

# AMERICAN SAVINGS LIFE INSURANCE COMPANY

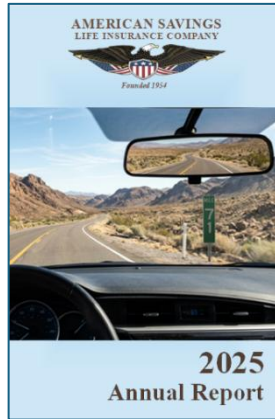


Founded 1954

April 15, 2026

Dear fellow shareholders,

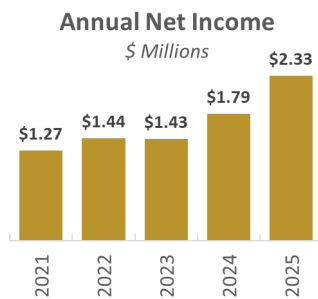
The year 2025 was a milestone year, as it was current management's 20<sup>th</sup> year. The full Annual Report (see how to access it below) covers in greater detail the key developments of the last 20 years that have enabled our current growth and success, as well as the ambitious goals we have set for the future.



Here are some of the company's key performance measurements:

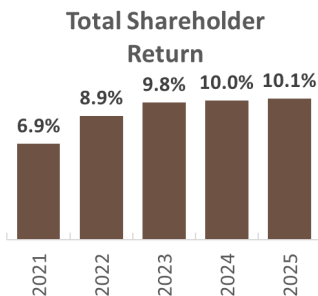
## Annual Net Income

The Company's annual net income for 2025 was **\$2,329,000**, a 30% increase over the prior year. We fully expect this will continue to increase as we continue to grow.



## Total Shareholder Return (TSR)

Our preferred measurement of your stock's performance is TSR. This is measured as the dividends plus increase in book value per share divided by the per share book value at the end of the prior year. The TSR for 2025 was 10.1%.



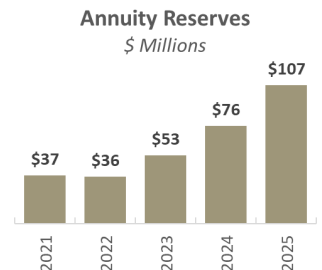
The **2025 Annual Report to Shareholders** is available online at: [www.AmericanSavingsLife.com/2025AnnualReport](http://www.AmericanSavingsLife.com/2025AnnualReport) or by scanning this QR code:

Or you may email us at: [email@AmericanSavingsLife.com](mailto:email@AmericanSavingsLife.com) and we will send you a copy.



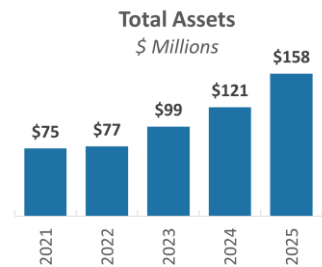
## Annuity Reserves

We ended 2025 with **\$107 million** in annuity reserves, a 41% increase over the prior year. This increase in annuity reserves is the primary driver of our asset growth. Most of these annuity reserves are invested in our commercial mortgage loans.



## Total Assets

Total Assets grew to **\$158 million**, a 31% increase over the prior year. This growth in assets supplies the additional capital essential for expanding our profitable mortgage lending business.



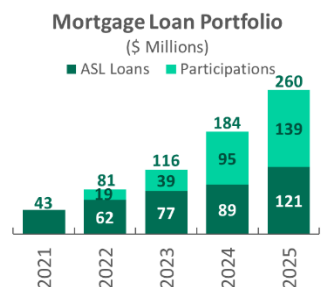
## New Loans Originated

In 2025, we originated **\$118 million** in loans, comprised of \$58 million from Company assets and \$60 million from loan participation partners.



## Total Loan Portfolio

These loan originations resulted in substantial growth in our total loan portfolio to **\$260 million**. This included \$121 million of Company assets and \$139 million of loan participation assets.



## Report on 2025 Goals Results

• **GOAL 1:** Grow our total mortgage loan portfolio from \$185 million to **\$250 million** or more.

**RESULTS:** Total loan portfolio grew to **\$260 million**.

• **GOAL 2:** Originate \$125 million in new loans.

**RESULTS:** Loan originations totaled **\$118 million**.

• **GOAL 3:** Sell \$25 million in annuity premiums.

**RESULTS:** Sold **\$33.8 million**.

• **GOAL 4:** Net Taxable Inc. Return on Equity (ROE)  $\geq$  12.0%

**RESULTS:** Net Taxable Income ROE was **13.9%**.

• **GOAL 5:** Total Shareholder Return (TSR) = 9.4% or more.

**RESULTS:** TSR was **10.1%**.

## Our Goals for 2026

- **GOAL 1:** Grow our **Total Mortgage Loan Portfolio** from \$260 million to \$350 million.
- **GOAL 2:** Grow **Loan Originations** from \$118 million to \$175 million.
- **GOAL 3:** Grow **Annuity Reserves** from \$107 million to \$120 million.
- **GOAL 4:** Net Taxable Income ROE = 15.0%.
- **GOAL 5:** Total Shareholder Return = 12.0%.

## **2025 & 2026 Dividends**

You received two cash dividends in 2025, totaling 27.5¢ per share, which equaled a **5.4% dividend yield**.

The first semi-annual dividend of 2026 in the amount of 14.5¢ per share (up from 13.5¢ a year ago), was paid on April 10, 2026. A second dividend is expected to be paid in October.

## **Annual Shareholders Meeting**

All shareholders are invited to attend the 2026 annual shareholders meeting starting at **8:30 AM on Tuesday, May 19, 2026** at the Company's home office located at 935 E. Main Street, Mesa, AZ 85203. Come join us!

## **Just the Beginning of Our Current Growth Era**

We are in the early years of an exciting era of growth, made possible by the company's 72-year foundation of financial strength and the key developments made over the past 20 years. Together, these allow us to amplify our core strength of mortgage lending with growth in annuities and loan participations, further enhancing our profitability.

It is a pleasure sharing this rewarding journey with you and I look forward with great enthusiasm to the road ahead and the opportunities before us.

Sincerely,



Byron Frihoff Allen, President & CEO

## AMERICAN SAVINGS LIFE INSURANCE COMPANY

### **Key Financial Data**

*December 31, 2025 and December 31, 2024*

*(unaudited)*

<b>Key Balance Sheet Data</b>	<b>Dec 31, 2025</b>	<b>Dec 31, 2024</b>
Total Assets	<b>\$ 158,138,000</b>	\$ 120,878,000
Total Loan Portfolio <i>(including loan participations)</i>	<b>\$ 260,391,000</b>	\$ 184,209,000
Reserves for Life Ins, Annuities, & Deposit Accounts	<b>\$ 121,037,000</b>	\$ 90,882,000
Total Shareholders Equity*	<b>\$ 22,170,000</b>	\$ 21,315,000
<i>*Note: The \$855,000 increase in Total Shareholders Equity is <u>after</u> (in addition to) buying back \$183,000 of stock and paying dividends of \$1,157,000 (27.5 cents per share) in 2025.</i>		
<b>Key Income Statement Data</b>	<b>2025</b>	<b>2024</b>
Net Investment Income	<b>\$ 12,095,000</b>	\$ 9,281,000
Net Taxable Income	<b>\$ 2,886,000</b>	\$ 2,253,000
Net Income	<b>\$ 2,328,000</b>	\$ 1,792,000
Comprehensive Income Attributable to Shareholders**	<b>\$ 2,176,000</b>	\$ 1,952,000
<i>*Note: Comprehensive Income Attributable to Shareholders includes the after-tax impact on Shareholders Equity of unrealized changes in the market value of our common stock investments, which decreased \$153,000 in 2025 due to the sale of some of our common stocks. (2024 was a \$160,000 increase.)</i>		
<b>Key Per Share Data</b>	<b>2025</b>	<b>2024</b>
Ending Shareholders Equity per share	<b>\$5.30</b>	\$5.06
Net Income per share	<b>\$0.56</b>	\$0.43
Comprehensive Income per share	<b>\$0.52</b>	\$0.46
Dividends per share (annual)	<b>\$0.275</b>	\$0.26

**FORWARD-LOOKING STATEMENTS:** Certain statements contained in this letter are forward-looking statements. Words such as "believe", "anticipates", "expects", "intends", "may", "will" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying these statements. In addition, all statements other than statements of historical facts that address activities that the Company expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements involve risk and uncertainties, which may cause actual results to differ materially from those in such statements.