Beyond the expected.®

PEKIN® INSURANCE

2505 Court Street • Pekin, Illinois 61558
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July 29, 2026

To The Shareholders of Pekin Life Insurance Company:

The operating results for the first six months of 2026 are summarized below.

The results for the six months ended June 30, 2026 reflect net income of $5.3 million, or $0.31 per share, compared to net loss of $1.7 million, or $-0.10 per share, last year. Realized capital gains were $2.7 million, or $0.16 per share, compared to realized capital gains of $0.7 million, or $0.04 per share, last year.

Premium decreased $25.6 million through June 30, 2026 compared to June 30, 2025 due to ceded premium of $27.3 million in 2026 for the Preneed Life & Annuity business. The Preneed reinsurance agreement was effective fourth quarter of 2025.

Investment income excluding capital gains was $30.6 million for the first six months of 2026, a decrease of 16.3 percent from last year. This decrease is due to the liquidation of a portion of our bond portfolio in third quarter of 2025 to fund the Preneed reinsurance transaction. Additionally, our bond portfolio is comprised of high-quality holdings, of which 94.8 percent are investment grade.

As of June 30, 2026, assets were $1.4 billion. Book value increased during the first half of 2026 by $2.9 million from year end 2025. Book value per share was $7.97 at June 30, 2026.

Further information regarding the results for the year 2026 can be found on our website at [www.pekininsurance.com.](http://www.pekininsurance.com)

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

Daniel V. Connell

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

PEKIN LIFE INSURANCE COMPANY
CONDENSED STATEMENT OF INCOME

	JUN 2026 YTD	JUN 2025 YTD
Premium Income	$ 70,031,541	$ 95,643,410
Investment Income	30,558,413	36,503,760
Total Income	**100,589,954**	**132,147,170**
Benefits to Policyholders	68,212,875	97,583,710
Additions to Policy Reserves	5,854,840	7,767,483
Commissions and Services Fees	1,968,003	7,543,072
Expenses and Insurance Taxes	21,448,126	20,975,300
Total Deductions	**97,483,844**	**133,869,565**
Net Income (Loss) Before Income Taxes and Realized Capital Gains	**3,106,110**	**(1,722,395)**
Income Taxes	562,108	643,088
Net Income (Loss) Before Realized Capital Gains	**2,544,002**	**(2,365,483)**
Realized Capital Gains, Net of Tax	2,742,012	680,197
Net Income (Loss)	**$ 5,286,014**	**$ (1,685,286)**
Net Income (Loss) Before Net Realized Capital Gains Per Share	$ 0.15	$ (0.14)
Net Realized Capital Gains Per Share	$ 0.16	$ 0.04
Net Income (Loss) Per Share	$ 0.31	$ (0.10)
Book Value Per Share	$ 7.97	$ 7.49
Weighted Average Shares Outstanding	17,068,023	17,068,023

OTHER FINANCIAL INFORMATION

Premium Income by Product Line:	JUN 2026 YTD	JUN 2025 YTD
Ordinary Life & Universal Life	$ 44,530,467	$ 45,676,725
Pre-Need Life & Annuity	(740,054)	24,234,848
Annuity	2,263,839	3,641,213
Medicare Supplement	22,994,325	21,216,013
Credit Life & Health	(139,307)	(376,212)
Group Life, Health & Annuity	1,122,271	1,250,823
Total	**$ 70,031,541**	**$ 95,643,410**
Assets	$ 1,405,807,858	$ 1,709,771,239
Capital and Surplus	$ 136,012,389	$ 127,770,715
Insurance In Force	$ 22,048,565,000	$ 21,917,254,000

NOTE:

Information for the six months ended June 30, 2026 and 2025 is unaudited. The above is prepared on the basis of accounting practices prescribed by the Illinois Department of Insurance.

Pekin Life Insurance Company, headquartered in Pekin, Illinois, became an integral member of the Pekin Insurance® group of companies in April 1965. Joining together with our property/casualty companies, The Farmers Automobile Insurance Association, Pekin Insurance Company, and Pekin Select Insurance Company, we are committed to providing quality insurance service to our policyholders spanning a 24-state marketing area. Our property/casualty products deliver coverage to protect homes, autos, businesses, and a wide range of other insurance needs. The Company's life and health products listed below offer a diverse portfolio of coverages to help families and businesses achieve secure financial futures. Whether for property/casualty, life, annuities, or medicare supplement insurance, we are committed to going the extra mile to provide the products and services necessary for your peace of mind. Now, more than ever, it is important that policyholders have complete trust in their insurance company.

Universal Life

Whole Life

Term Life

Transitional Life

Flexible & Single Premium Annuities

Medicare Supplement

Group Life

Qualified Retirement Programs for Individual & Business Needs

Funeral Preplanning

Voluntary Products