



Results of Operations for the Three Months Ended September 30, 2025 - American Overseas Group Limited Announces Net Income Of \$2.8 Million For the Three Months Ended September 30, 2025.

HAMILTON, Bermuda, December 22, 2025 (BUSINESS WIRE) -- 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 \$2.8 million, or \$60.56 per diluted share, for the three months ended September 30, 2025. This compares to consolidated net income available to common shareholders of \$3.4 million, or \$73.42 per diluted share, for the three months ended September 30, 2024. Book value per weighted share at September 30, 2025 was \$1,209.44, an increase from the book value per weighted share of \$969.27 at September 30, 2024.

For the three months ended September 30, 2025, net earned property and casualty premiums decreased \$1.5 million from \$13.7 million a year ago to \$12.2 million.

Quarter to Date fee income increased \$0.2 million from \$5.0 million to \$5.2 million and gross written premiums increased \$12.8 million, moving from \$232.6 million to \$245.4 million. Quarter to Date Loss and loss adjustment expenses as a percentage of earned premium decreased from 57.4% to 56.4%.

For the three months ended September 30, 2025, operating expenses increased \$0.6 million from \$2.5 million to \$3.1 million due to a \$0.6 million return of funding collateral in the prior year quarter.

As part of its ongoing capital management efforts, the Company will continue to redirect excess capital within the group to debt reduction. In the 3rd quarter of 2025 the Company reduced the outstanding principal balances in its 12% and 9% Senior Secured Notes by \$3.0 million and \$0.7 million respectively for a total debt reduction of \$3.7 million, reducing total outstanding debt from \$20.8 million to \$17.1 million as of September 30, 2025. Additionally, The Company reduced the outstanding principal balance of its 12% Senior Secured Notes by \$1.3 million in 4th quarter of 2025, reducing total outstanding debt to a balance of \$15.8 million. The Company expects to take additional steps towards leverage reduction unless other compelling opportunities arise.

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 in the United States. 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 September 30, 2025 and December 31, 2024
(dollars in thousands)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
<u>Assets</u>		
Investments:		
Fixed-maturity securities held as available for sale, at fair value	\$ 154,810	\$ 143,633
Equity investments held as available for sale, at fair value	1,036	-
Cash and cash equivalents	47,865	46,600
Restricted cash	3,406	4,861
Accrued investment income	1,223	1,029
Premiums receivable	221,841	211,771
Deferred insurance premiums	309,526	267,765
Reinsurance balances receivable, net	446,578	413,541
Deferred policy acquisition costs	10,161	10,215
Intangible assets	4,800	4,800
Goodwill	33,050	33,050
Other assets	7,599	3,972
Total Assets	<u>\$ 1,241,895</u>	<u>\$ 1,141,237</u>
<u>Liabilities and Equity</u>		
Liabilities:		
Loss and loss expense reserve	\$ 432,543	\$ 421,018
Deferred commission income	7,140	7,154
Unearned premiums	321,574	281,176
Ceded premium payable	240,930	209,033
Payable to general agents	425	276
Funds withheld	135,275	126,839
Accounts payable and accrued liabilities	25,956	26,256
Notes payable	17,083	20,771
Non-owned interest in VIE	300	300
Interest payable	531	578
Deferred tax liability	3,320	1,956
Total Liabilities	<u>1,185,077</u>	<u>1,095,357</u>
Shareholders' Equity:		
Common shares	4,698	4,698
Additional paid-in capital	189,179	189,179
Accumulated other comprehensive income (loss)	(2,234)	(3,561)
Retained deficit	(134,825)	(144,436)
Total Shareholders' Equity	<u>56,818</u>	<u>45,880</u>
Total Liabilities and Equity	<u>\$ 1,241,895</u>	<u>\$ 1,141,237</u>

See Notes to September 30, 2025 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,	
	2025	2024	2025	2024
Revenues				
Net premiums earned	\$ 12,214	\$ 13,716	\$ 38,350	\$ 37,266
Fee income	5,202	5,023	17,005	16,093
Net investment income	543	421	1,505	918
Net realized gains on investments	(1)	42	(7)	47
Other income	66	22	117	59
Total revenues	18,024	19,224	56,970	54,383
Expenses				
Losses and loss adjustment expenses	6,889	7,877	21,396	22,207
Acquisition expenses	3,887	4,030	12,012	11,182
Operating expenses	3,062	2,462	9,477	8,680
Interest expense	532	578	1,688	1,734
Total expenses	14,370	14,947	44,573	43,803
Pre-tax net profit (loss)	\$ 3,654	\$ 4,277	\$ 12,397	\$ 10,580
Income tax (expense)	(809)	(828)	(2,786)	(2,293)
Net profit (loss) available to common shareholders	2,845	3,449	9,611	8,287
Net profit (loss) per common share:				
Basic	\$ 60.56	\$ 73.42	\$ 204.58	\$ 176.39
Diluted	60.56	73.42	204.58	176.39
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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