



Press Release

Argus Group Holdings Limited

Ticker: AGH.BH

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The Argus Group Reports Earnings and Interim Dividend for the six months ended September 30, 2024

26 November 2024

Hamilton, Bermuda – Argus Group Holdings Limited (the “Group”; “the Company”; the “Argus Group”) today announced net income for the six months ended September 30, 2024 of \$5.9 million, compared to \$5.0 million in the previous year. This IFRS net income was impacted by exceptional project costs arising from our proposed amalgamation with BF&M.

Net operating earnings, reflecting the performance of the business excluding non-recurring project expenses, were \$11.0 million compared to \$9.0 million in the same period last year.

Alison Hill, Chief Executive Officer of the Argus Group, said: “We are pleased with these resilient financial results, achieved in the face of challenging macroeconomic conditions. Inflation added pressure to our margins and operating expenses, yet these solid financial results highlight the strength of our growth strategy to diversify our income sources, with our fee-based businesses helping to offset elevated health insurance claims. I would also like to thank our team for continuing to focus on ways to address claims cost inflation, whilst being strategic with pricing and underwriting.”

Revenue for the period reached \$135.1 million, a 15.2% increase from \$117.3 million in the same period last year, driven by growth in both insurance and fee revenues. Insurance revenue grew by \$14.4 million, or 15.6%, while fee revenue reached \$28.2 million, a 13.8% increase, supported by continued growth in our medical practices. As a result, operating cash flows were strong, with a net inflow of \$19.0 million for the six-month period.

Insurance service expenses rose by \$13.7 million, or 21.5%, compared to the previous year. The elevated growth in health insurance claims seen last year continued into Q1 of the current year. Whilst this showed signs of stabilising in Q2, performance continues to be influenced by higher utilisation levels and increased average costs, particularly in local health claims.

Hurricane losses incurred during the period from Ernesto were mitigated by our robust reinsurance program. Our European businesses support global diversification having contributed positively to Group results through disciplined underwriting.

Shareholders' equity as of 30 September 2024 was \$160.4 million, reflecting a 2.6% increase from \$156.2 million on 31 March 2024. This growth was driven by \$5.9 million in net income and \$0.7 million in other comprehensive income, partially offset by dividends declared during the period.

Book value per share increased to \$7.31 as of 30 September 2024, up from \$7.16 on 31 March 2024.

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 31 December 2024, payable on 31 January 2025.

Alison Hill added: "We are incredibly proud of the progress that we have made over the last fifteen years to transform the Argus Group. Our strategy has always been to grow our business to enable better leverage of scale and buying power for the benefit of our customers and community. We have diversified our business lines, grown our markets and delivered impressive shareholder value. The proposed amalgamation with BF&M Limited is an exciting next step in our evolution. With greater geographic reach and enhanced resources, we are confident that our talented team will continue to drive further sustainable growth in the coming years."

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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.