

Press Release

BKIC net profit increases by 24% for the three months ended 31st March 2022

Bahrain Kuwait Insurance Company (BKIC) B.S.C. (trading code in Bahrain Bourse "BKIC.BH" and in Boursa Kuwait "BKIKWT") announced its consolidated financial results for the three months ended 31st March 2022.

The consolidated financial results presented a net profit attributable to the shareholders of BD 1.181 million compared to BD 0.950 million for the same period last year, representing an increase of 24.3%. Earnings per share for the 1st quarter of current year was 8 fils compared to 6 fils for the same period last year. The total comprehensive income attributable to the shareholders reached BD 0.857 million in Q1-2022 compared to BD 1.039 million in Q1-2021, registering a decrease of 17.5%. The decrease was mainly due to reduced fair value gains recorded in 1st quarter 2022 compared to the same period in 2021.

The company achieved 10.6% growth in gross premium revenue from BD 24.625 million in the 1st quarter of last year to BD 27.232 million in the 1st quarter of current year. The underwriting profits increased by 2.8%, from BD 0.784 million in the 1st quarter of last year to BD 0.806 million in the 1st quarter of current year. The net investment income increased by 39%, from BD 0.563 million in the 1st quarter of last year to BD 0.783 million in the 1st quarter of current year.

The increase in the net profit for the three months ended 31st March 2022 compared to the same period last year is mainly due to the improvement in investment income as well as some improvement in underwriting income.

The total shareholders' equity as end of March 2022 is BD 39.326 million compared to BD 41.457 million as end of last year, representing a decrease of 5.1% mainly due to allocation towards proposed dividends. The total assets by the end of March 2022 reached BD 212.020 million compared to BD 232.363 million as end of last year, representing a decrease of 8.8%. The net technical reserves increased from BD 41.455 million at the end of the last year to BD 46.571 million at the end of the current period.

Upon concluding their review of the company's results and achievements, the Board of Directors expressed their satisfaction stating: "The Board is pleased with the results of the first three months of 2022. Largely due to the support and confidence from the BKIC customers and business partners and in conjunction with the strong commitment and eager dedication of both management and employees, the results continue to demonstrate a positive and improving trend. Later through 2022, the Board intends to review the performance of the company within the current 3-year strategy ending 2022. Henceforward, a new strategy for the years 2023-2025 will be contemplated with the usual highest scrutiny during the year. It will be approved under the conviction and the Board's strong belief that the company is well equipped to continue achieving an attractive ROE in the coming periods."



Echoing the sentiment of the Board, BKIC's CEO Dr. Abdulla Sultan reiterated that the company's consolidated results in the 1st quarter of 2022 are surely gratifying. Achieving both top- and bottom-line growth in unprecedented global conditions is a worthy accomplishment. While witnessing improved Net Profits in all core streams of income: BKIC Bahrain, BKIC Kuwait and the Takaful International subsidiary. Dr. Sultan also commended the improved Investment income in Q1-2022 and advocated the belief that this particular stream of income would further improve in the coming periods.

On this occasion, the company's shareholders must know that BKIC is on track with the three main non-business-related projects for 2022 which entail IFRS17 implementation, New Core Application, and Digital Transformation initiatives.

It is worth mentioning that Bahrain Kuwait Insurance Company (Brand logo: gig Bahrain) is the lead insurance company in the Bahraini market rated A- (Excellent) with stable outlook, by A.M Best which 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. BKIC is a subsidiary of Gulf Insurance Group (gig) which is the largest insurance Group in Kuwait in terms of written and retained premiums, with operations in life and non-life as well as Takaful insurance. Gulf Insurance has become one of the largest insurance networks in the Middle East and North Africa with companies in Bahrain, Kuwait, Saudi Arabia, Jordan, Egypt, United Arab Emirates, Algeria, Lebanon, Syria, Iraq, and Turkey.

KIPCO – Kuwait Projects Company – is Gulf Insurance Group's largest shareholder, followed by the Canadian-based Fairfax Financial Holding Ltd.

The full set of financial statements and the press release for the period ended 31st March 2022 are available on the websites of Bahrain Bourse and Boursa Kuwait.

