



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

February 9, 2023

To The Shareholders of Pekin Life Insurance Company:

The operating results for 2022 are summarized below.

The results for 2022 reflect a net loss of \$4.7 million, or \$0.28 per share, compared to a net loss of \$3.8 million, or \$0.22 per share, last year. The net loss for 2022 is primarily due to increased benefits to policyholders. Realized capital gains were \$873,000, or \$0.05 per share, compared to a realized capital gain of \$1.5 million, or \$0.09 per share, last year.

Premium growth was attained in several product lines this year. Ordinary life increased to \$57.8 million. Preneed life increased to \$45.8 million. Universal Life increased to \$26.7 million. Medicare supplement increased to \$38.9 million. In addition, Individual annuities increased to \$8.9 million.

Investment income excluding capital gains increased to \$64.4 million in 2022, or 4.4 percent from last year. This increase reflects premium dollars that have been invested in the growing bond portfolio at rates that are up slightly from previous years. Additionally, our bond portfolio is comprised of high quality holdings, of which 95.3 percent are investment grade.

As of December 31, 2022, assets were \$1.7 billion. Book value decreased during the year by \$6.8 million, or 5.6 percent from year end 2021, primarily due to unrealized capital losses on our investment portfolio of \$9.7 million. Book value per share was \$6.75 at December 31, 2022.

Further information regarding the results for the year 2022 can be found on our website at www.pekininsurance.com.

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

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

CONDENSED STATEMENTS OF INCOME

	FOR THE YEAR ENDED DECEMBER 31,	
	2022	2021
Premium Income	\$ 198,753,994	\$ 197,326,310
Investment Income	64,427,089	61,727,852
Total Income	263,181,083	259,054,162
Benefits to Policyholders	166,010,991	156,991,014
Additions to Policy Reserves	42,283,709	46,005,380
Commissions and Service Fees	24,075,234	24,116,393
Expenses and Insurance Taxes	36,585,045	35,064,516
Total Deductions	268,954,979	262,177,303
Net Loss Before Income Taxes and Realized Capital Gains	(5,773,896)	(3,123,141)
Income Taxes	(158,013)	2,176,218
Net Loss Before Realized Capital Gains	(5,615,883)	(5,299,359)
Realized Capital Gains, Net of Tax	873,200	1,529,310
Net Loss	\$ (4,742,683)	\$ (3,770,049)
Net Loss Before Net Realized Capital Gains Per Share	\$ (.33)	\$ (.31)
Net Realized Capital Gains Per Share	\$.05	\$.09
Net Loss Per Share	\$ (.28)	\$ (.22)
Book Value Per Share	\$ 6.75	\$ 7.15
Weighted Average Shares Outstanding	17,068,023	17,068,023

OTHER FINANCIAL INFORMATION

Premium Income by Product Line:

Ordinary Life & Universal Life	\$ 84,505,826	\$ 83,934,967
Pre-Need Life & Annuity	49,041,481	49,140,736
Annuity	8,911,307	7,877,690
Medicare Supplement	38,928,355	38,400,586
Credit Life & Health	13,203,357	13,820,679
Group Life, Health & Annuity	4,163,668	4,151,651
Total	\$ 198,753,994	\$ 197,326,310

	AS OF	
	December 31, 2022	December 31, 2021
Assets	\$ 1,652,961,626	\$ 1,626,328,129
Capital and Surplus	\$ 115,201,003	\$ 122,042,175
Insurance In Force	\$ 21,125,881,000	\$ 20,373,226,000

NOTE: Information for the year ended December 31, 2022 is unaudited. The above is prepared on the basis of accounting practices prescribed by the Illinois Department of Insurance.



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

Universal Life

Whole Life

Term Life

Transitional Life

Flexible & Single Premium Annuities

Medicare Supplement

Group Life

Qualified Retirement Programs for Individual & Business Needs

Funeral Preplanning

Voluntary Products