



Results of Operations for the Three Months Ended June 30, 2024 - American Overseas Group Limited Announces Net Income Of \$2.3 Million For the Three Months Ended June 30, 2024.

HAMILTON, Bermuda, September 30, 2024 (BUSINESS WIRE) -- American Overseas Group Limited (NYSE: AORE.BH) (Pink Sheets: AOREF.PK) ("AOG" or the "Company") today reported consolidated net income available to common shareholders of \$2.3 million, or \$49.81 per diluted share, for the three months ended June 30, 2024. This compares to 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. Book value per weighted share at June 30, 2024 was \$873.62, an increase from the book value per weighted share of \$817.82 at June 30, 2023.

For the three months ended June 30, 2024, net earned property and casualty premiums increased \$6.2 million from \$6.5 million a year ago to \$12.7 million.

Quarter to Date fee income increased \$1.3 million from \$3.8 million to \$5.1 million and gross written premiums increased \$70.9 million, moving from \$164.3 million to \$235.2 million. Direct written premiums were positively impacted by continued expansion of new programs, rate increases, and organic growth in existing programs. Quarter to Date Loss and loss adjustment expenses as a percentage of earned premium decreased from 65.4% to 61.8%.

For the three months ended June 30, 2024, operating expenses increased \$0.3 million from \$2.8 million to \$3.1 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 June 30, 2024 and December 31, 2023
(dollars in thousands)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
<u>Assets</u>		
Investments:		
Fixed-maturity securities held as available for sale, at fair value	\$ 131,989	\$ 132,600
Cash and cash equivalents	47,302	56,854
Restricted cash	6,410	964
Accrued investment income	1,014	972
Premiums receivable	223,823	174,350
Deferred insurance premiums	264,207	219,828
Reinsurance balances receivable, net	375,672	348,930
Deferred policy acquisition costs	10,726	9,152
Intangible assets	4,800	4,800
Goodwill	33,050	33,050
Other assets	5,034	3,720
Total Assets	\$ 1,104,027	\$ 985,220
 <u>Liabilities and Equity</u>		
Liabilities:		
Loss and loss expense reserve	\$ 360,322	\$ 332,573
Deferred commission income	7,741	6,878
Unearned premiums	277,996	230,123
Ceded premium payable	229,749	183,969
Payable to general agents	11,198	10,885
Funds withheld	129,570	136,471
Accounts payable and accrued liabilities	23,123	25,725
Notes payable	20,771	20,771
Non-owned interest in VIE	300	300
Interest payable	578	578
Deferred tax liability	1,637	648
Total Liabilities	1,062,985	948,921
 Shareholders' Equity:		
Common shares	4,698	4,698
Additional paid-in capital	189,179	189,179
Accumulated other comprehensive (loss)	(3,547)	(3,454)
Retained deficit	(149,288)	(154,124)
Total Shareholders' Equity	41,042	36,299
Total Liabilities and Equity	\$ 1,104,027	\$ 985,220

See Notes to June 30, 2024 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,	
	2024	2023	2024	2023
Revenues				
Net premiums earned	\$ 12,680	\$ 6,529	\$ 23,550	\$ 12,117
Fee income	5,126	3,832	11,070	7,656
Net investment income	270	178	497	340
Net realized gains on investments	4	25	4	437
Other income	20	11	37	39
Total revenues	18,100	10,575	35,158	20,589
Expenses				
Losses and loss adjustment expenses	7,835	4,268	14,330	7,842
Acquisition expenses	3,567	1,993	7,152	3,752
Operating expenses	3,052	2,820	6,219	5,576
Interest expense	578	571	1,156	1,067
Total expenses	15,032	9,652	28,857	18,237
Pre-tax net profit	\$ 3,068	\$ 923	\$ 6,301	\$ 2,352
Income tax (expense)	(728)	-	(1,465)	-
Net profit available to common shareholders	2,340	923	4,836	2,352
Net profit per common share:				
Basic	\$ 49.81	\$ 19.65	\$ 102.94	\$ 50.07
Diluted	49.81	19.65	102.94	50.07
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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