



A Glance at KSA Insurance Industry Performance Of Listed Companies Q3-2022

November 09, 2022

(based on preliminary results)



About BADRI

Driven by the passion to further the use of actuarial skills in the MENA region, BADRI was established in the UAE. Since then, the company has expanded exponentially and now has offices in Dubai, Riyadh, Karachi, and Lahore.

Today, our 120+ talented staff spread across KSA, UAE, Pakistan and India drive innovation and provide cutting edge solutions to our business partners across the globe. We strive to ensure that we provide the best quality solutions, turning our experience and industry knowledge into value for our clients.

We are Actuaries and Consultants specializing in IFRS17 Implementations and Managed Services, Enterprise Risk Management related advice, Specialized services for Medical Insurance and TPAs, Data Analytics and Business Intelligence, End of Service Benefits Valuations, Strategy Consulting including Digital Transformation, Merger & Acquisition Consulting, HR Consulting services to our clients.





VISION

Solution architects strengthening our partners to optimize performance

MISSION

We help our clients be the best version of themselves by fostering partnerships, challenging norms and providing cutting edge solutions. We inspire our people to constantly evolve and chase excellence with integrity in a diverse, exciting and growth-oriented culture.

CORE VALUES

INTEGRITY

We uphold the highest standards of integrity in all our actions by being professional, transparent and independent.

CHASING EXCELLENCE

Through our empowered teams, we raise the bar by challenging norms to provide cutting edge solutions to our partners.

FOSTERING PARTNERSHIPS

We foster partnerships with all our stakeholders through collaboration, empathy and adaptability.

BREEDING EXCITEMENT

We value our people and create an exciting environment for them to develop.

GROWTH-CENTRIC

We believe in creating a vibrant culture through continuous personal and professional growth of our people, while also growing the business.



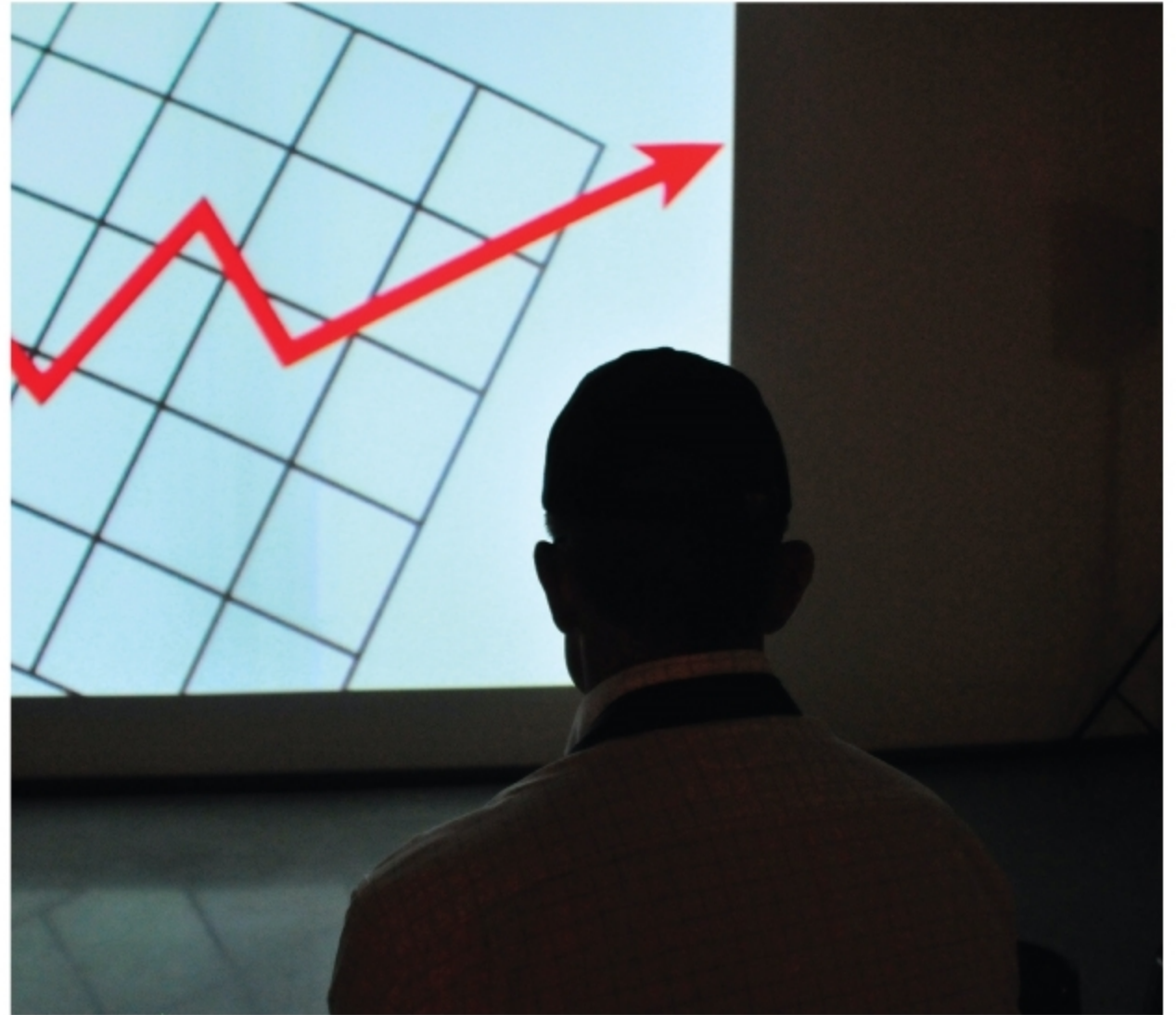
Industry Snapshot

Gross Written Premium

- Q3-2022: SR 40 Billion
- Q3-2021: SR 32 Billion
- Growth: 26%

Net Profit Before Zakat

- Q3-2022: SR 885 Million
- Q3-2021: SR 895 Million
- Growth: -1%





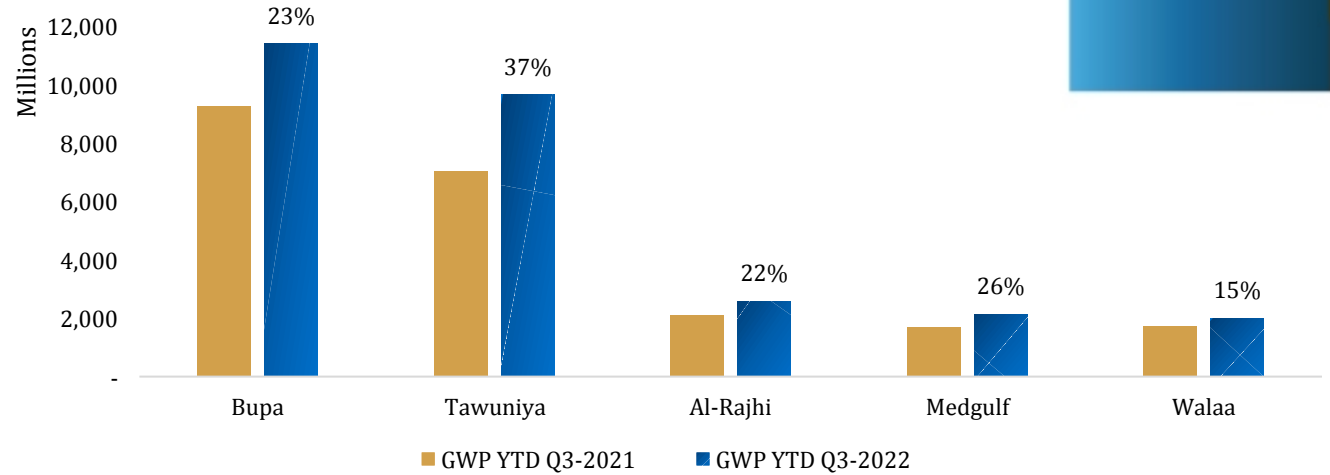
Gross Premium Analysis

Highest GWP = Bupa: SR 11 Billion

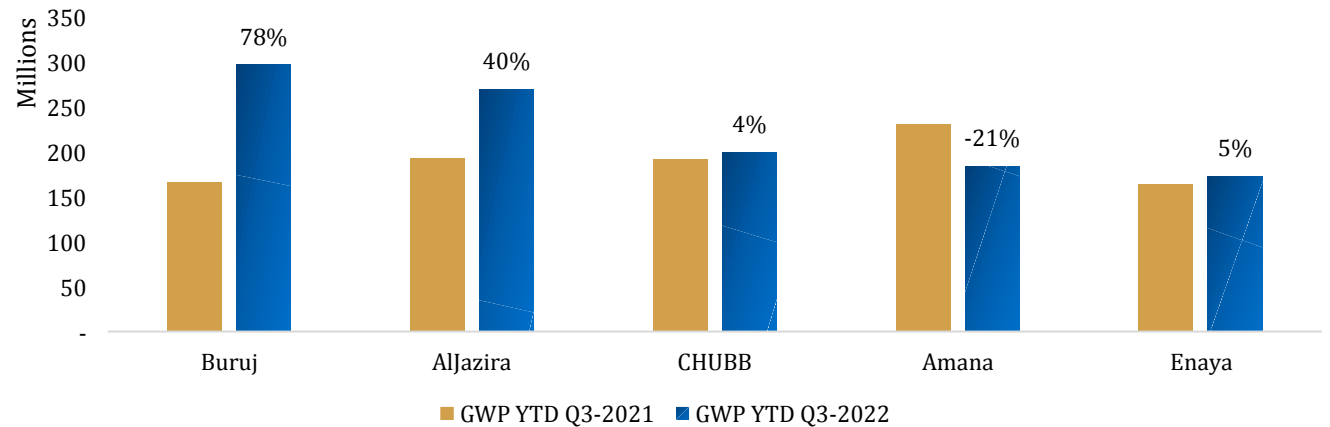
Weighted Average GWP Growth= 26%

**TOP 5 Companies,
Premium = SR 28 Billion.
Growth = 27%**

GWP Top 5



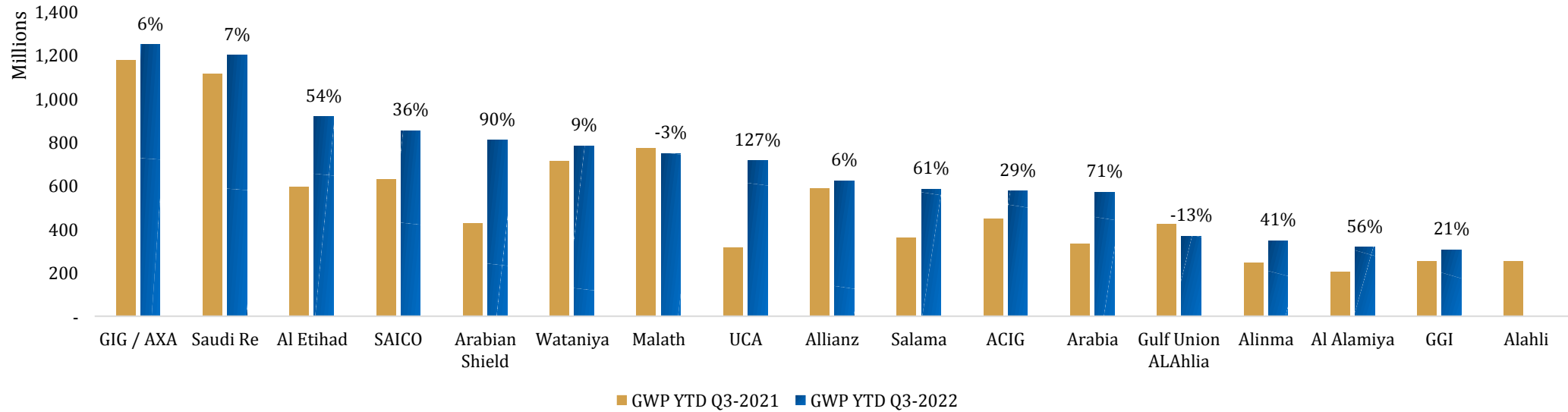
GWP Bottom 5





Comparative Gross Premium Analysis

GWP Others



Highest GWP Growth = UCA: 127%
Lowest GWP Growth = Amana: -21%



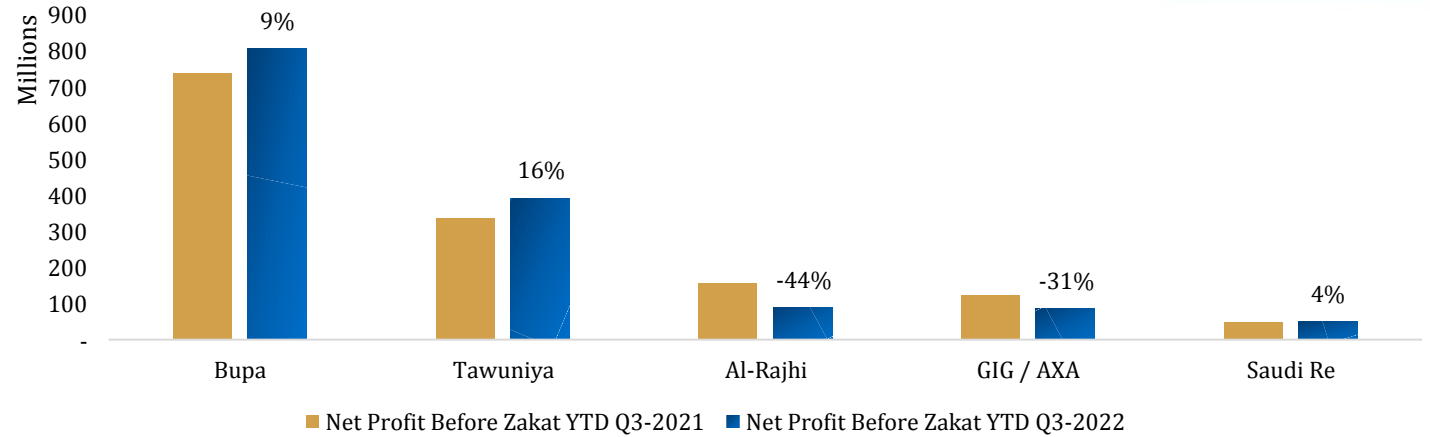
Comparative Profit Analysis

Highest Net Profit Before Zakat =
Bupa: SR 804 Million

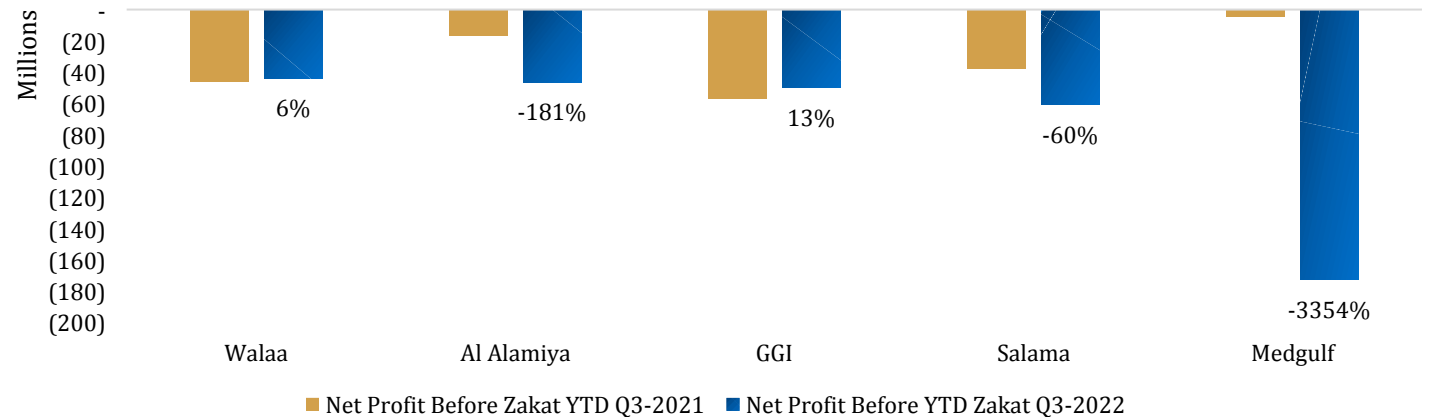
Weighted Average Profit Before Zakat
Growth = -1%

Lowest Profit Before Zakat = Medgulf:
SR -173 Million

Net Profit Before Zakat Top 5



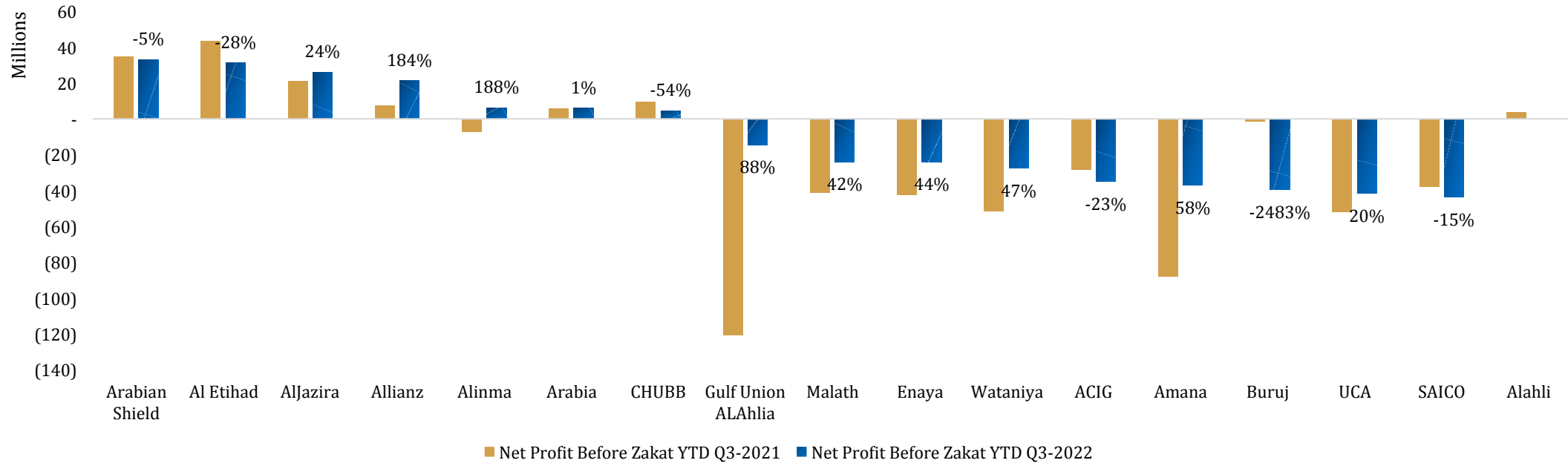
Net Profit Before Zakat Bottom 5





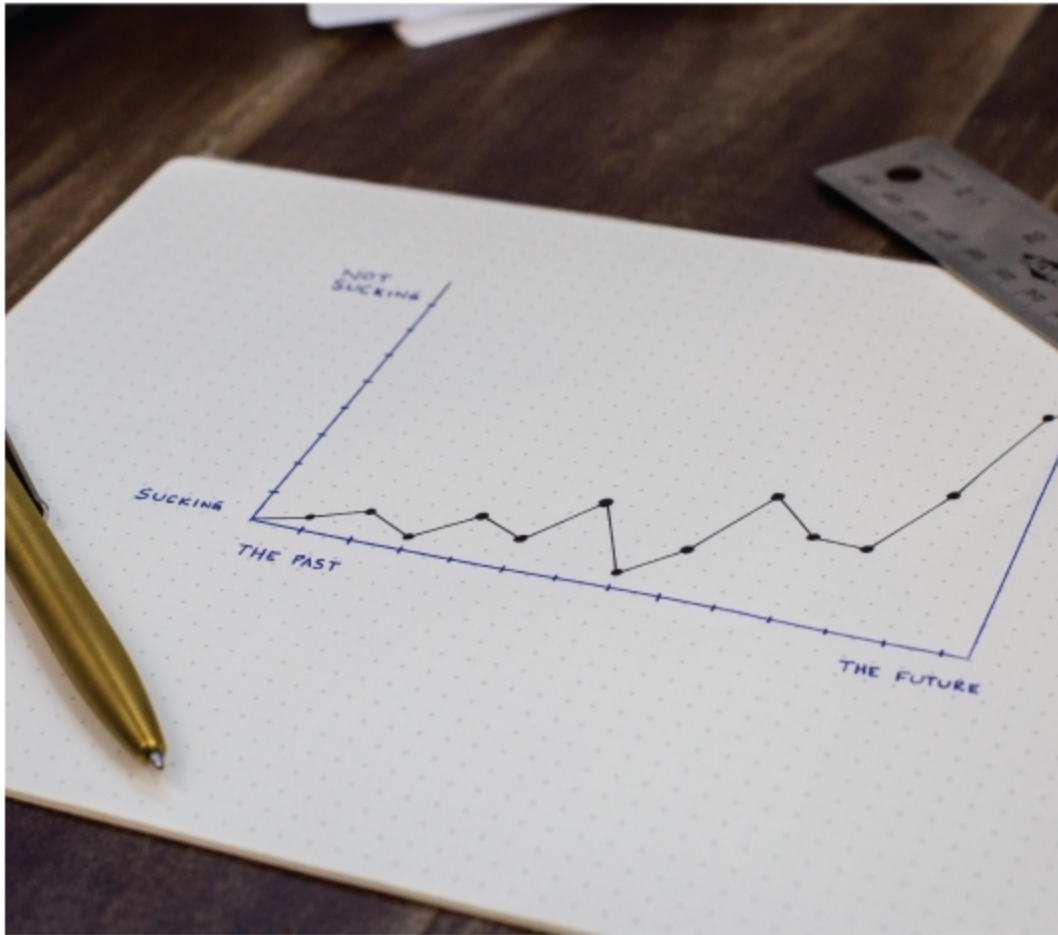
Comparative Profit Analysis

Net Profit Before Zakat (Others)



Highest Profit Before Zakat Growth = Alinma: 188%
Lowest Profit Before Zakat Growth = Medgulf: -3354%

Profit Per Share



Company	EPS Q3-2021	EPS Q3-2022
Bupa	5.07	5.62
Tawuniya	2.14	2.58
Al-Rajhi	3.25	2.01
Medgulf	(0.11)	(1.55)
Wala	(0.89)	(0.80)
GIG / AXA	2.12	1.38
Saudi Re	0.42	0.44
Al Etihad	0.73	0.43
SAICO	(1.40)	(1.67)
Arabian Shield	0.62	0.30
Wataniya	(2.00)	(1.00)
Malath	(1.02)	(0.65)
UCA	(1.45)	(1.11)
Allianz	0.00	0.20
Salama	(4.10)	(6.38)
ACIG	(1.72)	(0.80)
Arabia	0.03	0.11
Gulf Union ALAhlia	(4.92)	(0.45)
Alinma	(0.31)	0.15
Al Alamiya	(0.56)	(1.26)
GGI	(1.17)	(1.07)
Buruj	(0.32)	(1.56)
Aljazira	0.45	0.44
CHUBB	0.25	0.08
Amana	(6.57)	(1.62)
Enaya	(2.99)	(1.63)
Bupa	5.07	5.62

Conclusion

- The listed insurance companies in KSA observed an increase in topline of 26% in Q3-2022, with premium volumes increasing from SR 32 billion in Q3-2021 to SR 40 billion. 23 out of 26 listed companies included in this report exhibited growth in their topline from Q3-2021.
- However, despite the strong growth in top line, the net profit before Zakat was broadly similar at 885 million in Q3-2022, compared with SR 895 million in Q3-2021 indicating that profitability has decreased significantly since last year. 15 out of 26 companies were able to generate profits in Q3-2022. If we exclude BUPA and Tawuniya the industry is suffering a large fall in profitability with a loss of SR 309 million in YTD 2022 compared with a SR 179 million for the same period last year.
- As compared to last year, two companies are missing – SABB Takaful and Alahli Takaful. Since the merger between SABB Takaful and Walaa Cooperative Insurance was completed in October 2022, SABB Takaful is missing from both current and previous values. However, as the merger between Alahli Takaful and Arabian Shield Cooperative Insurance was completed in January 2022, we have shown Alhali Takaful's values for 2021 and in 2022 they are already part of Arabian Shield Cooperative Insurance.



الخلاصة:

- شهدت شركات التأمين المدرجة في المملكة العربية السعودية ارتفاعا بنسبة 26٪ في الربع الثالث من عام 2022، حيث ارتفعت أحجام الأقساط من 32 مليار ريا سعودي في الربع الثالث من عام 2021 إلى 40 مليار ريا سعودي. وأظهرت 23 شركة من أصل 26 شركة مدرجة في هذا التقرير نما في إيراداتها خلال الربع الثالث من عام 2021.
- ومع ذلك، وعلى الرغم من النمو القوي في الإيرادات، إلا أن صافي الربح قبل الزكاة كان بشكل عام 885 مليون ريا في الربع الثالث من عام 2022، مقارنة بـ 895 مليون ريا سعودي في الربع الثالث من عام 2021، مما يشير إلى أن الربحية قد انخفضت بشكل كبير منذ العام الماضي. تمكنت 15 شركة من أصل 26 شركة من تحقيق أرباح في الربع الثالث من عام 2022. وإذا استثنينا بوبا والتعاونية، فإن المجال يعاني من انخفاض كبير في الربحية مع خسارة قدرها 309 ملايين ريا سعودي منذ بداية 2022 حتى تاريخه مقارنة بـ 179 مليون ريا سعودي للفترة نفسها من العام الماضي.
- مقارنة بالعام الماضي، ثمة شركتان غير موجودتين هما ساب تكافل والأهلي للتكافل. حيث إن ساب تكافل غير موجودة في القيم الحالية والسابقة منذ اكتمال عملية الاندماج بين ساب للتكافل وولاء للتأمين التعاوني في أكتوبر 2022. ومع ذلك، ومع اكتمال عملية الاندماج بين الأهلي للتكافل والدرع العربي للتأمين التعاوني في يناير 2022، أظهرنا قيم شركة الأهلي للتكافل لعام 2021 وفي عام 2022 أصبحت بالفعل جزءا من شركة الدرع العربي للتأمين التعاوني.





Disclaimer

We have undertaken an analysis of the Key Performance Indicators (KPIs) of the listed insurance companies in KSA for the first 9 months of 2022. The data has been extracted from the preliminary reports of those companies which were publicly listed and available till the compilation of this report.

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Due to availability of limited information, we were unable to segregate further. Once all companies start publishing preliminary reports with uniform level of segregation, this can be done.



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