

Gulf Insurance Group's financial strength reaffirmed by rating agencies

Kuwait City, 08 December 2020 - Gulf Insurance Group, one of the leading insurance service providers in Middle East and North Africa region, announced that Moody's Investors rating agency affirmed the company's insurance financial strength rating at 'A3' and maintained the negative outlook. In addition, A.M. Best placed the company's financial strength rating of "A" Excellent and the long-term issuer "a" credit rating "under review" with developing implications. Meanwhile, S&P Global Ratings placed its 'A-' long-term issuer credit and financial strength ratings on CreditWatch with developing implications.

The rating actions follow the announcement that Gulf Insurance Group signed an agreement to acquire AXA's operations in the Gulf region for a total cash consideration of US\$ 474.75 million. This will enable Gulf Insurance to further strengthen its competitive position in existing markets and access to insurance markets of Oman and Qatar.

The rating agencies expect that this successful acquisition and integration of AXA's Gulf operations will materially strengthen the Group's position and brand across its markets in GCC, cementing it as a top tier brand in the region. They also clarified that this will further aid the Group's business profile by strengthening its product offerings and geographic diversification that results with an addition of approximately US\$ 1 billion gross written premiums.

The rating affirmation of Gulf Insurance Group reflects its excellent regional business profile, good risk-adjusted capitalization, the continued strong profitability and the capability of generating diverse income streams from its operating subsidiaries and associates as well as its own activities to meet its ongoing payment obligations under essentially all foreseeable circumstances.

Mr. Khalid Al Sanousi, Group Senior Manager for Corporate Communications and Investor Relations at Gulf Insurance Group said,

"We are pleased with the Group's ratings updates from Moody's, A.M. Best and S&P. These results are driven by the Group's well-established and comprehensive Enterprise Risk Management Framework with appropriate tools and techniques help to identify, measure and manage risks on a Group level. We are the first insurance company in Kuwait to be triple rated from international credit rating agencies – A.M Best, S&P (A-) and Moody's enabling the Group to provide world-class offerings with the presence of a strong and unified gig Brand across the markets we operate in".

**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\$ 2.8 billion as of 30 September 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.

For Further information:

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