

# Security National

Family of Companies



## Security National Financial Corporation Reports Financial Results for the Quarter Ended September 30, 2025

November 13, 2025

SALT LAKE CITY, Nov. 13, 2025 (GLOBE NEWSWIRE) -- Security National Financial Corporation (SNFC) (NASDAQ symbol "SNFCA") announced financial results for the quarter ended September 30, 2025. For the three months ended September 30, 2025, SNFC's after tax earnings decreased 34% from \$11,831,000 in 2024 to \$7,815,000 in 2025. For the nine months ended September 30, 2025, after tax earnings decreased 30% to \$18,866,000 from \$26,578,000 in 2024.

Scott M. Quist, President of the Company, said:

"While the third quarter was definitely weak from my point of view, being \$4MM below Q3 2024 or roughly 34%, there are some definite bright spots which partially illuminate much of the hard work that has gone on. For example, on a Return On Equity basis, as of September 30<sup>th</sup> we achieved a 7.9% ROE for the nine months, which if annualized would put us in double digits at 10.5%. That is an improvement over our June report where the similar annualized ROE number was 8.5%. In some respects that improvement highlights the financial diversity and resilience of our Company even when our operating earnings are a little disappointing. Another financial bright spot that deserves mention is our personnel costs. While they are still up roughly 6% on a YTD basis, for the quarter they are flat, indicating that we have found and implemented sufficient efficiencies to offset the talent hiring we undertook commencing in Q4 of 2024. Another way to say it is that we have significantly improved our executive management talent, particularly in the sales arena, and have been able to offset those immediate costs with operational efficiencies. In June, by way of further illustration, our YTD personnel costs were up roughly 10%, so to be up just 6% YTD in September indicates that significant progress has been made. Of course improved management talent, particularly sales talent, should pay for themselves plus a margin and I believe I am seeing that progress. I continue to be very impressed with the people that have chosen to join us. That process, however, is a process and will take a little time for it to play out. We have spent heavily and have expended much effort this past year to retain first and then recruit improved sales, sales support, and executive talent in all of our segments. It has been, and continues to be a major management focus.

Going to our business segments, for the quarter our Mortgage Segment was profitable and was up over Q3 of 2024. While the numbers are not large, it represents a significant milestone. The mortgage market continues to be troubled, with this being only the third profitable quarter in the last 3 years. Nevertheless, it was a profitable quarter! Further, I would note that in my estimation our operational quality has improved YOY with actual operational improvement rather than simply accounting improvements (or drags). Segueing to accounting treatments for a moment, using Current Expected Credit Losses (CECL, or bad debt expense) as the example, which are for the most part formulaic and which affect all our business segments, we have set aside nearly \$1MM for mortgage losses when in fact for at least the last 36 months we have suffered no losses due to foreclosure. I am not arguing that the accounting principles are being misapplied, I am simply saying that sometimes accounting treatments can have a timing effect of moving income between years, if not quarters. Our Cemetery and Mortuary Segment also posted improved results over Q3 2024. We are just now seeing stabilized, if not improved, preneed cemetery land sales which are a major profit driver. It is a fair statement that over the last 9 months we have completely revamped our cemetery sales force. Our Life Insurance segment's earnings were weak for the quarter, primarily due to DAC, CECL, and lower unrealized gains on common stock. Our goal is to grow new life premium sales. We did not achieve that goal in the third quarter, and we are working diligently to rectify the situation. Much of the aforementioned management and sales talent, and increased personnel costs, were/are centered in our Life Insurance Segment. As a reminder, in Q4 we will be implementing new accounting standards known as Long Duration Targeted Improvements (LDTI) in our Life Insurance Segment. This implementation will cause significant adjustments to our Benefit Reserves, our Deferred Acquisition Costs, and the implementation of a new concept of a Deferred Profit Liability among other items. Those accounting adjustments do not reflect any inappropriateness of our current calculations, but will reflect new accounting standards. Whether those new accounting standards are better or worse than existing standards, I will leave such judgment to the discretion of the user. Our investment income continues to be good corporate wide, particularly in the Life Insurance Segment. As referenced in the June Earnings Press Release, the nature of our real estate based activities (lending, directly owning, builder partnerships) does create a significant current drag to income, we believe it will be positively accretive over time. Finally, just commenting on our real estate based investments, we seem to be seeing weakness in the first time buyer markets, but strength in the move up markets.

SNFC has three business segments. The following table shows the revenues and earnings before taxes for the three months ended September 30, 2025, as compared to 2024, for each of the three business segments:

	Revenues			Earnings before Taxes		
	2025	2024		2025	2024	
Life Insurance	\$ 50,790,000	\$ 48,853,000	4.0%	\$ 7,042,000	\$ 12,358,000	(43.0%)
Cemeteries/Mortuaries	\$ 8,928,000	\$ 8,543,000	4.5%	\$ 3,045,000	\$ 2,841,000	7.2%
Mortgages	\$ 29,608,000	\$ 30,878,000	(4.1%)	\$ 66,000	\$ 16,000	312.5%
Total	\$ 89,326,000	\$ 88,274,000	1.2%	\$ 10,153,000	\$ 15,215,000	(33.3%)

For the nine months ended September 30, 2025:

	Revenues			Earnings before Taxes		
	2025	2024		2025	2024	
Life Insurance	\$ 151,602,000	\$ 146,061,000	3.8%	\$ 20,584,000	\$ 28,053,000	(26.6%)
Cemeteries/Mortuaries	\$ 25,187,000	\$ 25,608,000	(1.6%)	\$ 7,077,000	\$ 7,984,000	(11.4%)
Mortgages	\$ 84,818,000	\$ 83,584,000	1.5%	\$ (3,601,000)	\$ (1,813,000)	(298.6%)
Total	\$ 261,607,000	\$ 255,253,000	2.5%	\$ 24,060,000	\$ 34,224,000	(29.7%)

Net earnings per common share was \$.32 for the nine months ended September 30, 2025, compared to net earnings of \$.48 per share for the prior year and book value per common share was \$14.79 as of September 30, 2025, compared to \$13.76 as of December 31, 2024, after adjustments for the effect of annual stock dividends.

The Company has two classes of common stock outstanding, Class A and Class C. There were 24,697,314 Class A equivalent shares outstanding as of September 30, 2025.

An earnings call will commence at approximately 1PM (MST) on November 14<sup>th</sup> and will include a review of its 3<sup>rd</sup> Quarter results as well as an update from the Company's three business segments. Shareholders may access the earnings call by clicking the link below:

<https://investor.securitynational.com/news-and-events/events-and-presentations>

The earnings call can also be accessed directly from the Company's website under "Events" on the Investor Relations page.

If there are any questions, please contact Mr. Garrett S. Sill or Mr. Scott Quist at:

Security National Financial Corporation  
P.O. Box 57250  
Salt Lake City, Utah 84157  
Phone (801) 264-1060  
Fax (801) 264-8430

*This press release contains statements that, if not verifiable historical fact, may be viewed as forward-looking statements that could predict future events or outcomes with respect to Security National Financial Corporation and its business. The predictions in the statements will involve risk and uncertainties and, accordingly, actual results may differ significantly from the results discussed or implied in such forward-looking statements.*

**Security National**

Family of Companies



Source: Security National Financial Corporation