

11 August 2020

Arig reported its financial results for six months ended 30th June 2020

Bahrain: Arig recorded a consolidated net loss of US\$ 3.1 million, attributable to shareholders of Parent Company, for the six months 2020 (six months 2019: net profit of US\$ 9.2 million), mainly due to investment losses. Earnings per share for the six months of 2020 was a loss of US cents 1.6 compared to a profit of US cents 4.6 for the same period in 2019. Comprehensive income attributable to shareholders for the six months 2020 was a loss of US\$ 4.8 million (six months 2019: profit of US\$ 20.5 million).

Arig's shareholders' equity stood at US\$ 223.5 million at 30 June 2020 (end of 2019: US\$ 228.4 million) a decrease of 2%. Accumulated losses of the Company stood at US\$ 31.5 million at the period-end (end of 2019: US\$ 28.5 million), representing 14.3% of paid-up capital. The total assets at 30 June 2020 was US\$ 888.8 million compared to US\$ 1,035.8 million at the end of December 2019, a reduction of 14%.

The Group reported negative gross premiums of US\$ 12.6 million for the six months of 2020 due to net write-off of pipeline premiums (six months 2019: US\$ 171.7 million). Consolidated investment income attributable to shareholders and insurance funds for the six months was a loss of US\$ 1.7 million (six months 2019: profit US\$ 17.3 million) as a result of market volatility. Arig's underwriting result was a loss of US\$ 0.8 million for the six months 2020 (six months 2019: profit US\$ 12.5 million) due to investment losses on policyholders' funds.

Book value per share was US\$ 1.13 at the end of the period (end of 2019: US\$ 1.15).

The full set financial statements and the notes are available on Arig's website, Bahrain Bourse's and Dubai Financial Market's websites.

Financial Highlights as at 30 June 2020 (in US\$ million)

	As at 30 June		Full Year
	2020	2019	2019
Gross premiums written	(12.6)	171.7	194.6
Net premiums written	(10.9)	126.1	142.5
Technical result	4.8	7.0	15.9
Underwriting result	(0.8)	12.5	22.5
Combined ratio	99.1%	99.4%	97.2%
Investment income attributable to shareholders and insurance funds	(1.7)	17.3	26.3
Operating expenses	7.9	9.7	16.5
Net (loss)profit	(3.1)	9.2	17.5
Investment assets	589.5	621.9	629.0
Net technical provisions	395.2	587.8	503.1
Shareholders' equity	223.5	216.9	228.4
Total assets	888.8	1,122.7	1,035.8
Book value per share (US\$)	1.13	1.10	1.15

About Arig

Arig is one of the largest Arab-owned, professional reinsurance providers in the Middle East and Africa and its shares are listed on the stock exchanges in Bahrain and Dubai (trading code 'ARIG') and offers a wide range of reinsurance products and services. Arig's subsidiaries include Takaful Re (Dubai) – currently in run-off, Gulf Warranties W.L.L. (Bahrain) (under voluntary liquidation), Arig Capital Ltd. (UK). Additional information about Arig can be obtained at www.arig.net

Arab Insurance Group (B.S.C.) is a reinsurance firm regulated by the Central Bank of Bahrain.