

5 August 2025

Arig reported its financial results for six months ended 30th June 2025

Bahrain: Arig (Ticker: ARIG), recorded a consolidated net profit of US\$ 1.3 million attributable to shareholders for the second quarter 2025 (second quarter 2024: net profit of US\$ 5.2 million), a decrease of 75% mainly due to lower insurance service results as compared to prior year. Earnings per share for the second quarter of 2025 was US cents 0.7 compared to US cents 2.6 for the same period in 2024. Comprehensive income attributable to shareholders for the second quarter 2025 was US\$ 2.4 million (second quarter 2024: US\$ 5.5 million) a decrease of 56%, mainly due to higher profits in 2024.

For the six months 2025, Arig recorded a consolidated net profit of US\$ 2.9 million, attributable to shareholders (six months 2024: net profit of US\$ 13.5 million) a decrease of 79% mainly due to lower insurance service results in 2025 and a recovery of US\$ 6.0 million in 2024 following an adjudication favoring the Company. Earnings per share for the six months of 2025 was US cents 1.5 compared to US cents 6.8 for the same period in 2024. Comprehensive income attributable to shareholders for the six months 2025 was US\$ 7.7 million (six months 2024: US\$ 13.9 million) a decrease of 45% due to higher profits in 2024.

Arig's shareholders' equity stood at US\$ 265.7 million at 30 June 2025 (end of 2024: US\$ 282.8 million) a decrease of 6%, primarily due to payout of dividends of 12.5% partly offset by profits of US\$ 2.9 million during the period. The total assets as at 30 June 2025 was US\$ 352.4 million compared to US\$ 372.5 million as at 31 December 2024, a decrease of 5%. Retained earnings of the Company stood at US\$ 7.7 million at the period-end (end of 2024: retained earnings US\$ 29.4 million), representing 3.5% of paid-up capital.

Insurance revenue for the second quarter of 2025 stood at US\$ 0.2 million (second quarter 2024: US\$ 0.3 million), a decrease of 33% largely due to lower premium earned. The insurance service result for the second quarter of 2025 was a loss of US\$ 1.5 million (second quarter 2024: US\$ 0.7 million) mainly due to adverse claim experience as compared to the second quarter 2024. Consolidated investment income attributable to shareholders and insurance funds for the second quarter 2025 was US\$ 3.2 million (second quarter 2024: income US\$ 3.7 million), a decrease of 14%.

Insurance revenue for the six months 2025 stood at US\$ 0.5 million (six months 2024: US\$ 0.7 million) a decrease of 29%. The insurance service result for the six months of 2025 was a loss of US\$ 2.2 million (six months 2024: loss US\$ 0.7 million) a decrease of 214% due to adverse claim experience as compared to 2024. Consolidated investment income attributable to shareholders and insurance funds for the six months of 2025 was US\$ 6.4 million (six months of 2024: US\$ 7.8 million), a decrease of 18% due to reallocation of investment assets and prevailing lower interest yields.

Book value per share was US\$ 1.34 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.

Financial Highlights as at 30 June 2025 (in US\$ million)

	As at 30 June		Full Year
	2025	2024	2024
Insurance revenue	0.5	0.7	1.6
Insurance service expenses	(2.0)	(0.0)	8.2
Net expense from reinsurance contracts held	(0.7)	(1.4)	(2.5)
Insurance service result	(2.2)	(0.7)	7.3
Investment income attributable to shareholders and insurance funds	6.4	7.8	14.7
Insurance finance expenses	(2.0)	(1.1)	(4.0)
Reinsurance finance income	0.2	0.1	0.3
Net profit	2.9	13.5	26.4
Net profit ratio (Net profit/insurance revenue)	5.8	19.3	16.5
Investment assets	342.7	369.0	362.6
Insurance contract liabilities	76.4	92.4	77.8
Reinsurance contract assets	3.7	3.9	3.6
Shareholders' equity	265.7	268.7	282.8
Total assets	352.4	379.6	372.5
Book value per share (US\$)	1.34	1.36	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 Limited (Dubai) – currently in run-off, Gulf Warranties W.L.L. (Bahrain) (under voluntary liquidation) and Tivoli Capital Limited (UK) (formerly known as Arig Capital Ltd.) 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.