

Bahrain Kuwait Insurance Company discloses financial results for nine months

Manama

Bahrain Kuwait Insurance Company (BKIC) B.S.C. (trading code in Bahrain Bourse “BKIC” and in Boursa Kuwait “BKIKWT”) announced its consolidated financial results for the nine months ended 30th September 2025.

The financial results for the three months ended 30th September 2025 (Q3-2025)

The company reported a net profit attributable to shareholders of BD 1.146 million for the quarter, compared to BD 1.064 million in the same period last year, representing 8% increase. Earnings per share rose to 8 fils, up from 7 fils in the corresponding period of 2024, reflecting 14.3% growth. Total comprehensive income attributable to shareholders reached BD 1.872 million, compared to BD 2.177 million in the same quarter last year, representing a decrease of 14%. This decline was primarily due to higher

fair value gains recorded in the third quarter of 2024.

The Company recorded 4% growth in insurance revenue, rising from BD 29.249 million in the third quarter of last year to BD 30.351 million this year. Insurance service results surged by 75%, increasing from BD 0.404 million to BD 0.708 million, highlighting the strength of the Company’s core operations.

Total investment income also showed strong growth, rising 41% from BD 0.920 million to BD 1.294 million, contributing positively to overall performance.

The financial results for the nine months ended 30th September 2025

The Company reported a net profit attributable to shareholders of BD 3.831 million for the nine month period, compared to BD 4.002 million in the same period

last year, representing a 4% decrease following the first-time implementation of the new 15% Domestic Minimum Top-up Tax. Excluding the impact of this tax, profit attributable to shareholders before tax rose by 7% compared to the same period last year, reflecting continued operational strength. Earnings per share for the period were 26 fils, compared to 27 fils in the same period of 2024. Total comprehensive income attributable to shareholders increased by 1.4%, reaching BD 4.481 million versus BD 4.420 million in the prior-year period.

The Company achieved 0.2% growth in insurance revenue, rising to BD 86.102 million compared to BD 85.907 million in the first nine months of last year. Insurance service results increased by 5%, reaching BD 2.733 million versus BD 2.608 million in the same period of 2024. Net investment income recorded Mr. Murad - Chairman

strong growth, rising 30% from BD 3.415 million in the first nine months of last year to BD 4.436 million this year, contributing positively to overall performance.

The Company’s total shareholders’ equity stood at BD 45.428 million at the end of September 2025, compared to BD 44.901 million at the end of last year, reflecting a 1% increase. This growth is primarily attributed to improvements in underwriting and investment performance, despite dividend payouts during the period.

Total assets reached BD 180.989 million, compared to BD 186.017 million at the end of last year, representing a 3% decrease. Net insurance contract liabilities increased by 6%, rising from BD 64.433 million at the end of last year to BD 68.343 million at the end of the current period.

Board of Directors’ Comments

While reviewing the results of the company, the Board of Directors expressed their satisfaction stating: “The Board of Directors is pleased with the results for the first nine months of 2025 as the company was able to achieve this result despite one-off provisions which will benefit the company in the future. The Board keenly monitors the significant progress made by the company in the implementation of IFRS 17 and new digital initiatives and recognizes the hard work and dedication of the Management and employees of the company.”

The support and confidence reposed by BKIC’s customers and business partners and the impeccable commitment and dedication of both management and employees enable the company to produce satisfactory results and scale newer heights year on year.

Once again, the 2025 results would be impacted with the Domestic Minimum Top-up Tax for the first time after its implementation at 1/1/2025. Therefore, the Board calls upon all shareholders to also consider the “Pre-Tax Profits” when comparing the Company’s results against previous years or against other peers in the marketplace.

BKIC has celebrated its 50th year anniversary in April and wishes to not simply and solely acknowledge this occasion when thanking all Company’s customers, shareholders, partners, employees, and other stakeholders, but to also praise everyone’s unwavering contribution in helping reach this significant milestone.

Chief Executive Officer’s Comments

BKIC’s CEO Dr. Abdulla Sultan commented that the company’s consolidated results in the first nine months of 2025 are satisfying. He commented that in spite of the adverse effects of change in actuarial assumptions the company recorded increased net profit attributable to shareholders.

He commented that “We would also like to remind our shareholders that the company adopted completely new accounting standards (IFRS 17), which is a global learning process that keeps getting fine-tuned over time. Our core business ratios have improved despite challenges with claims inflation, mainly in Motor lines of business. The Kuwait branch continues to perform well, with acceleration noticed in projects in the Kuwaiti market.”

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION OF BAHRAIN KUWAIT INSURANCE COMPANY (B.S.C.) FOR THE PERIOD ENDED 30 SEPTEMBER 2025



Interim condensed consolidated statement of financial position (Reviewed)			Interim condensed consolidated statement of profit or loss (Reviewed)					Interim condensed consolidated statement of cash flows (Reviewed)		
As at 30 September 2025 (in thousands of Bahraini dinars)			For the period ended 30 September 2025 (in thousands of Bahraini dinars)					For the period ended 30 September 2025 (in thousands of Bahraini dinars)		
			For the three month period ended		For the nine month period ended					
			30 September 2025	31 December 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2025	30 September 2024	30 September 2024
			(Reviewed)	(Audited)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
ASSETS										
Cash and cash equivalents		12,803		15,498					3,944	4,165
Bank deposits with original maturity of more than three months		5,105		7,891					500	287
Insurance contract assets		3,853		464					(46)	(48)
Reinsurance contract assets		50,688		64,382					(4,436)	(3,415)
Other receivables and prepayments		12,740		9,330					828	854
Investments at fair value		84,263		77,282					450	-
Property and equipment		3,481		3,679					(3,389)	(289)
Investment properties		1,914		1,940					14,811	(17,834)
Intangible assets		1,573		1,566					(4,346)	(2,150)
Right of use asset		646		207					(15,663)	19,960
Investment in an associate		403		413					7,323	(1,201)
Statutory deposits		3,520		3,365					1,640	457
									(139)	-
TOTAL ASSETS		180,989		186,017					1,477	787
LIABILITIES AND EQUITY										
Liabilities										
Insurance contract liabilities		113,114		126,832					1,231	934
Reinsurance contract liabilities		9,770		2,447					2,798	2,587
Payables and accrued liabilities		9,062		8,434					(1,268)	(1,107)
Lease liabilities		674		217					(6,711)	(17,017)
Insurance contract liabilities - due to Takaful policyholders		1,567		1,065					2,074	7,419
									(709)	-
Total liabilities		134,187		138,995					56	45
Equity									(147)	(200)
Share capital		15,000		15,000					(100)	(41)
Treasury shares		(868)		(748)					7,890	13,038
Share premium		4,362		4,362					(5,105)	(5,250)
Statutory reserve		6,970		6,512					(155)	(94)
General reserve		1,358		1,358					(146)	(3,696)
Investments fair value reserve		2,197		1,666						
Currency translation reserve		(1,149)		(1,268)						
Retained earnings		17,558		18,019						
Equity attributable to shareholders of the parent		45,428		44,901						
Non-controlling interests		1,374		2,121						
Total Equity		46,802		47,022						
TOTAL LIABILITIES AND EQUITY		180,989		186,017						

Interim condensed consolidated statement of profit or loss (Reviewed)					Interim condensed consolidated statement of changes in equity (Reviewed)				
For the period ended 30 September 2025 (in thousands of Bahraini dinars)					For the period ended 30 September 2025 (in thousands of Bahraini dinars)				
For the three month period ended		For the nine month period ended							
30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	Share capital	Treasury shares	Share premium	Statutory reserve	General reserve
(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)					
Profit for the period	1,188	1,127	3,944	4,165					
A. Items that will not be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods									
Net changes in fair value of investments measured at FVOCI - equity instruments	(42)	135	(369)	(219)					
Recycled to retained earnings on disposal of FVOCI equity instruments	-	-	159	-					
B. Items that are or may be reclassified to interim condensed consolidated statement of profit or loss in subsequent periods									
Net changes in fair value of investments measured at FVOCI - debt instruments	485	993	747	564					
Net changes in allowance for expected credit losses of investments measured at FVOCI - debt instruments	1	(47)	4	(37)					
Recycled to interim condensed consolidated statement of profit or loss on disposal of FVOCI debt instruments	-	11	-	11					
Currency translation differences	10	68	119	122					
Other comprehensive income for the period	454	1,160	600	441					
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,642	2,287	4,604	4,606					
Attributable to:									
Shareholders of the parent	1,589	2,177	4,481	4,420					
Non-controlling interests	53	110	123	186					
	1,642	2,287	4,604	4,606					

The above Consolidated Financial Statements have been reviewed by PricewaterhouseCoopers M.E Limited and approved by the Board of Directors at their meeting held on Tuesday, 11th November 2025.

Murad Ali Murad
Chairman

Hassan Mohamed Zainalabedin
Director

Dr. Abdulla Sultan
Chief Executive Officer

Bahrain Kuwait Insurance (BSC) is Licensed by the Central Bank of Bahrain as a General Insurance Company

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