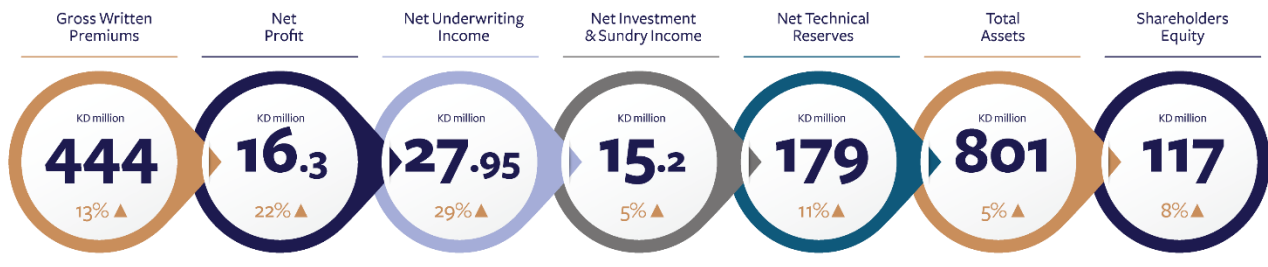




Gulf Insurance Group announces KD 16.3 million (US\$ 53.7 million) in net profit for 2020 with 22% year-on-year growth

EPS at 85.35 fils

Gross written premiums up 13% to KD 444 million



Kuwait City, 23 Feb 2021: Mr. Farqad Abdullah Al-Sane, Chairman of Gulf Insurance Group (gig), announced today that the Group achieved a net profit of KD 16.3 million (US\$ 53.7 million), or 85.35 fils per share for the financial year ended December 31, 2020. This represents an increase of 22 per cent over the KD 13.3 million (US\$ 43.9 million) made in 2019. Total revenues reached KD 210.8 million (US\$ 693.1 million) with an increase of 3 per cent compared to KD 205.3 million (US\$ 675 million) in 2019. Net Underwriting Income came to KD 27.95 million (US\$ 91.9 million), an increase of 29 per cent or KD 6.3 (US\$ 20.8 million) compared to the same period last year. This increase is due to the improvement of Group's underwriting results and Group's share of results from its subsidiaries.

In light of the company's expansion strategies, an agreement was signed with AXA to acquire its insurance operations in the Gulf region on November 30, 2020 with a total value of the deal of \$ 474.75 million. It is worth noting that the deal is subject to completing regulatory and supervisory approvals in the concerned countries, and in view of the financing requirements of this deal, the Board of Directors of Gulf Insurance Group recommends to the General Assembly not to distribute cash dividends for the fiscal year ending December 31, 2020.

gig's book value per share reached 630 fils as at December 31, 2020, compared to 584 fils at the end of 2019, with an increase of 8 per cent.

gig's shareholder equity increased in 2020 by KD 8.6 million (US\$ 28.3 million) to reach KD 117.4 million (US\$ 385.9 million), representing an 8 per cent increase from the KD 108.8 million (US\$ 357.7 million) at 2019-end.

The Group's gross written premiums grew 13 per cent compared to 2019, with an increase of KD 50 million (US\$ 166 million) to reach KD 444.4 million (US\$ 1.46 billion).

Net investment income & sundry income for gig reached KD 15.2 million (US\$ 50 million) at the closing of 2020, with an increase of KD 0.7 (US\$ 2.4 million), or 5 per cent, compared to 2019.

gig's net technical reserves came to KD 179 million (US\$ 588 million) as at December 31, 2020, with an increase of KD 18 million (US\$ 59 million), or 11 per cent, compared to the KD 161 million (US\$ 530 million) registered on December 31, 2019.

Total assets increased by KD 38 million (US\$ 123 million) to reach KD 801 million (US\$ 2.6 billion) at year-end, a growth of 5 percent compared to the same period in 2019.

Commenting on the results, Mr. Al-Sane said:

“Our results for the year 2020 reflect the strength of gig as a group, its ability to take risks through diversifying revenue sources and our ability to preserve stakeholders’ benefits and protect their rights. This is also in line with our constant endeavor to provide the best insurance services to our valued customers in all markets we operate in (Egypt, Algeria, Turkey, Jordan and GCC), by adopting the necessary strategies to digitally transform our operations in digital distribution of products, digital claims services and other supporting functions.”

He added:

“We thank our clients for these achievements, as well as the unlimited support from our shareholders, especially KIPCO – Kuwait Projects Company (Holding) – and Fairfax Middle East Ltd. – and all board members of the group. I would also like to express my sincere appreciation to our dedicated employees for their efforts and all the concerned regulatory authorities in Kuwait.”

- Ends -

Notes to Editors:

Gulf Insurance Group 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 Kuwait, Jordan, Bahrain, Egypt, Turkey, Algeria, Syria, Iraq, Lebanon, Saudi Arabia and Emirates. Its reported consolidated assets stand at US\$ 2.6 billion as at 31 December 2020.

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

Gulf Insurance Group enjoys the privilege of being the first triple-rated insurance group in Kuwait. The Group holds a Financial Strength Rating of ‘A’ (Excellent) and issuer credit rating of ‘a’ with negative outlook from A.M. Best Europe – Rating Services Limited, a Financial Strength Rating of A- with stable outlook from Standard & Poor’s and an Insurance Financial Strength Rating (IFSR) of ‘A3’ from Moody’s Investors Service carrying a negative outlook.

The conversion rate applied is KD 0.3042 per US\$1

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