



CITIZENS INC.

TRANSFORMING AND
CLEAR REVENUE GROWTH OPPORTUNITIES



MARCH 2024



WWW.CITIZENSINC.COM



A photograph of two women in a market setting. The woman on the left is seen in profile, smiling and looking towards the right. The woman on the right is facing her, smiling broadly and looking upwards. They are holding both hands. The background shows a busy market with various stalls and people. A semi-transparent blue rectangular frame is overlaid on the image, containing the text.

**INSURANCE IS
A PROMISE MADE.**

**CITIZENS IS
A PROMISE KEPT.**

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties. All statements other than statements of historical facts contained in this presentation, including statements regarding Citizens' (the "Company") future results of operations and financial position, including financial targets, business strategy, plans and objectives for future operations, are forward-looking statements. The Company has based these forward-looking statements largely on its current estimates of its financial results and its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy, short term and long-term business operations and objectives, and financial needs as of the date of this presentation. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described under the heading "Risk Factors" in the Company's filings with the Securities and Exchange Commission (the "SEC"). Additionally, new risks emerge from time-to-time. It is not possible for Company management to predict all risks, nor can the Company assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements the Company may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee that the future results, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Except as required by law, the Company undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this presentation, to conform these statements to actual results or to changes in the Company's expectations.

The Company's filings with the Securities and Exchange Commission are available to you and you should read the documents the Company has filed with the SEC for more complete information about the Company. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov.

USE OF NON-GAAP MEASURES

This presentation includes certain non-GAAP financial measures. While the Company believes these are useful measures for investors, they are not presented in accordance with GAAP. You should not consider non-GAAP measures in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Because not all companies use identical calculations, the presentation herein of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Please see the Appendix for important reconciliations between our non-GAAP and GAAP financial measures.

Company Overview

CITIZENS OVERVIEW

We specialize in offering traditional life insurance, endowment products and final expense insurance in niche markets where we believe we are able to achieve competitive advantages



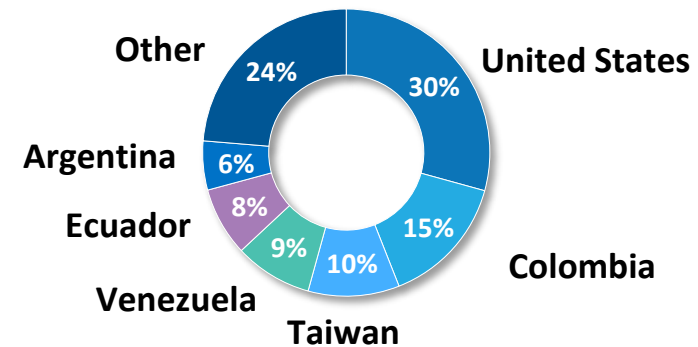
\$1.7B Assets

Over **\$4.9 Billion** Gross Insurance In-force

\$167mm Diversified Premium Revenues



2023 Premium Revenue (Geography)

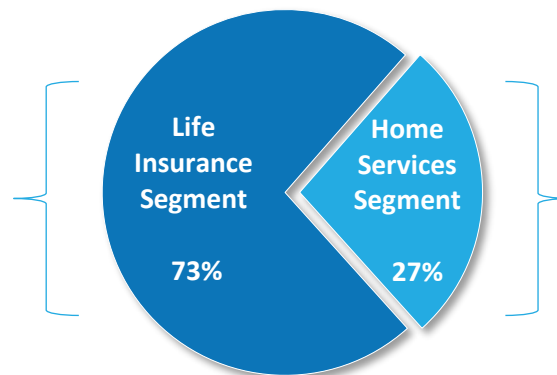


All information as of December 31, 2023.

COMPANY PREMIUM REVENUES OVERVIEW

2023 Premium Revenues (Segment)

**Life Insurance Segment
(73%)¹**



**Home Services Insurance Segment
(27%)¹**

International Market:

U.S. dollar-denominated policies and contracts

- Ordinary whole life and endowment
- Majority of premiums originate in Latin American countries
 - Additional premiums sales in Taiwan

Demographic – Upper middle-class, and those with significant net worth and earnings in their respective countries

Domestic Market:

Ordinary whole life and final expense policies and contracts

- Majority of premiums originate in our over 40 licensed states and Washington, DC
- Simplified issued applications
- White labeled products

¹ All information as of December 31, 2023

Whole life insurance (funeral and burial costs)

- Majority of premiums originate in Louisiana, Mississippi and Arkansas
- Limited underwriting risk

Demographic – Middle-and lower-income households

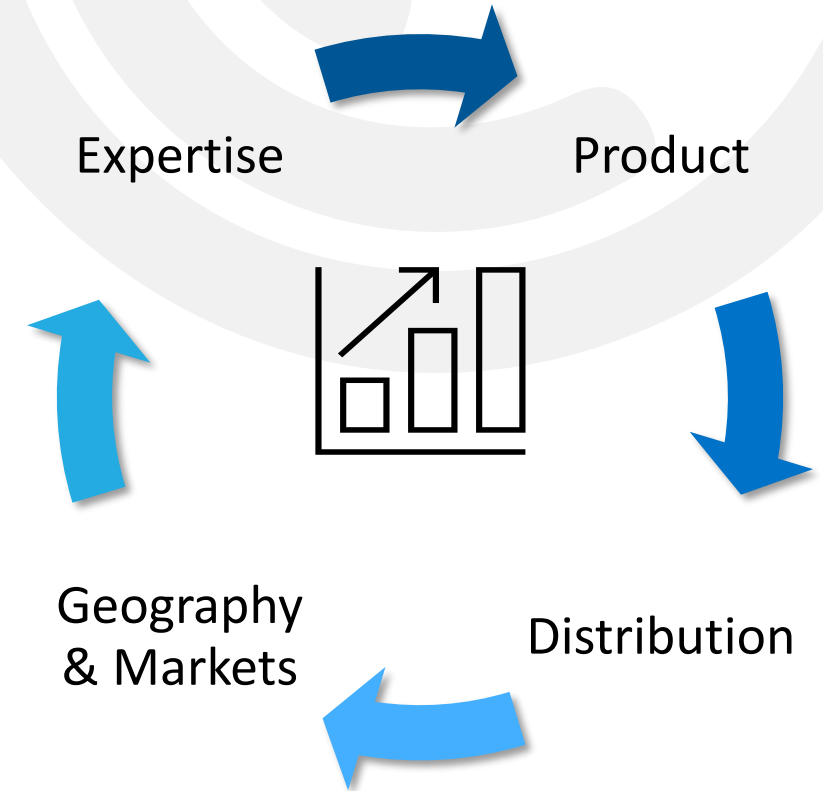
Highlights – Segment is transforming through:

1. Geographic Expansion
 - Demand for whole life products exists across all Southeastern states
2. Product, Sales & Marketing
 - New products & cross-selling opportunities
3. Demographic
 - Targeting higher-income bracket customers

UNIQUELY POSITIONED FOR GROWTH OPPORTUNITIES

Persistent customer base expansion in large underserved niche markets globally

U.S. Dollar Denominated Products	Capital is invested in a more secure economic environment (the U.S.) Protection against devaluation of the policyowners' local currency Less prone to sudden geo-political shifts
Expertise in the Latino Markets (US & International)	Latinos have comprised >50% of total U.S. population growth between 2010 and 2020 ¹ Latin America life insurance has a compelling setup of low penetration and increasing demand
Growing in Niche Markets	White labeled products Professional athletics Brokers, Affinity Groups
Rapidly Developing Innovative Products	New product introductions and product revisions in 2023 Increasingly sought out for bespoke policy products by key agency partners
Rapid Expansion of Sales Force	Existing licenses in 40 underpenetrated U.S. states and Washington, DC Increased global network of producing agents by 85% in 2023 Streamlined sales and underwriting process



¹) 2020 US Census - Between 2010 and 2020, the Hispanic population grew by 23%, accounting for >50% of the total U.S. population growth

2024 MILESTONES

For 2024, Citizens has set the following milestones:

- Increase first year life and A&H premium revenues at least 6%
- Improve retention metrics at least 4%
- Expand global network of producing agents at least 20%
- Introduce 2 to 3 new products or major product enhancements. Citizens delivered a new product in Q1 2024

Our strategic roadmap is designed to deliver sustainable increased book value per share and enhanced operating results.

KEY INVESTMENT HIGHLIGHTS

TRANSFORMING AND CLEAR REVENUE GROWTH OPPORTUNITIES

Unique Market Position

- A Leader in USD-denominated whole life products, internationally
- Strong brand awareness among Latin American policy holders
- End-to-end transactions in **Spanish**, **Portuguese**, **Mandarin**, and **English**

Clear Growth Opportunities

- Large unmet need for specialized insurance products in US Latino market
- Licenses in 40 states and Washington, DC
- Continued growth in specialized markets:
 - White labeled products
 - Professional Athletics
 - Brokers, Affinity Groups

Executing on Goals

- **Rapid expansion of sales force**
- **Improving first year sales** trends
- Strong initial demand for new products

Rapid Expansion of Sales Force

- Clear and defined runway for geographic expansion
- Expanding global network of producing agents
- Digital sales and servicing platforms

Financial Strength

- Low risk business model and conservative balance sheet management
- Positive net cash from operations annually since 2004
- Reinsure with large globally recognized reinsures

Roadmap Execution

ACCOMPLISHMENTS

TRANSFORMING AND CLEAR REVENUE GROWTH OPPORTUNITIES

INITIATIVES	<p>Rapid expansion of sales force</p> <p>Rapidly develop innovative products</p>	<p>Clear and defined runway for geographic expansion</p> <p>Advantages in growing niche markets globally</p>	<p>Disciplined expense and capital management</p>
RECENT ACCOMPLISHMENTS	<ul style="list-style-type: none"> ▪ Increased global network of producing agents by 85% in 2023 ▪ First year sales have increased for the fifth consecutive quarter ▪ Amount of insurance issued +10% to \$742M in 2023 ▪ Delivered a new product in Q1 2024 ▪ Adding white-label partnerships that deliver unique products to established fast-growing distribution channels 	<ul style="list-style-type: none"> ▪ A leader in U.S. dollar-denominated products, internationally ▪ Intimate knowledge of unique Latino cultures across varying nationalities ▪ End-to-end transactions in Spanish, Portuguese, Mandarin, and English ▪ Existing licenses in 40 underpenetrated U.S. states and Washington, DC ▪ Implementing sales promotions to drive our growth and retention initiatives 	<ul style="list-style-type: none"> ▪ 20 years of positive net cash from operations annually (since 2004) ▪ Reinsurance with large globally recognized reinsurers ▪ Share repurchases of \$4.4M available on the current authorization ▪ No debt. Access to \$20M line of credit ▪ A.M. Best Financial Strength Rating B++; Balance Sheet – Very Strong issued on CICA Life Insurance Company of America in July 2023

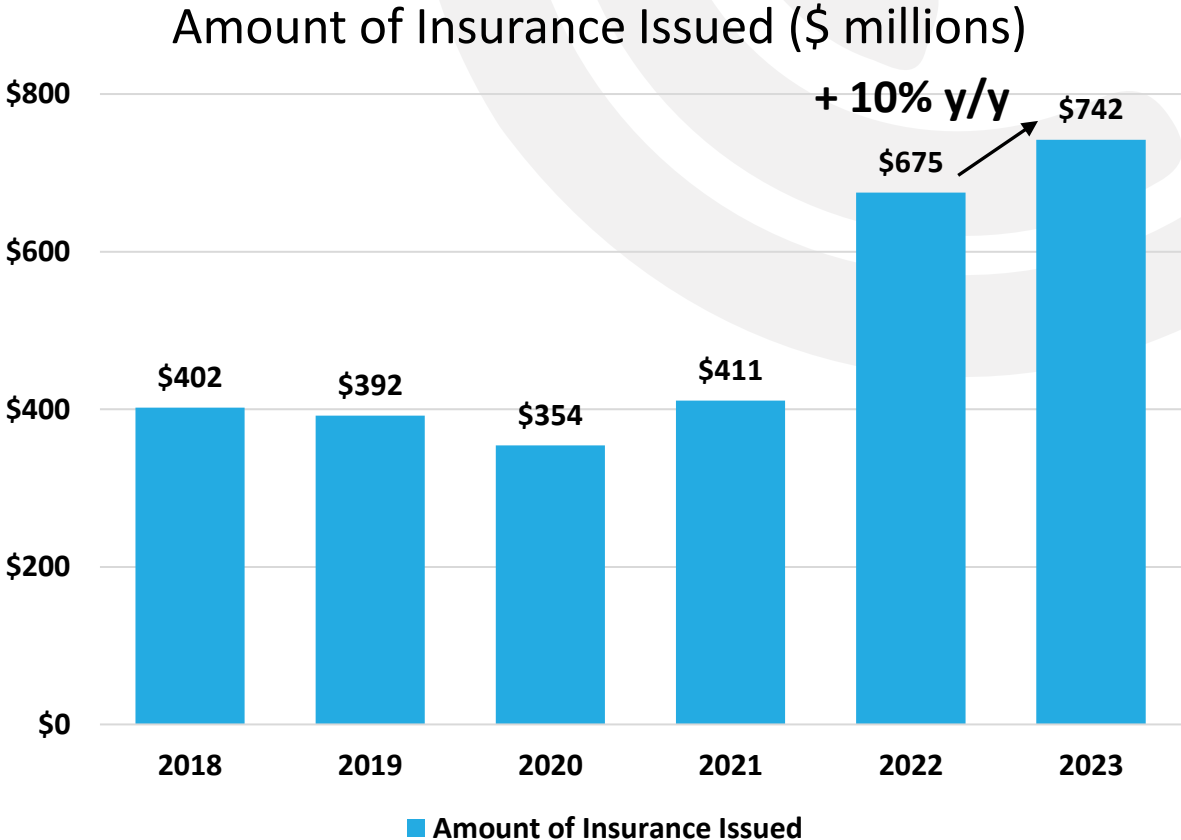
Price to Book Value, excluding AOCI, period ending December 31, 2023 was .46 compared to life insurance peers of .93
 Book value increased 36% in 2023 to \$3.47 on December 31, 2023.
 20 years of positive net cash from operations annually (since 2004)

EXECUTING ON SUCCESS

- + New & Innovative Products
- + Successful Selling Campaigns
- + Growing Distributor Relationships

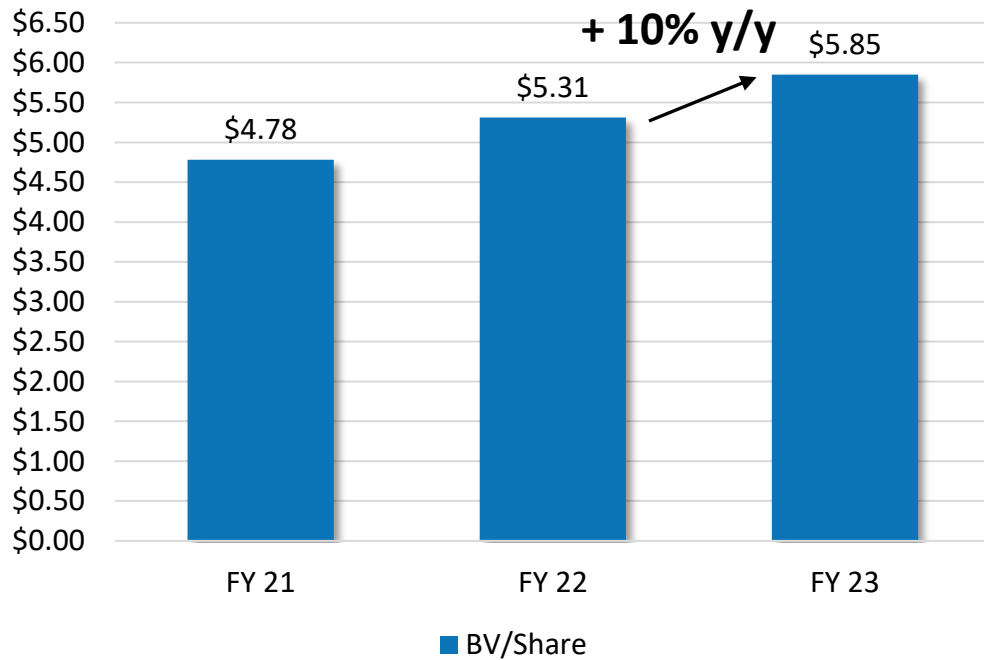
Positive results

- FY 2023 insurance issued grew 10% y/y

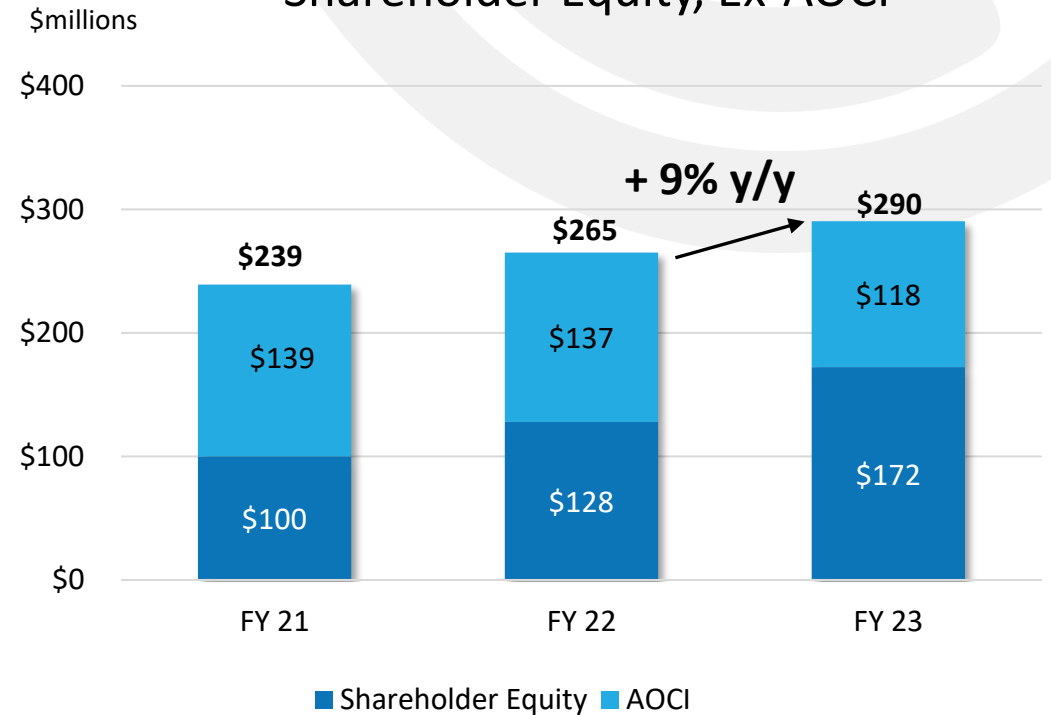


SHAREHOLDER RETURNS

Book Value Per Share, Ex-AOCI



Shareholder Equity, Ex-AOCI



PROCESS IMPROVEMENTS & TECHNOLOGY

MAKING IT EASIER TO DO BUSINESS WITH CITIZENS

Sales & Distribution

Developed digital sales and servicing platforms to improve distribution capabilities

Self-service Platform

Enhanced policyholder and agent self-services platform with new capabilities to make it easier to do business with us



Underwriting

Implemented new actuarial valuation software solution that provide enhanced modeling capabilities for ordinary whole life policies in both segments

Payments

Enhancing alternative payment methods across all markets

Reinsurance

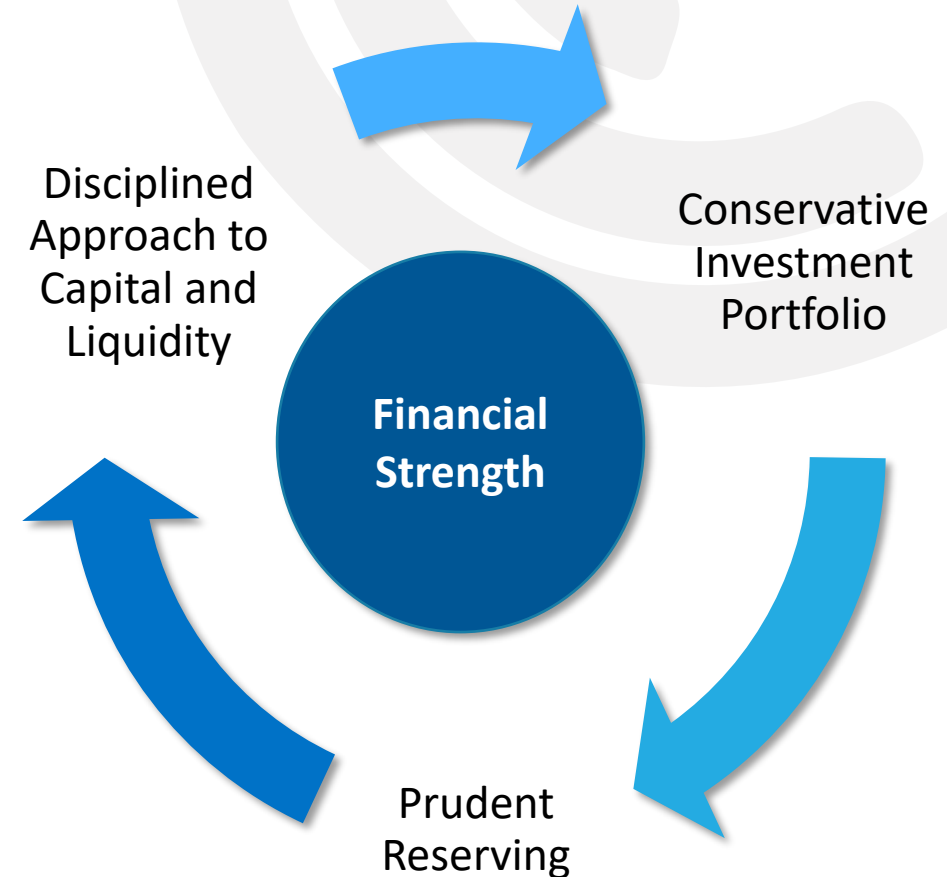
Expanded reinsurance capabilities and capacity to improve optionality on high-net-worth business



Financial Overview

LOW RISK PROFILE AND FINANCIAL STRENGTH

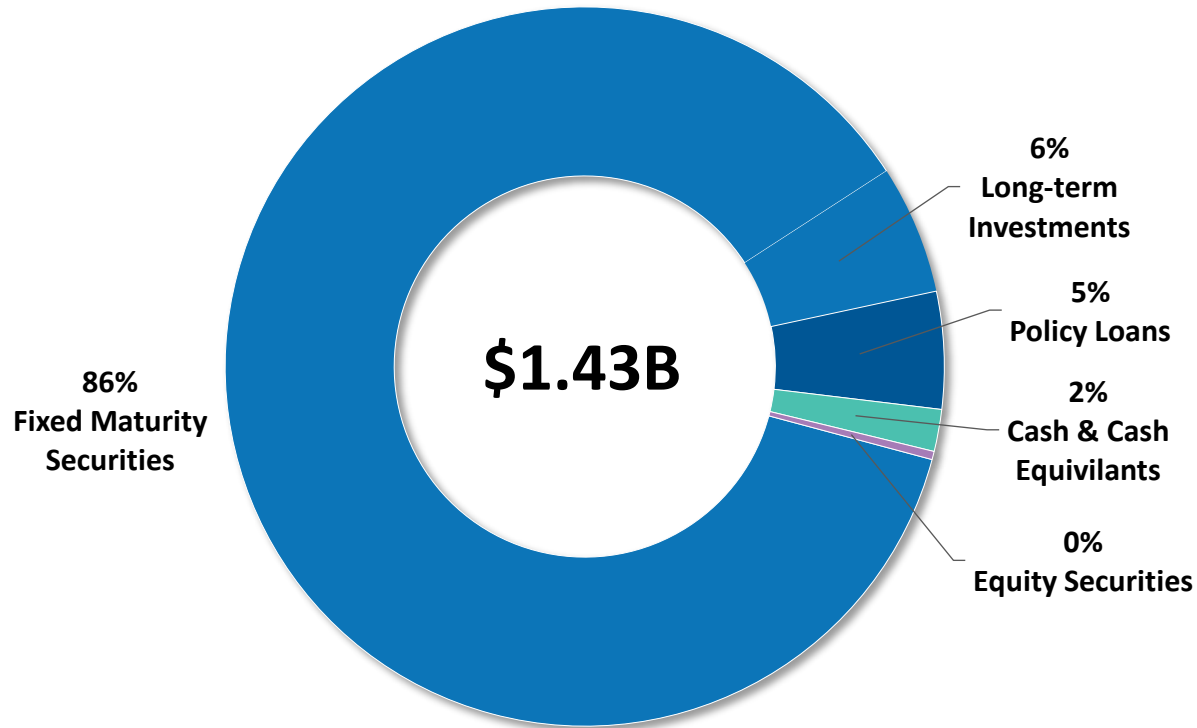
- Low risk business model and conservative balance sheet management drive our financial fortitude
- Strong balance sheet underpinned by a prudent approach to:
 - Investment portfolio mix
 - Loss reserving
 - Capital and liquidity
- Reinsure business with large global reinsurers



INVESTMENT PORTFOLIO

HIGH-QUALITY AND WELL-DIVERSIFIED

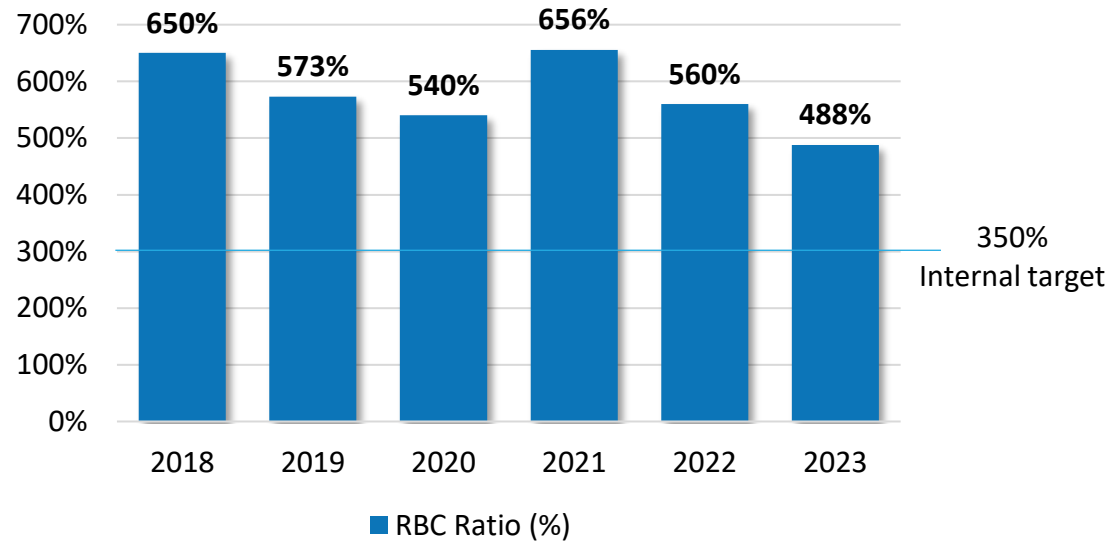
Cash and Invested Assets (FY 2023)



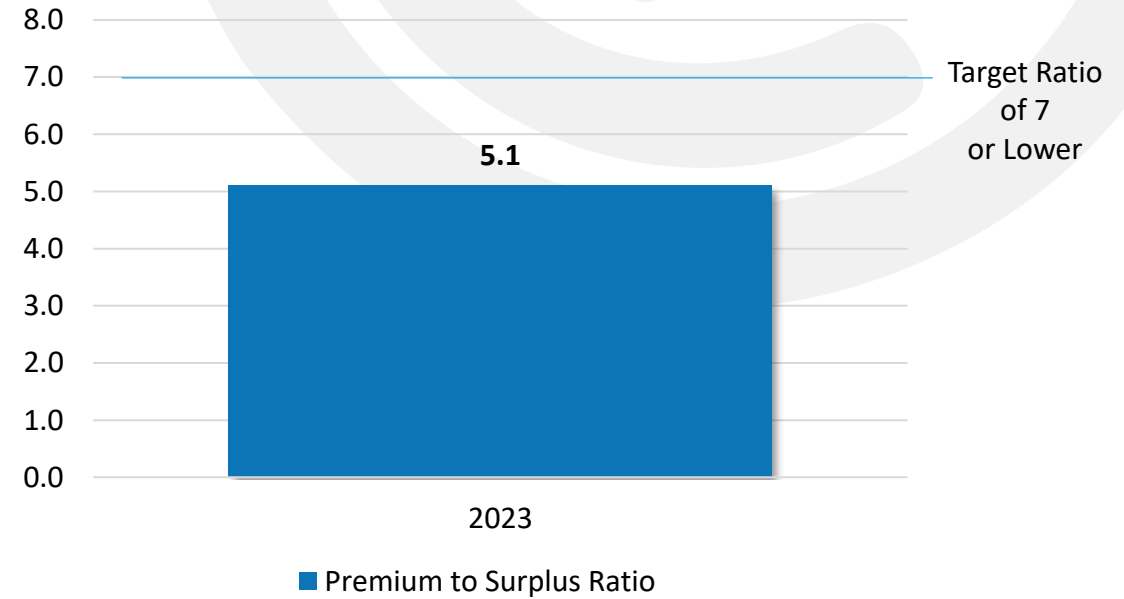
- Fixed income and cash securities represent 88% of the investment portfolio
- 99% of fixed income investments rated investment grade
- Annualized investment yield of 4.6%
- Diversified across asset class, sector, and issuer/borrower
- A average credit rating

CAPITAL ADEQUACY AND LIQUIDITY

**Risk Based Capital Ratio (%)
(TAC/ACL RBC)**



Puerto Rico Capital Requirement



Solid Liquidity

- Parent company cash and investments totaling ~\$25 million
- Consistently have net cash provided from operating activities
- Access to \$20 million line of credit

FINANCIAL HIGHLIGHTS FOR Q4 AND FULL YEAR 2023

GAAP Financial Results

As of and for the periods ended <i>(In thousands, except per share data)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Total Revenues	\$ 66,849	\$ 67,257	\$ 240,680	\$ 232,524
Net income	10,741	13,659	24,437	26,007
Diluted EPS	0.21	0.27	0.48	0.51
Stockholders' equity, end of period	172,129	127,790	172,129	127,790
Book value per Class A common share	3.47	2.56	3.47	2.56

Adjusted Operating Financial Results

As of and for the periods ended <i>(In thousands, except per share data)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2023	2022	2023	2022
Income (loss) before federal income tax	\$ 8,774	\$ 11,411	\$ 26,174	\$ 27,377
Total Adjustments	1,184	755	(457)	(8,726)
Adjusted income (loss) before federal income tax¹	7,590	10,656	26,631	36,103
Adjusted Stockholders' equity, end of period²	290,284	264,834	290,284	264,834
Adjusted Book value per Class A common share²	5.85	5.31	5.85	5.31

Performance Highlights

- Revenues grew to \$241 million in full year 2023 driven by new business
- Book value per share (GAAP) grew 36% y/y, and book value per share excluding AOCI grew 10% y/y

^{1,2}Additional information and disclosures related to Adjusted Operating Financial Results can be found in the appendix under the heading "Explanatory Notes on Use of Non-GAAP Measure."

A person wearing a hat, a backpack, and shorts stands on a sandy beach at sunset. Their arms are raised in a gesture of triumph or joy. The sun is low on the horizon, casting a warm glow over the scene. The background features a rocky coastline and a cloudy sky.

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A PROMISE KEPT.

Appendix

Explanatory Notes on Use of Non-GAAP Measures

¹Adjusted Operating Income

Adjusted Operating Income is a non-GAAP measure that is computed as pre-tax GAAP operating income, excluding net investment related gains (losses) and unusual one-time items. Management believes that this metric is meaningful, as it allows investors to evaluate underlying profitability and enhances comparability across periods, by excluding items that are heavily impacted by investment market fluctuations and other economic factors and are not indicative of operating trends. Management believes that the pre-tax metric is a more useful comparison than the post-tax metric, as the Company's effective tax rate can fluctuate significantly from quarter-to-quarter.

Reconciliation of Adjusted Income (Loss) Before Federal Income Tax

For the periods ended	Three Months Ended		Year Ended	
	December 31,		December 31,	
<i>Unaudited (In thousands)</i>	2023	2022	2023	2022
Income (loss) before federal income tax	\$ 8,774	11,411	\$ 26,174	27,377
Less:				
Investment related gains (losses)	1,237	298	760	(10,291)
Property insurance business income (loss)	(53)	457	(1,217)	1,565
Adjusted income (loss) before federal income tax	<u>\$ 7,590</u>	<u>10,656</u>	<u>\$ 26,631</u>	<u>36,103</u>

Explanatory Notes on Use of Non-GAAP Measures, Continued

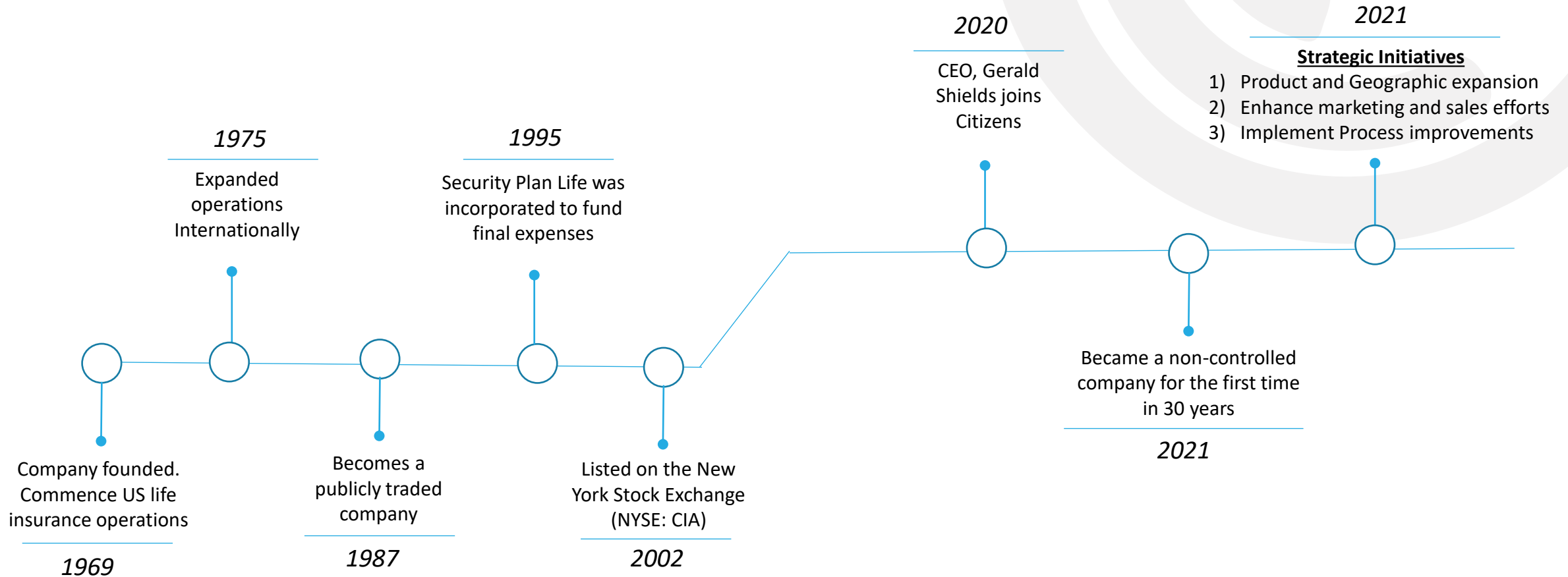
²Adjusted Book Value Per Class A Common Share

Adjusted book value per Class A common share is a non-GAAP measure that is calculated by dividing actual Class A common stockholders' equity, excluding AOCI, by the number of Class A common shares outstanding at the end of the period. Management believes this metric is meaningful, as it allows investors to evaluate underlying book value growth by excluding the impact of interest rate volatility

Reconciliation of Stockholders' Equity and Book Value Per Class A Common Share

<i>Unaudited (In thousands, except per share data)</i>	<u>As of December 31,</u>	
	<u>2023</u>	<u>2022</u>
Stockholders' equity, end of period	\$ 172,129	127,790
Less: Accumulated other comprehensive income (loss) (AOCI)	(118,155)	(137,044)
Stockholders' equity, end of period, excluding AOCI	<u>\$ 290,284</u>	<u>264,834</u>
Book value per Class A common share - diluted	\$ 3.47	2.56
Less: Per share impact of AOCI	(2.38)	(2.75)
Book value per Class A common share - diluted, excluding AOCI	<u>\$ 5.85</u>	<u>5.31</u>

COMPANY TIMELINE



DEDICATED & EXPERIENCED MANAGEMENT TEAM

INTERDISCIPLINARY TEAM WITH BROAD CAPABILITIES

GERALD W. SHIELDS
CEO

CEO Since 2020




SHERYL KINLAW
Vice President, Chief Legal Officer and Secretary

CLO Since 2021




JON STENBERG
President

PRESIDENT Since 2024




ROBERT M. MAULDIN, III
Vice President, Chief Marketing Officer

CMO Since 2017




JEFFERY P. CONKLIN
Vice President, Chief Financial Officer and Treasurer, Chief Investment Officer

CFO Since 2019




HARVEY J. L. WAITE
Vice President, Chief Actuary

Chief Actuary Since 2017