

Security Benefit Life Insurance Company
Statutory Financial Highlights

The following tables set forth our selected financial information as of December 31, 2024 and December 31, 2023 and for the twelve months ended December 31, 2024 and 2023. The information as of and for the year ended December 31, 2023 was derived from our Audited Statutory Financial Statements. The information as of December 31, 2024 and for the twelve months ended December 31, 2024 was derived from our Unaudited Statutory Financial Statements and includes, in the opinion of management, all normal and recurring adjustments necessary to present fairly the information for such period.

| | For the | |
|---|-------------------------------|--------------------------|
| | Twelve Months Ended | |
| | December 31, 2024 | December 31, 2023 |
| | <i>(unaudited)</i> | <i>(audited)</i> |
| | <i>(dollars in thousands)</i> | |
| Statements of operations data: | | |
| Revenues: | | |
| Direct annuity considerations and deposits | \$ 6,288,450 | \$ 6,739,278 |
| Assumed annuity considerations and deposits | 17,693 | 14,754 |
| Ceded annuity considerations and deposits | <u>(2,021,986)</u> | <u>(2,516,937)</u> |
| Net annuity considerations and deposits | 4,284,157 | 4,237,095 |
| Net investment income | 3,165,980 | 2,651,187 |
| Fixed index annuity rider fee income | 201,258 | 204,105 |
| Commissions and expense allowance on | | |
| reinsurance ceded | 168,012 | 212,152 |
| Asset-based fees | 59,864 | 56,770 |
| Other income | <u>320,582</u> | <u>210,845</u> |
| Total revenues | 8,199,853 | 7,572,154 |
| Benefits and expenses: | | |
| Increase (decrease) in reserves and funds for | | |
| all policies | 1,049,666 | 710,154 |
| Surrender benefits | 3,954,053 | 3,961,725 |
| Annuity benefits | 474,716 | 472,779 |
| Other benefits | 312,392 | 83,722 |
| Commissions | 536,545 | 551,533 |
| Call option amortization | 80,240 | 87,084 |
| Other insurance operating expenses | <u>281,965</u> | <u>263,434</u> |
| Total benefits and expenses | 6,689,577 | 6,130,431 |
| Income from operations before federal income taxes | 1,510,276 | 1,441,723 |
| Federal income tax expense | <u>342,259</u> | <u>285,320</u> |
| Income from operations before net realized gains | 1,168,017 | 1,156,403 |
| Net realized gains (losses), net of capital gains tax | 13,811 | 46,048 |
| Net income | <u>\$ 1,181,828</u> | <u>\$ 1,202,451</u> |

Subject to Notice to Investors

Security Benefit Life Insurance Company
Statutory Financial Highlights (continued)

| | As of | |
|---|-------------------------------|----------------------|
| | December 31, 2024 | December 31, 2023 |
| | <i>(unaudited)</i> | <i>(audited)</i> |
| | <i>(dollars in thousands)</i> | |
| Net Admitted Assets | | |
| Cash and invested assets | \$ 48,974,233 | \$ 46,186,266 |
| Separate account assets | 6,749,125 | 5,988,726 |
| Other assets | 1,258,514 | 1,415,949 |
| Total net admitted assets | <u>\$ 56,981,872</u> | <u>\$ 53,590,941</u> |
| Liabilities, Capital and Surplus | | |
| Policy and contract liabilities | \$ 31,355,469 | \$ 30,474,320 |
| Separate account liabilities | 6,749,125 | 5,988,726 |
| Funds withheld and held liabilities | 9,362,736 | 8,010,638 |
| Asset valuation reserve | 1,051,607 | 944,907 |
| Derivative collateral | 894,549 | 647,922 |
| Repurchase agreements | 328,443 | 1,012,497 |
| Other liabilities | 1,073,701 | 582,507 |
| Total liabilities | <u>50,815,630</u> | <u>47,661,517</u> |
| Total capital and surplus | <u>6,166,242</u> | <u>5,929,424</u> |
| Total liabilities, capital and surplus | <u>\$ 56,981,872</u> | <u>\$ 53,590,941</u> |

| | As of or for the | |
|---|-------------------------------|-------------------|
| | Twelve Months Ended | |
| | December 31, 2024 | December 31, 2023 |
| | <i>(unaudited)</i> | |
| | <i>(dollars in thousands)</i> | |
| Other data: | | |
| Total adjusted capital ^(a) | \$ 7,217,886 | \$ 6,874,369 |
| Average capital and surplus ^(b) | \$ 5,945,595 | \$ 5,439,399 |
| Statutory comprehensive income ^(c) | \$ 1,198,512 | \$ 1,001,467 |
| Statutory return on equity ^(d) | 20.2 % | 18.4 % |
| Dividends | \$ 855,000 | \$ 350,000 |

^(a) Calculated as defined by the model created by the NAIC.

^(b) Calculated by averaging total capital and surplus as of the end of each quarter in the trailing five quarter period.

^(c) Statutory comprehensive income is the change in total adjusted capital for the period excluding capital contributions and dividends.

^(d) Calculated by dividing annualized statutory comprehensive income for the period noted by average capital and surplus.

Security Benefit Life Insurance Company
Statutory Financial Highlights (continued)

The following table presents a reconciliation of certain non statutory financial measures to their closest statutory inputs.

| | As of or for the Year Ended | |
|---|---|--------------------------|
| | December 31, 2024 | December 31, 2023 |
| | <i>(unaudited)</i> <i>(Dollars in thousands)</i> | |
| Financial measures: | | |
| Net investment income ^(a) | \$ 3,165,980 | \$ 2,651,187 |
| Investment expenses | 316,541 | 257,399 |
| Interest expense on operating leverage ^(b) | (102,192) | (53,181) |
| Call option realized (gains) and losses | (492,228) | 26,076 |
| Adjusted investment income | <u>\$ 2,888,102</u> | <u>\$ 2,881,481</u> |
| Average spread-based AUM ^(c) | \$ 37,840,167 | \$ 36,939,003 |
| Average spread-based AUM excluding surplus assets | \$ 30,649,441 | \$ 30,671,054 |
| Investment operating earned rate ^(d) | 7.63 % | 7.80 % |
| Interest credited to account balances | \$ 389,187 | \$ 363,677 |
| Pro rata amortization of call option costs | 437,332 | 353,727 |
| Cost of crediting ^(e) | <u>\$ 826,518</u> | <u>\$ 717,404</u> |
| Cost of crediting rate ^(f) | 2.70 % | 2.34 % |
| Net investment spread ^(g) | 4.94 % | 5.46 % |

^(a) Net investment income includes interest maintenance reserve amortization.

^(b) Interest expense on operating leverage includes interest expense on repurchase agreements and miscellaneous interest expense.

^(c) Spread-based assets under management ("AUM") is primarily statutory cash, invested assets, accrued investment income and excludes derivatives and unrealized gains (losses) on investments carried at fair value, with adjustments for investment payable for securities and funds withheld liabilities related to business exited through reinsurance agreements.

^(d) Calculated by dividing adjusted investment income by average spread-based AUM.

^(e) Cost of crediting is calculated as reported interest credited to account balances adjusted for the pro rata amortization of FIA option costs.

^(f) Calculated by dividing cost of crediting by spread-based AUM, excluding surplus assets, of our deferred annuities and institutional liabilities.

^(g) Calculated by subtracting cost of crediting rate from investment operating earned rate.