

Press Release

13 May 2024

Arig reported its financial results for three months ended 31st March 2024

Bahrain: Arig (Ticker: ARIG), recorded a consolidated net profit of US\$ 8.3 million attributable to shareholders for the first quarter 2024 (first quarter 2023: net profit of US\$ 2.1 million), an increase of 295% mainly on account of recovery of US\$ 6.0 million of long outstanding dues following an adjudication favoring the Company. Earnings per share for the first quarter of 2024 was US cents 4.2 compared to US cents 1.1 for the same period in 2023. Comprehensive income attributable to shareholders for the first three months of the year 2024 was positive US\$ 8.4 million (first quarter 2023: US\$ 3.1 million) due to higher investment income and other income as compared to previous year.

Arig's shareholders' equity stood at US\$ 263.2 million at 31 March 2024 (end of 2023: US\$ 294.5 million) a decrease of 11%, primarily due to payout of dividends of 20%. Retained earnings of the Company stood at US\$ 13.8 million at the period-end (end of 2023: retained earnings US\$ 45.0 million), representing 6.3% of paid-up capital. The total assets as at 31 March 2024 was US\$ 419.0 million compared to US\$ 412.1 million as at 31 December 2023, a decrease of 1.7%.

Insurance revenue for the first quarter of 2024 stood at US\$ 0.4 million (first quarter 2023: US\$ 0.6 million) a decrease of 33%. The insurance service result for the quarter was a loss of US\$ 1.5 million (first quarter 2023: positive US\$ 0.9 million) mainly due to an increase in insurance service expenses as compared to 2023.

Consolidated investment income attributable to shareholders and insurance funds for the quarter was US\$ 4.1 million (first quarter 2023: investment income US\$ 3.3 million) due to better performance of fixed income portfolio and higher interest earned on deposits.

Book value per share was US\$ 1.33 at the end of the period (end of 2023: US\$ 1.49).

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

Financial Highlights as at 31 March 2024 (in US\$ million)

	As at 31 March		Full Year
	2024	2023	2023
Insurance revenue	0.4	0.6	1.2
Insurance service expenses	(1.1)	0.8	3.5
Net expense from reinsurance contracts held	(0.8)	(0.5)	(2.1)
Insurance service result	(1.5)	0.9	2.6
Investment income attributable to shareholders and insurance funds	4.1	3.3	14.7
Insurance finance expenses	(0.1)	(2.0)	(4.9)
Reinsurance finance income	0.02	0.1	0.4
Net profit	8.3	2.1	14.0
Net profit ratio (Net profit/insurance revenue)	20.8	3.5	11.7
Investment assets	408.1	393.4	393.4
Insurance contract liabilities	96.0	104.4	97.0
Reinsurance contract assets	4.2	4.8	4.3
Shareholders' equity	263.2	279.8	294.5
Total assets	419.0	421.9	412.1
Book value per share (US\$)	1.33	1.41	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.