



Results of Operations for the Three Months Ended June 30, 2026 - American Overseas Group Limited Announces Net Income Of \$1.6 Million For the Three Months Ended June 30, 2026.

HAMILTON, Bermuda, September 30, 2026 (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 \$1.6 million, or \$33.60 per diluted share, for the three months ended June 30, 2026. This compares to consolidated net income available to common shareholders of \$2.5 million, or \$53.51 per diluted share, for the three months ended June 30, 2025. Book value per weighted share at June 30, 2026 was \$1,338.04, an increase from the book value per weighted share of \$1,139.67 at June 30, 2025.

For the three months ended June 30, 2026, net earned property and casualty premiums decreased \$1.3 million from \$12.8 million a year ago to \$11.5 million.

Quarter to Date fee income decreased \$0.4 million from \$5.4 million to \$5.0 million and gross written premiums decreased \$10.0 million, moving from \$260.9 million to \$250.9 million. Quarter to Date Loss and loss adjustment expenses as a percentage of earned premium increased from 58.3% to 63.3%.

For the three months ended June 30, 2026, operating expenses increased \$0.2 million from \$3.3 million to \$3.5 million.

As part of its ongoing capital management efforts, the Company will continue to redirect excess capital within the group to debt reduction. The Company reduced the outstanding principal balance of its 12% Senior Secured Notes by \$6.5 million in the first half of 2026, reducing the balance of its 12% Notes to \$4.1 million as of June 30, 2026, and reducing total outstanding debt to a balance of \$9.4 million as of June 30, 2026. Additionally, the Company retired the remaining outstanding principal balance of its 12% Senior Secured Notes in the 3rd quarter of 2026, reducing total outstanding debt to a balance of \$5.3 million, which is comprised of its 9% Series A Senior Secured Notes. The Company expects to take additional steps towards leverage reduction, followed by returned value to shareholders unless more 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. 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 of June 30, 2026 and December 31, 2025
(dollars in thousands)

	<u>June 30, 2026</u>	<u>December 31, 2025</u>
<u>Assets</u>		
Investments:		
Fixed-maturity securities held as available for sale, at fair value	\$ 153,356	\$ 161,312
Equity investments held as available for sale, at fair value	1,053	1,041
Cash and cash equivalents	54,331	45,140
Restricted cash	1,691	843
Accrued investment income	1,163	1,135
Premiums receivable	212,973	211,993
Deferred insurance premiums	320,614	299,720
Reinsurance balances receivable, net	491,282	481,444
Deferred policy acquisition costs	9,056	9,420
Intangible assets	4,800	4,800
Goodwill	33,050	33,050
Other assets	6,545	5,373
Total Assets	<u>\$ 1,289,914</u>	<u>\$ 1,255,271</u>
<u>Liabilities and Equity</u>		
Liabilities:		
Loss and loss expense reserve	\$ 475,640	\$ 465,401
Deferred commission income	6,083	6,481
Unearned premiums	332,231	311,073
Ceded premium payable	235,087	233,727
Payable to general agents	309	459
Funds withheld	133,397	133,343
Accounts payable and accrued liabilities	30,462	26,472
Notes payable	9,360	15,833
Non-owned interest in VIE	300	300
Interest payable	119	435
Deferred tax liability	4,066	3,413
Total Liabilities	<u>1,227,054</u>	<u>1,196,937</u>
Shareholders' Equity:		
Common shares	4,698	4,698
Additional paid-in capital	189,206	189,179
Accumulated other comprehensive income (loss)	(2,292)	(1,932)
Retained deficit	(128,752)	(133,611)
Total Shareholders' Equity	<u>62,860</u>	<u>58,334</u>
Total Liabilities and Equity	<u>\$ 1,289,914</u>	<u>\$ 1,255,271</u>

See Notes to June 30, 2026 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,	
	2026	2025	2026	2025
Revenues				
Net premiums earned	\$ 11,533	\$ 12,783	\$ 23,263	\$ 26,136
Fee income	4,985	5,386	11,596	11,802
Net investment income	544	472	1,014	962
Net realized gains on investments	-	(6)	(75)	(6)
Other income	17	38	21	53
Total revenues	17,079	18,673	35,819	38,947
Expenses				
Losses and loss adjustment expenses	7,298	7,455	13,777	14,506
Acquisition expenses	3,831	4,052	7,689	8,125
Operating expenses	3,519	3,294	7,284	6,415
Interest expense	333	578	768	1,157
Total expenses	14,981	15,379	29,518	30,203
Pre-tax net profit (loss)	\$ 2,098	\$ 3,294	\$ 6,301	\$ 8,744
Income tax (expense)	(520)	(780)	(1,442)	(1,977)
Net profit (loss) available to common shareholders	1,578	2,514	4,859	6,767
 Net profit (loss) per common share:				
Basic	\$ 33.60	\$ 53.51	\$ 103.41	\$ 144.04
Diluted	33.60	53.51	103.41	144.04
 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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