



Results of Operations for the Three Months Ended June 30, 2023 - American Overseas Group Limited Announces Net Income Of \$0.9 Million For the Three Months June 30, 2023.

HAMILTON, Bermuda, September 29, 2023 (GlobeNewswire) -- American Overseas Group Limited BSX: AORE.BH) (Pink Sheets: AOREF.PK) ("AOG" or the "Company") today reported consolidated net income available to common shareholders of \$0.9 million, or \$19.65 per diluted share, for the three months ended June 30, 2023. This compares to consolidated net loss available to common shareholders of \$0.3 million, or \$6.28 per diluted share, for the three months ended June 30, 2022. Book value per weighted share at June 30, 2023 was \$817.82, an increase from the book value per weighted share of \$775.49 at June 30, 2022.

For the three months ended June 30, 2023, net earned property and casualty premiums increased \$1.4 million from \$5.1 million a year ago to \$6.5 million.

Quarter to Date fee income increased \$1.1 million moving from \$2.7 million to \$3.8 million and gross written premiums increased \$47.7 million, moving from \$116.6 million to \$164.3 million. Quarter to Date direct written premiums were positively impacted by continued expansion of new programs and rate increases. Quarter to Date loss and loss adjustment expenses as a percentage of earned premium decreased from 71.4% to 65.4%.

For the three months ended June 30, 2023, operating expenses remained constant at \$2.8 million.

As part of its ongoing capital management efforts, the Company will continue to redirect excess capital within the group to debt reduction unless other compelling opportunities present themselves.

Forward-Looking Statements

This release contains statements that may be considered "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements include, without limitation, the Company's expectations respecting the volatility of its insured portfolio, losses, loss reserves and loss development, the adequacy and availability of its liquidity and capital resources, its current run off strategy, its strategy for writing other reinsurance businesses and its expense reduction measures. These statements are based on current expectations and the current views of the economic and operating environment and are not guarantees of future performance. A number of risks and uncertainties, including economic competitive conditions, could cause actual results to differ materially from those projected in forward-looking statements. The Company's actual results could differ materially from those expressed or implied in the forward-looking statements.

Information About the Company

American Overseas Group Limited is an insurance holding company incorporated in Bermuda and a tax resident of the United Kingdom. Its operating subsidiaries provide specialty property/casualty insurance, reinsurance and insurance management services. More information can be found at www.aoreltd.com.

American Overseas Group Limited

info@aoreltd.com

American Overseas Group Limited
Consolidated Balance Sheets
(unaudited)
As at June 30, 2023 and December 31, 2022
(dollars in thousands)

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<u>Assets</u>		
Investments:		
Fixed-maturity securities held as available for sale, at fair value	\$ 117,404	\$ 97,646
Equity investments held as available for sale, at fair value	-	2,708
Cash and cash equivalents	38,375	32,212
Restricted cash	4,312	3,968
Accrued investment income	677	455
Premiums receivable	129,832	94,704
Deferred insurance premiums	177,777	132,602
Reinsurance balances receivable, net	269,813	248,234
Deferred policy acquisition costs	6,236	4,029
Intangible assets	4,800	4,800
Goodwill	33,050	33,050
Other assets	4,549	3,978
Total Assets	\$ 786,825	\$ 658,386
 <u>Liabilities and Equity</u>		
Liabilities:		
Loss and loss expense reserve	\$ 265,768	\$ 253,886
Deferred commission income	4,465	2,661
Unearned premiums	185,136	137,929
Ceded premium payable	131,539	88,117
Payable to general agents	6,633	5,469
Funds withheld	114,484	99,409
Accounts payable and accrued liabilities	18,495	16,499
Notes payable	21,021	18,021
Non-owned interest in VIE	300	300
Interest payable	564	464
Total Liabilities	748,405	622,755
 Shareholders' Equity:		
Common shares	4,698	4,698
Additional paid-in capital	189,179	189,179
Accumulated other comprehensive (loss)	(3,804)	(4,240)
Retained deficit	(157,106)	(159,459)
Total Shareholders' Equity	32,967	30,178
Non-controlling interest of preferred shares of subsidiaries	5,453	5,453
Total Equity	38,420	35,631
Total Liabilities and Equity	\$ 786,825	\$ 658,386

See Notes to June 30, 2023 Consolidated Financial Statements available on American Overseas Group Ltd. Website at www.aoreltd.com

American Overseas Group Limited
Consolidated Statements of Operations
(unaudited)
(dollars in thousands, except share and per share amounts)

	Three months ended June 30,		Six Months ended June 30,	
	2023	2022	2023	2022
Revenues				
Net premiums earned	\$ 6,529	\$ 5,093	\$ 12,117	\$ 10,181
Fee income	3,832	2,709	7,656	6,004
Net investment income	178	101	340	32
Net realized gains on investments	25	248	437	237
Other income	11	55	39	895
Total revenues	10,575	8,206	20,589	17,349
Expenses				
Losses and loss adjustment expenses	4,268	3,639	7,842	6,904
Acquisition expenses	1,993	1,653	3,752	3,351
Operating expenses	2,820	2,758	5,576	5,779
Interest expense	571	451	1,067	902
Total expenses	9,652	8,501	18,237	16,936
Pre-tax net profit / (loss)	\$ 923	\$ (295)	\$ 2,352	\$ 413
Income tax (expense)	-	-	-	-
Net profit / (loss) before dividends	923	(295)	2,352	413
Dividends on preference shares of subsidiary	-	-	-	-
Net profit / (loss) available to common shareholders	\$ 923	\$ (295)	\$ 2,352	\$ 413
Net profit / (loss) per common share:				
Basic	\$ 19.65	\$ (6.28)	\$ 50.07	\$ 8.79
Diluted	19.65	(6.28)	50.07	8.79
Weighted-average number of common shares outstanding:				
Basic	46,979	46,979	46,979	46,979
Diluted	46,979	46,979	46,979	46,979

See Notes to June 30, 2023 Consolidated Financial Statements available on American Overseas Group Ltd. Website at www.aoreltd.com