

10 August 2021

Bahrain National Holding announces its financial results for the first half year ended 30th June 2021.

Bahrain National Holding (Trading Code: BNH) announced its financial results for the second quarter and for the first half year ended 30th June 2021.

For the second quarter ended 30th June 2021, the Group achieved a net profit attributable to the shareholders of BD1.26 million, compared to BD1.24 million during the second quarter of the previous year, an increase of 2%. Earnings per share during the second quarter was 11.2 fils compared to 11.0 fils in the second quarter of the previous year. The total comprehensive income attributable to the shareholders for the second quarter of 2021 was BD2.39 million, compared to BD2.49 million during the previous period of last year, a decrease of 4%.

For the first half year ended 30th June 2021, the Group achieved a net profit attributable to the shareholders of BD3.14 million for the half year ended 30th June 2021, compared to BD2.41 million during the half year of 2020, an increase of 30%. As a result, earnings per share increased to 27.9 fils compared to 21.4 fils for the half year of 2020. The total comprehensive income attributable to the shareholders for the first half year of 2021 increased to BD3.77 million, compared to BD898 thousand during the first half year of 2020, an increase of 319%.

The increase in the net profit for the first half 2021 in comparison to the first half 2020 was predominantly attributable to the improvement of underwriting results supported by strong investment income and higher share of profits of equity accounted investees.

ABOUT BAHRAIN NATIONAL HOLDING

BNH, formed in 1998 – a merged company of formerly Bahrain Insurance Company and National Insurance Company– and owner of Bahrain National Insurance Company offers a full fledged range of Insurance and Management of Risk solutions. The Group's paid-up capital of BD 11.35 million makes it one of the most secure insurance companies in the Gulf region. The Group's portfolio includes Bahrain National Life Assurance Company along with other associate companies; United Insurance Company (Bahrain), Arabian Shield Cooperative Insurance Company (Saudi Arabia), Al Kindi Specialized Hospital (Bahrain) and National Finance House (Bahrain).

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The shareholders' equity (excluding non-controlling interest) as at the June 30th, 2021, was BD58.47 million compared to 57.25 million as at the end of last year, an increase of 2%. Total assets reached BD114.43 million compared to BD110.69 million as at the end of the previous year, an increase of 3%.

Gross premiums grew by 14% to BD9.85 million during the second quarter of 2021, compared to BD8.61 million in the second quarter of 2020. The Group achieved net earned premiums in the second quarter of BD4.38 million, compared to BD4.13 million in the second quarter of last year, an increase of 6%. The Group reported net underwriting profit of BD0.97 million during the second quarter, compared to BD1.07 million in the second quarter of the previous year, a decrease of 9%. Net investment income after impairment loss fell by 14% to BD493 thousand during the second quarter, compared to BD571 thousand in the second quarter of the previous year.

Gross premiums grew by 11% to BD20.52 million during the first half of 2021 compared to BD18.54 million for the same period of last year. Net earned premium increased by 4% to BD8.78 million, compared to BD8.41 million for the same period of last year. Net underwriting profits increased to BD2.05 million for the first half year of 2021, compared to BD1.94 million for the same period last year, an increase of 6%. The net investment income after impairment losses grew by 19% to BD1.47 million compared to BD1.23 million for the same period of 2020. The Group's share of profits of equity accounted investees increased by 190% to BD734 thousand, compared to BD253 thousand in the previous period of previous year.

Mr. Farouk Almoayyed, Chairman of Bahrain National Holding, commented: "We are pleased with the strong in performance in underwriting, particularly the growth in gross premiums, in what is in many respects a competitive and difficult market environment. Our associates continued their rebound in profitability, while buoyant market conditions helped us register a good growth in investment income."

Mr. Sameer AlWazzan, Chief Executive of BNH, commented: "Our strong underwriting results reflect our service levels and the loyalty of our customers. We enjoyed strong growth in all lines of business with exception of motor insurance, which was impacted by lower new car sales. We have seen a slight uptick in claims in certain lines of business in the second quarter of 2021, as overall activity picks up after improvement in covid case trends. Investment income continues to rebound, though we remain cautious, and strive to maintain strong liquidity in our balance sheet."

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The reviewed mid-year consolidated financial statements and the press release are available on our website www.bnhgroup.com and the Bahrain Bourse's website.

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