled by delivery of whole Shares as soon as practicable after vesting, but in each such case within the period ending no later than the date that is two and one-half (2 1/2) months from the end of the Company's tax year that includes the vesting date. In no event will Participant be permitted, directly or indirectly, to specify the taxable year in which Shares will be issued upon payment of any Restricted Stock Units under this Award Agreement.

3. Vesting Schedule. The Restricted Stock Units awarded by this Award Agreement will vest in accordance with the vesting provisions set forth in the Notice of Grant. [Restricted Stock Units scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in accordance with any of the provisions of this Award Agreement, unless Participant will have been continuously a Service Provider from the Date of Grant until the date such vesting occurs.] Status as a Service Provider for purposes of this Award will end on the day that Participant is no longer actively providing services as an Employee, Director, or Independent Contractor and will not be extended by any notice period or "garden leave" that may be required contractually or under Applicable Laws. Notwithstanding the foregoing, the Administrator (or any delegate) shall have the sole and absolute discretion to determine when Participant is no longer providing active service for purposes of Service Provider status and participation in the Plan.

4. Administrator Discretion. Notwithstanding anything in the Plan or this Award Agreement to the contrary, if the vesting of the balance, or some lesser portion of the balance, of the Restricted Stock Units is accelerated in connection with Participant's termination as a Service Provider (provided that such termination is a "separation from service" within the meaning of Code Section 409A, as determined by the Company), other than due to death, and if (x) Participant is a "specified employee" within the meaning of Code Section 409A at the time of such termination as a Service Provider and (y) the payment of such accelerated Restricted Stock Units will result in the imposition of additional tax under Code Section 409A if paid to Participant on or within the six (6) month period following

Participant's termination as a Service Provider, then the payment of such accelerated Restricted Stock Units will not be made until the date six (6) months and one

(1) day following the date of Participant's termination as a Service Provider, unless the Participant dies following his or her termination as a Service Provider, in which case, the Restricted Stock Units will be settled in Shares to the Participant's estate as soon as practicable following his or her death. It is the intent of this Award Agreement that it and all payments and benefits hereunder be exempt from, or comply with, the requirements of Code Section 409A so that none of the Restricted Stock Units provided under this Award Agreement or Shares issuable thereunder will be subject to the additional tax imposed under Code Section 409A, and any ambiguities herein will be interpreted to be so exempt or so comply. Each payment payable under this Award Agreement is intended to constitute a separate payment for purposes of U.S. Treasury Regulation Section 1.409A-2(b)(2). For purposes of this Award Agreement, "Code Section 409A" means Section 409A of the Code, and any final U.S. Treasury Regulations and U.S. Internal Revenue Service guidance thereunder, as each may be amended from time to time.

5. Forfeiture upon Termination of Status as a Service Provider. Except as otherwise provided in the Notice of Grant, any Restricted Stock Units that have not vested will be forfeited and will return to the Plan on the date that is thirty (30) days following the termination of Participant's status as a Service Provider.

6. Death of Participant. Any distribution or delivery to be made to Participant under this Award Agreement will, if Participant is then deceased, be made to Participant's designated beneficiary, if so allowed by the Administrator in its sole discretion, or if no beneficiary survives Participant, the administrator or executor of Participant's estate. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any Applicable Laws or regulations pertaining to said transfer.

7. Withholding of Taxes. Regardless of any action the Company or Participant's employer (the "**Employer**") takes with respect to any or all applicable national, local, or other tax or social contribution, withholding, required deductions, or other payments, if any, that arise upon the grant or vesting of the Restricted Stock Units or the holding or subsequent sale of Shares, and the receipt of dividends, if any, or otherwise in connection with the Restricted Stock Units or the Shares ("**Tax-Related Items**"), Participant acknowledges and agrees that the ultimate liability for all Tax-Related Items legally due by Participant is and remains Participant's responsibility and may exceed any amount actually withheld by the Company or the Employer. Participant further acknowledges and agrees that Participant is solely responsible for filing all relevant documentation that may be required in relation to the Restricted Stock Units or any Tax-Related Items (other than filings or documentation that is the specific obligation of the Company, an Affiliate or Employer pursuant to Applicable Laws) such as but not limited to personal income tax returns or reporting statements in relation to the grant, vesting or payment of the Restricted Stock Units, the holding of Shares or any bank or brokerage account, the subsequent sale of Shares, and the receipt of any dividends. Participant further acknowledges that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant or vesting of the Restricted Stock Units, the subsequent sale of Shares acquired under the Plan, and the receipt of dividends, if any; and (b) do not commit to and are under no obligation to structure the terms of the Restricted Stock Units or any aspect of the Restricted Stock Units to reduce or eliminate Participant's liability for Tax-Related Items, or achieve any particular tax result. Participant also understands that Applicable Laws may require varying Share or Restricted Stock Unit valuation methods for purposes of calculating Tax-Related Items, and the Company assumes no responsibility or liability in relation to any such valuation or for any calculation or reporting of income or Tax-Related Items that may be required of Participant under Applicable Laws. Further, if Participant has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Notwithstanding any contrary provision of this Award Agreement, no certificate representing the Shares will be issued to Participant, unless and until satisfactory arrangements (as determined by the Administrator) will have been made by Participant with respect to the payment of any Tax-Related Items which the Company determines must be withheld with respect to such Shares.

As a condition to the grant and vesting of the Restricted Stock Units and as set forth in Section 16 of the Plan, Participant hereby agrees to make adequate provision for the satisfaction of (and will indemnify the Company and any Affiliate for) any Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (i) by receipt of a cash payment from Participant; (ii) by withholding from Participant's wages or other cash compensation paid to Participant by the Company or the Employer; (iii) withholding Shares that otherwise would be issued to Participant upon payment of the vested Restricted Stock Units (provided that amounts withheld shall not exceed the amount necessary to satisfy the Company's minimum tax withholding obligations); (iv) by withholding from proceeds of the sale of Shares acquired upon payment of the vested Restricted Stock Units through a voluntary sale or a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization), or (v) by any other arrangement approved by the Committee. Any Shares withheld pursuant to this Section 7 shall be valued based on the Fair Market Value as of the date the withholding obligations are satisfied. Furthermore, Participant agrees to pay the Company, any Affiliate or Employer any Tax-Related Items that cannot be satisfied by the foregoing methods. If Participant is subject to Section 16 of the Exchange Act, unless either an alternative method is authorized by the Committee or the Participant has made a "Cash Election Payment" (as defined below), otherwise authorized by the Company, Participant's obligations with respect to all Tax-Related Items shall be satisfied by the method described in clause (iv) above, with the sale arranged by the Company pursuant to a mandatory "sell-to-cover" program (the "**Sell to Cover Program**") instituted by the Company with a registered broker-dealer such that the registered broker dealer will sell on the open market the number of Shares having an aggregate value, after deduction of the broker's commission and applicable fees, if any, necessary to generate the proceeds needed to satisfy the Tax-Related Items. The Sell-to-Cover Program will be administered by the Company with no discretion by the Participant with respect to any sale under the Sell-to-Cover Program. To the extent the proceeds of such sale(s) exceed the Tax-Related Items, the Company agrees to pay any excess cash to the Participant as soon as practicable. The Participant agrees to hold the Company and the broker harmless from all costs, damages or expenses relating to any such sale(s). The Participant acknowledges that the Company and the broker are under no obligation to arrange for such sale(s) at any particular price, and that the sales on the open market will occur at the then prevailing market price(s) as soon as practicable on or after each date on which the RSUs are settled. In connection with such sale of Shares, the Participant shall execute any such documents requested by the broker, if any, in order to effectuate the sale of Shares and payment of the withholding obligation to the Company. If a Participant who is subject to Section 16 of the Exchange Act wishes to be excluded from the Sell to Cover Program for one or more vesting events, Participant may, at the Participant's written request on a form approved by the Company executed during an open trading window under the terms of the Company's insider trading policy, as amended from time to time, (a "Cash Payment Election"), make an irrevocable election to pay to the Company prior to each applicable vesting event an amount of cash to satisfy the Tax-Related Items, as described in clause (i) above, through a procedure to be established with the Company; provided that, if a Cash Payment Election is completed, the Cash Payment Election cannot apply to any vesting events that occurs within 90 days of the date on which the Cash Payment Election was completed. Without limiting the generality of the foregoing, if Participant is subject to Section 16 of the Exchange Act, any implementation of a net settlement contemplated by clause (iii) above shall be specifically authorized and approved by the Committee or the Board prior to the applicable vesting event.

8. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until such Shares will have been issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). After such issuance, Participant will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares, but prior to such issuance, Participant will not have any rights to dividends and/or distributions on such Shares.

9. No Guarantee of Continued Service or Grants. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE RESTRICTED STOCK UNITS PURSUANT TO THE VESTING SCHEDULE HEREOF SHALL OCCUR ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE EMPLOYER OR CONTRACTING ENTITY (AS APPLICABLE) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OF RESTRICTED STOCK UNITS OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD

AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE EMPLOYER OR THE COMPANY (OR ANY AFFILIATE) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE, SUBJECT TO APPLICABLE LAWS.

Participant also acknowledges and agrees that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time; (b) the grant of Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been granted repeatedly in the past; (c) all decisions with respect to future awards of Restricted Stock Units, if any, will be at the sole discretion of the Company; (d) Participant's participation in the Plan is voluntary; (e) the Restricted Stock Units and the Shares subject to the Restricted Stock Units are extraordinary items that do not constitute regular compensation for services rendered to the Company or the Employer, and that are outside the scope of Participant's employment contract, if any; (f) the Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation; (g) the Restricted Stock Units and the Shares subject to the Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, or end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer, subject to Applicable Laws.

10. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company, in care of its Secretary at Clover Health Investments, Corp., 725 Cool Springs Blvd, Suite 300, Franklin, Tennessee 37067, or at such other address as the Company may hereafter designate in writing.

11. Grant is Not Transferable. Except to the limited extent provided in Section 6, this grant and the rights and privileges conferred hereby may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of Applicable Laws or otherwise) and may not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this grant, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this grant and the rights and privileges conferred hereby immediately will become null and void.

12. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

13. Additional Conditions to Issuance of Stock and Imposition of Other Requirements. If at any time the Company will determine, in its discretion, that the listing, registration, qualification or compliance of the Shares upon or with any securities exchange or under any Applicable Laws, the tax code and related regulations or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate) hereunder, such issuance will not occur unless and until such listing, registration, qualification, compliance, consent or approval will have been completed, effected or obtained free of any conditions not acceptable to the Company. Where the Company determines that the delivery of any Shares will violate any state, federal or foreign securities or exchange laws or other Applicable Laws, the Company will defer delivery until the earliest date at which the Company reasonably anticipates that the delivery of Shares will no longer cause such violation.

The Company will make all reasonable efforts to meet the requirements of any Applicable Laws or securities exchange and to obtain any such consent or approval of any such governmental authority or securities exchange. The Company shall not be obligated to issue any Shares pursuant to the Restricted Stock Units at any time if the issuance of Shares violates or is not in compliance with any Applicable Laws.

Furthermore, the Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with any Applicable Laws or facilitate the administration of the Plan, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, Participant understands that the Applicable Laws of the country in which he or she is resident at the time of grant or vesting of the Restricted Stock Units or the holding or disposition of Shares (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may restrict or prevent the issuance of Shares or may subject Participant to additional procedural or regulatory requirements he or she is solely responsible for and will have to independently fulfill in relation to the Restricted Stock Units or the Shares. Notwithstanding any provision herein, the Restricted Stock Units and any Shares shall be subject to any special terms and conditions or disclosures as set forth in the Company's bylaws, including any restrictions on the disposition of Shares acquired under the Plan [and any addendum for Participant's country (the "*Country-Specific Addendum*," which forms part this Award Agreement)]. Participant also understands and agrees that if he or she works, resides, moves to, or otherwise is or becomes subject to Applicable Laws or company policies of another jurisdiction at any time, certain country-specific notices, disclaimers and/or terms and conditions may apply to him or her as from the date of grant, unless otherwise determined by the Company in its sole discretion.

14. Plan Governs. This Award Agreement is subject to all terms and provisions of the Plan. If there is a conflict between one or more provisions of this Award Agreement and one or more provisions of the Plan, the provisions of the Plan will govern. Capitalized terms used and not defined in this Award Agreement and the Notice of Grant will have the meaning set forth in the Plan.

15. Administrator Authority. The Administrator will have the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination regarding whether any Restricted Stock Units have vested). All actions taken, and all interpretations and determinations made, by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

16. Electronic Delivery and Acceptance. By accepting this Award, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, and consents to the electronic delivery of the Award Agreement, the Plan, account statements, Plan prospectuses, and all other documents, communications, or information related to the Award and current or future participation in the Plan. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail, or such other delivery determined at the Company's discretion. Participant may receive from the Company a paper copy of any documents delivered electronically at no cost if Participant contacts the Company by telephone, through a postal service, or electronic mail to Stock Administration.

17. Translation. If Participant has received this Award Agreement, including appendices, or any other document related to the Plan translated into a language other than English, and the meaning of the translated version is different than the English version, the English version will control.

18. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

19. Agreement Severable. If any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

20. Modifications to the Award Agreement. This Award Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Award Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. Notwithstanding anything to the contrary in the Plan or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and

without the consent of Participant, to comply with Code Section 409A or to otherwise avoid imposition of any additional tax or income recognition under Code Section 409A in connection to this Award of Restricted Stock Units.

21. **Data Privacy.** *Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's Personal Data (as described below) by and among, as applicable, the Company, any Affiliate or third parties as may be selected by the Company for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan. Participant understands that refusal or withdrawal of consent will affect Participant's ability to participate in the Plan; without providing consent, Participant will not be able to participate in the Plan or realize benefits (if any) from the Restricted Stock Units.*

*Participant understands that the Company and any Affiliate or designated third parties may hold personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any Affiliate, details of all Restricted Stock Units or any other entitlement to Shares awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Personal Data"). Participant understands that Personal Data may be transferred to any Affiliate or third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the United States, Participant's country (if different than the United States), or elsewhere, and that the recipient's country may have different data privacy laws and protections than Participant's country. In particular, the Company may transfer Personal Data to the broker or stock plan administrator assisting with the Plan, to its legal counsel and tax/accounting advisor, and to the Affiliate or entity that is Participant's employer and its payroll provider.*

*Participant should also refer to any data privacy policy implemented by the Company (which will be available to Participant separately and may be updated from time to time) for more information regarding the collection, use, storage, and transfer of Participant's Personal Data.*

22. **Foreign Exchange Fluctuations and Restrictions.** Participant understands and agrees that the future value of the underlying Shares is unknown and cannot be predicted with certainty and may decrease. Participant also understands that neither the Company, nor any Affiliate is responsible for any foreign exchange fluctuation between local currency and the United States Dollar or the selection by the Company or any Affiliate in its sole discretion of an applicable foreign currency exchange rate that may affect the value of the Restricted Stock Units or Shares received (or the calculation of income or Tax-Related Items thereunder). Participant understands and agrees that any cross-border remittance made to transfer proceeds received upon the sale of Shares must be made through a locally authorized financial institution or registered foreign exchange agency and may require the Participant to provide such entity with certain information regarding the transaction.

23. **Amendment, Suspension or Termination of the Plan.** By accepting this Award, Participant expressly warrants that he or she has received an Award of Restricted Stock Units under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

24. **Governing Law and Venue.** This Award Agreement will be governed by the laws of the State of Delaware, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Award of Restricted Stock Units or this Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Delaware, and agree that such litigation will be conducted in the courts of New Castle County, Delaware, or the federal courts for the United States for the District of Delaware, and no other courts.

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## **[Country-Specific Addendum**

This Addendum includes additional country-specific notices, disclaimers, and/or terms and conditions that apply to individuals who are working or residing in the countries listed below, if any, and that may be material to Participant's participation in the Plan. Such notices, disclaimers, and/or terms and conditions may also apply, as from the date of grant, if Participant moves to or otherwise is or becomes subject to the Applicable Laws or company policies of any country listed below. However, because foreign exchange regulations and other local laws are subject to frequent change, Participant is advised to seek advice from his or her own personal legal and tax advisor prior to accepting the Restricted Stock Units or holding or selling Shares acquired under the Plan. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's acceptance of the Restricted Stock Units or participation in the Plan. Unless otherwise noted below, capitalized terms shall have the same meaning assigned to them under the Plan, the Notice of Restricted Stock Unit Grant and the Award Agreement. This Addendum forms part of the Award Agreement and should be read in conjunction with the Award Agreement and the Plan.

**Securities Law Notice:** Unless otherwise noted, neither the Company nor the Shares are registered with any local stock exchange or under the control of any local securities regulator outside the United States. The Award Agreement (of which this Addendum is a part), the Notice of Restricted Stock Unit Grant, the Plan, and any other communications or materials that you may receive regarding participation in the Plan do not constitute advertising or an offering of securities outside the United States, and the issuance of securities described in any Plan-related documents is not intended for public offering or circulation in your jurisdiction.]



**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Clay Thornton, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the three months ended March 31, 2026, of Clover Health Investments, Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2026

By: \_\_\_\_\_ /s/ Clay Thornton

**Clay Thornton**  
**Interim Chief Financial Officer**



