Earnings Results Quarter Ended December 31, 2023



Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements

This presentation may contain forward-looking statements. Information on factors that could cause results to differ materially from those projected in this presentation is available in our Form 10-K for the year ended December 31, 2022, as may be modified by subsequent Forms 10-Q. These documents are available in the Investor Relations section of our website, *https://investors.primerica.com*. The forward-looking statements speak as of the date on which they were made, and the Company does not undertake any obligation to update or correct any forward-looking statements.

Non-GAAP Financial Measures

This presentation also contains non-GAAP financial measures. A reconciliation of those measures to GAAP financial measures is included in our Financial Supplement, which is posted in the Investor Relations section of our website, *https://investors.primerica.com*.



Financial Highlights

- Net income grew 4%, while diluted EPS grew 9% year-over-year
- Results reflect the continued strength and stability of our business model
 - Large in-force block and strong term life policy sales
 - Growth of investment product sales and client asset values
 - Higher net investment income

• Capital deployment

- Completed the Board's 2023 stock repurchase authorization of \$375 million
- Board approved \$425 million share repurchase program through December 2024
- Paid \$94 million in stockholder dividends in 2023
- Board declared a 15% increase to next quarterly dividend

GAAP Financial Results

(\$ in millions, except per share amounts)	Q4 2023	Q4 2022	% Change
Revenues	\$726.3	\$686.9	6%
Net income	\$151.9	\$146.7	4%
Stockholders' equity ⁽¹⁾	\$2,066.0	\$2,031.3	2%
Diluted EPS ⁽²⁾	\$4.30	\$3.94	9%
Book value per share ^{(1) (3)}	\$59.03	\$55.16	7%
ROE	27.8%	29.3%	

Adjusted Operating Financial Results

(\$ in millions, except per share amounts)	Q4 2023	Q4 2022	% Change
Adjusted operating revenues	\$724.3	\$684.5	6%
Adjusted net operating income	\$150.4	\$144.8	4%
Adjusted stockholders' equity ⁽¹⁾	\$2,275.1	\$2,141.7	6%
Diluted adjusted operating EPS ⁽²⁾	\$4.25	\$3.89	9%
Adjusted book value per share $^{(1)}$ $^{(3)}$	\$65.01	\$58.16	12%
Adjusted operating ROAE	26.9%	27.7%	

For a reconciliation of GAAP to non-GAAP financial measures, refer to the Financial Supplement

(1) As of period end

(2) 35.1 million weighted average common shares outstanding for Q4 2023

(3) 35.0 million common shares outstanding as of December 31, 2023



Distribution Highlights

- Attractiveness of entrepreneurial business opportunity continues to fuel recruiting
- Continue to enhance our processes to keep new recruits engaged as they prepare for licensing exam
- Solid growth in life-licensed sales force, up 5% year-over-year
 - Expect full year 2024 growth of 3%

Sales Force

_		Q4 2023	Q4 2022	% Change
tior	Recruits	89,992	77,025	17%
ribu	New life-licensed representatives	13,029	11,117	17%
Dist	Life-licensed sales force ⁽¹⁾	141,572	135,208	5%
	Securities-licensed sales force ⁽¹⁾	25,272	26,186	(3%)
	(1) At pariod and			

(1) At period end

Life-Licensed Sales Force

(in thousands)





Production Highlights

Term Life Insurance

- Strong demand for insurance products
 - Simple and convenient application process
 - Advances in underwriting technology help us issue policies more quickly
- Issued a record \$119 billion in new face amount during 2023
 - Issued polices up 8% versus full year 2022⁽¹⁾
- 2024 outlook:
 - Project growth of around 3% to 5% in issued policies for full year 2024

Production

	(\$ in billions)	Q4 2023	Q4 2022	% Change
Life	Issued life insurance policies	88,757	79,282 ⁽¹⁾	12%
L m	Productivity ⁽²⁾	0.21	0.20 ⁽¹⁾	
Ter	Issued face amount ⁽³⁾	\$29.3	\$25.3	16%
	Life insurance face amount in-force ⁽⁴⁾	\$944.6	\$916.8	3%

Issued Term Life Policies

(in thousands)



2022

2023

- 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
- (2) The average monthly rate of new policies issued per life-licensed independent sales representative.
- (3) Includes face amount of issued term life insurance policies, additional riders added to existing policies and face amount increases under increasing benefit riders

(4) At period end

Production Highlights

Investment and Savings Products

- Strong demand fueled investment product sales, up 13% year-over-year
 - Sales of U.S. mutual funds grew 10% and variable annuities grew 23%
- Ending client asset values of \$97 billion grew 15% year-over-year
 - Results reflect strong equity market appreciation
- Net client inflows were \$172 million
- 2024 outlook:
 - Project 5% growth in sales for full year 2024

Production

	(\$ in billions)	Q4 2023	Q4 2022	% Change
٩.	Total product sales	\$2.4	\$2.1	13%
ISI	Client asset values ⁽¹⁾	\$96.7	\$83.9	15%
	Average client asset values	\$91.0	\$83.3	9%
- 3	(1) At period end			

ISP Production



RIMERICA

6

Production Highlights Senior Health

- Key statistics on a per policy basis for the fourth quarter of 2023 include:
 - LTV of \$1,109, including the reclass of \$182 in marketing development funds
 - CAC of \$878, increased 22% year-over-year
 - Lower productivity due to fewer tenured ETQ agents
 - LTV/CAC ratio of 1.3x
- Primerica representatives remain a valuable source of referrals for e-TeleQuote
- Do not anticipate a need for capital contribution from the parent company in 2024



Operating Results

Term Life Segment

- Operating income before income taxes grew 6%, driven by 6% growth in adjusted direct premiums
- Key financial ratios remained largely unchanged
 - Benefits and claims ratio was 58.2%
 - DAC ratio was 12.0%
 - Insurance expense ratio at 7.1%, versus 7.8%, reflecting elevated expenses in 2022 from new product launch
- Operating margin was 22.6%
- Elevated lapses across multiple durations due to economic pressures on middle-income families
 - Persistency of policies issued last year are largely in line with historical trends
- 2024 outlook:
 - ADP growth around 5%-6%
 - Benefits and claims ratio around 58%
 - DAC ratio around 12%
 - Operating margin around 22%

(\$ in millions)	Q4 2023	Q4 2022	% Change
Direct premiums	\$829.9	\$807.8	3%
Premium ceded to IPO coinsurers ⁽¹⁾	(\$210.3)	(\$224.2)	6%
Adjusted direct premiums (ADP) ⁽²⁾	\$619.6	\$583.6	6%
Operating revenues	\$431.3	\$416.0	4%
Operating income before income taxes	\$140.3	\$132.0	6%

Key Ratios	Q4 2023	Q4 2022
Benefits and claims, net ⁽³⁾	58.2%	57.8%
DAC amortization & insurance commissions	12.0%	11.9%
Insurance expenses, net ⁽⁴⁾	7.1%	7.8%
Term life income before income taxes	22.6%	22.6%

- (1) Premiums ceded to IPO coinsurers under the IPO coinsurance transactions excluding any reimbursements from IPO coinsurers on previously existing reinsurance agreements
- (2) Direct premiums net of premiums ceded to IPO coinsurers
- (3) Benefits & claims and remeasurement (gain)/loss net of other ceded premiums which are largely YRT.
- (4) Insurance expenses net of other, net revenues



Operating Results

Investment & Savings Products Segment

- Operating income before income taxes grew 11%, driven by:
 - Strong demand for mutual funds and variable annuities
 - A 9% increase in average client asset values
- 2024 outlook:
 - Assuming 5% sales growth, sales-based revenue less commissions projected to increase \$4 to \$5 million
 - Rule of thumb: \$1 billion change in AUM
 \$2 million change in asset-based
 revenues less commissions and related
 operating expenses

(\$ in millions, except as noted)	Q4 2023	Q4 2022	% Change
Sales-based revenues	\$76.3	\$66.5	15%
Asset-based revenues	\$118.3	\$105.4	12%
Account-based revenues	\$24.0	\$23.3	3%
Other, net	\$3.1	\$3.1	1%
Total operating revenues	\$221.7	\$198.3	12%
Benefits and expenses	\$158.9	\$141.7	12%
Operating income before income taxes	\$62.8	\$56.6	11%
Sales-based revenue less commissions as % of revenue-generating sales ⁽¹⁾	1.22%	1.15%	
Asset-based revenue less commissions and associated operating expenses as % of average asset values ⁽²⁾	0.052%	0.050%	
Account-based net revenue per average fee generating position ⁽³⁾	\$4.29	\$4.37	

(1) Commission and fee revenue less commissions paid to the independent sales force based on product sales activity

- (2) Commission and fee revenue less administration and advisory fees paid to third-party providers and commissions paid to the independent sales force earned based on product account values including amortization of deferred acquisition costs for segregated funds
- (3) Fee revenue less recordkeeping fees paid to third-party providers based on fee-generating positions and certain direct general expenses



Investment Income and Invested Asset Portfolio

- Adjusted net investment income of \$36 million up 26% compared to prior year period
- New money rate of 6.67%
- Invested asset portfolio unrealized loss of \$216 million
 - Reduction of unrealized loss largely driven by higher interest rates
 - Able to hold investments to maturity

Key Portfolio Attributes

(based on amortized cost (except for market value); excludes cash, period end)	Q4 2023
Fixed income / other mix	99% / 1%
Fixed income average book yield	3.8%
Average rating	А
Investment grade / BIG mix	98% /2%
Average duration	4.7 Years
Market value	\$2.7 billion
Net unrealized loss	\$216 million



Insurance & Operating Expense Highlights

- Insurance and other operating expenses of \$142 million grew 2% year-over-year
 - Prior year period included elevated costs of new product launch
- 2024 Outlook:
 - Project growth of around \$40 million
 - Breakdown: \$17 million growth-related,
 \$13 million staffing, \$10 million
 technology initiatives

Insurance & Operating Expense

(\$ in millions)	Cons *	Life	ISP	Sr Health	Corp
Q4 2022 Consolidated Insurance & Other Operating Expenses *	139.3	57.7	38.0	8.6	34.9
Technology-related expenses	0.2	(2.5)	0.2	0.2	2.3
Employee-related expenses	1.4	0.8	0.5	(0.2)	0.2
Growth-related expenses	2.3	1.0	1.3	-	0.0
Other expenses	(1.2)	(1.0)	1.9	(0.9)	(1.2)
Q4 2023 Consolidated Insurance & Other Operating Expenses *	142.0	56.1	41.9	7.8	36.2

* Items may not add due to rounding

