Results of Operations for the Three Months Ended March 31, 2026 - American Overseas Group Limited Announces Net Income Of $3.3 Million For the Three Months Ended March 31, 2026.

HAMILTON, Bermuda, June 29, 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 $3.3 million, or $69.82 per diluted share, for the three months ended March 31, 2026. This compares to consolidated net income available to common shareholders of $4.3 million, or $90.53 per diluted share, for the three months ended March 31, 2025. Book value per weighted share at March 31, 2026 was $1,309.33, an increase from the book value per weighted share of $1,084.80 at March 31, 2025.

For the three months ended March 31, 2026, net earned property and casualty premiums decreased $1.7 million from $13.4 million a year ago to $11.7 million.

Quarter to Date fee income increased $0.2 million from $6.4 million to $6.6 million and gross written premiums increased $10.3 million, moving from $249.7 million to $260.0 million. Quarter to Date Loss and loss adjustment expenses as a percentage of earned premium increased from 52.8% to 55.2%.

For the three months ended March 31, 2026, operating expenses increased $0.7 million from $3.1 million to $3.8 million as certain contractual relationships were fully recognized and earned during the current quarter that in the previous year were earned and expensed throughout the year.

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 $3.4 million in the 1st quarter of 2026, reducing total outstanding debt to a balance of $12.4 million. Additionally, the Company reduced the outstanding principal balance of its 12% Senior Secured Notes by $3.1 million in the 2nd quarter of 2026, reducing total outstanding debt to a balance of $9.4 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

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American Overseas Group Limited

Consolidated Balance Sheets

(unaudited)

As at March 31, 2026 and December 31, 2025

(dollars in thousands)

	March 31, 2026	December 31, 2025
Assets		
Investments:		
Fixed-maturity securities held as available for sale, at fair value	$ 154,948	$ 161,312
Equity investments held as available for sale, at fair value	1,031	1,041
Cash and cash equivalents	52,800	45,140
Restricted cash	932	843
Accrued investment income	1,261	1,135
Premiums receivable	224,656	211,993
Deferred insurance premiums	319,508	299,720
Reinsurance balances receivable, net	488,019	481,444
Deferred policy acquisition costs	10,121	9,420
Intangible assets	4,800	4,800
Goodwill	33,050	33,050
Other assets	6,325	5,373
Total Assets	$ 1,297,451	$ 1,255,271
Liabilities and Equity		
Liabilities:		
Loss and loss expense reserve	$ 463,810	$ 465,401
Deferred commission income	6,985	6,481
Unearned premiums	332,020	311,073
Ceded premium payable	252,125	233,727
Payable to general agents	498	459
Funds withheld	136,262	133,343
Accounts payable and accrued liabilities	27,588	26,472
Notes payable	12,411	15,833
Non-owned interest in VIE	300	300
Interest payable	119	435
Deferred tax liability	3,821	3,413
Total Liabilities	1,235,939	1,196,937
Shareholders' Equity:		
Common shares	4,698	4,698
Additional paid-in capital	189,179	189,179
Accumulated other comprehensive income (loss)	(2,035)	(1,932)
Retained deficit	(130,330)	(133,611)
Total Shareholders' Equity	61,512	58,334
Total Liabilities and Equity	$ 1,297,451	$ 1,255,271

See Notes to March 31, 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 March 31,	
	2026	**2025**
Revenues		
Net premiums earned	$ 11,730	$ 13,353
Fee income	6,611	6,416
Net investment income	470	490
Net realized gains on investments	(75)	-
Other income	4	15
Total revenues	**18,740**	**20,274**
Expenses		
Losses and loss adjustment expenses	6,480	7,052
Acquisition expenses	3,858	4,073
Operating expenses	3,765	3,121
Interest expense	435	578
Total expenses	**14,538**	**14,824**
Pre-tax net profit (loss)	**$ 4,202**	**$ 5,450**
Income tax (expense)	(922)	(1,197)
Net profit (loss) available to common shareholders	3,280	4,253
Net profit (loss) per common share:		
Basic	$ 69.82	$ 90.53
Diluted	69.82	90.53
Weighted-average number of common shares outstanding:		
Basic	46,979	46,979
Diluted	46,979	46,979

See Notes to March 31, 2026 Consolidated Financial Statements available on American Overseas Group Ltd. Website at w w w .aoreltd.cor