



Press Release

Argus Group Holdings Limited

Ticker: AGH.BH

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The Argus Group Announces Operating Results for FY2024

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Hamilton, Bermuda – Argus Group Holdings Limited (the “Group”; “the Company”; the “Argus Group”) today announced net income for the year ended 31 March 2024 of \$7.3 million, compared to \$15.6 million in the previous year as restated for IFRS 17. This IFRS reported net income was impacted by one-off adjustments from the transition to IFRS 9 and 17, and exceptional project costs.

Net operating earnings for the year, reflecting the performance of the business excluding non-recurring expenses, were \$18.5 million compared to \$19.3 million in the prior year.

Argus Chief Executive Officer, Alison Hill, stated: “The transformations to our business in recent years, from operating model changes to revenue source diversification, have provided significant benefits this year. Our multifaceted sources of revenues largely mitigated the continued increase in health claim costs, allowing us to continue reporting strong operating earnings.”

Insurance revenue for the year was \$193.2 million, rising 12.9 per cent compared to the prior year (\$171.1 million), driven by increased health insurance revenues. Fee revenue was \$52.4 million, an increase of \$8.3 million or approximately 18.8 per cent over the prior year, driven by the continued growth in our medical practices.

Accordingly operating cash flows were strong, with a net operating cash inflow for the year of \$22.4 million, compared to \$15.6 million last year.

Insurance service expenses increased by \$20.8 million or 17.6 per cent compared to the prior year, mainly from increasing health claims costs higher utilisation of stop loss claims for self-funded clients, prescription drugs and diagnostic claims. We had a successful annual renewal of our health business and have won a number of attractive new clients, which will support our insurance performance looking forward.

Shareholders' equity at 31 March 2024 was \$156.2 million, an increase of 17.2 per cent over 31 March 2023 of \$133.3 million, restated for IFRS 17. The main driver of the increase was a redesignation of our Interest Accumulator investment portfolio to amortised cost, to better match the accounting treatment of the associated liabilities, resulting in a one-time reversal of unrealised losses held.

The Company's share price on 31 March 2024 was \$6.30 compared with \$5.55 on 31 March 2023. Book value per share was \$7.16 at 31 March 2024 compared with \$6.19 at 31 March 2023 restated for IFRS 17.

Based on the Group's financial strength and performance, Argus has declared a dividend of twelve cents per share for shareholders of record as of 26 July 2024, payable on 30 August 2024.

Alison Hill added: "We are proud to have built a robust and diversified business platform delivering health, wealth and protection products into connected communities. We have focused on expanding our addressable market and managing costs through vertical integration, Of particular note is our Better Health Partnership, an unrivalled health eco-system that is making a meaningful difference to our clients' and patients' lives. A system that embeds cost management structures to better address rising healthcare claims costs and help to counteract health cost inflation."

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Further information:

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Notes to Editors

Argus Group Holdings Limited and its subsidiaries, commonly known as the Argus Group, is a multi-line insurance, medical practices and financial services organisation offering a full range of insurance including health and brokerage services, pensions and investment products targeted at local and international organisations and individuals. Through its subsidiary Bermuda Life Insurance Company Limited, it is the leader in group health insurance and pension plans in Bermuda.

Certain statements in this release may be deemed to include “forward-looking statements” and are based on management’s current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from those included in these statements due to a variety of factors including worldwide economic conditions, success in business retention and obtaining new business and other factors.

For further information, visit to www.argus.bm.