

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 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): March 23, 2023

**ALTISOURCE ASSET MANAGEMENT CORPORATION**  
(Exact name of Registrant as specified in its charter)

**U.S. Virgin Islands**  
(State or other jurisdiction of incorporation or organization)

**001-36063**  
(Commission File Number)

**66-0783125**  
(I.R.S. Employer Identification No.)

**5100 Tamarind Reef**  
**Christiansted, U.S. Virgin Islands 00820**  
(Address of principal executive offices including zip code)

**(704) 275-9113**  
(Registrant's telephone number, including area code)

**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 communications 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 communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered or to be 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 \$0.01 per share	AAMC	NYSE American

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

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 2.02 Results of Operations and Financial Condition**

On March 23, 2023, Altisource Asset Management Corporation (“AAMC”) issued a press release announcing its financial results for the quarter and year ended December 31, 2022. A copy of the press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02, including the information in Exhibit 99.1, is furnished solely pursuant to Item 2.02 of this Form 8-K. Consequently, it is not deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that Section. It may only be incorporated by reference in another filing under the Securities Exchange Act of 1934 or Securities Act of 1933 if such subsequent filing specifically references this Item 2.02 of this Form 8-K.

**Item 7.01 Regulation FD Disclosure**

On March 23, 2023, at 8:30 a.m. (EDT), the Company will hold a conference call to discuss the firm’s business plan and outlook. A copy of the presentation for the conference call is attached as Exhibit 99.2 to this Report on Form 8-K.

Exhibit 99.2 is being furnished pursuant to Item 7.01 of Form 8-K and the information included therein shall not be deemed “filed” for purposes of Section 18 of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the U.S. Securities Act of 1933, as amended, or the Exchange Act.

**Item 9.01 Financial Statements and Exhibits.****(d) Exhibits.**

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">99.1</a>	Press Release of Altisource Asset Management Corporation, dated March 23, 2023.
<a href="#">99.2</a>	Investor Presentation of Altisource Asset Management Corporation, March 23, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

March 23, 2023

By: /s/ Stephen Ramiro Krallman  
Stephen Ramiro Krallman  
Chief Financial Officer

**FOR IMMEDIATE RELEASE****FOR FURTHER INFORMATION CONTACT:**

Investor Relations  
T: +1-704-275-9113  
E: IR@AltisourceAMC.com

**Altisource Asset Management Corporation Reports Fourth Quarter and Full Year 2022 Results**

CHRISTIANSTED, U.S. Virgin Islands, March 23, 2023 (BUSINESS WIRE)- Altisource Asset Management Corporation (“AAMC” or the “Company”) (NYSE American: AAMC) today announced financial and operating results for the fourth quarter and full year of 2022.

**Fourth Quarter 2022 Highlights and Recent Developments**

- Entered into forward contracts to sell alternative credit products to two of the US's largest institutional counterparties that manage insurance and credit money assets on January 31, 2023. The organizations have over \$50 billion and \$15 billion in assets under management.
- Earned \$2.5 million from loan interest and fee income during the fourth quarter of 2022.
- As of December 31, 2022, AAMC's cash position was \$12.8 million, which is net of the \$94.7 million at quarter end for loans held for sale and investment at fair value.
- The Company entered into a \$50 million line of credit agreement with NexBank.
- Announced that Danya Sawyer joined the Company as Chief Operating Officer of the Alternative Lending Group (“ALG”) on February 1, 2023.

“Q4 and year to date, we’ve expanded our access to permanent capital, formed key distribution partnerships and bolstered our leadership team,” said Jason Kopcak, Chief Executive Officer “Now with the team, process and distribution partners in place, we look forward to ramping up our originations, to meet growing demand in the multi-trillion-dollar private credit market.”

**Fourth Quarter and Full Year 2022 GAAP Financial Results**

AAMC's net loss to common shareholders for the fourth quarter of 2022 was \$(4.1) million compared to net loss of \$(8.4) million for the same period in 2021. The loss per share was \$(2.31) for the quarter, compared to \$(4.09) for the same period in 2021.

AAMC's net loss to common shareholders for the year ended December 31, 2022 was \$(15.9) million compared to net loss of \$(6.0) million for the same period in 2021. Due to a \$5.1 million gain on settlement of preferred shares in 2022, which was recorded directly to equity, but is included in the numerator for our earnings per share calculations; diluted earnings per share were \$(5.64) for the year ended December 31, 2022, compared with \$37.90 for the same period in 2021. The \$37.90 includes an \$88.0 million gain from a settlement of preferred stock that is not reflected in the net loss to common shareholders.

**About AAMC**

AAMC is a private credit provider that originates alternative assets to provide liquidity and capital to under-served markets. Additional information is available at [www.altisourceamc.com](http://www.altisourceamc.com).

**Forward-looking Statements**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as

amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding management's beliefs, estimates, projections, anticipations, and assumptions with respect to, among other things, the Company's financial results, margins, employee costs, future operations, business plans including its ability to sell loans and obtain funding, and investment strategies as well as industry and market conditions. These statements may be identified by words such as "anticipate," "intend," "expect," "may," "could," "should," "would," "plan," "estimate," "target," "seek," "believe," and other expressions or words of similar meaning. We caution that forward-looking statements are qualified by the existence of certain risks and uncertainties that could cause actual results and events to differ materially from what is contemplated by the forward-looking statements. Factors that could cause our actual results to differ materially from these forward-looking statements may include, without limitation, our ability to develop our businesses, and to make them successful or sustain the performance of any such businesses; our ability to purchase, originate, and sell loans, our ability to obtain funding, market and industry conditions, particularly with respect to industry margins for loan products we may purchase, originate, or sell as well as the current inflationary economic and market conditions and rising interest rate environment; our ability to hire employees and the hiring of such employees; developments in the litigation regarding our redemption obligations under the Certificate of Designations of our Series A Convertible Preferred Stock; and other risks and uncertainties detailed in the "Risk Factors" and other sections described from time to time in the Company's current and future filings with the Securities and Exchange Commission. The foregoing list of factors should not be construed as exhaustive.

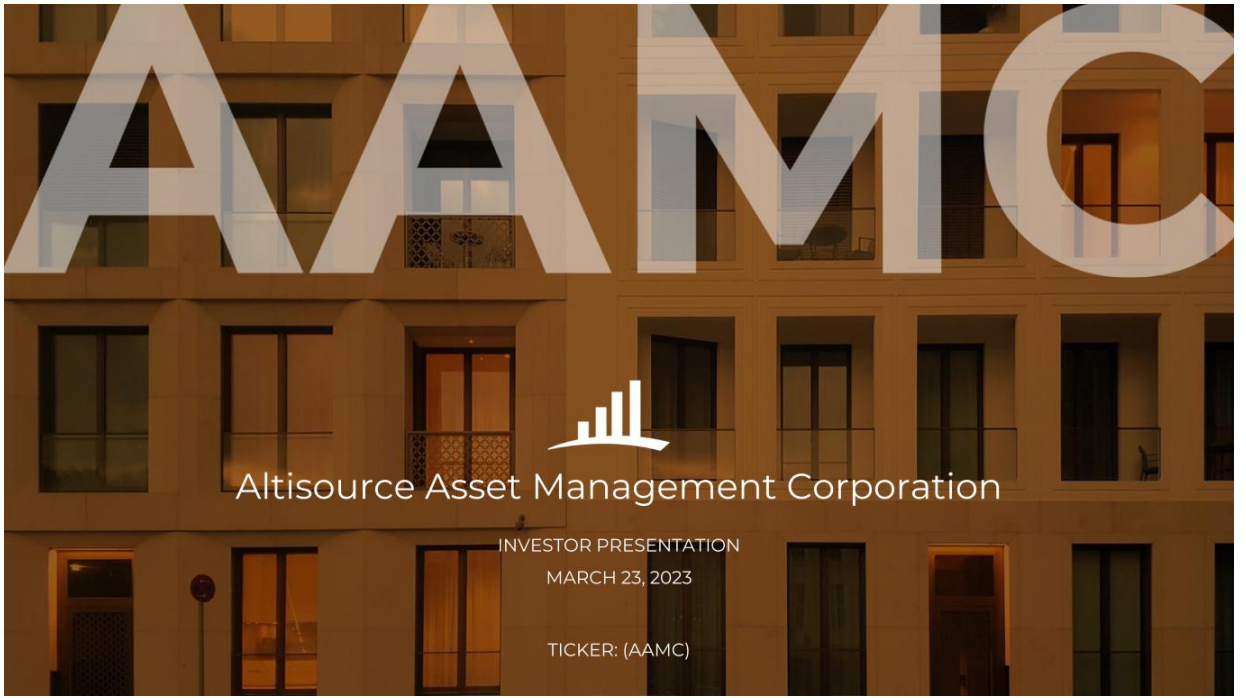
The statements made in this press release are current as of the date of this press release only. The Company undertakes no obligation to publicly update or revise any forward-looking statements or any other information contained herein, whether as a result of new information, future events or otherwise.

**Altisource Asset Management Corporation**  
**Condensed Consolidated Statements of Operations**  
(In thousands, except share and per share amounts)

	Three months ended December 31,		Twelve months ended December 31,	
	2022 (unaudited)	2021 (unaudited)	2022	2021
<b>Revenues:</b>				
Loan interest income	2,316	—	4,579	—
Loan fee income	178	—	353	—
Servicing fee revenue	32	—	33	—
Total revenues	2,526	—	4,965	—
<b>Expenses:</b>				
Salaries and employee benefits	\$ 1,797	\$ 1,557	\$ 5,839	\$ 5,635
Legal fees	817	1,159	4,349	6,885
Professional fees	1,064	345	1,901	1,531
General and administrative	1,209	684	3,545	2,573
Servicing and asset management expense	250	—	683	—
Acquisition charges	—	2,555	513	3,908
Interest expense	893	—	1,328	60
Direct loan expense	23	—	122	—
Loan sales and marketing expense	333	—	338	—
Total expenses	6,386	6,300	18,618	20,592
<b>Other income (expense):</b>				
Change in fair value of loans	(75)	—	(1,963)	—
Change in fair value of equity securities	—	—	—	146
Gain on sale of equity securities	—	—	—	8,347
Dividend income	—	—	—	3,061
Other	8	7	32	94
Total other (expense) income	(67)	7	(1,931)	11,648
Net loss from continuing operations before income tax	(3,927)	(6,293)	(15,584)	(8,944)
Income tax expense	192	2,098	350	3,273
Net loss from continuing operations	(4,119)	(8,391)	(15,934)	(12,217)
Gain on discontinued operations (net of income tax expense of \$1,272)	—	—	—	6,213
Net loss attributable to common stockholders	(4,119)	(8,391)	(15,934)	(6,004)
<b>Continuing operations earnings per share</b>				
Net loss from continuing operations	\$ (4,119)	\$ (8,391)	\$ (15,934)	\$ (12,217)
Gain on preferred stock transaction	—	(23)	5,122	87,961
Numerator for earnings per share from continuing operations	\$ (4,119)	\$ (8,414)	\$ (10,812)	\$ 75,744
<b>Earnings per share of common stock – Basic:</b>				
Continuing operations	\$ (2.31)	\$ (4.09)	\$ (5.64)	\$ 37.83
Discontinued operations	—	—	—	3.11
Total	\$ (2.31)	\$ (4.09)	\$ (5.64)	\$ 40.94
Weighted average common stock outstanding	1,779,448	2,055,561	1,917,503	2,002,111
<b>Earnings per share of common stock - Diluted:</b>				
Continuing operations	\$ (2.31)	\$ (4.09)	\$ (5.64)	\$ 35.03
Discontinued operations	—	—	—	2.87
Total	\$ (2.31)	\$ (4.09)	\$ (5.64)	\$ 37.90
Weighted average common stock outstanding	1,779,448	2,055,561	1,917,503	2,162,378

**Altisource Asset Management Corporation**  
**Condensed Consolidated Balance Sheets**  
(In thousands, except share and per share amounts)

	December 31, 2022	December 31, 2021
<b>ASSETS</b>		
Loans held for sale, at fair value	\$ 11,593	\$ —
Loans held for investment, at fair value	83,143	—
Cash and cash equivalents	10,727	78,349
Restricted cash	2,047	—
Other assets	10,137	3,127
<b>Total assets</b>	<b>\$ 117,647</b>	<b>\$ 81,476</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Accrued expenses and other liabilities	10,349	7,145
Lease liabilities	1,323	859
Credit facility	51,653	—
<b>Total liabilities</b>	<b>63,325</b>	<b>8,004</b>
<b>Commitments and contingencies:</b>		
<b>Redeemable preferred stock:</b>		
Preferred stock, \$0.01 par value, 250,000 shares authorized as of December 31, 2022 and December 31, 2021. 144,212 shares issued and outstanding and \$144,212 redemption value as of December 31, 2022 and 150,000 shares issued and outstanding and \$150,000 redemption value as of December 31, 2021.	144,212	150,000
<b>Stockholders' deficit:</b>		
Common stock, \$0.01 par value, 5,000,000 authorized shares; 3,432,294 and 1,783,862 shares issued and outstanding, respectively, as of December 31, 2022 and 3,416,541 and 2,055,561 shares issued and outstanding, respectively, as of December 31, 2021.	34	34
Additional paid-in capital	149,010	143,523
Retained earnings	41,516	57,450
Accumulated other comprehensive income	20	54
Treasury stock, at cost, 1,648,432 shares as of December 31, 2022 and 1,360,980 shares as of December 31, 2021.	(280,470)	(277,589)
Total stockholders' deficit	(89,890)	(76,528)
<b>Total Liabilities and Equity</b>	<b>\$ 117,647</b>	<b>\$ 81,476</b>



Altisource Asset Management Corporation

INVESTOR PRESENTATION

MARCH 23, 2023

TICKER: (AAMC)

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# Forward Looking Statements

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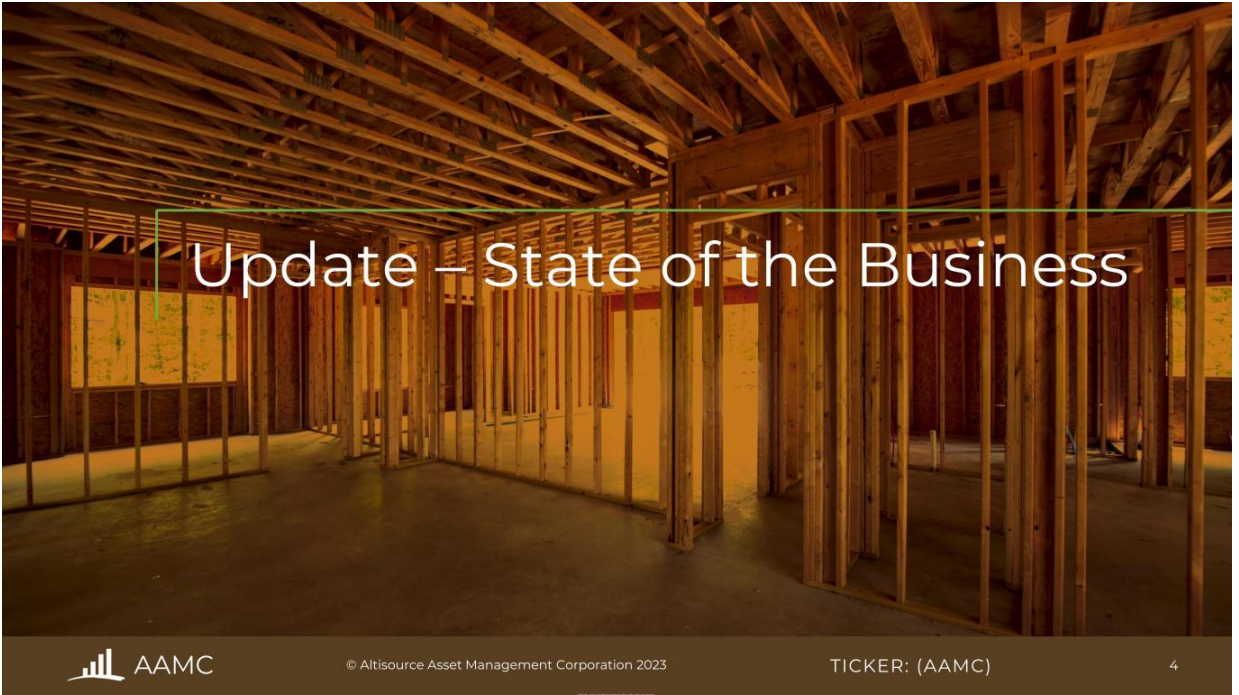
Certain comments made in this presentation may contain forward-looking statements in relation to operations, financial condition and financial results of Altisource Asset Management Corporation ("AAMC") and such statements involve a number of risks and uncertainties. Forward looking statements are usually identified by or are associated with such words as "intend," "plan," "believe," "estimate," "expect," "anticipate," "hopeful," "should," "may," "will," "could," "encouraged," "opportunities," "potential," and/or the negatives or variations of these terms or similar terminology. In particular, forward looking statements include, but are not limited to, statements as to our ability to develop and implement our new alternative lending business, including the ability to obtain leverage and potential return on equity, the impact of current inflationary economic and market conditions, including the current rising interest rate environment and development in the credit market, and our ability to develop, improve and optimize our information technology to support our business plans. These statements reflect management's current beliefs and estimates of future economic circumstances, industry conditions, Company performance, and Company financial results and are not guarantees of future performance. All such forward-looking statements are based on current expectations and assumptions that are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the relevant forward-looking statement. With respect to the growth and returns from our alternative lending business, our expectations depend on the ability to acquire and originate loans at attractive pricing, to obtain leverage, to successfully manage our loan portfolio and successfully dispose of loans at attractive levels. These risks and other risks are described in the Company's filings with the Securities and Exchange Commission. Any forward-looking statements made in this presentation speak only as of the date of this presentation. Except as required by law, AAMC does not intend to update these forward-looking statements and undertakes no duty to any person to provide any such update under any circumstances.

# Agenda

## Update - The Business We're Building

- What We Have Accomplished
- Current Strategy & Market
- Where We Are Headed

Q&A



# Update – State of the Business

## What We Have Accomplished -

### **From the Fourth Quarter 2022 to the Current Date**

- For Q4, AAMC generated a loss of (\$4.1M) on revenue of \$2.5M
  - (1) Revenue improved relative to Q3 by increasing \$0.6M or 33.0%.
  - (2) Q4 included roughly \$1.1M of legal charges, branding expenses and other items we consider to be non-recurring.
  - (3) Eliminating these special items, an adjusted Q4 loss of (\$3.0M) was less than the (\$4.0M) loss we realized in Q3.
- In Q4, we closed on our second \$50m warehouse line with Nexbank.
- Entered into forward contracts to sell alternative credit products to two of the US's largest institutional counterparties that manage insurance and credit money assets on January 31, 2023. The organizations have over \$50 billion and \$15 billion in assets under management.
- We closed our first forward contract with a \$55 billion money manager that owns an insurance company.
- We won our arbitration hearing against our former CEO with a judgement of \$1.6 million plus unpaid interest.
- Announced that Danya Sawyer joined the Company as Chief Operating Officer of the Alternative Lending Group on February 1, 2023.

## Current Strategy & Market

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- AAMC will be a capital lite originator of private credit products.
  - Short duration, high yielding fixed income assets secured by 1-4 Single Family Residential or Multifamily Residential properties going through value improvements (also known as Residential Transitional Loans or RTLs)
  - Long duration, interest only loans, secured by income producing residential properties (also known as DSCR loans).
  - The above products are distributed to institutions with permanent capital.
- AAMC will establish individual criteria or a “buy box” to generate the products specific to the fixed income needs of the insurance companies and Funds that are backed by endowments and pensions funds.
  - We then go to market to originate these loans via our three channels : (1) Direct to Borrower, (2) Wholesale and (3) Broker Direct Channel
- Insurance companies and Funds do not have the infrastructure to originate private credit products therefore they look to partner with firms such as ourselves;
  - Forward contracts with these Back-end purchasers must be in place before we can ramp up our origination platform.
- The private credit products are alternative fixed income assets and are an attractive investment opportunity that is constantly resetting to market, with typical metrics that include:
  - Short-duration originations with a range of 10.5%-12.0% gross weighted average coupon or WAC with a 1 - 2 year terms.
  - These assets do not have the same interest rate risk such as those that banks typically deal within the government and agency mortgage portfolios – long duration, very low yields.

# Where We Are Headed for Q1-23 and all of 2023

## Expected Metrics for the Business

- Potential Gross Revenue by Loan
  - Residential transitional loans or RTL's - expected gross revenue range from 300 bps to 450 bps per loan
  - Term or DSCR loans – expected gross revenue range between 200 bps to 350 bps per loan
  - *The above ranges reflect the all-in annualized revenue expected to be received from originating the loans; consisting of: Origination fees, Gain on sales, and Interest Strips.*
- Focus is on originations as opposed to purchasing closed loans, a key component of which is client acquisition
  - We are expecting our cost of acquiring a client on the Direct to Borrower channel to be \$1,500 which, over time, is spread over multiple loans.
    - *Past experience indicates that this cost can be improved to be reduced to \$800.*
  - Our expected cost to process a loan is \$160/per file. This represents a significant competitive advantage due to having our loan production principally in Bangalore, India.
- Volume Considerations for 2022 with an average loan size for "RTLs" is ~\$500k; and DSCR Loans is ~\$300K.
- Our pipeline as of March 20<sup>th</sup>, consists of the following by channel:
  - Direct to Borrower – Total Commitments of \$35mm with an additional \$25M in process
  - Wholesale (which had a soft roll out of Friday, March 17<sup>th</sup>), Total Commitments of \$15M
  - Broker Direct Channel to rollout over the next three weeks.



Altisource Asset Management Corporation

Q&A

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