

## Press Release

### **The General Assembly of Bahrain Kuwait Insurance approve 25% Cash dividend**

Bahrain Kuwait Insurance Company (B.S.C.) held its Annual General Meeting (AGM) for the financial year 2023 on Thursday 28th March 2024 at 10:30 am at the Company's Head office in Seef District with a quorum of 86.20%, and in the presence of representatives of the relevant regulatory authorities. The General Assembly approved the Board of Directors' recommendation to distribute a cash dividend of 25% equivalent to 25 fils per share amounting to BD 3,726,095 (excluding the treasury shares). The General Assembly also approved the rest of the agenda items of this meeting.

Mr. Murad Ali Murad – the Chairman stated in his report that having collaborated more extensively within the consideration for the current environment and the expected trends ahead, the Board alongside the Management have implemented sound insurance, investment, and operational strategies with the main objective of strengthening both the market and the financial position. This task would have been impossible without an emphasis on transparency and trust to subsequently cultivate the shareholders' value properly with the aim of exceeding the expectations of all esteemed customers and stakeholders.

Mr. Murad Ali Murad added that despite the challenges arising from the inflation and high interest rates as well as the escalating geopolitical tension across the Middle East region, Bahrain Kuwait Insurance Company (BKIC) achieved a net profit attributable to the shareholders of BD 5 million, compared to a restated profit of BD 5.68 million in 2022. The financial results for 2023, based on the new IFRS17 standards, indicate a decline of 12% compared to last year's reinstated results due to changes in accounting assumptions which resulted in a one-time exceptional increase in 2022 reinstated results. The company achieved earnings of 34 fils per share compared to restated 38 fils in 2022. Total comprehensive income attributable to the shareholders for the year stood at BD 5.59 million compared to BD 4.49 million in 2022, showing an increase of 24%. The total shareholders' equity as at end of December 2023 is BD 44.23 million compared to BD 42.48 million (restated) as at end of last year, representing an increase of 4%. Investment income driven by the company's strategy to restructure the investment portfolio to earn optimum returns increased by 50%.

Lastly, Mr. Murad mentioned that the international rating agency A.M. Best has affirmed the credit rating of the company "A- Excellent with a stable outlook" after reviewing the company's and the subsidiary's performance in 2023. This rating is the highest rating in Bahrain to be awarded to a local direct insurer, reflecting the financial strength of the company to meet its future obligations, in addition to being part of the of Gulf Insurance Group (GIG) which is the largest insurance Group in the region.

Dr. Abdulla Sultan – the CEO said that despite the challenges faced by the company in 2023, BKIC continued affirming its lead position in the local market and maintained its strong presence in Kuwait by achieving the historical records on growth, profitability and returns to shareholders.

Dr. Sultan also added that the Company had many achievements to be proud of during 2023. Some of which include record revenue and net profits, implementation of IFRS17, Go-Live with our new Core-system, Great Place to Work award, launch of our 1<sup>st</sup> Future Development Program (Elevate), new partnerships with financial services, ongoing assessment and review of cyber threats and practices with the appointment of a dedicated Information Security Officer and also increased our CSR & ESG initiatives.

As for the future outlook, Dr. Sultan said, whether it would be the implementation of new digital distribution channels, new partnerships and strategic investments, or increasing the overall volume of business, all represent the constructs of the attitude and the driving forces behind improving BKIC's financial acumen, solidifying its pioneer approach, and maximizing shareholder value.

Dr. Sultan concluded by stating that: "My sincere gratitude and deep appreciation go out to the Board of Directors for their continued support and guidance extended to the Executive Management. My deep thanks also go to the GIG Group for the firm and unwavering support, always. All employees, both in Bahrain and Kuwait, deserve the highest praise for their hard work, dedication, and the continuous due diligence in serving the interests of both clients and shareholders.

A grand debt of gratitude goes to our valued clients, shareholders, business partners, reinsurance partners and intermediaries, all of whom entrust us with loyalty and commitment. I would thank the governments and regulatory bodies in the Kingdom of Bahrain and the State of Kuwait for their undivided support extended in the past years and beyond".

