



Results of Operations for the Year Ended December 31, 2025 - American Overseas Group Limited Announces Net Income Of \$10.8 Million For the Year Ended December 31, 2025.

HAMILTON, Bermuda, April 27, 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 \$10.8 million, or \$230.44 per diluted share, for the year ended December 31, 2025. This compares to consolidated net income available to common shareholders of \$9.4 million, or \$200.09 per diluted share, for the year ended December 31, 2024. Book value per weighted share at December 31, 2025 was \$1,241.71, an increase from the book value per weighted share of \$976.60 at December 31, 2024.

For the three months ended December 31, 2025, net earned property and casualty premiums decreased \$2.6 million from \$14.3 million a year ago to \$11.7 million. For the year ended December 31, 2025, net earned property and casualty premiums decreased \$1.6 million from \$51.6 million to \$50.0 million.

Quarter to Date fee income increased \$0.1 million from \$6.0 million to \$6.1 million and gross written premiums increased \$3.9 million, moving from \$226.4 million to \$230.3 million. Quarter to Date Loss and loss adjustment expenses as a percentage of earned premium decreased from 75.5% to 64.0%.

For the year ended December 31, 2025, fee income increased \$1.0 million from \$22.1 million a year ago to \$23.1 million and gross written premiums increased \$71.6 million, moving from \$914.7 million to \$986.3 million. For both the quarter and the year, direct written premiums were positively impacted by continued expansion of new programs, rate increases, and organic growth in existing programs. Year to Date Loss and loss adjustment expenses as a percentage of earned premium decreased from 64.0% to 57.7%.

For the three months ended December 31, 2025, operating expenses increased \$0.1 million from \$4.2 million to \$4.3 million. For the year ended December 31, 2025, operating expenses increased \$0.9 million from \$12.9 million to \$13.8 million.

As part of its ongoing capital management efforts, the Company will continue to redirect excess capital within the group to debt reduction. In the 4th quarter of 2025, the Company reduced the outstanding principal balance of its 12% Senior Secured Notes by \$1.3 million and year to date the Company reduced the outstanding principal of its 12% and 9% Senior Secured Notes by \$4.3 million and \$0.7 million respectively, reducing total outstanding debt from \$20.8 million to \$15.8 million as of December 31, 2025. Additionally, The Company reduced the outstanding principal balance of its 12% Senior Secured Notes by \$3.4 million in the 1st quarter of 2026, reducing total outstanding debt to a balance of \$12.4 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. 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 December 31, 2025 and December 31, 2024
(dollars in thousands)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<u>Assets</u>		
Investments:		
Fixed-maturity securities held as available for sale, at fair value	\$ 161,312	\$ 143,633
Equity investments held as available for sale, at fair value	1,041	-
Cash and cash equivalents	45,140	46,600
Restricted cash	843	4,861
Accrued investment income	1,135	1,029
Premiums receivable	211,993	211,771
Deferred insurance premiums	299,720	267,765
Reinsurance balances receivable, net	481,444	413,541
Deferred policy acquisition costs	9,420	10,215
Intangible assets	4,800	4,800
Goodwill	33,050	33,050
Other assets	5,373	3,972
Total Assets	<u>\$ 1,255,271</u>	<u>\$ 1,141,237</u>
<u>Liabilities and Equity</u>		
Liabilities:		
Loss and loss expense reserve	\$ 465,401	\$ 421,018
Deferred commission income	6,481	7,154
Unearned premiums	311,073	281,176
Ceded premium payable	233,727	209,033
Payable to general agents	459	276
Funds withheld	133,343	126,839
Accounts payable and accrued liabilities	26,472	26,256
Notes payable	15,833	20,771
Non-owned interest in VIE	300	300
Interest payable	435	578
Deferred tax liability	3,413	1,956
Total Liabilities	<u>1,196,937</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)	(1,932)	(3,561)
Retained deficit	(133,611)	(144,436)
Total Shareholders' Equity	<u>58,334</u>	<u>45,880</u>
Total Liabilities and Equity	<u>\$ 1,255,271</u>	<u>\$ 1,141,237</u>

See Notes to December 31, 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 December 31,		Twelve months ended December 31,	
	2025	2024	2025	2024
Revenues				
Net premiums earned	\$ 11,685	\$ 14,344	\$ 50,035	\$ 51,610
Fee income	6,135	5,985	23,139	22,078
Net investment income	534	483	2,039	1,401
Net realized gains on investments	(101)	-	(108)	47
Other income	19	29	136	87
Total revenues	18,272	20,841	75,241	75,223
Expenses				
Losses and loss adjustment expenses	7,483	10,827	28,878	33,035
Acquisition expenses	4,386	3,630	16,398	14,812
Operating expenses	4,340	4,234	13,817	12,910
Interest expense	467	578	2,155	2,313
Total expenses	16,676	19,269	61,248	63,070
Pre-tax net profit (loss)	\$ 1,596	\$ 1,572	\$ 13,993	\$ 12,153
Income tax (expense)	(382)	(461)	(3,168)	(2,753)
Net profit (loss) available to common shareholders	1,214	1,111	10,825	9,400
Net profit (loss) per common share:				
Basic	\$ 25.85	\$ 23.65	\$ 230.44	\$ 200.09
Diluted	25.85	23.65	230.44	200.09
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 December 31, 2025 Consolidated Financial Statements available on American Overseas Group Ltd. Website at www.aoreltd.com