



M Financial Group®

2024
ANNUAL REPORT

“Thus one journeys to the stars.”

- Virgil, Aeneid

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A Year of Transformation & Achievement

Dear Member Firms, Shareholders, and Partners, I'm pleased to report that 2024 was another year of strong growth and positive transformation for M. We saw meaningful expansion across our network, capabilities, services, and team. With that context, I'm proud to present our 2024 Annual Report.

We're making good progress on achieving our growth objectives, broadening our product portfolios, growing our technical capabilities to support our firms' work in advanced markets, and implementing new technologies.

Record Growth in Distribution Revenue

Our core Insurance, Wealth, and Corporate Solutions units saw a remarkable year-over-year improvement. Distribution revenues were the highest in the 46-year history of the company, and we achieved the highest annual growth rate in 12 years. We recruited and onboarded top-tier Member Firms and producers to our network. As we closed the year, we were engaged in discussions with other firms we expect to announce to the M Community throughout 2025.

Maximizing Value for Our Firms

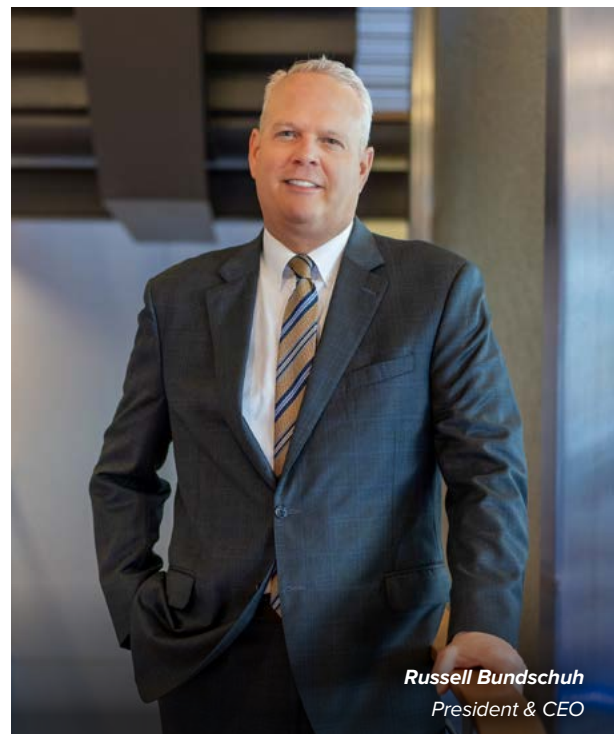
We have been exploring opportunities to leverage scale in terms of purchasing synergies, building our support infrastructure to provide greater levels of responsiveness for our firms, and establishing

a variety of growth initiatives that will ultimately drive increased margins for our business.

Strengthening Firm Support

M's firm support and capabilities grew significantly in 2024. We focused on replacing legacy systems with cutting-edge platforms. An example of this is our conversion to a new wealth system that will provide a world-class experience for our firms and wealth advisors. Investments in key personnel and the addition of new and expanded partnerships improved our ability to support our firms' growth.

Our succession planning program, launched in 2023, expanded and delivered real results, while our back-office support pilot received exceptional feedback and is now being scaled. Our Regional Support teams increased their on-the-ground assistance, and we saw strong participation in our



Russell Bundschuh
President & CEO

Magnet professional development program, which featured new curriculum and training materials.

Investments in key personnel further strengthened our ability to deliver exceptional results for our Member Firms and their clients. All of the leaders at M are experts in their respective fields and are having an extremely positive impact as we pursue our company's mission and vision.

Looking Ahead to 2025

We're making good progress on achieving our growth objectives, broadening our product portfolios, growing our offerings to support our firms' work in advanced markets, and implementing new technologies. Our momentum is strong, and there is excitement in the halls of our offices in Portland and our new Dallas location. We entered the new year with strong tailwinds and high aspirations. I'm excited by what the future holds as we continue our journey of growth and value creation for the M Community.



RUSSELL BUNDSCHUH

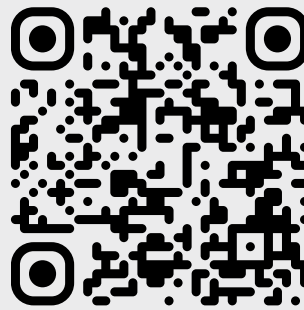
President & CEO
M Financial Group

Expanding Horizons, Deepening Impact

M Financial experienced a transformative year defined by growth, innovation, and meaningful collaboration.

Through strategic initiatives across the organization, we enhanced our support for Member Firms and the clients they serve. The strength of the M Community grew through gatherings at Marketing Meeting, National Advisors Conference, and M Connect, and was further enriched by welcoming several new Member Firms throughout the year.

M's **2024 Year in Review** reflects on these milestones and more, setting the stage for continued momentum in 2025 and beyond.



Unlocking M's Full Potential

The year 2024 was significant in the 46-year history of M Financial. For most of the two previous years, we focused on resetting many of the company's foundational elements to better position us for growth. This was critical to unlock M's full potential. In 2024, this work started to pay off as we began to hit our stride with strong growth in producers and distribution.

When we started 2024, M Financial Holdings' Board of Directors and our management team together outlined an aggressive list of key deliverables. Each was essential and required the full buy-in from our community of Member Firms, stockholders, and the teams at M. I was pleased to see how our community aligned behind this vision.

At the Board level, we modernized our governance structures to bring them in line with today's top-performing organizations. We also restructured the Board to ensure leadership continuity from year to year and recruited seasoned experts from outside of the organization. These outside experts, who have significant insurance, accounting,

wealth management, and reinsurance experience, have had a very positive impact. We are undoubtedly stronger as a result of their presence on the Board.

We have made real progress and are starting to see tangible results from our actions. Our commitment to growth, innovation, and enhancing the value of M for our Member Firms is steadfast. We are taking concrete and strategic actions that are starting to pay off, including strong growth in distribution revenues and the number of M producers.



David F. Byers
Chair, MFH Board of Directors

A handwritten signature in black ink, appearing to read "David F. Byers, Jr.", written in a cursive style.

David F. Byers, Jr., J.D., LL.M
Chair, MFH Board of Directors

Mission

We help our Member Firms succeed, thrive, and realize their full potential.

Our Vision

To be the premier organization serving elite providers of financial solutions for high-net-worth individuals and successful businesses.

Our Value Proposition

M Financial creates value for our Member Firms through:

- World-class expertise and knowledge
- Superior, exclusive financial solutions
- Unique reinsurance capabilities
- Purpose-built technology platforms
- Collective power and scale of the community

Core Values

Keep Clients First
Create Strength Together
Foster Innovation
Always Do The Right Thing
Focus on Transparency
Be Authentic



by the Numbers 2024

\$202 B

Amount of Life
Insurance In Force*

\$46 B

Cash Value
of In-force Policies*

\$80 B

Reinsurance Face
Amount Assumed by M

\$2.3 B

Sales Measured by
First-Year Premiums

\$840 M

Total Death Benefits
Paid by M Life in 2024

>\$200 M

Pricing Improvements
Passed on to Member
Firm Clients Since 1996

\$5.4 B

Wealth Solutions
Total AUA

\$11.5 B

M Retirement
Services AUM

\$1.0 B

New ICOLI
Premium

\$1.0 B

Member Firm
Compensation Plan
Payouts Since Inception

\$367 M

Dividends Paid
to M Stockholders
Since Inception

\$1.4 B

Distributions Paid
to Stockholders & MFCP
Participants Since Inception

* Estimated in-force amount of policies serviced by Member Firms on behalf of our clients

As of 12/31/2024

Insurance Solutions

For nearly half a century, M Financial has set the benchmark for excellence in the insurance industry. Insurance is at the core of our business, and we continue to lead with cutting-edge solutions tailored for high-net-worth and ultra-high-net-worth clients. Our strong performance in 2024, driven by robust sales across key product categories, provides a solid foundation for continued innovation and market expansion.

Total life target premium increased 8.6% in 2024. Over the course of the year, M issued almost 30,000 total policies with total premiums paid of \$2.3 billion.

MAGNASTAR® Sales Set Record Pace

MAGNASTAR, M Financial's proprietary multi-carrier PPLI solution, continues to be a preferred insurance vehicle for qualified purchasers and accredited investors. It was also a key performance driver in 2024. M firm sales of MAGNASTAR contributed to a 20% increase in total revenue over 2023.

Strong Proprietary Life Sales

Sales of M-proprietary individual life products increased by 10%, fueled by growth in core product lines with Pacific Life, John Hancock, and Nationwide, including a 27% improvement in Variable Life and 19% increase in Indexed Universal Life. Notably, five of the top 10 selling products at M Carriers were exclusive to M Financial.

Raising the Profile of Annuities

M's total target annuity production in 2024 improved substantially. Due to the fixed interest rate environment and resulting competitiveness of fixed rate products, fixed annuity sales as a percentage of our total annuity production significantly increased. Fixed sales accounted for 65% of M annuity production in 2024, as compared to 50% of production in 2023.

M is investing in tools and resources in 2025 to grow overall annuity revenues and help Member Firms offer the most competitive product options given current annuity market conditions.

TOP 10

FIRST YEAR PREMIUM RANKED
VS. TOP LIFE CARRIERS

IDI & LTC Continue to Gain Traction

Disability insurance sales grew 5.6% year over year, with 65% of M firms actively placing new DI premium. Unum multi-life individual disability insurance (IDI) sales surpassed \$10.5 million, marking another year of over 5% growth. MonograM proprietary product sales rose 3.6%, representing 82% of new non-Lloyd's IDI sales and driving expansion into large-case and high-limit individual markets, areas where we saw growth beyond our core markets.

Guaranteed standard issue (GSI) plans written increased 46% over 2023. Our expanded Principal DI partnership allowed for enhanced personal income and business protection solutions for small- to mid-sized businesses.

Our Member Firms' long-term care insurance (LTC) sales grew, an impressive 116% year-over-year increase, reflecting increasing demand and a strong market response.

Producing the Next Generation of M Proprietary Products

Following a strategic product leadership transition, comprehensive data analysis, and extensive collaboration with Member Firms, M Carriers, and industry partners, we launched a new product development roadmap focused on strengthening core offerings and expanding into targeted growth segments.

Key Milestones

- Launched MVP Horizon 2 IUL with Partner Carrier Pacific Life, a redesigned proprietary IUL offering flexibility as protection-oriented, accumulation-oriented, or something in between.
- A strategic partnership with Bain Capital for M firm access to an exclusive fund tied to John Hancock VUL products, enhancing our portfolio with global equity strategies.
- Expanded product options with Symetra, an M Associate Carrier.
- A new proprietary product in collaboration with John Hancock set to launch in 2025.

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**PROPRIETARY
PRODUCTS**

“Clearly, the proprietary products have been a key differentiator for M Financial in the marketplace and how, at the end of the day, we compete. They have always been a huge differentiating factor.”

*– Philip M. de Bruyn
Principal, M Member Firm
Family Office Risk Advisors*



Wealth Solutions

Wealth Solutions has been servicing the wealth management needs of our Member Firms for nearly two decades with capabilities including investment management, marketing and sales support, research, operations, compliance, and broker-dealer and RIA services.

VUL Sales, Equity Market Appreciation Drive Performance

Wealth Solutions revenue ended 2024 14.6% higher over the prior year, driven in large part by strong VUL sales and equity market appreciation. Total AUA closed at \$5.4 billion, a 16% increase from year-end 2023.

Our two proprietary managed portfolio accounts — Managed Portfolio Program and M1 (customized portfolios) — experienced a 16% increase over 2023. M1 had an 8% year-over-year increase in volume and a 26% increase in AUM. The M Funds family of mutual funds closed 2024 with an 11% increase over year-end 2023.

Designing a State-of-the-Art Wealth Experience

We provided greater clarity around our broker-dealer and RIA services in 2024. We unveiled a comprehensive broker-dealer strategy that entails significant investment in operations for sustained, positive outcomes. We promoted seasoned talent from within for dedicated oversight of our B-D operations. Working closely with M's Technology team, we made considerable headway on updating our core broker-dealer system with a state-of-the-art system. This foundational transition is expected to be complete in the first quarter of 2025, opening the door to a world-class wealth experience for our firms' advisors.

TOP 20

**BROKER-DEALER IN THE U.S.
— FA, 2024 BROKER-DEALER**

New Leadership & Capabilities Bolster M Advisory Services

The Wealth Solutions team completed a strategic option analysis and economic modeling for enhancing the corporate RIA support capabilities. We onboarded key new leadership for our M Advisory Services business to provide our firms with an effective suite of RIA capabilities, including traditional retail wealth management products, alternative investments, and complex solutions to serve our clients' unique needs. We simplified our client account choices and automated and digitized more of our services — all resulting in better experiences and support for our firms and their clients.

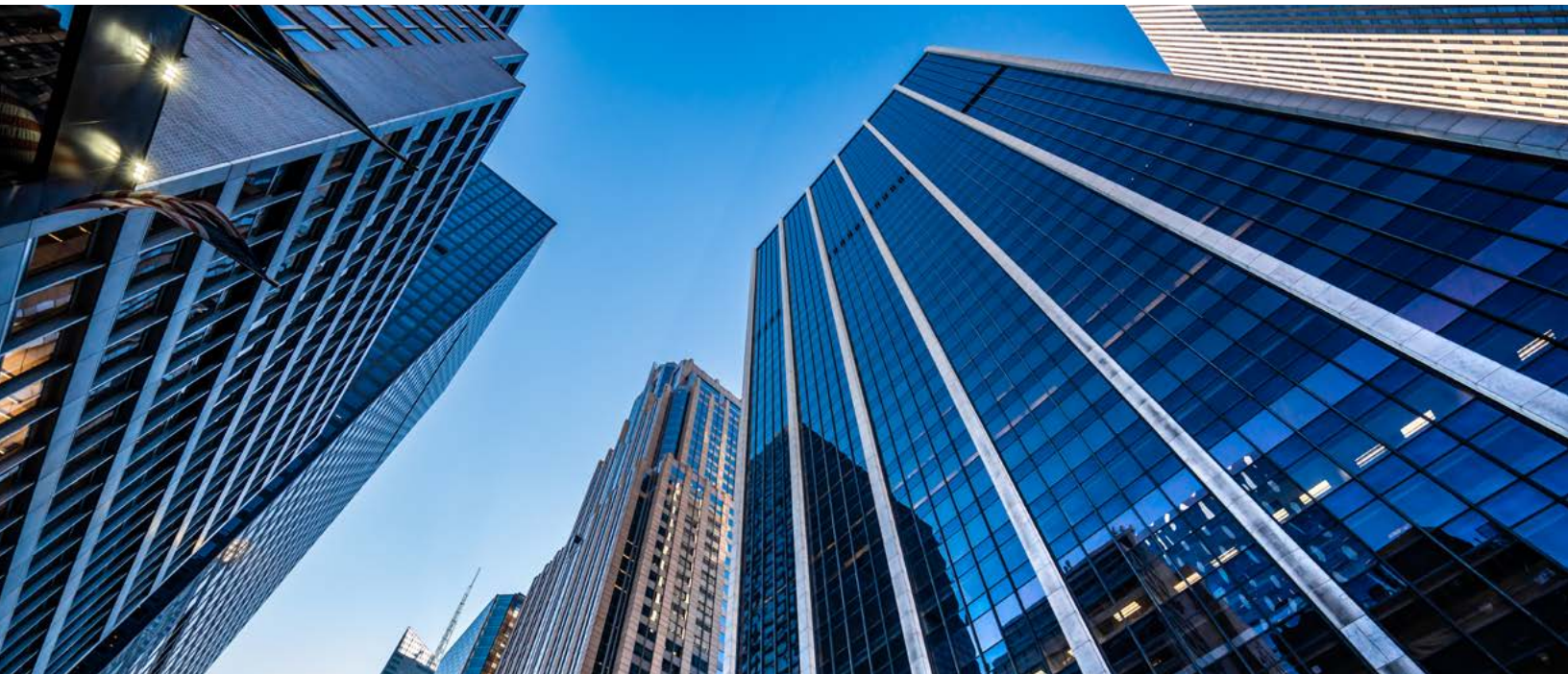
Improved Efficiencies & Savings with Platform Partners

We began transitioning to a new custody and clearing partner in 2024. We expect this

transition to deliver significant cost savings, an improved user experience for our firms, and more effective integration with existing systems when implemented, which is expected in the second half of 2025.

We updated our instance of Investnet, improving tailored solution options and workflow for our Member Firms. We also introduced a curated list of separately managed account strategies to assist advisors with strategic selections.

With the integration of iCapital into our platform offerings, we provided our Member Firms with a shortlist of pre-researched alternative investments in a single source. Further, we partnered with Red Oak for an upgraded compliance system, which will be implemented in Q1 2025. We expect this upgrade to result in an improved user experience and better regulatory oversight in support of M firms.



Corporate Solutions

M Financial's Corporate Solutions positions M's portfolio of corporate offerings under a single management structure, providing trusted workplace benefit solutions to our firms' clients. This business unit includes M Benefit Solutions, a wholly owned subsidiary of M Financial, and Retirement Services. In 2024, year-over-year revenue improved 4%.

To grow margins, leadership has launched initiatives to improve scale and efficiencies. New products, partnerships, and reinsurance opportunities are on the roadmap. The team also outlined a long-term growth strategy focused on increasing market penetration within our Member Firm network and expanding externally with new partners.

ICOLI Sales Exceed \$1B

M Benefit Solutions experienced a ~240% year-over-year increase in new revenue and had a threefold increase in the number of onboarded clients. Our strategic and intentional push into the ICOLI market resulted in Member Firm new sales topping \$1 billion. In addition to two external partners added in 2023, which introduced multiple clients, in 2024 we entered a new TPA partnership with John Hancock,

resulting in numerous clients moving to the M Benefits Solutions platform. We also advanced negotiations with other strategic partners to add future volume.

Retirement Services Passes \$11.5B in AUM

M Retirement Services grew to over 1,300 plans and \$11.5 billion in AUM. We made significant progress toward upleveling our service capabilities, including completing our due diligence in preparation for the launch of an M pooled employer plan (PEP). The business unit continued to provide industry-leading retirement consulting support to our Member Firms and their clients.

M Retirement Services also enhanced the software made available to and used by our Member Firms, giving our firms broader access to data and providing them with specialized tools to assist their clients.

~240%

M BENEFIT SOLUTIONS YEAR-OVER-YEAR INCREASE IN NEW REVENUE

M Financial Reinsurance Is a Key Differentiator

M Financial Re is a wholly owned subsidiary of M Financial and a key differentiator for M and our firms. We share in the risk and the rewards of placing the high-quality and persistent business for which our Member Firms are known. No other producer group operates its own reinsurance organization of our size and maturity.

Our reinsurance business is sizable and material, with reserves of \$15.4 billion. M has reinsured \$80 billion of face amount as of year-end 2024. M proprietary products continue to be the cornerstone of our reinsurance business, and we are also broadening and deepening our product portfolio, which is expected to benefit our reinsurance business moving forward.

While reinsurance profit sharing was positive for 2024, results were lower than the prior year, driven primarily by higher claims activity that negatively affected our mortality margin as well as realized investment losses coming through from our Modified Coinsurance general account assets held at our carriers.

In 2024, we sharpened our focus on optimizing this important business. Our actions included:

- Onboarding highly skilled reinsurance leadership
- Conducting a detailed analysis of the business, identifying opportunities to improve efficiency and operations and better forecast the future value of the business
- Developing growth strategies and innovation initiatives to expand the business, including growing proprietary and retail business lines and exploring innovation with strategic partners

M Financial Re is a source of over four decades of client experience data that gives us a seat at the table with carriers, including large case capacity and underwriting negotiations, development of M's proprietary products, and pricing advantages for our Member Firms' clients. While M firms have exclusive access to our industry-leading proprietary products, they are fully independent and free to choose the solutions best suited to achieve their clients' financial planning goals.



Member Firm Solutions

The reason M Financial exists is to ensure our 140+ independent Member Firms have the resources and support they need to succeed, thrive, and realize their full potential. Our Member Firm Solutions unit is driven to recruit and onboard quality firms to our exclusive network, deliver white-glove support services and resources to M firms, and develop the next generation of financial professionals to support firm productivity and growth. In 2024, Member Firm Solutions made significant strides toward growing our network of firms and elevating our firm support.

Inviting New Firms & Producers to Join the M Community

We added eight new Member Firms and over 50 high-performing producers across our network in 2024. We anticipate the quality of our firm and producer additions will have a positive and lasting impact on overall revenues.

Growth in our network of exceptional firms strongly positions M Financial to maintain its industry influence, recruit top-tier talent, and facilitate the development of tailored products exclusive to M. Other benefits of firm growth

Request an Introduction

If you would like to request an introduction to talk to an M Financial firm recruiter, please contact Jeff Bear, VP, Member Firm Recruiting, at jeff.bear@mfin.com.

include further geographic penetration, improved scale for developing new and adjacent product segments, and expanded referral partnerships. We entered 2025 with an encouraging pipeline of prospects.

Regional Teams Deliver Direct Firm Support

The Regional teams at M Financial Group provide a high level of direct support to our Member Firms. These teams offer a more intimate support model, with individuals who are knowledgeable about specific firms and can quickly resolve issues by tapping into M Team and M Carrier expertise. They offer support in various areas, such as sales tools, training resources, and operations.

In 2024, our teams completed hundreds of firm visits and executed over 8,000 outreach touch points and issue resolution tickets. The teams also drove numerous platform improvements on behalf of firms and developed new resource guides on specific topics, such as accelerated underwriting and premium payments, for firm use.

M's Regional teams have been instrumental in onboarding new Member Firm staff and supporting transitions to M Financial Group. The teams have also started to revitalize M's focused Momentum Groups for Member Firms and M Team professionals to periodically gather to share ideas and experiences, identify best practices, overcome challenges, and uncover new opportunities.

New Firms Joined in 2024

ALKEME
FINANCIAL SERVICES

THE BURGESS GROUP
Prosperity with Purpose™

CRESCENT
WEALTH MANAGEMENT

SANDSTONE

GOLCONDA

SUCCESSION CAPITAL
ALLIANCE™

ELEVATED
—STRATEGIES—

HOLLEMAN
LIFE INSURANCE ADVISORY



Spring 2024 Magnet Cohort (from left): Margaret Hopkins, Lauren Altemari, Julia Rasell, Angela Oste, Henry Pflieger, Jordan Peck, Adam Pratson, Antonio Prado



M Launches Back-Office Services for Firms

2024 was an important year for establishing a back-office support program to provide tailored services to firms, enhancing their ability to focus on growth while M supports their operational needs. Our initial service offerings center on plan design, product analysis and selection, case management and underwriting support, and in-force policy analysis.

“This is spectacular. I want all our marketers to see this and to show them the commitment of M to support our business and, ultimately, to add more value to our clients’ lives.”

– Dave Buckwald
CEO & Founder,
OneTeam Financial, LLC

Feedback from firms participating in the program has been overwhelmingly positive. As we transition into 2025, we anticipate refining and scaling our service offerings and growing capacity to meet firm demand.

Magnet Program Welcomes New Professionals

Magnet is an immersive training and mentoring program that enables motivated individuals to develop the skills and strategies needed to craft an exceptional career in financial services.

Magnet advanced steadily in 2024, including the launch of specialized professional development tracks — recruit, develop, grow — to target and satisfy our Member Firms’ needs. We onboarded new leadership team members and successfully welcomed numerous new financial professionals to the program, a fourfold increase over the prior year. Since its inception, Magnet financial professionals have contributed more than \$20 million in production, with a four-year retention rate of 52% versus the industry rate of 10%–20%*

Looking forward, the Magnet Program team is focused on continuing its recruitment of high performers to work with our Member Firms and partnering with world-class educators to develop the next generation of exceptional financial professionals.

*LIMRA, Finseca, “The Path to Improving Retention,” 2022

Succession Planning

Preserving Firm Legacies & Delivering Exceptional NextGen Service

Our strategic succession planning program launched mid-2023 and continued to make considerable advances. We are now fully scaled to facilitate our firms' succession planning needs. Our goal is to preserve the legacies created by our Member Firm principals as they enter the next chapter of their lives, while also ensuring the continuation of high-touch service to their clients for generations to come.

Over 20 Active Buyers & Sellers in the M Marketplace

We connected with all M Member Firms on their succession planning needs and worked closely with them to drive positive outcomes. We closed the year with more than 20 prospective buyers and sellers active in our marketplace, which

grew in volume and sophistication over the span of 2024. We also launched a financing solution to facilitate ownership transitions, including funding to aid M&A, partner buyouts, and intergenerational transfers.

Building a Robust Succession Planning Playbook

We completed over a dozen firm valuations and continued to refine our Succession Planning Playbook, adding new insights, checklists, culture-matching guidelines, and post-merger management strategies. Findings from our endeavors were documented to better identify pitfalls encountered during the planning process and to improve our support of firms in the future.

In 2025, we will continue to proactively drive succession planning discussions and foster connections across our network.



M Carriers

M Financial has a storied history of working with the leading and most innovative carriers in the industry. Our deep relationships, fortified by decades of experience data illustrating the lower mortality rates, higher face amounts, and lower lapse rates of our Member Firms' HNW and UHNW clients, power our differentiated solutions. We continuously evaluate our carriers to ensure financial stability and cultural alignment.

M Carriers Experience Strong Sales

Our carrier partners experienced another year of strong sales results with M, with five carriers beating their sales targets. We deepened relations with Protective to include expanded offerings, including a group term carve-out plan supportive of growing our multi-life business. M Carriers continue to place a high amount of value in M's unique value proposition and our Member Firms' relentless commitment to client advocacy, enabling M to maintain our differentiated, exclusive solutions and white-glove service. Notably, five of the top 10 selling products across all M Carriers were exclusive to M Financial.

Partner Carriers



Associate Carriers



Specialty Carriers



Deepened Relations, Successful New Partnerships

M Financial's emphasis on relationships continued in 2024 with an enhanced focus on strategic distribution alliances. These relationships enable M Member Firms to gain access to a larger population of potential clients, helping our Member Firms grow in a sustainable manner.

In 2024, our strategic partnerships with PNC drove strong results for our Member Firms. We signed an international BGA agreement with Apeiron for Member Firm access to in-country and offshore offerings, and we partnered with The Standard as a new 401(k) record keeper. Abacus Life joined the M network as a new life settlements partner.

We continued our representation on the Finseca Board of Directors and remain the only producer organization that is an active member of the American Council of Life Insurers (ACLI).

Strategic Partners



Life Settlement Partners



401(k) Record Keeping Partners



Industry Partners



Leading With Sophisticated Technology

M's Technology team explored and added new capabilities to enhance the experience for our Member Firms, bolster cybersecurity across the network, and drive fresh inroads in innovation, operational efficiency, and platform support.

An Unmatched Wealth Experience for M Firms

The project to replace M's legacy commission system with Broadridge's state-of-the-art Advisor Compensation Solution to support M Securities' broker-dealer and RIA operations represents a significant transformation. The new system will enhance our Member Firms' wealth management activity by improving business visibility and optimizing client data management for greater accuracy. We anticipate an unparalleled wealth experience for our Member Firms going forward.

Unwavering Cybersecurity Vigilance

Cybersecurity threats demand constant vigilance. At M and our Member Firms, we are committed to continuously fortifying our systems and empowering our people to proactively defend against evolving threats.

In 2024, we took significant steps to enhance our security posture:

- Deployed new cybersecurity tools to ensure the highest level of protection for our clients and stakeholders.
- Expanded cybersecurity training by enhancing our biannual cybersecurity program, including threat phishing simulations for both M teams and our Member Firms.
- Strengthened firm engagement by consulting with our Member Firms, providing tailored guidance to elevate their security resilience.

Our focus remains on achieving 100% firm engagement, ensuring that every independent Member Firm benefits from a strengthened cybersecurity foundation. Together, we continue to build a more secure and resilient network.

Enhanced Commissions on Demand

Our initiative to migrate the existing commission system to a new system, one with enhanced functionality, continued throughout 2024. Launching in the first quarter of 2025, our new Commissions on Demand application will include enhanced analytics, advisor compensation support, and a user-friendly and intuitive interface.

Technology-Enabled Efficiencies & Capabilities

The team completed a comprehensive migration of all M Financial Tier 1 systems to the cloud, significantly reducing our server footprint and associated costs while modernizing our infrastructure for future innovation. As the world pivoted sharply toward artificial intelligence, we have been thoughtful about how we integrate AI capabilities into our systems. This includes how we leverage AI-assisted reporting and data analysis, as well as how we can apply this technology to underwriting support and medical record assessments.

65%
increase

**eSIGNATURE USE,
REDUCING RELIANCE
ON PAPER**

8%
faster

**FIRM IT TICKET
RESOLUTION
FROM PRIOR YEAR**



Jay Kenerly, Principal at Plybon & Associates, Inc., at Marketing Meeting 2024

Driving Impact Through the Power of Community

The M Team excelled across all facets of the company through deep knowledge, commitment, and a determination to deliver optimal solutions to our Member Firms. We invested in new employees, including executive-level leadership in Member Firm support, human resources, and reinsurance. To enhance team outcomes, we launched a training protocol to equip managers with impactful skills for effective leadership.

High-Level Leadership Performance

Our Learning & Development team launched a comprehensive in-person leadership training and development program, further enhanced by monthly extended cohort learning sessions to practice newly acquired skills. The impacts of this training are evident in stronger performance and a more efficient organization.

Cultivating Exceptional Opportunities to Connect

In 2024, M's Marketing & Events team delivered a fresh vision to elevate connection and learning experiences for attendees. Signature events such as the annual M Essentials conference, Marketing Meeting, and the biennial National Advisors Conference were well attended and warmly received. We introduced M Connect, a two-day regional specialty event designed to foster even more connection among our professionals.

"You've got to ask yourself every day, am I having an impact? Look in the mirror: Did I have a positive impact on my team today? Hopefully, you can say yes, every day."

*– Russell Bundschuh,
M Financial President & CEO
at M'S Leadership Training Session*



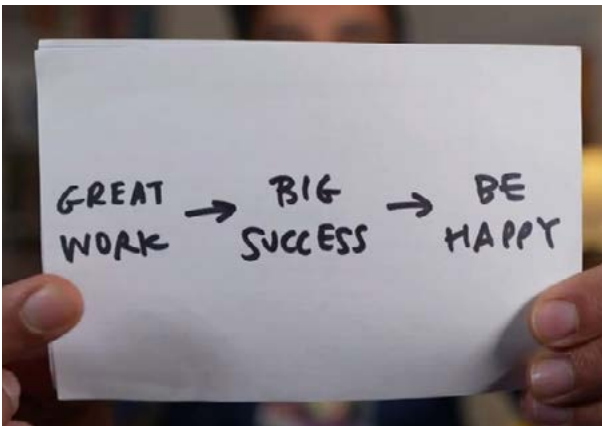
National Advisors Conference

The 2024 National Advisors Conference, themed “Growing Forward,” was held in Orlando, Florida. It brought together Member Firms and key advisors for enriching discussions, strategic insights, and invaluable networking opportunities. M Team and Member Firm presenters led breakout learning sessions on topical subjects.



M Connect

Experienced Member Firm principals, producers, and M Team members gathered in Chicago and Dallas for M Connect, a new specialty event designed to explore advanced topics. M Financial and Member Firm subject matter specialists presented on the global citizen market, case design, succession planning, advanced planning and markets, legislative and regulatory updates, and leveraging the M ecosystem for growth.



M Essentials

M Essentials focuses on continual learning for our Member Firms’ back-office personnel. Under the theme “Before and After: Supporting the Sale,” the event drove best practices for ensuring a positive and productive client purchase and support experience. M Essentials sessions spanned the entire sales experience life cycle, from presale activities such as underwriting to the intricacies of making lasting multigenerational connections.



Marketing Meeting

Over 500 attendees from Member Firms, M Financial, M Carriers, and industry partners convened in Miami for Marketing Meeting 2024: Accelerating Excellence. The event offered exceptional opportunities for learning, sharing insights, and strengthening relationships.

Refined Communications & Exclusive Market Intelligence

In 2024, our Marketing & Communications team refined our outreach approach, producing and distributing key messaging both across the company and to our Member Firm community. Our social media presence saw a 28% increase in engagement and thought leadership content production increased by 15%. Our Creative team elevated M's messaging through multimedia channels and fulfilled over 350 co-branding requests with an average turnaround of less than a day.

We launched our Market Intelligence unit to deliver exclusive insights on the most pressing topics that intersect with our Member Firms' business interests. In August, we premiered our associated publication, Market Viewpoint, to provide our firms with big picture perspectives on topical issues in insurance, wealth, and finance. A multitude of published articles provided in-depth analysis on subjects such as the impact of commercial real estate on life insurers, industry financial performance and trends, private equity interest in life insurance and its increased share of affiliated investments, and more.

28%

INCREASE IN SOCIAL
MEDIA ENGAGEMENT

Our Commitment to Charitable Giving

Charitable giving is a deeply held value at M. We elevated our efforts by partnering with Financial Beginnings, a nonprofit that empowers youth and adults to take control of their financial futures. Through sponsorships and volunteering, we supported Portland and Dallas chapters of Big Brothers Big Sisters to help facilitate positive mentorship for children. In the wake of Hurricane Helene and devastating tornadoes across the Southeast, we aided disaster relief efforts through contributions to World Central Kitchen, a provider of meals in times of crisis. We also practiced community-based giving throughout the year, including school supply and holiday gift drives and local cleanup efforts.



M Expands to Dallas

We reached a major milestone in October with the opening of our new Dallas office, on time and under budget. In November, M's Board of Directors, senior leadership, and guests celebrated the expansion with a ribbon-cutting ceremony and tour.



New Premium Soars to a Record \$2.3 Billion

There were plenty of tailwinds propelling M Financial forward in 2024, with a favorable economic environment that included the U.S. 10-year Treasury yield rising 72 bps and the S&P 500 returning 23%. The soft U.S. landing the Fed was targeting became more of a reality despite an increasingly volatile geopolitical environment, including a big change in the White House administration with the election.

M's Growth Strategy Drives Strong Results

For M Financial, 2024 was about continuing to execute our growth strategy and realizing the benefits of key strategic growth initiatives across our distribution business. New premium in 2024 reached a record \$2.3 billion. Distribution revenues of \$87.2 million were up a record 9.2%. This reflects the solid progress being made around Member Firm Development, recruiting, and other growth-oriented strategies and deliverables. The year marked the highest growth rate for our distribution business since 2012.

In our Insurance Solutions business, first year overrides were up 11% year over year, MAGNASTAR® had another strong year, growing 20% over last year's record pace, and sales of corporate-owned life insurance reached a record high of \$1.1 billion. Market share at several key carriers increased as a result of the growth in this business segment. Our Wealth Solutions business generated revenue growth of 14.6% year over year, aided by equity market tailwinds and stronger variable universal life sales. Assets under administration on the wealth platform grew 16% and M Funds increased 11%. Our Corporate Solutions business delivered solid top-line growth of 4%, including a doubling of first-year

commissions, which was the highest growth seen in 10 years.

Net Investment Income Increases

Our holding company and reinsurance investment portfolios generated strong net investment income, reflecting a continued favorable interest rate environment and a tapering of realized losses in the portfolio, despite continued repositioning during a period of modestly rising interest rates. Net investment income was up 55%. We have strong opportunities to optimize our investment portfolios and capital efficiency to produce even better returns in 2025, particularly at M Life, through more effective and enhanced capital and risk management.

As with many companies, inflationary pressures have affected our overall operating costs in various areas, such as personnel expenses and costs associated with travel and meetings. These elements are fundamental to our role as a distribution company and demonstrate our commitment to fostering growth and supporting our Member Firms. We remain disciplined, however, and expenses came in better than planned as we realized efficiencies and were intentional about more focused spending on growth initiatives and areas that directly support the growth of our Member Firms.

Optimizing M Financial Re for the Future

Performance in our reinsurance business was less than optimal, with pressure on mortality from higher claims activity and investment margins from portfolio repositioning at our key Carrier Partners, who manage our ModCo portfolios. The deviation in mortality in 2024, although negatively

impacting reinsurance earnings, was still within our expectations. The average historical returns on our reinsurance business have been very strong. M Financial Re continues to play an important role in M's value proposition and continues to provide a competitive advantage that is hard to replicate. We are working to mute the volatility of this business, which in turn should make Member Firm compensation more predictable and steady moving forward.

Substantial groundwork has been laid for a path to sustainable growth in revenues, which is expected to result in long-term, meaningful growth in the company's book value per share. Moreover, we have several key strategic initiatives now in flight, including a broader capital strategy, the optimization of M Financial Re, and the continued delivery of efficiencies across businesses and functions.

Strong Capital Position

M Financial's capital position remains strong with an excess above our target capital at year-end 2024 and strong liquidity at the holding company. We continue to deploy capital toward growth-oriented and Member Firm-focused deliverables, one of which was the funding of our new succession planning program in 2024, enabling Member Firms to plan for and execute meaningful M&A activity across the M Community.

As a result of our strong capital position, M Financial paid \$14.8 million of stockholder dividends and \$20.6 million to Member Firms through their participation in M's Member Firm Compensation Plan (MFCP). Since inception, M has distributed \$1.4 billion in MFCP payments and dividends to our Member Firms.

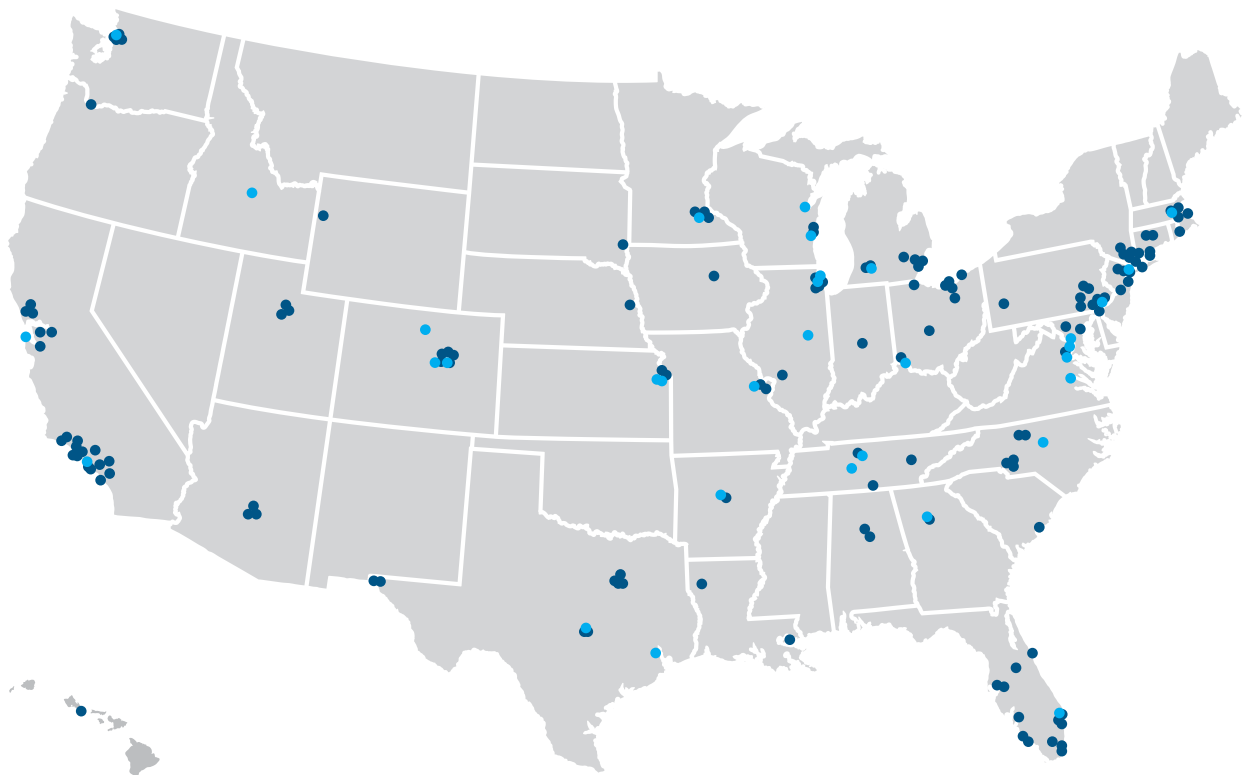
<i>(in Millions)</i>	2020	2021	2022	2023	2024
First-Year Premium Sold	\$1,283	\$1,511	\$1,695	\$1,377	\$2,319
MFH Revenues (GAAP)	\$925	\$959	\$909	\$1,034	\$1,056
MFH Revenues (CASH)					
Distribution Revenues	\$79	\$84	\$81	\$80	\$87
Reinsurance Profit-Sharing	\$66	\$71	\$67	\$55	\$23
Investment Income	\$8	\$7	\$6	\$8	\$12
Total Revenue	\$153	\$162	\$154	\$143	\$122
Reinsurance Summary					
Death Benefit Assumed	\$68,127	\$70,384	\$72,977	\$75,700	\$79,738
Cash Value Assumed	\$12,336	\$13,812	\$13,263	\$14,200	\$15,058
Capital & Surplus	\$161	\$168	\$180	\$166	\$160
Number of Life Policies Inforce	72,686	72,956	72,762	72,696	71,800
MFCP Credited	\$39.1	\$43.4	\$33.1	\$21.0	\$20.6
Dividends	\$14.3	\$14.5	\$14.4	\$14.6	\$14.8
MFH Assets (GAAP)	\$16,303	\$17,436	\$16,664	\$17,616	\$18,776

Member Firms

140+

M Financial is a community of some of the best and brightest minds in life insurance and financial services. By combining the individual expertise and relationships of more than 140 Member Firms, M is a powerful force committed to securing the future for our clients, our communities, and our industry.

See complete listing on the following pages. And for a searchable directory, go to mfin.com/find-a-firm.



- Member Firms
- Remote Marketing Location

MEMBER FIRMS

1776 Advisor Group

A

Advanced Life Insurance Strategies, Inc.

AEM Partners, LLC

Alkeme Financial

The Alvarez Group, Private Client LLC

Apexium Insurance Services LP

Arlen Corporation

Assured Partners MCM

AUCTORIS

B

Barry, Evans, Josephs & Snipes

Becker Suffern McLanahan, Ltd.

Benson Blackburn, an Alera Group Agency, LLC

BoliColi

Bridge Life, LLC

The Brown Company

BryanMark Group, Inc.

The Burgess Group, Inc.

Byron Financial Insurance Services, LLC

C

Cammon Company

Capital Strategies Group, Inc.

Carlson Hammond

Catalyst Solutions Group, Inc.

Chaffee & Associates LLC

Chamberlain Group

Chernoff Diamond & Co., LLC

Clary Executive Benefits LLC

Cohn Financial Group, LLC

Cornerstone Advisors

Cornerstone Institutional Investors, LLC

Corrigan & Company

The Coyle Company

Crescent Wealth Advisory

D

Dan Parrish Insurance Services, Inc.

DBP Wealth Advisory Group LLC

Dodd Consulting, LLC

Doerschler & Associates Wealth Management, LLC

Dolinsek Insurance Services

DSG Family Legacy Insurance Solutions, Inc.

E

Elevated Strategies Insurance Services

Enza Financial

Erben Associates, LLC

Eslick Financial Group, Inc.

Evergreen Consulting, Inc.

The Executive Compensation Group, LLC

MEMBER FIRMS

F

Family Office Risk Advisors
Fieldstone Insurance Group, LLC
Financial Concepts, Inc.
Financial Designs Ltd.

G

GARLIKOV & ASSOCIATES, INC.
Gateway Financial Group, Inc.
GDK & Company
Genmark, LLC
Golconda Partners, LLC
Greenberg & Rapp Financial Group, Inc.
Greenberg, Wexler & Eig, LLC
Groff Team Partners, LLC

H

Harbour Wealth Management Group, Inc.
HEIRMARK, LTD
Heritage Capital Strategies, Inc.
Heritage Strategies, LLC
HOLLEMAN Life Insurance Advisory
HORAN Wealth
Houghton Financial Partners, LLC

J

Jamieson Financial Services, LLC
JKJ Financial Services
Jones Lowry, LLC, A Greenberg
and Rapp Company

K

KB Financial Partners
Kibble & Prentice Holding Company
The Koptis Organization, LLC
Kornreich Insurance Brokerage Services
The Krizek Group

L

Legacy Advisors, LLC
Legacy Wealth LLC
Lindberg & Ripple
Links Consulting
LoVasco Consulting Group, Inc.
The Lyman Group, LLC

M

M Advisory Group
M Benefit Solutions
M/Barrington Corporation
Mack Financial Group, Inc.
Madison & Main Advisors, LLC
MBL Advisors Inc.
MBW Group
McDowell Financial Group
McInnes Group, Inc.
Meridian Financial Group, LLC
Mezrah Financial
Morgan Advisory Group
Morris and Boyle an Alera Group
Insurance Agency, LLC

MEMBER FIRMS

Mosaic Planning Group, LLC

Mullin Barens Sanford Financial
& Insurance Services, LLC

MullinTBG

N

Navon Wealth Advisors, LLC

Newton One Advisors

O

OneTeam Financial, LLC

Ownership Advisors, Inc.

P

Pappas Financial

Parq Advisors

Peck Financial

Perspective Financial Group, an Alera Company

Peter M. Williams & Company

Pfleger Financial Group, Inc.

Pillar International Insurance Advisors, LLC

Pinnacle Financial Group

Plybon & Associates, Inc.

Professional Financial Services, Inc.

Q

Queally Group, Incorporated

R

Ressourcement, Inc.

Retirement & Insurance Resources, LLC

The Robinson Financial Group, Inc.

RockBridge Group, LLC

Rose Street Advisors, LLC

The R.O.W. Group

S

Sandstone Life Strategies, LLC

Sierra Legacy Group

Silverstone Group, LLC

Stephens Insurance, LLC

Strategic Advisor Group

Strategic Wealth Advisors

Succession Capital Alliance

Swartzbaugh-Farber & Associates, Inc.

T

TCS Insurance Agency, Inc.

The Teekell Company, Inc.

Tenzing Insurance Strategies

Thomas Financial Group

Tippett Moorhead & Haden,
An Alera Group Agency, LLC

TPG Consulting, LLC

TRC Financial Insurance Services

MEMBER FIRMS

U

UFC4Wealth

V

Valley Forge Financial Group, Inc.

Vie International Financial Services, Ltd.

W

Wallace Advisory Group

The Warner Companies

Waxman Lawson Financial

Wealth Benefits Group

Wealth Preservation Partners, LLC

Wellspring Global Insurance Solutions

Winged Keel Group

Worth Corporate Planning, LLC

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of Corporate Solutions



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Vice President, Head
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Tamara Kravec
Chief Financial & Risk
Officer



TV Kumaresh
Chief Strategy Officer



Michael Schoonmaker
Vice President, Head
of Wealth Solutions



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M Financial Group®

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