# Press Release

25 February 2025

**Arig reported its financial results for year ended 31st December 2024**

Bahrain: Arab Insurance Group (B.S.C.) (Arig) recorded a consolidated net profit of US$ 5.3 million, attributable to shareholders, for the fourth quarter of 2024 (fourth quarter 2023: net profit of US$ 4.1 million) an increase of 29%, due to higher insurance service results as compared to prior year. Earnings per share for the fourth quarter 2024 was US cents 2.7 compared to US cents 2.1 for the same period in 2023. Comprehensive income attributable to shareholders for the fourth quarter of 2024 was a profit of US$ 3.0 million (fourth quarter 2023: profit US$ 6.4 million) a decrease of 53%.

For the year 2024, consolidated net profit attributable to shareholders was US$ 26.4 million (2023: net profit of US$ 14.0 million), an increase of 89%, mainly due to higher insurance service results and net recovery of US$ 6.0 million of long outstanding dues following an adjudication favoring the Company. Earnings per share for the year 2024 was US cents 13.3 compared to US cents 7.1 for the year 2023. Comprehensive income attributable to shareholders for the year 2024 was a profit of US$ 27.9 million (2023: profit US$ 17.8 million) an increase of 57%.

Arig's shareholders' equity stood at US$ 282.8 million at 31 December 2024 (end of 2023: US$ 294.5 million) a decrease of 4% primarily due to payout of dividends of US$ 39.6 million, partly offset by profits of US$ 26.4 million during the year. The total assets at 31 December 2024 was US$ 372.5 million compared to US$ 412.1 million at the end of December 2023, a reduction of 10%. Retained earnings of the Company stood at US$ 29.4 million at year end (end of 2023: retained earnings US$ 45.0 million), representing 13% of paid-up capital.

Insurance revenue for the fourth quarter of 2024 increased by US$ 0.8 million (fourth quarter 2023 decreased by US$ 0.1 million). The insurance service result for the fourth quarter was US$ 1.7 million (fourth quarter 2023: US$ 0.8 million), mainly due to favorable claim experience as compared to the fourth quarter 2023. Consolidated investment income attributable to shareholders and insurance funds for the fourth quarter 2024 was US$ 3.2 million (fourth quarter 2023: US$ 3.8 million), a decrease of 16%.

Insurance revenue for the year 2024 stood at US$ 1.6 million (2023: US$ 1.2 million) an increase of 33%. The insurance service result for 2024 was a profit of US$ 7.3 million (2023: profit US$ 2.6 million) an increase of 181% mainly due to favorable claim experience as compared to 2023. Consolidated investment income attributable to shareholders and insurance funds for 2024 was US$ 14.7 million (2023: investment income of US$ 14.7 million). Policyholders' and shareholders' funds are mainly invested in fixed income portfolio.

The Directors have recommended a dividend of US cents 12.5 per share or 12.5% of the paid up capital net of treasury shares amounting to US$ 24.8 million (2023: US cents 20 per share or 20% amounting to US$ 39.6 million), subject to the approval of the Central Bank of Bahrain and the company's shareholders on the upcoming Annual General Meeting.

The book value per share was US$ 1.43 at the end of the year (end of 2023: US$ 1.49).

The full set financial statements and the notes are available on Arig's and Bahrain Bourse's websites.

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**Financial Highlights as at 31 December 2024 (in US$ million)**

| | As at 31st December | |
|---|---|---|
| | **2024** | **2023** |
| Insurance revenue | 1.6 | 1.2 |
| Insurance service expenses | 8.2 | 3.5 |
| Net expense from reinsurance contracts held | (2.5) | (2.1) |
| Insurance service result | 7.3 | 2.6 |
| Investment income attributable to shareholders and insurance funds | 14.7 | 14.7 |
| Insurance finance expenses | (4.0) | (4.9) |
| Reinsurance finance income | 0.3 | 0.4 |
| Net profit | 26.4 | 14.0 |
| Net profit ratio (Net profit/insurance revenue) | 16.50 | 11.67 |
| Investment assets | 362.6 | 393.4 |
| Insurance contract liabilities | 77.8 | 97.0 |
| Reinsurance contract assets | 3.6 | 4.3 |
| Shareholders' equity | 282.8 | 294.5 |
| Total assets | 372.5 | 412.1 |
| Book value per share (US$) | 1.43 | 1.49 |

**About Arig**

Arig is a reinsurance provider headquartered in the Kingdom of Bahrain and its shares are listed on the stock exchange in Bahrain (trading code 'ARIG'). Arig's subsidiaries include Takaful Re (Dubai) – currently in run-off, Gulf Warranties W.L.L. (Bahrain) (under voluntary liquidation) and Arig Capital Ltd. (UK)- currently in run-off. 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.

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