

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (Date of earliest event reported): **August 7, 2023**



Primerica, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation)

001-34680
(Commission File Number)

27-1204330
(IRS Employer
Identification No.)

1 Primerica Parkway
Duluth, Georgia 30099
(Address of Principal Executive Offices, and Zip Code)

(770) 381-1000
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|-------------------|---|
| Common Stock | PRI | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

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.

Item 2.02 Results of Operations and Financial Condition.

On August 7, 2023, Primerica, Inc. (the “Company”) announced its results of operations for the quarter ended June 30, 2023. A copy of the press release is attached hereto as Exhibit 99.1.

The information provided pursuant to this Item 2.02, including Exhibit 99.1 in Item 9.01, is “furnished” and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of such section, and shall not be incorporated by reference in any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended (the “Securities Act”), except to the extent expressly set forth by specific reference in any such filings.

Use of Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles (“GAAP”), the Company presents certain non-GAAP financial measures. Specifically, the Company presents adjusted direct premiums, other ceded premiums, adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income, adjusted stockholders’ equity and diluted adjusted operating earnings per share. Adjusted direct premiums and other ceded premiums are net of amounts ceded under coinsurance transactions that were executed concurrent with our initial public offering (the “IPO coinsurance transactions”) for all periods presented. We exclude amounts ceded under the IPO coinsurance transactions in measuring adjusted direct premiums and other ceded premiums to present meaningful comparisons of the actual premiums economically maintained by the Company. Amounts ceded under the IPO coinsurance transactions will continue to decline over time as policies terminate within this block of business. Adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income and diluted adjusted operating earnings per share exclude the impact of investment gains (losses) and fair value mark-to-market (“MTM”) investment adjustments, including credit impairments, for all periods presented. We exclude investment gains (losses), including credit impairments, and MTM investment adjustments in measuring these non-GAAP financial measures to eliminate period-over-period fluctuations that may obscure comparisons of operating results due to items such as the timing of recognizing gains (losses) and market pricing variations prior to an invested asset’s maturity or sale that are not directly associated with the Company’s insurance operations. Adjusted operating income before taxes, adjusted net operating income, and diluted adjusted operating earnings per share also exclude transaction-related expenses/recoveries associated with the purchase of e-TeleQuote Insurance, Inc. and subsidiaries (collectively, “e-TeleQuote”), adjustments to share-based compensation expense for shares exchanged in the business combination, and non-cash goodwill impairment charges. We exclude e-TeleQuote transaction-related expenses/recoveries and non-cash goodwill impairment charges as these are non-recurring items that will cause incomparability between period-over-period results. We exclude adjustments to share-based compensation expense for shares exchanged in the business combination to eliminate period-over-period fluctuations that may obscure comparisons of operating results primarily due to the volatility of changes in the fair value of shares which were acquired for no additional consideration. Adjusted operating income before income taxes and adjusted net operating income exclude income attributable to the noncontrolling interest to present only the income that is attributable to stockholders of the Company. Adjusted stockholders’ equity excludes the impact of net unrealized investment gains (losses) recorded in accumulated other comprehensive income (loss) for all periods presented. We exclude unrealized investment gains (losses) in measuring adjusted stockholders’ equity as unrealized gains (losses) from the Company’s available-for-sale securities are largely caused by market movements in interest rates and credit spreads that do not necessarily correlate with the cash flows we will ultimately realize when an available-for-sale security matures or is sold. Adjusted stockholders’ equity also excludes the difference in future policy benefits calculated using the current discount rate and future policy benefits calculated using the locked-in discount rate at contract issuance recognized in accumulated other comprehensive income. We exclude the impact from the difference in the discount rate in measuring adjusted stockholders’ equity as such difference is caused by market movements in

interest rates that are not permanent and may not align with the cash flows we will ultimately incur when policy benefits are settled.

Our definitions of these non-GAAP financial measures may differ from the definitions of similar measures used by other companies. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Furthermore, management believes that these non-GAAP financial measures may provide users with additional meaningful comparisons between current results and results of prior periods as they are expected to be reflective of the core ongoing business. These measures have limitations and investors should not consider them in isolation or as a substitute for analysis of the Company's results as reported under GAAP.

Reconciliations of GAAP to non-GAAP financial measures are included as attachments to the press release which has been posted in the "Investor Relations" section of our website at <https://investors.primerica.com>.

Item 7.01 Regulation FD Disclosure.

On August 7, 2023, the Company posted to the "Investor Relations" section of its website certain supplemental financial information relating to the quarter ended June 30, 2023. A copy of the supplemental financial information is attached hereto as Exhibit 99.2.

During the second quarter of 2023, the Company identified immaterial errors in previously presented financial information in connection with the newly adopted accounting standard for Long-Duration Insurance Contracts ("LDTI"). Accordingly, financial information prior to the second quarter of 2023 has been revised as reflected in the Second Quarter 2023 Financial Supplement attached hereto as Exhibit 99.2 and the Fourth Quarter 2022 Revised Restated Financial Supplement attached hereto as Exhibit 99.3.

The information provided pursuant to this Item 7.01, including Exhibit 99.2 and Exhibit 99.3 in Item 9.01, is "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of such section, and shall not be incorporated by reference in any filing made by the Company under the Exchange Act or the Securities Act, except to the extent expressly set forth by specific reference in any such filings.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

| | |
|------|--|
| 99.1 | Press Release dated August 7, 2023 – Primerica Reports Second Quarter 2023 Results |
| 99.2 | Primerica, Inc. Supplemental Financial Information – Second Quarter 2023 |
| 99.3 | Primerica, Inc. Supplemental Financial Information – Restated Fourth Quarter 2022 |
| 104 | Cover Page from this Current Report on Form 8-K, formatted in Inline XBRL |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 7, 2023

PRIMERICA, INC.

/s/ Alison S. Rand
Alison S. Rand
Executive Vice President and Chief Financial Officer

**PRIMERICA REPORTS SECOND QUARTER 2023 RESULTS**

10% increase in new life-licensed representatives fuels 4% growth in life-licensed sales force to nearly 138,000

Issued nearly 97,000 new Term Life policies, up 9%; total face amount issued during the quarter of \$32 billion, up 16%

Investment and Savings Products results improving as equity markets strengthened over the last few quarters

Net earnings per diluted share (EPS) of \$3.97 increased 20%; return on stockholders' equity (ROE) of 29.2%

Diluted adjusted operating EPS of \$3.99 increased 18%; adjusted net operating income return on adjusted stockholders' equity (ROAE) of 26.7%

Declared dividend of \$0.65 per share, payable on September 11, 2023, and repurchased \$111 million of common stock during the quarter

Duluth, GA, August 7, 2023 – Primerica, Inc. (NYSE: PRI) today announced financial results for the quarter ended June 30, 2023. Total revenues of \$688.4 million increased 3% compared to the second quarter of 2022. Net income attributable to Primerica of \$144.5 million increased 13%, while earnings per diluted share of \$3.97 increased 20% compared to the same period in the prior year. ROE was 29.2% for the quarter.

Adjusted operating revenues of \$689.6 million increased 3% compared to the second quarter of 2022. Adjusted net operating income of \$145.4 million increased 11%, while adjusted operating earnings per diluted share of \$3.99 increased 18% compared to the same period in the prior year. ROAE was 26.7% for the quarter.

During the second quarter, the Company identified immaterial errors in previously presented financial information in connection with the newly adopted accounting standard for Long-Duration Insurance Contracts ("LDTI"). Accordingly, financial information prior to the second quarter of 2023 has been revised as reflected in the fourth quarter 2022 Revised Restated Financial Supplement and the second quarter 2023 Financial Supplement, which are furnished as exhibits to the Current Report on Form 8-K dated August 7, 2023. Prior year comparisons throughout this release reflect the revised

results. A table summarizing the impact of the changes on second quarter 2022 results is included at the end of this release.

Second quarter results reflect the benefit of continued, predictable growth in the Term Life segment. Results in the Investment and Savings Product segment improved as equity market recovery positively impacted client asset values. We believe inflationary pressure on middle-income families remained a headwind to new savings for retirement and term life policy retention. Senior Health segment results, which are typically weak in the second quarter due to limited sales opportunities in the market, also improved year-over-year since the Company did not recognize a negative tail revenue adjustment in the current year period, while it did so in the prior year period. The effect of higher interest rates on the invested asset portfolio benefitted the Corporate and Other Distributed Product segment.

“Second quarter results reflect our distribution strength and the depth of field leadership,” said Glenn Williams, Chief Executive Officer. “We continue to be a much-needed resource to guide middle-income households on their path toward financial security.”

Second Quarter Distribution & Segment Results

Distribution Results

| | Q2 2023 | Q2 2022 | % Change | Adjusted Q2 2022 | % Change |
|---|---------|----------|----------|---------------------|----------|
| Life-Licensed Sales Force | 137,806 | 132,149 | 4 % | | |
| Recruits | 86,124 | 70,215 | 23 % | | |
| New Life-Licensed Representatives | 12,638 | 11,529 | 10 % | | |
| Life Insurance Policies Issued ⁽¹⁾ | 96,953 | 76,946 | N/A | 89,316 | 9 % |
| Life Productivity ⁽¹⁾⁽²⁾ | 0.24 | 0.20 | N/A | 0.23 | * |
| Issued term life face amount (\$ billions) ⁽³⁾ | \$ 32.2 | \$ 27.7 | 16 % | | |
| ISP Product Sales (\$ billions) | \$ 2.4 | \$ 2.7 | (11)% | | |
| Average Client Asset Values (\$ billions) | \$ 88.8 | \$ 88.0 | 1 % | | |
| Senior Health Submitted Policies ⁽⁴⁾ | 13,885 | 19,652 | (29)% | | |
| Senior Health Approved Policies ⁽⁵⁾ | 12,915 | 17,925 | (28)% | | |
| Closed U.S. Mortgage Volume (\$ million brokered) | \$ 82.2 | \$ 152.7 | (46)% | | |

⁽¹⁾ Previously reported numbers for the three months ended June 30, 2022 have been adjusted as a result of a product change made near the end of 2022, which modified how policies are structured in relation to individual lives. To make year-over year comparisons more consistent, we have provided estimates for the prior year period.

⁽²⁾ Life productivity equals policies issued divided by the average number of life insurance licensed representatives per month.

⁽³⁾ Includes face amount on issued term life policies, additional riders added to existing policies, and face increases under increasing benefit riders.

⁽⁴⁾ Represents the number of completed applications that, with respect to each such application, the applicant has authorized us to submit to the health insurance carrier.

⁽⁵⁾ Represents an estimate of submitted policies approved by health insurance carriers during the indicated period. Not all approved policies will go in force.

* Not calculated

Segment Results

| | Q2 2023 | Q2 2022 | % Change |
|--|-------------------|-------------------|----------|
| | | (\$ in thousands) | |
| Adjusted Operating Revenues: | | | |
| Term Life Insurance | \$ 411,873 | \$ 398,421 | 3 % |
| Investment and Savings Products | 214,509 | 222,416 | (4) % |
| Senior Health | 14,890 | 11,814 | 26 % |
| Corporate and Other Distributed Products ⁽¹⁾ | 48,293 | 39,177 | 23 % |
| Total adjusted operating revenues ⁽¹⁾ | <u>\$ 689,565</u> | <u>\$ 671,828</u> | 3 % |
| Adjusted Operating Income (Loss) before income taxes: | | | |
| Term Life Insurance | \$ 140,115 | \$ 128,579 | 9 % |
| Investment and Savings Products | 59,583 | 63,017 | (5) % |
| Senior Health ⁽¹⁾ | (6,033) | (12,955) | 53 % |
| Corporate and Other Distributed Products ⁽¹⁾ | (3,589) | (9,093) | 61 % |
| Total adjusted operating income before income taxes ⁽¹⁾ | <u>\$ 190,076</u> | <u>\$ 169,548</u> | 12 % |

⁽¹⁾ See the Non-GAAP Financial Measures section and the Adjusted Operating Results reconciliation tables at the end of this release for additional information.

Life Insurance Licensed Sales Force

The value of Primerica's entrepreneurial opportunity continues to drive recruiting momentum and the number of new recruits during the quarter increased 23% compared to the same period in 2022. The Company and its field leaders' efforts to help new recruits successfully navigate the licensing process is reflected in the strong licensing results. During the quarter, a total of 12,638 individuals obtained a new life license, a 10% increase compared to the prior year period. As of June 30, 2023, the Company had a total of 137,806 independent life-licensed representatives, representing a 4% increase compared to the end of June 2022.

Term Life Insurance

Our new term life products launched late last year continued to be very well received with 96,953 new term life insurance policies issued during the quarter, up 9% compared to the estimated number of policies issued in the second quarter of 2022 (as adjusted to reflect a comparable one life per policy basis). Issued term life face amount, which captures the number of policies issued and the face amount of both new policies issued and additions to in-force policies, increased 16% to \$32.2 billion compared to \$27.7 billion in the prior year period. Productivity at 0.24 policies per life-licensed representative per month during the quarter compares favorably to 0.23 policies in the prior year period.

Year-over-year, revenues of \$411.9 million and net premiums of \$399.6 million increased 3% and 4%, respectively, while adjusted direct premiums increased 6%. The higher number of policies issued offset the negative impact of lapses on adjusted direct premiums. The Company believes inflation continues to pressure middle-income families, resulting in higher policy lapses versus historical levels.

Pre-tax income of \$140.1 million increased 9% year-over-year. The second quarter benefits and claims ratio of 57.6% and the DAC amortization ratio of 11.8% are both consistent with the prior year period revised results. The pre-tax margin at 23.1% during the quarter was higher than the prior year period's margin of 22.5% as the second quarter of 2022 included elevated costs associated with sales force leadership events from delays caused by COVID.

Investment and Savings Products

Equity markets continued to recover during the quarter with ending client asset values of \$91.6 billion, up 11%, and average client asset values of \$88.8 billion, up 1% year-over-year. While total product sales of \$2.4 billion declined 11% compared to the same period in 2022, we believe sales trends will improve with market stability. Redemption activity remained below 3% of beginning asset levels as clients continue to focus on their long-term goals, resulting in net client inflows during the quarter of \$542 million.

Revenues of \$214.5 million decreased 4% year-over-year, while operating income of \$59.6 million decreased 5%. Both sales-based commission revenues and expenses decreased 15% and revenue-generating sales decreased 12%. While average client asset values increased 1%, asset-based revenues increased 5% as the Company

continues to benefit from higher client asset values in managed accounts and in mutual fund sales in Canada under the Principal Distributor model introduced in June 2022. The change in asset-based commission expenses is consistent with asset-based revenues, excluding revenue on Canadian Segregated funds for which the commission expense is recognized as insurance commissions and amortized with DAC.

Senior Health

Approximately 13,000 policies were approved during the second quarter, which reflected lower activity as typically seen following the close of the Open Enrollment Period on March 31 and the Company's intentional efforts to control growth as it continues to evaluate emerging profitability dynamics. The lifetime value of commissions per approved policy ("LTV") was \$880, while contract acquisition costs per approved policy ("CAC") was \$976. CAC is typically higher than LTV during the second quarter as seasonably lower sales volume limit fixed costs absorption. The second quarter LTV/CAC ratio was 0.9x.

The Company remains disciplined in moving the Senior Health business toward profitability. The second quarter operating loss of \$6.0 million compares favorably to an operating loss of \$13.0 million in the prior year period, which included a \$5.4 million negative tail revenue adjustment. The Company did not recognize a tail revenue adjustment this quarter. Consistent with prior disclosure, the Company does not anticipate a need to provide capital to the segment in 2023.

Corporate and Other Distributed Products

During the second quarter of 2023, the segment recorded an operating loss of \$3.6 million compared to an operating loss of \$9.1 million in the prior year period. The improvement was driven by higher revenues, primarily due to a \$10.7 million increase in adjusted net investment income as interest rates have increased significantly since the prior year period.

Taxes

The effective tax rate was 23.5% in the second quarter of 2023, up from 22.9% in the second quarter of 2022 as a result of slightly higher state income taxes.

Capital

During the second quarter, the Company repurchased \$110.8 million of common stock, for a total of \$196.0 million year-to-date and expects to complete the repurchase of \$375 million of common stock during 2023 as authorized by the Board of Directors. The Board of Directors has also approved a dividend of \$0.65 per share, payable on September 11, 2023, to stockholders of record on August 21, 2023.

Primerica has a strong balance sheet, including invested assets and cash at the holding company of \$342 million. Primerica Life Insurance Company's statutory risk-based capital (RBC) ratio was estimated to be approximately 445% as of June 30, 2023.

Non-GAAP Financial Measures

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles (“GAAP”), the Company presents certain non-GAAP financial measures. Specifically, the Company presents adjusted direct premiums, other ceded premiums, adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income, adjusted stockholders’ equity and diluted adjusted operating earnings per share. Adjusted direct premiums and other ceded premiums are net of amounts ceded under coinsurance transactions that were executed concurrent with our initial public offering (the “IPO coinsurance transactions”) for all periods presented. We exclude amounts ceded under the IPO coinsurance transactions in measuring adjusted direct premiums and other ceded premiums to present meaningful comparisons of the actual premiums economically maintained by the Company. Amounts ceded under the IPO coinsurance transactions will continue to decline over time as policies terminate within this block of business. Adjusted operating revenues, adjusted operating income before income taxes, adjusted net operating income and diluted adjusted operating earnings per share exclude the impact of investment gains (losses) and fair value mark-to-market (“MTM”) investment adjustments, including credit impairments, for all periods presented. We exclude investment gains (losses), including credit impairments, and MTM investment adjustments in measuring these non-GAAP financial measures to eliminate period-over-period fluctuations that may obscure comparisons of operating results due to items such as the timing of recognizing gains (losses) and market pricing variations prior to an invested asset’s maturity or sale that are not directly associated with the Company’s insurance operations. Adjusted operating income before taxes, adjusted net operating income, and diluted adjusted operating earnings per share also exclude transaction-related expenses/recoveries associated with the purchase of e-TeleQuote Insurance, Inc. and subsidiaries (collectively, “e-TeleQuote”), adjustments to share-based compensation expense for shares exchanged in the business combination, and non-cash goodwill impairment charges. We exclude e-TeleQuote transaction-related expenses/recoveries and non-cash goodwill impairment charges as these are non-recurring items that will cause incomparability between period-over-period results. We exclude adjustments to share-based compensation expense for shares exchanged in the business combination to eliminate period-over-period fluctuations that may obscure comparisons of operating results primarily due to the volatility of changes in the fair value of shares which were acquired for no additional consideration. Adjusted operating income before income taxes and adjusted net operating income exclude income attributable to the noncontrolling interest to present only the income that is attributable to stockholders of the Company. Adjusted stockholders’ equity excludes the impact of net unrealized investment gains (losses) recorded in accumulated other comprehensive income (loss) for all periods presented. We exclude unrealized investment gains (losses) in measuring adjusted stockholders’ equity as unrealized gains (losses) from the Company’s available-for-sale securities are largely caused by market movements in interest rates and credit spreads that do not necessarily correlate with the cash flows we will ultimately realize when an available-for-sale security matures or is sold. Adjusted stockholders’ equity also excludes the difference in future policy benefits calculated using the current discount rate and future policy benefits calculated using the locked-in discount rate at contract issuance recognized in accumulated other comprehensive income. We exclude the impact from

the difference in the discount rate in measuring adjusted stockholders' equity as such difference is caused by market movements in interest rates that are not permanent and may not align with the cash flows we will ultimately incur when policy benefits are settled.

Our definitions of these non-GAAP financial measures may differ from the definitions of similar measures used by other companies. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Furthermore, management believes that these non-GAAP financial measures may provide users with additional meaningful comparisons between current results and results of prior periods as they are expected to be reflective of the core ongoing business. These measures have limitations and investors should not consider them in isolation or as a substitute for analysis of the Company's results as reported under GAAP. Reconciliations of GAAP to non-GAAP financial measures are attached to this release.

Earnings Webcast Information

Primerica will hold a webcast on Tuesday, August 8, 2023, at 10:00 a.m. Eastern, to discuss the quarter's results. To access the webcast, go to <https://investors.primerica.com> at least 15 minutes prior to the event to register, download and install any necessary software. A replay of the call will be available for approximately 30 days. This release and a detailed financial supplement will be posted on Primerica's website.

Forward-Looking Statements

Except for historical information contained in this press release, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements contain known and unknown risks and uncertainties that may cause our actual results in future periods to differ materially from anticipated or projected results. Those risks and uncertainties include, among others, our failure to continue to attract and license new recruits, retain sales representatives or license or maintain the licensing of sales representatives; new laws or regulations that could apply to our distribution model, which could require us to modify our distribution structure; changes to the independent contractor status of sales representatives; our or sales representatives' violation of or non-compliance with laws and regulations; any failure to protect the confidentiality of client information; differences between our actual experience and our expectations regarding mortality or persistency as reflected in the pricing for our insurance policies; changes in federal, state and provincial legislation or regulation that affects our insurance, investment product and mortgage businesses; our failure to meet regulatory capital ratios or other minimum capital and surplus requirements; a significant downgrade by a ratings organization; the failure of our reinsurers or reserve financing counterparties to perform their obligations; the failure of our investment products to remain competitive with other investment options or the loss of our relationship with one or more of the companies whose investment products we provide; litigation and regulatory investigations and actions concerning us or sales representatives; heightened standards of conduct or

more stringent licensing requirements for sales representatives; inadequate policies and procedures regarding suitability review of client transactions; revocation of our subsidiary's status as a non-bank custodian; economic down cycles that impact our business, financial condition and results of operations; major public health pandemics, epidemics or outbreaks or other catastrophic events; the failure of our information technology systems, breach of our information security, failure of our business continuity plan or the loss of the Internet; the effects of credit deterioration and interest rate fluctuations on our invested asset portfolio and other assets; incorrectly valuing our investments; changes in accounting standards may impact how we record and report our financial condition and results of operations; the inability of our subsidiaries to pay dividends or make distributions; litigation and regulatory investigations and actions; a significant change in the competitive environment in which we operate; the loss of key personnel or sales force leaders; any acquisition or investment in businesses that do not perform as we expect or are difficult to integrate; due to our very limited history with e-TeleQuote, we cannot be certain that its business will be successful or that we will successfully address any risks not known to us that may become material; a failure by e-TeleQuote to comply with the requirements of the United States government's Centers for Medicare and Medicaid Services and those of its carrier partners; legislative or regulatory changes to Medicare Advantage or changes to the implementing guidance by the Centers for Medicare and Medicaid Services; e-TeleQuote's inability to acquire or generate leads on commercially viable terms, convert leads to sales or if customer policy retention is lower than assumed; e-TeleQuote's inability to enroll individuals during the Medicare annual election period; the loss of a key carrier, or the modification of commission rates or underwriting practices with a key carrier partner could adversely affect e-TeleQuote's business; cyber-attack(s), security breaches or if e-TeleQuote is otherwise unable to safeguard the security and privacy of confidential data, including personal health information; and fluctuations in the market price of our common stock or Canadian currency exchange rates. These and other risks and uncertainties affecting us are more fully described in our filings with the Securities and Exchange Commission, which are available in the "Investor Relations" section of our website at <https://investors.primerica.com>. Primerica assumes no duty to update its forward-looking statements as of any future date.

About Primerica, Inc.

Primerica, Inc., headquartered in Duluth, GA, is a leading provider of financial services to middle-income households in North America. Independent licensed representatives educate Primerica clients about how to better prepare for a more secure financial future by assessing their needs and providing appropriate solutions through term life insurance, which we underwrite, and mutual funds, annuities and other financial products, which we distribute primarily on behalf of third parties. We insured over 5.7 million lives and had over 2.8 million client investment accounts on December 31, 2022. Primerica, through its insurance company subsidiaries, was the #3 issuer of Term Life insurance coverage in the United States and Canada in 2022. Primerica stock is included in the S&P MidCap 400 and the Russell 1000 stock indices and is traded on The New York Stock Exchange under the symbol "PRI".

Investor Contact:

Nicole Russell

470-564-6663

Email: Nicole.Russell@primerica.com

Media Contact:

Susan Chana

404-229-8302

Email: Susan.Chana@Primerica.com

PRIMERICA, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Unaudited)

| | June 30, 2023 | December 31, 2022 |
|--|-----------------------|----------------------|
| | <i>(In thousands)</i> | |
| Assets | | |
| Investments: | | |
| Fixed-maturity securities available-for-sale, at fair value | \$ 2,541,310 | \$ 2,495,456 |
| Fixed-maturity security held-to-maturity, at amortized cost | 1,433,520 | 1,444,920 |
| Short-term investments available-for-sale, at fair value | 21,576 | 69,406 |
| Equity securities, at fair value | 33,601 | 35,404 |
| Trading securities, at fair value | 18,379 | 3,698 |
| Policy loans and other invested assets | 49,605 | 48,713 |
| Total investments | 4,097,991 | 4,097,597 |
| Cash and cash equivalents | 561,585 | 489,240 |
| Accrued investment income | 22,928 | 20,885 |
| Reinsurance recoverables | 3,084,520 | 3,209,540 |
| Deferred policy acquisition costs, net | 3,319,844 | 3,188,502 |
| Renewal commissions receivable | 191,224 | 200,043 |
| Agent balances, due premiums and other receivables | 269,369 | 254,276 |
| Goodwill | 127,707 | 127,707 |
| Intangible assets | 180,275 | 185,525 |
| Income taxes | 107,697 | 93,632 |
| Operating lease right-of-use assets | 57,040 | 40,500 |
| Other assets | 372,733 | 428,259 |
| Separate account assets | 2,358,823 | 2,305,717 |
| Total assets | <u>\$ 14,751,736</u> | <u>\$ 14,641,423</u> |
| Liabilities and Stockholders' Equity | | |
| Liabilities: | | |
| Future policy benefits | \$ 6,491,564 | \$ 6,297,906 |
| Unearned and advance premiums | 16,283 | 15,422 |
| Policy claims and other benefits payable | 495,141 | 538,250 |
| Other policyholders' funds | 458,774 | 483,769 |
| Notes payable | 593,307 | 592,905 |
| Surplus note | 1,433,101 | 1,444,469 |
| Income taxes | 169,487 | 204,018 |
| Operating lease liabilities | 62,309 | 45,995 |
| Other liabilities | 579,840 | 580,780 |
| Payable under securities lending | 77,643 | 100,938 |
| Separate account liabilities | 2,358,823 | 2,305,717 |
| Total liabilities | 12,736,272 | 12,610,169 |
| Stockholders' equity | | |
| Common stock | 358 | 368 |
| Paid-in capital | - | - |
| Retained earnings | 2,190,223 | 2,153,617 |
| Effect of change in discount rate assumptions on the liability for future policy benefits, net of income tax | 55,386 | 130,416 |
| Net unrealized gains (losses) and foreign currency translation, net of income tax | (230,503) | (253,147) |
| Total stockholders' equity | 2,015,464 | 2,031,254 |
| Total liabilities and stockholders' equity | <u>\$ 14,751,736</u> | <u>\$ 14,641,423</u> |

PRIMERICA, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(Unaudited)

| | Three months ended June 30, | |
|--|---|-------------------|
| | 2023 | 2022 |
| | <i>(In thousands, except per-share amounts)</i> | |
| Revenues: | | |
| Direct premiums | \$ 828,296 | \$ 808,894 |
| Ceded premiums | (425,266) | (419,048) |
| Net premiums | 403,030 | 389,846 |
| Commissions and fees | 233,130 | 240,688 |
| Net investment income | 32,398 | 21,284 |
| Investment gains (losses) | (328) | (1,892) |
| Other, net | 20,155 | 18,756 |
| Total revenues | 688,385 | 668,682 |
| Benefits and expenses: | | |
| Benefits and claims | 148,911 | 148,369 |
| Future policy benefits remeasurement (gain)/loss | (1,867) | (100) |
| Amortization of deferred policy acquisition costs | 68,110 | 64,830 |
| Sales commissions | 113,623 | 119,763 |
| Insurance expenses | 59,093 | 59,461 |
| Insurance commissions | 9,142 | 7,594 |
| Contract acquisition costs | 12,602 | 19,384 |
| Interest expense | 6,686 | 6,814 |
| Other operating expenses | 83,189 | 79,730 |
| Total benefits and expenses | 499,489 | 505,845 |
| Income before income taxes | 188,896 | 162,837 |
| Income taxes | 44,392 | 37,265 |
| Net income | 144,504 | 125,572 |
| Net income attributable to noncontrolling interests | - | (2,384) |
| Net income attributable to Primerica, Inc. | <u>\$ 144,504</u> | <u>\$ 127,956</u> |
| Earnings per share attributable to common stockholders: | | |
| Basic earnings per share | <u>\$ 3.97</u> | <u>\$ 3.32</u> |
| Diluted earnings per share | <u>\$ 3.97</u> | <u>\$ 3.31</u> |
| Weighted-average shares used in computing earnings per share: | | |
| Basic | <u>36,215</u> | <u>38,386</u> |
| Diluted | <u>36,290</u> | <u>38,501</u> |

PRIMERICA, INC. AND SUBSIDIARIES
Consolidated Adjusted Operating Results Reconciliation
(Unaudited – in thousands, except per share amounts)

| | Three months ended June 30, | | % Change |
|--|-----------------------------|-------------------|----------|
| | 2023 | 2022 | |
| Total revenues | \$ 688,385 | \$ 668,682 | 3 % |
| Less: Investment gains (losses) | (328) | (1,892) | |
| Less: 10% deposit asset MTM included in NII | (852) | (1,254) | |
| Adjusted operating revenues | <u>\$ 689,565</u> | <u>\$ 671,828</u> | 3 % |
| Income before income taxes | \$ 188,896 | \$ 162,837 | 16 % |
| Less: Investment gains (losses) | (328) | (1,892) | |
| Less: 10% deposit asset MTM included in NII | (852) | (1,254) | |
| Less: e-TeleQuote transaction-related expenses | - | 2,892 | |
| Less: Equity comp for awards exchanged during acquisition | - | (3,328) | |
| Less: Noncontrolling interest | - | (3,129) | |
| Adjusted operating income before income taxes | <u>\$ 190,076</u> | <u>\$ 169,548</u> | 12 % |
| Net income | \$ 144,504 | \$ 125,572 | 15 % |
| Less: Investment gains (losses) | (328) | (1,892) | |
| Less: 10% deposit asset MTM included in NII | (852) | (1,254) | |
| Less: e-TeleQuote transaction-related expenses | - | 2,892 | |
| Less: Equity comp for awards exchanged during acquisition | - | (3,328) | |
| Less: Noncontrolling interest | - | (3,129) | |
| Less: Tax impact of preceding items | 277 | 1,573 | |
| Adjusted net operating income | <u>\$ 145,407</u> | <u>\$ 130,710</u> | 11 % |
| Diluted earnings per share ⁽¹⁾ | \$ 3.97 | \$ 3.31 | 20 % |
| Less: Net after-tax impact of operating adjustments | (0.02) | (0.07) | |
| Diluted adjusted operating earnings per share ⁽¹⁾ | <u>\$ 3.99</u> | <u>\$ 3.38</u> | 18 % |

(1)Percentage change in earnings per share is calculated prior to rounding per share amounts.

TERM LIFE INSURANCE SEGMENT
Adjusted Premiums Reconciliation
(Unaudited – in thousands)

| | Three months ended June 30, | | % Change |
|--|-----------------------------|-------------------|----------|
| | 2023 | 2022 | |
| Direct premiums | \$ 823,297 | \$ 803,453 | 2 % |
| Less: Premiums ceded to IPO coinsurers | 216,740 | 231,805 | |
| Adjusted direct premiums | 606,557 | 571,648 | 6 % |
| Ceded premiums | (423,704) | (417,406) | |
| Less: Premiums ceded to IPO coinsurers | (216,740) | (231,805) | |
| Other ceded premiums | (206,964) | (185,601) | |
| Net premiums | <u>\$ 399,593</u> | <u>\$ 386,047</u> | 4 % |

SENIOR HEALTH SEGMENT
Adjusted Operating Results Reconciliation
(Unaudited – in thousands)

| | Three months ended June 30, | | % Change |
|---|-----------------------------|---------------------|----------|
| | 2023 | 2022 | |
| Income/(loss) before income taxes | \$ (6,033) | \$ (16,150) | (63)% |
| Less: e-TeleQuote transaction-related costs | - | (66) | |
| Less: Noncontrolling interest | - | (3,129) | |
| Adjusted operating income before taxes | <u>\$ (6,033)</u> | <u>\$ (12,955)</u> | (53)% |

CORPORATE AND OTHER DISTRIBUTED PRODUCTS SEGMENT
Adjusted Operating Results Reconciliation
(Unaudited – in thousands)

| | Three months ended June 30, | | % Change |
|---|-----------------------------|--------------------|----------|
| | 2023 | 2022 | |
| Total revenues | \$ 47,113 | \$ 36,031 | 31 % |
| Less: Investment gains (losses) | (328) | (1,892) | |
| Less: 10% deposit asset MTM included in NII | (852) | (1,254) | |
| Adjusted operating revenues | <u>\$ 48,293</u> | <u>\$ 39,177</u> | 23 % |
| Loss before income taxes | \$ (4,769) | \$ (12,609) | (62)% |
| Less: Investment gains (losses) | (328) | (1,892) | |
| Less: 10% deposit asset MTM included in NII | (852) | (1,254) | |
| Less: e-TeleQuote transaction-related expenses | - | 2,958 | |
| Less: Equity comp for awards exchanged during acquisition | - | (3,328) | |
| Adjusted operating loss before income taxes | <u>\$ (3,590)</u> | <u>\$ (9,093)</u> | (61)% |

PRIMERICA, INC. AND SUBSIDIARIES
Adjusted Stockholders' Equity Reconciliation
(Unaudited – in thousands)

| | June 30, 2023 | December 31, 2022 | % Change |
|---|----------------------|---------------------|----------|
| | Stockholders' equity | \$ 2,015,464 | |
| Less: Net unrealized gains (losses) | (226,250) | (240,868) | |
| Less: Effect of change in discount rate assumptions on the liability for future policy benefits | 55,386 | 130,416 | |
| Adjusted stockholders' equity | <u>\$ 2,186,328</u> | <u>\$ 2,141,706</u> | 2 % |

TERM LIFE INSURANCE SEGMENT
Impact of Revised LDTI Information
(Unaudited - in thousands)

| | Three months ended June 30, 2022 | | |
|---|----------------------------------|-----------------|------------|
| | As Previously Restated | Revision Impact | As Revised |
| Term Life Insurance - Select Items | | | |
| Benefits and claims | \$ 149,328 | \$ (4,702) | \$ 144,626 |
| Future policy benefits remeasurement (gain)/loss | \$ (663) | \$ 527 | \$ (136) |
| Amortization of deferred policy acquisition costs | \$ 62,538 | \$ 630 | \$ 63,168 |
| Income before income taxes | \$ 125,034 | \$ 3,545 | \$ 128,579 |
| Term Life Insurance - Financial Analysis | | | |
| Benefits and claims, net ⁽¹⁾ | \$ 334,266 | \$ (4,176) | \$ 330,090 |
| % of Adjusted direct premiums | 58.5 % | | 57.7 % |
| DAC amortization & Insurance commissions | \$ 66,393 | \$ 630 | \$ 67,023 |
| % of Adjusted direct premiums | 11.6 % | | 11.7 % |
| Total Term Life income before income taxes | \$ 125,034 | \$ 3,545 | \$ 128,579 |
| Term Life operating margin ⁽²⁾ | 21.9 % | | 22.5 % |

(1) **Benefits and claims, net:** Benefits & claims and remeasurement (gain)/loss net of other ceded premiums which are largely Yearly Renewable Term reinsurance.

(2) **Term Life operating margin:** Term Life operating income before income taxes as a percentage of adjusted direct premiums.



Supplemental Financial Information Second Quarter 2023

Financial information in this document prior to the second quarter of 2023 has been revised from the information originally included in the first quarter 2023 financial supplement furnished as an exhibit to the 8-K filed on May 8, 2023 and corrects certain immaterial misstatements identified in the prior period results related to the accounting of the Company's Term Life Insurance segment under LDTI.

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This document may contain forward-looking statements and information. Additional information and factors that could cause actual results to differ materially from any forward-looking statements or information in this document is available in our Form 10-K for the year ended December 31, 2022.

Second Quarter 2023

This document is a financial supplement to our second quarter 2023 earnings release. It is designed to enable comprehensive analysis of our ongoing business using the same core metrics that our management utilizes in assessing our business and making strategic and operational decisions. Throughout this document we provide financial information that is derived from our U.S. GAAP financial statements and adjusted for three different purposes, as follows:

- **Operating adjustments** exclude the impact of investment gains/losses, including credit impairments, mark-to-market (MTM) investment adjustments, transaction-related expenses/recoveries associated with the purchase of e-TeleQuote Insurance, Inc. and subsidiaries (collectively, "e-TeleQuote"), adjustments to share-based compensation expense for shares exchanged in the business combination, and non-cash goodwill impairment charges. We exclude investment gains/losses, including credit impairments, and MTM investment adjustments in measuring adjusted operating revenues to eliminate period-over-period fluctuations that may obscure comparisons of operating results due to items such as the timing of recognizing gains and losses and other factors prior to an invested asset's maturity or sale that are not directly associated with the Company's insurance operations. We exclude e-TeleQuote transaction-related expenses/recoveries and non-cash goodwill impairment charges in our non-GAAP financial measures as such expenses are non-recurring items that will cause incomparability between period-over-period results. We exclude adjustments to share-based compensation expense for shares exchanged in the business combination to eliminate period-over-period fluctuations that may obscure comparisons of operating results primarily due to the volatility of changes in the fair value of shares which were acquired for no additional consideration. Adjusted operating income before income taxes and adjusted net operating income exclude income attributable to the noncontrolling interest to present only the income that is attributable to stockholders of the Company.
- **Adjusted stockholders' equity** refers to the removal of the impact of net unrealized gains and losses on invested assets. We exclude unrealized investment gains and losses in measuring adjusted stockholders' equity as unrealized gains and losses from the Company's invested assets are largely caused by market movements in interest rates and credit spreads that do not necessarily correlate with the cash flows we will ultimately realize when an invested asset matures or is sold. Adjusted stockholders' equity also excludes the difference in future policy benefits calculated using the current discount rate and future policy benefits calculated using the locked-in discount rate at contract issuance recognized in accumulated other comprehensive income. We exclude the impact from the difference in the discount rate in measuring adjusted stockholders' equity as it is caused by market movements in interest rates that are not permanent and may not align with the cash flow we will ultimately incur when policy benefits are settled.
- **IPO coinsurance transactions** adjustments relate to transactions in the first quarter of 2010, where we coinsured between 80% and 90% of our business that was in force at year-end 2009 to entities then affiliated with Citigroup Inc. that were executed concurrent with our initial public offering (IPO). We exclude amounts ceded under the IPO coinsurance transactions in measuring adjusted direct premiums and other ceded premiums to present meaningful comparisons of the actual premiums economically maintained by the Company. Amounts ceded under the IPO coinsurance transactions will continue to decline over time as policies terminate within this block of business.

Management utilizes these non-GAAP financial measures in managing the business and believes they present relevant and meaningful analytical metrics for evaluating the ongoing business. Reconciliations of non-GAAP to GAAP financial measures are included in this financial supplement.

Effective January 1, 2023, we adopted FASB ASU 2018-12 "Targeted Improvements to the Accounting for Long-Duration Contracts" (or "LDTI"). The impact of LDTI on our financial statements is significant, as it requires us to make changes to the way we calculate future policy benefit reserves on our term life insurance product and discontinued product lines issued by our New York subsidiary. LDTI also requires changes to the way we amortize deferred acquisition costs for these products as well as Canadian Segregated funds. We have restated our 12/31/2021 balance sheet and 2022 financial statements in this document as it was necessary to present historical periods on a comparable basis with future period results.

Also effective January 1, 2023, we no longer allocate a portion of net investment income to the Term Life Insurance segment, and all net investment income will be recorded in the Corporate & Other Distributed Products segment. As such, we have retrospectively restated for comparison purposes the 2022 income statements in this document for the Term Life Insurance and Corporate and Other Distributed Product Segments.

In this document, we have also included estimated term life issued policy counts by quarter for 2022 adjusting issued policies to a single life per policy basis to facilitate comparisons going forward.

Certain items throughout this supplement may not add due to rounding and as such, may not agree to other public reporting of the respective item. Certain items throughout this supplement are noted as 'na' to indicate not applicable. Certain variances are noted as 'nm' to indicate not meaningful. Certain reclassifications have been made to prior-period amounts to conform to current-period reporting classifications. These reclassifications had no impact on net income or total stockholders' equity.

Condensed Balance Sheets and Reconciliation of Balance Sheet Non-GAAP to GAAP Financial Measures
PRIMERICA, INC.
 Financial Supplement

| <i>(Dollars in thousands)</i> | Dec 31, 2021 | Mar 31, 2022 | Jun 30, 2022 | Sep 30, 2022 | Dec 31, 2022 | Mar 31, 2023 | Jun 30, 2023 | Sep 30, 2023 | Dec 31, 2023 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Condensed Balance Sheets | | | | | | | | | |
| Assets: | | | | | | | | | |
| Investments and cash excluding securities held to maturity | \$ 3,277,830 | \$ 3,191,154 | \$ 3,048,974 | \$ 2,981,598 | \$ 3,141,919 | \$ 3,246,388 | \$ 3,226,056 | | |
| Securities held to maturity | 1,379,100 | 1,390,310 | 1,415,940 | 1,433,760 | 1,444,920 | 1,460,000 | 1,433,520 | | |
| Total investments and cash | 4,656,930 | 4,581,464 | 4,464,914 | 4,415,358 | 4,586,839 | 4,706,388 | 4,659,576 | | |
| Due from reinsurers | 4,239,627 | 3,716,686 | 3,386,120 | 3,190,157 | 3,209,540 | 3,217,354 | 3,084,520 | | |
| Deferred policy acquisition costs | 2,956,650 | 3,029,551 | 3,083,905 | 3,128,511 | 3,188,502 | 3,250,753 | 3,319,844 | | |
| Goodwill | 179,154 | 179,154 | 187,707 | 127,707 | 127,707 | 127,707 | 127,707 | | |
| Other assets | 1,363,612 | 1,249,598 | 1,213,620 | 1,202,072 | 1,223,120 | 1,191,286 | 1,201,266 | | |
| Separate account assets | 2,799,992 | 2,696,891 | 2,358,987 | 2,206,608 | 2,305,717 | 2,329,968 | 2,358,823 | | |
| | 16,195,96 | 15,453,34 | 14,695,25 | 14,270,41 | 14,641,42 | 14,823,45 | 14,751,73 | | |
| Total assets | \$ 4 | \$ 3 | \$ 4 | \$ 3 | \$ 3 | \$ 7 | \$ 6 | | |
| Liabilities: | | | | | | | | | |
| Future policy benefits | \$ 8,594,476 | \$ 7,332,290 | \$ 6,606,150 | \$ 6,094,187 | \$ 6,297,911 | \$ 6,561,624 | \$ 6,491,564 | | |
| Other policy liabilities | 1,103,642 | 1,108,047 | 999,789 | 1,005,195 | 1,037,440 | 996,747 | 970,198 | | |
| Income taxes | 15,311 | 95,424 | 168,160 | 218,441 | 204,017 | 201,850 | 169,487 | | |
| Other liabilities | 669,631 | 683,865 | 646,660 | 659,582 | 626,773 | 659,734 | 642,149 | | |
| Debt obligations | 607,102 | 598,303 | 592,504 | 592,705 | 592,905 | 593,106 | 593,307 | | |
| Surplus note | 1,378,585 | 1,389,811 | 1,415,457 | 1,433,293 | 1,444,469 | 1,459,565 | 1,433,101 | | |
| Payable under securities lending | 94,529 | 93,171 | 96,603 | 80,754 | 100,938 | 74,452 | 77,643 | | |
| Separate account liabilities | 2,799,992 | 2,696,891 | 2,358,987 | 2,206,608 | 2,305,717 | 2,329,968 | 2,358,823 | | |
| | 15,263,26 | 13,997,80 | 12,884,31 | 12,290,76 | 12,610,17 | 12,877,04 | 12,736,27 | | |
| Total liabilities | 9 | 3 | 0 | 4 | 0 | 6 | 2 | | |
| Redeemable noncontrolling interest | \$ 7,271 | \$ 4,616 | \$ 2,233 | \$ — | \$ — | \$ — | \$ — | | |
| Stockholders' equity: | | | | | | | | | |
| Common stock (\$0.01 par value) (1) | 394 | 388 | 378 | 370 | 368 | 364 | 358 | | |
| Paid-in capital | 5,224 | (0) | (0) | (0) | (0) | — | — | | |
| Retained earnings | 2,085,665 | 2,098,037 | 2,085,823 | 2,053,285 | 2,153,617 | 2,177,428 | 2,190,223 | | |
| Treasury stock | — | — | — | — | — | — | — | | |
| Accumulated other comprehensive income (loss), net: | | | | | | | | | |
| Net unrealized gains (losses) | 63,775 | (66,439) | (175,746) | (252,913) | (240,869) | (208,157) | (226,250) | | |
| Effect of change in discount rate assumptions on the liability for future policy benefits | (1,238,180) | (592,910) | (104,078) | 195,520 | 130,416 | (11,966) | 55,386 | | |
| Cumulative translation adjustment | 8,547 | 11,847 | 2,336 | (16,614) | (12,279) | (11,259) | (4,253) | | |
| Total stockholders' equity (2) | 925,425 | 1,450,923 | 1,808,712 | 1,979,648 | 2,031,253 | 1,946,411 | 2,015,464 | | |
| | 16,195,96 | 15,453,34 | 14,695,25 | 14,270,41 | 14,641,42 | 14,823,45 | 14,751,73 | | |
| Total liabilities and stockholders' equity | \$ 4 | \$ 3 | \$ 4 | \$ 3 | \$ 3 | \$ 7 | \$ 6 | | |
| Reconciliation of Total Stockholders' Equity to Adjusted Stockholders' Equity | | | | | | | | | |
| Total stockholders' equity | \$ 925,425 | \$ 1,450,923 | \$ 1,808,712 | \$ 1,979,648 | \$ 2,031,253 | \$ 1,946,411 | \$ 2,015,464 | | |
| Less: Net unrealized gains (losses) | 63,775 | (66,439) | (175,746) | (252,913) | (240,869) | (208,157) | (226,250) | | |
| Less: Effect of change in discount rate assumptions on the liability for future policy benefits | (1,238,180) | (592,910) | (104,078) | 195,520 | 130,416 | (11,966) | 55,386 | | |
| Adjusted stockholders' equity | \$ 2,099,830 | \$ 2,110,271 | \$ 2,088,536 | \$ 2,037,041 | \$ 2,141,707 | \$ 2,166,533 | \$ 2,186,328 | | |
| Adjusted Stockholders' Equity Rollforward | | | | | | | | | |
| Balance, beginning of period | \$ 2,099,830 | \$ 2,110,271 | \$ 2,088,536 | \$ 2,037,041 | \$ 2,141,707 | \$ 2,166,533 | \$ 2,186,328 | | |
| Net income attributable to Primerica, Inc. | 117,829 | 127,956 | 79,561 | 146,721 | 128,099 | 144,504 | | | |
| Shareholder dividends | (21,645) | (21,178) | (20,571) | (20,389) | (23,910) | (23,598) | | | |
| Retirement of shares and warrants | (103,862) | (127,963) | (97,515) | (32,098) | (96,323) | (112,606) | | | |
| Net foreign currency translation adjustment | 3,300 | (9,511) | (18,949) | 4,335 | 1,020 | 7,005 | | | |
| Other, net | 14,820 | 8,961 | 5,979 | 6,096 | 15,941 | 4,490 | | | |
| Balance, end of period | \$ 2,110,271 | \$ 2,088,536 | \$ 2,037,041 | \$ 2,141,707 | \$ 2,166,533 | \$ 2,186,328 | | | |
| Deferred Policy Acquisition Costs Rollforward | | | | | | | | | |
| Balance, beginning of period | \$ 2,956,650 | \$ 3,029,551 | \$ 3,083,905 | \$ 3,128,511 | \$ 3,188,502 | \$ 3,250,753 | | | |
| General expenses deferred | 9,519 | 9,321 | 9,726 | 9,283 | 10,777 | 10,692 | | | |
| Commission costs deferred | 123,739 | 119,794 | 119,734 | 113,479 | 118,386 | 119,676 | | | |
| Amortization of deferred policy acquisition costs | (63,854) | (64,830) | (66,077) | (66,867) | (67,923) | (68,110) | | | |
| Foreign currency impact and other, net | 3,496 | (9,930) | (18,777) | 4,095 | 1,011 | 6,833 | | | |
| Balance, end of period | \$ 3,029,551 | \$ 3,083,905 | \$ 3,128,511 | \$ 3,188,502 | \$ 3,250,753 | \$ 3,319,844 | | | |

(1) Outstanding common shares exclude restricted stock units.

(2) Reflects the company's permanent stockholders' equity and does not include temporary stockholders' equity.

Financial Results and Other Statistical Data

| | | | | | | | | | YOY Q2 | | YOY YTD | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|--------------|-------------|------------|------------|--------------|-------------|
| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | \$ Change | % Change | YTD 2022 | YTD 2023 | \$ Change | % Change |
| <i>(Dollars in thousands, except per-share data)</i> | | | | | | | | | | | | | | |
| Earnings per Share | | | | | | | | | | | | | | |
| Basic earnings per share: | | | | | | | | | | | | | | |
| Weighted-average common shares and fully vested equity awards | 39,221,003 | 38,385,520 | 37,438,254 | 36,973,967 | 36,709,525 | 36,215,232 | | | (2,170,288) | -5.7% | 38,800,954 | 36,461,013 | (2,339,941) | -6.0% |
| | | | | | 128,099 | | | | | | 245,785 | 272,603 | | |
| Net income attributable to Primerica, Inc. | \$ 117,829 | \$ 127,956 | \$ 79,561 | \$ 146,721 | \$ 9 | \$ 144,504 | | | \$ 16,548 | 12.9% | \$ 5 | \$ 3 | \$ 26,818 | 10.9% |
| Less income attributable to unvested participating securities | (488) | (566) | (375) | (703) | (579) | (609) | | | (43) | -7.6% | (1,052) | (1,190) | (138) | -13.1% |
| | | | | | 127,520 | | | | | | 244,733 | 271,413 | | |
| Net income used in computing basic EPS | \$ 117,341 | \$ 127,390 | \$ 79,186 | \$ 146,019 | \$ 0 | \$ 143,896 | | | \$ 16,505 | 13.0% | \$ 3 | \$ 3 | \$ 26,680 | 10.9% |
| Basic earnings per share | \$ 2.99 | \$ 3.32 | \$ 2.12 | \$ 3.95 | \$ 3.47 | \$ 3.97 | | | \$ 0.65 | 19.7% | \$ 6.31 | \$ 7.44 | \$ 1.14 | 18.0% |
| <hr/> | | | | | | | | | | | | | | |
| Adjusted net operating income | \$ 119,744 | \$ 130,710 | \$ 141,682 | \$ 144,805 | \$ 131,889 | \$ 145,407 | | | \$ 14,696 | 11.2% | \$ 4 | \$ 3 | \$ 26,836 | 10.7% |
| Less operating income attributable to unvested participating securities | (496) | (578) | (668) | (694) | (596) | (612) | | | (34) | -5.9% | (1,072) | (1,210) | (138) | -12.9% |
| | | | | | 131,289 | | | | | | 249,382 | 276,083 | | |
| Adjusted net operating income used in computing basic operating EPS | \$ 119,248 | \$ 130,132 | \$ 141,014 | \$ 144,111 | \$ 8 | \$ 144,794 | | | \$ 14,662 | 11.3% | \$ 2 | \$ 0 | \$ 26,698 | 10.7% |
| Basic adjusted operating income per share | \$ 3.04 | \$ 3.39 | \$ 3.77 | \$ 3.90 | \$ 3.58 | \$ 4.00 | | | \$ 0.61 | 17.9% | \$ 6.43 | \$ 7.57 | \$ 1.14 | 17.8% |
| <hr/> | | | | | | | | | | | | | | |
| Diluted earnings per share: | | | | | | | | | | | | | | |
| Weighted-average common shares and fully vested equity awards | 39,221,003 | 38,385,520 | 37,438,254 | 36,973,967 | 36,709,525 | 36,215,232 | | | (2,170,288) | -5.7% | 38,800,954 | 36,461,013 | (2,339,941) | -6.0% |
| | | | | | | | | | (40,346) | -35.1% | 113,000 | 84,418 | (28,582) | -25.3% |
| Dilutive impact of contingently issuable shares | 110,941 | 115,058 | 102,810 | 107,245 | 94,123 | 74,712 | | | | | 0 | 84,418 | (2) | -25.3% |
| | 39,331,944 | 38,500,578 | 37,541,064 | 37,081,212 | 36,803,648 | 36,289,944 | | | (2,210,634) | -5.7% | 38,913,954 | 36,545,431 | (2,368,523) | -6.1% |
| | | | | | 128,099 | | | | | | 245,785 | 272,603 | | |
| Net income attributable to Primerica, Inc. | \$ 117,829 | \$ 127,956 | \$ 79,561 | \$ 146,721 | \$ 9 | \$ 144,504 | | | \$ 16,548 | 12.9% | \$ 5 | \$ 3 | \$ 26,818 | 10.9% |
| Less income attributable to unvested participating securities | (487) | (564) | (374) | (701) | (577) | (608) | | | (43) | -7.6% | (1,050) | (1,188) | (138) | -13.1% |
| | | | | | 127,521 | | | | | | 244,735 | 271,413 | | |
| Net income used in computing diluted EPS | \$ 117,342 | \$ 127,392 | \$ 79,187 | \$ 146,020 | \$ 1 | \$ 143,897 | | | \$ 16,505 | 13.0% | \$ 5 | \$ 5 | \$ 26,680 | 10.9% |
| Diluted earnings per share | \$ 2.98 | \$ 3.31 | \$ 2.11 | \$ 3.94 | \$ 3.46 | \$ 3.97 | | | \$ 0.66 | 19.8% | \$ 6.29 | \$ 7.43 | \$ 1.14 | 18.1% |
| <hr/> | | | | | | | | | | | | | | |
| Adjusted net operating income | \$ 119,744 | \$ 130,710 | \$ 141,682 | \$ 144,805 | \$ 131,889 | \$ 145,407 | | | \$ 14,696 | 11.2% | \$ 4 | \$ 3 | \$ 26,836 | 10.7% |
| Less operating income attributable to unvested participating securities | (495) | (577) | (666) | (692) | (595) | (611) | | | (35) | -6.0% | (1,070) | (1,208) | (138) | -12.9% |
| | | | | | 131,289 | | | | | | 249,384 | 276,083 | | |
| Adjusted net operating income used in computing diluted operating EPS | \$ 119,249 | \$ 130,134 | \$ 141,016 | \$ 144,113 | \$ 9 | \$ 144,795 | | | \$ 14,662 | 11.3% | \$ 4 | \$ 2 | \$ 26,698 | 10.7% |
| Diluted adjusted operating income per share | \$ 3.03 | \$ 3.38 | \$ 3.76 | \$ 3.89 | \$ 3.57 | \$ 3.99 | | | \$ 0.61 | 18.0% | \$ 6.41 | \$ 7.55 | \$ 1.15 | 17.9% |

| | | | | | | | | | YOY Q2 | | YOY YTD | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|------------|------------|--------------|-------------|------------|------------|--------------|-------------|
| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | \$ Change | % Change | YTD 2022 | YTD 2023 | \$ Change | % Change |
| Annualized Return on Equity | | | | | | | | | | | | | | |
| Average stockholders' equity (1) | \$ 1,188,174 | \$ 1,629,817 | \$ 1,894,180 | \$ 2,005,451 | \$ 1,988,832 | \$ 1,980,938 | | | \$ 351,120 | 21.5% | \$ 96 | \$ 85 | \$ 575,889 | 40.9% |
| Average adjusted stockholders' equity (1) | \$ 2,105,050 | \$ 2,099,404 | \$ 2,062,789 | \$ 2,089,374 | \$ 2,154,120 | \$ 2,176,431 | | | \$ 77,027 | 3.7% | \$ 27 | \$ 75 | \$ 63,048 | 3.0% |
| Net income attributable to Primerica, Inc. return on stockholders' equity | 39.7% | 31.4% | 16.8% | 29.3% | 25.8% | 29.2% | | | -2.2% | nm | 34.9% | 27.5% | -7.4% | nm |
| Net income attributable to Primerica, Inc. return on adjusted stockholders' equity | 22.4% | 24.4% | 15.4% | 28.1% | 23.8% | 26.6% | | | 2.2% | nm | 23.4% | 25.2% | 1.8% | nm |
| Adjusted net operating income return on adjusted stockholders' equity | 22.8% | 24.9% | 27.5% | 27.7% | 24.5% | 26.7% | | | 1.8% | nm | 23.8% | 25.6% | 1.8% | nm |
| <hr/> | | | | | | | | | | | | | | |
| Capital Structure | | | | | | | | | | | | | | |
| Debt-to-capital (2) | 29.2% | 24.7% | 23.0% | 22.6% | 23.4% | 22.7% | | | -1.9% | nm | 24.7% | 22.7% | -1.9% | nm |
| Debt-to-capital, excluding AOCI (2) | 22.2% | 22.1% | 22.4% | 21.6% | 21.4% | 21.3% | | | -0.8% | nm | 22.1% | 21.3% | -0.8% | nm |
| Cash and invested assets to stockholders' equity | 3.2 x | 2.5 x | 2.2 x | 2.3 x | 2.4 x | 2.3 x | | | (0.2 x) | nm | 2.5 x | 2.3 x | (0.2 x) | nm |
| Cash and invested assets to adjusted stockholders' equity | 2.2 x | 2.1 x | 2.2 x | 2.1 x | 2.2 x | 2.1 x | | | (0.0 x) | nm | 2.1 x | 2.1 x | (0.0 x) | nm |
| Share count, end of period (3) | 38,751,885 | 37,768,052 | 37,026,600 | 36,824,428 | 36,407,876 | 35,845,525 | | | (1,922,527) | -5.1% | 37,768,052 | 35,845,525 | (1,922,527) | -5.1% |
| Adjusted stockholders' equity per share | \$ 54.46 | \$ 55.30 | \$ 55.02 | \$ 58.16 | \$ 59.51 | \$ 60.99 | | | \$ 5.69 | 10.3% | \$ 55.30 | \$ 60.99 | \$ 5.69 | 10.3% |

Financial Strength Ratings - Primerica Life Insurance Co

| | | | | | | | | | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|--|--|----|----|----|----|----|----|
| Moody's | A1 | A1 | A1 | A1 | A1 | A1 | | | nm | nm | nm | nm | nm | nm |
| S&P | AA- | AA- | AA- | AA- | AA- | AA- | | | nm | nm | nm | nm | nm | nm |
| A.M. Best | A+ | A+ | A+ | A+ | A+ | A+ | | | nm | nm | nm | nm | nm | nm |

Holding Company Senior Debt Ratings

| | | | | | | | | | | | | | | |
|-----------|------|------|------|------|------|------|--|--|----|----|----|----|----|----|
| Moody's | Baa1 | Baa1 | Baa1 | Baa1 | Baa1 | Baa1 | | | nm | nm | nm | nm | nm | nm |
| S&P | A- | A- | A- | A- | A- | A- | | | nm | nm | nm | nm | nm | nm |
| A.M. Best | a- | a- | a- | a- | a- | a- | | | nm | nm | nm | nm | nm | nm |

-
- (1) Reflects the company's permanent stockholders' equity and does not include temporary stockholders' equity.
 - (2) Debt-to-capital is that of the parent company only. Capital in the debt-to-capital ratio includes stockholders' equity and the note payable.
 - (3) Share count reflects outstanding common shares, but excludes restricted stock units (RSUs).

Statements of Income

| (Dollars in thousands) | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | YOY Q2 | | YTD 2022 | YTD 2023 | YOY YTD | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|--------------|-------------|-------------|-------------|--------------|-------------|
| | | | | | | | | | \$ Change | % Change | | | \$ Change | % Change |
| Statement of Income | | | | | | | | | | | | | | |
| Revenues: | | | | | | | | | | | | | | |
| Direct premiums | \$ 798,666 | \$ 808,894 | \$ 810,079 | \$ 812,481 | \$ 817,872 | \$ 828,296 | | | 19,40 | 2.4 % | \$ 560 | \$ 1,646 | \$ 9 | 2.4 % |
| Ceded premiums | (399,885) | (419,048) | (404,870) | (406,088) | (405,347) | (425,266) | | | (6,218) | -1.5 % | (818,933) | (830,613) | (11,680) | -1.4 % |
| Net premiums | 398,781 | 389,846 | 405,209 | 406,393 | 412,525 | 403,030 | | | 13,184 | 3.4 % | 788,626 | 815,555 | 26,929 | 3.4 % |
| Net investment income | 18,905 | 21,284 | 24,346 | 28,530 | 31,065 | 32,398 | | | 11,114 | 52.2 % | 40,189 | 63,462 | 3 | 57.9 % |
| Commissions and fees: | | | | | | | | | | | | | | |
| Sales-based (1) | 103,242 | 88,701 | 67,962 | 66,473 | 72,388 | 74,958 | | | (13,743) | -15.5 % | 191,942 | 147,346 | (44,596) | -23.2 % |
| Asset-based (2) | 113,112 | 108,101 | 107,483 | 105,357 | 111,904 | 113,335 | | | 5,234 | 4.8 % | 221,213 | 225,239 | 4,027 | 1.8 % |
| Account-based (3) | 21,541 | 22,592 | 22,910 | 23,348 | 22,790 | 23,095 | | | 503 | 2.2 % | 44,134 | 45,886 | 1,752 | 4.0 % |
| Other commissions and fees | 13,905 | 21,294 | 27,113 | 31,542 | 24,464 | 21,742 | | | 447 | 2.1 % | 35,200 | 46,206 | 6 | 31.3 % |
| Investment (losses) gains | 751 | (1,892) | (2,699) | 2,846 | (4,608) | (328) | | | 1,564 | 82.7 % | (1,141) | (4,936) | (3,794) | nm |
| Other, net | 20,988 | 18,755 | 20,964 | 22,451 | 19,508 | 20,155 | | | 1,399 | 7.5 % | 39,744 | 39,663 | (81) | -0.2 % |
| Total revenues | 691,225 | 668,681 | 673,288 | 686,940 | 690,036 | 688,385 | | | 19,704 | 2.9 % | 1,359,906 | 1,378,422 | 18,515 | 1.4 % |
| Benefits and expenses: | | | | | | | | | | | | | | |
| Benefits and claims | 163,584 | 148,369 | 159,395 | 161,055 | 163,267 | 148,911 | | | 542 | 0.4 % | 311,953 | 312,179 | 226 | 0.1 % |
| Future policy benefits remeasurement (gain)/loss | (745) | (100) | 1,514 | 958 | 559 | (1,867) | | | (1,766) | nm | (845) | (1,308) | (462) | -54.7 % |
| Amortization of DAC | 63,854 | 64,830 | 66,077 | 66,867 | 67,923 | 68,110 | | | 3,280 | 5.1 % | 128,684 | 136,033 | 7,349 | 5.7 % |
| Insurance commissions | 7,721 | 7,594 | 7,666 | 7,280 | 8,138 | 9,142 | | | 1,548 | 20.4 % | 15,315 | 17,281 | 1,965 | 12.8 % |
| Insurance expenses | 59,509 | 59,461 | 57,552 | 58,883 | 61,125 | 59,093 | | | (367) | -0.6 % | 118,970 | 120,219 | 1,249 | 1.0 % |
| Sales commissions: | | | | | | | | | | | | | | |
| Sales-based (1) | 74,606 | 63,403 | 48,775 | 47,927 | 52,452 | 53,630 | | | (9,773) | -15.4 % | 138,009 | 106,082 | (31,927) | -23.1 % |
| Asset-based (2) | 53,366 | 50,876 | 51,549 | 51,047 | 54,276 | 55,085 | | | 4,209 | 8.3 % | 104,242 | 109,361 | 5,119 | 4.9 % |
| Other sales commissions | 5,952 | 5,484 | 5,592 | 4,187 | 4,147 | 4,907 | | | (577) | -10.5 % | 11,436 | 9,054 | (2,382) | -20.8 % |
| Interest expense | 6,853 | 6,814 | 6,802 | 6,768 | 6,690 | 6,686 | | | (129) | -1.9 % | 13,667 | 13,376 | (292) | -2.1 % |
| Contract acquisition costs (4) | 20,649 | 19,384 | 13,446 | 14,952 | 14,984 | 12,602 | | | (6,782) | -35.0 % | 40,034 | 27,586 | (12,448) | -31.1 % |
| Other operating expenses | 86,434 | 79,728 | 73,790 | 80,443 | 89,534 | 83,189 | | | 3,460 | 4.3 % | 166,162 | 172,723 | 6,561 | 3.9 % |
| Goodwill impairment | — | — | 60,000 | — | — | — | | | — | — | — | — | — | — |
| Loss on extinguishment of debt | — | — | — | — | — | — | | | — | — | — | — | — | — |
| Total benefits and expenses | 541,783 | 505,844 | 552,157 | 500,367 | 523,095 | 499,489 | | | (6,355) | -1.3 % | 1,047,627 | 1,022,584 | (25,043) | -2.4 % |
| Income before income taxes | 149,442 | 162,837 | 121,131 | 186,572 | 166,942 | 188,896 | | | 26,059 | 16.0 % | 312,280 | 355,838 | 43,558 | 13.9 % |
| Income taxes | 34,268 | 37,265 | 41,569 | 39,851 | 38,843 | 44,392 | | | 7,127 | 19.1 % | 71,533 | 83,235 | 2 | 16.4 % |
| Net income | 115,175 | 125,572 | 79,561 | 146,721 | 128,099 | 144,504 | | | 18,932 | 15.1 % | 240,747 | 272,603 | 31,856 | 13.2 % |
| Net income attributable to noncontrolling interests | (2,654) | (2,384) | — | — | — | — | | | 2,384 | 100.0 % | (5,038) | — | 5,038 | 100.0 % |
| Net Income attributable to Primerica, Inc. | \$ 117,829 | \$ 127,956 | \$ 79,561 | \$ 146,721 | \$ 128,099 | \$ 144,504 | | | \$ 16,548 | 12.9 % | \$ 245,785 | \$ 272,603 | \$ 26,818 | 10.9 % |
| Income Before Income Taxes by Segment | | | | | | | | | | | | | | |
| Term Life | \$ 122,122 | \$ 128,579 | \$ 131,707 | \$ 132,001 | \$ 130,540 | \$ 140,115 | | | 11,536 | 9.0 % | 250,701 | 270,655 | 19,954 | 8.0 % |
| Investment & Savings Products | 67,038 | 63,017 | 59,222 | 56,612 | 56,107 | 59,583 | | | (3,434) | -5.4 % | 130,056 | 115,691 | (14,365) | -11.0 % |
| Senior Health | (23,085) | (16,150) | (63,723) | 4,285 | (3,762) | (6,033) | | | 10,117 | 62.6 % | (39,235) | (9,795) | 29,440 | 75.0 % |
| Corporate & Other Distributed Products | (16,632) | (12,609) | (6,075) | (6,325) | (15,944) | (4,769) | | | 7,840 | 62.2 % | (29,241) | (20,713) | 8,529 | 29.2 % |
| Income before income taxes | \$ 149,442 | \$ 162,837 | \$ 121,131 | \$ 186,572 | \$ 166,942 | \$ 188,896 | | | \$ 26,059 | 16.0 % | \$ 312,280 | \$ 355,838 | \$ 43,558 | 13.9 % |

(1) Sales-based - revenues or commission expenses relating to the sales of mutual funds and variable annuities.

(2) Asset-based - revenues or commission expenses relating to the value of assets in client accounts for which we earn ongoing service, distribution, and other fees.

(3) Account-based - revenues relating to the fee generating client accounts we administer.

(4) Contract acquisition costs (CAC) - Includes direct marketing costs incurred to acquire Senior Health product leads through internal and external sources, including commissions paid to Primerica representatives, as well as ETQ agent compensation, training and licensing costs.

Reconciliation of Statement of Income GAAP to Non-GAAP Financial Measures

| (Dollars in thousands) | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | YOY Q2 | | YTD 2022 | YTD 2023 | YOY YTD | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|------------|------------|-------------|---------|--------------|--------------|-------------|---------|
| | | | | | | | | | \$ | % | | | \$ | % |
| Reconciliation from Term Life Direct Premiums to Term Life Adjusted Direct Premiums | | | | | | | | | | | | | | |
| Term Life direct premiums | \$ 793,254 | \$ 803,453 | \$ 804,586 | \$ 807,796 | \$ 812,880 | \$ 823,297 | | | \$ 19,844 | 2.5 % | \$ 1,596,707 | \$ 1,636,177 | \$ 39,470 | 2.5 % |
| Less: Premiums ceded to IPO Coinsurers | 234,614 | 231,805 | 226,869 | 224,240 | 220,240 | 216,740 | | | (15,065) | -6.5 % | 466,419 | 436,980 | (29,439) | -6.3 % |
| Term Life adjusted direct premiums | \$ 558,640 | \$ 571,648 | \$ 577,717 | \$ 583,556 | \$ 592,640 | \$ 606,557 | | | \$ 34,909 | 6.1 % | \$ 1,130,288 | \$ 1,199,197 | \$ 68,909 | 6.1 % |
| Reconciliation from Term Life Ceded Premiums to Term Life Other Ceded Premiums | | | | | | | | | | | | | | |
| Term Life ceded premiums | \$ (398,446) | \$ (417,406) | \$ (403,416) | \$ (404,174) | \$ (404,044) | \$ (423,704) | | | \$ (6,298) | -1.5 % | \$ (815,852) | \$ (827,747) | \$ (11,895) | -1.5 % |
| Less: Premiums ceded to IPO Coinsurers | (234,614) | (231,805) | (226,869) | (224,240) | (220,240) | (216,740) | | | 15,065 | 6.5 % | (466,419) | (436,980) | 29,439 | 6.3 % |
| Term Life other ceded premiums | \$ (163,832) | \$ (185,601) | \$ (176,548) | \$ (179,935) | \$ (183,804) | \$ (206,964) | | | \$ (21,363) | -11.5 % | \$ (349,433) | \$ (390,767) | \$ (41,334) | -11.8 % |
| Reconciliation from Net Investment Income to Adjusted Net Investment Income | | | | | | | | | | | | | | |
| Net Investment Income | \$ 18,905 | \$ 21,284 | \$ 24,346 | \$ 28,530 | \$ 31,065 | \$ 32,398 | | | \$ 11,114 | 52.2 % | \$ 40,189 | \$ 63,462 | \$ 23,273 | 57.9 % |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (327) | (852) | | | nm | nm | (3,353) | (1,179) | nm | nm |
| Adjusted net investment income | \$ 21,004 | \$ 22,538 | \$ 24,414 | \$ 28,940 | \$ 31,392 | \$ 33,250 | | | \$ 10,712 | 47.5 % | \$ 43,542 | \$ 64,644 | \$ 21,100 | 48.5 % |
| Reconciliation from Other Operating Expenses to Adjusted other operating expenses | | | | | | | | | | | | | | |
| Other operating expenses | \$ 86,434 | \$ 79,728 | \$ 73,790 | \$ 80,443 | \$ 89,534 | \$ 83,189 | | | \$ 3,460 | 4.3 % | \$ 166,162 | \$ 172,723 | \$ 6,561 | 3.9 % |
| Less: eTeleQuote transaction-related costs | 900 | (2,892) | — | — | — | — | | | nm | nm | (1,992) | — | nm | nm |
| Less: Equity comp for awards exchanged during acquisition | 256 | 3,328 | — | — | — | — | | | nm | nm | 3,584 | — | nm | nm |
| Adjusted other operating expenses | \$ 85,278 | \$ 79,292 | \$ 73,790 | \$ 80,443 | \$ 89,534 | \$ 83,189 | | | \$ 3,896 | 4.9 % | \$ 164,570 | \$ 172,723 | \$ 8,152 | 5.0 % |
| Reconciliation from Total Revenues to Adjusted Operating Revenues | | | | | | | | | | | | | | |
| Total revenues | \$ 691,225 | \$ 668,681 | \$ 673,288 | \$ 686,940 | \$ 690,036 | \$ 688,385 | | | \$ 19,704 | 2.9 % | \$ 1,359,906 | \$ 1,378,422 | \$ 18,515 | 1.4 % |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | (4,608) | (328) | | | nm | nm | (1,141) | (4,936) | nm | nm |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (327) | (852) | | | nm | nm | (3,353) | (1,179) | nm | nm |
| Adjusted operating revenues | \$ 692,573 | \$ 671,827 | \$ 676,056 | \$ 684,503 | \$ 694,972 | \$ 689,565 | | | \$ 17,737 | 2.6 % | \$ 1,364,401 | \$ 1,384,537 | \$ 20,136 | 1.5 % |
| Reconciliation from Income Before Income Taxes to Adjusted Operating Income Before Income Taxes | | | | | | | | | | | | | | |
| Income before income taxes | \$ 149,442 | \$ 162,837 | \$ 121,131 | \$ 186,572 | \$ 166,942 | \$ 188,896 | | | \$ 26,059 | 16.0 % | \$ 312,80 | \$ 355,838 | \$ 43,558 | 13.9 % |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | (4,608) | (328) | | | nm | nm | (1,141) | (4,936) | nm | nm |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (327) | (852) | | | nm | nm | (3,353) | (1,179) | nm | nm |
| Less: eTeleQuote transaction-related costs | (900) | 2,892 | — | — | — | — | | | nm | nm | 1,992 | — | nm | nm |
| Less: Equity comp for awards exchanged during acquisition | (256) | (3,328) | — | — | — | — | | | nm | nm | (3,584) | — | nm | nm |
| Less: Noncontrolling interest before income taxes | (3,668) | (3,129) | — | — | — | — | | | nm | nm | (6,797) | — | nm | nm |
| Less: Goodwill impairment | — | — | (60,000) | — | — | — | | | nm | nm | — | — | nm | nm |
| Adjusted operating income before income taxes | \$ 155,615 | \$ 169,548 | \$ 183,898 | \$ 184,136 | \$ 171,877 | \$ 190,076 | | | \$ 20,528 | 12.1 % | \$ 325,163 | \$ 361,953 | \$ 36,790 | 11.3 % |
| Reconciliation from Net Income to Adjusted Net Operating Income | | | | | | | | | | | | | | |
| Net income | \$ 115,175 | \$ 125,572 | \$ 79,561 | \$ 146,721 | \$ 128,099 | \$ 144,504 | | | \$ 18,932 | 15.1 % | \$ 240,747 | \$ 272,603 | \$ 31,856 | 13.2 % |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | (4,608) | (328) | | | nm | nm | (1,141) | (4,936) | nm | nm |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (327) | (852) | | | nm | nm | (3,353) | (1,179) | nm | nm |
| Less: e-TeleQuote transaction-related costs | (900) | 2,892 | — | — | — | — | | | nm | nm | 1,992 | — | nm | nm |
| Less: Equity comp for awards exchanged during acquisition | (256) | (3,328) | — | — | — | — | | | nm | nm | (3,584) | — | nm | nm |
| Less: Noncontrolling interest before income taxes | (3,668) | (3,129) | — | — | — | — | | | nm | nm | (6,797) | — | nm | nm |
| Less: Goodwill impairment | — | — | (60,000) | — | — | — | | | nm | nm | — | — | nm | nm |
| Less: Tax impact of reconciling items | 1,603 | 1,573 | 647 | (520) | 1,151 | 277 | | | nm | nm | 3,176 | 1,428 | nm | nm |
| Adjusted net operating income | \$ 119,744 | \$ 130,710 | \$ 141,682 | \$ 144,805 | \$ 131,883 | \$ 145,407 | | | \$ 14,696 | 11.2 % | \$ 250,454 | \$ 277,290 | \$ 26,836 | 10.7 % |

Reconciliation of Statement of Income GAAP to Non-GAAP Financial Measures

| (Dollars in thousands) | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | YOY Q2 | | YTD | YTD | YOY YTD | | |
|--|-------------|-------------|-------------|------------|-------------|------------|------|------|-----------|--------|-------------|-------------|-----------|--------|--|
| | 2022 | 2022 | 2022 | 2022 | 2023 | 2023 | 2023 | 2023 | \$ | % | 2022 | 2023 | \$ | % | |
| | | | | | | | | | Change | Change | | | Change | Change | |
| Reconciliation from Senior Health Income Before Income Taxes to Senior Health Adjusted Operating Income Before Income Taxes | | | | | | | | | | | | | | | |
| Income before income taxes | \$ (23,085) | \$ (16,150) | \$ (63,723) | \$ 4,285 | \$ (3,762) | \$ (6,033) | | | \$ 10,117 | 62.6 % | \$ (39,235) | \$ (9,795) | \$ 29,441 | 75.0 % | |
| Less: e-TeleQuote transaction-related costs | (399) | (66) | — | — | — | — | | | nm | nm | nm | nm | nm | nm | |
| Less: Noncontrolling interest | (3,668) | (3,129) | — | — | — | — | | | nm | nm | nm | nm | nm | nm | |
| Less: Goodwill impairment | — | — | (60,000) | — | — | — | | | nm | nm | nm | nm | nm | nm | |
| Adjusted operating income before income taxes | \$ (19,018) | \$ (12,955) | \$ (3,723) | \$ 4,285 | \$ (3,762) | \$ (6,033) | | | \$ 6,922 | 53.4 % | \$ (31,973) | \$ (9,795) | \$ 22,179 | 69.4 % | |
| Reconciliation from C&O Income Before Income Taxes to C&O Adjusted Operating Income Before Income Taxes | | | | | | | | | | | | | | | |
| Income before income taxes | \$ (16,632) | \$ (12,609) | \$ (6,075) | \$ (6,325) | \$ (15,944) | \$ (4,769) | | | \$ 7,840 | 62.2 % | \$ (29,241) | \$ (20,713) | \$ 8,529 | 29.2 % | |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | (4,608) | (328) | | | nm | nm | nm | nm | nm | nm | |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (327) | (852) | | | nm | nm | nm | nm | nm | nm | |
| Less: e-TeleQuote transaction-related costs | (501) | 2,958 | — | — | — | — | | | nm | nm | nm | nm | nm | nm | |
| Less: Equity comp for awards exchanged during acquisition | (256) | (3,328) | — | — | — | — | | | nm | nm | nm | nm | nm | nm | |
| Less: Loss on extinguishment of debt | — | — | — | — | — | — | | | nm | nm | nm | nm | nm | nm | |
| Adjusted operating income before income taxes | \$ (14,527) | \$ (9,094) | \$ (3,307) | \$ (8,762) | \$ (11,008) | \$ (3,589) | | | \$ 5,504 | 60.5 % | \$ (23,621) | \$ (14,598) | \$ 9,023 | 38.2 % | |

Term Life Insurance - Financial Results and Analysis

| (Dollars in thousands) | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | YOY Q2 | | YOY YTD | | | | | | | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|-------------|---------|--------------|--------------|-------------|---------|--------|---|--|--|--|
| | | | | | | | | | \$ | % | YTD 2022 | YTD 2023 | \$ | % | Change | % | | | |
| Term Life Insurance Income Before Income Taxes | | | | | | | | | | | | | | | | | | | |
| Revenues: | | | | | | | | | | | | | | | | | | | |
| Direct Premiums | \$ 793,254 | \$ 803,453 | \$ 804,586 | \$ 807,796 | \$ 812,880 | \$ 823,297 | | | \$ 19,844 | 2.5 % | \$ 1,596,707 | \$ 1,636,177 | \$ 39,470 | 2.5 % | | | | | |
| Premiums ceded to IPO coinsurers (1) | (234,614) | (231,805) | (226,869) | (224,240) | (220,240) | (216,740) | | | 15,065 | 6.5 % | (466,419) | (436,980) | 29,439 | 6.3 % | | | | | |
| Adjusted direct premiums (2) | 558,640 | 571,648 | 577,717 | 583,556 | 592,640 | 606,557 | | | 34,909 | 6.1 % | 8 | 7 | 68,909 | 6.1 % | | | | | |
| Other ceded premiums (3) | (163,832) | (185,601) | (176,548) | (179,935) | (183,804) | (206,964) | | | (21,363) | -11.5 % | (349,433) | (390,767) | (41,334) | -11.8 % | | | | | |
| Net premiums | 394,808 | 386,047 | 401,169 | 403,621 | 408,836 | 399,594 | | | 13,546 | 3.5 % | 780,855 | 808,430 | 27,575 | 3.5 % | | | | | |
| Other, net | 12,175 | 12,374 | 13,419 | 12,352 | 12,233 | 12,280 | | | (94) | -0.8 % | 24,549 | 24,513 | (36) | -0.1 % | | | | | |
| Revenues | 406,983 | 398,421 | 414,588 | 415,974 | 421,069 | 411,873 | | | 13,452 | 3.4 % | 805,404 | 832,942 | 27,538 | 3.4 % | | | | | |
| Benefits and expenses: | | | | | | | | | | | | | | | | | | | |
| Benefits and claims | 161,702 | 144,626 | 156,587 | 157,082 | 158,940 | 143,855 | | | (771) | -0.5 % | 306,328 | 302,795 | (3,534) | -1.2 % | | | | | |
| Future policy benefits remeasurement (gain)/loss | (907) | (136) | 1,598 | (1) | 1,035 | (1,312) | | | (1,176) | nm | (1,043) | (277) | 766 | 73.5 % | | | | | |
| Amortization of DAC | 62,000 | 63,169 | 64,262 | 65,444 | 66,068 | 66,004 | | | 2,835 | 4.5 % | 125,169 | 132,072 | 6,902 | 5.5 % | | | | | |
| Insurance commissions | 3,793 | 3,854 | 3,964 | 3,724 | 4,590 | 5,496 | | | 1,641 | 42.6 % | 7,648 | 10,086 | 2,438 | 31.9 % | | | | | |
| Insurance expenses | 58,272 | 58,329 | 56,471 | 57,723 | 59,896 | 57,717 | | | (612) | -1.0 % | 116,601 | 117,613 | 1,011 | 0.9 % | | | | | |
| Benefits and expenses | 284,861 | 269,842 | 282,881 | 283,973 | 290,529 | 271,759 | | | 1,917 | 0.7 % | 554,703 | 562,288 | 7,584 | 1.4 % | | | | | |
| Income before income taxes | \$ 122,122 | \$ 128,579 | \$ 131,707 | \$ 132,001 | \$ 130,540 | \$ 140,115 | | | \$ 11,536 | 9.0 % | \$ 250,701 | \$ 270,655 | \$ 19,954 | 8.0 % | | | | | |
| Total Term Life Insurance - Financial Analysis | | | | | | | | | | | | | | | | | | | |
| Post-IPO direct premiums (4) | \$ 448,657 | \$ 460,061 | \$ 465,354 | \$ 469,565 | \$ 477,227 | \$ 489,826 | | | \$ 29,766 | 6.5 % | \$ 908,718 | \$ 967,054 | \$ 58,336 | 6.4 % | | | | | |
| Pre-IPO direct premiums (5) | 344,597 | 343,392 | 339,232 | 338,230 | 335,652 | 333,471 | | | (9,921) | -2.9 % | 687,989 | 669,123 | (18,866) | -2.7 % | | | | | |
| Total direct premiums | \$ 793,254 | \$ 803,453 | \$ 804,586 | \$ 807,796 | \$ 812,880 | \$ 823,297 | | | \$ 19,844 | 2.5 % | \$ 1,596,707 | \$ 1,636,177 | \$ 39,470 | 2.5 % | | | | | |
| Premiums ceded to IPO coinsurers | \$ 234,614 | \$ 231,805 | \$ 226,869 | \$ 224,240 | \$ 220,240 | \$ 216,740 | | | \$ (15,065) | -6.5 % | \$ 466,419 | \$ 436,980 | \$ (29,439) | -6.3 % | | | | | |
| % of Pre-IPO direct premiums | 68.1 % | 67.5 % | 66.9 % | 66.3 % | 65.6 % | 65.0 % | | | nm | nm | 67.8 % | 65.3 % | nm | nm | | | | | |
| Benefits and claims, net (6) | \$ 324,628 | \$ 330,090 | \$ 334,732 | \$ 337,017 | \$ 343,779 | \$ 349,506 | | | \$ 19,416 | 5.9 % | \$ 654,718 | \$ 693,285 | \$ 38,567 | 5.9 % | | | | | |
| % of adjusted direct premiums | 58.1 % | 57.7 % | 57.9 % | 57.8 % | 58.0 % | 57.6 % | | | nm | nm | 57.9 % | 57.8 % | nm | nm | | | | | |
| DAC amortization & insurance commissions | \$ 65,793 | \$ 67,023 | \$ 68,226 | \$ 69,168 | \$ 70,657 | \$ 71,500 | | | \$ 4,476 | 6.7 % | \$ 132,817 | \$ 142,157 | \$ 9,340 | 7.0 % | | | | | |
| % of adjusted direct premiums | 11.8 % | 11.7 % | 11.8 % | 11.9 % | 11.9 % | 11.8 % | | | nm | nm | 11.8 % | 11.9 % | nm | nm | | | | | |
| Insurance expenses, net (7) | \$ 46,097 | \$ 45,955 | \$ 43,052 | \$ 45,371 | \$ 47,663 | \$ 45,437 | | | \$ (518) | -1.1 % | \$ 92,053 | \$ 93,100 | \$ 1,047 | 1.1 % | | | | | |
| % of adjusted direct premiums | 8.3 % | 8.0 % | 7.5 % | 7.8 % | 8.0 % | 7.5 % | | | nm | nm | 8.1 % | 7.8 % | nm | nm | | | | | |
| Total Term Life income before income taxes | \$ 122,122 | \$ 128,579 | \$ 131,707 | \$ 132,001 | \$ 130,540 | \$ 140,115 | | | \$ 11,536 | 9.0 % | \$ 250,701 | \$ 270,655 | \$ 19,954 | 8.0 % | | | | | |
| Term Life operating margin (8) | 21.9 % | 22.5 % | 22.8 % | 22.6 % | 22.0 % | 23.1 % | | | nm | nm | 22.2 % | 22.6 % | nm | nm | | | | | |

(1) Premiums ceded to IPO coinsurers - premiums ceded to IPO coinsurers under the IPO coinsurance transactions excluding any reimbursements from the IPO coinsurers on previously existing reinsurance agreements.

(2) Adjusted direct premiums - direct premiums net of premiums ceded to IPO coinsurers.

(3) Other ceded premiums - premiums ceded to non-IPO coinsurers net of any applicable reimbursements from the IPO coinsurers.

(4) Post-IPO direct premiums - direct premiums not subject to the 2010 IPO coinsurance transactions.

(5) Pre-IPO direct premiums - direct premiums subject to the 2010 IPO coinsurance transactions.

(6) Benefits and claims, net - benefits & claims and remeasurement (gain)/loss net of other ceded premiums which are largely YRT.

(7) Insurance expenses, net - insurance expenses net of other, net revenues.

(8) Term Life operating margin - Term Life operating income before income taxes as a percentage of adjusted direct premiums.

Term Life Insurance - Key Statistics

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | YOY Q2 | | YTD 2022 | YTD 2023 | YOY YTD | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|--------------|-------------|-------------|-------------|--------------|-------------|
| | | | | | | | | | \$ Change | % Change | | | \$ Change | % Change |
| Key Statistics | | | | | | | | | | | | | | |
| Life-insurance licensed sales force, beginning of period | 129,515 | 130,206 | 132,149 | 134,313 | 135,208 | 136,430 | | | 6,224 | 4.8 % | 129,515 | 135,206 | 5,693 | 4.4 % |
| New life-licensed representatives | 9,983 | 11,529 | 12,518 | 11,117 | 11,118 | 12,638 | | | 1,109 | 9.6 % | 21,512 | 23,756 | 2,244 | 10.4 % |
| Non-renewal and terminated representatives | (9,292) | (9,586) | (10,354) | (10,222) | (9,896) | (11,262) | | | (1,676) | -17.5 % | (18,878) | (21,158) | (2,280) | -12.1 % |
| Life-insurance licensed sales force, end of period | 130,206 | 132,149 | 134,313 | 135,208 | 136,430 | 137,806 | | | 5,657 | 4.3 % | 132,149 | 137,806 | 5,657 | 4.3 % |
| Estimated annualized issued term life premium (\$mills) (1): | | | | | | | | | | | | | | |
| Premium from new policies | \$ 65.5 | \$ 72.3 | \$ 68.0 | \$ 66.0 | \$ 70.7 | \$ 82.0 | | | \$ 9.6 | 13.3 % | \$ 137.8 | \$ 152.7 | \$ 14.9 | 10.8 % |
| Additions and increases in premium | 18.4 | 20.6 | 19.5 | 18.2 | 18.2 | 19.7 | | | (0.9) | -4.5 % | 39.0 | 37.9 | (1.1) | -2.8 % |
| Total estimated annualized issued term life premium | \$ 83.8 | \$ 92.9 | \$ 87.5 | \$ 84.2 | \$ 88.9 | \$ 101.7 | | | \$ 8.7 | 9.4 % | \$ 176.8 | \$ 190.6 | \$ 13.8 | 7.8 % |
| Issued term life policies | 71,324 | 76,946 | 71,104 | 72,544 | 84,561 | 96,953 | | | 20,007 | 26.0 % | 148,270 | 181,514 | 33,244 | 22.4 % |
| Estimated average annualized issued term life premium per policy (1)(2) | \$ 918 | \$ 940 | \$ 957 | \$ 910 | \$ 836 | \$ 846 | | | \$ (95) | -10.1 % | \$ 929 | \$ 841 | \$ (88) | -9.5 % |
| Adjusted issued term life policies (3) | \$ 83,050 | \$ 89,316 | \$ 81,372 | \$ 79,282 | \$ 84,561 | \$ 96,953 | | | \$ 7,637 | 8.6 % | \$ 172,366 | \$ 181,514 | \$ 9,148 | 5.3 % |
| Adjusted estimated average annualized issued term life premium per policy (1)(2) | \$ 788 | \$ 810 | \$ 836 | \$ 833 | \$ 836 | \$ 846 | | | \$ 36 | 4.4 % | \$ 799 | \$ 841 | \$ 42 | 5.2 % |
| Term life face amount in-force, beginning of period (\$mills) | \$ 903,404 | \$ 909,632 | \$ 914,438 | \$ 912,785 | \$ 916,808 | \$ 922,845 | | | \$ 13,213 | 1.5 % | \$ 903,404 | \$ 916,808 | \$ 13,404 | 1.5 % |
| Issued term life face amount (4) | 24,773 | 27,651 | 26,049 | 25,349 | 28,124 | 32,203 | | | 4,552 | 16.5 % | 52,423 | 60,327 | 7,904 | 15.1 % |
| Terminated term life face amount | (19,787) | (19,298) | (21,033) | (22,776) | (22,210) | (22,583) | | | (3,285) | -17.0 % | (39,085) | (44,793) | (5,709) | -14.6 % |
| Foreign currency impact, net | 1,242 | (3,547) | (6,669) | 1,450 | 124 | 2,401 | | | 5,948 | nm | (2,305) | 2,525 | 4,830 | nm |
| Term life face amount in-force, end of period | \$ 909,632 | \$ 914,438 | \$ 912,785 | \$ 916,808 | \$ 922,845 | \$ 934,867 | | | \$ 20,429 | 2.2 % | \$ 914,438 | \$ 934,867 | \$ 20,429 | 2.2 % |

(1) Estimated annualized issued term life premium - estimated as average premium per \$1,000 of face amounts issued on new policies and additions (before free look returns) multiplied by actual face amount issued on new policies, rider additions and face amount increases.

(2) In whole dollars.

(3) Provided for comparability of year-over-year results of term life issued policies and reflects the estimated number of policies issued after adjusting for a consistent basis of insured lives per policy following the Q4 2022 new product launch

(4) Issued term life face amount - includes face amount on issued term life policies, additional riders added to existing policies, and face increases under increasing benefit riders.

Investment and Savings Products - Financial Results and Financial Analysis

| (Dollars in thousands, except as noted) | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | YOY Q2 | | YTD | YTD | YOY YTD | |
|--|------------|-----------|-----------|-----------|-----------|-----------|------|------------|-------------|-----------|------------|-------------|-------------|---------|
| | 2022 | 2022 | 2022 | 2022 | 2023 | 2023 | 2023 | 2023 | \$ | % | 2022 | 2023 | \$ | % |
| Investment & Savings Products Income Before Income Taxes | | | | | | | | | | | | | | |
| Revenues: | | | | | | | | | | | | | | |
| Commissions and fees: | | | | | | | | | | | | | | |
| Sales-based | \$ 103,242 | \$ 88,701 | \$ 67,962 | \$ 66,473 | \$ 72,388 | \$ 74,958 | | | \$ (13,743) | -15.5 % | \$ 191,942 | \$ 147,346 | \$ (44,596) | -23.2 % |
| Asset-based | 113,112 | 108,101 | 107,483 | 105,357 | 111,904 | 113,335 | | 5,234 | 4.8 % | 221,213 | 225,239 | 4,027 | 1.8 % | |
| Account-based | 21,541 | 22,592 | 22,910 | 23,348 | 22,790 | 23,095 | | 503 | 2.2 % | 44,134 | 45,886 | 1,752 | 4.0 % | |
| Other, net | 3,144 | 3,022 | 3,342 | 3,102 | 3,120 | 3,121 | | 99 | 3.3 % | 6,166 | 6,240 | 75 | 1.2 % | |
| Revenues | 241,039 | 222,416 | 201,697 | 198,280 | 210,202 | 214,509 | | (7,907) | -3.6 % | 463,455 | 424,712 | (38,743) | -8.4 % | |
| Benefits and expenses: | | | | | | | | | | | | | | |
| Amortization of DAC | 1,446 | 1,421 | 1,378 | 1,336 | 1,493 | 1,409 | | (12) | -0.9 % | 2,867 | 2,901 | 34 | 1.2 % | |
| Insurance commissions | 3,646 | 3,450 | 3,419 | 3,320 | 3,308 | 3,273 | | (176) | -5.1 % | 7,096 | 6,581 | (514) | -7.2 % | |
| Sales commissions: | | | | | | | | | | | | | | |
| Sales-based | 74,606 | 63,403 | 48,775 | 47,927 | 52,452 | 53,630 | | (9,773) | -15.4 % | 138,009 | 106,082 | (31,927) | -23.1 % | |
| Asset-based | 53,366 | 50,876 | 51,549 | 51,047 | 54,276 | 55,085 | | 4,209 | 8.3 % | 104,242 | 109,361 | 5,119 | 4.9 % | |
| Other operating expenses | 40,936 | 40,249 | 37,355 | 38,038 | 42,567 | 41,529 | | 1,280 | 3.2 % | 81,185 | 84,095 | 2,911 | 3.6 % | |
| Benefits and expenses | 174,001 | 159,398 | 142,476 | 141,669 | 154,095 | 154,926 | | (4,472) | -2.8 % | 333,399 | 309,021 | (24,378) | -7.3 % | |
| Income before income taxes | \$ 67,038 | \$ 63,017 | \$ 59,222 | \$ 56,612 | \$ 56,107 | \$ 59,583 | | \$ (3,434) | -5.4 % | \$ 130,56 | \$ 115,691 | \$ (14,365) | -11.0 % | |
| Financial Analysis | | | | | | | | | | | | | | |
| Fees paid based on client asset values (1) | \$ 8,037 | \$ 7,917 | \$ 7,980 | \$ 8,004 | \$ 8,034 | \$ 8,142 | | \$ 225 | 2.8 % | \$ 15,954 | \$ 16,176 | \$ 222 | 1.4 % | |
| Fees paid based on fee-generating positions (2) | 10,948 | 9,974 | 9,486 | 9,665 | 11,528 | 10,216 | | 242 | 2.4 % | 20,922 | 21,744 | 822 | 3.9 % | |
| Other operating expenses | 21,951 | 22,358 | 19,889 | 20,369 | 23,005 | 23,171 | | 813 | 3.6 % | 44,309 | 46,176 | 1,867 | 4.2 % | |
| Total other operating expenses | \$ 40,936 | \$ 40,249 | \$ 37,355 | \$ 38,038 | \$ 42,567 | \$ 41,529 | | \$ 1,280 | 3.2 % | \$ 81,185 | \$ 84,095 | \$ 2,911 | 3.6 % | |
| Sales-based net revenue as % of revenue-generating sales (3) | | | | | | | | | | | | | | |
| U.S. | 1.20 % | 1.27 % | 1.23 % | 1.21 % | 1.21 % | 1.21 % | | nm | nm | 1.23 % | 1.21 % | nm | nm | |
| Canada | 1.00 % | 0.78 % | 0.32 % | 0.31 % | 0.33 % | 0.37 % | | nm | nm | 0.92 % | 0.34 % | nm | nm | |
| Total | 1.16 % | 1.21 % | 1.17 % | 1.15 % | 1.13 % | 1.16 % | | nm | nm | 1.18 % | 1.15 % | nm | nm | |
| Asset-based net revenue as % of average asset values (4) | | | | | | | | | | | | | | |
| U.S. | 0.039 % | 0.040 % | 0.042 % | 0.040 % | 0.042 % | 0.041 % | | nm | nm | 0.078 % | 0.084 % | nm | nm | |
| Canada | 0.108 % | 0.106 % | 0.105 % | 0.103 % | 0.102 % | 0.104 % | | nm | nm | 0.214 % | 0.206 % | nm | nm | |
| Total | 0.049 % | 0.051 % | 0.052 % | 0.050 % | 0.052 % | 0.051 % | | nm | nm | 0.100 % | 0.103 % | nm | nm | |
| Account-based net revenue per average fee generating position (5)(6) | \$ 3.48 | \$ 4.08 | \$ 4.31 | \$ 4.37 | \$ 3.58 | \$ 4.07 | | nm | nm | \$ 7.57 | \$ 7.65 | nm | nm | |

(1) Fees paid based on client asset values - administration fees on Canadian Segregated Funds and advisory fees on Managed Accounts that vary directly with client asset values.

(2) Fees paid based on fee-generating positions - recordkeeping fees that vary with the number of fee-generating positions.

(3) Sales-based net revenue - commission and fee revenue less commissions paid to the sales force based on product sales activity.

(4) Asset-based net revenue - commission and fee revenue less administration and advisory fees paid to third-party providers and commissions paid to the sales force earned based on product account values including amortization of deferred acquisition costs for segregated funds.

(5) Account-based net revenue - fee revenue less recordkeeping fees paid to third-party providers based on fee-generating positions and certain direct general expenses.

(6) In whole dollars.

Investment and Savings Products - Key Statistics

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | YOY Q2 | | YTD 2022 | YTD 2023 | YOY YTD | | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|--------------|-------------|-------------|-------------|--------------|--------------|---------|
| | | | | | | | | | \$ Change | % Change | | | \$ Change | % Change | |
| Key Statistics | | | | | | | | | | | | | | | |
| <u>Product sales (\$mills)</u> | | | | | | | | | | | | | | | |
| U.S. Retail Mutual Funds | \$ 1,298.6 | \$ 1,151.4 | \$ 931.8 | \$ 883.8 | \$ 971.7 | \$ 998.5 | | | | (153.0) | -13.3 % | 2,450.0 | 1,970.2 | (479.8) | -19.6 % |
| Canada Retail Mutual Funds | 437.6 | 250.6 | 112.2 | 112.0 | 149.8 | 106.2 | | | | (144.4) | -57.6 % | 688.3 | 256.0 | (432.3) | -62.8 % |
| Indexed Annuities | 57.5 | 70.2 | 55.8 | 69.2 | 80.7 | 89.3 | | | | 19.2 | 27.3 % | 127.6 | 170.0 | 42.4 | 33.2 % |
| Variable Annuities and other | 668.4 | 617.3 | 542.5 | 548.0 | 556.4 | 649.1 | | | | 31.8 | 5.2 % | 1,285.7 | 1,205.5 | (80.2) | -6.2 % |
| Total sales-based revenue generating product sales | 2,462.1 | 2,089.5 | 1,642.3 | 1,612.9 | 1,758.6 | 1,843.1 | | | | (246.4) | -11.8 % | 4,551.6 | 3,601.7 | (949.9) | -20.9 % |
| Managed Accounts | 453.7 | 451.3 | 319.6 | 288.1 | 306.1 | 317.0 | | | | (134.3) | -29.8 % | 905.0 | 623.1 | (281.9) | -31.1 % |
| Canada Retail Mutual Funds - no upfront sales comm | 82.2 | 97.5 | 157.9 | 156.6 | 183.4 | 193.6 | | | | 96.1 | 98.5 % | 179.8 | 377.0 | 197.2 | 109.7 % |
| Segregated Funds | 67.3 | 51.3 | 41.6 | 35.0 | 51.9 | 27.9 | | | | (234.4) | -45.6 % | 118.6 | 79.8 | (38.8) | -32.7 % |
| Total product sales | \$ 3,065.4 | \$ 2,689.6 | \$ 2,161.5 | \$ 2,092.5 | \$ 2,300.0 | \$ 2,381.6 | | | | \$ (308.0) | -11.5 % | \$ 5,755.0 | \$ 4,681.6 | \$ (1,073.4) | -18.7 % |
| Total Canada Retail Mutual Funds Segregated Funds | \$ 519.9 | \$ 348.1 | \$ 270.2 | \$ 268.6 | \$ 333.2 | \$ 299.8 | | | | \$ (48.3) | -13.9 % | \$ 868.0 | \$ 633.0 | \$ (235.0) | -27.1 % |
| Total Canada product sales | 587.1 | 399.4 | 311.8 | 303.5 | 385.0 | 327.7 | | | | (71.7) | -18.0 % | 986.6 | 712.8 | (273.8) | -27.8 % |
| Total U.S. product sales | 2,478.2 | 2,290.1 | 1,849.7 | 1,789.0 | 1,914.9 | 2,053.9 | | | | (236.2) | -10.3 % | 4,768.4 | 3,968.8 | (799.6) | -16.8 % |
| Total product sales | \$ 3,065.4 | \$ 2,689.6 | \$ 2,161.5 | \$ 2,092.5 | \$ 2,300.0 | \$ 2,381.6 | | | | \$ (308.0) | -11.5 % | \$ 5,755.0 | \$ 4,681.6 | \$ (1,073.4) | -18.7 % |
| <u>Client asset values, beginning of period (\$mills)</u> | | | | | | | | | | | | | | | |
| Inflows | 3,065 | 2,690 | 2,161 | 2,093 | 2,300 | 2,382 | | | | (308) | -11.5 % | 5,755 | 4,682 | (1,073) | -18.7 % |
| Outflows (1) | (1,900) | (1,797) | (1,447) | (1,444) | (1,658) | (1,839) | | | | (42) | -2.4 % | (3,697) | (3,497) | 199 | 5.4 % |
| Net flows | 1,166 | 893 | 714 | 649 | 642 | 542 | | | | (350) | -39.2 % | 2,058 | 1,184 | (874) | -42.5 % |
| Foreign currency impact, net | 171 | (474) | (802) | 174 | 16 | 315 | | | | 789 | nm | (303) | 330 | 633 | nm |
| Change in market value, net and other (2) | (4,941) | (11,836) | (3,466) | 4,388 | 3,014 | 3,168 | | | | 15,003 | 126.8 % | (16,777) | 6,182 | 22,958 | 136.8 % |
| Client asset values, end of period | \$ 93,708 | \$ 82,291 | \$ 78,737 | \$ 83,949 | \$ 87,621 | \$ 91,646 | | | | \$ 9,335 | 11.4 % | \$ 82,291 | \$ 91,646 | \$ 9,355 | 11.4 % |
| Annualized net flows as % of beginning of period asset values | 4.8 % | 3.8 % | 3.5 % | 3.3 % | 3.1 % | 2.5 % | | | | -1.3 % | nm | 4.2 % | 2.8 % | -1.4 % | nm |
| <u>Average client asset values (\$mills)</u> | | | | | | | | | | | | | | | |
| U.S. Retail Mutual Funds | \$ 46,429 | \$ 42,870 | \$ 40,331 | \$ 40,402 | \$ 42,096 | \$ 43,225 | | | | \$ 356 | 0.8 % | 44,650 | 42,661 | (1,989) | -4.5 % |
| Canada Retail Mutual Funds | 12,119 | 11,539 | 10,840 | 10,759 | 11,345 | 11,567 | | | | 28 | 0.2 % | 11,829 | 11,456 | (373) | -3.1 % |
| Managed Accounts | 7,077 | 6,960 | 6,817 | 6,949 | 7,338 | 7,613 | | | | 653 | 9.4 % | 7,018 | 7,475 | 457 | 6.5 % |
| Indexed Annuities | 2,650 | 2,677 | 2,696 | 2,710 | 2,729 | 2,760 | | | | 83 | 3.1 % | 2,664 | 2,745 | 81 | 3.0 % |
| Variable Annuities and other | 23,218 | 21,431 | 20,269 | 20,137 | 20,744 | 21,323 | | | | (108) | -0.5 % | 22,324 | 21,034 | (1,290) | -5.8 % |
| Segregated Funds | 2,710 | 2,517 | 2,368 | 2,299 | 2,329 | 2,324 | | | | (194) | -7.7 % | 2,614 | 2,326 | (288) | -11.0 % |
| Total | \$ 94,203 | \$ 87,994 | \$ 83,320 | \$ 83,256 | \$ 86,581 | \$ 88,813 | | | | \$ 819 | 0.9 % | 91,099 | 87,697 | (3,402) | -3.7 % |
| Canada Retail Mutual Funds Segregated Funds | \$ 12,119 | \$ 11,539 | \$ 10,840 | \$ 10,759 | \$ 11,345 | \$ 11,567 | | | | \$ 28 | 0.2 % | \$ 11,829 | \$ 11,456 | \$ (373) | -3.1 % |
| Total Canada average client assets | 14,829 | 14,056 | 13,208 | 13,058 | 13,674 | 13,891 | | | | (165) | -1.2 % | 14,443 | 13,782 | (661) | -4.6 % |
| Total U.S. average client assets | 79,374 | 73,938 | 70,112 | 70,198 | 72,907 | 74,922 | | | | 984 | 1.3 % | 76,656 | 73,915 | (2,741) | -3.6 % |
| Total average client assets | \$ 94,203 | \$ 87,994 | \$ 83,320 | \$ 83,256 | \$ 86,581 | \$ 88,813 | | | | \$ 819 | 0.9 % | \$ 91,099 | \$ 87,697 | \$ (3,402) | -3.7 % |
| <u>Average number of fee-generating positions (thous) (3)</u> | | | | | | | | | | | | | | | |
| Recordkeeping and custodial | 2,243 | 2,277 | 2,295 | 2,309 | 2,316 | 2,331 | | | | 54 | 2.4 % | 2,260 | 2,324 | 63 | 2.8 % |
| Recordkeeping only | 797 | 812 | 820 | 825 | 829 | 834 | | | | 22 | 2.7 % | 805 | 832 | 27 | 3.4 % |
| Total | 3,040 | 3,089 | 3,115 | 3,134 | 3,145 | 3,165 | | | | 76 | 2.5 % | 3,065 | 3,155 | 91 | 3.0 % |

(1)Asset value outflows - include (a) redemptions of assets, (b) sales charges on the inflow sales figures, and (c) the net flow of money market funds sold and redeemed on the company's recordkeeping platform. The redemptions of assets must be estimated for approximately 4% of account values as these figures are not readily available. Actual redemptions as a percentage of account values for similar known account values are used to estimate the unknown redemption values.

(2)Change in market value, net - market value fluctuations net of fees and expenses.

(3)Fee generating positions - mutual fund positions for which we receive recordkeeping fees. An individual client account may include multiple mutual fund positions. We may also receive fees earned for custodial services that we provide to clients with retirement plan accounts that hold positions in these mutual funds.

Senior Health - Financial Results, Financial Analysis Key Statistics

| | | | | | | | | | YOY Q2 | | YOY YTD | | | |
|---|-------------|-------------|------------|------------|------------|------------|------------|------------|--------------|-------------|-------------|-------------|--------------|-------------|
| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | \$ Change | % Change | YTD 2022 | YTD 2023 | \$ Change | % Change |
| <i>(Dollars in thousands, except as noted)</i> | | | | | | | | | | | | | | |
| Senior Health Income Before Income Taxes | | | | | | | | | | | | | | |
| Revenues: | | | | | | | | | | | | | | |
| Commissions and fees (1) | \$ 1,278 | \$ 9,343 | \$ 14,601 | \$ 22,198 | \$ 15,755 | \$ 11,371 | | | \$ 2,028 | 21.7 % | \$ 21 | \$ 25 | \$ 16,504 | nm |
| Other, net (2) | 4,553 | 2,471 | 2,583 | 5,655 | 2,955 | 3,519 | | | 1,047 | 42.4 % | 7,024 | 6,474 | (550) | -7.8 % |
| Revenues | 5,831 | 11,814 | 17,183 | 27,853 | 18,710 | 14,889 | | | 3,075 | 26.0 % | 17,645 | 33,599 | 15,954 | 90.4 % |
| Benefits and expenses: | | | | | | | | | | | | | | |
| Contract acquisition costs (3) | 20,649 | 19,384 | 13,446 | 14,952 | 14,984 | 12,602 | | | (6,782) | 35.0 % | 40,034 | 27,586 | (12,448) | 31.1 % |
| Adjusted other operating expenses | 7,868 | 8,514 | 7,461 | 8,617 | 7,488 | 8,320 | | | (193) | -2.3 % | 16,381 | 15,808 | (573) | -3.5 % |
| Adjusted operating benefits and expenses | 28,517 | 27,898 | 20,907 | 23,568 | 22,471 | 20,922 | | | (6,976) | 25.0 % | 56,415 | 43,394 | (13,021) | 23.1 % |
| Adjusted operating income before income taxes including NCI | \$ (22,686) | \$ (16,084) | \$ (3,723) | \$ 4,285 | \$ (3,762) | \$ (6,033) | | | \$ 10,051 | 62.5 % | (38,770) | (9,795) | \$ 28,975 | 74.7 % |
| Non-controlling interest before income taxes | (3,668) | (3,129) | — | — | — | — | | | 3,129 | 0 % | (6,797) | — | 6,797 | 100 % |
| Adjusted operating income before income taxes attributable to Primerica, Inc. | \$ (19,018) | \$ (12,955) | \$ (3,723) | \$ 4,285 | \$ (3,762) | \$ (6,033) | | | \$ 6,922 | 53.4 % | (31,973) | (9,795) | \$ 22,179 | 69.4 % |
| Senior Health EBITDA | | | | | | | | | | | | | | |
| Adjusted operating income before income taxes including NCI | \$ (22,686) | \$ (16,084) | \$ (3,723) | \$ 4,285 | \$ (3,762) | \$ (6,033) | | | \$ 10,051 | 62.5 % | (38,770) | (9,795) | \$ 28,975 | 74.7 % |
| Less: Amortization of intangibles | (2,600) | (2,800) | (2,800) | (2,800) | (2,800) | (2,800) | | | — | nm | (5,400) | (5,600) | (200) | -3.7 % |
| Less: Depreciation | (245) | (226) | (221) | (211) | (200) | (160) | | | 65 | 29.0 % | (471) | (360) | 110 | 23.4 % |
| Adjusted EBITDA (Including non-controlling interest) (4) | \$ (19,841) | \$ (13,058) | \$ (703) | \$ 7,297 | \$ (762) | \$ (3,073) | | | \$ 9,985 | 76.5 % | (32,899) | (3,834) | \$ 29,065 | 88.3 % |
| Financial Analysis and Key Statistics | | | | | | | | | | | | | | |
| Senior Health submitted policies (5) | 26,231 | 19,652 | 16,095 | 23,060 | 19,826 | 13,885 | | | (5,767) | 29.3 % | 45,883 | 33,711 | (12,172) | 26.5 % |
| Senior Health approved policies (6) | 23,594 | 17,925 | 14,862 | 20,705 | 18,413 | 12,915 | | | (5,010) | 27.9 % | 41,519 | 31,328 | (10,191) | 24.5 % |
| Primerica representatives Senior Health certified (7) | 42,147 | 60,412 | 83,280 | 93,348 | 94,623 | 94,335 | | | 33,923 | 56.2 % | 60,412 | 94,335 | 33,923 | 56.2 % |
| Senior Health submitted policies sourced by Primerica representatives | 988 | 831 | 1,016 | 5,666 | 2,073 | 1,707 | | | 876 | 105.4 % | 1,819 | 3,780 | 1,961 | 107.8 % |
| LTV per approved policy (8) | \$ 862 | \$ 820 | \$ 868 | \$ 888 | \$ 856 | \$ 880 | | | \$ 60 | 7.3 % | \$ 844 | \$ 866 | \$ 22 | 2.6 % |
| CAC per approved policy (8) | \$ 875 | \$ 1,081 | \$ 905 | \$ 722 | \$ 814 | \$ 976 | | | \$ (106) | -9.8 % | \$ 964 | \$ 881 | \$ (84) | -8.7 % |
| LTV / CAC multiple | 1.0 x | 0.8 x | 1.0 x | 1.2 x | 1.1 x | 0.9 x | | | 0.1 x | nm | 0.9 x | 1.0 x | 0.1 x | nm |

(1)Commission revenue recognized based on the estimated Lifetime value (LTV) to be collected over the estimated life of an approved policy for the relevant period based on multiple factors, including but not limited to contracted commission rates, carrier mix, expected policy turnover, historical chargeback activity and applied constraints. Adjustments to revenue outside of LTV for approved policies from prior periods are recognized when our cash collections are different, or are expected to be, from the estimated constrained LTV's which we refer to as tail revenue.

(2)Primarily reflects marketing development revenues, which are non-commission revenues received from carriers to support marketing efforts and lead acquisition.

(3)Contract acquisition costs (CAC) - Includes direct marketing costs incurred to acquire leads through internal and external sources, including commissions paid to Primerica representatives, as well as ETQ agent compensation, training and licensing costs.

(4)Adjusted EBITDA - Earnings before interest, taxes, depreciation, amortization and certain adjustments for non-cash or non-recurring expenses including purchase accounting adjustments.

(5)Senior Health submitted policies - represents the number of completed applications that, with respect to each such application, the applicant has authorized us to submit to the health insurance carrier. The applicant may need to take additional actions, including providing subsequent information before the application is reviewed by the health insurance carrier.

(6)Senior Health approved policies - represent an estimate of submitted policies approved by health insurance carriers during the indicated period. Not all approved policies will go in force.

(7)A Primerica independent contractor sales representative does not need to be life-insurance licensed in order to obtain a Primerica Senior Health certification.

(8)In whole dollars.

Corporate Other Distributed Products - Financial Results

| (Dollars in thousands) | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 | YOY Q2 | | YTD 2022 | YTD 2023 | YOY YTD | |
|--|------------|------------|------------|------------|------------|------------|------------|------------|--------------|-------------|-------------|-------------|--------------|-------------|
| | | | | | | | | | \$ Change | % Change | | | \$ Change | % Change |
| Corporate & Other Distributed Products Income Before Income Taxes | | | | | | | | | | | | | | |
| Revenues: | | | | | | | | | | | | | | |
| Direct premiums | \$ 5,412 | \$ 5,441 | \$ 5,494 | \$ 4,685 | \$ 4,993 | \$ 4,999 | | | \$ (442) | -8.1 % | \$ 10,853 | \$ 9,991 | \$ (861) | -7.9 % |
| Ceded premiums | (1,439) | (1,642) | (1,454) | (1,914) | (1,304) | (1,562) | | | 80 | 4.9 % | (3,082) | (2,866) | 216 | 7.0 % |
| Net premiums | 3,973 | 3,799 | 4,040 | 2,772 | 3,689 | 3,436 | | | (362) | -9.5 % | 7,771 | 7,125 | (646) | -8.3 % |
| | 21,00 | 22,53 | 24,41 | 28,94 | 31,39 | | | | 10,71 | | | | 21,10 | |
| Adjusted net investment income | 4 | 8 | 4 | 0 | 2 | 33,250 | | | 2 | 47.5 % | 43,542 | 64,641 | 0 | 48.5 % |
| Commissions and fees: | | | | | | | | | | | | | | |
| Prepaid Legal Services | 4,287 | 4,664 | 5,672 | 3,821 | 3,991 | 4,421 | | | (243) | -5.2 % | 8,951 | 8,412 | (539) | -6.0 % |
| Auto and Homeowners Insurance | 1,591 | 2,056 | 2,647 | 1,994 | 1,831 | 2,349 | | | 293 | 14.3 % | 3,647 | 4,180 | 533 | 14.6 % |
| Mortgage loans | 4,818 | 3,128 | 2,103 | 1,656 | 1,211 | 1,775 | | | (1,353) | -43.2 % | 7,946 | 2,987 | (4,959) | -62.4 % |
| Other sales commissions | 1,932 | 2,103 | 2,090 | 1,872 | 1,676 | 1,826 | | | (277) | -13.2 % | 4,034 | 3,502 | (532) | -13.2 % |
| Other, net | 1,117 | 889 | 1,621 | 1,341 | 1,200 | 1,236 | | | 347 | 39.1 % | 2,006 | 2,436 | 431 | 21.5 % |
| Adjusted operating revenues | 38,72 | 39,17 | 42,58 | 42,39 | 44,99 | | | | 38,72 | | 77,897 | 93,283 | 15,38 | 19.8 % |
| | 1 | 6 | 7 | 6 | 0 | 48,293 | | | 9,117 | 23.3 % | | | 6 | |
| Benefits and expenses: | | | | | | | | | | | | | | |
| Benefits and claims | 1,881 | 3,743 | 2,809 | 3,972 | 4,327 | 5,057 | | | 1,314 | 35.1 % | 5,624 | 9,384 | 3,759 | 66.8 % |
| Future policy benefits remeasurement (gain)/loss | 162 | 36 | (84) | 958 | (477) | (554) | | | (590) | nm | 198 | (1,031) | (1,229) | nm |
| Amortization of DAC | 407 | 240 | 438 | 87 | 362 | 697 | | | 457 | nm | 648 | 1,060 | 412 | 63.6 % |
| Insurance commissions | 282 | 290 | 283 | 237 | 241 | 373 | | | 83 | 28.4 % | 572 | 614 | 42 | 7.3 % |
| Insurance expenses | 1,237 | 1,132 | 1,081 | 1,160 | 1,229 | 1,377 | | | 245 | 21.7 % | 2,368 | 2,606 | 238 | 10.0 % |
| Sales commissions | 5,952 | 5,484 | 5,592 | 4,187 | 4,147 | 4,907 | | | (577) | -10.5 % | 11,436 | 9,054 | (2,382) | -20.8 % |
| Interest expense | 6,853 | 6,814 | 6,802 | 6,768 | 6,690 | 6,686 | | | (129) | -1.9 % | 13,667 | 13,376 | (292) | -2.1 % |
| | 36,47 | 30,53 | 28,97 | 33,78 | 39,48 | | | | | | | | | |
| Adjusted other operating expenses | 5 | 0 | 4 | 8 | 0 | 33,340 | | | 2,810 | 9.2 % | 67,004 | 72,820 | 5,815 | 8.7 % |
| | 53,24 | 48,27 | 45,89 | 51,15 | 55,99 | | | | | | 101,51 | 107,88 | | |
| Adjusted benefits and expenses | 8 | 0 | 4 | 8 | 9 | 51,882 | | | 3,613 | 7.5 % | 8 | 1 | 6,363 | 6.3 % |
| Adjusted operating income before income taxes | (14,52) | | | | (11,00) | | | | | | (23,62) | (14,59) | | |
| | \$ 7) | \$ (9,094) | \$ (3,307) | \$ (8,762) | \$ 8) | \$ (3,589) | | | \$ 5,504 | 60.5 % | \$ 1) | \$ 8) | \$ 9,023 | 38.2 % |

Investment Portfolio - Summary of Holdings
PRIMERICA, INC.
 Financial Supplement

| As of or for the period ended June 30, 2023 | | | | | | | |
|---|---------------------|---------------------|---------------------|----------------|---------------------------|----------------|------------|
| | Market Value | Amortized Cost | Unrealized G/(L) | Market Value | % of Total Amortized Cost | Avg Book Yield | Avg Rating |
| <i>(Dollars in thousands)</i> | | | | | | | |
| Investment Portfolio by Asset Class | | | | | | | |
| Cash, Cash Equivalents, and Short Term | \$ 583,161 | \$ 583,161 | \$ - | 18.4 % | 16.8 % | | |
| Fixed Income: | | | | | | | |
| Treasury | 19,162 | 19,893 | (731) | 0.6 % | 0.6 % | 2.62 % | AAA |
| Government | 232,220 | 254,859 | (22,639) | 7.3 % | 7.4 % | 3.07 % | AA- |
| Tax-Exempt Municipal | 33,285 | 36,777 | (3,493) | 1.0 % | 1.1 % | 2.69 % | AA |
| Corporate | 1,276,784 | 1,408,086 | (131,302) | 40.2 % | 40.6 % | 3.69 % | BBB+ |
| Mortgage Backed | 415,498 | 486,809 | (71,311) | 13.1 % | 14.1 % | 3.01 % | AAA |
| Asset Backed | 179,067 | 194,087 | (15,021) | 5.6 % | 5.6 % | 4.12 % | A+ |
| Cmbs | 118,124 | 135,788 | (17,664) | 3.7 % | 3.9 % | 3.50 % | AA- |
| Private | 281,669 | 306,898 | (25,229) | 8.9 % | 8.9 % | 4.71 % | BBB+ |
| Redeemable Preferred | 3,882 | 4,248 | (367) | 0.1 % | 0.1 % | 5.33 % | BBB- |
| Total Fixed Income | 2,559,690 | 2,847,445 | (287,756) | 80.6 % | 82.2 % | 3.63 % | A |
| Equities and Other: | | | | | | | |
| Perpetual Preferred | 8,585 | 8,585 | - | 0.3 % | 0.2 % | | |
| Common Stock | 18,772 | 18,772 | 0 | 0.6 % | 0.5 % | | |
| Mutual Fund | 6,245 | 6,245 | - | 0.2 % | 0.2 % | | |
| Total Equities | 33,601 | 33,601 | 0 | 1.1 % | 1.0 % | | |
| Total Invested Assets | \$ 3,176,452 | \$ 3,464,207 | \$ (287,756) | 100.0 % | 100.0 % | | |

Public Corporate Portfolio by Sector

| | | | | | | | |
|----------------------------------|---------------------|---------------------|---------------------|----------------|----------------|--|--|
| Insurance | \$ 155,868 | \$ 175,918 | \$ (20,051) | 12.2 % | 12.5 % | | |
| Energy | 144,532 | 156,761 | (12,229) | 11.3 % | 11.1 % | | |
| Consumer Non Cyclical | 127,556 | 142,661 | (15,106) | 10.0 % | 10.1 % | | |
| Banking | 113,484 | 118,009 | (4,525) | 8.9 % | 8.4 % | | |
| Reits | 112,547 | 130,813 | (18,267) | 8.8 % | 9.3 % | | |
| Consumer Cyclical | 106,721 | 117,131 | (10,409) | 8.4 % | 8.3 % | | |
| Technology | 93,582 | 100,814 | (7,232) | 7.3 % | 7.2 % | | |
| Capital Goods | 74,083 | 79,544 | (5,462) | 5.8 % | 5.6 % | | |
| Basic Industry | 63,549 | 71,108 | (7,560) | 5.0 % | 5.0 % | | |
| Electric | 57,986 | 63,588 | (5,602) | 4.5 % | 4.5 % | | |
| Finance Companies | 54,799 | 61,667 | (6,869) | 4.3 % | 4.4 % | | |
| Transportation | 53,045 | 57,641 | (4,596) | 4.2 % | 4.1 % | | |
| Communications | 48,041 | 51,975 | (3,934) | 3.8 % | 3.7 % | | |
| Brokerage | 42,724 | 48,420 | (5,696) | 3.3 % | 3.4 % | | |
| | 8,570 | 9,588 | | | | | |
| Financial Other | | | (1,018) | 0.7 % | 0.7 % | | |
| Natural Gas | 7,288 | 7,813 | (525) | 0.6 % | 0.6 % | | |
| Industrial Other | 5,934 | 6,920 | (985) | 0.5 % | 0.5 % | | |
| Utility Other | 4,613 | 5,389 | (775) | 0.4 % | 0.4 % | | |
| Owned No Guarantee | 1,862 | 2,325 | (463) | 0.1 % | 0.2 % | | |
| Total Corporate portfolio | \$ 1,276,784 | \$ 1,408,086 | \$ (131,302) | 100.0 % | 100.0 % | | |

Fixed-Maturity Securities - Effective Maturity

| | | | | | | | |
|---------------------------|---------------------|---------------------|---------------------|----------------|----------------|---------------|--|
| Effective maturity | | | | | | | |
| < 1 Yr. | \$ 191,811 | \$ 194,913 | \$ (3,102) | 7.5 % | 6.8 % | 3.78 % | |
| 1-2 Yrs. | 240,051 | 249,402 | (9,350) | 9.4 % | 8.8 % | 3.69 % | |
| 2-5 Yrs. | 755,693 | 816,578 | (60,885) | 29.5 % | 28.7 % | 3.74 % | |
| 5-10 Yrs. | 1,093,928 | 1,259,836 | (165,908) | 42.7 % | 44.2 % | 3.47 % | |
| > 10 Yrs. | 278,206 | 326,716 | (48,510) | 10.9 % | 11.5 % | 3.83 % | |
| Total Fixed Income | \$ 2,559,690 | \$ 2,847,445 | \$ (287,756) | 100.0 % | 100.0 % | 3.63 % | |

Duration

Fixed Income portfolio duration 4.7 years

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Investment Portfolio - Quality Ratings As of June 30, 2023

(Dollars in thousands)

Investment Portfolio Quality Ratings (1)

| | Amortized Cost | % of Total |
|--------------------------------------|---------------------|----------------|
| Total Fixed Income portfolio: | | |
| <u>Rating</u> | | |
| AAA | \$ 590,359 | 20.7 % |
| AA | 325,732 | 11.4 % |
| A | 706,034 | 24.8 % |
| BBB | 1,163,384 | 40.9 % |
| Below Investment Grade | 57,736 | 2.0 % |
| NA | 4,201 | 0.1 % |
| Total Fixed Income | <u>\$ 2,847,445</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|--------------------------------------|---------------------|----------------|
| Public Corporate asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 10,169 | 0.7 % |
| AA | 66,906 | 4.8 % |
| A | 361,574 | 25.7 % |
| BBB | 917,306 | 65.1 % |
| Below Investment Grade | 51,955 | 3.7 % |
| NA | 176 | 0.0 % |
| Total Corporate | <u>\$ 1,408,086</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|---------------------------------------|-------------------|----------------|
| Private Placement asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ - | — |
| AA | 9,189 | 3.0 % |
| A | 72,421 | 23.6 % |
| BBB | 223,562 | 72.8 % |
| Below Investment Grade | 1,726 | 0.6 % |
| NA | - | — |
| Total Private | <u>\$ 306,898</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|--------------------------|-------------------|----------------|
| CMBS asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 60,324 | 44.4 % |
| AA | 8,895 | 6.6 % |
| A | 66,570 | 49.0 % |
| BBB | - | — |
| Below Investment Grade | - | — |
| NA | - | — |
| Total CMBS | <u>\$ 135,788</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|-------------------------------------|-------------------|----------------|
| Mortgage-Backed asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 437,676 | 89.9 % |
| AA | 48,921 | 10.0 % |
| A | 126 | 0.0 % |
| BBB | - | — |
| Below Investment Grade | 64 | 0.0 % |
| NA | 22 | 0.0 % |
| Total Mortgage-Backed | <u>\$ 486,809</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|----------------------------------|-------------------|----------------|
| Asset-Backed asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 36,015 | 18.6 % |
| AA | 15,357 | 7.9 % |
| A | 129,723 | 66.8 % |
| BBB | 6,138 | 3.2 % |
| Below Investment Grade | 2,850 | 1.5 % |
| NA | 4,004 | 2.1 % |
| Total Asset-Backed | <u>\$ 194,087</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|---|-------------------|----------------|
| Treasury & Government asset classes: | | |
| <u>Rating</u> | | |
| AAA | \$ 45,486 | 16.6 % |
| AA | 148,407 | 54.0 % |
| A | 68,638 | 25.0 % |
| BBB | 11,081 | 4.0 % |
| Below Investment Grade | 1,140 | 0.4 % |
| NA | 0 | 0.0 % |
| Total Treasury & Government | <u>\$ 274,752</u> | <u>100.0 %</u> |

NAIC Designations

| | | |
|-------------------------------|---------------------|---------|
| 1 | \$ 1,377,017 | 55.0 % |
| 2 | 1,056,881 | 42.2 % |
| 3 | 59,590 | 2.4 % |
| 4 | 7,752 | 0.3 % |
| 5 | 691 | 0.0 % |
| 6 | 0 | 0.0 % |
| U.S. Insurer Fixed Income (2) | 2,501,931 | 100.0 % |
| Other (3) | 379,115 | |
| Cash and cash equivalents | 583,161 | |
| Total Invested Assets | <u>\$ 3,464,207</u> | |

(1) Ratings method for split ratings: If by 2 NRSROs, use lower of the two; if by 3 or more NRSROs, use second lowest.

(2) NAIC ratings for our U.S. insurance companies' fixed income portfolios.

(3) Other consists of assets held by our non-life companies, Canadian insurance company, and unrated equities.

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Investment Portfolio - Supplemental Data and Trends

| (Dollars in thousands) | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | YOY Q2 | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|------|------|-----------|----------|
| | 2022 | 2022 | 2022 | 2022 | 2023 | 2023 | 2023 | 2023 | \$ Change | % Change |
| Net Investment Income by Source | | | | | | | | | | |
| Fixed-maturity securities (available-for-sale) | \$ 20,889 | \$ 22,414 | \$ 23,067 | \$ 24,605 | \$ 25,806 | \$ 26,357 | | | \$ 3,943 | 17.6% |
| Fixed-maturity securities (held-to-maturity) | 15,515 | 15,815 | 16,283 | 16,309 | 16,435 | 16,608 | | | 793 | 5.0% |
| Equity Securities | 387 | 371 | 373 | 377 | 380 | 380 | | | 9 | 2.4% |
| Deposit asset underlying 10% reinsurance treaty | 589 | 485 | 557 | 2,134 | 2,377 | 2,488 | | | 2,003 | nm |
| Deposit asset - Mark to Market | (2,099) | (1,254) | (68) | (409) | (327) | (852) | | | 402 | 32.1% |
| Policy loans and other invested assets | 102 | 58 | 436 | 450 | (72) | 352 | | | 294 | nm |
| Cash & cash equivalents | 125 | 498 | 1,714 | 3,605 | 5,128 | 5,840 | | | 5,342 | nm |
| Total investment income | 35,508 | 38,387 | 42,362 | 47,072 | 49,727 | 51,172 | | | 12,785 | 33.3% |
| Investment expenses | 1,088 | 1,288 | 1,733 | 2,233 | 2,227 | 2,167 | | | 879 | 68.2% |
| Interest Expense on Surplus Note | 15,515 | 15,815 | 16,283 | 16,309 | 16,435 | 16,608 | | | 793 | 5.0% |
| Net investment income | \$ 18,905 | \$ 21,284 | \$ 24,346 | \$ 28,530 | \$ 31,065 | \$ 32,397 | | | \$ 11,113 | 52.2% |
| Fixed income book yield, end of period | 3.18 % | 3.25 % | 3.34 % | 3.44 % | 3.57 % | 3.63 % | | | | |
| New money yield | 3.37 % | 4.21 % | 3.93 % | 5.41 % | 5.57 % | 5.46 % | | | | |

| Rating | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | YOY Q2 | |
|------------------------|---------|---------|---------|---------|---------|---------|------|------|--------|--------|
| | 2022 | 2022 | 2022 | 2022 | 2023 | 2023 | 2023 | 2023 | % Pt | Change |
| AAA | 21.0 % | 22.0 % | 21.5 % | 21.6 % | 20.8 % | 20.7 % | | | -1.3 % | |
| AA | 11.2 % | 11.2 % | 11.1 % | 11.5 % | 11.3 % | 11.4 % | | | 0.2 % | |
| A | 23.7 % | 23.0 % | 23.0 % | 24.6 % | 25.0 % | 24.8 % | | | 1.8 % | |
| BBB | 39.8 % | 39.6 % | 40.1 % | 39.9 % | 40.5 % | 40.9 % | | | 1.2 % | |
| Below Investment Grade | 3.1 % | 2.8 % | 2.7 % | 2.4 % | 2.2 % | 2.0 % | | | -0.8 % | |
| NA | 1.2 % | 1.3 % | 1.5 % | 0.0 % | 0.2 % | 0.1 % | | | -1.1 % | |
| | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | | | — | |
| | A | A | A | A | A | A | | | | |

| Top 25 Exposures | As of June 30, 2023 | | | Foreign Exposure (1) | As of June 30, 2023 | | | Government Investments (1) | As of June 30, 2023 | |
|--|---------------------|----------------|---------------|----------------------|---------------------|----------------|--------------------------------|----------------------------|---------------------|--|
| | Market Value | Amortized Cost | Credit Rating | | Market Value | Amortized Cost | Market Value | | Amortized Cost | |
| 1 Canada | \$ 19,657 | \$ 20,984 | AAA | Canada | \$ 83,898 | \$ 93,452 | AAA | \$ 2,015 | \$ 2,114 | |
| 2 Province of Alberta Canada | 15,151 | 16,179 | A+ | United Kingdom | 24,731 | 25,270 | AA | — | — | |
| 3 Province of Quebec Canada | 14,988 | 15,584 | AA- | Australia | 18,201 | 19,500 | A | 7,795 | 9,475 | |
| 4 Province of Ontario Canada | 14,317 | 14,847 | A+ | Mexico | 6,535 | 7,690 | BBB | 9,642 | 10,631 | |
| 5 Bank of America Corp | 12,963 | 13,295 | A- | France | 6,116 | 6,395 | Below Investment Grade | 641 | 1,140 | |
| 6 Ontario Teachers' Pension Plan | 12,774 | 14,429 | AA+ | Bermuda | 5,921 | 6,237 | NA | — | — | |
| 7 Wells Fargo & Co | 11,309 | 11,395 | BBB+ | Netherlands | 5,407 | 5,474 | Total | \$ 20,093 | \$ 23,360 | |
| 8 Manulife Financial Corp | 10,779 | 11,686 | A | Japan | 5,294 | 5,450 | | | | |
| 9 Morgan Stanley | 10,357 | 10,765 | BBB+ | Luxembourg | 4,579 | 4,700 | | | | |
| 10 TC Energy Corp | 10,272 | 11,677 | BBB+ | Ireland | 4,397 | 4,416 | Non-Government Investments (1) | | | |
| 11 Province of Saskatchewan Canada | 9,900 | 10,236 | AA | Malta | 4,360 | 4,527 | | | | |
| 12 Goldman Sachs Group Inc. | 9,482 | 9,811 | BBB+ | Israel | 3,528 | 3,559 | AAA | \$ 5,413 | \$ 5,461 | |
| 13 ConocoPhillips | 9,351 | 10,702 | A | Cayman Islands | 3,512 | 3,534 | AA | 5,270 | 5,314 | |
| 14 Enbridge Inc | 9,164 | 9,959 | BBB+ | Brazil | 2,423 | 2,616 | A | 46,409 | 49,325 | |
| 15 Walmart Inc | 8,464 | 8,610 | AA | Supranational | 2,015 | 2,114 | BBB | 137,634 | 147,984 | |
| 16 Fairfax Financial Holdings Ltd | 8,319 | 9,788 | BBB | Emerging Markets (2) | 10,334 | 12,068 | Below Investment Grade | 3,947 | 4,092 | |
| 17 Province of Newfoundland and Labrador | 8,305 | 9,120 | AA | All Other | 29,099 | 30,116 | NA | 1,582 | 1,582 | |
| 18 Brookfield Corp | 8,180 | 8,573 | A- | Total | \$ 220,348 | \$ 237,119 | Total | \$ 200,255 | \$ 213,758 | |
| 19 Province of New Brunswick Canada | 8,128 | 8,462 | AA | | | | | | | |
| 20 Kemper Corp | 8,092 | 9,093 | BBB | | | | | | | |
| 21 Province of British Columbia Canada | 8,055 | 8,528 | AA | | | | | | | |
| 22 Intact Financial Corp | 7,944 | 7,878 | A+ | | | | | | | |
| 23 Enterprise Products Partners | 7,914 | 7,562 | A- | | | | | | | |
| 24 City of Toronto Canada | 7,851 | 8,162 | AA | | | | | | | |
| 25 Western & Southern Mutual Holdings | 7,734 | 9,426 | AA | | | | | | | |
| | 259,45 | | | | | | | | | |
| Total | \$ 1 | \$ 276,753 | | | | | | | | |
| % of total fixed income portfolio | 8.2 % | 8.0 % | | | | | | | | |

(1)US\$ denominated investments in issuers outside of the United States based on country of risk.

(2)Emerging markets is as defined by MSCI, Inc. which include Chile, India, Peru, Poland and South Africa.

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Five-Year Historical Key Statistics

| <i>(Dollars in millions)</i> | 2018 | 2019 | 2020 | 2021 | 2022 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 |
|--|------------|------------|------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Recruits | 290,886 | 282,207 | 400,345 | 349,374 | 359,735 | 84,707 | 70,215 | 127,788 | 77,025 | 93,540 | 86,124 | | |
| Life-insurance licensed sales force, beginning of period | 126,121 | 130,736 | 130,522 | 134,907 | 129,515 | 129,515 | 130,206 | 132,149 | 134,313 | 135,208 | 136,430 | | |
| New life-licensed representatives | 48,041 | 44,739 | 48,106 | 39,622 | 45,147 | 9,983 | 11,529 | 12,518 | 11,117 | 11,118 | 12,638 | | |
| Non-renewal and terminated representatives | (43,426) | (44,953) | (43,721) | (45,014) | (39,454) | (9,292) | (9,586) | (10,354) | (10,222) | (9,896) | (11,262) | | |
| Life-insurance licensed sales force, end of period | 130,736 | 130,522 | 134,907 | 129,515 | 135,208 | 130,206 | 132,149 | 134,313 | 135,208 | 136,430 | 137,806 | | |
| Issued term life policies | 301,589 | 287,809 | 352,868 | 323,855 | 291,918 | 71,324 | 76,946 | 71,104 | 72,544 | 84,561 | 96,953 | | |
| Issued term life face amount | \$ 95,209 | \$ 93,994 | \$ 109,436 | \$ 108,521 | \$ 103,822 | \$ 24,773 | \$ 27,651 | \$ 26,049 | \$ 25,349 | \$ 28,124 | \$ 32,203 | | |
| Term life face amount in force, beginning of period | \$ 763,831 | \$ 781,041 | \$ 808,262 | \$ 858,818 | \$ 903,404 | \$ 903,404 | \$ 909,632 | \$ 914,438 | \$ 912,785 | \$ 916,808 | \$ 922,845 | | |
| Issued term life face amount | 95,209 | 93,994 | 109,436 | 108,521 | 103,822 | 24,773 | 27,651 | 26,049 | 25,349 | 28,124 | 32,203 | | |
| Terminated term life face amount | (70,291) | (71,519) | (60,848) | (64,798) | (82,894) | (19,787) | (19,298) | (21,033) | (22,776) | (22,210) | (22,583) | | |
| Foreign currency impact, net | (7,708) | 4,746 | 1,968 | 862 | (7,524) | 1,242 | (3,547) | (6,669) | 1,450 | 124 | 2,401 | | |
| Term life face amount in force, end of period | \$ 781,041 | \$ 808,262 | \$ 858,818 | \$ 903,404 | \$ 916,808 | \$ 909,632 | \$ 914,438 | \$ 912,785 | \$ 916,808 | \$ 922,845 | \$ 934,867 | | |
| Estimated annualized issued term life premium | | | | | | | | | | | | | |
| Premium from new policies | \$ 250.8 | \$ 244.8 | \$ 303.6 | \$ 297.2 | \$ 271.9 | \$ 65.5 | \$ 72.3 | \$ 68.0 | \$ 66.0 | \$ 70.7 | \$ 82.0 | | |
| Additions and increases in premium | 55.2 | 60.2 | 68.9 | 77.0 | 76.7 | 18.4 | 20.6 | 19.5 | 18.2 | 18.2 | 19.7 | | |
| Total estimated annualized issued term life premium | \$ 306.0 | \$ 305.0 | \$ 372.5 | \$ 374.2 | \$ 348.5 | \$ 83.8 | \$ 92.9 | \$ 87.5 | \$ 84.2 | \$ 88.9 | \$ 101.7 | | |
| Investment & Savings product sales | \$ 7,040.1 | \$ 7,533.2 | \$ 7,842.5 | \$ 11,703.2 | \$ 10,009.0 | \$ 3,065.4 | \$ 2,689.6 | \$ 2,161.5 | \$ 2,092.5 | \$ 2,300.0 | \$ 2,381.6 | | |
| Investment & Savings average client asset values | \$ 61,842 | \$ 65,029 | \$ 69,709 | \$ 89,993 | \$ 87,193 | \$ 94,203 | \$ 87,994 | \$ 83,320 | \$ 83,256 | \$ 86,581 | \$ 88,813 | | |
| Closed U.S. Mortgage Volume (brokered) | \$ — | \$ 31.1 | \$ 442.5 | \$ 1,229.2 | \$ 567.2 | \$ 235.9 | \$ 152.7 | \$ 99.8 | \$ 78.9 | \$ 55.6 | \$ 82.2 | | |



Supplemental Financial Information As Adjusted for ASU 2018-12 Fourth Quarter 2022

This document is a revision of the restated fourth quarter 2022 financial supplement furnished as an exhibit to the 8-K filed on May 2, 2023 and corrects certain immaterial misstatements identified in the prior period results related to the adoption of LDTI. These immaterial misstatements were specifically related to the Company's accounting estimates under LDTI and thus no financial statements prior to the adoption of LDTI were affected.

Effective January 1, 2023, we adopted FASB ASU 2018-12 "Targeted Improvements to the Accounting for Long-Duration Contracts" (or "LDTI"). We have retrospectively restated 2021 and 2022 financial statements in compliance with the new accounting standard, with 2021 full year and 2022 quarterly restated results included herein. The impact of LDTI on our financial statements is significant, as it requires us to make changes to the way we calculate future policy benefit reserves on our term life insurance product and discontinued product lines issued by our New York subsidiary. LDTI also requires changes to the way we amortize deferred acquisition costs for these products as well as Canadian Segregated funds. Restating our financial statements is necessary to present historical periods on a comparable basis with future period results.

Also effective January 1, 2023, we will no longer be allocating a portion of net investment income to the Term Life Insurance segment, and all net investment income will be recorded in the Corporate & Other Distributed Products segment. As such, we have retrospectively restated for comparison purposes the 2021 and 2022 income statements for the Term Life Insurance and Corporate and Other Distributed Product Segments.

In this document, we have also included estimated term life issued policy counts by quarter for 2022 adjusting issued policies to a single life per policy basis to facilitate comparisons going forward.

A summary of significant changes by line item follows:

| | |
|-------------------------------------|---|
| Term Life Insurance - | Removal of Net investment income allocation and changes reflected in Benefits and claims, Future policy benefits remeasurement (gain)/loss and Amortization of DAC |
| Investment and Savings Products - | Amortization of DAC |
| Senior Health - | No change |
| Corp & Other Distributed Products - | Inclusion of Net investment income formerly allocated to Term Life and changes reflected in Benefits and claims, Future policy benefits remeasurement (gain)/loss and Amortization of DAC for discontinued lines written by our New York subsidiary |
| Consolidated Balance Sheets - | Due from Reinsurers, Deferred acquisitions costs, Future policy benefits, Income taxes, Retained Earnings, Accumulated other comprehensive income |
| Statements of Income - | Benefits and claims, Future policy benefits remeasurement (gain)/loss, Amortization of DAC |

To facilitate comparison, lines impacted by the change have been highlighted. Note that ratios and totals are also affected, however, these were not highlighted.

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This document may contain forward-looking statements and information. Additional information and factors that could cause actual results to differ materially from any forward-looking statements or information in this document is available in our Form 10-K for the year ended December 31, 2022.

Fourth Quarter 2022

This document is a financial supplement to our fourth quarter 2022 earnings release. It is designed to enable comprehensive analysis of our ongoing business using the same core metrics that our management utilizes in assessing our business and making strategic and operational decisions. Throughout this document we provide financial information that is derived from our U.S. GAAP financial statements and adjusted for three different purposes, as follows:

•Operating adjustments exclude the impact of investment gains/losses, including credit impairments, mark-to-market (MTM) investment adjustments, loss on the extinguishment of debt, transaction-related expenses/recoveries associated with the purchase of e-TeleQuote Insurance, Inc. and subsidiaries (collectively, "e-TeleQuote"), adjustments to share-based compensation expense for shares exchanged in the business combination, and non-cash goodwill impairment charges. We exclude investment gains/losses, including credit impairments, and MTM investment adjustments in measuring adjusted operating revenues to eliminate period-over-period fluctuations that may obscure comparisons of operating results due to items such as the timing of recognizing gains and losses and other factors prior to an invested asset's maturity or sale that are not directly associated with the Company's insurance operations. We exclude the loss on the extinguishment of debt, e-TeleQuote transaction-related expenses/recoveries, and non-cash goodwill impairment charges in our non-GAAP financial measures as such expenses are non-recurring items that will cause incomparability between period-over-period results. We exclude adjustments to share-based compensation expense for shares exchanged in the business combination to eliminate period-over-period fluctuations that may obscure comparisons of operating results primarily due to the volatility of changes in the fair value of shares which were acquired for no additional consideration. Adjusted operating income before income taxes and adjusted net operating income exclude income attributable to the noncontrolling interest to present only the income that is attributable to stockholders of the Company.

•Adjusted stockholders' equity refers to the removal of the impact of net unrealized gains and losses on invested assets. We exclude unrealized investment gains and losses in measuring adjusted stockholders' equity as unrealized gains and losses from the Company's invested assets are largely caused by market movements in interest rates and credit spreads that do not necessarily correlate with the cash flows we will ultimately realize when an invested asset matures or is sold. Also, excludes the difference in future policy benefits calculated using the current discount rate and future policy benefits calculated using the locked-in discount rate at contract issuance recognized in accumulated other comprehensive income. We exclude the impact from the difference in the discount rate in measuring adjusted stockholders' equity as it is caused by market movements in interest rates that are not permanent and may not align with the cash flow we will ultimately incur when policy benefits are settled.

•IPO coinsurance transactions adjustments relate to transactions in the first quarter of 2010, where we coinsured between 80% and 90% of our business that was in-force at year-end 2009 to entities then affiliated with Citigroup Inc. that were executed concurrent with our initial public offering (IPO). We exclude amounts ceded under the IPO coinsurance transactions in measuring adjusted direct premiums and other ceded premiums to present meaningful comparisons of the actual premiums economically maintained by the Company. Amounts ceded under the IPO coinsurance transactions will continue to decline over time as policies terminate within this block of business.

Management utilizes these non-GAAP financial measures in managing the business and believes they present relevant and meaningful analytical metrics for evaluating the ongoing business. Reconciliations of non-GAAP to GAAP financial measures are included in this financial supplement.

Certain items throughout this supplement may not add due to rounding and as such, may not agree to other public reporting of the respective item. Certain items throughout this supplement are noted as 'na' to indicate not applicable. Certain variances are noted as 'nm' to indicate not meaningful. Certain reclassifications have been made to prior-period amounts to conform to current-period reporting classifications. These reclassifications had no impact on net income or total stockholders' equity.

Condensed Balance Sheets and Reconciliation of Balance Sheet Non-GAAP to GAAP Financial Measures

PRIMERICA, INC.
Financial Supplement

| (Dollars in thousands) | Dec 31, 2021 | Mar 31, 2022 | Jun 30, 2022 | Sep 30, 2022 | Dec 31, 2022 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Condensed Balance Sheets | | | | | |
| Assets: | | | | | |
| Investments and cash excluding securities held to maturity | \$ 3,277,830 | \$ 3,191,154 | \$ 3,048,974 | \$ 2,981,598 | \$ 3,141,919 |
| Securities held to maturity | 1,379,100 | 1,390,310 | 1,415,940 | 1,433,760 | 1,444,920 |
| Total investments and cash | 4,656,930 | 4,581,464 | 4,464,914 | 4,415,358 | 4,586,839 |
| Due from reinsurers | 4,239,627 | 3,716,686 | 3,386,120 | 3,190,157 | 3,209,540 |
| Deferred policy acquisition costs | 2,956,650 | 3,029,551 | 3,083,905 | 3,128,511 | 3,188,502 |
| Goodwill | 179,154 | 179,154 | 187,707 | 127,707 | 127,707 |
| Other assets | 1,363,612 | 1,249,598 | 1,213,620 | 1,202,072 | 1,223,120 |
| Separate account assets | 2,799,992 | 2,696,891 | 2,358,987 | 2,206,608 | 2,305,717 |
| Total assets | <u>\$ 16,195,964</u> | <u>\$ 15,453,343</u> | <u>\$ 14,695,254</u> | <u>\$ 14,270,413</u> | <u>\$ 14,641,423</u> |
| Liabilities: | | | | | |
| Future policy benefits | \$ 8,594,476 | \$ 7,332,290 | \$ 6,606,150 | \$ 6,094,187 | \$ 6,297,911 |
| Other policy liabilities | 1,103,642 | 1,108,047 | 999,789 | 1,005,195 | 1,037,440 |
| Income taxes | 15,311 | 95,424 | 168,160 | 218,441 | 204,017 |
| Other liabilities | 669,631 | 683,865 | 646,660 | 659,582 | 626,773 |
| Debt obligations | 607,102 | 598,303 | 592,504 | 592,705 | 592,905 |
| Surplus note | 1,378,585 | 1,389,811 | 1,415,457 | 1,433,293 | 1,444,469 |
| Payable under securities lending | 94,529 | 93,171 | 96,603 | 80,754 | 100,938 |
| Separate account liabilities | 2,799,992 | 2,696,891 | 2,358,987 | 2,206,608 | 2,305,717 |
| Total liabilities | 15,263,269 | 13,997,803 | 12,884,310 | 12,290,764 | 12,610,170 |
| Redeemable noncontrolling interest | \$ 7,271 | \$ 4,616 | \$ 2,233 | \$ — | \$ — |
| Stockholders' equity: | | | | | |
| Common stock (\$0.01 par value) (1) | 394 | 388 | 378 | 370 | 368 |
| Paid-in capital | 5,224 | (0) | (0) | (0) | (0) |
| Retained earnings | 2,085,665 | 2,098,037 | 2,085,823 | 2,053,285 | 2,153,617 |
| Treasury stock | — | — | — | — | — |
| Accumulated other comprehensive income (loss), net: | | | | | |
| Net unrealized gains (losses) | 63,775 | (66,439) | (175,746) | (252,913) | (240,869) |
| Effect of change in discount rate assumptions on the liability for future policy benefits | (1,238,180) | (592,910) | (104,078) | 195,520 | 130,416 |
| Cumulative translation adjustment | 8,547 | 11,847 | 2,336 | (16,614) | (12,279) |
| Total stockholders' equity (2) | 925,425 | 1,450,923 | 1,808,712 | 1,979,648 | 2,031,253 |
| Total liabilities and stockholders' equity | <u>\$ 16,195,964</u> | <u>\$ 15,453,343</u> | <u>\$ 14,695,254</u> | <u>\$ 14,270,413</u> | <u>\$ 14,641,423</u> |
| Reconciliation of Total Stockholders' Equity to Adjusted Stockholders' Equity | | | | | |
| Total stockholders' equity | \$ 925,425 | \$ 1,450,923 | \$ 1,808,712 | \$ 1,979,648 | \$ 2,031,253 |
| Less: Net unrealized gains (losses) | 63,775 | (66,439) | (175,746) | (252,913) | (240,869) |
| Less: Effect of change in discount rate assumptions on the liability for future policy benefits | (1,238,180) | (592,910) | (104,078) | 195,520 | 130,416 |
| Adjusted stockholders' equity | <u>\$ 2,099,830</u> | <u>\$ 2,110,271</u> | <u>\$ 2,088,536</u> | <u>\$ 2,037,041</u> | <u>\$ 2,141,707</u> |
| Adjusted Stockholders' Equity Rollforward | | | | | |
| Balance, beginning of period | | \$ 2,099,830 | \$ 2,110,271 | \$ 2,088,536 | \$ 2,037,041 |
| Net Income attributable to Primerica, Inc. | | 117,829 | 127,956 | 79,561 | 146,721 |
| Shareholder dividends | | (21,645) | (21,178) | (20,571) | (20,389) |
| Retirement of shares and warrants | | (103,862) | (127,963) | (97,515) | (32,098) |
| Net foreign currency translation adjustment | | 3,300 | (9,511) | (18,949) | 4,335 |
| Other, net | | 14,820 | 8,961 | 5,979 | 6,096 |
| Balance, end of period | | <u>\$ 2,110,271</u> | <u>\$ 2,088,536</u> | <u>\$ 2,037,041</u> | <u>\$ 2,141,707</u> |
| Deferred Policy Acquisition Costs Rollforward | | | | | |
| Balance, beginning of period | | \$ 2,956,650 | \$ 3,029,551 | \$ 3,083,905 | \$ 3,128,511 |
| General expenses deferred | | 9,519 | 9,321 | 9,726 | 9,283 |
| Commission costs deferred | | 123,739 | 119,794 | 119,734 | 113,479 |
| Amortization of deferred policy acquisition costs | | (63,854) | (64,830) | (66,077) | (66,867) |
| Foreign currency impact and other, net | | 3,496 | (9,930) | (18,777) | 4,095 |
| Balance, end of period | | <u>\$ 3,029,551</u> | <u>\$ 3,083,905</u> | <u>\$ 3,128,511</u> | <u>\$ 3,188,502</u> |

(1)Outstanding common shares exclude restricted stock units.

(2)Reflects the company's permanent stockholders' equity and does not include temporary stockholders' equity.

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD | |
|---|------------|------------|------------|------------|-------------|-------------|----------------|-------------|
| | | | | | | | \$/# Change | % Change |
| <i>(Dollars in thousands, except per-share data)</i> | | | | | | | | |
| Earnings per Share | | | | | | | | |
| Basic earnings per share: | | | | | | | | |
| Weighted-average common shares and fully vested equity awards | 39,221,003 | 38,385,520 | 37,438,254 | 36,973,967 | 39,529,786 | 37,996,978 | (1,532,808) | -3.9 % |
| Net income attributable to Primerica, Inc. | \$ 117,829 | \$ 127,956 | \$ 79,561 | \$ 146,721 | \$ 477,362 | \$ 472,068 | \$ (5,294) | -1.1 % |
| Less income attributable to unvested participating securities | (488) | (566) | (375) | (703) | (1,960) | (2,131) | (171) | -8.7 % |
| Net income used in computing basic EPS | \$ 117,341 | \$ 127,390 | \$ 79,186 | \$ 146,019 | \$ 475,402 | \$ 469,937 | \$ (5,465) | -1.1 % |
| Basic earnings per share | \$ 2.99 | \$ 3.32 | \$ 2.12 | \$ 3.95 | \$ 12.03 | \$ 12.37 | \$ 0.34 | 2.8 % |
| Adjusted net operating income | \$ 119,744 | \$ 130,710 | \$ 141,682 | \$ 144,805 | \$ 566,204 | \$ 536,941 | \$ (29,263) | -5.2 % |
| Less operating income attributable to unvested participating securities | (496) | (578) | (668) | (694) | (2,325) | (2,424) | (99) | -4.3 % |
| Adjusted net operating income used in computing basic operating EPS | \$ 119,248 | \$ 130,132 | \$ 141,014 | \$ 144,111 | \$ 563,879 | \$ 534,518 | \$ (29,362) | -5.2 % |
| Basic adjusted operating income per share | \$ 3.04 | \$ 3.39 | \$ 3.77 | \$ 3.90 | \$ 14.26 | \$ 14.07 | \$ (0.20) | -1.4 % |
| Diluted earnings per share: | | | | | | | | |
| Weighted-average common shares and fully vested equity awards | 39,221,003 | 38,385,520 | 37,438,254 | 36,973,967 | 39,529,786 | 37,996,978 | (1,532,808) | -3.9 % |
| Dilutive impact of contingently issuable shares | 110,941 | 115,058 | 102,810 | 107,245 | 121,738 | 109,014 | (12,724) | -10.5 % |
| Shares used to calculate diluted EPS | 39,331,944 | 38,500,578 | 37,541,064 | 37,081,212 | 39,651,524 | 38,105,992 | (1,545,532) | -3.9 % |
| Net income attributable to Primerica, Inc. | \$ 117,829 | \$ 127,956 | \$ 79,561 | \$ 146,721 | \$ 477,362 | \$ 472,068 | \$ (5,294) | -1.1 % |
| Less income attributable to unvested participating securities | (487) | (564) | (374) | (701) | (1,955) | (2,153) | (198) | -10.1 % |
| Net income used in computing diluted EPS | \$ 117,342 | \$ 127,392 | \$ 79,187 | \$ 146,020 | \$ 475,407 | \$ 469,915 | \$ (5,492) | -1.2 % |
| Diluted earnings per share | \$ 2.98 | \$ 3.31 | \$ 2.11 | \$ 3.94 | \$ 11.99 | \$ 12.33 | \$ 0.34 | 2.9 % |
| Adjusted net operating income | \$ 119,744 | \$ 130,710 | \$ 141,682 | \$ 144,805 | \$ 566,204 | \$ 536,941 | \$ (29,263) | -5.2 % |
| Less operating income attributable to unvested participating securities | (495) | (577) | (666) | (692) | (2,319) | (2,418) | (99) | -4.3 % |
| Adjusted net operating income used in computing diluted operating EPS | \$ 119,249 | \$ 130,134 | \$ 141,016 | \$ 144,113 | \$ 563,885 | \$ 534,523 | \$ (29,362) | -5.2 % |
| Diluted adjusted operating income per share | \$ 3.03 | \$ 3.38 | \$ 3.76 | \$ 3.89 | \$ 14.22 | \$ 14.03 | \$ (0.19) | -1.4 % |

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|----------------|-------------|
| | | | | | | | \$/# Change | % Change |
| Annualized Return on Equity | | | | | | | | |
| Average stockholders' equity (1) | \$ 1,188,174 | \$ 1,629,817 | \$ 1,894,180 | \$ 2,005,451 | \$ 1,056,387 | \$ 1,679,406 | \$ 623,019 | 59.0 % |
| Average adjusted stockholders' equity (1) | \$ 2,105,050 | \$ 2,099,404 | \$ 2,062,789 | \$ 2,089,374 | \$ 1,931,643 | \$ 2,089,154 | \$ 157,511 | 8.2 % |
| Net income attributable to Primerica, Inc. return on stockholders' equity | 39.7 % | 31.4 % | 16.8 % | 29.3 % | 45.2 % | 28.1 % | -17.1 % | nm |
| Net income attributable to Primerica, Inc. return on adjusted stockholders' equity | 22.4 % | 24.4 % | 15.4 % | 28.1 % | 24.7 % | 22.6 % | -2.1 % | nm |
| Adjusted net operating income return on adjusted stockholders' equity | 22.8 % | 24.9 % | 27.5 % | 27.7 % | 29.3 % | 25.7 % | -3.6 % | nm |
| Capital Structure | | | | | | | | |
| Debt-to-capital (2) | 29.2 % | 24.7 % | 23.0 % | 22.6 % | 39.6 % | 22.6 % | -17.0 % | nm |
| Debt-to-capital, excluding AOCI (2) | 22.2 % | 22.1 % | 22.4 % | 21.6 % | 22.5 % | 21.6 % | -0.9 % | nm |
| Cash and invested assets to stockholders' equity | 3.2 x | 2.5 x | 2.2 x | 2.3 x | 5.0 x | 2.3 x | (2.8 x) | nm |
| Cash and invested assets to adjusted stockholders' equity | 2.2 x | 2.1 x | 2.2 x | 2.1 x | 2.2 x | 2.1 x | (0.1 x) | nm |
| Share count, end of period (3) | 38,751,885 | 37,768,052 | 37,026,600 | 36,824,428 | 39,367,754 | 36,824,428 | (2,543,326) | -6.5 % |
| Adjusted stockholders' equity per share | \$ 54.46 | \$ 55.30 | \$ 55.02 | \$ 58.16 | \$ 53.34 | \$ 58.16 | \$ 4.82 | 9.0 % |
| Financial Strength Ratings - Primerica Life Insurance Co | | | | | | | | |
| Moody's | A1 | A1 | A1 | A1 | nm | nm | nm | nm |
| S&P | AA- | AA- | AA- | AA- | nm | nm | nm | nm |
| A.M. Best | A+ | A+ | A+ | A+ | nm | nm | nm | nm |
| Holding Company Senior Debt Ratings | | | | | | | | |
| Moody's | Baa1 | Baa1 | Baa1 | Baa1 | nm | nm | nm | nm |
| S&P | A- | A- | A- | A- | nm | nm | nm | nm |
| A.M. Best | a- | a- | a- | a- | nm | nm | nm | nm |

(1)Reflects the company's permanent stockholders' equity and does not include temporary stockholders' equity.

(2)Debt-to-capital is that of the parent company only. Capital in the debt-to-capital ratio includes stockholders' equity and the note payable.

(3)Share count reflects outstanding common shares, but excludes restricted stock units (RSUs).

Statements of Income

| (Dollars in thousands) | | | | | YTD | | YOY YTD | |
|---|------------|------------|------------|------------|--------------|--------------|--------------|-------------|
| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | 2021 | 2022 | \$ Change | % Change |
| Statement of Income | | | | | | | | |
| Revenues: | | | | | | | | |
| Direct premiums | \$ 798,666 | \$ 808,894 | \$ 810,079 | \$ 812,481 | \$ 3,122,148 | \$ 3,230,120 | \$ 107,972 | 3.5 % |
| Ceded premiums | (399,885) | (419,048) | (404,870) | (406,088) | (1,616,264) | (1,629,892) | (13,627) | -0.8 % |
| Net premiums | 398,781 | 389,846 | 405,209 | 406,393 | 1,505,884 | 1,600,229 | 94,344 | 6.3 % |
| Net investment income | 18,905 | 21,284 | 24,346 | 28,530 | 80,588 | 93,065 | 12,477 | 15.5 % |
| Commissions and fees: | | | | | | | | |
| Sales-based (1) | 103,242 | 88,701 | 67,962 | 66,473 | 401,508 | 326,378 | (75,130) | -18.7 % |
| Asset-based (2) | 113,112 | 108,101 | 107,483 | 105,357 | 441,303 | 434,053 | (7,250) | -1.6 % |
| Account-based (3) | 21,541 | 22,592 | 22,910 | 23,348 | 86,939 | 90,391 | 3,453 | 4.0 % |
| Other commissions and fees | 13,905 | 21,294 | 27,113 | 31,542 | 113,063 | 93,854 | (19,209) | -17.0 % |
| Investment (losses) gains | 751 | (1,892) | (2,699) | 2,846 | 5,872 | (995) | (6,867) | -116.9 % |
| Other, net | 20,988 | 18,755 | 20,964 | 22,451 | 74,575 | 83,159 | 8,584 | 11.5 % |
| Total revenues | 691,225 | 668,681 | 673,288 | 686,940 | 2,709,732 | 2,720,134 | 10,402 | 0.4 % |
| Benefits and expenses: | | | | | | | | |
| Benefits and claims | 163,584 | 148,369 | 159,395 | 161,055 | 602,007 | 632,403 | 30,396 | 5.0 % |
| Future policy benefits remeasurement (gain)/loss | (745) | (100) | 1,514 | 958 | 1,297 | 1,626 | 329 | nm |
| Amortization of DAC | 63,854 | 64,830 | 66,077 | 66,867 | 238,270 | 261,629 | 23,359 | 9.8 % |
| Insurance commissions | 7,721 | 7,594 | 7,666 | 7,280 | 34,532 | 30,261 | (4,271) | -12.4 % |
| Insurance expenses | 59,509 | 59,461 | 57,552 | 58,883 | 202,604 | 235,405 | 32,801 | 16.2 % |
| Sales commissions: | | | | | | | | |
| Sales-based (1) | 74,606 | 63,403 | 48,775 | 47,927 | 287,359 | 234,711 | (52,648) | -18.3 % |
| Asset-based (2) | 53,366 | 50,876 | 51,549 | 51,047 | 206,201 | 206,838 | 637 | 0.3 % |
| Other sales commissions | 5,952 | 5,484 | 5,592 | 4,187 | 28,748 | 21,215 | (7,533) | -26.2 % |
| Interest expense | 6,853 | 6,814 | 6,802 | 6,768 | 30,618 | 27,237 | (3,381) | -11.0 % |
| Contract acquisition costs (4) | 20,649 | 19,384 | 13,446 | 14,952 | 52,788 | 68,431 | 15,643 | 29.6 % |
| Other operating expenses | 86,434 | 79,728 | 73,790 | 80,443 | 296,851 | 320,394 | 23,544 | 7.9 % |
| Goodwill impairment | — | — | 60,000 | — | 76,000 | 60,000 | (16,000) | -21.1 % |
| Loss on extinguishment of debt | — | — | — | — | 8,927 | — | (8,927) | -100.0 % |
| Total benefits and expenses | 541,783 | 505,844 | 552,157 | 500,367 | 2,066,203 | 2,100,151 | 33,948 | 1.6 % |
| Income before income taxes | 149,442 | 162,837 | 121,131 | 186,572 | 643,529 | 619,983 | (23,546) | -3.7 % |
| Income taxes | 34,268 | 37,265 | 41,569 | 39,851 | 167,544 | 152,953 | (14,591) | -8.7 % |
| Net income | 115,175 | 125,572 | 79,561 | 146,721 | 475,985 | 467,030 | (8,955) | -1.9 % |
| Net income attributable to noncontrolling interests | (2,654) | (2,384) | — | — | (1,377) | (5,038) | (3,661) | nm |
| Net Income attributable to Primerica, Inc. | \$ 117,829 | \$ 127,956 | \$ 79,561 | \$ 146,721 | \$ 477,362 | \$ 472,068 | \$ (5,294) | -1.1 % |
| Income Before Income Taxes by Segment | | | | | | | | |
| Term Life | \$ 122,122 | \$ 128,579 | \$ 131,707 | \$ 132,001 | \$ 501,233 | \$ 514,409 | \$ 13,175 | 2.6 % |
| Investment & Savings Products | 67,038 | 63,017 | 59,222 | 56,612 | 277,742 | 245,889 | (31,853) | -11.5 % |
| Senior Health | (23,085) | (16,150) | (63,723) | 4,285 | (85,050) | (98,673) | (13,624) | -16.0 % |
| Corporate & Other Distributed Products | (16,632) | (12,609) | (6,075) | (6,325) | (50,397) | (41,641) | 8,755 | 17.4 % |
| Income before income taxes | \$ 149,442 | \$ 162,837 | \$ 121,131 | \$ 186,572 | \$ 643,529 | \$ 619,983 | \$ (23,546) | -3.7 % |

(1) Sales-based - revenues or commission expenses relating to the sales of mutual funds and variable annuities.

(2) Asset-based - revenues or commission expenses relating to the value of assets in client accounts for which we earn ongoing service, distribution, and other fees.

(3) Account-based - revenues relating to the fee generating client accounts we administer.

(4) Contract acquisition costs (CAC) - Includes direct marketing costs incurred to acquire Senior Health product leads through internal and external sources, including commissions paid to Primerica representatives, as well as ETQ agent compensation, training and licensing costs.

Reconciliation of Statement of Income GAAP to Non-GAAP Financial Measures

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD \$ Change | % Change |
|--|--------------|--------------|--------------|--------------|----------------|----------------|-------------------------|-------------|
| <i>(Dollars in thousands)</i> | | | | | | | | |
| Reconciliation from Term Life Direct Premiums to Term Life Adjusted Direct Premiums | | | | | | | | |
| Term Life direct premiums | \$ 793,254 | \$ 803,453 | \$ 804,586 | \$ 807,796 | \$ 3,099,828 | \$ 3,209,088 | \$ 109,260 | 3.5 % |
| Less: Premiums ceded to IPO Coinsurers | 234,614 | 231,805 | 226,869 | 224,240 | 978,085 | 917,527 | (60,558) | -6.2 % |
| Term Life adjusted direct premiums | \$ 558,640 | \$ 571,648 | \$ 577,717 | \$ 583,556 | \$ 2,121,743 | \$ 2,291,561 | \$ 169,818 | 8.0 % |
| Reconciliation from Term Life Ceded Premiums to Term Life Other Ceded Premiums | | | | | | | | |
| Term Life ceded premiums | \$ (398,446) | \$ (417,406) | \$ (403,416) | \$ (404,174) | \$ (1,609,598) | \$ (1,623,442) | \$ (13,845) | -0.9 % |
| Less: Premiums ceded to IPO Coinsurers | (234,614) | (231,805) | (226,869) | (224,240) | (978,085) | (917,527) | 60,558 | 6.2 % |
| Term Life other ceded premiums | \$ (163,832) | \$ (185,601) | \$ (176,548) | \$ (179,935) | \$ (631,513) | \$ (705,915) | \$ (74,403) | -11.8 % |
| Reconciliation from Net Investment Income to Adjusted Net Investment Income | | | | | | | | |
| Net Investment Income | \$ 18,905 | \$ 21,284 | \$ 24,346 | \$ 28,530 | \$ 80,588 | \$ 93,065 | \$ 12,477 | 15.5 % |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (2,502) | (3,830) | nm | nm |
| Adjusted net investment income | \$ 21,004 | \$ 22,538 | \$ 24,414 | \$ 28,940 | \$ 83,091 | \$ 96,896 | \$ 13,805 | 16.6 % |
| Reconciliation from Other Operating Expenses to Adjusted other operating expenses | | | | | | | | |
| Other operating expenses | \$ 86,434 | \$ 79,728 | \$ 73,790 | \$ 80,443 | \$ 296,851 | \$ 320,394 | \$ 23,544 | 7.9 % |
| Less: eTeleQuote transaction-related costs | 900 | (2,892) | — | — | 12,948 | (1,992) | nm | nm |
| Less: Equity comp for awards exchanged during acquisition | 256 | 3,328 | — | — | (1,744) | 3,584 | nm | nm |
| Adjusted other operating expenses | \$ 85,278 | \$ 79,292 | \$ 73,790 | \$ 80,443 | \$ 285,646 | \$ 318,803 | \$ 33,156 | 11.6 % |
| Reconciliation from Total Revenues to Adjusted Operating Revenues | | | | | | | | |
| Total revenues | \$ 691,225 | \$ 668,681 | \$ 673,288 | \$ 686,940 | \$ 2,709,732 | \$ 2,720,134 | \$ 10,402 | 0.4 % |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | 5,872 | (995) | nm | nm |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (2,502) | (3,830) | nm | nm |
| Adjusted operating revenues | \$ 692,573 | \$ 671,827 | \$ 676,056 | \$ 684,503 | \$ 2,706,363 | \$ 2,724,960 | \$ 18,597 | 0.7 % |
| Reconciliation from Income Before Income Taxes to Adjusted Operating Income Before Income Taxes | | | | | | | | |
| Income before income taxes | \$ 149,442 | \$ 162,837 | \$ 121,131 | \$ 186,572 | \$ 643,529 | \$ 619,983 | \$ (23,546) | -3.7 % |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | 5,872 | (995) | nm | nm |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (2,502) | (3,830) | nm | nm |
| Less: eTeleQuote transaction-related costs | (900) | 2,892 | — | — | (12,948) | 1,992 | nm | nm |
| Less: Equity comp for awards exchanged during acquisition | (256) | (3,328) | — | — | 1,744 | (3,584) | nm | nm |
| Less: Noncontrolling interest before income taxes | (3,668) | (3,129) | — | — | (2,005) | (6,797) | nm | nm |
| Less: Goodwill impairment | — | — | (60,000) | — | (76,000) | (60,000) | nm | nm |
| Less: Loss on extinguishment of debt | — | — | — | — | (8,927) | — | nm | nm |
| Adjusted operating income before income taxes | \$ 155,615 | \$ 169,548 | \$ 183,898 | \$ 184,136 | \$ 738,296 | \$ 693,197 | \$ (45,099) | -6.1 % |
| Reconciliation from Net Income to Adjusted Net Operating Income | | | | | | | | |
| Net income | \$ 115,175 | \$ 125,572 | \$ 79,561 | \$ 146,721 | \$ 475,985 | \$ 467,030 | \$ (8,955) | -1.9 % |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | 5,872 | (995) | nm | nm |
| Less: MTM investment adjustments | (2,099) | (1,254) | (68) | (409) | (2,502) | (3,830) | nm | nm |
| Less: e-TeleQuote transaction-related costs | (900) | 2,892 | — | — | (12,948) | 1,992 | nm | nm |
| Less: Equity comp for awards exchanged during acquisition | (256) | (3,328) | — | — | 1,744 | (3,584) | nm | nm |
| Less: Noncontrolling interest before income taxes | (3,668) | (3,129) | — | — | (2,005) | (6,797) | nm | nm |
| Less: Goodwill impairment | — | — | (60,000) | — | (76,000) | (60,000) | nm | nm |
| Less: Loss on extinguishment of debt | — | — | — | — | (8,927) | — | nm | nm |
| Less: Tax impact of reconciling items | 1,603 | 1,573 | 647 | (520) | 4,548 | 3,303 | nm | nm |
| Adjusted net operating income | \$ 119,744 | \$ 130,710 | \$ 141,682 | \$ 144,805 | \$ 566,204 | \$ 536,941 | \$ (29,263) | -5.2 % |

Reconciliation of Statement of Income GAAP to Non-GAAP Financial Measures

| <i>(Dollars in thousands)</i> | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD | |
|--|-------------|-------------|-------------|------------|-------------|-------------|--------------|-------------|
| | | | | | | | \$ Change | % Change |
| Reconciliation from Senior Health Income Before Income Taxes to Senior Health Adjusted Operating Income Before Income Taxes | | | | | | | | |
| Income before income taxes | \$ (23,085) | \$ (16,150) | \$ (63,723) | \$ 4,285 | \$ (85,050) | \$ (98,673) | \$ (13,624) | -16.0 % |
| Less: e-TeleQuote transaction-related costs | (399) | (66) | — | — | (806) | (465) | nm | nm |
| Less: Noncontrolling interest | (3,668) | (3,129) | — | — | (2,005) | (6,797) | nm | nm |
| Less: Goodwill impairment | — | — | (60,000) | — | (76,000) | (60,000) | nm | nm |
| Adjusted operating income before income taxes | \$ (19,018) | \$ (12,955) | \$ (3,723) | \$ 4,285 | \$ (6,239) | \$ (31,411) | \$ (25,172) | nm |
| Reconciliation from C&O Income Before Income Taxes to C&O Adjusted Operating Income Before Income Taxes | | | | | | | | |
| Income before income taxes | \$ (16,632) | \$ (12,609) | \$ (6,075) | \$ (6,325) | \$ (50,397) | \$ (41,641) | \$ 8,755 | 17.4 % |
| Less: Investment gains/(losses) | 751 | (1,892) | (2,699) | 2,846 | 5,872 | (995) | nm | nm |
| Less: MTM investment adjustments | (2,099) | (1,254) | — | — | (2,502) | (3,830) | nm | nm |
| Less: e-TeleQuote transaction-related costs | (501) | 2,958 | — | (409) | (12,142) | 2,458 | nm | nm |
| Less: Equity comp for awards exchanged during acquisition | (256) | (3,328) | — | — | 1,744 | (3,584) | nm | nm |
| Less: Loss on extinguishment of debt | — | — | — | — | (8,927) | — | nm | nm |
| Adjusted operating income before income taxes | \$ (14,527) | \$ (9,094) | \$ (3,307) | \$ (8,762) | \$ (34,440) | \$ (35,690) | \$ (1,249) | -3.6 % |

Term Life Insurance - Financial Results and Analysis

| (Dollars in thousands) | Q1 | Q2 | Q3 | Q4 | YTD | YTD | YOY YTD | |
|---|------------|------------|------------|------------|--------------|--------------|-------------|----------|
| | 2022 | 2022 | 2022 | 2022 | 2021 | 2022 | \$ Change | % Change |
| Term Life Insurance Income Before Income Taxes | | | | | | | | |
| Revenues: | | | | | | | | |
| Direct Premiums | \$ 793,254 | \$ 803,453 | \$ 804,586 | \$ 807,796 | \$ 3,099,828 | \$ 3,209,088 | \$ 109,260 | 3.5 % |
| Premiums ceded to IPO coinsurers (1) | (234,614) | (231,805) | (226,869) | (224,240) | (978,085) | (917,527) | 60,558 | 6.2 % |
| Adjusted direct premiums (2) | 558,640 | 571,648 | 577,717 | 583,556 | 2,121,743 | 2,291,561 | 169,818 | 8.0 % |
| Other ceded premiums (3) | (163,832) | (185,601) | (176,548) | (179,935) | (631,513) | (705,915) | (74,403) | -11.8 % |
| Net premiums | 394,808 | 386,047 | 401,169 | 403,621 | 1,490,231 | 1,585,646 | 95,415 | 6.4 % |
| Allocated net investment income | — | — | — | — | — | — | — | 0.0 % |
| Other, net | 12,175 | 12,374 | 13,419 | 12,352 | 48,970 | 50,320 | 1,350 | 2.8 % |
| Revenues | 406,983 | 398,421 | 414,588 | 415,974 | 1,539,201 | 1,635,966 | 96,765 | 6.3 % |
| Benefits and expenses: | | | | | | | | |
| Benefits and claims | 161,702 | 144,626 | 156,587 | 157,082 | 589,958 | 619,997 | 30,039 | 5.1 % |
| Future policy benefits remeasurement (gain)/loss | (907) | (136) | 1,598 | (1) | 911 | 554 | (357) | nm |
| Amortization of DAC | 62,000 | 63,169 | 64,262 | 65,444 | 231,380 | 254,875 | 23,495 | 10.2 % |
| Insurance commissions | 3,793 | 3,854 | 3,964 | 3,724 | 18,457 | 15,335 | (3,122) | -16.9 % |
| Insurance expenses | 58,272 | 58,329 | 56,471 | 57,723 | 197,262 | 230,796 | 33,534 | 17.0 % |
| Benefits and expenses | 284,861 | 269,842 | 282,881 | 283,973 | 1,037,968 | 1,121,557 | 83,590 | 8.1 % |
| Income before income taxes | \$ 122,122 | \$ 128,579 | \$ 131,707 | \$ 132,001 | \$ 501,233 | \$ 514,409 | \$ 13,175 | 2.6 % |
| Total Term Life Insurance - Financial Analysis | | | | | | | | |
| Post-IPO direct premiums (4) | \$ 448,657 | \$ 460,061 | \$ 465,354 | \$ 469,565 | \$ 1,693,483 | \$ 1,843,637 | \$ 150,154 | 8.9 % |
| Pre-IPO direct premiums (5) | 344,597 | 343,392 | 339,232 | 338,230 | 1,406,345 | 1,365,451 | (40,894) | -2.9 % |
| Total direct premiums | \$ 793,254 | \$ 803,453 | \$ 804,586 | \$ 807,796 | \$ 3,099,828 | \$ 3,209,088 | \$ 109,260 | 3.5 % |
| Premiums ceded to IPO coinsurers | \$ 234,614 | \$ 231,805 | \$ 226,869 | \$ 224,240 | \$ 978,085 | \$ 917,527 | \$ (60,558) | -6.2 % |
| % of Pre-IPO direct premiums | 68.1 % | 67.5 % | 66.9 % | 66.3 % | 69.5 % | 67.2 % | nm | nm |
| Benefits and claims, net (6) | \$ 324,628 | \$ 330,090 | \$ 334,732 | \$ 337,017 | \$ 1,222,382 | \$ 1,326,467 | \$ 104,085 | 8.5 % |
| % of adjusted direct premiums | 58.1 % | 57.7 % | 57.9 % | 57.8 % | 57.6 % | 57.9 % | nm | nm |
| DAC amortization & insurance commissions | \$ 65,793 | \$ 67,023 | \$ 68,226 | \$ 69,168 | \$ 249,837 | \$ 270,210 | \$ 20,373 | 8.2 % |
| % of adjusted direct premiums | 11.8 % | 11.7 % | 11.8 % | 11.9 % | 11.8 % | 11.8 % | nm | nm |
| Insurance expenses, net (7) | \$ 46,097 | \$ 45,955 | \$ 43,052 | \$ 45,371 | \$ 148,291 | \$ 180,476 | \$ 32,184 | 21.7 % |
| % of adjusted direct premiums | 8.3 % | 8.0 % | 7.5 % | 7.8 % | 7.0 % | 7.9 % | nm | nm |
| Total Term Life income before income taxes | \$ 122,122 | \$ 128,579 | \$ 131,707 | \$ 132,001 | \$ 501,233 | \$ 514,409 | \$ 13,175 | 2.6 % |
| Term Life operating margin (8) | 21.9 % | 22.5 % | 22.8 % | 22.6 % | 23.6 % | 22.4 % | nm | nm |

(1) Premiums ceded to IPO coinsurers - premiums ceded to IPO coinsurers under the IPO coinsurance transactions excluding any reimbursements from the IPO coinsurers on previously existing reinsurance agreements.

(2) Adjusted direct premiums - direct premiums net of premiums ceded to IPO coinsurers.

(3) Other ceded premiums - premiums ceded to non-IPO coinsurers net of any applicable reimbursements from the IPO coinsurers.

(4) Post-IPO direct premiums - direct premiums not subject to the 2010 IPO coinsurance transactions.

(5) Pre-IPO direct premiums - direct premiums subject to the 2010 IPO coinsurance transactions.

(6) Benefits and claims, net - benefits & claims and remeasurement (gain)/loss net of other ceded premiums which are largely YRT.

(7) Insurance expenses, net - insurance expenses net of other, net revenues.

(8) Term Life operating margin - Term Life operating income before income taxes as a percentage of adjusted direct premiums.

Term Life Insurance - Key Statistics

| (Dollars in thousands, except as noted) | Q1 | Q2 | Q3 | Q4 | YTD | YTD | YOY YTD | |
|--|------------|------------|------------|------------|------------|------------|----------------|-------------|
| | 2022 | 2022 | 2022 | 2022 | 2021 | 2022 | \$/# Change | % Change |
| Key Statistics | | | | | | | | |
| Life-insurance licensed sales force, beginning of period | 129,515 | 130,206 | 132,149 | 134,313 | 134,907 | 129,515 | (5,392) | -4.0 % |
| New life-licensed representatives | 9,983 | 11,529 | 12,518 | 11,117 | 39,622 | 45,147 | 5,525 | 13.9 % |
| Non-renewal and terminated representatives | (9,292) | (9,586) | (10,354) | (10,222) | (45,014) | (39,454) | 5,560 | 12.4 % |
| Life-insurance licensed sales force, end of period | 130,206 | 132,149 | 134,313 | 135,208 | 129,515 | 135,208 | 5,693 | 4.4 % |
| Estimated annualized issued term life premium (\$mills) (1): | | | | | | | | |
| Premium from new policies | \$ 65.5 | \$ 72.3 | \$ 68.0 | \$ 66.0 | \$ 297.2 | \$ 271.9 | \$ (25.4) | -8.5 % |
| Additions and increases in premium | 18.4 | 20.6 | 19.5 | 18.2 | 77.0 | 76.7 | (0.3) | -0.4 % |
| Total estimated annualized issued term life premium | \$ 83.8 | \$ 92.9 | \$ 87.5 | \$ 84.2 | \$ 374.2 | \$ 348.5 | \$ (25.7) | -6.9 % |
| Issued term life policies | 71,324 | 76,946 | 71,104 | 72,544 | 323,855 | 291,918 | (31,937) | -9.9 % |
| Estimated average annualized issued term life premium per policy (1)(2) | \$ 918 | \$ 940 | \$ 957 | \$ 910 | \$ 918 | \$ 931 | \$ 14 | 1.5 % |
| Adjusted issued term life policies (3) | \$ 83,050 | \$ 89,316 | \$ 81,372 | \$ 79,282 | na | \$ 333,020 | na | na |
| Adjusted estimated average annualized issued term life premium per policy (1)(2) | \$ 788 | \$ 810 | \$ 836 | \$ 833 | na | \$ 816 | na | na |
| Term life face amount in-force, beginning of period (\$mills) | \$ 903,404 | \$ 909,632 | \$ 914,438 | \$ 912,785 | \$ 858,818 | \$ 903,404 | \$ 44,586 | 5.2 % |
| Issued term life face amount (3) | 24,773 | 27,651 | 26,049 | 25,349 | 108,521 | 103,822 | (4,699) | -4.3 % |
| Terminated term life face amount | (19,787) | (19,298) | (21,033) | (22,776) | (64,798) | (82,894) | (18,096) | -27.9 % |
| Foreign currency impact, net | 1,242 | (3,547) | (6,669) | 1,450 | 862 | (7,524) | (8,386) | nm |
| Term life face amount in-force, end of period | \$ 909,632 | \$ 914,438 | \$ 912,785 | \$ 916,808 | \$ 903,404 | \$ 916,808 | \$ 13,404 | 1.5 % |

(1) Estimated annualized issued term life premium - estimated as average premium per \$1,000 of face amounts issued on new policies and additions (before free look returns) multiplied by actual face amount issued on new policies, rider additions and face amount increases.

(2) In whole dollars.

(3) Provided for comparability of year-over-year results of term life issued policies and reflects the estimated number of policies issued after adjusting for a consistent basis of insured lives per policy following the Q4 2022 new product launch

(4) Issued term life face amount - includes face amount on issued term life policies, additional riders added to existing policies, and face increases under increasing benefit riders.

Investment and Savings Products - Financial Results and Financial Analysis

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD \$ Change | % Change |
|---|------------|------------|------------|------------|-------------|-------------|-------------------------|-------------|
| <i>(Dollars in thousands, except as noted)</i> | | | | | | | | |
| Investment & Savings Products Income Before Income Taxes | | | | | | | | |
| Revenues: | | | | | | | | |
| Commissions and fees: | | | | | | | | |
| Sales-based | \$ 103,242 | \$ 88,701 | \$ 67,962 | \$ 66,473 | \$ 401,508 | \$ 326,378 | \$ (75,130) | -18.7 % |
| Asset-based | 113,112 | 108,101 | 107,483 | 105,357 | 441,303 | 434,053 | (7,250) | -1.6 % |
| Account-based | 21,541 | 22,592 | 22,910 | 23,348 | 86,939 | 90,391 | 3,453 | 4.0 % |
| Other, net | 3,144 | 3,022 | 3,342 | 3,102 | 12,097 | 12,610 | 513 | 4.2 % |
| Revenues | 241,039 | 222,416 | 201,697 | 198,280 | 941,848 | 863,432 | (78,415) | -8.3 % |
| Benefits and expenses: | | | | | | | | |
| Amortization of DAC | 1,446 | 1,421 | 1,378 | 1,336 | 5,511 | 5,581 | 70 | 1.3 % |
| Insurance commissions | 3,646 | 3,450 | 3,419 | 3,320 | 14,904 | 13,834 | (1,070) | -7.2 % |
| Sales commissions: | | | | | | | | |
| Sales-based | 74,606 | 63,403 | 48,775 | 47,927 | 287,359 | 234,711 | (52,648) | -18.3 % |
| Asset-based | 53,366 | 50,876 | 51,549 | 51,047 | 206,201 | 206,838 | 637 | 0.3 % |
| Other operating expenses | 40,936 | 40,249 | 37,355 | 38,038 | 150,130 | 156,578 | 6,448 | 4.3 % |
| Benefits and expenses | 174,001 | 159,398 | 142,476 | 141,669 | 664,106 | 617,543 | (46,563) | -7.0 % |
| Income before income taxes | \$ 67,038 | \$ 63,017 | \$ 59,222 | \$ 56,612 | \$ 277,742 | \$ 245,889 | \$ (31,853) | -11.5 % |
| Financial Analysis | | | | | | | | |
| Fees paid based on client asset values (1) | \$ 8,037 | \$ 7,917 | \$ 7,980 | \$ 8,004 | \$ 30,872 | \$ 31,939 | \$ 1,067 | 3.5 % |
| Fees paid based on fee-generating positions (2) | 10,948 | 9,974 | 9,486 | 9,665 | 39,452 | 40,073 | 621 | 1.6 % |
| Other operating expenses | 21,951 | 22,358 | 19,889 | 20,369 | 79,806 | 84,567 | 4,761 | 6.0 % |
| Total other operating expenses | \$ 40,936 | \$ 40,249 | \$ 37,355 | \$ 38,038 | \$ 150,130 | \$ 156,578 | \$ 6,448 | 4.3 % |
| Sales-based net revenue as % of revenue-generating sales (3) | | | | | | | | |
| U.S. | 1.20 % | 1.27 % | 1.23 % | 1.21 % | 1.23 % | 1.23 % | nm | nm |
| Canada | 1.00 % | 0.78 % | 0.32 % | 0.31 % | 0.91 % | 0.77 % | nm | nm |
| Total | 1.16 % | 1.21 % | 1.17 % | 1.15 % | 1.18 % | 1.17 % | nm | nm |
| Asset-based net revenue as % of average asset values (4) | | | | | | | | |
| U.S. | 0.039 % | 0.040 % | 0.042 % | 0.040 % | 0.157 % | 0.160 % | nm | nm |
| Canada | 0.108 % | 0.106 % | 0.105 % | 0.103 % | 0.459 % | 0.422 % | nm | nm |
| Total | 0.049 % | 0.051 % | 0.052 % | 0.050 % | 0.204 % | 0.202 % | nm | nm |
| Account-based net revenue per average fee generating position (5) | | | | | | | | |
| (6) | \$ 3.48 | \$ 4.08 | \$ 4.31 | \$ 4.37 | \$ 16.26 | \$ 16.26 | nm | nm |

(1) Fees paid based on client asset values - administration fees on Canadian Segregated Funds and advisory fees on Managed Accounts that vary directly with client asset values.

(2) Fees paid based on fee-generating positions - recordkeeping fees that vary with the number of fee-generating positions.

(3) Sales-based net revenue - commission and fee revenue less commissions paid to the sales force based on product sales activity.

(4) Asset-based net revenue - commission and fee revenue less administration and advisory fees paid to third-party providers and commissions paid to the sales force earned based on product account values including amortization of deferred acquisition costs for segregated funds.

(5) Account-based net revenue - fee revenue less recordkeeping fees paid to third-party providers based on fee-generating positions and certain direct general expenses.

(6) In whole dollars.

Investment and Savings Products - Key Statistics

PRIMERICA, INC.
Financial Supplement

| | | | | | YTD | | YOY YTD | |
|---|------------|------------|------------|------------|-------------|-------------|----------------|-------------|
| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | 2021 | 2022 | \$/# Change | % Change |
| <i>(Dollars in thousands, except as noted)</i> | | | | | | | | |
| Key Statistics | | | | | | | | |
| Product sales (\$mills) | | | | | | | | |
| U.S. Retail Mutual Funds | \$ 1,298.6 | \$ 1,151.4 | \$ 931.8 | \$ 883.8 | \$ 5,146.1 | \$ 4,265.6 | \$ (880.5) | -17.1 % |
| Canada Retail Mutual Funds | 437.6 | 250.6 | 112.2 | 112.0 | 1,438.8 | 912.5 | (526.3) | -36.6 % |
| Indexed Annuities | 57.5 | 70.2 | 55.8 | 69.2 | 230.2 | 252.6 | 22.3 | 9.7 % |
| Variable Annuities and other | 668.4 | 617.3 | 542.5 | 548.0 | 2,845.6 | 2,376.2 | (469.4) | -16.5 % |
| Total sales-based revenue generating product sales | 2,462.1 | 2,089.5 | 1,642.3 | 1,612.9 | 9,660.7 | 7,806.8 | (1,853.9) | -19.2 % |
| Managed Accounts | 453.7 | 451.3 | 319.6 | 288.1 | 1,505.6 | 1,512.8 | 7.1 | 0.5 % |
| Canada Retail Mutual Funds - no upfront sales comm | 82.2 | 97.5 | 157.9 | 156.6 | 317.9 | 494.3 | 176.4 | 55.5 % |
| Segregated Funds | 67.3 | 51.3 | 41.6 | 35.0 | 219.0 | 195.1 | (23.8) | -10.9 % |
| Total product sales | \$ 3,065.4 | \$ 2,689.6 | \$ 2,161.5 | \$ 2,092.5 | \$ 11,703.2 | \$ 10,009.0 | \$ (1,694.2) | -14.5 % |
| Total Canada Retail Mutual Funds | \$ 519.9 | \$ 348.1 | \$ 270.2 | \$ 268.6 | \$ 1,756.7 | \$ 1,406.8 | \$ (349.9) | -19.9 % |
| Segregated Funds | 67.3 | 51.3 | 41.6 | 35.0 | 219.0 | 195.1 | (23.8) | -10.9 % |
| Total Canada product sales | 587.1 | 399.4 | 311.8 | 303.5 | 1,975.6 | 1,601.9 | (373.8) | -18.9 % |
| Total U.S. product sales | 2,478.2 | 2,290.1 | 1,849.7 | 1,789.0 | 9,727.5 | 8,407.1 | (1,320.4) | -13.6 % |
| Total product sales | \$ 3,065.4 | \$ 2,689.6 | \$ 2,161.5 | \$ 2,092.5 | \$ 11,703.2 | \$ 10,009.0 | \$ (1,694.2) | -14.5 % |
| Client asset values, beginning of period (\$mills) | \$ 97,312 | \$ 93,708 | \$ 82,291 | \$ 78,737 | \$ 81,533 | \$ 97,312 | \$ 15,779 | 19.4 % |
| Inflows | 3,065 | 2,690 | 2,161 | 2,093 | 11,703 | 10,009 | (1,694) | -14.5 % |
| Outflows (1) | (1,900) | (1,797) | (1,447) | (1,444) | (7,161) | (6,587) | 573 | 8.0 % |
| Net flows | 1,166 | 893 | 714 | 649 | 4,543 | 3,422 | (1,121) | nm |
| Foreign currency impact, net | 171 | (474) | (802) | 174 | 91 | (930) | (1,021) | nm |
| Change in market value, net and other (2) | (4,941) | (11,836) | (3,466) | 4,388 | 11,146 | (15,855) | (27,001) | nm |
| Client asset values, end of period | \$ 93,708 | \$ 82,291 | \$ 78,737 | \$ 83,949 | \$ 97,312 | \$ 83,949 | \$ (13,363) | -13.7 % |
| Annualized net flows as % of beginning of period asset values | 4.8 % | 3.8 % | 3.5 % | 3.3 % | 5.6 % | 3.5 % | -2.1 % | nm |
| Average client asset values (\$mills) | | | | | | | | |
| U.S. Retail Mutual Funds | \$ 46,429 | \$ 42,870 | \$ 40,331 | \$ 40,402 | \$ 44,703 | \$ 42,508 | \$ (2,195) | -4.9 % |
| Canada Retail Mutual Funds | 12,119 | 11,539 | 10,840 | 10,759 | 11,294 | 11,314 | 20 | 0.2 % |
| Managed Accounts | 7,077 | 6,960 | 6,817 | 6,949 | 6,086 | 6,951 | 864 | 14.2 % |
| Indexed Annuities | 2,650 | 2,677 | 2,696 | 2,710 | 2,560 | 2,683 | 123 | 4.8 % |
| Variable Annuities and other | 23,218 | 21,431 | 20,269 | 20,137 | 22,651 | 21,264 | (1,388) | -6.1 % |
| Segregated Funds | 2,710 | 2,517 | 2,368 | 2,299 | 2,698 | 2,474 | (225) | -8.3 % |
| Total | \$ 94,203 | \$ 87,994 | \$ 83,320 | \$ 83,256 | \$ 89,993 | \$ 87,193 | \$ (2,799) | -3.1 % |
| Canada Retail Mutual Funds | \$ 12,119 | \$ 11,539 | \$ 10,840 | \$ 10,759 | \$ 11,294 | \$ 11,314 | \$ 20 | 0.2 % |
| Segregated Funds | 2,710 | 2,517 | 2,368 | 2,299 | 2,698 | 2,474 | (225) | -8.3 % |
| Total Canada average client assets | 14,829 | 14,056 | 13,208 | 13,058 | 13,992 | 13,788 | (205) | -1.5 % |
| Total U.S. average client assets | 79,374 | 73,938 | 70,112 | 70,198 | 76,000 | 73,405 | (2,595) | -3.4 % |
| Total average client assets | \$ 94,203 | \$ 87,994 | \$ 83,320 | \$ 83,256 | \$ 89,993 | \$ 87,193 | \$ (2,799) | -3.1 % |
| Average number of fee-generating positions (thous) (3) | | | | | | | | |
| Recordkeeping and custodial | 2,243 | 2,277 | 2,295 | 2,309 | 2,171 | 2,281 | 110 | 5.1 % |
| Recordkeeping only | 797 | 812 | 820 | 825 | 749 | 814 | 65 | 8.6 % |
| Total | 3,040 | 3,089 | 3,115 | 3,134 | 2,920 | 3,095 | 175 | 6.0 % |

(1) **Asset value outflows** - include (a) redemptions of assets, (b) sales charges on the inflow sales figures, and (c) the net flow of money market funds sold and redeemed on the company's recordkeeping platform. The redemptions of assets must be estimated for approximately 4% of account values as these figures are not readily available. Actual redemptions as a percentage of account values for similar known account values are used to estimate the unknown redemption values.

(2) **Change in market value, net** - market value fluctuations net of fees and expenses.

(3) **Fee generating positions** - mutual fund positions for which we receive recordkeeping fees. An individual client account may include multiple mutual fund positions. We may also receive fees earned for custodial services that we provide to clients with retirement plan accounts that hold positions in these mutual funds.

Senior Health - Financial Results, Financial Analysis Key Statistics

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD \$ Change | % Change |
|---|-------------|-------------|------------|------------|-------------|-------------|-------------------------|-------------|
| <i>(Dollars in thousands, except as noted)</i> | | | | | | | | |
| Senior Health Income Before Income Taxes | | | | | | | | |
| Revenues: | | | | | | | | |
| Commissions and fees (1) | \$ 1,278 | \$ 9,343 | \$ 14,601 | \$ 22,198 | \$ 50,903 | \$ 47,420 | \$ (3,483) | -6.8 % |
| Other, net (2) | 4,553 | 2,471 | 2,583 | 5,655 | 9,537 | 15,262 | 5,724 | 60.0 % |
| Revenues | 5,831 | 11,814 | 17,183 | 27,853 | 60,440 | 62,682 | 2,241 | 3.7 % |
| Benefits and expenses: | | | | | | | | |
| Contract acquisition costs (3) | 20,649 | 19,384 | 13,446 | 14,952 | 52,788 | 68,431 | 15,643 | 29.6 % |
| Adjusted other operating expenses | 7,868 | 8,514 | 7,461 | 8,617 | 15,895 | 32,459 | 16,563 | 104.2 % |
| Adjusted operating benefits and expenses | 28,517 | 27,898 | 20,907 | 23,568 | 68,684 | 100,889 | 32,206 | 46.9 % |
| Adjusted operating income before income taxes including NCI | \$ (22,686) | \$ (16,084) | \$ (3,723) | \$ 4,285 | \$ (8,243) | \$ (38,208) | \$ (29,964) | nm |
| Non-controlling interest before income taxes | (3,668) | (3,129) | — | — | (2,005) | (6,797) | (4,792) | nm |
| Adjusted operating income before income taxes attributable to Primerica, Inc. | \$ (19,018) | \$ (12,955) | \$ (3,723) | \$ 4,285 | \$ (6,239) | \$ (31,411) | \$ (25,172) | nm |
| Senior Health EBITDA | | | | | | | | |
| Adjusted operating income before income taxes including NCI | \$ (22,686) | \$ (16,084) | \$ (3,723) | \$ 4,285 | \$ (8,243) | \$ (38,208) | \$ (29,964) | nm |
| Less: Amortization of intangibles | (2,600) | (2,800) | (2,800) | (2,800) | (5,800) | (11,000) | (5,200) | -89.7 % |
| Less: Depreciation | (245) | (226) | (221) | (211) | (493) | (903) | (409) | -83.0 % |
| Adjusted EBITDA (Including non-controlling interest) (4) | \$ (19,841) | \$ (13,058) | \$ (703) | \$ 7,297 | \$ (1,950) | \$ (26,305) | \$ (24,355) | nm |
| Financial Analysis and Key Statistics | | | | | | | | |
| Senior Health submitted policies (5) | 26,231 | 19,652 | 16,095 | 23,060 | 60,009 | 85,038 | 25,029 | 41.7 % |
| Senior Health approved policies (6) | 23,594 | 17,925 | 14,862 | 20,705 | 50,323 | 77,086 | 26,763 | 53.2 % |
| Primerica representatives Senior Health certified | 42,147 | 60,412 | 83,280 | 93,348 | 26,441 | 93,348 | 66,907 | nm |
| Senior Health submitted policies sourced by Primerica representatives | 988 | 831 | 1,016 | 5,666 | 4,494 | 8,501 | 4,007 | 89.2 % |
| LTV per approved policy (7) | \$ 862 | \$ 820 | \$ 868 | \$ 888 | \$ 1,109 | \$ 860 | \$ (249) | -22.4 % |
| CAC per approved policy (7) | \$ 875 | \$ 1,081 | \$ 905 | \$ 722 | \$ 1,049 | \$ 888 | \$ (161) | -15.4 % |
| LTV / CAC multiple | 1.0 x | 0.8 x | 1.0 x | 1.2 x | 1.1 x | 1.0 x | -0.1 x | nm |

- (1) Commission revenue recognized based on the estimated Lifetime value (LTV) to be collected over the estimated life of an approved policy for the relevant period based on multiple factors, including but not limited to contracted commission rates, carrier mix, expected policy turnover, historical chargeback activity and applied constraints. Adjustments to revenue outside of LTV for approved policies from prior periods are recognized when our cash collections are different from the estimated constrained LTV's which we refer to as tail revenue.
- (2) Primarily reflects marketing development revenues, which are non-commission revenues received from carriers to support marketing efforts and lead acquisition.
- (3) **Contract acquisition costs (CAC)** - Includes direct marketing costs incurred to acquire leads through internal and external sources, including commissions paid to Primerica representatives, as well as ETQ agent compensation, training and licensing costs.
- (4) **Adjusted EBITDA** - Earnings before interest, taxes, depreciation, amortization and certain adjustments for non-cash or non-recurring expenses including purchase accounting adjustments.
- (5) **Senior Health submitted policies** - represents the number of completed applications that, with respect to each such application, the applicant has authorized us to submit to the health insurance carrier. The applicant may need to take additional actions, including providing subsequent information before the application is reviewed by the health insurance carrier.
- (6) **Senior Health approved policies** - represent an estimate of submitted policies approved by health insurance carriers during the indicated period. Not all approved policies will go in force.
- (7) In whole dollars.

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD | |
|--|-------------|------------|------------|------------|-------------|-------------|--------------|-------------|
| | | | | | | | \$ Change | % Change |
| <i>(Dollars in thousands)</i> | | | | | | | | |
| Corporate & Other Distributed Products Income Before Income Taxes | | | | | | | | |
| Revenues: | | | | | | | | |
| Direct premiums | \$ 5,412 | \$ 5,441 | \$ 5,494 | \$ 4,685 | \$ 22,320 | \$ 21,032 | \$ (1,288) | -5.8 % |
| Ceded premiums | (1,439) | (1,642) | (1,454) | (1,914) | (6,666) | (6,449) | 217 | 3.3 % |
| Net premiums | 3,973 | 3,799 | 4,040 | 2,772 | 15,654 | 14,583 | (1,071) | -6.8 % |
| Adjusted net investment income | 21,004 | 22,538 | 24,414 | 28,940 | 83,091 | 96,896 | 13,805 | 16.6 % |
| Commissions and fees: | | | | | | | | |
| Prepaid Legal Services | 4,287 | 4,664 | 5,672 | 3,821 | 20,761 | 18,444 | (2,316) | -11.2 % |
| Auto and Homeowners Insurance | 1,591 | 2,056 | 2,647 | 1,994 | 8,295 | 8,289 | (7) | -0.1 % |
| Mortgage loans | 4,818 | 3,128 | 2,103 | 1,656 | 24,337 | 11,705 | (12,632) | -51.9 % |
| Other sales commissions | 1,932 | 2,103 | 2,090 | 1,872 | 8,767 | 7,996 | (771) | -8.8 % |
| Other, net | 1,117 | 889 | 1,621 | 1,341 | 3,969 | 4,967 | 998 | 25.1 % |
| Adjusted operating revenues | 38,721 | 39,176 | 42,587 | 42,396 | 164,874 | 162,880 | (1,994) | -1.2 % |
| Benefits and expenses: | | | | | | | | |
| Benefits and claims | 1,881 | 3,743 | 2,809 | 3,972 | 12,049 | 12,406 | 357 | 3.0 % |
| Future policy benefits remeasurement (gain)/loss | 162 | 36 | (84) | 958 | 386 | 1,072 | 686 | nm |
| Amortization of DAC | 407 | 240 | 438 | 87 | 1,379 | 1,173 | (207) | -15.0 % |
| Insurance commissions | 282 | 290 | 283 | 237 | 1,171 | 1,092 | (79) | -6.7 % |
| Insurance expenses | 1,237 | 1,132 | 1,081 | 1,160 | 5,343 | 4,609 | (733) | -13.7 % |
| Sales commissions | 5,952 | 5,484 | 5,592 | 4,187 | 28,748 | 21,215 | (7,533) | -26.2 % |
| Interest expense | 6,853 | 6,814 | 6,802 | 6,768 | 30,618 | 27,237 | (3,381) | -11.0 % |
| Adjusted other operating expenses | 36,475 | 30,530 | 28,974 | 33,788 | 119,621 | 129,766 | 10,145 | 8.5 % |
| Adjusted benefits and expenses | 53,248 | 48,270 | 45,894 | 51,158 | 199,314 | 198,569 | (744) | -0.4 % |
| Adjusted operating income before income taxes | \$ (14,527) | \$ (9,094) | \$ (3,307) | \$ (8,762) | \$ (34,440) | \$ (35,690) | \$ (1,249) | -3.6 % |

Investment Portfolio - Summary of Holdings

As of or for the period ended December 31, 2022

| (Dollars in thousands) | Market Value | Amortized Cost | Unrealized G/(L) | % of Total | | Avg Book Yield | Avg Rating |
|--|--------------|----------------|------------------|--------------|----------------|----------------|------------|
| | | | | Market Value | Amortized Cost | | |
| Investment Portfolio by Asset Class | | | | | | | |
| Cash, Cash Equivalents, and Short Term | \$ 558,646 | \$ 558,646 | \$ - | 18.1 % | 16.4 % | | |
| Fixed Income: | | | | | | | |
| Treasury | 41,741 | 42,629 | (889) | 1.3 % | 1.3 % | 1.31 % | AAA |
| Government | 231,004 | 257,418 | (26,414) | 7.5 % | 7.6 % | 2.98 % | AA- |
| Tax-Exempt Municipal | 32,883 | 37,084 | (4,201) | 1.1 % | 1.1 % | 2.69 % | AA |
| Corporate | 1,229,921 | 1,370,566 | (140,645) | 39.8 % | 40.3 % | 3.55 % | BBB+ |
| Mortgage Backed | 414,043 | 486,093 | (72,050) | 13.4 % | 14.3 % | 2.92 % | AAA |
| Asset Backed | 155,397 | 171,811 | (16,413) | 5.0 % | 5.1 % | 3.70 % | AA |
| CMBS | 122,967 | 139,306 | (16,339) | 4.0 % | 4.1 % | 3.39 % | AA- |
| Private | 267,612 | 295,957 | (28,345) | 8.7 % | 8.7 % | 4.46 % | BBB |
| Redeemable Preferred | 3,586 | 4,248 | (662) | 0.1 % | 0.1 % | 5.27 % | BBB- |
| Total Fixed Income | 2,499,154 | 2,805,113 | (305,959) | 80.8 % | 82.5 % | 3.44 % | A |
| Equities and Other: | | | | | | | |
| Perpetual Preferred | 8,651 | 8,651 | - | 0.3 % | 0.3 % | | |
| Common Stock | 20,958 | 20,958 | (0) | 0.7 % | 0.6 % | | |
| Mutual Fund | 5,795 | 5,795 | 0 | 0.2 % | 0.2 % | | |
| Total Equities | 35,404 | 35,404 | (0) | 1.1 % | 1.0 % | | |
| Total Invested Assets | \$ 3,093,205 | \$ 3,399,164 | \$ (305,959) | 100.0 % | 100.0 % | | |

Public Corporate Portfolio by Sector

| | | | | | | | |
|---------------------------|--------------|--------------|--------------|---------|---------|--|--|
| Insurance | \$ 154,034 | \$ 174,626 | \$ (20,592) | 12.5 % | 12.7 % | | |
| Consumer Non Cyclical | 131,027 | 147,361 | (16,334) | 10.7 % | 10.8 % | | |
| Energy | 127,361 | 140,782 | (13,421) | 10.4 % | 10.3 % | | |
| Reits | 118,000 | 135,921 | (17,921) | 9.6 % | 9.9 % | | |
| Consumer Cyclical | 103,177 | 114,688 | (11,512) | 8.4 % | 8.4 % | | |
| Banking | 97,588 | 103,414 | (5,827) | 7.9 % | 7.5 % | | |
| Technology | 93,443 | 102,008 | (8,565) | 7.6 % | 7.4 % | | |
| Capital Goods | 62,874 | 68,555 | (5,680) | 5.1 % | 5.0 % | | |
| Basic Industry | 60,439 | 67,998 | (7,558) | 4.9 % | 5.0 % | | |
| Electric | 55,377 | 61,586 | (6,209) | 4.5 % | 4.5 % | | |
| Finance Companies | 55,140 | 62,779 | (7,639) | 4.5 % | 4.6 % | | |
| Transportation | 54,942 | 60,604 | (5,663) | 4.5 % | 4.4 % | | |
| Communications | 44,182 | 48,537 | (4,355) | 3.6 % | 3.5 % | | |
| Brokerage | 44,124 | 49,757 | (5,633) | 3.6 % | 3.6 % | | |
| Financial Other | 8,638 | 9,584 | (946) | 0.7 % | 0.7 % | | |
| Natural Gas | 7,188 | 7,739 | (551) | 0.6 % | 0.6 % | | |
| Industrial Other | 5,951 | 6,915 | (964) | 0.5 % | 0.5 % | | |
| Utility Other | 4,583 | 5,388 | (805) | 0.4 % | 0.4 % | | |
| Owned No Guarantee | 1,854 | 2,325 | (471) | 0.2 % | 0.2 % | | |
| Total Corporate portfolio | \$ 1,229,921 | \$ 1,370,566 | \$ (140,645) | 100.0 % | 100.0 % | | |

Fixed-Maturity Securities - Effective Maturity

| | | | | | | | |
|--------------------|--------------|--------------|--------------|---------|---------|--------|--|
| Effective maturity | | | | | | | |
| < 1 Yr. | \$ 190,479 | \$ 192,567 | \$ (2,088) | 7.6 % | 6.9 % | 3.15 % | |
| 1-2 Yrs. | 271,286 | 280,539 | (9,253) | 10.9 % | 10.0 % | 3.63 % | |
| 2-5 Yrs. | 781,492 | 845,989 | (64,497) | 31.3 % | 30.2 % | 3.67 % | |
| 5-10 Yrs. | 980,174 | 1,149,971 | (169,798) | 39.2 % | 41.0 % | 3.25 % | |
| > 10 Yrs. | 275,724 | 336,047 | (60,323) | 11.0 % | 12.0 % | 3.54 % | |
| Total Fixed Income | \$ 2,499,154 | \$ 2,805,113 | \$ (305,959) | 100.0 % | 100.0 % | 3.44 % | |

Duration

Fixed Income portfolio duration 4.7 years

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Investment Portfolio - Quality Ratings As of December 31, 2022

(Dollars in thousands)

Investment Portfolio Quality Ratings (1)

| | Amortized Cost | % of Total |
|--------------------------------------|---------------------|----------------|
| Total Fixed Income portfolio: | | |
| <u>Rating</u> | | |
| AAA | \$ 606,982 | 21.6 % |
| AA | 321,450 | 11.5 % |
| A | 688,936 | 24.6 % |
| BBB | 1,120,096 | 39.9 % |
| Below Investment Grade | 67,450 | 2.4 % |
| NA | 199 | 0.0 % |
| Total Fixed Income | <u>\$ 2,805,113</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|--------------------------------------|---------------------|----------------|
| Public Corporate asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 11,835 | 0.9 % |
| AA | 67,985 | 5.0 % |
| A | 356,459 | 26.0 % |
| BBB | 872,920 | 63.7 % |
| Below Investment Grade | 61,192 | 4.5 % |
| NA | 176 | 0.0 % |
| Total Corporate | <u>\$ 1,370,566</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|---------------------------------------|-------------------|----------------|
| Private Placement asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ - | — |
| AA | 5,274 | 1.8 % |
| A | 66,034 | 22.3 % |
| BBB | 222,819 | 75.3 % |
| Below Investment Grade | 1,830 | 0.6 % |
| NA | - | — |
| Total Private | <u>\$ 295,957</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|--------------------------|-------------------|----------------|
| CMBS asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 60,409 | 43.4 % |
| AA | 8,930 | 6.4 % |
| A | 69,968 | 50.2 % |
| BBB | - | — |
| Below Investment Grade | - | — |
| NA | - | — |
| Total CMBS | <u>\$ 139,306</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|-------------------------------------|-------------------|----------------|
| Mortgage-Backed asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 435,692 | 89.6 % |
| AA | 50,170 | 10.3 % |
| A | 135 | 0.0 % |
| BBB | - | — |
| Below Investment Grade | 73 | 0.0 % |
| NA | 23 | 0.0 % |
| Total Mortgage-Backed | <u>\$ 486,093</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|----------------------------------|-------------------|----------------|
| Asset-Backed asset class: | | |
| <u>Rating</u> | | |
| AAA | \$ 35,245 | 20.5 % |
| AA | 9,466 | 5.5 % |
| A | 117,409 | 68.3 % |
| BBB | 7,964 | 4.6 % |
| Below Investment Grade | 1,727 | 1.0 % |
| NA | - | — |
| Total Asset-Backed | <u>\$ 171,811</u> | <u>100.0 %</u> |

| | Amortized Cost | % of Total |
|---|-------------------|----------------|
| Treasury & Government asset classes: | | |
| <u>Rating</u> | | |
| AAA | \$ 63,108 | 21.0 % |
| AA | 151,320 | 50.4 % |
| A | 71,904 | 24.0 % |
| BBB | 11,088 | 3.7 % |
| Below Investment Grade | 2,629 | 0.9 % |
| NA | - | — |
| Total Treasury & Government | <u>\$ 300,047</u> | <u>100.0 %</u> |

NAIC Designations

| | | |
|-------------------------------|---------------------|---------|
| 1 | \$ 1,357,429 | 54.8 % |
| 2 | 1,038,960 | 42.0 % |
| 3 | 71,518 | 2.9 % |
| 4 | 7,813 | 0.3 % |
| 5 | 691 | 0.0 % |
| 6 | 0 | 0.0 % |
| U.S. Insurer Fixed Income (2) | 2,476,411 | 100.0 % |
| Other (3) | 364,107 | |
| Cash and cash equivalents | 558,646 | |
| Total Invested Assets | <u>\$ 3,399,164</u> | |

(1) Ratings method for split ratings: If by 2 NRSROs, use lower of the two; if by 3 or more NRSROs, use second lowest.

(2) NAIC ratings for our U.S. insurance companies' fixed income portfolios.

(3) Other consists of assets held by our non-life companies, Canadian insurance company, and unrated equities.

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Investment Portfolio - Supplemental Data and Trends

| | Q1 2021 | Q2 2021 | Q3 2021 | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YOY Q4 | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|--------------|-------------|
| | | | | | | | | | \$ Change | % Change |
| <i>(Dollars in thousands)</i> | | | | | | | | | | |
| Net Investment Income by Source | | | | | | | | | | |
| Fixed-maturity securities (available-for-sale) | \$ 20,020 | \$ 20,155 | \$ 19,860 | \$ 20,328 | \$ 20,889 | \$ 22,414 | \$ 23,067 | \$ 24,605 | \$ 4,277 | 21.0% |
| Fixed-maturity securities (held-to-maturity) | 15,146 | 15,495 | 15,741 | 15,825 | 15,515 | 15,815 | 16,283 | 16,309 | 484 | 3.1% |
| Equity Securities | 391 | 411 | 413 | 416 | 387 | 371 | 373 | 377 | (39) | -9.3% |
| Deposit asset underlying 10% reinsurance treaty | 1,368 | 1,238 | 987 | 785 | 589 | 485 | 557 | 2,134 | 1,350 | 172.0% |
| Deposit asset - Mark to Market | (793) | (170) | (640) | (899) | (2,099) | (1,254) | (68) | (409) | 490 | -54.5% |
| Policy loans and other invested assets | 231 | 98 | 289 | 401 | 102 | 58 | 436 | 450 | 49 | 12.3% |
| Cash & cash equivalents | 119 | 156 | 96 | 85 | 125 | 498 | 1,714 | 3,605 | 3,520 | 4141.4% |
| Total investment income | 36,483 | 37,383 | 36,746 | 36,940 | 35,508 | 38,387 | 42,362 | 47,072 | 10,132 | 27.4% |
| Investment expenses | 1,284 | 1,353 | 1,004 | 1,114 | 1,088 | 1,288 | 1,733 | 2,233 | 1,119 | 100.4% |
| Interest Expense on Surplus Note | 15,146 | 15,495 | 15,741 | 15,825 | 15,515 | 15,815 | 16,283 | 16,309 | 484 | 3.1% |
| Net investment income | \$ 20,052 | \$ 20,535 | \$ 20,001 | \$ 20,001 | \$ 18,905 | \$ 21,284 | \$ 24,346 | \$ 28,530 | \$ 8,529 | 42.6% |
| Fixed income book yield, end of period | 3.30 % | 3.31 % | 3.23 % | 3.12 % | 3.18 % | 3.25 % | 3.34 % | 3.44 % | | |
| New money yield | 1.72 % | 2.68 % | 2.21 % | 1.60 % | 3.37 % | 4.21 % | 3.93 % | 5.41 % | | |

| | Q1 2021 | Q2 2021 | Q3 2021 | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YOY Q4 | |
|---|------------|------------|------------|------------|------------|------------|------------|------------|----------------|--|
| | | | | | | | | | % Pt Change | |
| Fixed Income Portfolio Quality Ratings | | | | | | | | | | |
| <u>Rating</u> | | | | | | | | | | |
| AAA | 16.6 % | 16.5 % | 18.0 % | 18.7 % | 21.0 % | 22.0 % | 21.5 % | 21.6 % | 2.9 % | |
| AA | 12.2 % | 11.6 % | 11.0 % | 11.8 % | 11.2 % | 11.2 % | 11.1 % | 11.5 % | -0.3 % | |
| A | 23.0 % | 22.1 % | 23.6 % | 24.4 % | 23.7 % | 23.0 % | 23.0 % | 24.6 % | 0.2 % | |
| BBB | 44.0 % | 45.5 % | 42.9 % | 40.8 % | 39.8 % | 39.6 % | 40.1 % | 39.9 % | -0.9 % | |
| Below Investment Grade | 4.1 % | 4.2 % | 4.1 % | 3.5 % | 3.1 % | 2.8 % | 2.7 % | 2.4 % | -1.1 % | |
| NA | 0.1 % | 0.1 % | 0.3 % | 0.8 % | 1.2 % | 1.3 % | 1.5 % | 0.0 % | -0.8 % | |
| Total Fixed Income | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | 100.0 % | — | |
| Average rating by amortized cost | A- | A- | A | A | A | A | A | A | | |

| | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 | YTD 2021 | YTD 2022 | YOY YTD | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|----------------|-------------|
| | | | | | | | \$/# Change | % Change |
| Annualized Return on Equity | | | | | | | | |
| Average stockholders' equity (1) | \$ 1,188,174 | \$ 1,629,817 | \$ 1,894,180 | \$ 2,005,451 | \$ 1,056,387 | \$ 1,679,406 | \$ 623,019 | 59.0 % |
| Average adjusted stockholders' equity (1) | \$ 2,105,050 | \$ 2,099,404 | \$ 2,062,789 | \$ 2,089,374 | \$ 1,931,643 | \$ 2,089,154 | \$ 157,511 | 8.2 % |
| Net income attributable to Primerica, Inc. return on stockholders' equity | 39.7 % | 31.4 % | 16.8 % | 29.3 % | 45.2 % | 28.1 % | -17.1 % | nm |
| Net income attributable to Primerica, Inc. return on adjusted stockholders' equity | 22.4 % | 24.4 % | 15.4 % | 28.1 % | 24.7 % | 22.6 % | -2.1 % | nm |
| Adjusted net operating income return on adjusted stockholders' equity | 22.8 % | 24.9 % | 27.5 % | 27.7 % | 29.3 % | 25.7 % | -3.6 % | nm |
| Capital Structure | | | | | | | | |
| Debt-to-capital (2) | 29.2 % | 24.7 % | 23.0 % | 22.6 % | 39.6 % | 22.6 % | -17.0 % | nm |
| Debt-to-capital, excluding AOCI (2) | 22.2 % | 22.1 % | 22.4 % | 21.6 % | 22.5 % | 21.6 % | -0.9 % | nm |
| Cash and invested assets to stockholders' equity | 3.2 x | 2.5 x | 2.2 x | 2.3 x | 5.0 x | 2.3 x | (2.8 x) | nm |
| Cash and invested assets to adjusted stockholders' equity | 2.2 x | 2.1 x | 2.2 x | 2.1 x | 2.2 x | 2.1 x | (0.1 x) | nm |
| Share count, end of period (3) | 38,751,885 | 37,768,052 | 37,026,600 | 36,824,428 | 39,367,754 | 36,824,428 | (2,543,326) | -6.5 % |
| Adjusted stockholders' equity per share | \$ 54.46 | \$ 55.30 | \$ 55.02 | \$ 58.16 | \$ 53.34 | \$ 58.16 | \$ 4.82 | 9.0 % |
| Financial Strength Ratings - Primerica Life Insurance Co | | | | | | | | |
| Moody's | A1 | A1 | A1 | A1 | nm | nm | nm | nm |
| S&P | AA- | AA- | AA- | AA- | nm | nm | nm | nm |
| A.M. Best | A+ | A+ | A+ | A+ | nm | nm | nm | nm |
| Holding Company Senior Debt Ratings | | | | | | | | |
| Moody's | Baa1 | Baa1 | Baa1 | Baa1 | nm | nm | nm | nm |
| S&P | A- | A- | A- | A- | nm | nm | nm | nm |
| A.M. Best | a- | a- | a- | a- | nm | nm | nm | nm |

(1)US\$ denominated investments in issuers outside of the United States based on country of risk.

(2)Emerging markets is as defined by MSCI, Inc. which include Chile, India, Peru, Poland and South Africa.

Note: Investment Portfolio pages in this Financial Supplement exclude the Held to Maturity asset on our balance sheet.

Five-Year Historical Key Statistics

| (Dollars in millions) | 2018 | 2019 | 2020 | 2021 | 2022 | Q1 2021 | Q2 2021 | Q3 2021 | Q4 2021 | Q1 2022 | Q2 2022 | Q3 2022 | Q4 2022 |
|--|------------|------------|------------|-------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Recruits | 290,886 | 282,207 | 400,345 | 349,374 | 359,735 | 94,633 | 89,285 | 91,884 | 73,572 | 84,707 | 70,215 | 127,788 | 77,025 |
| Life-insurance licensed sales force, beginning of period | 126,121 | 130,736 | 130,522 | 134,907 | 129,515 | 134,907 | 132,030 | 132,041 | 130,023 | 129,515 | 130,206 | 132,149 | 134,313 |
| New life-licensed representatives | 48,041 | 44,739 | 48,106 | 39,622 | 45,147 | 10,833 | 10,112 | 9,381 | 9,296 | 9,983 | 11,529 | 12,518 | 11,117 |
| Non-renewal and terminated representatives | (43,426) | (44,953) | (43,721) | (45,014) | (39,454) | (13,710) | (10,101) | (11,399) | (9,804) | (9,292) | (9,586) | (10,354) | (10,222) |
| Life-insurance licensed sales force, end of period | 130,736 | 130,522 | 134,907 | 129,515 | 135,208 | 132,030 | 132,041 | 130,023 | 129,515 | 130,206 | 132,149 | 134,313 | 135,208 |
| Issued term life policies | 301,589 | 287,809 | 352,868 | 323,855 | 291,918 | 82,667 | 90,071 | 75,914 | 75,203 | 71,324 | 76,946 | 71,104 | 72,544 |
| Issued term life face amount | \$ 95,209 | \$ 93,994 | \$ 109,436 | \$ 108,521 | \$ 103,822 | \$ 26,643 | \$ 29,981 | \$ 26,219 | \$ 25,678 | \$ 24,773 | \$ 27,651 | \$ 26,049 | \$ 25,349 |
| Term life face amount in force, beginning of period | \$ 763,831 | \$ 781,041 | \$ 808,262 | \$ 858,818 | \$ 903,404 | \$ 858,818 | \$ 869,643 | \$ 886,519 | \$ 894,018 | \$ 903,404 | \$ 909,632 | \$ 914,438 | \$ 912,785 |
| Issued term life face amount | 95,209 | 93,994 | 109,436 | 108,521 | 103,822 | 26,643 | 29,981 | 26,219 | 25,678 | 24,773 | 27,651 | 26,049 | 25,349 |
| Terminated term life face amount | (70,291) | (71,519) | (60,848) | (64,798) | (82,894) | (17,240) | (14,706) | (16,241) | (16,610) | (19,787) | (19,298) | (21,033) | (22,776) |
| Foreign currency impact, net | (7,708) | 4,746 | 1,968 | 862 | (7,524) | 1,422 | 1,602 | (2,480) | 319 | 1,242 | (3,547) | (6,669) | 1,450 |
| Term life face amount in force, end of period | \$ 781,041 | \$ 808,262 | \$ 858,818 | \$ 903,404 | \$ 916,808 | \$ 869,643 | \$ 886,519 | \$ 894,018 | \$ 903,404 | \$ 909,632 | \$ 914,438 | \$ 912,785 | \$ 916,808 |
| Estimated annualized issued term life premium | | | | | | | | | | | | | |
| Premium from new policies | \$ 250.8 | \$ 244.8 | \$ 303.6 | \$ 297.2 | \$ 271.9 | \$ 74.5 | \$ 82.6 | \$ 70.7 | \$ 69.4 | \$ 65.5 | \$ 72.3 | \$ 68.0 | \$ 66.0 |
| Additions and increases in premium | 55.2 | 60.2 | 68.9 | 77.0 | 76.7 | 18.0 | 20.3 | 19.5 | 19.1 | 18.4 | 20.6 | 19.5 | 18.2 |
| Total estimated annualized issued term life premium | \$ 306.0 | \$ 305.0 | \$ 372.5 | \$ 374.2 | \$ 348.5 | \$ 92.5 | \$ 103.0 | \$ 90.2 | \$ 88.5 | \$ 83.8 | \$ 92.9 | \$ 87.5 | \$ 84.2 |
| Investment & Savings product sales | \$ 7,040.1 | \$ 7,533.2 | \$ 7,842.5 | \$ 11,703.2 | \$ 10,009.0 | \$ 2,853.5 | \$ 3,040.2 | \$ 2,790.4 | \$ 3,019.0 | \$ 3,065.4 | \$ 2,689.6 | \$ 2,161.5 | \$ 2,092.5 |
| Investment & Savings average client asset values | \$ 61,842 | \$ 65,029 | \$ 69,709 | \$ 89,993 | \$ 87,193 | \$ 83,131 | \$ 89,378 | \$ 92,652 | \$ 94,809 | \$ 94,203 | \$ 87,994 | \$ 83,320 | \$ 83,256 |
| Closed U.S. Mortgage Volume (brokered) | \$ — | \$ 31.1 | \$ 442.5 | \$ 1,229.2 | \$ 567.2 | \$ 262.3 | \$ 298.6 | \$ 337.6 | \$ 330.8 | \$ 235.9 | \$ 152.7 | \$ 99.8 | \$ 78.9 |

