



Results of Operations for the Three Months Ended September 30, 2023 - American Overseas Group Limited Announces Net Income Of \$4.3 Million For the Three Months September 30, 2023.

HAMILTON, Bermuda, December 28, 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 \$4.3 million, or \$91.11 per diluted share, for the three months ended September 30, 2023. This compares to consolidated net loss available to common shareholders of \$0.4 million, or \$9.42 per diluted share, for the three months ended September 30, 2022. Book value per weighted share at September 30, 2023 was \$776.61, a slight decrease from the book value per weighted share of \$780.66 at September 30, 2022.

For the three months ended September 30, 2023, net earned property and casualty premiums increased \$3.2 million from \$4.8 million a year ago to \$8.0 million.

Quarter to Date fee income increased \$1.5 million moving from \$2.7 million to \$4.2 million and gross written premiums increased \$62.7 million, moving from \$110.2 million to \$172.9 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 70.4% to 57.3%.

For the three months ended September 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

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

	<u>September 30, 2023</u>	<u>December 31, 2022</u>
<u>Assets</u>		
Investments:		
Fixed-maturity securities held as available for sale, at fair value	\$ 125,971	\$ 97,646
Equity investments held as available for sale, at fair value	-	2,708
Cash and cash equivalents	39,040	32,212
Restricted cash	1,722	3,968
Accrued investment income	881	455
Premiums receivable	150,663	94,704
Deferred insurance premiums	197,113	132,602
Reinsurance balances receivable, net	261,844	248,234
Deferred policy acquisition costs	8,605	4,029
Intangible assets	4,800	4,800
Goodwill	33,050	33,050
Other assets	4,404	3,978
Total Assets	\$ 828,093	\$ 658,386
 <u>Liabilities and Equity</u>		
Liabilities:		
Loss and loss expense reserve	\$ 269,398	\$ 253,886
Deferred commission income	6,322	2,661
Unearned premiums	206,246	137,929
Ceded premium payable	135,638	88,117
Payable to general agents	6,862	5,469
Funds withheld	122,540	99,409
Accounts payable and accrued liabilities	22,696	16,499
Notes payable	21,021	18,021
Non-owned interest in VIE	300	300
Interest payable	586	464
Total Liabilities	791,609	622,755
 Shareholders' Equity:		
Common shares	4,698	4,698
Additional paid-in capital	189,179	189,179
Accumulated other comprehensive (loss)	(4,567)	(4,240)
Retained deficit	(152,826)	(159,459)
Total Shareholders' Equity	36,484	30,178
Non-controlling interest of preferred shares of subsidiaries	-	5,453
Total Equity	36,484	35,631
Total Liabilities and Equity	\$ 828,093	\$ 658,386

See Notes to September 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 September 30.		Nine Months ended September 30.	
	2023	2022	2023	2022
Revenues				
Net premiums earned	\$ 7,987	\$ 4,844	\$ 20,104	\$ 15,025
Fee income	4,191	2,683	11,847	8,687
Net investment income	215	109	555	141
Net realized gains on investments	2,425	-	2,862	237
Other income	25	21	64	916
Total revenues	14,843	7,657	35,432	25,006
Expenses				
Losses and loss adjustment expenses	4,574	3,410	12,416	10,315
Acquisition expenses	2,628	1,418	6,379	4,770
Operating expenses	2,775	2,821	8,351	8,600
Interest expense	586	451	1,653	1,352
Total expenses	10,563	8,100	28,799	25,037
Pre-tax net profit / (loss)	\$ 4,280	\$ (443)	\$ 6,633	\$ (31)
Income tax (expense)	-	-	-	-
Net profit / (loss) before dividends	4,280	(443)	6,633	(31)
Dividends on preference shares of subsidiary	-	-	-	-
Net profit / (loss) available to common shareholders	\$ 4,280	\$ (443)	\$ 6,633	\$ (31)
Net profit / (loss) per common share:				
Basic	\$ 91.11	\$ (9.42)	\$ 141.19	\$ (0.65)
Diluted	91.11	(9.42)	141.19	(0.65)
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

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