Beyond the expected.®
PEKIN INSURANCE
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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