

Dear Shareholder,

AMALGAMATION BETWEEN ARGUS AND BF&M

Your Board of Directors announced this morning that it has signed a definitive amalgamation agreement, pursuant to which BF&M and Argus will combine in an all-stock transaction ("the Amalgamation"). The Amalgamation is subject to both regulatory and Argus shareholder approvals. Subject to these approvals, the Amalgamation is expected to complete in the fourth quarter of 2024. You can find the full announcement here: argus.bm/forwardtogether.

Following completion of the Amalgamation, BF&M shareholders will own 60% and Argus shareholders 40% of the combined group. To achieve these ownership proportions, you will receive 0.251 shares of BF&M common stock for each Argus share that you hold, your Argus shares will be cancelled and will no longer be listed on the Bermuda Stock Exchange.

At completion, both the Board and leadership team will be drawn from both companies. Abigail Clifford, CEO of BF&M, will be Chief Executive Officer of the combined group. Peter Dunkerley, CFO and Deputy CEO of Argus will become Chief Financial Officer. In due course following completion, the enlarged company will be renamed.

The combined company's Board will consist of 10 directors: six current BF&M directors (Abigail Clifford, Anthony Joaquin, Conor O'Dea, Gordon Henderson, Andrew Lo and Paul Markey) and four current Argus directors (David Brown, Barclay Simmons, Costas Miranthis and Kim Wilkerson). Anthony Joaquin will serve as Chairman of the combined group.

The Board unanimously approved the amalgamation agreement, which will bring together two Bermudian insurers with complementary expertise, product lines and geographic footprints. I believe that the transaction represents a compelling opportunity to create a stronger, more efficient and more diversified group. The increased scale of the combined group will support ongoing investment in best-in-class products and services, accelerate our growth plans, and bring greater buying power in the context of ongoing inflationary headwinds. In particular, greater scale in healthcare will help mitigate rapidly rising costs in Bermuda, and support the delivery of high quality care to the island communities we serve.

Further, so far as shareholders are concerned, I believe that bringing together these two historic Bermudian businesses will deliver improved shareholder returns, an important component of which will continue to be the dividend.

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IMPORTANT INFORMATION FOR SHAREHOLDERS

At this stage there is no need for you to take any action. The transaction will only complete once the relevant conditions, including the approvals of applicable regulators and Argus shareholders, are in place.

Until completion, both Argus and BF&M will continue to operate as two separate entities; you will continue to be eligible to receive dividends; and you also will be able to trade your existing Argus shares in the usual way.

As a shareholder you are eligible to vote on the proposed amalgamation and a shareholder meeting will be held in due course. Following completion, the BF&M shares received by Argus shareholders for their Argus shares will be tradeable on the BSX and will rank pari-passu with other BF&M shares. Once the enlarged company has been renamed, this will result in a new stock identifier symbol on the BSX.

Further announcements and communications will be made in due course. In the meantime, if you have any specific questions, please email us at registrar@argus.bm.

With best wishes,



David Brown
Chairman of Argus Group Holdings Limited

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