arig

Press Release

14 May 2025

Arig reported its financial results for three months ended 31st March 2025

Bahrain: Arig (Ticker: ARIG), recorded a consolidated net profit of US$ 1.6 million attributable to shareholders for the first quarter 2025 (first quarter 2024: net profit of US$ 8.3 million), a decrease of 81% mainly due to recovery of US$ 6.0 million in 2024 following an adjudication favoring the Company. Earnings per share for the first quarter of 2025 was US cents 0.8 compared to US cents 4.2 for the same period in 2024. Comprehensive income attributable to shareholders for the first three months of the year 2025 was positive US$ 5.3 million (first quarter 2024: US$ 8.4 million), a decrease of 37% due to lower profits as compared to the previous year partly offset by market gains on investments.

Arig's shareholders' equity stood at US$ 263.3 million at 31 March 2025 (end of 2024: US$ 282.8 million) a decrease of 7%, primarily due to payout of dividends of 12.5%. Retained earnings of the Company stood at US$ 6.3 million at the period end (end of 2024: retained earnings US$ 29.4 million), representing 2.9% of paid-up capital. The total assets as at 31 March 2025 was US$ 378.0 million compared to US$ 372.5 million as at 31 December 2024, an increase of 1.5%.

Insurance revenue for the first quarter of 2025 stood at US$ 0.3 million (first quarter 2024: US$ 0.4 million) a decrease of 25%. The insurance service result for the quarter was a loss of US$ 0.7 million (first quarter 2024: loss US$ 1.5 million) mainly due to a decrease in insurance service expenses as compared to 2024.

The consolidated investment income attributable to shareholders and insurance funds for the quarter was US$ 3.2 million (first quarter 2024: investment income US$ 4.1 million) primarily due to a shift in allocation from relatively higher yielding short - term deposits to slightly lower yielding medium term US Treasuries to lock into attractive yields over a 3 to 5 years period.

Book value per share was US$ 1.33 at the end of the period (end of 2024: US$ 1.43).

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

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Financial Highlights as at 31 March 2025 (in US$ million)

	As at 31 March		Full Year
	2025	**2024**	**2024**
Insurance revenue	0.3	0.4	1.6
Insurance service expenses	(0.6)	(1.1)	8.2
Net expense from reinsurance contracts held	(0.4)	(0.8)	(2.5)
Insurance service result	(0.7)	(1.5)	7.3
Investment income attributable to shareholders and insurance funds	3.2	4.1	14.7
Insurance finance expenses	(1.1)	(0.1)	(4.0)
Reinsurance finance income	0.1	0.02	0.3
Net profit	1.6	8.3	26.4
Net profit ratio (Net profit/insurance revenue)	5.3	20.8	16.5
Investment assets	368.0	408.1	362.6
Insurance contract liabilities	79.6	96.0	77.8
Reinsurance contract assets	3.7	4.2	3.6
Shareholders' equity	263.3	263.2	282.8
Total assets	378.0	419.0	372.5
Book value per share (US$)	1.33	1.33	1.43

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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