



Dear Fellow Shareholder:

Last year when I wrote to you it was about the headwind we know as COVID. I told you our goals were to protect our policy holders, keep our team safe and grow your company. I am pleased to report all of those goals were achieved.

I also wrote “2020 does not look like a time of great growth or opportunity... please know we are working hard for you.”

Little did I know how wrong I was. Thank goodness I also wrote “we will find opportunity – we will continue to build your company”. In 2020 we doubled our assets, went from a loss of \$0.40 per share in the first half of year to a gain of \$0.46 in the last half of the year.

This is a remarkable performance by your team. Their struggles have matched your struggles as together, we fight through the pain of illness, separation, income & political volatility.

But make no mistake – our resolve is not shaken, our determination to build your company is at full strength.

Everyday we think of you.

Everyday we are proud to work for you.

Everyday we are excited to be with you on this journey of building your company.

Our full year 2020 results are available and 2020 was a profitable year! The results are on file with the SEC and available on our website under the Securities and Exchange Commission Filings. Here is a summary of our results:

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

During 2020 our assets increased from \$54,939,249 to \$115,387,096 - an increase of 110%!

Our shareholders’ equity increased from \$16,876,197 to \$18,404,797. The increase was driven by an increase in the market value of our invested assets, as well as our net income of \$439,449.

While our revenues increased by \$4,305,619 from \$11,966,286 in 2019 to \$16,271,905 in 2020, our operational expenses in 2019 were \$2,460,989 and in 2020 were \$3,649,000, an increase in expenses of \$1,188,011.

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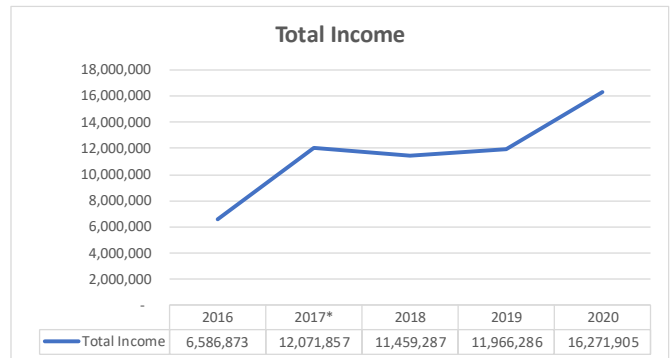
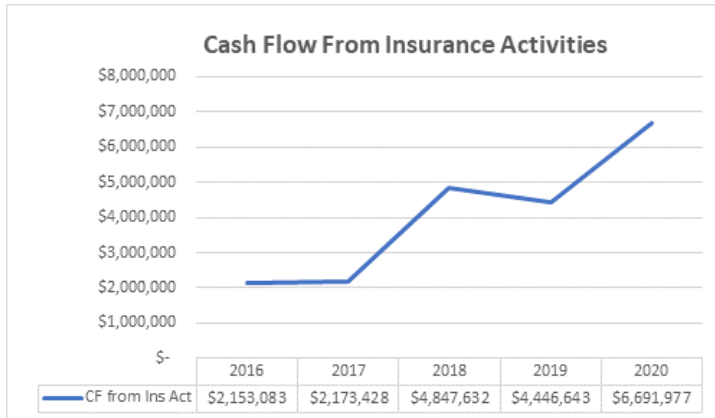
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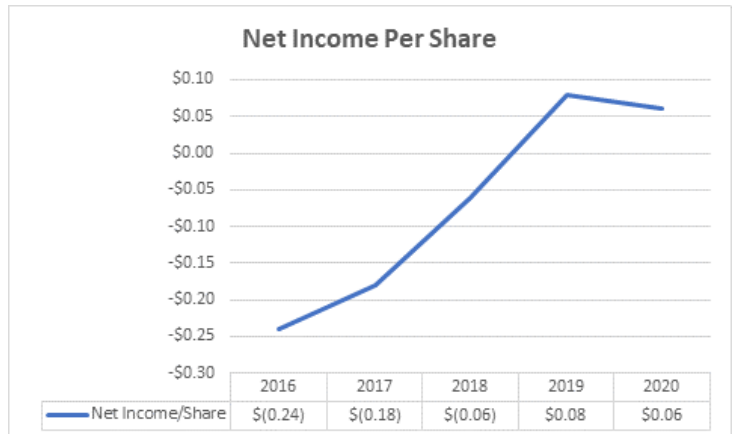
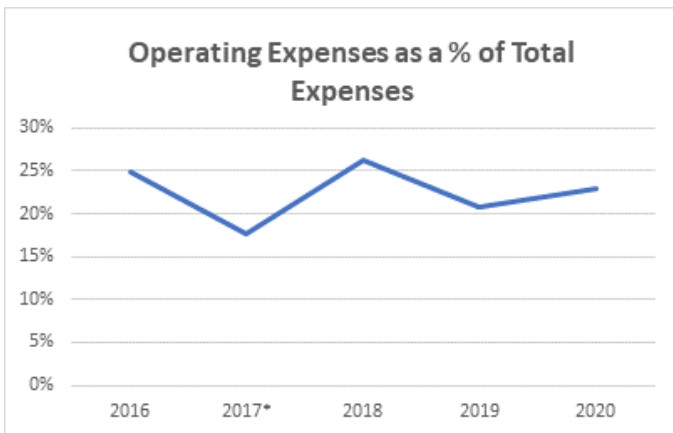
In 2016 our loss per share was \$0.24. In 2017 our loss was \$0.18 per share. In 2018 our loss per share was \$0.06 and in 2019 our income per share was \$0.08. In 2020 our income per share was \$0.06.

While we are excited to report our second consecutive profitable year in our company’s history, please know that \$0.02 of those earnings per share are from a one-time tax benefit. We also had gains on our investments in 2020. Just remember what the markets give us they can take away. Nonetheless, we are excited to report a 2020 full year profit!

We have prepared four charts to help show our financial history and progress:



* 2017 revenue includes one-time revenue of \$3.9 million from the ALSC reinsurance transaction.



Our balance sheet is solid and we continue to look for new opportunities to accelerate our growth and march to sustained profitability. Remember, we need your help to build your company. Every day we are stronger and better equipped to serve our customers and policyholders in North Dakota, Kansas, Oklahoma, Missouri, Nebraska, South Dakota, Wyoming, and Montana.

These results are important. But most important is the future. Please help us by reviewing the products we offer. Please think of us when you think of your insurance needs and please think of us with your friends, neighbors, and small businesses. Together we continue to build great company, but we need your help.

As always, you are welcome to contact me by emailing jack.brier@usalliancecorporation.com or calling our toll-free number (866) 953-4675.

We are working every day for you!

With every good wish.

Cordially,

A handwritten signature in black ink, appearing to read 'Jack H. Brier'. The signature is fluid and cursive, with a large initial 'J' and 'B'.

Jack H. Brier

Chairman & Co-Founder
US Alliance Group of Companies