

## Amalgamated Casualty Insurance Company and Subsidiaries – Consolidated Balance Sheets

	June 30 2021	December 31 2020
<b>Assets</b>		
Investments and cash:		
Fixed maturity securities, at fair value (amortized cost - \$27,439,337 and \$30,162,556, at June 30, 2021 and December 31, 2020, respectively)	\$ 28,701,843	\$ 31,526,605
Redeemable preferred stock, at fair value	1,817,125	1,388,655
Perpetual preferred stock, at fair value	1,416,487	597,432
Common stock, at fair value	1,633,770	1,373,925
Other invested assets	4,443,562	3,593,207
Real estate held for the production of income, net	31,303,688	31,686,171
Cash and cash equivalents	3,482,312	4,175,424
Restricted cash	188,221	179,507
Total investments and cash:	72,987,008	74,520,926
Accrued investment income	231,688	255,494
Premium and reinsurance balances receivable	4,468,302	3,544,854
Ceded unearned premiums	138,800	124,670
Reinsurance balances recoverable on unpaid losses	877,520	1,199,729
Deferred policy acquisition costs, net	684,032	378,225
Deferred rent	1,877,734	1,690,136
Leases in place	3,214,514	3,363,631
Right-of-use asset, net	1,875,922	1,973,887
Prepaid stock offering expenses	1,698,240	710,093
Other assets	295,083	531,001
<b>Total assets</b>	<b>\$ 88,348,843</b>	<b>\$ 88,292,646</b>
<b>Liabilities and Equity</b>		
Liabilities:		
Unpaid losses and loss adjustment expenses	\$ 8,079,274	\$ 9,860,762
Unearned premium	3,764,896	3,303,740
Reinsurance balances payable	(24,802)	4,189
Accrued expenses	768,517	686,128
Commissions payable to related party	900,727	646,536
Income taxes - deferred	-	-
Notes payable	27,777,888	28,019,224
Defined benefit plan unfunded liability	456,778	444,047
Related party loan	399,347	-
Operating lease liability, net	2,750,286	2,828,529
Other liabilities	255,253	305,191
<b>Total liabilities</b>	45,128,164	46,098,346
Equity:		
Accumulated other comprehensive income (loss), net of tax	(303,218)	(184,142)
Policyholder equity	42,794,465	41,631,652
Non-controlling interest	729,431	746,790
<b>Total equity</b>	43,220,678	42,194,300
<b>Total liabilities and equity</b>	<b>\$ 88,348,842</b>	<b>\$ 88,292,646</b>

## Amalgamated Casualty Insurance Company and Subsidiaries – Consolidated Statements of Operations

	June 30 2021	December 31 2020
<b>Revenues</b>		
Net premiums earned	\$ 3,614,306	\$ 8,133,452
Income from real estate held for investment	1,054,955	2,064,497
Net investment income	593,087	1,446,781
Net realized investment losses	(88,297)	(14,820)
Net unrealized gains on equity securities	1,172,083	814,191
Service fee income	71,330	66,656
Gain on extinguishment of related party loan	-	400,306
Other income	837	1,580
Total revenues	6,418,301	12,912,643
<b>Expenses</b>		
Losses and loss adjustment expenses	1,442,086	2,683,939
Policy acquisition costs and other operating expenses	1,614,101	2,334,896
Related party commissions incurred	773,803	1,094,089
Depreciation and amortization	541,648	1,110,597
Real estate operating expense	92,470	141,796
Interest expense on debt	656,958	1,314,108
Lease expense	153,950	307,900
Sublease income	(23,569)	(47,138)
Other expenses	(10,253)	285,422
Total expenses	5,241,194	9,225,609
Income (loss) before income taxes	1,177,107	3,687,034
Income tax benefit		
Deferred income tax benefit	31,653	(145,765)
Total income tax benefit	31,653	(145,765)
Net gain (loss)	1,145,454	3,832,799
Net loss attributable to non-controlling interest	17,359	37,181
Net gain (loss) attributable to Amalgamated	1,162,813	3,869,980
Other comprehensive income (loss), net of tax		
Unrealized gains and losses on investments:		
Unrealized holding gains on AFS securities arising during the period, net of income tax expense of \$13,111 and \$100,520, respectively	(64,630)	339,768
Reclassification adjustment for losses (gains) included in net income, net of income tax (benefit) expense of (\$18,542) and (\$5,101), respectively	69,755	19,190
Defined benefit plan, net of income tax expense (benefit) of (\$33,016) and \$50,345, respectively	(124,201)	189,395
Total other comprehensive income	(119,076)	548,353
Comprehensive income	\$ 1,026,378	\$ 4,381,152

## Amalgamated Casualty Insurance Company and Subsidiaries – Consolidated Statements of Equity

	Policyholder equity	Accumulated other comprehensive income (loss)	Non-controlling interest	Total equity
<b>Balance January 1, 2020</b>	\$ 37,761,672	\$ (732,495)	\$ 783,971	\$ 37,813,148
Net gain (loss) attributable to Amalgamated	3,869,980	-	-	3,869,980
Unrealized holding gains on AFS securities arising during the period, net	-	339,768	-	339,768
Reclassification adjustment for losses (gains) included in net income	-	19,190	-	19,190
Defined benefit plan, net of income tax expense (benefit)	-	189,395	-	189,395
Net loss attributable to non-controlling interest	-	-	(37,181)	(37,181)
<b>Balance December 31, 2020</b>	<u>41,631,652</u>	<u>(184,142)</u>	<u>746,790</u>	<u>42,194,300</u>
Net gain (loss) attributable to Amalgamated	1,162,813	-	-	1,162,813
Unrealized holding gains on AFS securities arising during the period, net	-	(64,630)	-	(64,630)
Reclassification adjustment for losses (gains) included in net income	-	69,755	-	69,755
Defined benefit plan, net of income tax expense (benefit)	-	(124,201)	-	(124,201)
Net loss attributable to non-controlling interest	-	-	(17,359)	(17,359)
<b>Balance June 30, 2021</b>	<u>\$ 42,794,465</u>	<u>\$ (303,218)</u>	<u>\$ 729,431</u>	<u>\$ 43,220,678</u>