



Dear Fellow Shareholder:

2022 was an investment year we hope is not soon repeated. The good news is that against this backdrop of unprecedented volatility in the equity and bond markets we were able to increase premiums. Unfortunately, we were not able to offset the unrealized losses in our portfolio. Please click [here](#) to see the return on investments in 2022 provided by New England Asset Management. As I've written before, the idea of certain unrealized losses being required to flow through the income statement is illogical and paints a distorted picture of our results.

Our results are on file with the SEC and available on our website under the Securities and Exchange Commission Filings. Please click [here](#) for a detailed financial report. Here is a summary of our results:

US Alliance Corporation

	Year Ended December 31,	
	2022	2021
Income:	(unaudited)	
Premium income	\$ 12,815,238	\$ 11,792,063
Net investment income	4,798,199	5,336,048
Net investment gains (losses)	(1,925,086)	142,280
Other income	317,502	318,854
Total income	16,005,853	17,589,245
Expenses:		
Increase in policyholder reserves	4,207,703	4,063,488
Other policy-related expenses*	11,623,423	10,627,532
Operating expenses	3,480,212	3,244,412
Total expense	19,311,338	17,935,432
Net Income (loss) before tax	\$ (3,305,485)	\$ (346,187)
Federal Income tax benefit	149,000	680,542
Net Income (loss)	\$ (3,156,485)	\$ 334,355
Net income (loss) per common share, basic and diluted	\$ (0.41)	\$ 0.04

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

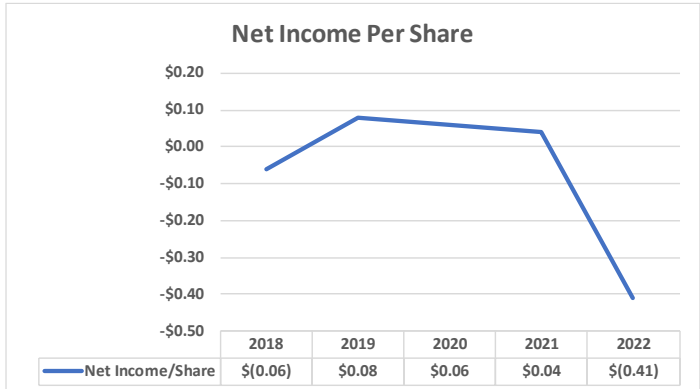
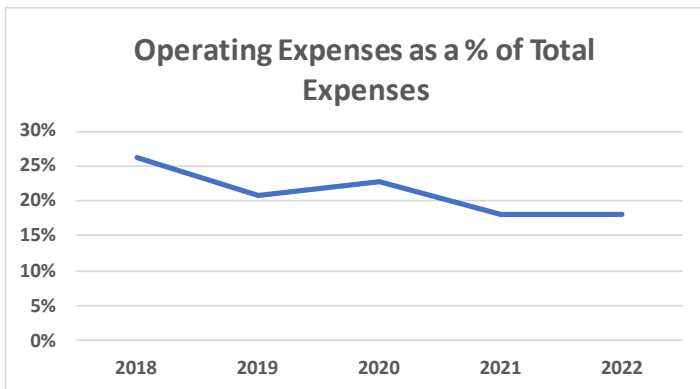
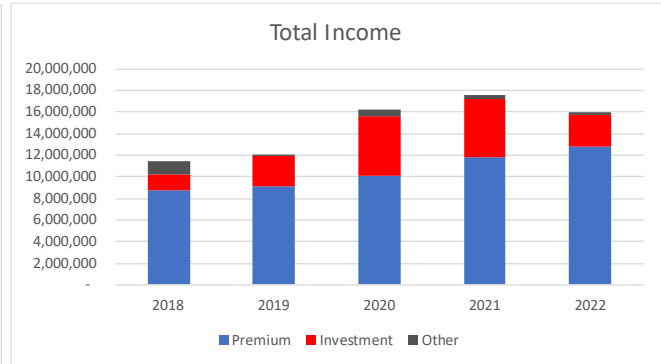
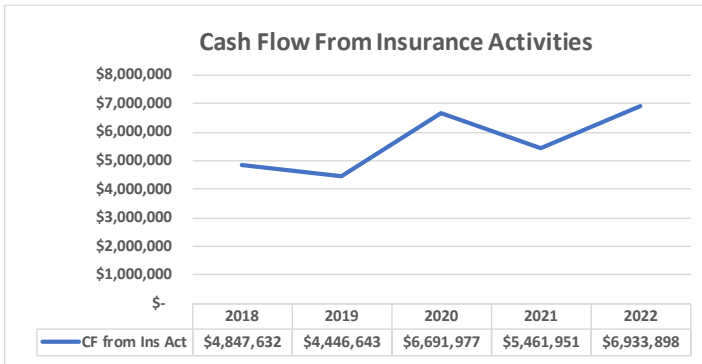
For the first time in four years US Alliance was not profitable. 2019 income per share was \$0.08. In 2020 our income per share was \$0.06. For 2021, income was \$0.04 per share. In 2022, our loss per share was \$0.41.

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



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



If you look at investment income (including net investment gains and losses) for 2019 and 2022 the amounts are similar (\$2,832,935 and \$2,873,113). The significant difference is in the assets. In 2019, your company had \$54,939,249 in assets and in 2022 the assets were \$118,298,297. To earn the same amount with twice the assets clearly shows the impact of inflation and economic volatility.

Let me be clear, inflation, fear of recession, Delta, Omicron, RA.2, interest rate volatility, inverted yield curves, bank failures, and Russia's invasion of Ukraine have all created volatility and the risk of further destabilization in the world. Those risks touch our lives everyday and while our ability to execute our strategy is affected by these world events, our determination to build your company is at full strength.

From that first \$200 premium on May 1st, 2013, our total income for 2022 was \$16,005,853. Our assets at December 31, 2013 were \$8,747,344 and as of December 31, 2022 our total assets were \$118,298,297. While we are pleased with of how far we have come, the road ahead is long and challenging.

On the positive side is that we have added 6 states in 2022 and are now authorized in 14 states (Kansas, North Dakota, Missouri, Oklahoma, Nebraska, South Dakota, Montana, Wyoming, Utah, Kentucky, Alabama, Ohio, Mississippi, and New Mexico). Our direct to consumer critical illness and cancer initiative ads have over 100,000 showings on Google and on Facebook our ads have been shown 7,200,000 times. We are beginning to see traction. This program is offered in over 32 states and the District of Columbia.

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We have created portals for our producers to enable them to offer faster service to their clients. Our recurring premiums continue to increase. I am confident the effects of inflation and volatility in the financial markets will ease. We hope that is sooner rather than later.

These results are important as a snapshot of 2022. But we look forward. To achieve success we must have consistent profitability and we must increase our assets. Our strategy has been and continues to be to increase assets by increasing our sales, acquiring blocks of business from other insurance companies, and acquiring other insurance companies.

Some shareholders have asked about selling their shares. As noted in the prospectus you received, there and still today is no public market for our shares. Unfortunately, while we do maintain a register of sellers and potential buyers, there has been virtually no interest in purchasing our shares. Until such time as we are consistently profitable our exit strategies for shareholders is limited. We will continue to work hard and build value.

Everything we do is with your investment in mind.

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 proud to work every day for you!

With every good wish.

Cordially,



Jack H. Brier

Chairman & Co-Founder
US Alliance Group of Companies

