

AMERICAN SAVINGS  
LIFE INSURANCE COMPANY



*Founded 1954*



# 2024 ANNUAL REPORT

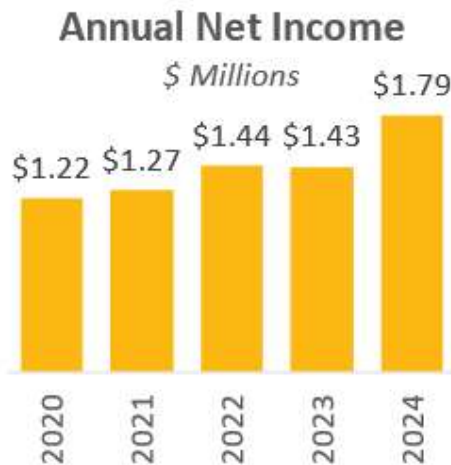
# Dear Fellow

## Shareholders,

The year 2024 was our 70th year in business and it was a year for the record books in many ways! Let's review some of them together.

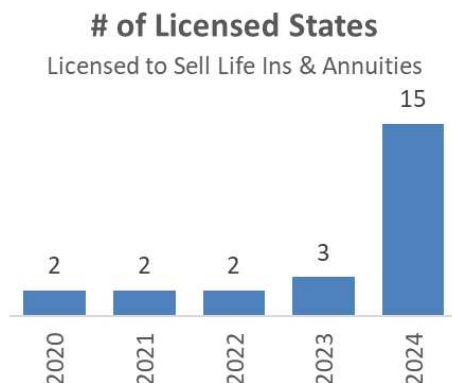
### Annual Net Income

The Company's annual net income for 2024 was **\$1,792,000**, a 25% increase over the prior year. This is a good indicator that our growth is profitable. The real test will be if profitability continues to grow in future years.

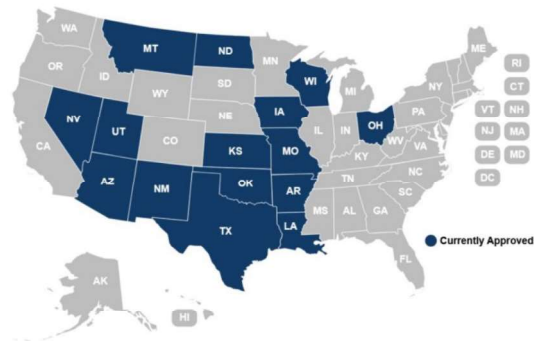


### State Insurance Licenses

Over the last two years, **Michael Frahm**, our Senior Vice President



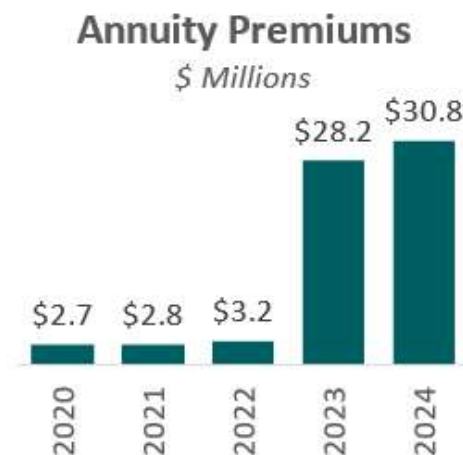
over Insurance & Annuities, has successfully led our **expansion into 15 states** where we are now licensed to sell life insurance and annuities.



These additional states allow us to increase our sales force, which will make it easier for us to have a consistent flow of annuity premiums. Being admitted in more states increases the value of the Company and provides options for us to further grow our business.

### Annuity Premiums

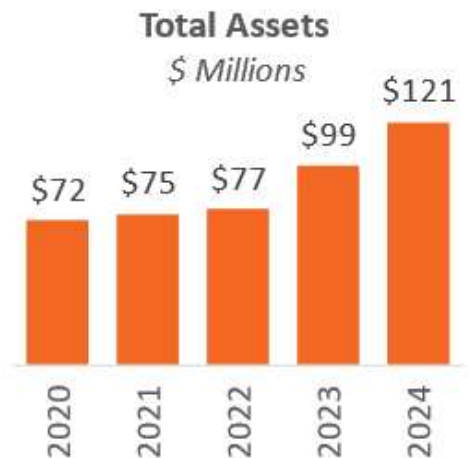
Also under Mr. Frahm's leadership, we sold **\$30.8 million** in annuity premiums last year.



This increase in annuity premiums is the primary driver of our asset growth.

### Total Assets

Total Assets grew to **\$121 million**; a 22% increase over the prior year.



This growth in assets provides the additional capital essential for expanding our mortgage lending business.

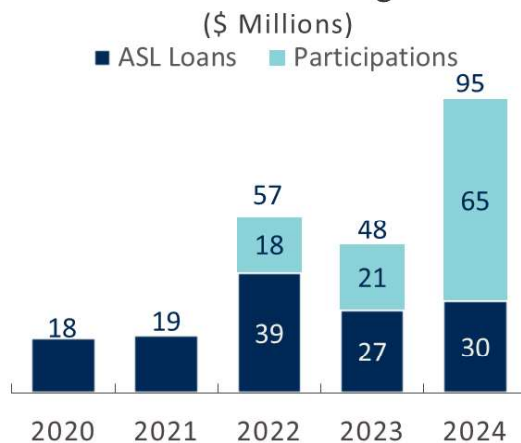
### New Loans Originated

In 2024, we originated **\$95 million** in new loans. This was nearly double the prior year's total.

Our ability to make \$95 million in new loans is in large part due to the exceptional work of **Scott Emrich**, our Director of Loan Originations, and **Anthony Turdó**, Chief Operating Officer of our lending arm, American Life Financial.

Equally important are our loan participation partners who co-invest with us in our loans. We funded these new loans with \$30 million of Company assets and \$65 million from our loan participation partners.

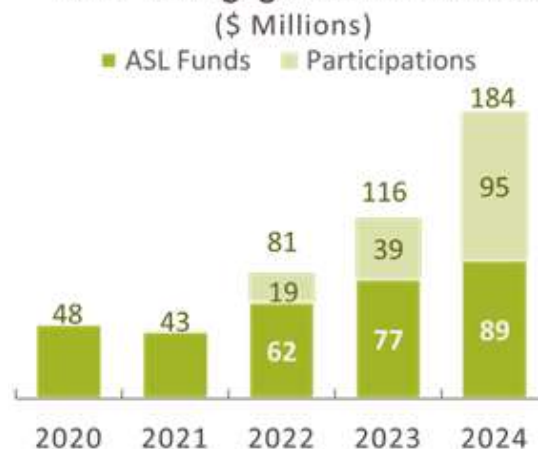
### Total Annual Loan Originations



### Total Loan Portfolio

The record loan originations resulted in substantial growth in our total loan portfolio to **\$184 million** by year-end, comprised of \$89 million in Company assets and \$95 million in loan participation assets.

### Total Mortgage Loan Portfolio



### Report on 2024 Goals

In last year's report we shared 5 goals for 2024. Here they are, together with the results for 2024:

- **GOAL 1:** Grow our total mortgage loan portfolio (Company + loan participations) from \$116 million to \$150 million or more.



**RESULTS:** Total loan portfolio grew to **\$184 million**.

- **GOAL 2:** Originate at least \$75 million in new loans.

✓ **RESULTS:** Loan originations totaled \$95 million.

- **GOAL 3:** Increase the number of states where we are licensed to sell insurance from three to 12 or more.

✓ **RESULTS:** Licensed states grew to 15 states.

- **GOAL 4:** Net Taxable Income Return on Equity (ROE)  $\geq 11.6\%$ .

97% **RESULTS:** Net Taxable Income ROE was 11.24%.

- **GOAL 5:** Total Shareholder Return (TSR) = 9.2% or more.

✓ **RESULTS:** TSR was 10.0%.

### Our Goals for 2025

We have set the following goals for 2025:

- **GOAL 1:** Grow total mortgage loan portfolio (Company + loan participations) from \$185 million to \$250 million.
- **GOAL 2:** Originate \$125 million in new loans.
- **GOAL 3:** Sell \$25 million in annuity premiums.
- **GOAL 4:** Net Taxable Income ROE = 12.0% or more.
- **GOAL 5:** Total Shareholder Return = 9.4%.

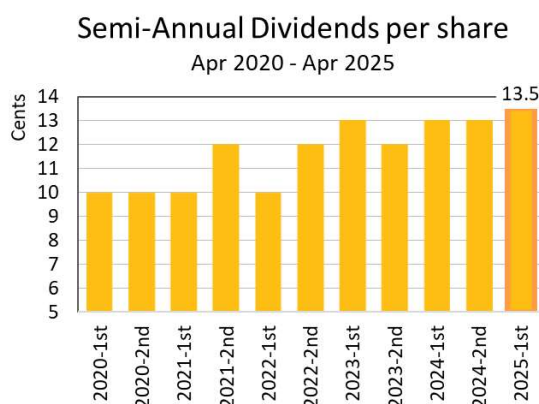
### 2024 Dividends & TSR

Shareholders received two cash dividends in 2024, totaling 26¢ per share, which equals a **5.4% dividend**

**yield.** Additionally, your stock's 2024 book value also increased 4.6%, for a combined **Total Shareholder Return (TSR) of 10.0%**.

### 2025 Cash Dividends

The Board of Directors has declared a **13.5¢ per share dividend** (up from 13.0¢) to be paid **on April 11, 2025**, to shareholders of record on March 31, 2025.



A second dividend is expected to be paid in October. The year 2025 will be **the 43rd consecutive year** we have paid cash dividends.

### Annual Shareholders Meeting

All shareholders are invited to attend the 2025 Annual Shareholders Meeting at **9:00 AM on Tuesday, April 22, 2025** at the Company's home office located at 935 E. Main St., Mesa, AZ. Please join us!



## Building on Our First 70 Years

2024—what a way to end the first 70 years of this great company's legacy!

We are building on the foundation that has been developed the last 70 years by **leveraging our core strength of profitable mortgage lending and strategically combining it with annuity premiums and loan participations**. Here is a brief recap of how these have developed.

First, since 2013 we have expanded from lending almost exclusively in Arizona to lending nationwide. Accordingly, our loan originations grew from \$11 million in 2014 to \$95 million in 2024.

Second, we began selling annuities in 2009 in the states of Arizona and Utah. Since then, we have grown our annuity reserves to over \$75 million and are now developing a sales force in 15 states.

Third, we began offering loan participations to other life insurance companies in 2014 and have significantly expanded these offerings since 2022. We now have 20 loan participation partnerships and nearly \$100 million in participation capital invested in our loans.

**The combination of these three parts of our business will allow us to continue building upon the successes of the past 70 years.**

## A Team of MVPs

I am thankful for the privilege I have to work with such a talented and dedicated team led by **Paul Whetten**, our EVP & COO, and by **John Shirts**, our CFO. They excel at leading our team of professionals who work hard every day to provide exceptional service. As shareholders, we have been richly blessed by their efforts.

I also wish to express my gratitude to the members of our Board of Directors. They provide the invaluable leadership that has helped us achieve today's successes and that will be crucial to the even greater achievements I expect in the upcoming years.

Sincerely,



Byron Frihoff Allen,  
President & CEO

