



Dear Fellow Shareholder:

We report to you our second quarter results.

From a loss of \$0.35 per share in the first half of 2022 to a gain of \$0.12 per share in the first half of 2023! We are pleased with this progress.

New annualized premiums nationwide were down 3%. Our new annualized premium was down 16%. We have much work to do.

Our gains came from our investment portfolio's unrealized gains. Let me explain.

The first half of 2022 resulted in investment losses of \$2,154,307 while the first half of 2023 provided investment gains of \$890,476; a difference of \$3,044,783. Our investment income has increased from \$2,570,687 to \$3,289,494 in 2023.

While we are pleased with our positive investment results, we are obligated to look at the trajectory of the fiscal situation in the United States. The budget deficit (according to Fitch) will rise from 3.7% in 2022 to 6.3% in 2023 (as a percentage of GDP). Fitch downgraded the credit quality of United States government bonds.

Unfortunately, it seems neither of the major political parties is focusing on the worsening fiscal position of the United States nor offering an agenda to reverse it. These storm clouds will affect each of us.

Here at USAC we continue to work every day to build your company.

The second piece of good news is that USALSC now has a certificate of authority in 17 states! Growth in assets and authorities is an important component of our strategy. We are our authorized in Kansas, North Dakota, Missouri, Oklahoma, Nebraska, Wyoming, South Dakota, Montana, Utah, Kentucky, Alabama, Mississippi, Ohio, New Mexico, Texas, Idaho, and Nevada.

Third, Kansas has approved our internet-based direct to consumer critical illness product which provides a lump sum cash benefit upon diagnosis of a specified disease such as cancer, heart attack, and stroke. This product is available in 32 states including Kansas and North Dakota! Money to help with the care you need. With an issue age up to 80 and face values from \$5,000 to \$50,000 (\$5,000 to \$25,000 for ages 70 to 80), classes for both nicotine and non-nicotine, and three different plans this product might be just the right benefit for you. Click [here](#) and learn more. We hope you are eligible.

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Email: info@usalliancecorporation.com Website: usalliancecorporation.com Find us on Facebook, Instagram, and LinkedIn!

USAlliance Life & Security Company & Dakota Capital Life Insurance Company are members of the Better Business Bureau.



Here is a summary of our first quarter results as compared with 2022.

US Alliance Corporation

	Six Months Ended June 30,	
	2023	2022
Income:	(unaudited)	
Premium income	\$ 6,602,485	\$ 6,726,209
Net investment income	3,289,494	2,570,687
Net investment gains (losses)	890,476	(2,154,307)
Other income	170,743	160,186
Total income	10,953,198	7,302,775
Expenses:		
Increase in policyholder reserves	1,986,195	2,143,630
Other policy-related expenses*	6,317,835	6,158,888
Operating expenses	1,685,317	1,722,933
Total expense	9,989,347	10,025,451
Net Income (loss)	\$ 963,851	\$ (2,722,676)
Net income (loss) per common share, basic and diluted	\$ 0.12	\$ (0.35)

* Other policy-related expenses include death benefits, other benefits paid to policyholders, commissions and amortization of deferred acquisition expenses

Please access our full financial results by clicking on the "Securities and Exchange Commission Filings" link on our web-site

Please click [here](#) for a detailed financial report.

We thank you for your patience and your investment as we grow. When you think of your insurance needs please think of us. You may contact us at 866-953-4675 or jack.brier@usalliancelife.com.

With every good wish.

Cordially,



Jack H. Brier

Chairman & Co-Founder

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