

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): September 8, 2022

Argo Group International Holdings, Ltd.
(Exact Name of Registrant as Specified in Charter)

Bermuda
(State or other jurisdiction
of incorporation)

001-15259
(Commission
File Number)

98-0214719
(I.R.S. Employer
Identification No.)

**90 Pitts Bay Road
Pembroke HM 08
Bermuda**
(Address, Including Zip Code,
of Principal Executive Offices)

**P.O. Box HM 1282
Hamilton HM FX
Bermuda**
(Mailing Address)

Registrant's telephone number, including area code: (441) 296-5858

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value of \$1.00 per share	ARGO	New York Stock Exchange
6.500% Senior Notes due 2042 issued by Argo Group U.S., Inc. and the Guarantee with respect thereto	ARGD	New York Stock Exchange
Depository Shares, Each Representing a 1/1,000th Interest in a 7.00% Resetable Fixed Rate Preference Share, Series A, Par Value \$1.00 Per Share	ARGOPrA	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or

revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01. Regulation FD Disclosure

On September 8, 2022, Argo Group International Holdings, Ltd. (the “Company”) issued a press release providing an update regarding its ongoing review of strategic alternatives, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The Company also released a presentation (the “Investor Presentation”), a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference. The Company expects to use the Investor Presentation from time to time in connection with presentations to potential investors, industry analysts and others. The Investor Presentation and related comments from the Company’s Executive Chairman and Chief Executive Officer are available under the “Investors” tab of the Company’s website located at www.argolimited.com. The content of any website referenced or hyperlinked in this Current Report on Form 8-K is neither incorporated into, nor part of, this Current Report on Form 8-K.

By filing this Current Report on Form 8-K and furnishing the information in this Item 7.01, the Company makes no admission as to the materiality of any information in the Investor Presentation that is required to be disclosed solely by reason of Regulation FD.

The information contained in the Investor Presentation is summary information that is intended to be considered in the context of the Company’s Securities and Exchange Commission (“SEC”) filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in the Investor Presentation, although it may do so from time to time as its management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

No.	Exhibit
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99.1	Press Release issued by Argo Group International Holdings, Ltd. dated September 8, 2022.
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99.2	Investor Presentation dated September 8, 2022.
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104	Cover Page Interactive Data File (embedded within the Inline XBRL document)
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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: **September 8, 2022**

ARGO GROUP INTERNATIONAL HOLDINGS, LTD.

By: /s/ Scott Kirk

Name: Scott Kirk

Title: Chief Financial Officer

Argo Group Executes on Strategic Review Opportunities

- **The board of directors continues to actively explore strategic alternatives to maximize shareholder value.**
- **Sale of Lloyd's Syndicate will position Argo as U.S.-focused specialty insurer:** The transaction will result in a simplified corporate structure, drive greater efficiencies with increased focus on core U.S. businesses, and provide more flexibility as the board continues to evaluate strategic alternatives.
- **Loss Portfolio Transfer (LPT) is expected to reduce earnings volatility and improve Argo's regulatory capital position:** LPT will cover a majority of Argo's U.S. Casualty insurance reserves, including construction, for accident years 2011 through 2019.

HAMILTON, Bermuda – September 8, 2022 – Argo Group International Holdings, Ltd. (NYSE: ARGO) (“Argo” or “the company”) today published an investor presentation (<https://www.argolimited.com/investors/argo-group-strategic-update/>) providing an update regarding its ongoing review of strategic alternatives. The presentation also provides additional details on Argo's recently announced transactions with Westfield and Enstar Group Limited (NASDAQ: ESGR) (“Enstar”).

“Argo's inherent value as a pure-play, U.S. underwriter of specialty insurance has never been more evident than today,” said Tom Bradley, Argo's executive chairman and chief executive officer. “Our board is confident in the simplified corporate structure and strong fundamentals of our core U.S. specialty businesses following our recently announced transactions with Westfield and Enstar. As we look ahead, we continue to consider a range of options to maximize shareholder value through the ongoing strategic review process.”

As previously announced on September 8, 2022, Argo has entered into a definitive agreement for the sale of Argo Underwriting Agency Limited and its Lloyd's Syndicate 1200 to Westfield for total cash proceeds of approximately \$125 million or 1.16x price to tangible book value or 0.81x price to book value as of first quarter 2022, subject to closing-related adjustments. The sale of Argo's Lloyd's business is subject to customary closing conditions and regulatory approvals and is expected to close in the first half of 2023.

The announcement with Westfield follows Argo's entry into a Loss Portfolio Transfer (LPT) transaction with Enstar on August 8, 2022. Pursuant to the LPT, a wholly owned subsidiary of Enstar will reinsure the majority of Argo's direct U.S. Casualty insurance reserves from accident years 2011 through 2019. The LPT transaction is expected to improve Argo's regulatory capital position and provide protection against reserve volatility. The closing of the LPT transaction with Enstar is subject to regulatory approval and other customary closing conditions and is expected to be completed in the second half of 2022.

As previously announced on April 28, 2022, the company's board of directors initiated an exploration of strategic alternatives to be overseen by the board's Strategic Review Committee. The board recently appointed J. Daniel Plants to serve as chairperson of the committee.

“As I stated upon joining the board last month, I fully support the exploration of strategic alternatives to maximize value for all Argo shareholders,” said Plants. “The recently announced sale of Syndicate 1200 is another positive step forward in that process and was taken with an eye toward its positive impact in broadening the range of additional strategic options available to the company. As such, Argo's comprehensive review of strategic alternatives is ongoing, and I appreciate the trust and confidence of my board colleagues in appointing me to chair the Strategic Review Committee.”

The recently announced transactions with Westfield and Enstar are a result of this ongoing strategic review process. The board is continuing its exploration of strategic alternatives, including, among other things, a potential sale, merger or additional strategic transactions. Goldman Sachs and Skadden Arps are advising the board in its review of strategic alternatives.

ABOUT ARGO GROUP INTERNATIONAL HOLDINGS, LTD.

Argo Group International Holdings, Ltd. (NYSE: ARGO) is a U.S. focused underwriter of specialty insurance products in the property and casualty market. Argo offers a full line of products and services designed to meet the unique coverage and claims-handling needs of businesses in two primary segments: U.S. Operations and International Operations. Argo and its insurance subsidiaries are rated A- by Standard and Poor's. Argo's insurance subsidiaries are rated A- by A.M. Best. More information on Argo and its subsidiaries is available at www.argogroup.com.

FORWARD-LOOKING STATEMENTS

This press release and any related oral statements may include forward-looking statements that reflect our current views with respect to future events and financial performance. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as "positioning," "expect," "intend," "plan," "believe," "do not believe," "aim," "project," "anticipate," "seek," "will," "likely," "assume," "estimate," "may," "continue," "create," "maximize," "guidance," "objective," "outcome," remain optimistic," "outlook," "trends," "future," "could," "would," "should," "target," "on track," "simplifies" and similar expressions of a future or forward-looking nature. Such statements are subject to certain risks and uncertainties that could cause actual events or results to differ materially. For a more detailed discussion of such risks and uncertainties, see Item 1A, "Risk Factors" in Argo's Annual Report on Form 10-K and Form 10-K/A for the fiscal year ended December 31, 2021, as supplemented in Argo's subsequent Quarterly Reports on Form 10-Q, and in other filings with the U.S. Securities and Exchange Commission. The inclusion of a forward-looking statement herein should not be regarded as a representation by Argo that Argo's objectives will be achieved. Argo undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any such statements. Each of the proposed transactions referenced in this press release is subject to risks and uncertainties, including, but not limited to, that the proposed transactions may be unable to be completed because of the failure to obtain required regulatory approvals or satisfy (or obtain waivers of) the closing conditions and uncertainty as to the timing of completion of the proposed transactions.

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September 8, 2022

ARGO GROUP

Strategic Update

Forward-Looking Statements

This presentation and any related oral statements may include forward-looking statements, both with respect to Argo Group International Holdings, Ltd. ("Argo Group", "we", or "our") and its industry, that reflect our current views with respect to future events and financial performance. Forward-looking statements include all statements that do not relate solely to historical or current facts, and can be identified by the use of words such as "expect," "intend," "plan," "believe," "do not believe," "aim," "project," "anticipate," "seek," "will," "likely," "assume," "estimate," "may," "continue," "guidance," "objective," "vision," "strategy," "positioned," "remain optimistic," "path toward," "outlook," "trends," "future," "could," "would," "should," "target," "on track" and similar expressions of a future or forward-looking nature.

There can be no assurance that actual developments will be those anticipated by Argo Group. Actual results may differ materially as a result of significant risks and uncertainties including but not limited to the continuing impact of the novel coronavirus pandemic and related economic matters; changes in the pricing environment including those due to the cyclical nature of the insurance industry; increased competition; the adequacy of our projected loss reserves including development of claims that varies from that which was expected when loss reserves were established, adverse legal rulings which may impact the liability under insurance contracts beyond that which was anticipated when the reserves were established, development of new theories related to coverage which may increase liabilities under insurance contracts beyond that which were anticipated when the loss reserves were established, and reinsurance coverage being other than what was anticipated when the loss reserves were established; changes in tax regulations or laws applicable to us, our subsidiaries, brokers or customers; state, federal and foreign regulations that may impede our ability to charge adequate rates and efficiently allocate capital; changes in insurance regulations in the U.S. or other jurisdictions in which we operate; actions by our competitors, many of which are larger or have greater financial resources than we do; the inability to retain key personnel; natural and/or man-made disasters, including terrorist acts; impact of global climate change; changes in the availability, cost or quality of reinsurance or retrocessional coverage; the inability to collect reinsurance recoverables; a downgrade in our financial strength ratings; changes in general economic and/or industry specific conditions, including inflation or deflation, foreign currency exchange rates, interest rates, and other similar factors; changes in the financial markets that impact investment income and the fair market values of our investments; changes in asset valuations; failure to execute information technology strategies; exposure to an information security breach; failure of outsourced service providers; failure to execute on expense targets; inability to successfully execute our business plan, divestitures, mergers or acquisitions; and costs associated with shareholder activism. Each of the proposed transactions referenced in this presentation is subject to risks and uncertainties, including, but not limited to, that the proposed transactions may be unable to be completed because of the failure to obtain required regulatory approvals or satisfy (or obtain waivers of) the closing conditions and uncertainty as to the timing of completion of the proposed transactions.

For a more detailed discussion of such risks and uncertainties, see Item 1A, "Risk Factors" in Argo Group's Annual Report on Form 10-K and Form 10-K/A for the fiscal year ended December 31, 2021, as supplemented in Part II, Item 1A, "Risk Factors" of Argo Group's subsequent Quarterly Reports on Form 10-Q and in other filings with the Securities and Exchange Commission. The inclusion of a forward-looking statement herein should not be regarded as a representation by Argo Group that Argo Group's objectives will be achieved. Argo Group undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You should not place undue reliance on any such statements.

Use of Non-GAAP Financial Information

In presenting the Company's results, management has included and discussed in this presentation certain non-generally accepted accounting principles ("non-GAAP") financial measures within the meaning of Regulation G as promulgated by the SEC. Management believes that these non-GAAP measures, which may be defined differently by other companies, better explain the Company's results of operations in a manner that allows for a more complete understanding of the underlying trends in the Company's business. However, these measures should not be viewed as a substitute for those determined in accordance with generally accepted accounting principles ("U.S. GAAP").

For additional information, please see Argo Group's Current Report on Form 8-K issued on August 8, 2022, which is available on the SEC's website and also at <http://www.argolimited.com>.

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1. Executive Summary

Transformative Business Strategy Driving Positive Results

Argo will be a pure play U.S. specialty business, having executed 10+ significant actions to simplify its business model, strengthen/de-risk its balance sheet and re-underwrite and drive efficiencies in its core businesses

Actions Taken over Past Two Years:

1 Simplified portfolio

Announced 10 business exits (2 remaining operating platforms)

2 Announced two major risk transfer actions

\$954mm¹ net reserves transferred

3 Re-underwritten core U.S. specialty business

Average² combined ratio for ongoing business of 93.0%

4 Significantly reduced costs

~280bps reduction in expense ratio³

Argo Today:

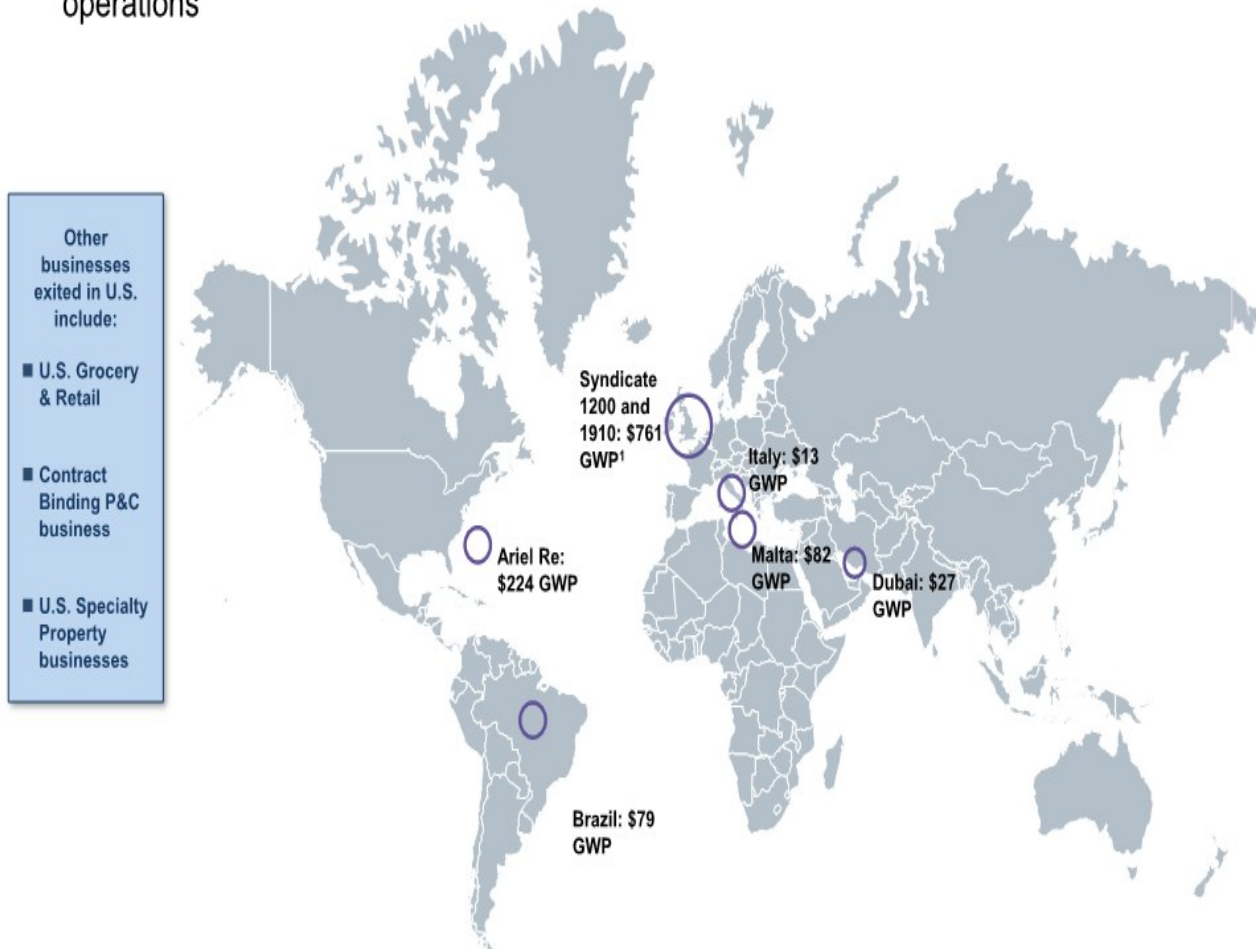
- \$2+bn premium pure play U.S. specialty business
- Strong capital position and on-going business portfolio
- Reduced earnings volatility
- Strengthened balance sheet

Leadership and the Board are fully committed to maximizing shareholder value and are currently reviewing all strategic alternatives

¹ At the inception of the contracts. ² Past 3 years. ³ From 2019 to H1 2022.

1 Completed Significant Business Divestitures to Focus on more Profitable Lines

Announced 10 significant divestitures to exit international businesses including Italy, Brazil and Malta businesses, as well as announced the sale of its Lloyd's syndicate operations



Note: \$ shown in millions. Gross written premiums shown are FY 2021 for Brazil, Syndicate 1200, and Dubai and are FY 2020 for Ariel Re, Italy, and Malta. ¹ Excludes Syndicate 1910.

2 Announced U.S. LPT Transaction to Reduce Earnings Volatility and Improve Regulatory Capital Position

On August 8, 2022, Argo announced a Loss Portfolio Transfer (“LPT”) transaction with Enstar, effective January 1, 2022, covering a majority of the company’s U.S. Casualty insurance reserves, including construction, for accident years 2011 through 2019

Key Terms

- \$746mm net reserves transferred at inception
- Additional \$275mm of cover in excess of \$821mm
- Argo retains loss corridor of \$75mm above the \$746mm of reserves

Outcome

- Improved regulatory capital position
- Provides protection against reserve volatility for years 2011 - 2019
- Re-underwrote exposure to the business
 - Exposure to 2020 and 2021 remains with favorable current accident year performances

Note: Closing of the transaction is subject to regulatory approval and other customary closing conditions and is expected to be completed in the second half of 2022.

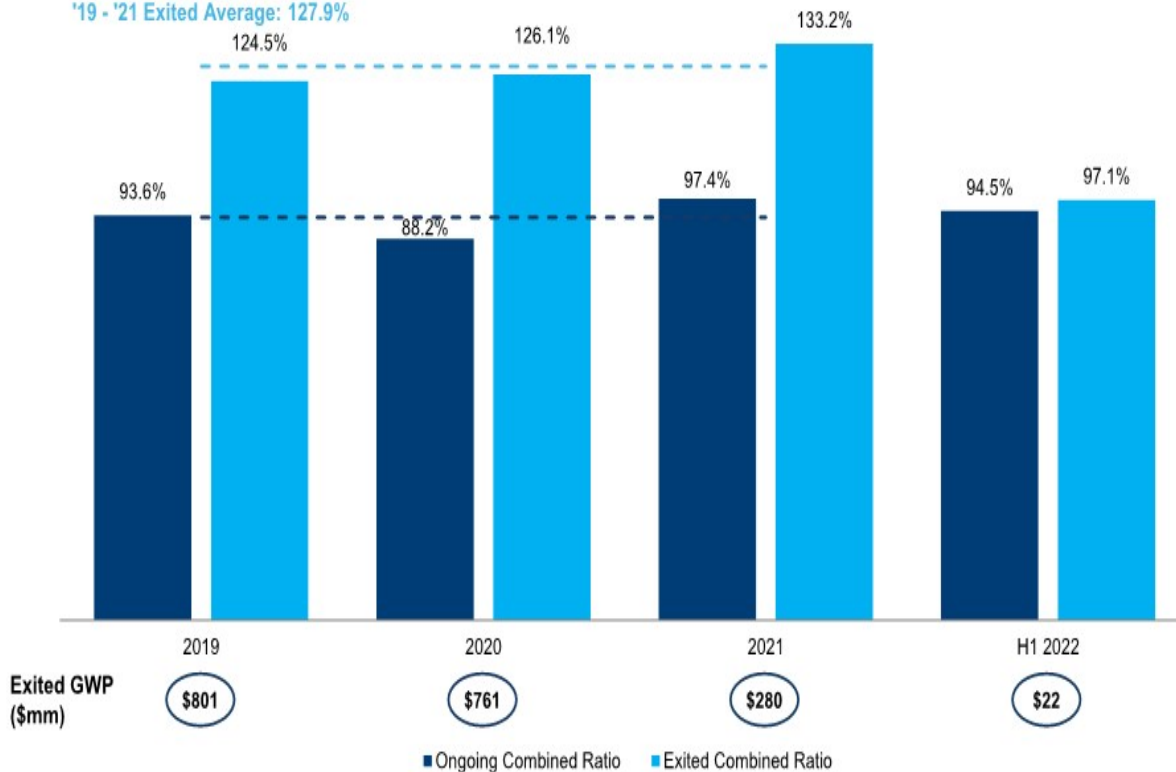
3 Completed Re-underwriting Actions

Re-underwriting actions focused on on-going profitable business

Argo Ongoing vs. Exited Combined Ratio¹

'19 - '21 Ongoing Average: 93.0%

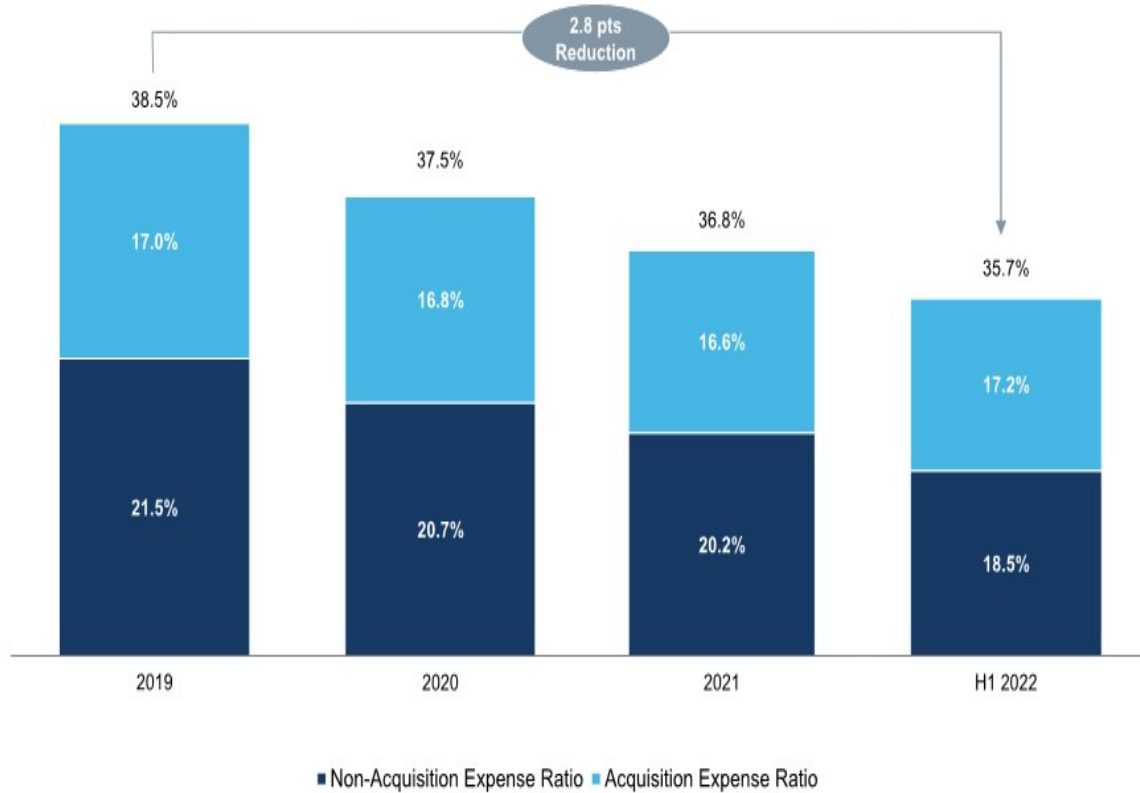
'19 - '21 Exited Average: 127.9%



¹ Ongoing includes ongoing U.S. plus Bermuda and exited includes exited U.S. (U.S. Specialty Property, Contract Binding, Argo Insurance), Brazil, Europe and Reinsurance. Syndicate 1200 and Run-Off Lines are not reflected in either ongoing or exited business.

4 Successfully Reduced Expense Ratio by Nearly 3 Points

Expense Ratio





2. Argo Profile

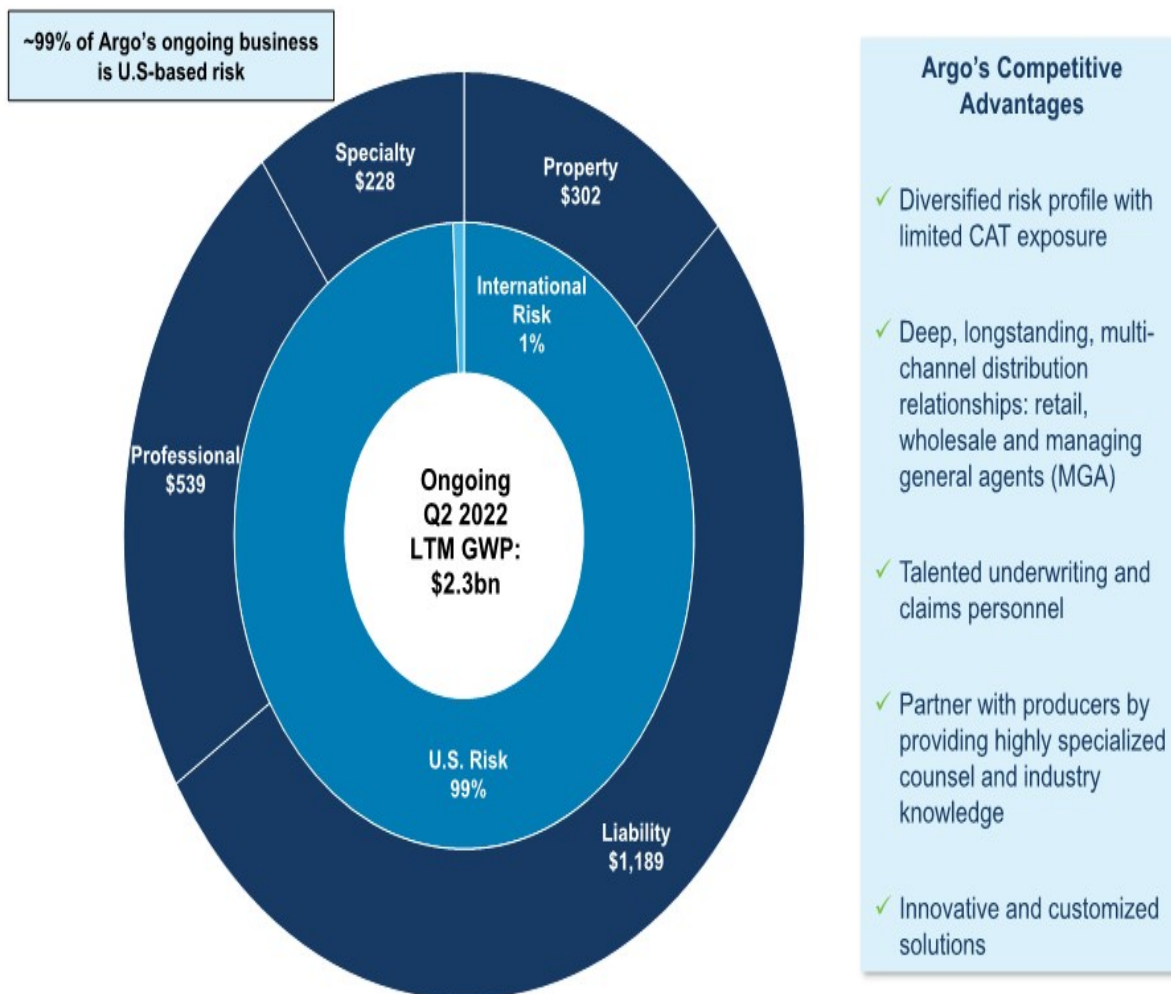
Argo Key Highlights

Following completion of these transactions, Argo will be a pure play U.S. specialty business with solid fundamentals focused on underwriting expertise and strong growth momentum

- 1 Diversified specialty insurer operating in profitable business segments
- 2 Pure play U.S. focused risk / underwriting
- 3 Strong growth momentum in on-going businesses
- 4 Business repositioning is substantially complete with reduced risk exposures
- 5 Strong balance sheet and capital position

1 2

Pure Play U.S. Specialty Insurer Operating in Profitable Business Segments



\$ in millions.

3 Strong Growth Momentum in On-going Businesses

Argo has optimized its portfolio to focus on profitable and scalable businesses

Selected Business Lines

Six different P&L underwriting units
with strong business leaders

ARGO PRO

SURETY

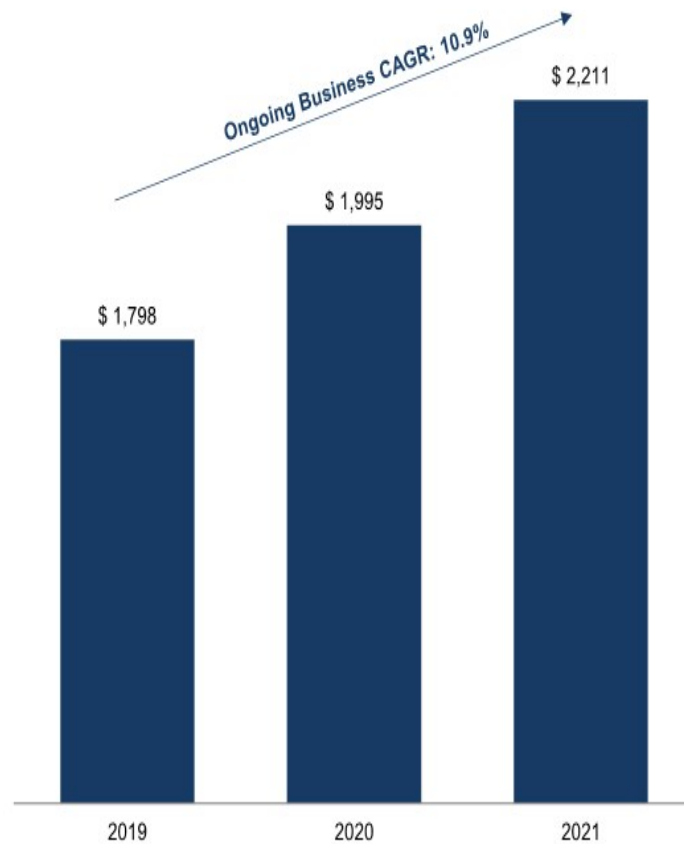
CASUALTY

ENVIRONMENTAL

INLAND MARINE

CONSTRUCTION

Ongoing GWP

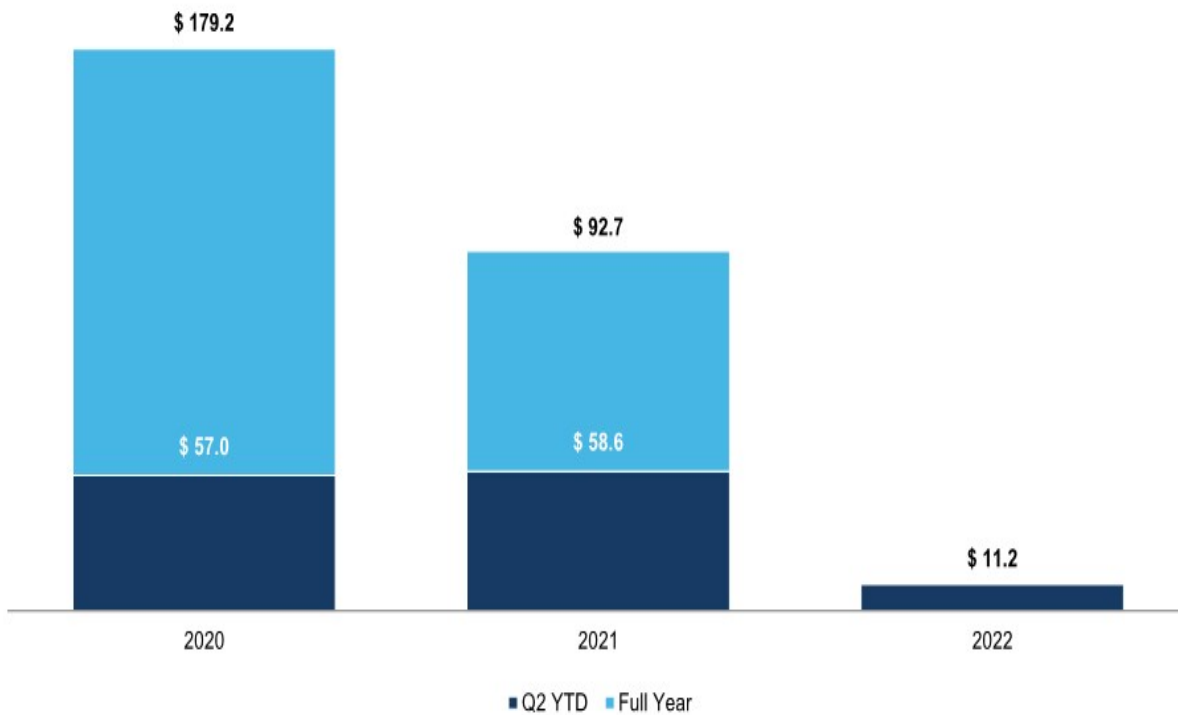


\$ in millions.

4 Business Repositioning is Substantially Complete with Reduced Risk Exposures

Argo has significantly reduced CAT exposure and liability exposure through strategic business exits

Reduction in Catastrophe Losses



\$ in millions.

5 Strong Balance Sheet and Capital Position

~\$3.9bn

*Pro Forma Q2 2022 Invested
Assets¹*

~\$33.80 / ~\$41.10

*Pro Forma Q2 2022 BVPS (inc. /
ex. AOCI)¹*

70%+

*Pro Forma YE2021 US Loss
Reserves Attributable to
2020/2021 Current Accident Year²*

- **Sale of Lloyd's business** Provides enhanced capital position from transaction proceeds and capital release
- **LPT Transaction with Enstar** provides protection against reserve volatility and provides Argo with additional capital flexibility
- **Ratings for AM Best and S&P** are of A- / A- respectively for Argo
- **60%+ reduction** in 1 in 250 year probable maximum loss (PML) in property businesses since 2018

¹ Pro forma for sale of Lloyd's business and loss portfolio transfer. ² Pro forma for loss portfolio transfer.



3. Overview of Syndicate 1200 Transaction

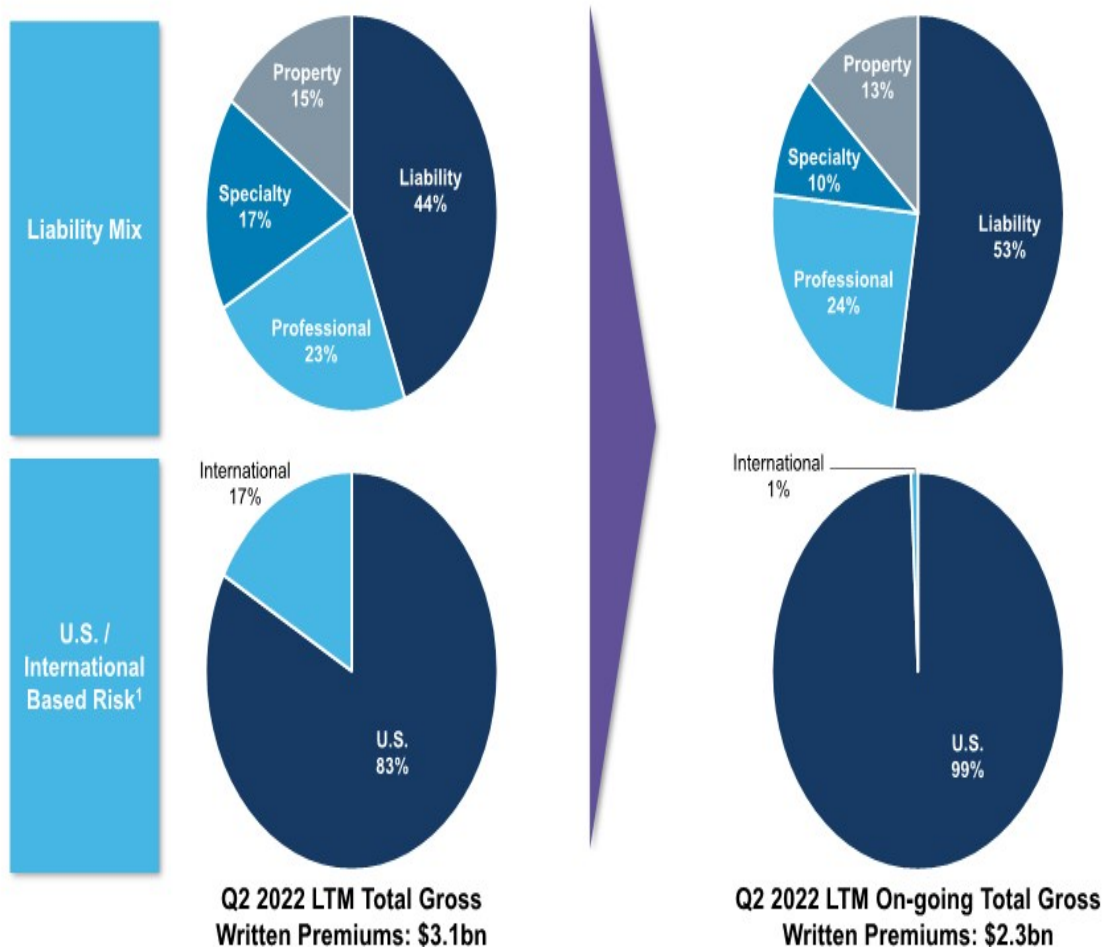
Sale of Argo's Lloyd's Business

Transaction Summary	<ul style="list-style-type: none">■ On September 8, 2022, Argo entered into a definitive agreement for the sale of Argo Underwriting Agency Limited (including each of its subsidiaries), which incorporates Argo's Lloyd's Syndicate 1200 business to Westfield■ Westfield is a U.S.-based mutual insurance company focused on personal and commercial lines■ Transaction strengthens Argo's financial position, simplifies corporate structure and drives greater efficiencies by facilitating increased focus on on-going business lines
Purchase Price and Multiples	<ul style="list-style-type: none">■ Total purchase price of \$125mm¹■ Westfield to replace Funds at Lloyd's, including the FAL supported by Argo Re Ltd. of \$136.9mm■ Implied transaction multiples: P/TBV of 1.16x or P/BV of 0.81x as of Q1 2022¹
Timing for Closing	<ul style="list-style-type: none">■ Expected to close in the first half of 2023■ Subject to customary closing conditions and regulatory approvals, including Lloyd's of London, UK Prudential Regulation Authority and UK Financial Conduct Authority

¹ Purchase price will vary up / down based on tangible book value at closing relative to the \$107mm level. Excludes transaction related costs.

Post-Sale Pro Forma Business Mix

Sale of Syndicate 1200 achieves Argo's transformation into a pure play U.S. specialty insurer



¹ Pre-transaction U.S. / International based risk based on YE 2021.



4. Overview of LPT Transaction

U.S. Loss Portfolio Transfer Key Terms

Key Points

Accelerates Argo's Derisking Plans	<ul style="list-style-type: none"> ■ Enstar will reinsure a number of Argo's direct U.S. casualty insurance portfolios, including construction, relating to the accident years 2011 to 2019 ■ Provides protection against reserve volatility and provides Argo with additional regulatory capital flexibility ■ Allows Argo to remain focused on pursuing profitable growth as a U.S. specialty insurer with leading positions in specialty markets
Transaction Structure	<ul style="list-style-type: none"> ■ Enstar's subsidiary will provide ground up cover of \$746 million of U.S. Casualty reserves at inception <ul style="list-style-type: none"> — Additional \$275 million of cover in excess of \$821 million — Policy limit of \$1.1 billion — Argo retains a loss corridor of \$75 million above the \$746 million of reserves ■ Argo anticipates recognizing an after-tax charge for approximately \$100 million in connection with this transaction in the third quarter of 2022
Timing	<ul style="list-style-type: none"> ■ Closing of the transaction is subject to regulatory approval and other customary closing conditions and is expected to be completed in the second half of 2022



5. Update on Strategic Alternatives Process

Continued Focus on Exploring Strategic Alternatives and Maximizing Shareholder Value

- Initiated on April 28, 2022, Argo's exploration of strategic alternatives has progressed significantly under the Board's Strategic Review Committee
 - Executed on strategic transactions with Westfield and Enstar
 - Transactions have simplified corporate structure, enhanced fundamentals of Argo's core U.S. specialty businesses, strengthened capital and reduced reserve volatility
 - J. Daniel Plants, Chief Investment Officer of Voce Capital Management LLC and Argo's largest active shareholder, appointed as independent member of the Company's board of directors and Chairperson of the Strategic Review Committee
 - Board continues to be advised by leading financial and legal advisors, Goldman Sachs and Skadden Arps

Board continues to actively consider a range of options for Argo, including, among other things, a potential sale, merger or additional strategic transactions

Key Takeaways

Argo will be a **pure play** U.S. specialty business, having executed 10+ significant actions to **simplify** its business model, strengthen/de-risk its balance sheet and re-underwrite and drive efficiencies in its core businesses

The Board continues to review all strategic alternatives, including a potential sale or merger of the company, to **maximize shareholder value**