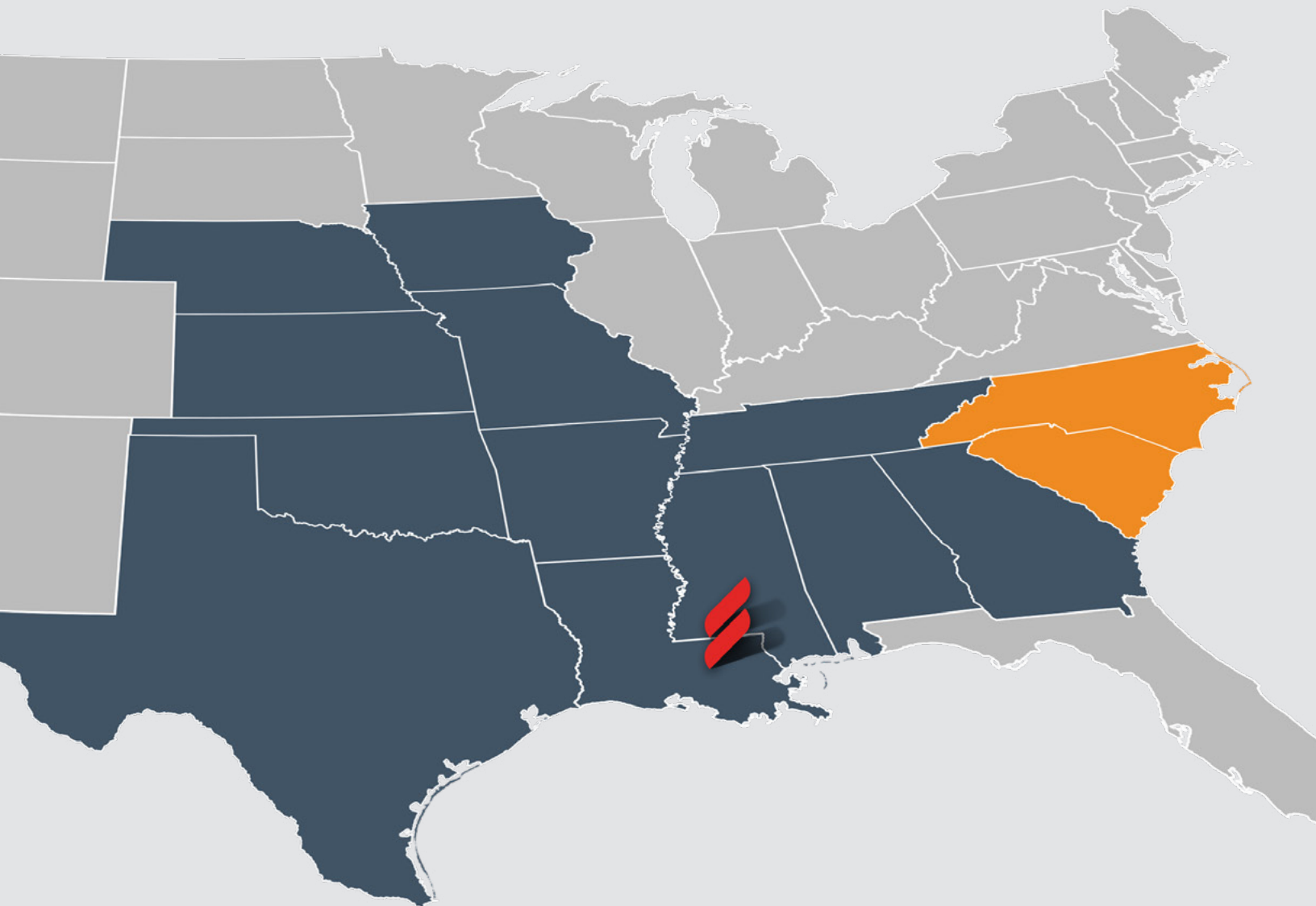


ANNUAL REPORT

APRIL 2026



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ANNUAL MESSAGE

2025 FINANCIAL
REPORT

UPGRADE TO
"A" EXCELLENT

SPOTLIGHT
AGENCY



DEAR AGENCY PARTNERS,

I am pleased to provide our annual report on the financial results and progress achieved in 2025 by Stonetrust Commercial Insurance Company.

I am so proud of our team at Stonetrust. Every year, we work hard to get everyone focused on the current year's successes and any new opportunities for the upcoming year. To their credit, they deliver on their part of the bargain, year after year. Because of their extraordinary commitment to our culture of innovation and improvement, we continue to achieve success no matter the challenges. In 2025, we once again exceeded many of our goals for the year, thanks in large part to our extremely talented team at Stonetrust!

Even though there are indications in many states that rate decreases are slowing, we're expecting all our markets to continue to be extremely competitive in the near term. We've worked hard to prepare for this challenge and have proven that we can be a strong carrier choice for agents and policyholders in any market. We're excited about our recent expansion into North and South Carolina and are off to a great start in both states. Our plan is to continue growing organically and continue expanding into states where we believe our relationship focused approach can make a difference.

Almost thirty-three years ago, Stonetrust started in north Louisiana with a few partnerships based solely on the trust and commitment that comes with established relationships. This year's spotlight agency, Forth Insurance of Ruston, LA, was one of the first agencies contracted to sell workers' compensation coverage for Stonetrust in 1993. At that time, Forth was known as the Lincoln Agency and current agency principals Randy Graham and Joe Newton were working at the agency founded in 1962 by Joe's father, Ken Newton. From that humble beginning, the relationship between Stonetrust and Forth has endured through the years with both companies achieving tremendous growth and success. Starting out as a Stonetrust foundational and legacy partner, Forth is now one of Stonetrust's top producing agencies. We're extremely proud to highlight Forth in this year's report and I know that you will enjoy reading more about their incredible journey.

In 2025, we underwrote \$10.9 million in new business premium. We also finished the year with total written premiums of \$52.4 million and total net earned premiums of \$49.9 million. Our net underwriting gain was \$11.8 million and we achieved a net investment gain of \$9.1 million. This resulted in total income for the year of \$16.4 million and a final surplus of \$166.1 million. Total assets for the company finished slightly above last year's total at \$278.8 million, with overall net income exceeding our previous year's net income by more than \$3 million. 2025 was another phenomenal year for Stonetrust and these results complement and extend a strong trend of underwriting profitability and surplus growth.

As you know, we've made tremendous progress strengthening our financial structure and credit rating status with AM Best. Your partnership was instrumental to helping us improve our rating from B++ to A -, just a few years ago in 2022. This past year, we were extremely excited to achieve a full rating upgrade from AM Best to A (Excellent) with a Stable Outlook. We're proud to have received this upgrade in just three years and we greatly appreciate your contribution and involvement in this achievement. Thank you!

In closing, I'm pleased to report that we're off to another strong start this year and we're looking forward to working with you again to achieve even better results. We greatly appreciate your partnership and appreciate even more the relationships that we've built with you.

As always, thank you for your friendship and commitment to Stonetrust.

Sincerely,

A handwritten signature in white ink that reads "Michael G. Dileo". The signature is written in a cursive, flowing style.

Michael G. Dileo, CPCU
President and Chief Executive Officer



FINANCIAL REPORT

STATEMENT OF INCOME (\$000)

12/31/2025

12/31/2024

Net Premiums Earned	49,924	51,125
Losses Incurred	12,230	14,461
Loss Adjustment Expenses Incurred	5,181	5,104
Other Underwriting Expenses Incurred	20,682	22,957
Net Underwriting Gain	11,831	8,603
Net Investment Gain	9,132	8,298
Other Income	97	(107)
Income Tax Expense	4,639	3,649
NET INCOME	16,421	13,145

CAPITAL AND SURPLUS ACCOUNT (\$000)

12/31/2025

12/31/2024

Surplus as Regards Policyholders, Dec. 31 Prior Year	170,664	149,524
Net Income	16,421	13,145
Dividends Paid	30,000	-
Change in Net Unrealized Gains and Losses	8,555	7,631
Other Changes	476	364
TOTAL SURPLUS	166,116	170,664

ASSETS (\$000)

12/31/2025

12/31/2024

Bonds	20,584	18,964
Common Stocks	109,344	88,277
Collateral Loan	60,000	60,000
Cash, Cash Equivalents & Short-Term Investments	67,617	86,022
Derivatives	-	1,318
Receivables for Securities	-	-
TOTAL INVESTED ASSETS	257,545	254,581
Premiums Receivable	18,450	18,962
Investment Income Due	252	182
Income Tax Receivable	335	1,843
Other Assets	2,237	2,549
TOTAL INVESTED ASSETS	278,819	278,117

LIABILITIES AND POLICYHOLDERS' SURPLUS (\$000)

12/31/2025

12/31/2024

Unpaid Loss and Loss Adjustment Expenses	61,744	63,957
Unearned and Advance Premiums	23,655	23,085
Taxes, Licenses and Fees (Excluding Fed Income Taxes)	2,583	3,535
Net deferred tax liability	10,354	8,347
Commissions Payable	3,445	3,496
Other Liabilities	10,922	5,033
TOTAL LIABILITIES	112,703	107,453
TOTAL POLICYHOLDERS' SURPLUS	166,116	170,664
TOTAL LIABILITIES AND POLICYHOLDERS' SURPLUS	278,819	278,117



AM BEST UPGRADES CREDIT RATINGS OF STONETRUST INSURANCE GROUP'S MEMBERS

BestWire—August 19, 2025 01:04 PM (EDT)

AM Best has upgraded the Financial Strength Rating to A (Excellent) from A- (Excellent) and the Long-Term Issuer Credit Ratings to “a” (Excellent) from “a-” (Excellent) of Stonetrust Commercial Insurance Company and Stonetrust Premier Casualty Insurance Company. The outlook of these Credit Ratings (ratings) has been revised to stable from positive. The companies are domiciled in Omaha, NE and are collectively known as Stonetrust Insurance Group (Stonetrust).

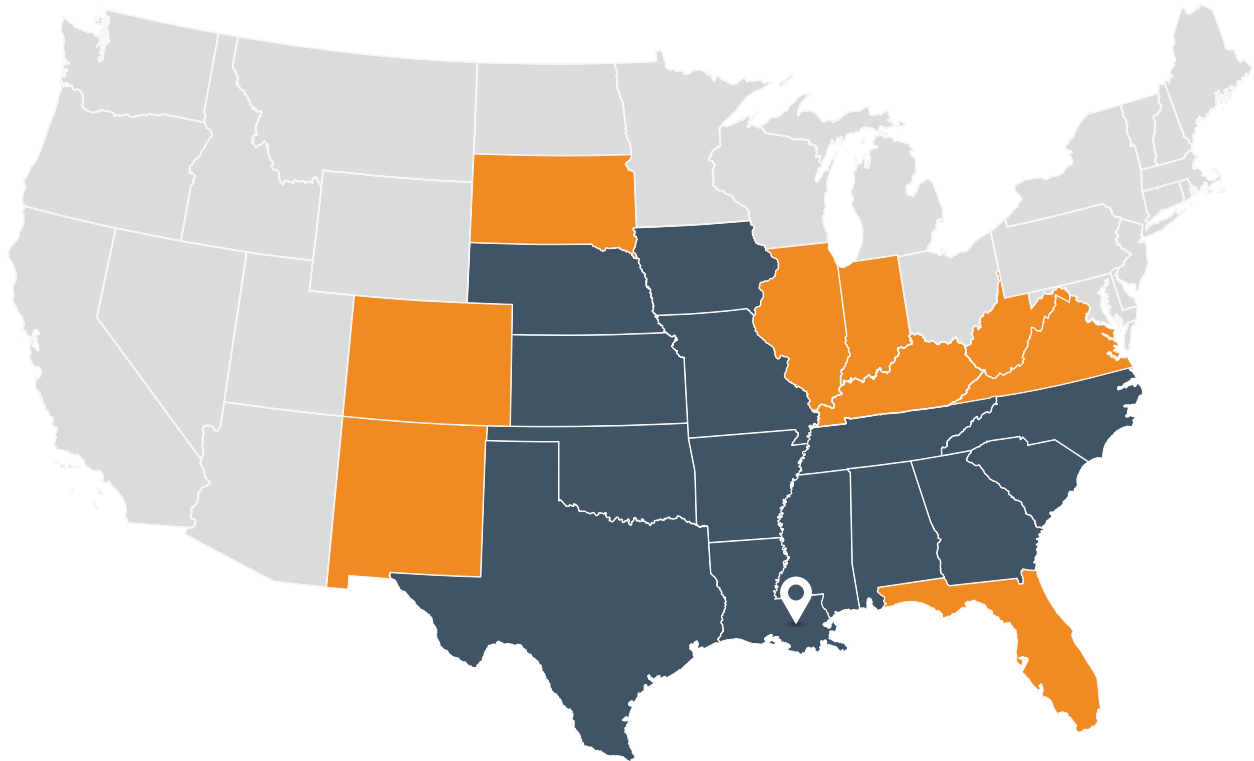
The ratings reflect Stonetrust’s balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, limited business profile and appropriate enterprise risk management (ERM).

The ratings upgrade reflects Stonetrust’s favorable underwriting and operating performance demonstrated by five consecutive years of positive income in each aspect. This is a result of the group’s underwriting strategy and expertise within the workers’ compensation market, which focuses on proper risk selection, clear risk appetite and risk tolerance, aggressive claims handling and prudent investment portfolio. The favorable metrics are driven by a loss and loss adjustment expense ratio that substantially outperforms AM Best’s workers’ compensation composite by a wide margin. The group’s underwriting expenses remain elevated due to technological upgrades, state expansion and commission costs. Overall, Stonetrust has demonstrated effective risk selection, price adequacy commensurate with exposure, and superior claim handling with operating performance that compares well to those companies at the strong assessment level.

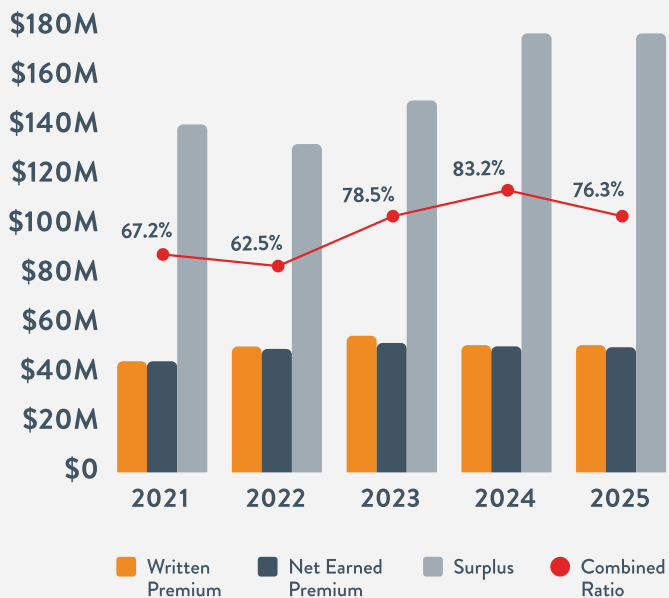
CORPORATE TIMELINE

- 1993** • LACE-SIF (LA Associated Commercial Employers Self-Insured Fund) is formed
- 2000** • LACE-SIF converts to a mutual insurance company and changes its name to Amicus Mutual
- 2006** • Amicus Mutual converts to a stock insurance company and changes its name to Stonetrust Commercial Insurance Company
- 2007** • Stonetrust expands into Arkansas, Mississippi, Oklahoma, and Texas
- 2014** • Stonetrust demutualizes into a privately owned non-stock insurance company
- 2016** • Stonetrust re-domesticates to Nebraska and starts writing business there
- 2018** • Stonetrust is purchased by Francis Chou (*Wintai Holdings*)
• Stonetrust expands into Missouri and Tennessee

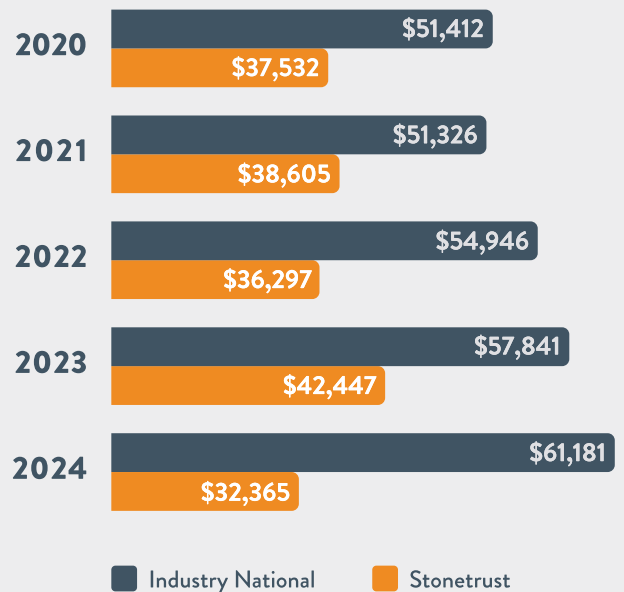
- 2021** • Stonetrust expands into Alabama and Kansas—its 9th and 10th states
- 2022** • AM Best upgrades Stonetrust’s Financial Strength Rating (FSR) to A- (Excellent)
• Stonetrust expands into Georgia and Iowa—its 11th and 12th states
- 2023** • Stonetrust celebrates its 30th anniversary
- 2024** • AM Best affirms Stonetrust’s A- Excellent Rating and upgrades the outlooks to Positive (from Stable)
- 2025** • AM Best upgrades Stonetrust’s Financial Strength Rating (FSR) to A (Excellent)
- 2026** • Stonetrust expands into North Carolina and South Carolina—its 13th and 14th states



STONETRUST 5 YEAR FINANCIAL SUMMARY



STONETRUST AVERAGE LOST TIME CLAIM COST BY ACCIDENT YEAR





MEET JOE NEWTON & RANDY GRAHAM



Over the years, Randy Graham (President) and Joe Newton (Partner) have guided their insurance agency through mergers and partnerships along with multiple acquisitions of smaller agencies, growing the company from \$4 million in the early 1990s to \$160 million plus today. The agency writes business across the U.S. and is a strong player along the I-20 corridor in Louisiana, with offices in Ruston, Alexandria, Opelousas, Monroe, and Shreveport. Forth also has a location in Dallas, TX. The four core agencies involved over the years came together in 2023 to form a single entity, rebranding to become Forth Insurance.

Joe and Randy credit Ken Newton, Joe's father and the founder of the original agency for establishing the foundation of the business, the work ethic and the family-oriented culture all anchored by a strong dedication to customer service. Forth Insurance provides a range of services within the personal, benefits, and commercial lines of business.

In 2026, Joe and Randy are in the midst of transitioning out of the company and passing the baton to a younger generation of leaders.

We asked the two to share more about their approach to business and expand upon their partnership with Stonetrust.

What are some important things you've learned about owning and leading an insurance agency?

Randy: *Joe's dad, Ken Newton, really set the tone that we still follow today. Relationships are extremely important whether you're working on coverage for someone's home or a large contractor or manufacturer. Each of our sales reps have been schooled to not simply deliver a policy and say here it is, but ask how can we help you? What can we do? How can we better your coverages or better your premiums based on your individual situation? The most important thing is how we react*

when customers are facing a challenge. Someone from Forth Insurance is going to be there on site to help them, and that's how you build relationships.

Joe: I agree. We are one hundred percent a relationship business and we preach that fact every day to our staff, our production team, and our management. We pride ourselves in having a high level of integrity, and demonstrating that we're going to do what we say we're going to do. That approach has led to developing strong relationships with our customers and our carriers.

How did you become involved with Stonetrust, and how has the partnership evolved?

Joe: We started out with Stonetrust from the very beginning. Stonetrust's Glen Grigsby was a Ruston local and my father had worked with him through Commercial Union Insurance Company. Glenn gave us a great opportunity to do business with them and was extremely helpful in the worker's compensation sector. We built a strong book of business initially that just continued to grow from there.

How has Stonetrust contributed to your agency's success?

Randy: Stonetrust has built a solid team that operates much like we do. They have a lot of integrity and want to do the right thing. The underwriters come by on a regular basis and sit with us to discuss our areas of strength and show us other areas where they've enjoyed success, which allows us to manage our book of business appropriately.

Joe: Stonetrust is also very accessible. From their management side and underwriters all the way up to the company president, they're very attentive to our needs and they're also very honest. They may look at a company we are considering that may have a challenging loss history. They will question what has been done from a risk control standpoint and say, "Hey, this is somebody we may consider next year, but this year, we're going to see how their loss history develops and follow what goes on over a period of time." We respect the relationship and follow their lead, and the majority of our policies we write with them have been very profitable.

Who are some of the Stonetrust team members that stand out?

Randy: Mike Sullivan's been awesome. Mike Dileo is always available if we ever need anything, which is always important to be able to go to the top layer of any insurance company. Rachel Kight, who is wonderful, was our underwriter for a long time. More recently, we have built a strong relationship with Joe McCormick and Kristin Boman.

Joe: They are all very genuine people and we appreciate that.

Where do you see your agency's partnership with Stonetrust five years down the road?

Randy: I see our partnership growing substantially. We are very open to expansion to additional states. We're going to expand with the same tenets: developing each area based on great relationships and a focus on customer service. We will rely on Stonetrust to help support our expansion and grow with us.

Joe: We think our partnership will grow significantly as we start new offices. However, as we grow, we want to continue to operate as a community agency and never lose the personal touch. We are committed to remaining a family agency. We have people who have been here for 30 or 40 years in addition to a new generation prepared to take the reins.

Randy: Joe and I would like to recognize some of the new management team that will take over. Thomas Graham, Cullen Clark, James Stevens, Matt Graham, James Wallace, Nathan Smith, Kyle White, Peyton Farr, and Ernest Finch. This is a strong, talented young group that we are extremely excited about. They are experienced, well positioned in the business, and committed to our values. We are confident they will continue to build upon the standard we have established at Forth Insurance and help drive our next chapter of growth.

We'd also like to recognize our relationship with Origin Bank. Their culture closely aligns with ours, which has made all the difference. Our partnership began with the acquisitions of several key agencies: Davison, Thomas & Farr, Reeves Coon & Funderburg, Pulley-White, and Boucher & Slack and evolved into a full merger with the bank in 2021. We anticipate great opportunities for growth and expansion for Forth Insurance going forward.

Joe: I agree! We have a high level of confidence in this team. We're all looking forward to accelerating our growth while continuing the relationships we've built with our current customers and underwriters like Stonetrust.

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