



2505 Court Street • Pekin, Illinois 61558
(309) 346-1161 • www.pekininsurance.com

October 31, 2024

To The Shareholders of Pekin Life Insurance Company:

Operating results for the first three quarters of 2024 show significant improvement over the same period for 2023 as summarized below.

Net income was \$8.2 million, or \$0.48 per share, through September 2024 compared to net income of \$1.4 million, or \$0.08 per share, last year. The increase in net income is primarily attributable to improved mortality experience in the ordinary life line of business. Realized capital gains through the first three quarters were \$1.5 million, or \$0.09 per share, compared to realized capital gains of \$0.9 million, or \$0.05 per share, in 2023.

Overall, premium through September 30, 2024, was consistent with premium income through September 30, 2023. Premium growth was attained in several product lines. Pre-need lines saw the most significant growth, increasing by \$2.0 million to \$37.7 million, or 5.7%. Ordinary life, universal life, Medicare supplement, and group lines also showed growth over 2023. These increases in premium were offset by a \$0.9 million decrease in premium for our credit insurance lines, resulting from the strategic decision to exit those lines at the end of 2022. Individual annuities also decreased \$2.1 million, or 23.0 percent.

Investment income excluding capital gains increased to \$53.6 million in the third quarter of 2024, or 3.4 percent from last year. This increase is due to higher yields earned on our bond portfolio compared to the prior year. Additionally, our bond portfolio is comprised of high-quality holdings, of which 96.1 percent are investment grade.

As of September 30, 2024, assets were \$1.7 billion. Book value increased through three quarters of the year by \$11.7 million, or 10.1 percent from year end 2023. This increase is attributable to increased earnings through the first three quarters of the year in addition to unrealized gains on our equity portfolio. Book value per share was \$7.47 on September 30, 2024.

Further information regarding the results of the first three quarters of 2024 can be found on our website at www.pekininsurance.com.

We appreciate the continued support of our shareholders, agents, and employees.

Daniel V. Connell, CPA
Chairman of the Board, President & Chief Executive Officer