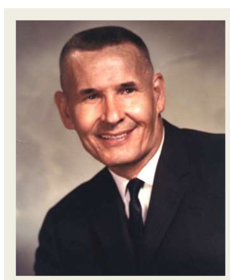
Dear Fellow SHAREHOLDERS,

I have been writing these annual letters to our shareholders for nearly 20 years now, and I can honestly say that I am more excited today about the future of our Company than I have ever been. That is saying something because I have always been confident and optimistic about the Company's future. To understand why, let's look together at what has transpired to bring us to where we are today.

A Firm Foundation

When **Frihoff N. Allen** founded American Savings Life Insurance Co in 1954, most of the initial capital consisted of mortgage loans. Literally, from day one of the Company's history, **mortgage loans have been our core investment**.



Frihoff built the company with a culture of conservative investments, frugal operations, and an unwavering sense of loyalty to the Company shareholders. See "Our Founder's Principles" on page 2 for further details of the principles on which the Company was built.

From 1977 through 2005, **David K. Allen** successfully led American Savings Life by continuing the Company's proven investment and operational practices. Under his leadership, the Company not only successfully emerged from state receivership in 1988, but steadily grew the Company's financial strength while consistently paying healthy dividends.

When the Board of Directors appointed Byron F. Allen to be the President in 2006, the Company was exceptionally strong financially. It had grown to $20.4 million in assets, of which $15.6 million was stockholders equity.

Byron was trained by David in "the American Savings way" since he first began working for the Company in 1989. David continued working alongside Byron as the Chairman of the Board for several years, creating a complementary combination of experience, wisdom, enthusiasm, and ambition.

Growth Initiatives

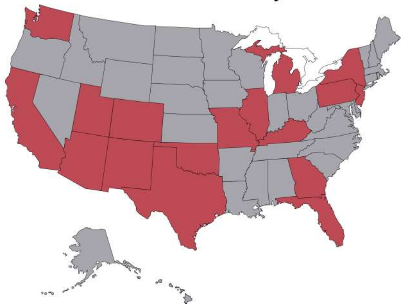
Although not all of the current management's growth initiatives have been successful, there have been a few key developments that have brought us to where we are today, and are the reasons behind my bullish expectations for our future.

In 2009, we began selling **deferred annuities**, which have proven to be our most successful source of capital for growing our investments for nearly 15 years. Annuity Reserves have now grown to $53 million.

Another significant growth initiative was selling **participation in our mortgage loans** to other life insurance companies. Participants purchase a percentage interest in specific mortgage loan assets of ours.

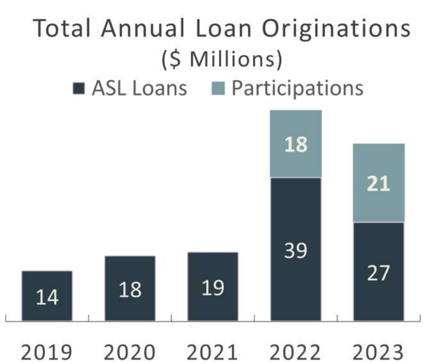
Like most endeavors, loan participation sales have not been a straight line of success. Between 2014 and 2020, we sold $5.5 million in loan participations, but only intermittently when we had more loan origination opportunities than we had available cash. This changed; however, when we finally expanded our lending to be nationwide and increased our loan sizes.

2023 Loan Portfolio by State



Growing Our Lending Business

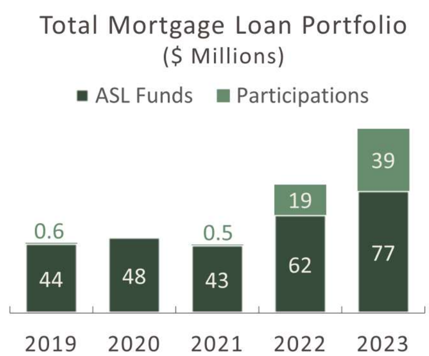
Beginning in 2009, we slowly **grew our lending area** from one state (AZ) to two states (adding TX), then to six states, then to twelve states, then nationwide in 2022. We also shifted our marketing efforts to national commercial mortgage and capital markets firms. We currently have loans in 17 states. (See page 11 for more details by state.)



In 2021, the Company grew participation from other insurance companies, allowing us to make **larger loans** and more loans than we could with just our own capital. In the last two years, we have originated (made) $105 million in new loans. ($66 million of Company assets plus $39 million of loan participations.)

Putting it all together

The combination of our annuity portfolio and loan participations from other life insurance companies, together with our ability to make larger loans across the country, has fueled a **dramatic growth in our lending business**. In the last two years, our total loan portfolio (which includes both Company assets plus loan participations) has grown from $44 million to $116 million.



Leveraging Our Unique Position

Through our involvement in life insurance industry associations, other small to midsize life insurance companies have learned of our successful track record investing the majority of our assets in commercial "bridge" mortgages and they expressed a desire to invest in our loans with us.

Usually, only larger life insurance companies have the ability to invest in direct commercial mortgages. **By**

participating in mortgages with us, smaller insurance companies can now invest in direct mortgages, which provide them with higher investment yields than their typical investments of corporate bonds.

The combination of (1) **being able to sell annuities** to grow the Company's portion of our mortgage loan portfolio and (2) **being able to sell participation in our mortgage loans** to other insurance carriers affords us a couple distinct advantages. Annuities provide us with low cost capital and loan participations increase our income from origination fees on the larger loans and the servicing fees we earn on the participation part of the loans.

Additionally, **the quality of our loans**, the financial wherewithal of our borrowers, and the quality of the properties securing our loans, have all increased as **our loan sizes have grown**. In 2023, our average loan size was $2.8 million, nearly a 300% increase over our average loan size of $1 million in 2021.

Speed Bumps Ahead?

A favorite Yogi Berra quote of mine, "the future ain't what it used to be," is as true as it ever was. Once again, **the commercial real estate market** is going through the second half of its market cycle—the less friendly, although still opportunistic downturn or "correction" part. With 80% of our investments secured by commercial real estate, we will certainly be affected by this situation—but perhaps not in the way one might think.

We recognize, after 70 years in this business, that some of our loans will default, some will become foreclosures, and the Company will lose money on some of these loans. However, we are confident that the **losses from our expected defaulted loans will be manageable in light of the income we will continue to make on the rest of our portfolio.**

Our Opportunity

The opportunistic aspect of the current market downturn is that **market downturns also create opportunities** for those willing to follow the advice of Warren Buffet and "be fearful when others are greedy and be greedy when others are fearful." Although we have to filter through more loans than ever to find the ones that are good enough for us to make, there are always great loans to be made; it just takes more work to find them in today's environment.

With so many banks and other lenders not currently able (or willing) to lend, we have less competition than in a normal market. As such, we are able to lend on properties and to borrowers who otherwise would qualify for the most competitive bank financing. **There are still strong, well secured loans to be made.**

We are also benefiting from the expectation of most investors that interest rates will decline in the future. As such, **many investors currently prefer short-term bridge financing**, which happens to be just what we offer.

Furthermore, with a **record amount of commercial real estate mortgages coming due** over the next few years, we anticipate there will be even greater demand for our bridge loan product. And **we are lending on today's and tomorrow's lower property values**, making our loans increasingly more secure.

Finally, as life insurance companies (both us and our participants), we are able to offer lower interest rate loans than typical bridge lenders in exchange for more secure loans. This has been our niche that has proven successful for nearly three quarters of a century.

Report on 2023 Results

The year 2023 was a successful year on several accounts:

- **Annuity Reserves** grew 46% from $36.4 million to $52.9 million. **+46%**
- **Mortgage Loans** grew 26% from $61.6 million to $77.3 million. **+26%**
- **Net Investment Income** excluding capital gains grew from $5.4 million to $7.0 million **+30%**
- **Investment Yield** grew from 8.3% to 9.2% **9.2%**
- **Total Shareholder Return** grew from 8.86% to 9.82%. **9.8%**

Life Insurance & Annuities

The most significant developments within our life insurance and annuity division are: (1) We have developed a **new MYGA (multi-year guaranteed annuity)**, which we expect to be easier to sell and also at a lower interest rate than our current product. (2) **We are applying to be admitted to sell insurance in up to 15 more states**, which will enable us to have more agents, which should lower our cost of annuity sales. Being admitted in more states increases the value of the Company and creates options for us to further grow our insurance and annuity business.

Mortgage Loan Investments

In 2023, we furthered our core business by **growing our total loan portfolio from $80 million to $116 million**. This included growing the Company's mortgage investments to $77 million and loan participations (the part that other insurance companies invest) to $39 million.

The growth of loan participations creates additional income from the loan fees earned when the loan is made plus a stream of additional income (loan servicing fees) for the life of the loans**. It is our long-term plan to grow our loan participations to become many times greater than our Company loan portfolio**. This will create substantial recurring income.

2024 Goals

- Grow our total (combined) mortgage loan portfolio from $116 million to $150 million or more.
- Originate at least $75 million in new loans.
- Increase the number of states where we are admitted to sell insurance from three to 12 or more.
- Pre-Tax Income (EBITDA) = 11.6% or more.
- Total Shareholder Return = 9.2% or more.

Leadership

Having the right leadership team is critical to any company's success. In 2023, **we hired John Shirts as our CFO**, a role we did not previously have. John brings tremendous financial capabilities and is already improving our financial reporting, budgeting, fiscal discipline, and leading cost reduction initiatives.

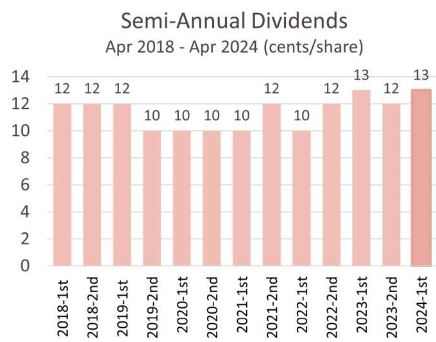
Our **EVP & COO, E. Paul Whetten**, excels at managing our day-to-day operations and personnel, making

American Savings a place where our team members love to work, while also increasing accountability across the organization.

Our SVP over Insurance & Annuities, Michael Frahm, is expanding our state insurance license footprint and agent sales force to enable us to sell more annuities at a lower cost. And **James Gilbert, our I.T. Director**, is leading our use of technology to enable us to grow our business more efficiently and profitably.

Together, this amazing management team allows me to focus on the Company's strategies, the profitable growth of the Company, and our strategic relationships within all aspects of our business.

I also want to acknowledge and thank our **Board of Directors** for their leadership. They provide invaluable business experience, counsel, and direction. Both management and the Company as a whole are much better because of their efforts and leadership.

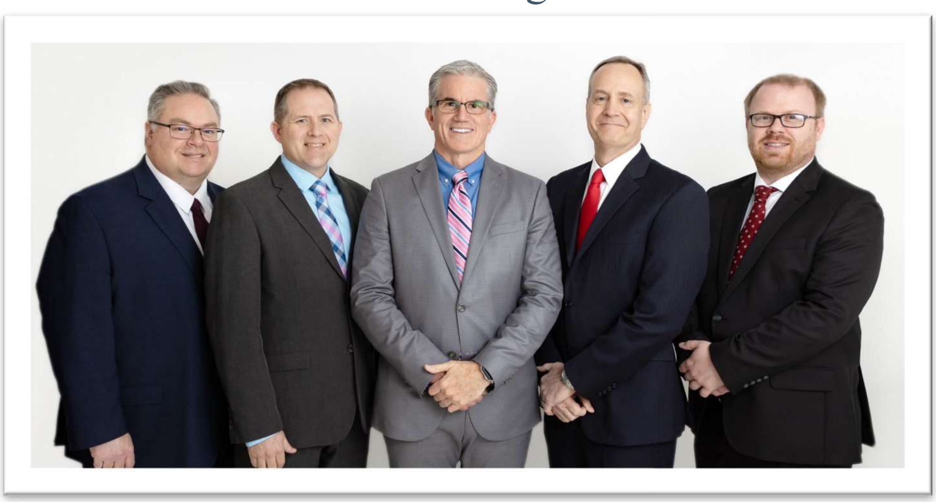


2023 and 2024 Cash Dividends

Shareholders received two cash dividends in 2023 for a total of 25¢ per share. Together, these dividends equal a 5.4% yield on the 12/31/2022 stock book value.

In addition to the 5.4% cash dividends, your stock's 2023 book value

2023 Executive Management Team



Pictured from left to right: **E. Paul Whetten** (EVP & COO),
John Shirts (CFO), **Byron F. Allen** (President & CEO),
Michael Frahm (SVP-Ins & Annuities), **James Gilbert** (I.T. Director)

also increased 4.4%, for a combined **Total Shareholder Return of 9.8%**.

The Board of Directors has declared **the first semi-annual 2024 dividend to be 13¢ per share**, to be paid on April 10, 2024 to shareholders of record as of March 31st. The Board intends to declare a second dividend in August, to be paid in October. The year 2024 will be **the 42nd consecutive year** we have paid cash dividends.

Annual Shareholders Meeting

All shareholders are invited to attend the 2023 Annual Shareholders Meeting at **9:00 AM on Tuesday, April 23, 2024** at the Company's home office located at **935 E. Main St., Mesa, AZ.** Come join us!

APRIL 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Opportunity Amidst Trepidation

As I stated in the beginning of this letter, I am more excited and optimistic now than ever before about the future of American Savings.

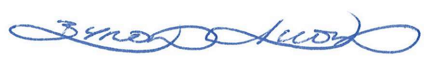
Over the past 70 years we have laid the foundation on which we have begun to build an even more successful business. By combining our two core competencies of commercial mortgage lending and annuity sales, and then leveraging them with loan participations, we have developed a formula for even greater success from doing what we do best.

While most of the world views the commercial real estate market with trepidation, we see tremendous opportunity. There is a real need for our bridge loans and there are still many great loans to be made.

We expect that the commercial real estate market will get worse before it gets better, and we expect the Company will experience some level of loan defaults and foreclosures. This does not, however, worry us. We have weathered difficult economic times, and our investment model has proven time and again that it works well in both good and bad times.

I am thankful for the privilege I have to work with such a talented and dedicated team. Our entire staff are professionals who work hard every day to provide exceptional service to our customers and to our shareholders. Next time you talk with one, please thank them for the amazing work they do. As shareholders, we have been richly blessed by their efforts.

Sincerely,



Byron Frihoff Allen,
President & CEO