

December 21, 2021

Dear Shareholder,

Our goal at the Argus Group is to continue to grow and diversify the company's earnings. We will always strive to do the right thing for our customers because when we do, we firmly believe that all our stakeholders win.

The company has delivered strong earnings and shareholders' equity growth in the first six months to September 30, 2021. It is pleasing to see this growth in value better reflected in our share price, which has trebled over the last three years.

Our operating earnings - which is a key measure of the profitability of the Group - are \$9.8 million for the period ended September 30, 2021, compared to \$10.2 million in the prior year. Since March 2018, our shareholders' equity has increased from \$105.9 million to \$157.5 million as of September 30, 2021. During this time, we have returned \$14.0 million to shareholders through dividends.

Our reported net earnings for the six months to September 2021 are \$8.1 million and total comprehensive income - which includes the growth in value of the Group's assets - is \$9.3 million.

For the six months to September 30, 2021, the combined operating ratio for the insurance businesses within the Group was a healthy 78.2 percent, which compares well with our three-year average of 79.4 percent.

Operating cash flows during the period have remained strong with a net operating cash inflow of \$6.9 million compared to net inflow of \$11.6 million over the same period last year. Our core business, which consists of all lines of business except annuities and the recently sold private placement life business, has continued to demonstrate resilience, delivering net earnings for the six months of \$10.6 million (six months to September 2020 - \$12 million) and total comprehensive income of \$9.2 million (six months to September 2020 - \$20.8 million).

Revenue for the six months to September 2021, from net insurance premiums in our core health, life and general insurance business increased \$4.7 million, or approximately 6 percent, compared to the same period last year.

The Board has declared a dividend of ten cents per share, payable on January 28, 2022, for shareholders of record on December 31, 2021.

In July we announced the Company would repurchase, at its discretion, up to 415,000 shares at market prices on the Bermuda Stock Exchange. The repurchase continues through to July 2022. As at December 15, 2021, 45,335 shares have been repurchased by the company.

The six-month earnings report can be found at [Read Our Annual Report and Financial Information | The Argus Group](#).

**Argus Group Holdings Limited**

14 Wesley Street  
Hamilton HM 11, Bermuda

TEL +1 441.298.0888 insurance@argus.bm  
FAX +1 441.292.6763 argus.bm



Finally, I thank my colleagues for their hard work, commitment and resilience during 2021 and you, our shareholder, for your continued support and loyalty.

I wish you a safe and happy holiday season.

Yours sincerely,



Alison S. Hill

Chief Executive Officer



In support of our efforts to go green please find the most recent update of our Financial Report by visiting [argus.bm/financial-reports](https://argus.bm/financial-reports)

**BY EMAIL**

Registrar@argus.bm

**BY HAND**

Argus Group Holdings Limited  
Argus Building, 14 Wesley Street  
Hamilton HM 11  
Attention: The Registrar

**BY MAIL**

Argus Group Holdings Limited  
P.O. Box HM 1064  
Hamilton HM EX  
Attention: The Registrar

**QUESTIONS? CALL 298-0888 AND ASK FOR THE REGISTRAR**

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