



# 2024

# KSA

## Listed Insurance Industry Performance Analysis – Q3 2024

Date: December 4, 2024



## 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

Chasing  
Excellence

Fostering  
Partnerships

Breeding  
Excitement

Growth-  
Centric





## Awards & Achievements

Award winning strategic partner to the insurance industry with around **200** talented staff in UAE, KSA, Pakistan, Egypt and UK 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.

### Our Awards

- Strategic Partner to the Industry 2024, 2023, 2022, 2021 & 2020 by MIIA.
- Best Actuarial/Risk Consultancy Firm of 2023, 2018 & 2016 by MENAIR.
- Corporate Risk Manager of 2023 & Best Actuarial Company of 2024 by InsureTek.
- Employer Spotlight Societal Purpose Award of 2024 by SOA.
- Best Internship Program (Silver) Award by Employee Happiness Awards.
- Best Digital & Social Media Initiative (Silver) Award by Customer Happiness Awards







## About **BADRI**

BADRI over the years has emerged to be a global consulting company that provides diverse sets of services to clients across Middle East and other regions.

We are proudly standing at around **200** employee base that are spread across UAE, KSA, Pakistan, Egypt and UK. They certainly 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 specialize in all range of actuarial services and have also been able to integrate to provide services in other segments including Financial Services, Strategic HR consulting, Data Management and Business Intelligence to our clients.

## What We Can Do For You!

### Actuarial Consultancy

- General Insurance, Life and Health, Pensions and Social Security
- Regulatory / Appointed Actuary
- Reserving, Technical Pricing, Capital Modelling
- Investment and ALM
- Reinsurance Modelling / Optimization
- Financial reporting including IFRS 17 and IFRS 9

### Strategic Consultancy

- Strategy and Business Plan development
- Digitalization Strategy
- M&A (due diligence)
- Market and Product development and innovation
- Enterprise Risk Management
- ESG and Climate Risk
- Financial Services
- HR Strategy

### Technology Consultancy

- Actuarial Software for pricing, reserving and capital modelling
- IFRS 17 financial reporting software and managed services
- Business Intelligence software
- Motor and medical portfolio management / dashboards
- Data Strategy and Governance



## Leading the way in IFRS 17 Implementation

BADRI has taken a lead in providing IFRS 17 consulting to general & life insurers within Pakistan by securing a leading market share in the upcoming Phase 3 & 4. This would enable our clients to be IFRS 17 compliant by January 2026. In addition to this, BADRI will also be providing system support by way of its IFRS 17 accounting engine called ACE 17.



## Financial Services

Our professional and dedicated team possess the expertise in financial services domain and offer wide range of services. Our core services are:

- IFRS Implementation
- Reconciliation Services
- MIS Reporting
- Backlog Accounting
- Loan Staff (Outsource)

### Reconciliation Services

- Improve collections from insurance companies/ brokers and customers by reconciling the statement of account on regular basis.
- Accurate reporting of LRC and LIC balances. As currently most businesses struggled to isolate their receivables, payables, and commission from their net position.
- Reduce risk of error and compliance with regulation/ standard.

### Loan Staff

- Availability of Qualified and competent staff immediately.
- No lengthy hiring process as no change in the headcount.
- Benefit from a consultant's knowledge of the market.
- Cost containment.





## Prepare for KSA's Personal Data Protection Standards

### Data Management - Regulatory Compliance

As of 2024, the Personal Data Protection Law (PDPL) will be enforced in the Kingdom of Saudi Arabia (KSA). Compliance with the PDPL will apply to all public and private entities.

### Data Management & Personal Protection Data Requirements

#### Data Privacy

Create a framework to continuously protect customers' sensitive information throughout the data lifecycle.

#### Data Protection

Conduct yearly risk assessments of systems which include collection, processing and storing personal data.

#### Data Governance

Develop a Data Quality Plan and an initial Data Quality Assessment focusing on the cleanliness and availability of data.

#### Data Security

Implement appropriate technical and organizational measures to secure data.

#### Business Intelligence

Business Intelligence and Analytics Plan.

#### Reference & Master Data Management

Identify Reference & Master data, as well as sources where Data Objects are created, read, updated and deleted.

BADRI has been a leader in partnering with organizations to achieve and exceed their regulatory needs. Our comprehensive reviews provide tailored recommendations that align with specific industry and regulatory requirements.



## Invest In Your Team

métier – a BADRI Group Company is a renowned boutique Executive search and HR solutions consulting firm that works with teams across the globe, to develop a tailored HR plan and resolve your business challenges.

We take a personalized approach in ensuring that the solutions provided to you are in line with your company strategy to help you achieve your business goals through sustainable HR practices.

Since our inception in 2014, we have been recognized as Executive search leaders across multiple industries in the MENA region. métier's seasoned professionals focus on your HR transformation, while you focus on your business.


### Our Competitive Edge

- Improving Workplace Productivity
- Increasing Value Through People
- Inspiring Partnerships

### Our Service Offerings

- Strategic HR Consulting
- Digital HR Solutions
- Talent Acquisition Services
- Training Solutions

**métier**

a  BADRI group company



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## Q3 2024 Industry Analysis

Revenues	Profitability	Asset	LOB Wise	IFRS-17 Transition
Gross Written Premium	Insurance Financial Results	Asset Mix	Gross Written Premium	Finance Income / LIC comparison
Insurance revenue	Net Profit	Earning Per Share	Insurance Revenue	LC as % of Insurance Revenue
Insurance Service Results	Net Finance Income Comparatives		Insurance Service Expense	Loss Component
Insurance Service Ratio	Net Insurance Result & Investment Income Profit Breakup		Insurance Service Results	Risk Adjustment / LIC
	Combined Ratio		Combined Ratio	
	Profit Margin		UW Profit Margin	
	Total Comprehensive Income		Profit Breakdown	



# Q3 2024 Highlights

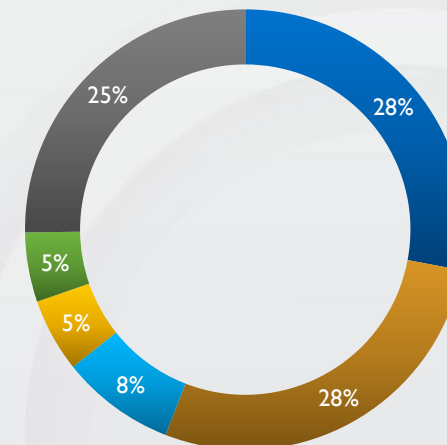
**Gross Written Premium**      Q3 2024: **SAR 56 billion**  
Q3 2023: SAR 49 billion  
Growth: 16%

**Insurance Revenue**      Q3 2024: **SAR 48 billion**  
Q3 2023: SAR 42 billion  
Growth: 16%

**Insurance Service Results**      Q3 2024: **SAR 2.7 billion**  
Q3 2023: SAR 2.5 billion  
Growth: 7%

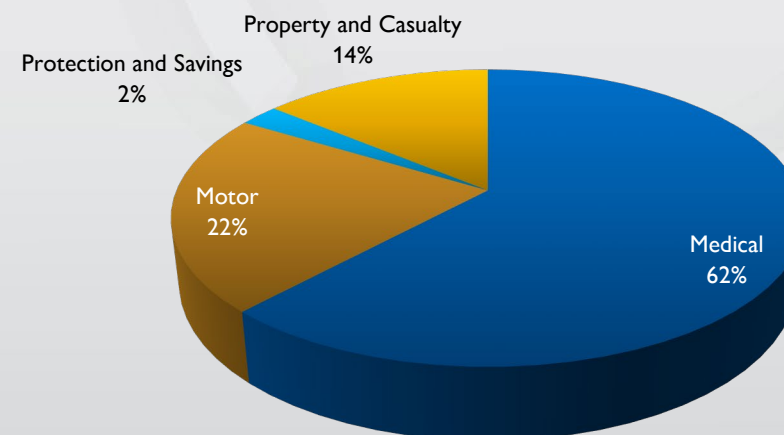
**Profit After Zakat**      Q3 2024: **SAR 3.0 billion**  
Q3 2023: SAR 2.6 billion  
Growth: 15%

Insurance Revenue Q3 2024



■ Tawuniya ■ Bupa ■ Al-Rajhi ■ Medgulf ■ Walaa ■ Others

Insurance Revenue Breakdown Q3 2024





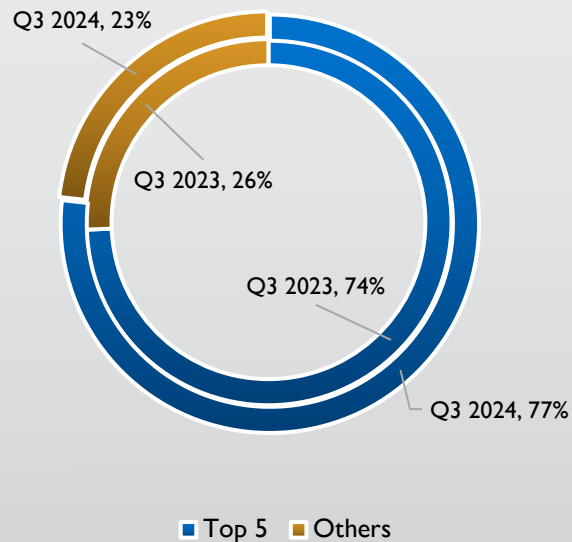


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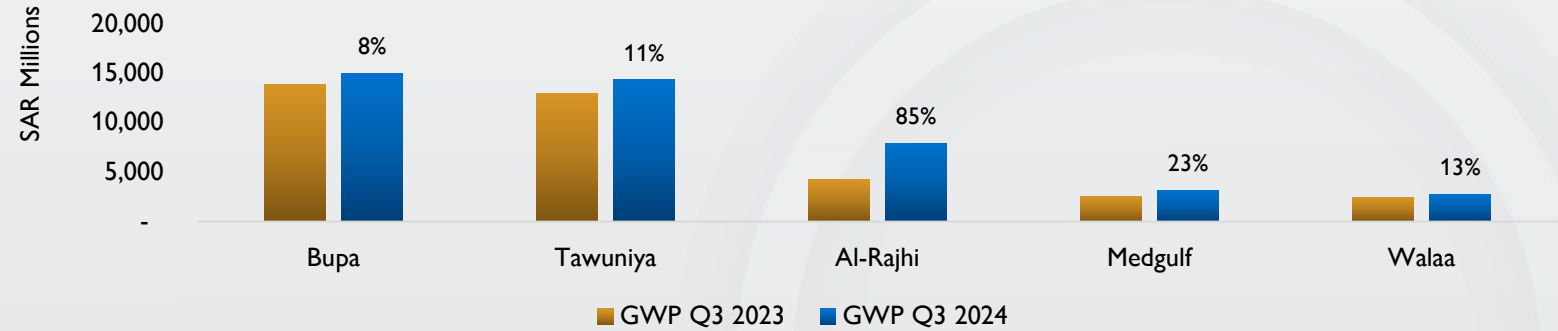
# Revenues

The top 5 companies grew top line by SAR 7.1 billion, with a premium of SAR 43.3 billion in Q3 2024 as compared to SAR 36.2 billion in Q3 2023. The share of overall GWP for the top 5 companies is 77% for Q3 2024, as compared to Q3 2023 which was 74%. The primary driver of growth among the Top Five companies was Al-Rajhi, which achieved the highest volume growth in the industry (SAR 3.6 billion or 85%), mainly driven by its P&S business.

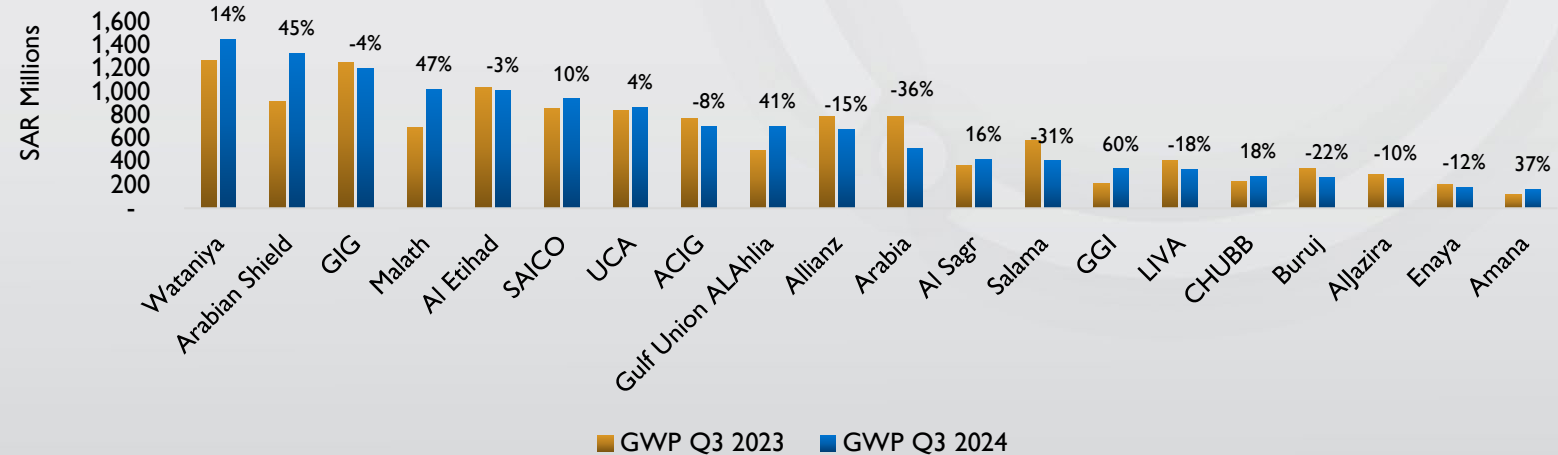
## GWP Distribution



## Top 5



## Others

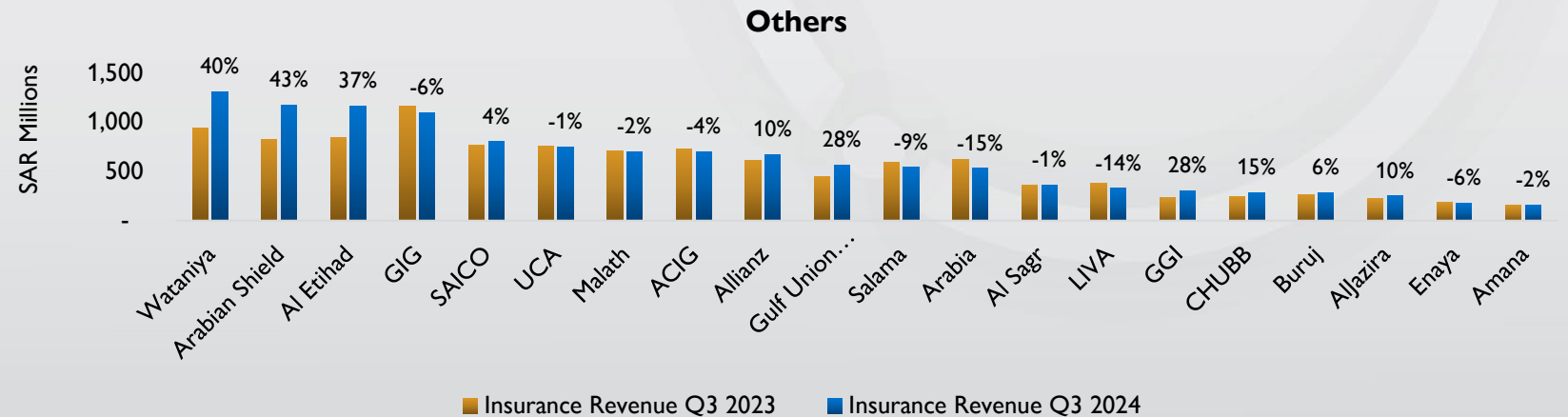
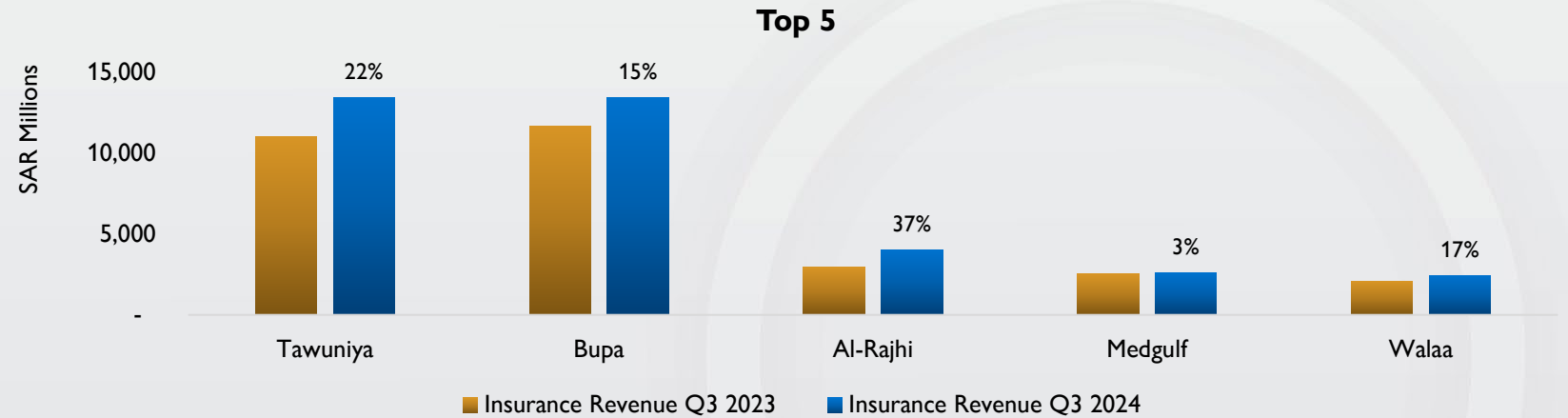




Insurance Revenue for the 25 listed companies analyzed grew by 16% to SAR 48 billion in Q3 2024 as compared to SAR 42 billion in previous period. Insurance Revenue which can be thought of being analogous to Earned Premiums. However, one critical difference is that this is net of any Expected Credit Losses (similar to Provision for Doubtful Debts).

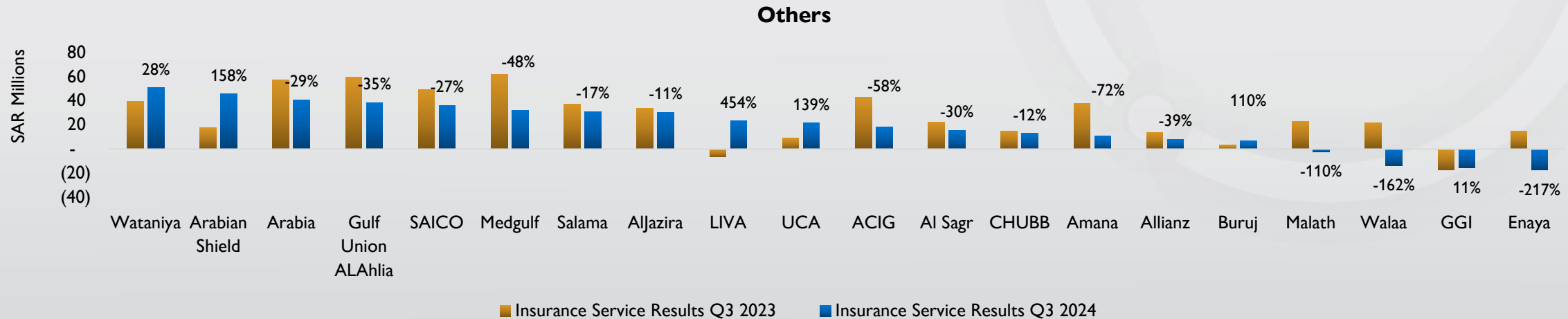
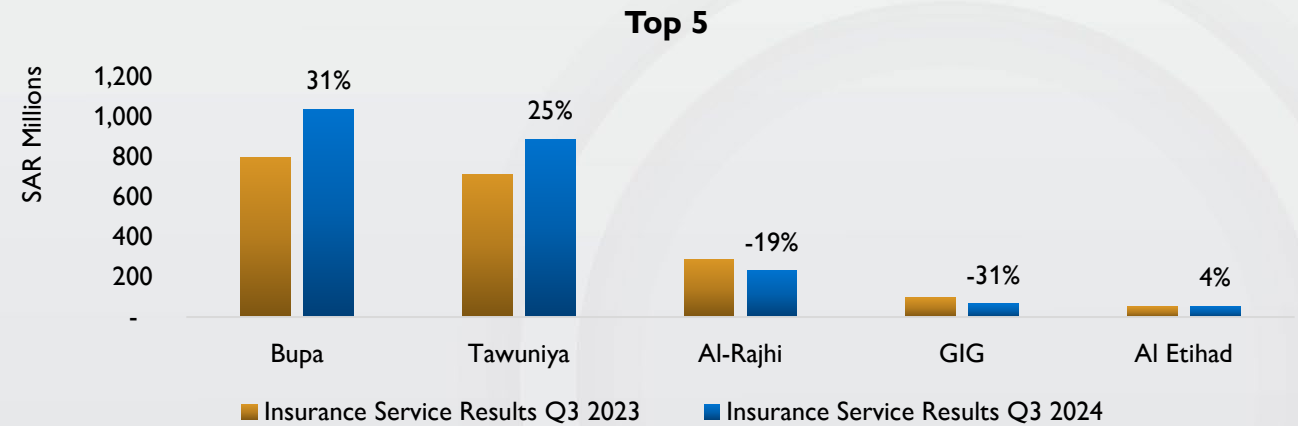
The top five companies saw their Insurance Revenue increasing from SAR 30 billion in Q3 2023 to SAR 36 billion in Q3 2024, a growth of 19% while the rest of the companies experienced a growth of 10% from SAR 11 billion to SAR 12 billion.

Arabian Shield displayed the highest growth of 43%, meanwhile, on the other hand, Arabia exhibited the largest dip in business of 15%.



In Q3 2024, the Insurance Service Results for the 25 listed companies underwent an increase of 7% from SAR 2.5 billion to SAR 2.7 billion in Q3 2024. Among the leading 5 companies determined by this key performance indicator (KPI), there was a growth of 17%, surging from SAR 1.9 billion to SAR 2.3 billion between the two periods. Conversely, the remaining companies encountered a decline from SAR 537 million to SAR 375 million. Notably, BUPA achieved the most substantial absolute growth of SAR 245 million, Al-Rajhi experienced an absolute decline of SAR 55 million.

The impact of share of surplus from insurance pool is subtracted from the insurance service results.



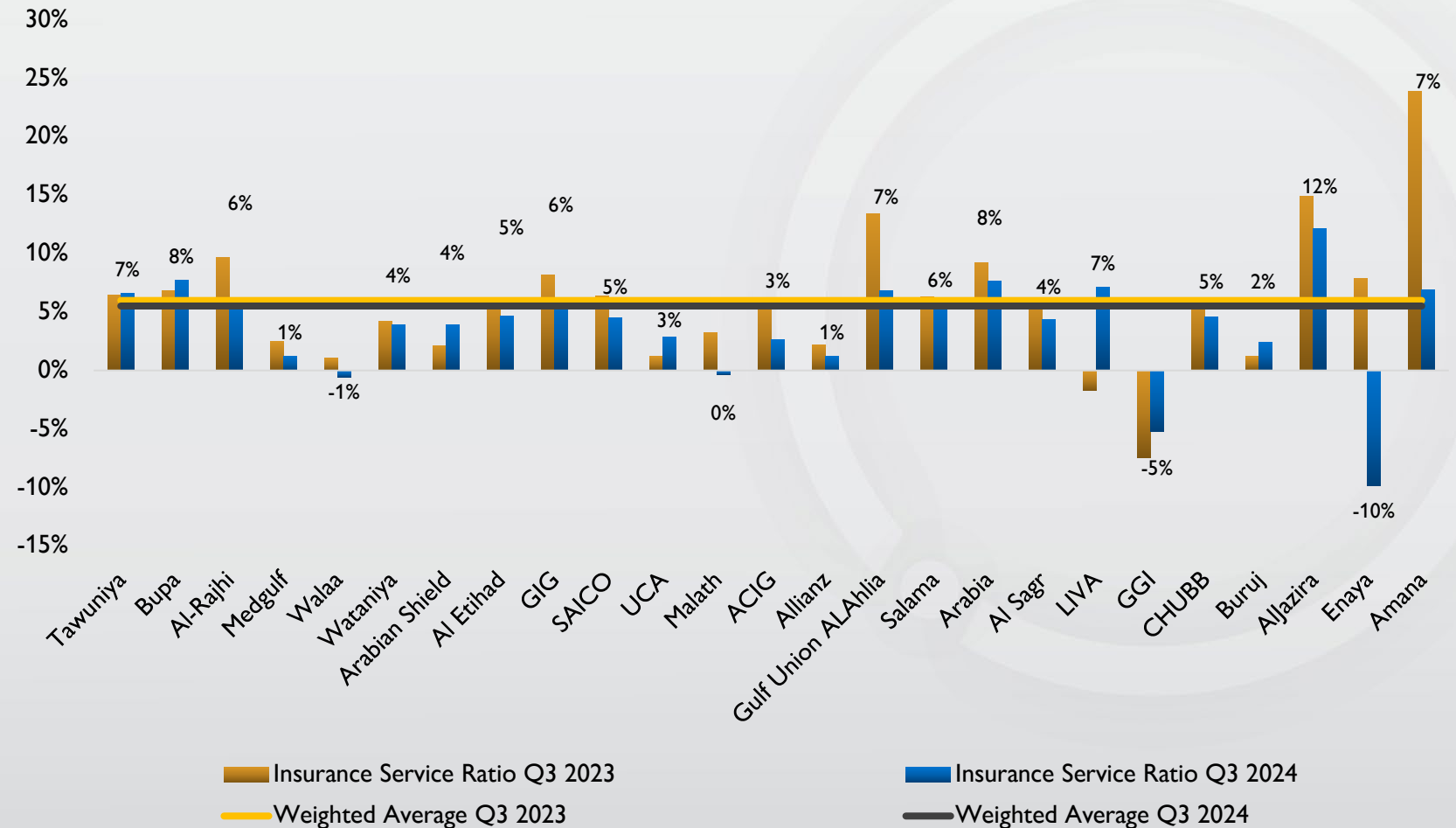


The Insurance Service Ratio for the examined companies remained 6% in Q3 2024 same as last year. Notably, Al Jazira displayed the highest ratio at 12% (Q3 2023: 15%), while Enaya recorded -10% (Q3 2023: 8%) ratio, indicating a negative figure.

The calculation of the Insurance Service Ratio (Insurance Service Results / Insurance Revenue) finds similarity with the concept of 100% minus the Combined Ratio as per IFRS 4. However, a crucial distinction lies in the focus on Net Results and the comparison with a value akin to Gross Earned Premium.

In the context of IFRS4, Insurance Service Results can be perceived as Underwriting Profits after accounting for expenses.

### Insurance Service Ratio



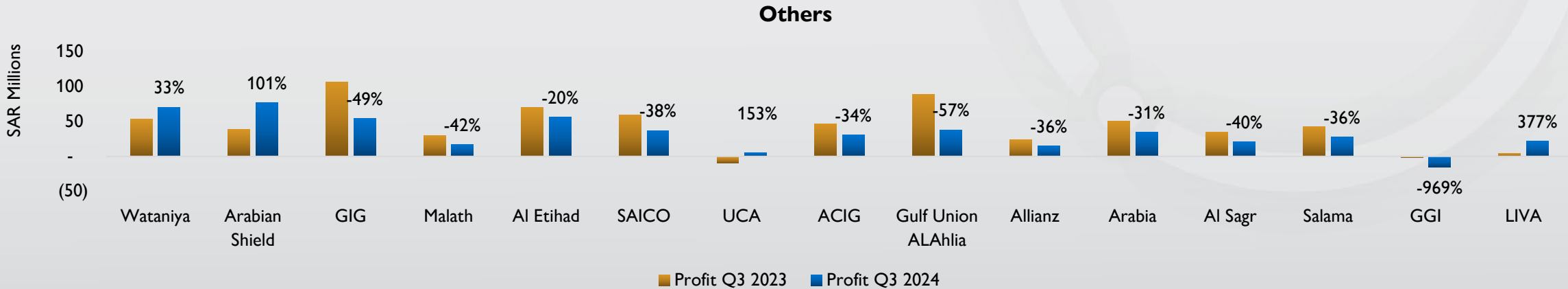
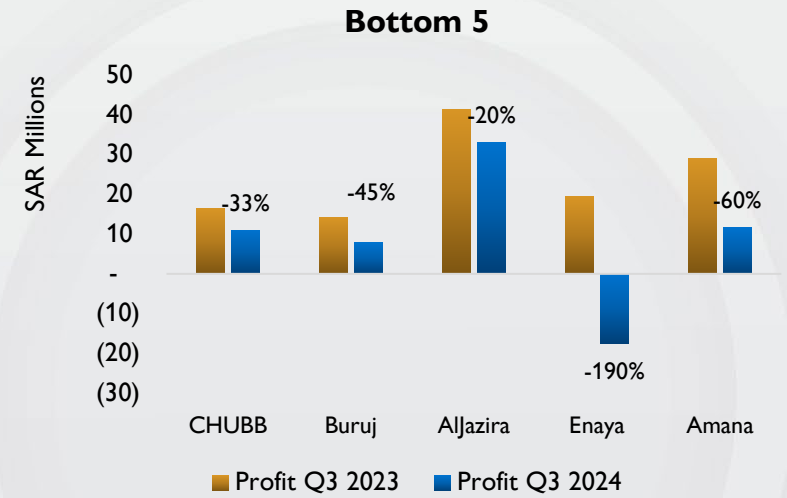
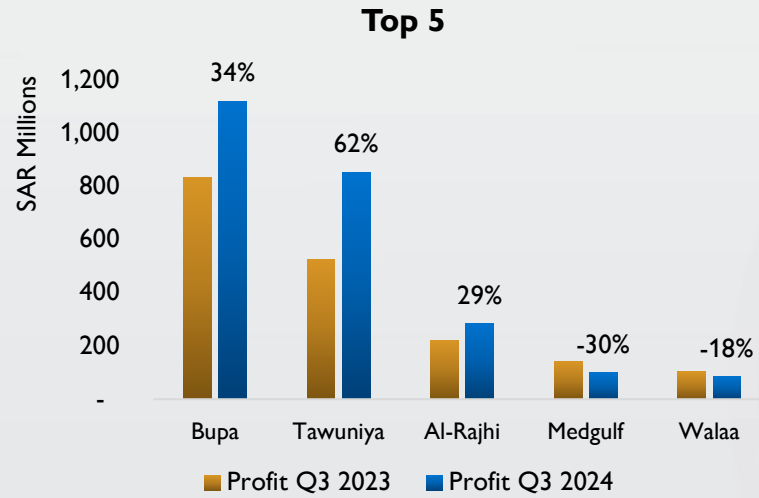


02

# Profitability

The Profit (after zakat) for the 25 listed companies exhibited an upswing, surging from SAR 2.6 billion in Q3 2023 to SAR 3.0 billion in Q3 2024. Notably, among the leading 5 companies in terms of profitability, there was 43% growth, reaching SAR 2.3 billion (Q3 2023 - SAR 1.6 billion). The remaining companies witnessed a decline of 28%, amounting to SAR 0.7 billion (Q3 2023 - SAR 1.0 billion).

Graphs are sorted as per GWP Q3 2024 in decreasing order.



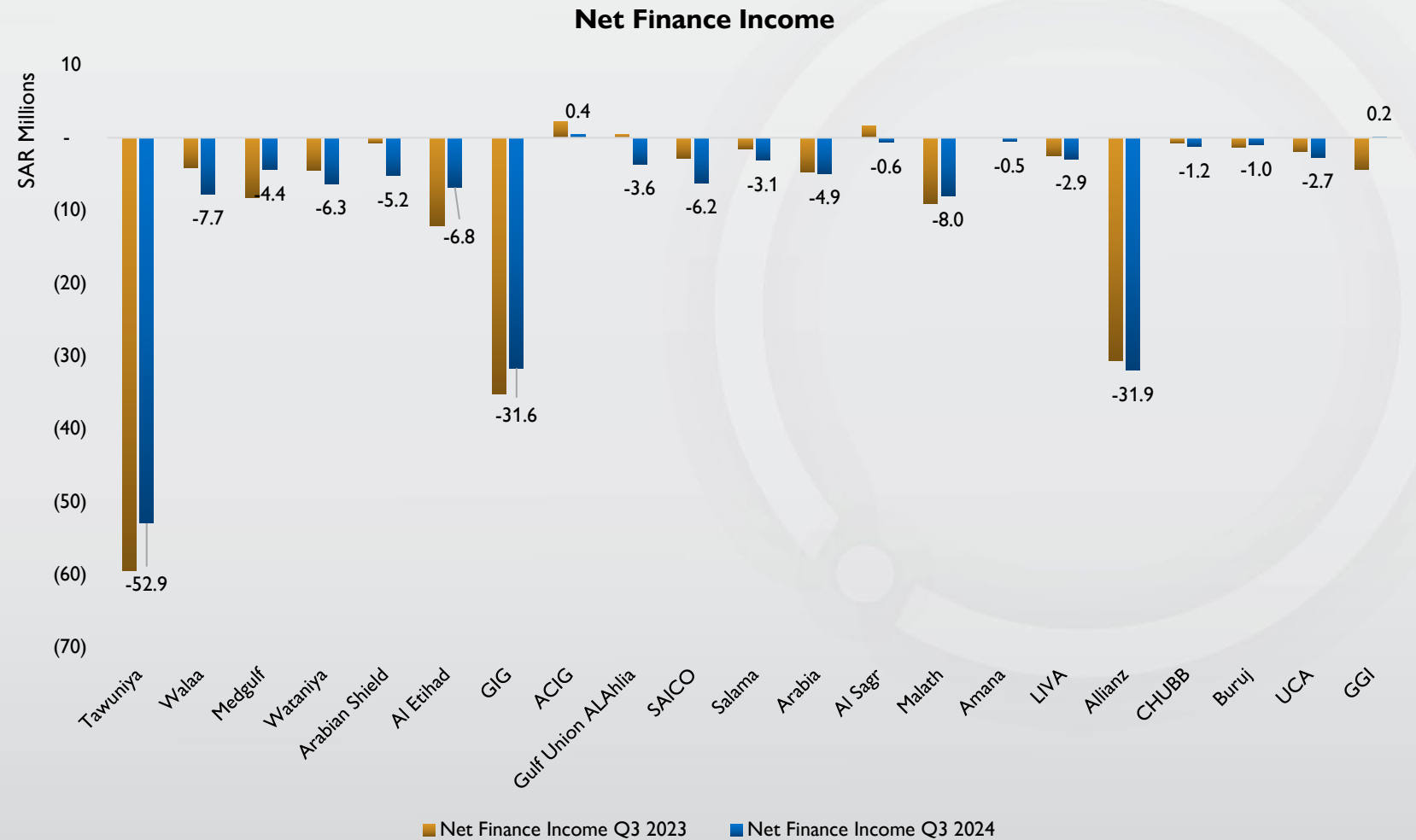


# Finance Income Comparative



Net finance income, as defined by IFRS 17, includes the interest income earned on the contractual service margin (CSM) and the interest expense incurred due to the unwinding of the discount rate applied to insurance liabilities. This represents the combined financial impact of the time value of money and changes in the present value of future cash flows.

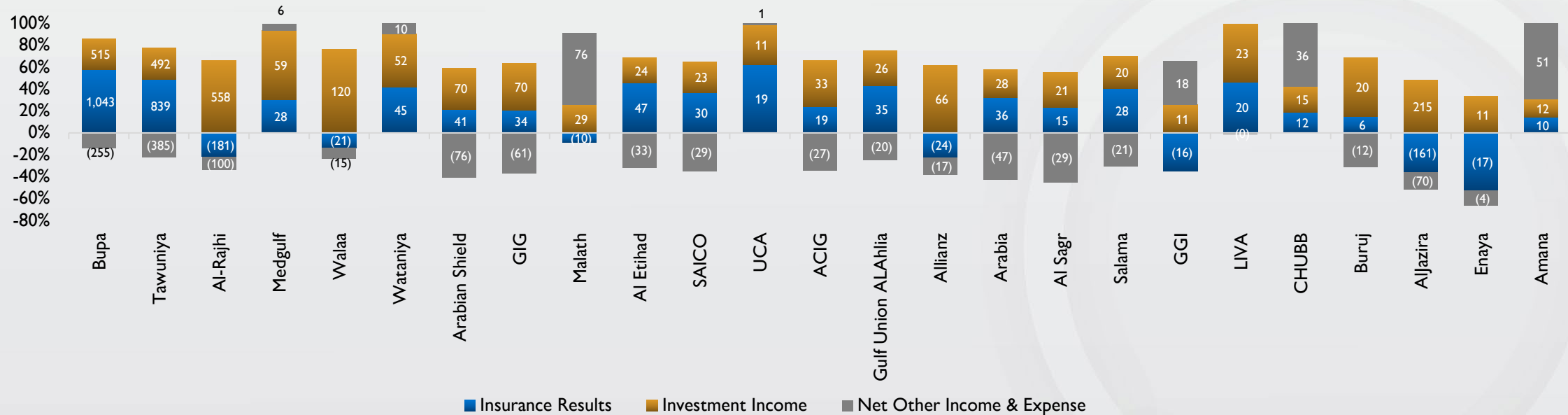
Aljazira And Al-Rajhi are excluded as they were outliers. Aljazira exhibits the highest net finance loss followed by Al-Rajhi. ACIG demonstrates the highest net finance income.



# Profit Composition (After Zakat & Tax)



**Profit Composition (SAR Million)**



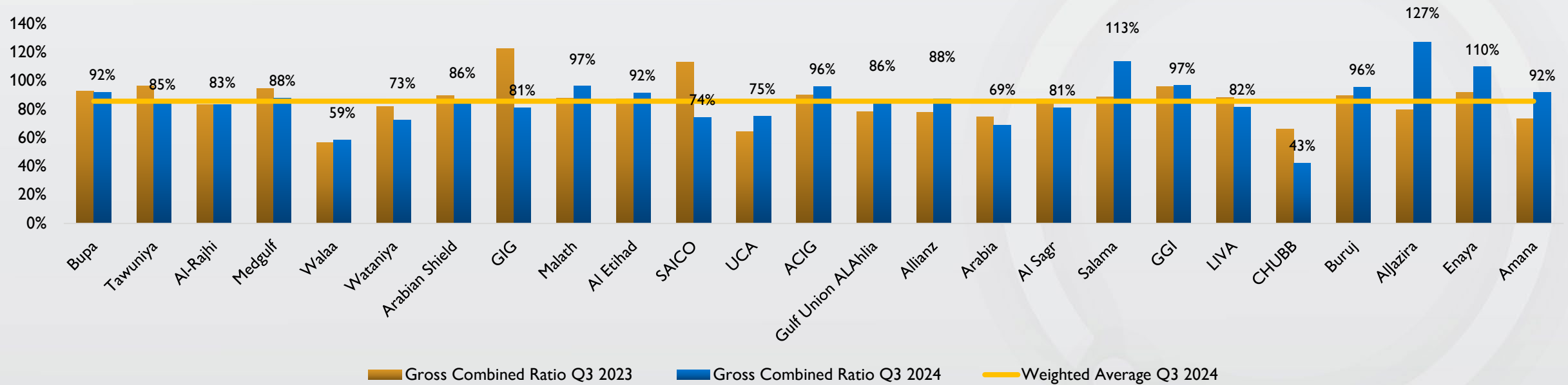
It can be observed that insurance companies which recorded losses in their Insurance Results (Net Insurance Service Results + Net Insurance Finance Income) were able to minimize the impact from Investment Income.

As can be seen, the highest insurance results and investment income was generated by BUPA of SAR 1 billion & Al-Rajhi of SAR 558 million, respectively.

7 out of 25 companies realized insurance deficit and among these 7 companies 6 were able to generate profit. None of the companies recorded loss in their investment incomes.

Opportunities to improve insurance financial strategies exist within the market, with companies urged to give precedence to net insurance financial income as their primary source of profit generation.

### Gross Combined Ratio



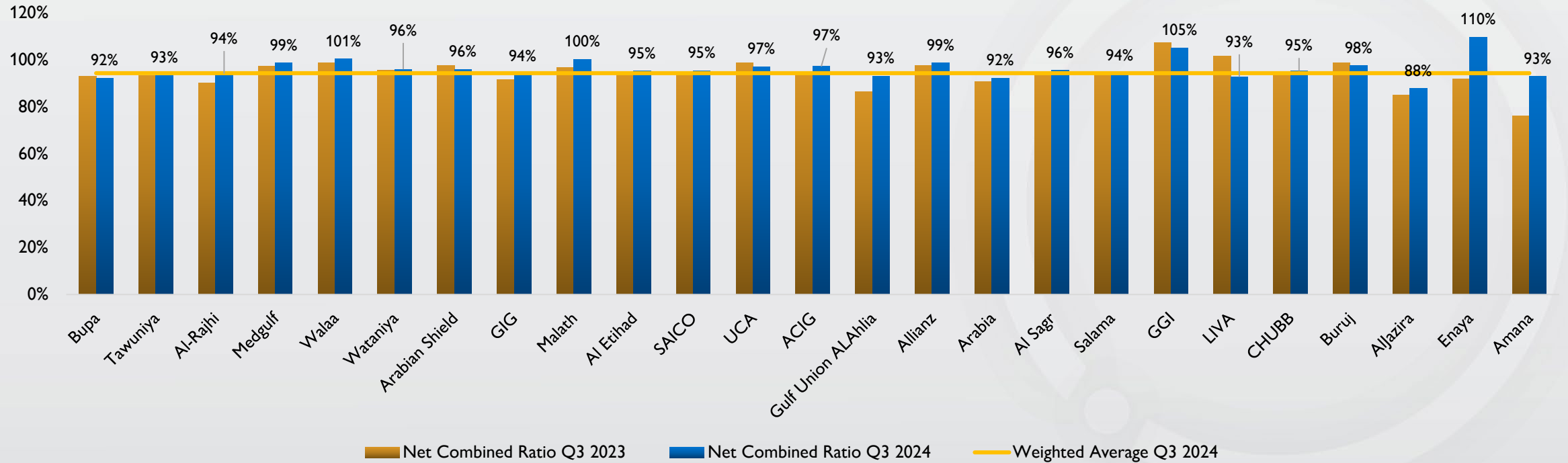
The weighted average gross combined ratio stood at 86%, with AlJazira bearing the highest combined ratio of about 127%. The lowest gross combined ratio of 43% was depicted by CHUBB.

A company is deemed profitable from an underwriting perspective if the combined ratio is below 100%, AlJazira & Enaya have depicted gross combined ratio greater than 100%

- Gross Combined ratio is computed as insurance Service Expenses over Insurance Revenue.



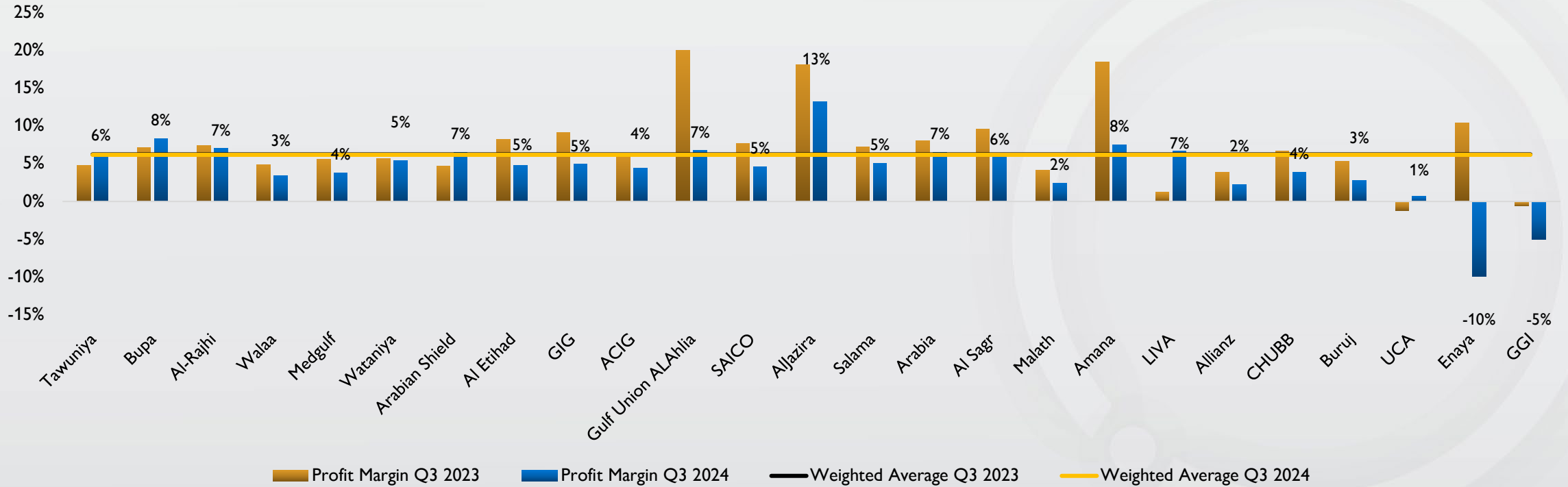
**Net Combined Ratio**



The weighted average net combined ratio stood at 94%, with Enaya bearing the highest combined ratio of about 110%. The lowest net loss ratio of 88% was depicted by Aljazira.

- *Net Combined ratio is computed as Net insurance Service Expenses + RI Results over Insurance Revenue.*

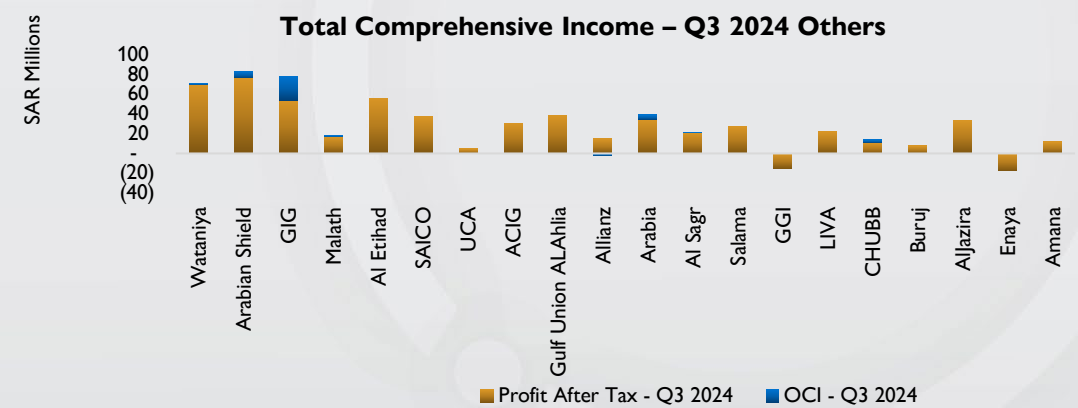
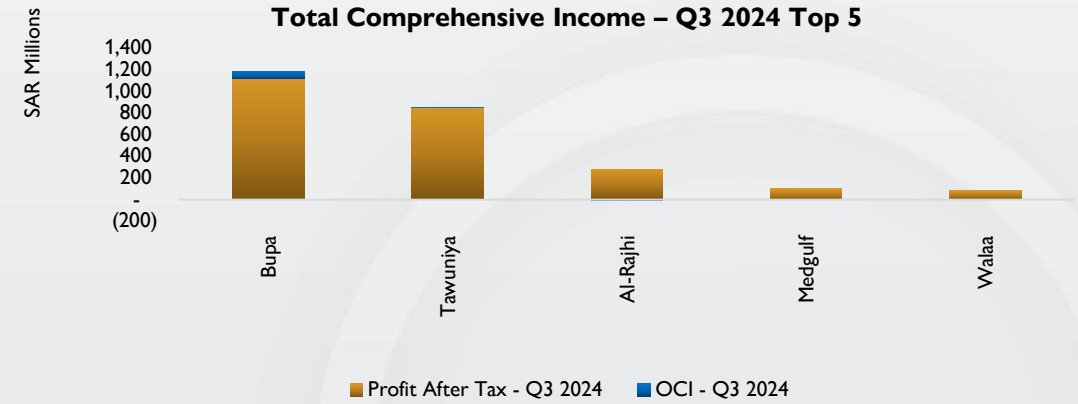
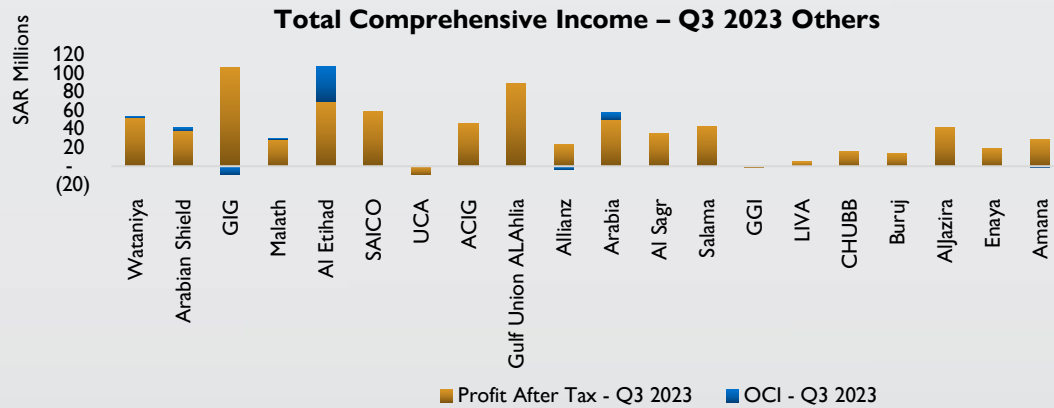
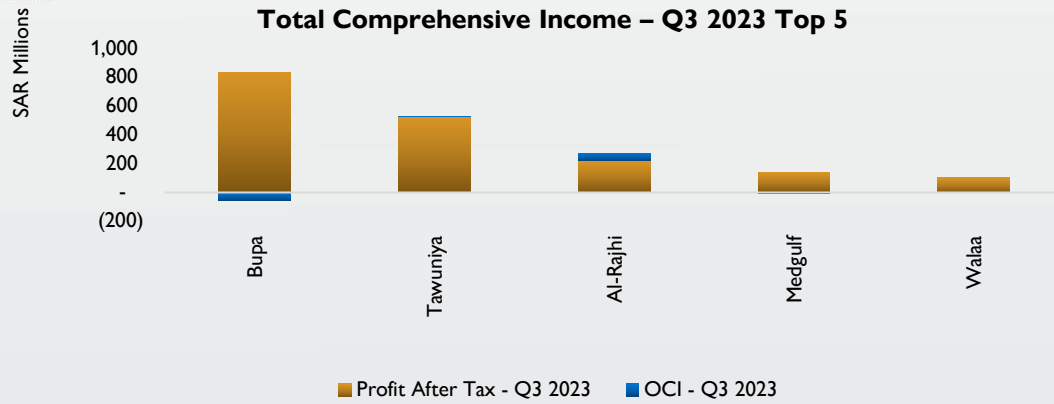
### Profit Margin



The weighted average for profit margin stood at 6% (Q3 2023: 6%), with Aljazira bearing the highest profit margin of about 13% (Q3 2023: 18%). The lowest is depicted by Enaya, -10% (Q3 2023: 10%)

Profit Margin is calculated by dividing net profit after zakat by insurance revenue.

# Total Comprehensive Income - Companies



In the Q3 2024, the Total Comprehensive Income experienced an increase of 18% compared to Q3 2023.

4 out of 25 companies in this analysis have shown losses in their OCI, as compared to 6 companies having losses on their OCI statements in Q3 2023.

The Total Comprehensive Income is the sum of the Profit After Zakat and the Other Comprehensive Income (OCI).

Graphs are sorted as per GWP Q3 2024 in decreasing order.



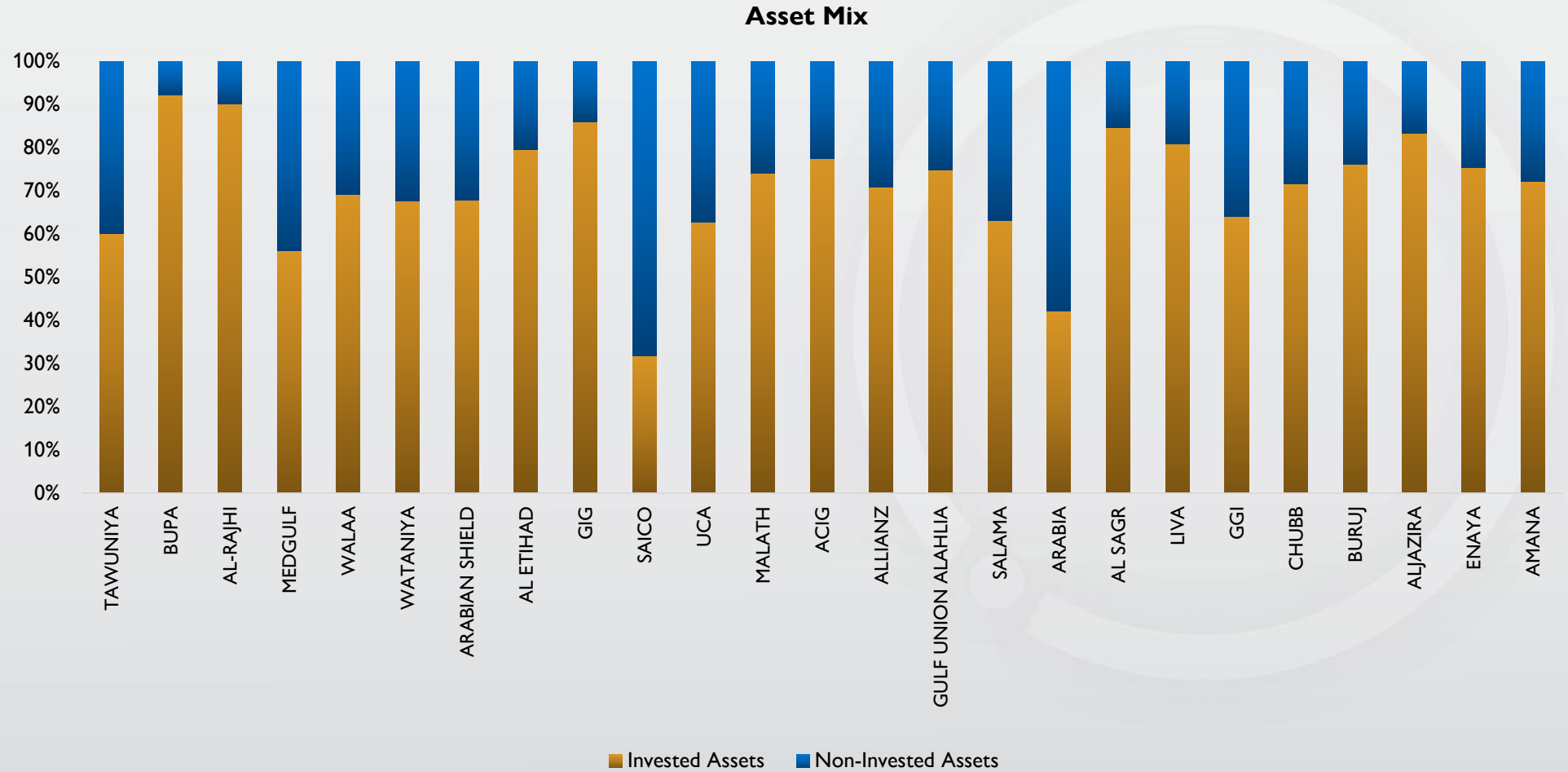


03

# Assets

Asset Mix compares the proportion of invested assets and non invested assets for Q3 2024

Bupa has the highest proportion of 92% of their assets invested, while SAICO has only invested 32% of their assets.





Company	EPS Q3 2023	EPS Q3 2024
Bupa	5.59	7.48
Tawuniya	3.51	5.70
Al-Rajhi	2.19	2.83
Medgulf	1.34	0.94
Walaa	1.21	0.99
GIG	2.03	1.03
Wataniya	1.33	1.76
Al Etihad	1.40	1.12
Arabian Shield	0.60	0.96
SAICO	1.98	1.24
UCA	-0.24	0.13
ACIG	1.59	1.06
Malath	0.59	0.34
Arabia	0.97	0.65

Company	EPS Q3 2023	EPS Q3 2024
Allianz	0.39	0.25
Salama	2.81	1.37
Gulf Union ALAhlia	1.94	0.83
LIVA	0.12	0.55
Al Sagr	1.65	0.89
Buruj	0.47	0.26
CHUBB	0.55	0.37
GGI	-0.05	-0.51
AlJazira	0.63	0.50
Enaya	0.85	-0.76
Amana	0.68	0.27

# Earning Per Share

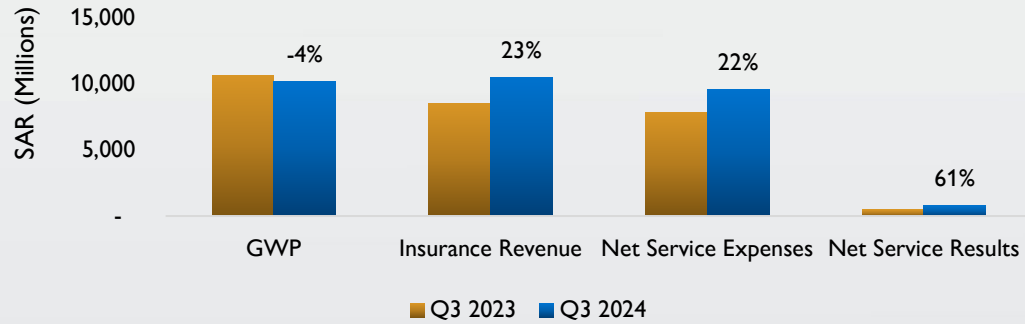




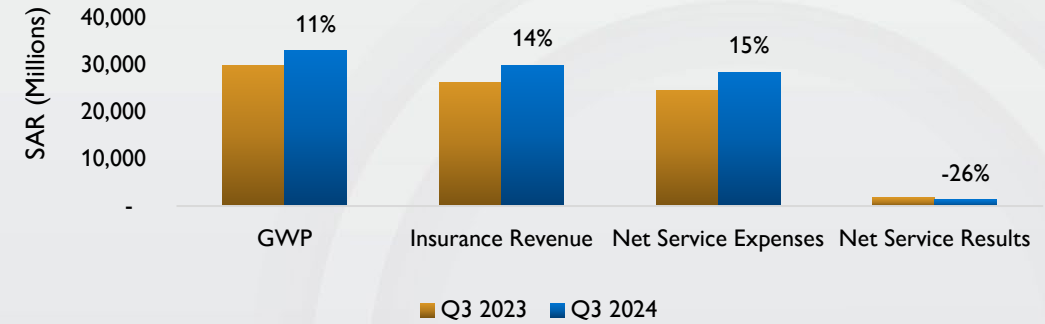
# 04

## Line of Business Wise

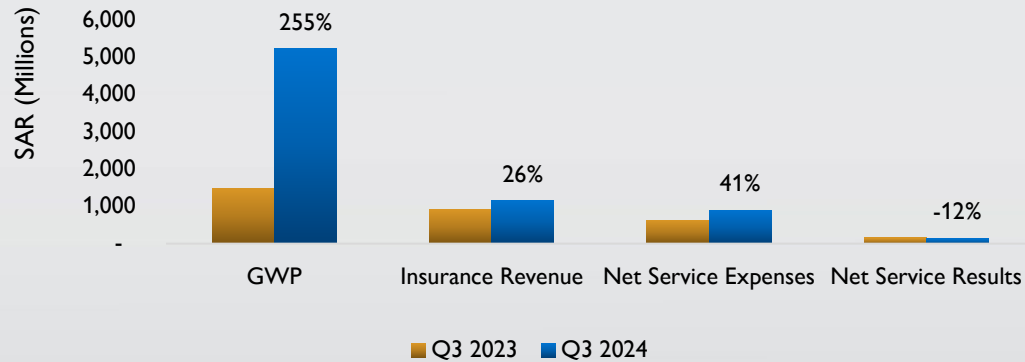
## Motor Insurance



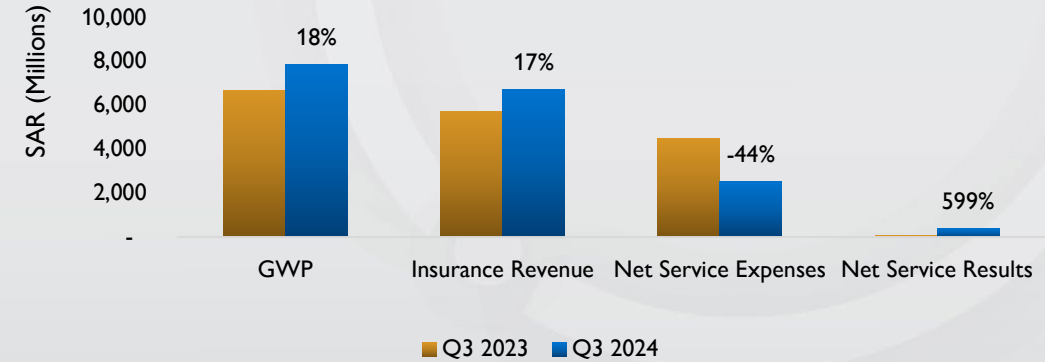
## Medical Insurance



## Protection & Savings Insurance

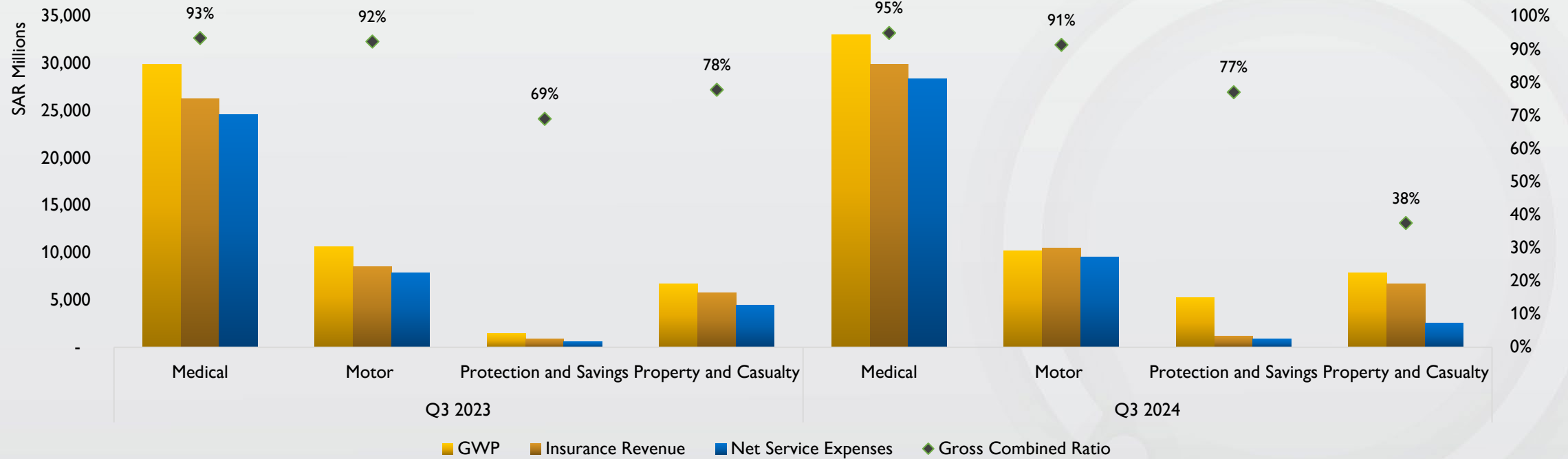


## Property & Casualty Insurance



- Motor and Medical line of business are the main pillars of the KSA Insurance sector with both contributing 84% of the Insurance Revenue.
- The highly profitable, Property and Casualty lines saw an increase of 17% in Insurance Revenue, however this continues to be heavily reinsured.

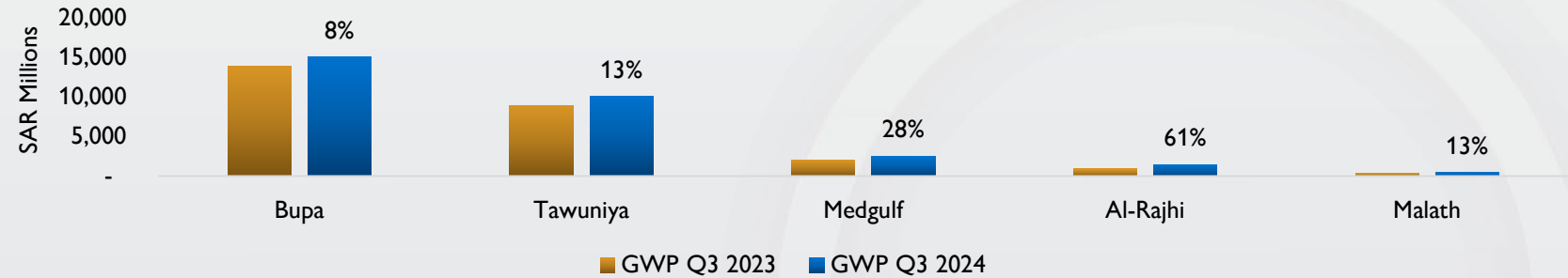
Overall



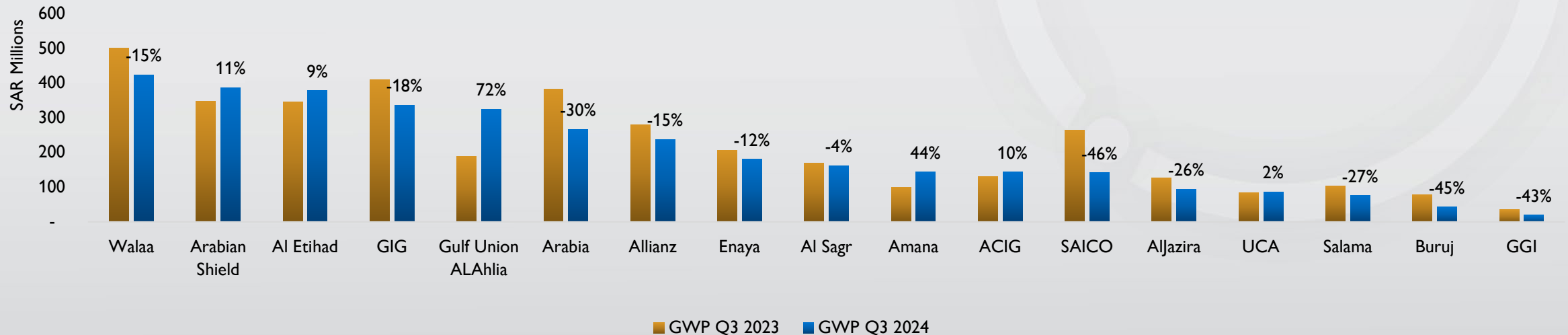
- Increase in the gross combined ratio in medical and protection and savings is witnessed while all the other line of businesses saw a decrease in gross combined ratio for the Q3 2024 relative to Q3 2023.
- Medical and protection and savings gross combined ratio have increased by 2% and 8% respectively, while Motor and property & casualty experienced a decrease of 1% & 40% respectively compared to same period last year.
- Gross combined ratio is computed as Net insurance Service Expenses over Insurance Revenue

The top 5 companies' GWP for medical grew by SAR 3.5 billion, with a premium of SAR 30 billion in Q3 2024 as compared to SAR 26 billion in Q3 2023. The overall premium in Q3 2024 was SAR 33 billion (Q3 2023: SAR 30 billion), 11% increase.

## Medical Top 5



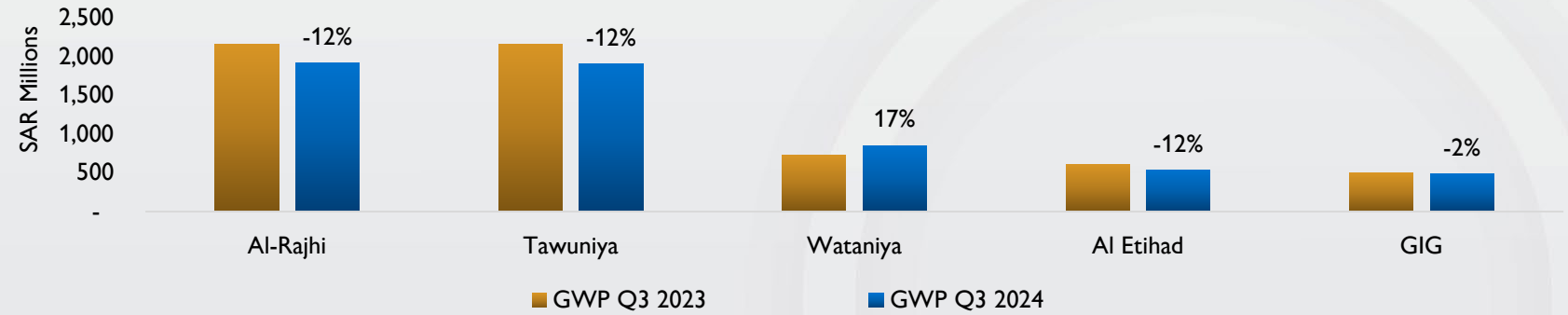
## Medical Others



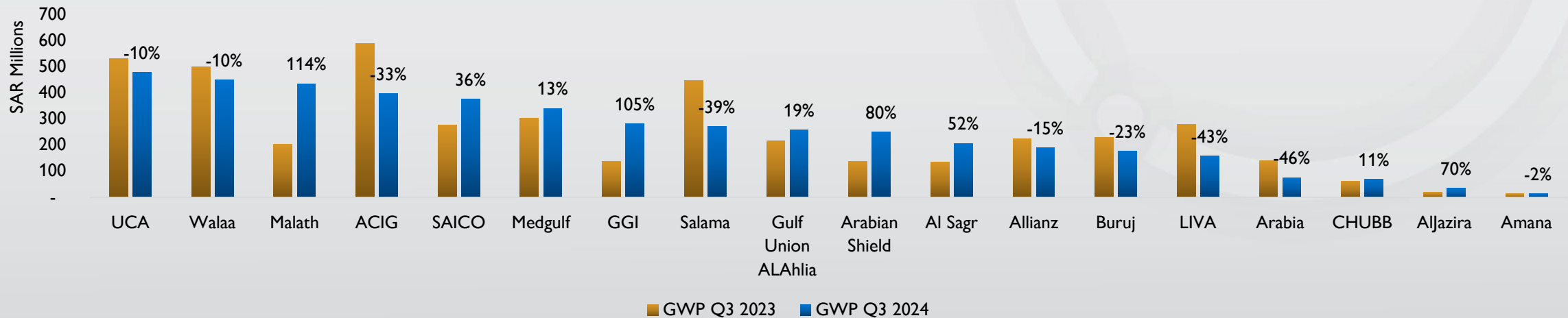


The top 5 companies' GWP for motor decreased by 470 million, with a premium of SAR 5.7 billion in Q3 2024 as compared to SAR 6.2 billion in Q3 2023. The overall premium in Q3 2024 was SAR 10.2 billion (Q3 2023: SAR 10.6 billion), 4% decrease.

## Motor Top 5

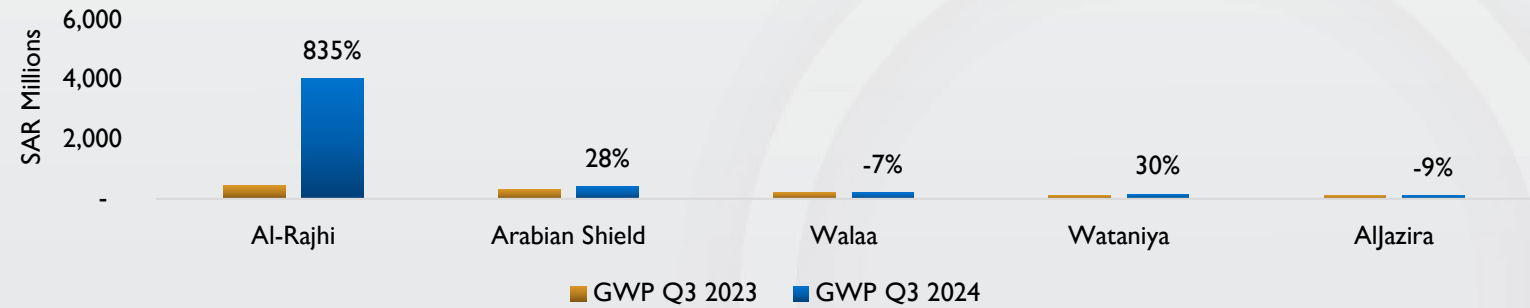


## Motor Others

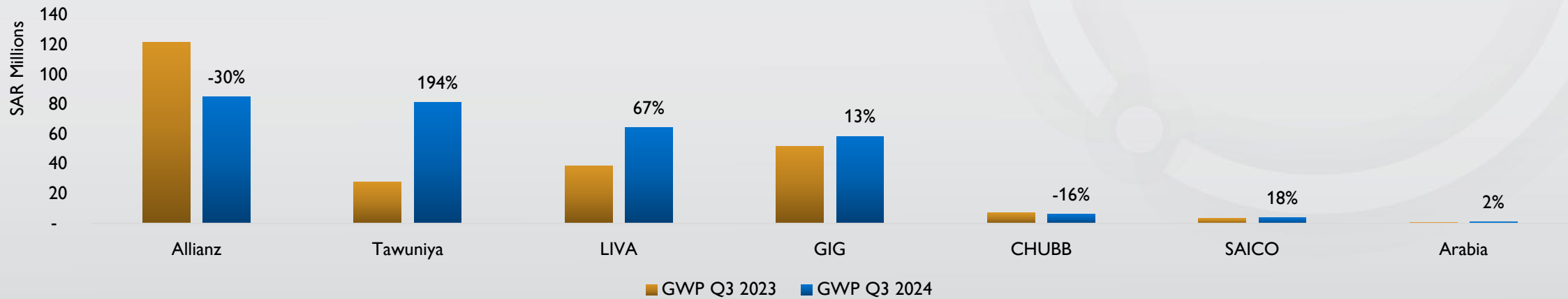


The top 5 companies' GWP for protection & saving grew by 3.7 billion, with a premium of SAR 4.9 billion in Q3 2024 as compared to SAR 1.2 billion in Q3 2023. The overall premium in Q3 2024 was SAR 5.2 billion (Q3 2023: SAR 1.5 billion), 255% increase.

### P&S Top 5

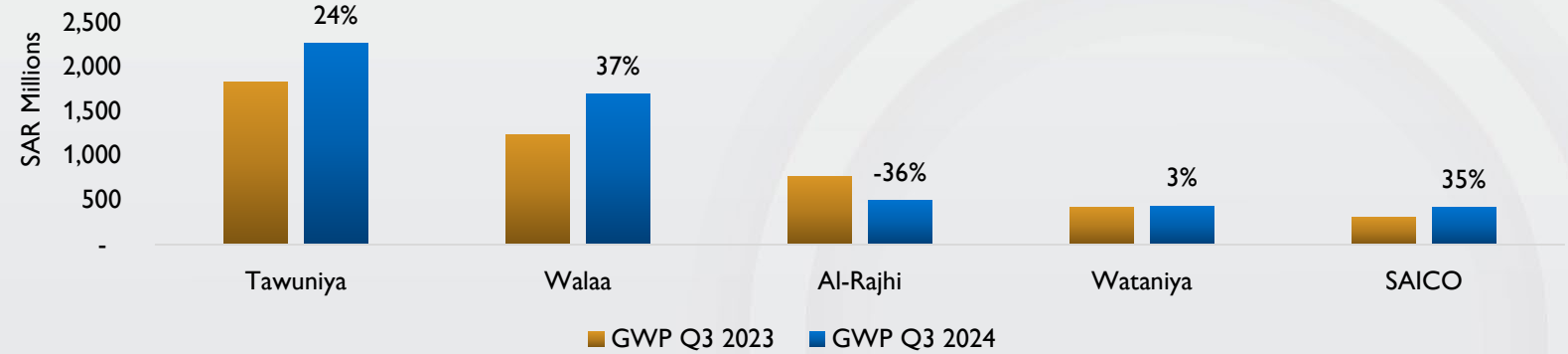


### P&S Others

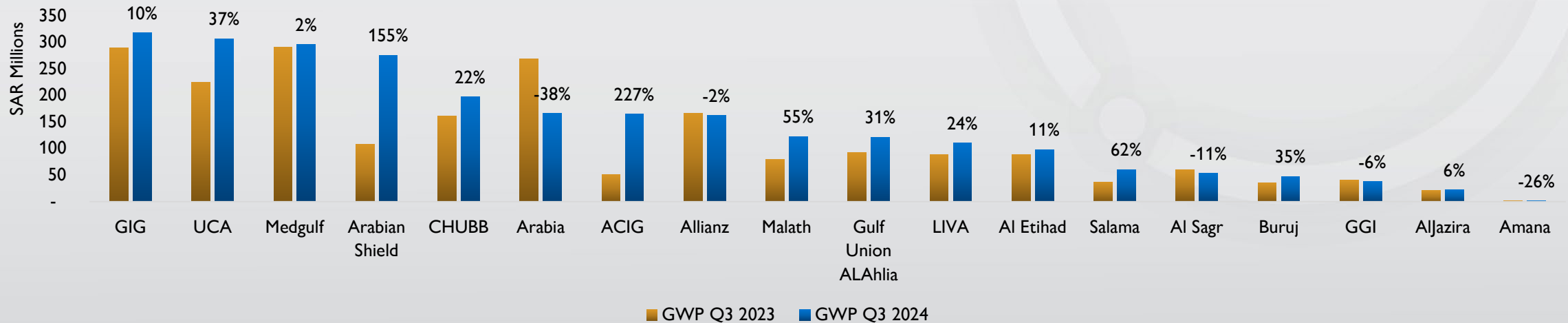


The top 5 companies' GWP for property & casualty grew by 738 million, with a premium of SAR 5.3 billion in Q3 2024 as compared to SAR 4.6 billion in Q3 2023. The overall premium in Q3 2024 was SAR 7.9 billion (Q3 2023: SAR 6.7 billion), 18% increase.

### P&C Top 5



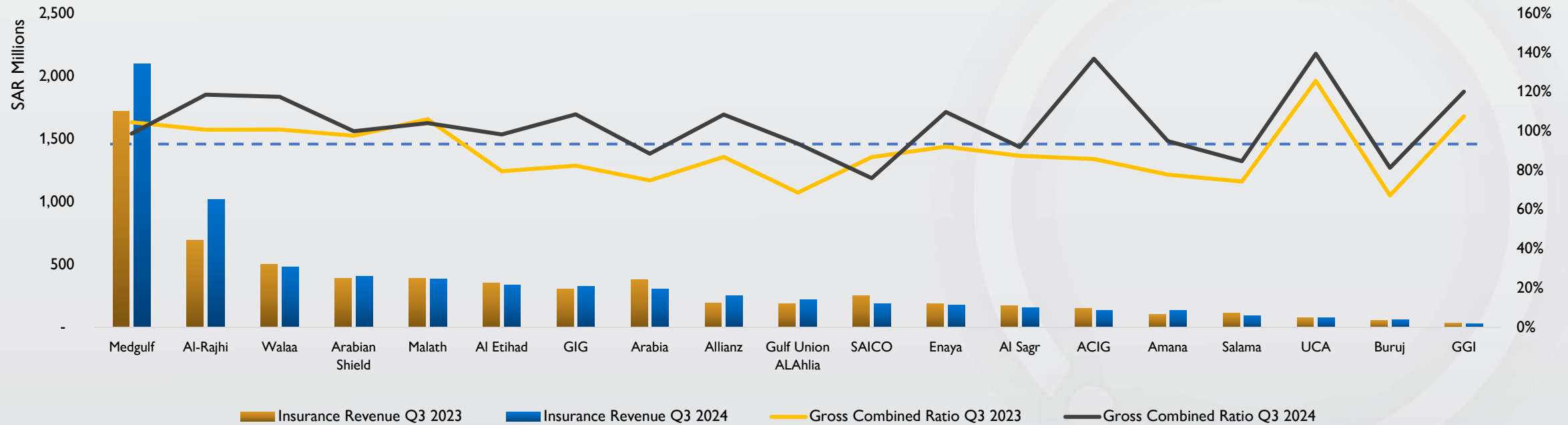
### P&C Others



# Insurance Revenue & Gross Combined Ratio – Medical



## Medical



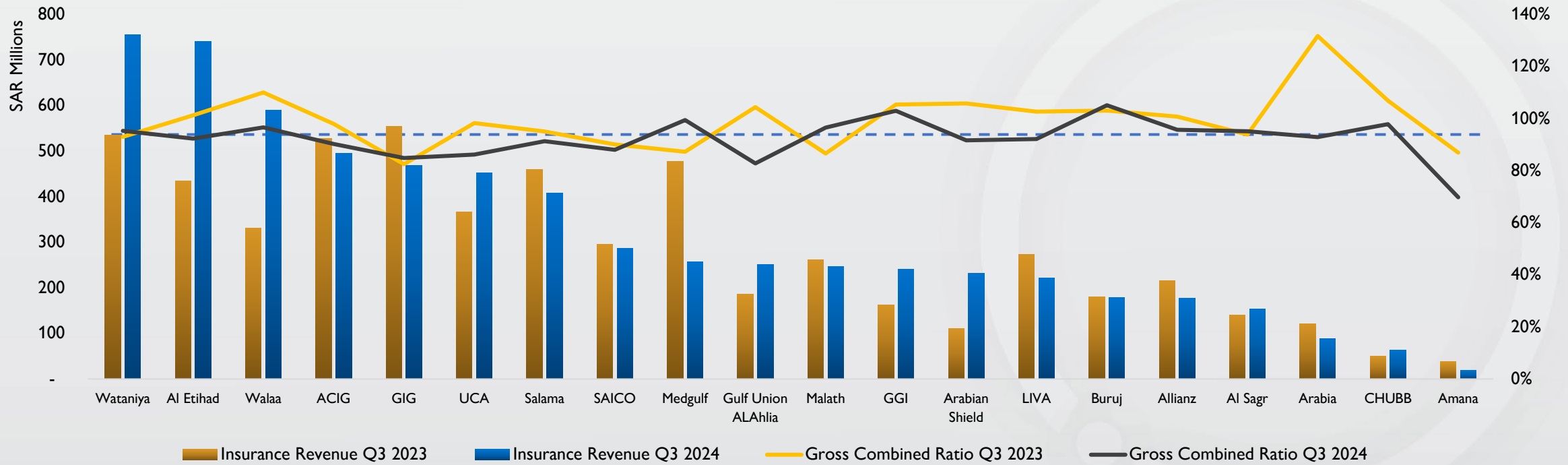
Bupa & Tawuniya are excluded from the above graph. Bupa has insurance revenue of SAR 13.5 billion for Q3 2024 and SAR 11.7 billion in Q3 2023 reflecting ,the gross combined ratio of 92% and 93%, respectively. Tawuniya has insurance revenue worth SAR 9.5 billion for Q3 2024 and SAR 8.3 billion in Q3 2023 reflecting the gross combined ratio of 93% for current and previous year. The weighted average of gross combined Ratio for the top 5 Companies for Medical is 94% in Q3 2024 and Q3 2023 both, whereas the weighted average combined ratio for other companies is 101% for Q3 2024 and 87% for Q3 2023.



# Insurance Revenue & Gross Combined Ratio – Motor



## Motor

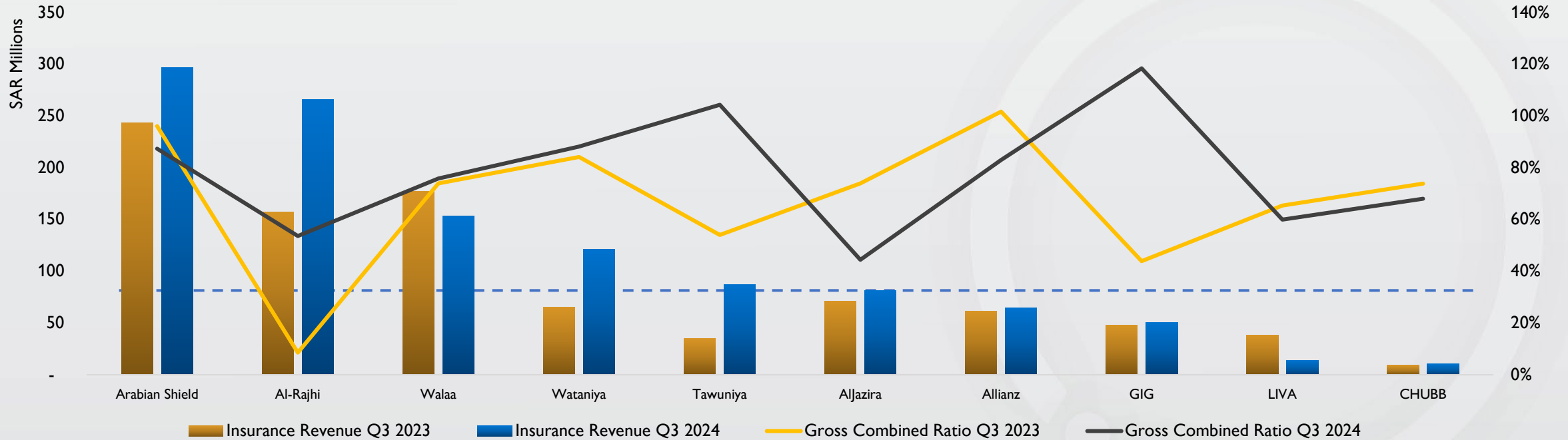


Tawuniya & Al-Rajhi is excluded from the above graph. Tawuniya has insurance revenue of SAR 2.1 billion for Q3 2024 and SAR 1.2 billion for Q3 2023 reflecting the gross combined ratio of 94% and 89% respectively. Al-Rajhi has insurance revenue of SAR 2.0 billion for the Q3 2024 and SAR 1.6 billion for Q3 2023 reflecting the gross combined ratio of 85% and 80% respectively. The weighted average gross combined ratio for top 5 companies is 91% for period Q3 2024 and 89% for Q3 2023, whereas the weighted average combined ratio for other companies is 92% for Q3 2024 and 96% for Q3 2023.

# Insurance Revenue & Gross Combined Ratio – P&S

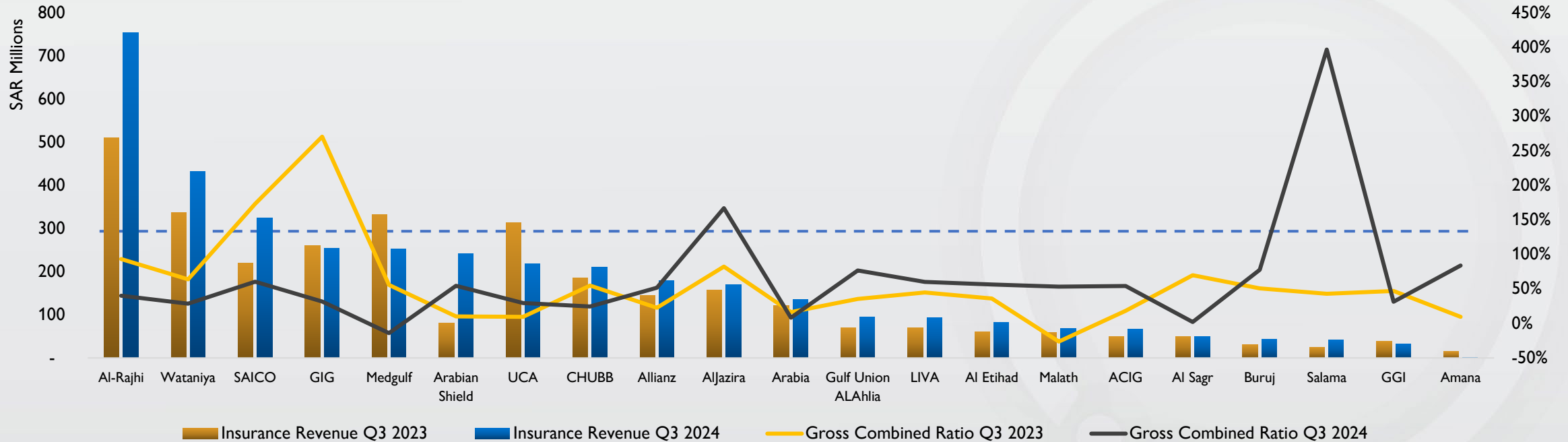


## Protection & Saving



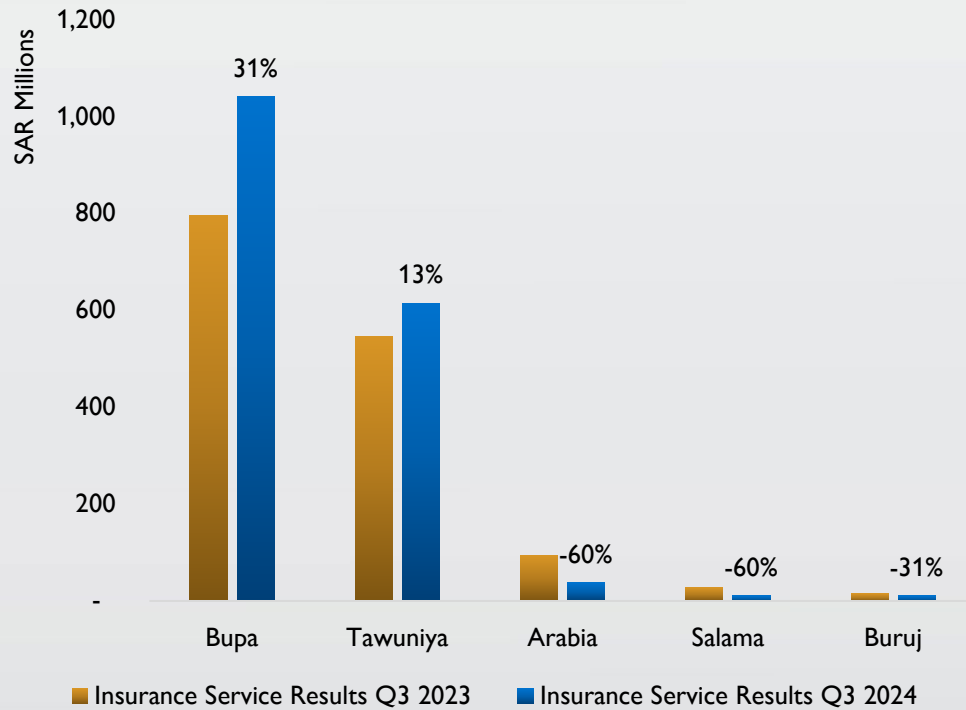
Gulf Union ALAhlia & SAICO are excluded from the above graph. Gulf Union ALAhlia has Insurance Revenue worth SAR 0.88 million for Q3 2024 and SAR 0.90 million for Q3 2023. SAICO recorded the insurance revenue of SAR 3.6 million in Q3 2024 and SAR 3.2 million in corresponding Q3 2023. The weighted average gross combined ratio for top 5 Companies in P&S is 78% and for others is 75% corresponding to 67% for top 5 companies and 76% for others in Q3 2023 respectively.

## Property & Casualty

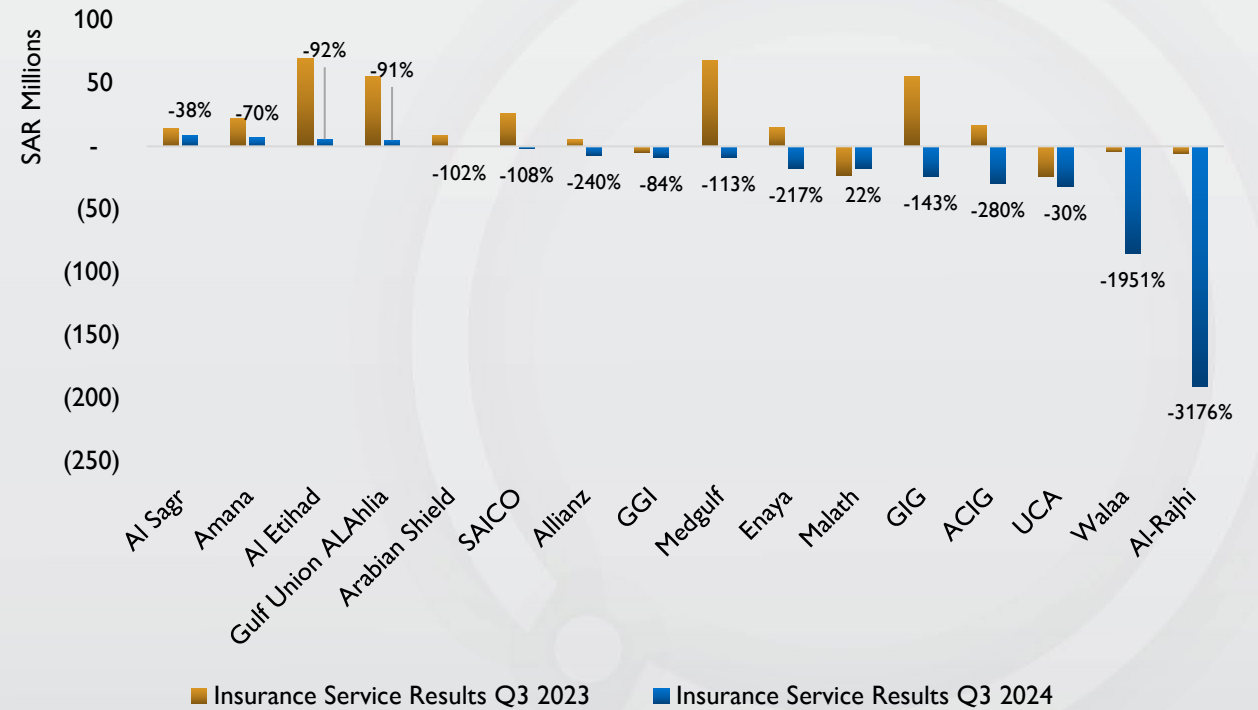


Tawuniya and Walaa are excluded from the above graph. Tawuniya has Insurance Revenue worth SAR 1.8 billion for Q3 2024 and SAR 1.5 billion for Q3 2023 reflecting the gross combined ratio of 33% and 121%, respectively. Walaa has Insurance Revenue worth SAR 1.2 billion for Q3 2024 and SAR 1.1 billion for Q3 2023 reflecting the gross combined ratio of 15% and 17%, respectively. For P&C, the weighted average gross combined ratio for Top 5 companies is 31% in Q3 2024 however in Q3 2023 the weighted average gross combined ratio was 84%. For companies other than top 5, the weighted average gross combined ratio is 51% in Q3 2024 and in Q3 2023 it stood at 66%.

## Medical Top 5



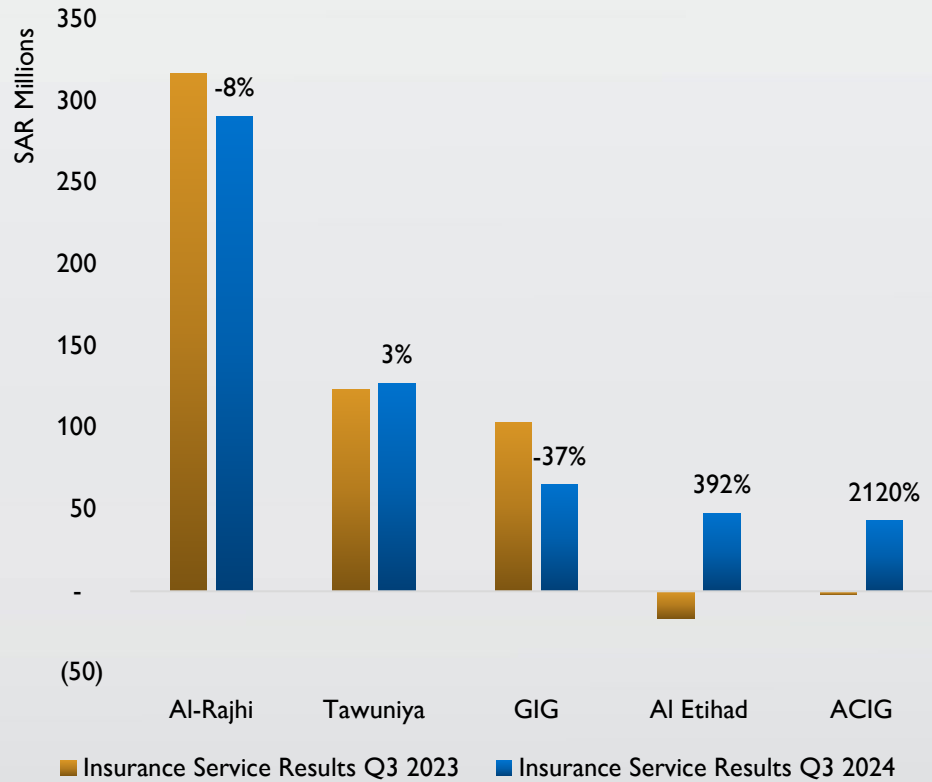
## Medical Others



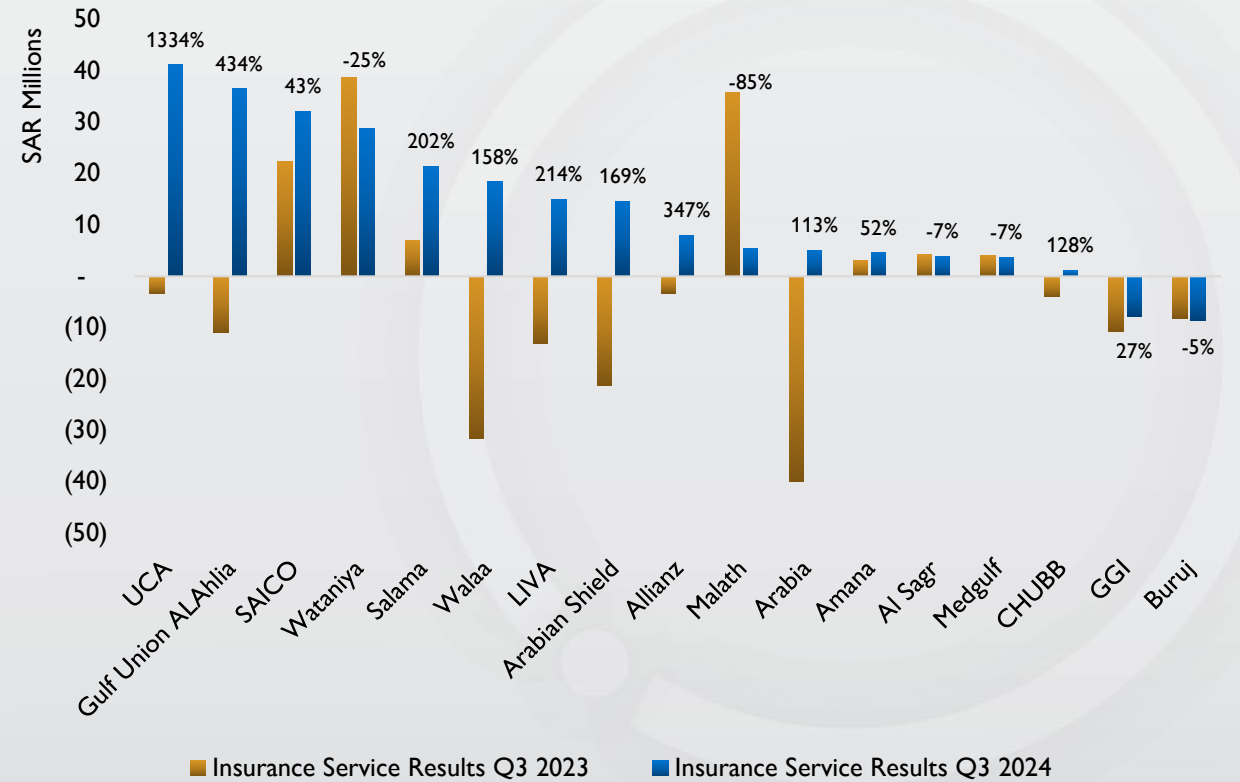
Total net service result in the Medical line is SAR 1.3 billion signifying a decrease of -26% in the Q3 2024 compared to Q3 2023 when the total net service result recorded in Medical was SAR 1.8 billion.



### Motor Top 5

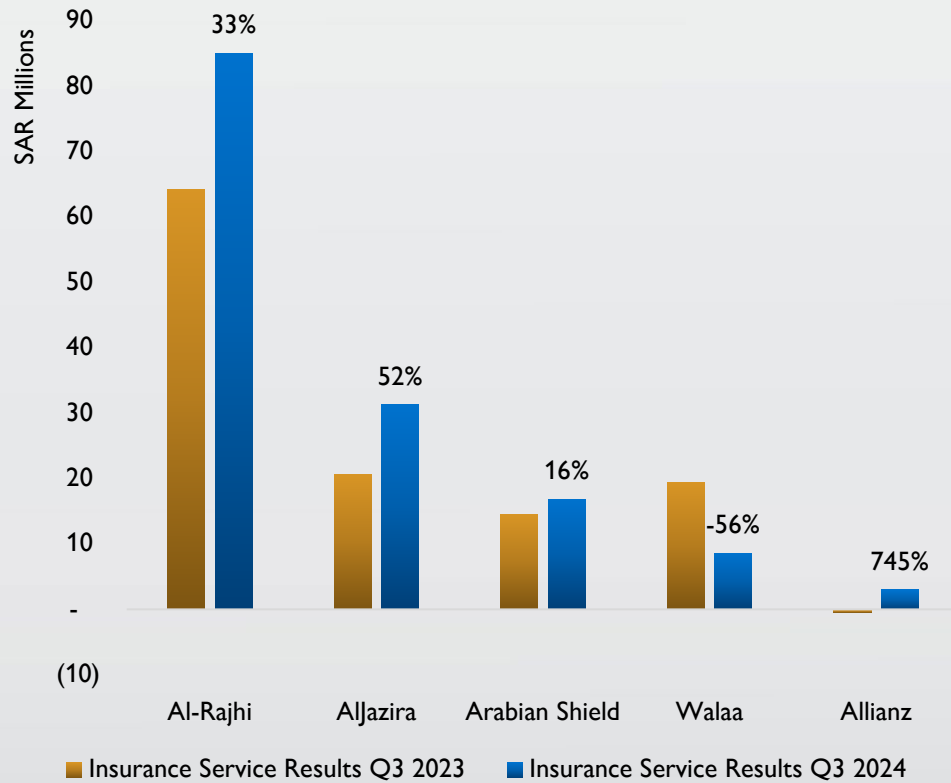


### Motor Others

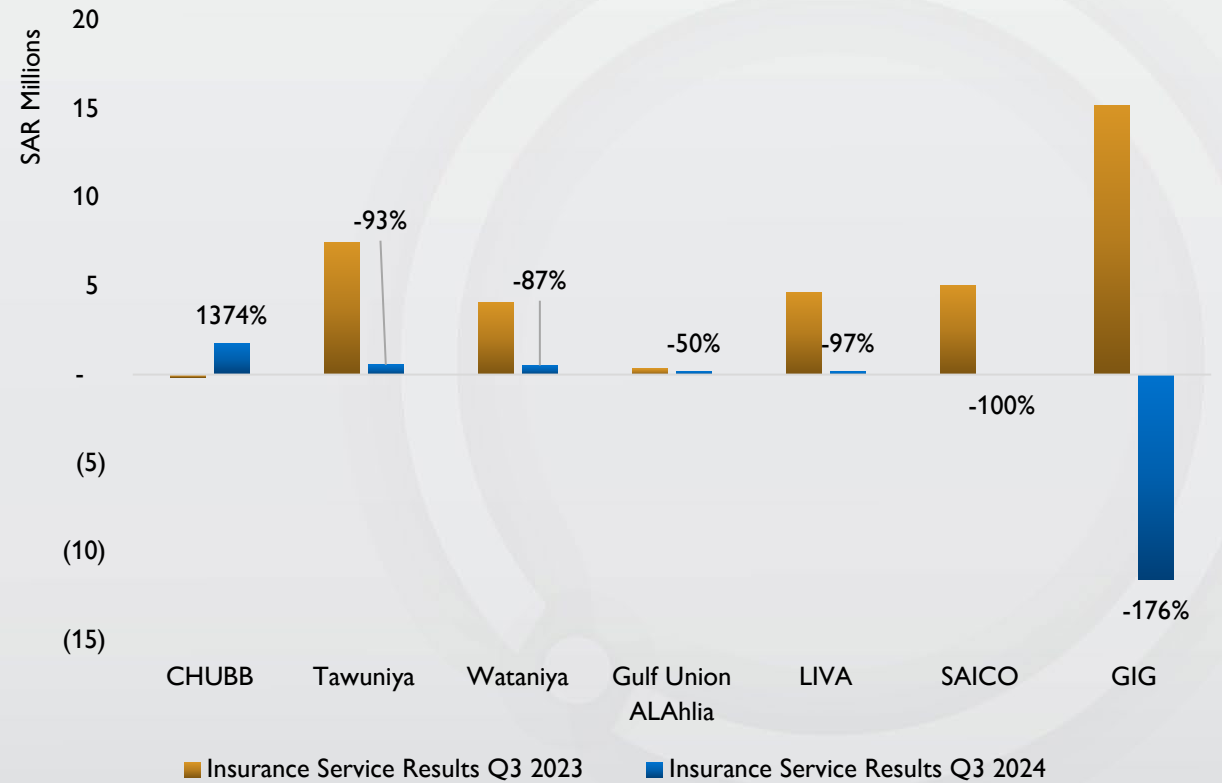


Total net service result in the Motor line is SAR 798 million signifying an increase of 61% in the Q3 2024 compared to Q3 2023 when the total net service result recorded in Motor was SAR 494 million.

## Protection & Saving Top 5

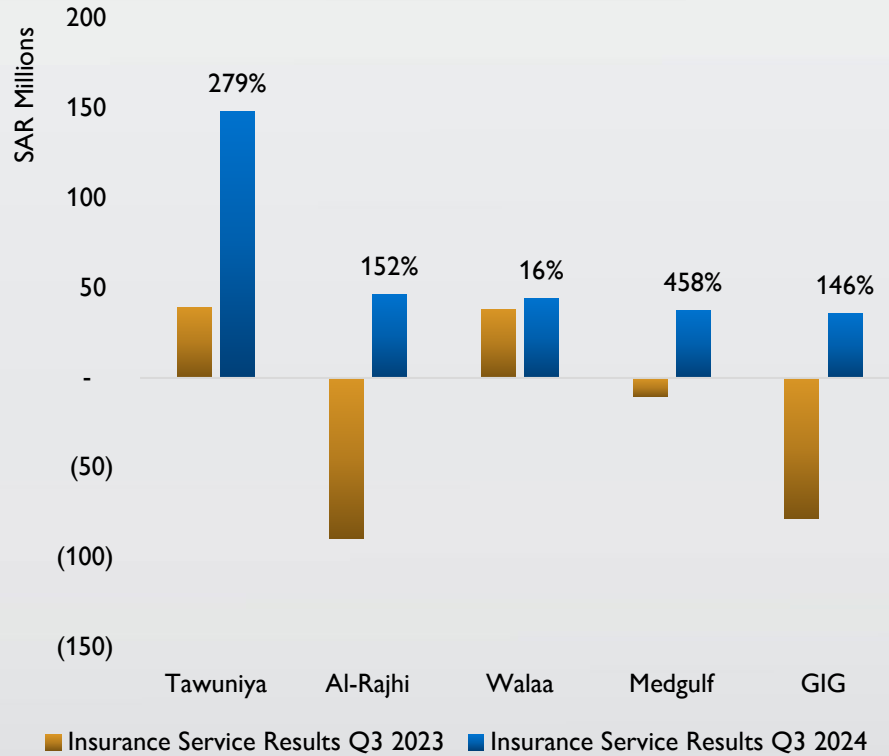


## Protection & Saving Others

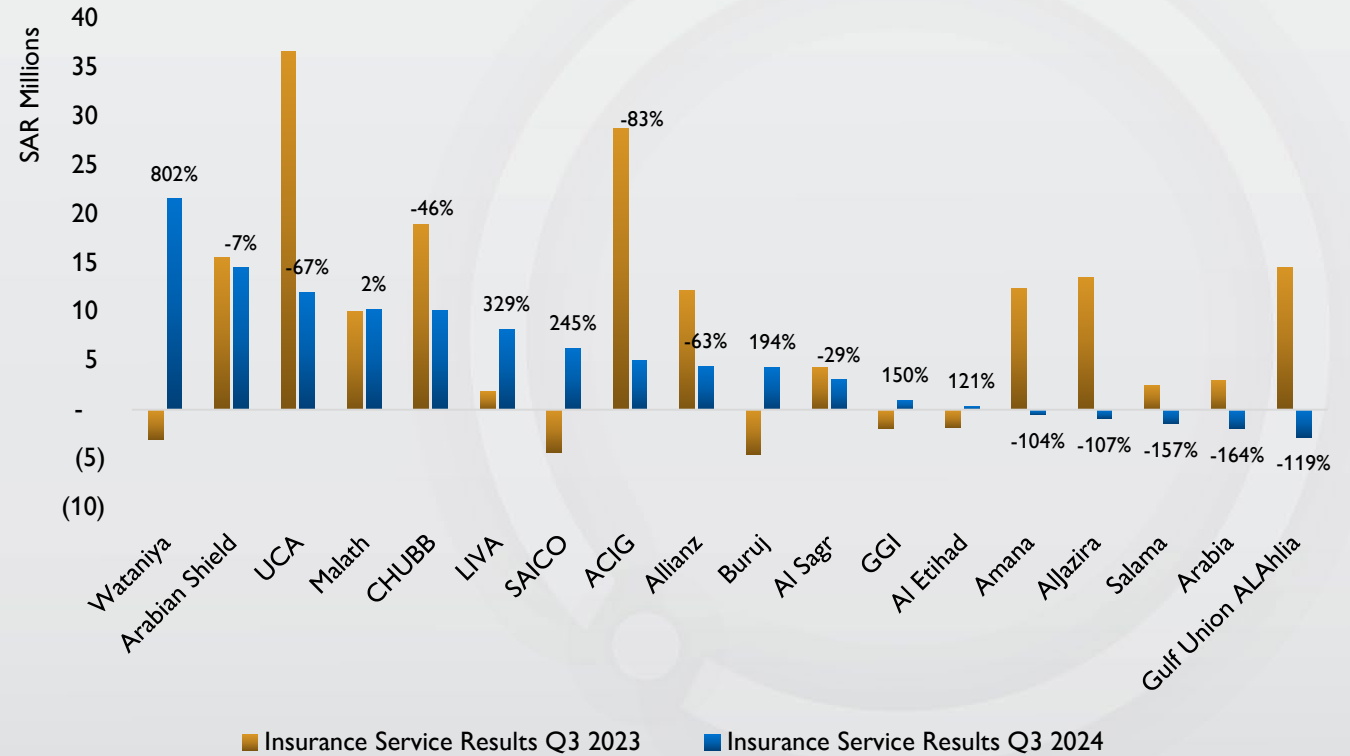


Total net service result in the protection and saving line is SAR 136 million signifying a decrease of 12% in the Q3 2024 compared to Q3 2023 when the total net service result recorded was SAR 155 million.

## Property & Casualty Top 3

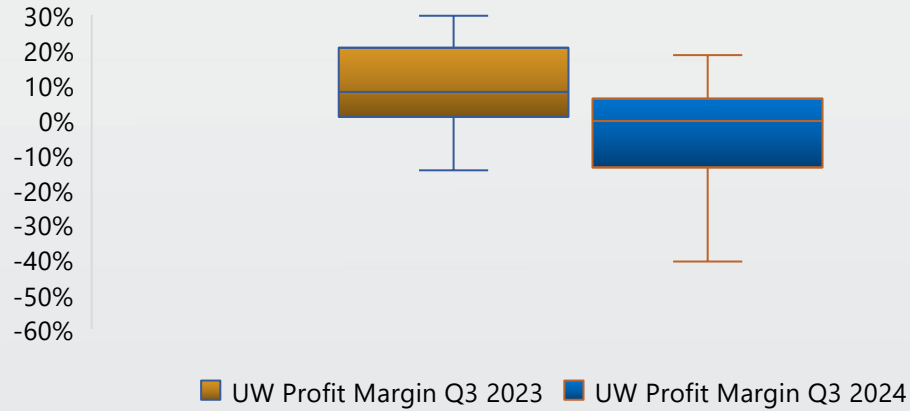


## Property & Casualty Others

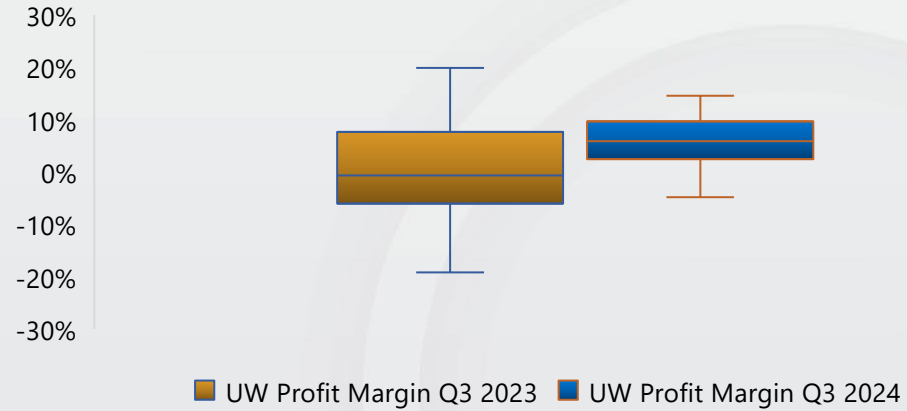


Total net service result in the property & casualty line is SAR 406 million signifying an increase of 599% in Q3 2024 compared to Q3 2023 when the total net service result recorded was SAR 58 million.

## Medical

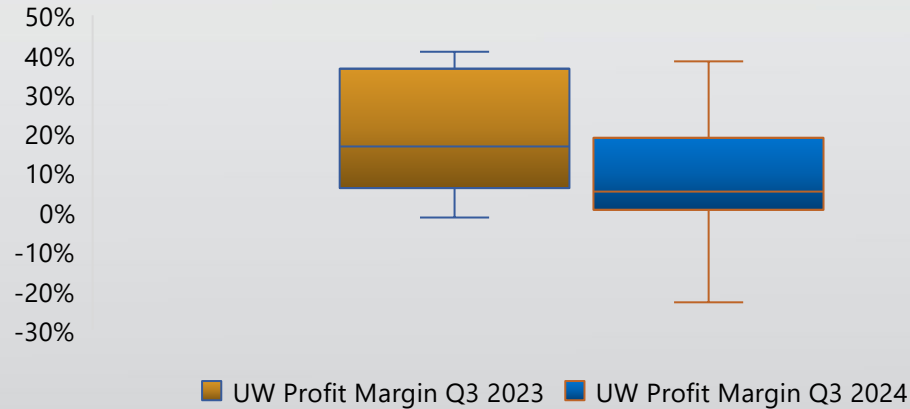


## Motor

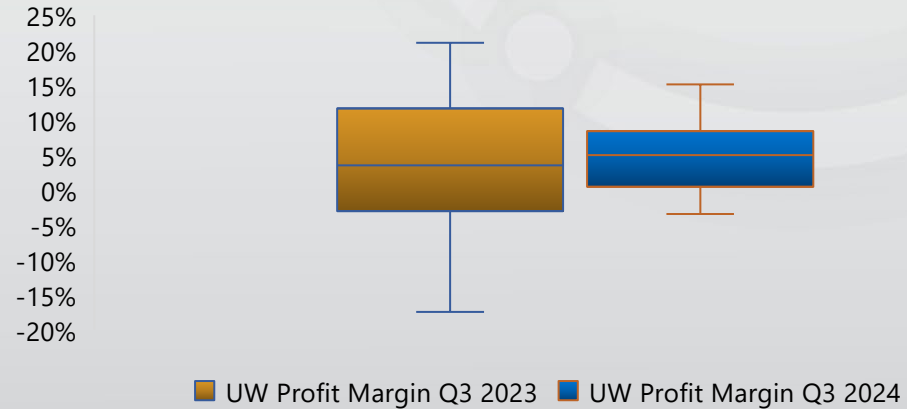


UW Profit Margin is calculated by dividing net service results with the insurance revenue.

## Protection & Saving



## Property & Casualty







	Q3 2023	Q3 2024	Variance
	SAR billion	SAR billion	SAR billion
Medical Insurance Service Results	1.78	1.32	(0.46)
Motor Insurance Service Results	0.49	0.80	0.30
P&S Insurance Service Results	0.15	0.14	(0.02)
P&C Insurance Service Results	0.06	0.41	0.35
Total Insurance Service Results	2.48	2.66	0.18
Net Finance Income	(0.47)	(0.79)	(0.32)
Investment Income	1.66	2.52	0.86
Other Income & Expense	(0.70)	(1.00)	(0.30)
Total Profit (Before Zakat & Tax)	2.97	3.40	0.43
Zakat & Tax	(0.39)	(0.42)	(0.03)
Total Profit (After Zakat & Tax)	2.58	2.98	0.40

The impact of share of surplus from insurance pool is subtracted from the insurance service results.

# Net Profit Breakdown



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Q3 2024 – KSA Listed Insurance Companies

# 05

## **IFRS 17 Comparison**

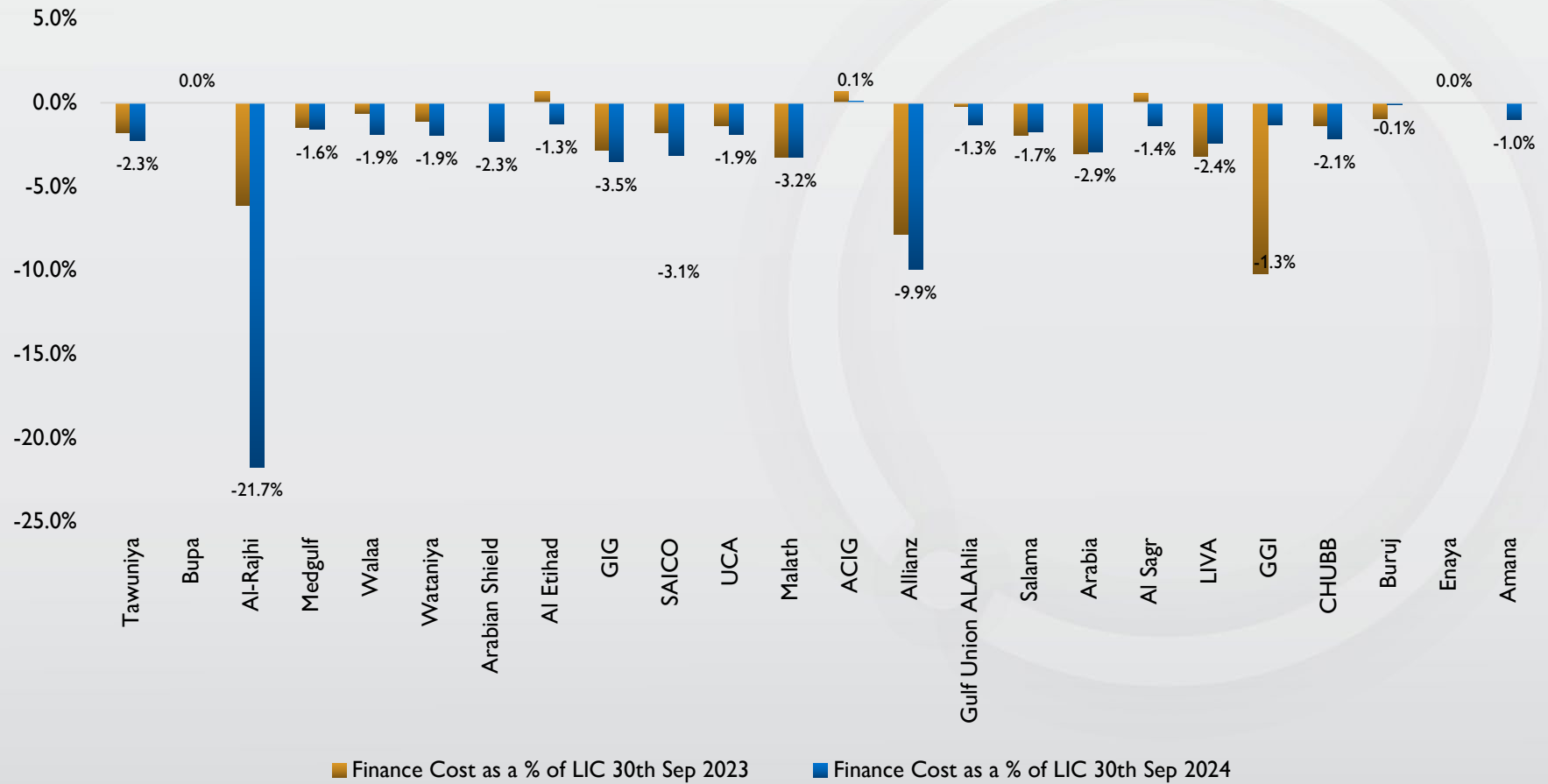
Finance income (or expenses) directly impact the valuation of the liability for incurred claims through the discounting process in IFRS-17.

Since most of the companies are using PAA we have computed this KPI as being divided by LIC. The graph presents the proportion of financial expenses/(income) relative to the amount of claim liabilities.

Alljazira is excluded from the analysis as it was distorting the graph, having a percentage of negative 67%. Bupa and Enaya do not provide their Finance Income in the financials.

Finance cost as a % of LIC is calculated by dividing net finance income with average of opening and closing average.

### Finance Cost as a % of LIC



# Loss Component as % of Insurance Revenue



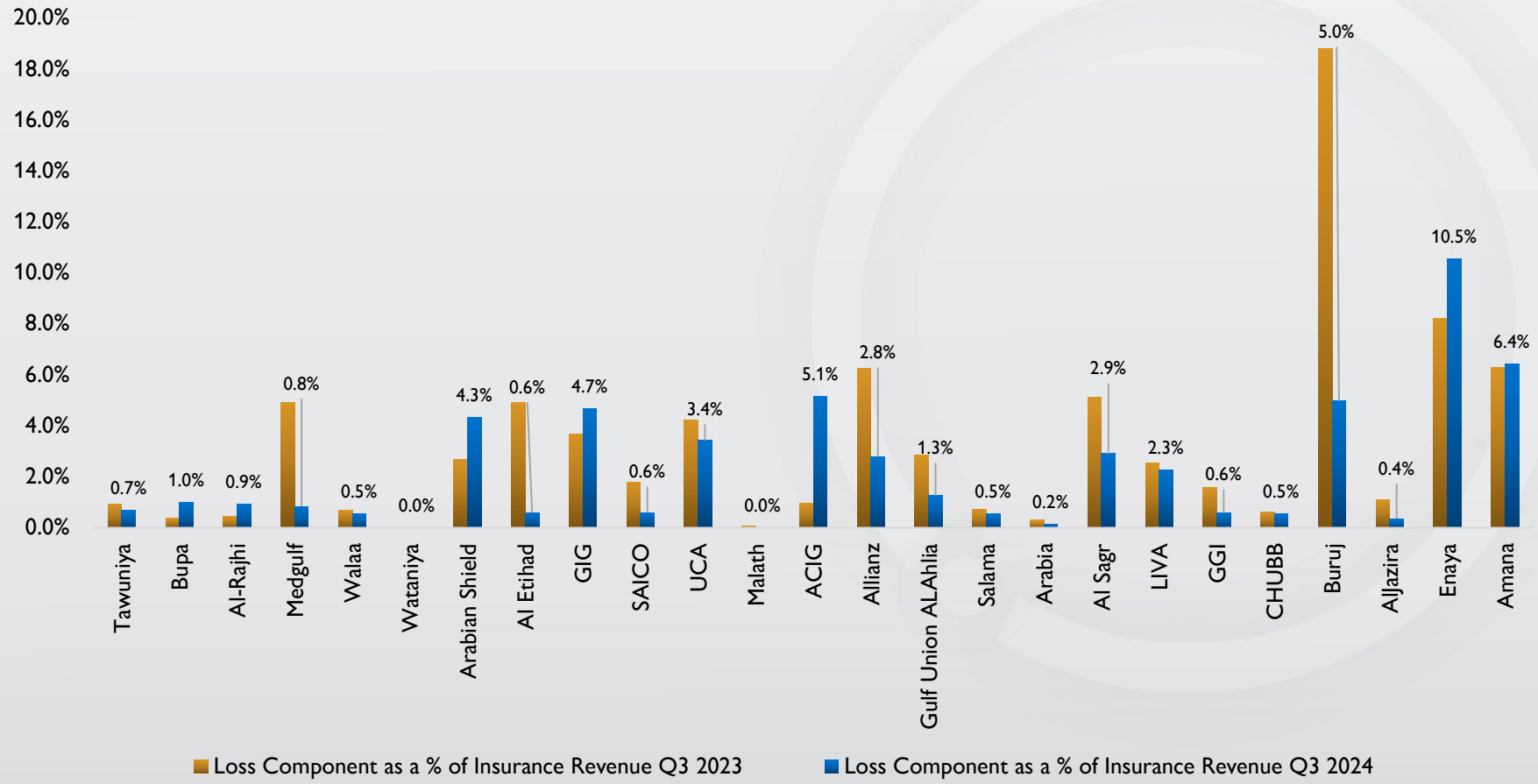
The relationship between the loss component and insurance revenue is crucial for determining the overall profitability and financial performance of an insurance company. By analyzing the ratio of the loss component to insurance revenue, stakeholders can assess the efficiency of the company's underwriting activities and the adequacy of premium pricing in covering expected losses.

Hence, a lower percentage depicts the adequacy of reserves and ability to accurately estimate and cover expected losses in insurance contracts.

Malath depicts the lowest ratio.

Graph is sorted on the basis of decreasing order of Q3 2024 Insurance revenue.

**Loss Component as a % of Insurance Revenue**



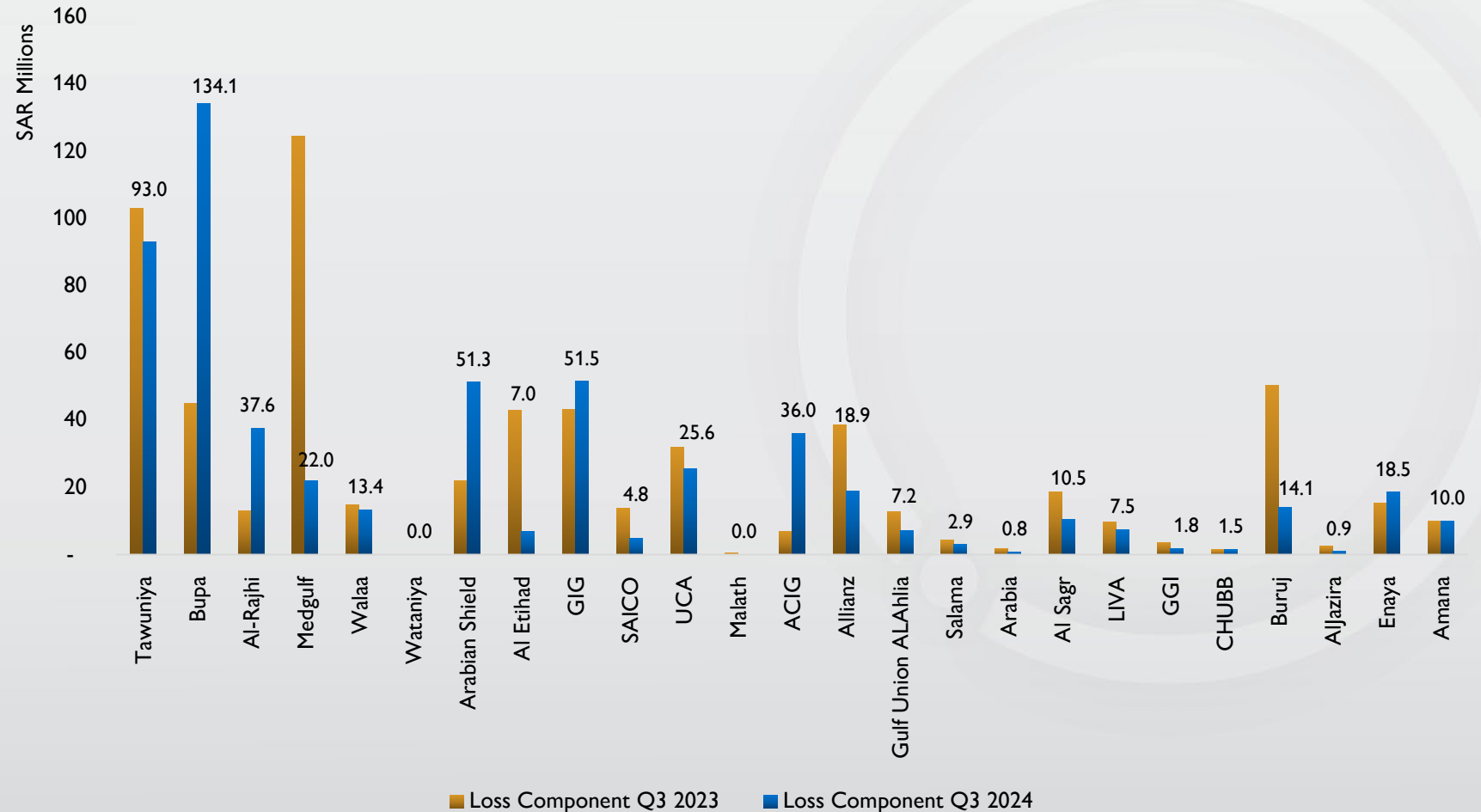
The Loss Component in IFRS 17 is a part of the Liability for Remaining Coverage (LRC), representing the excess of expected future cash outflows over inflows for onerous insurance contracts. It reflects the expected loss recognized immediately in profit or loss when a contract becomes onerous.

The Total loss component for 25 listed companies in Q3 2024 is SAR 571 million (Q3 2023: SAR 631 million)

The highest loss component is observed by Bupa of SAR 134 million (Q3 2023: SAR 45 million). The lowest loss component is depicted by Malath of SAR 14 thousand (Q3 2022: SAR 0.43 million)

Graph is sorted on the basis of decreasing order of Q3 2024 Insurance revenue.

### Loss Component





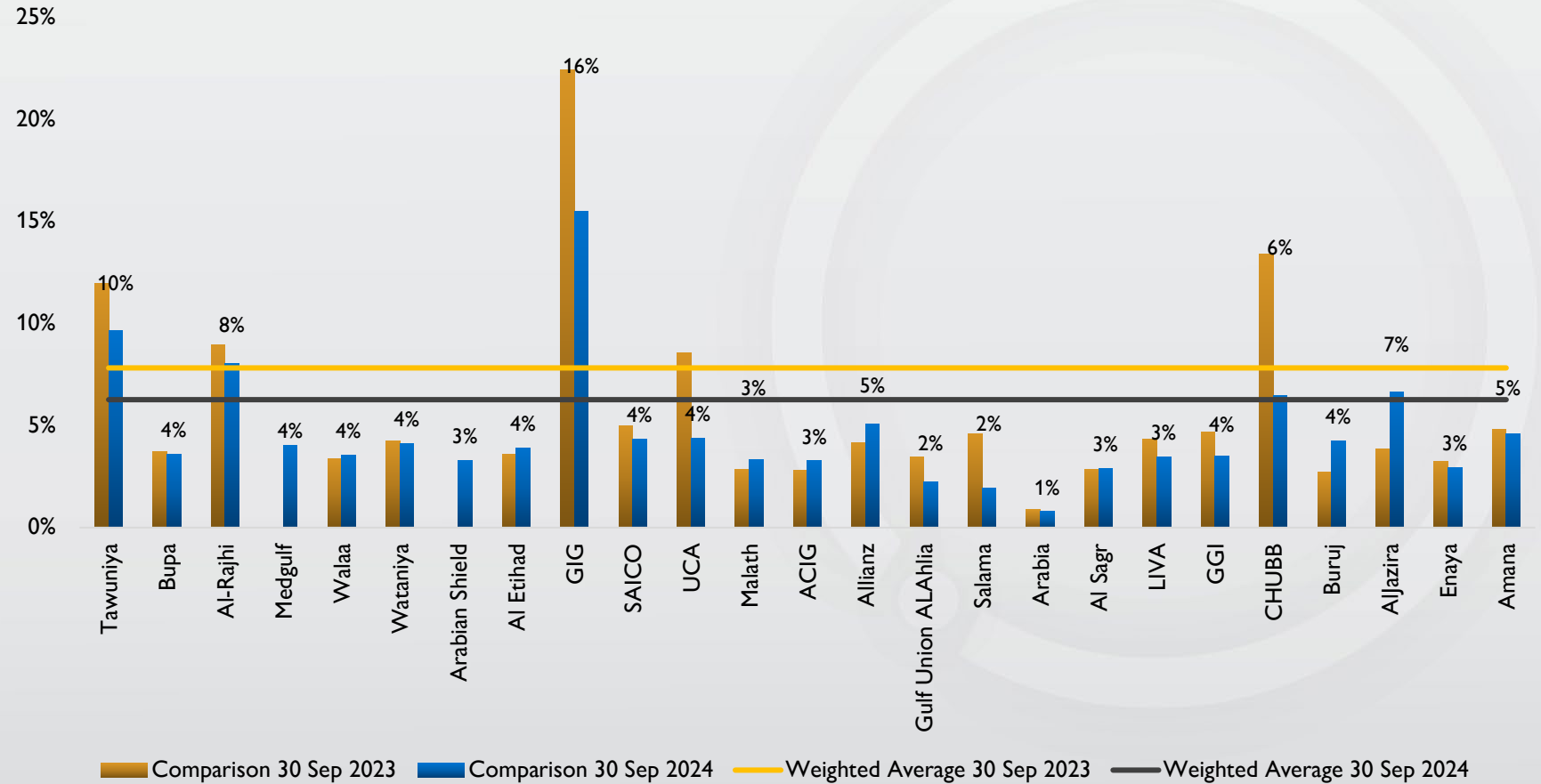
The graph depicts the relationship between risk adjustment and liability for incurred claims and provide insights into the Company's risk assessment and their diligence in accounting for these risks. It is an important KPI for stakeholders to evaluate the Company's prudence and risk management practices in financial reporting under IFRS-17.

The weighted average proportion of Risk Adjustment in LIC for the period of 30 September 2023 and 30 September 2024 is analyzed to be 8% and 6% respectively.

The Highest Ratio is depicted by GIG of 16% whereas the lowest is shown by Arabia of 1%.

Graph is sorted on the basis of decreasing order of Q3 2024 Insurance revenue.

**Risk Adjustment as a % of LIC**





## Conclusion

The KSA market continues to grow strongly in Q3 2024, but performance remains mixed by lines of business. Total insurance revenue grew by 16%, increasing from SAR 42 billion to SAR 48 billion. Without the Top 3, the industry's growth was 9%. Total gross written premiums have shown a significant 16% growth, climbing from SAR 49 billion to SAR 56 billion.

Motor GWP has dropped by 4%, while Medical and P&S have grown by 11% and 255%, respectively. In absolute terms, P&S rose from SAR 1.5 billion to SAR 5.2 billion, driven mainly by Al-Rajhi, followed by Arabian Shield. A key component of this growth was P&S business being undertaken by Al Rajhi. This shows the potential that exists in the market for P&S and benefits companies from steady profits in the future due to the nature of the business. P&C also grew strongly by 18%.

Overall underwriting performance improved slightly, with insurance service results rising to SAR 2.7 billion in Q3 2024 from SAR 2.5 billion in Q3 2023, an increase of 7%. However, 16 companies showed a sharp decline in insurance service results compared to the previous year. Investment income grew by 52%, from SAR 1.7 billion in Q3 2023 to SAR 2.5 billion in Q3 2024, often offsetting weaker underwriting results.

In terms of underwriting performance there are mixed results for motor and medical lines. The decline in Motor GWP is concerning, as premium rates peaked in Q3 2023 but have since trended downward, with companies lowering rates to compete for topline. However, the majority of motor writers are maintaining underwriting discipline with 70% of motor writers showing increased underwriting profit by around SAR 400 million compared with results for the same period last year.

Medical's 11% growth in topline is offset by a higher rise in Insurance Service Expenses, leading to a 26% dip in Net Service Results. Intense price competition in Medical, without correction, signals a grim outlook for the last quarter of 2024. If corrective pricing actions are not taken, this will also overshadow the performance in 2025. Over 85% of medical writers in KSA reported an aggregate 170% drop in underwriting results, totaling around SAR 800 million compared with results for the same period last year.

For P&C lines, underwriting results improved by approximately SAR 350 million compared with the same period last year, Further analysis would be required as not all companies report RI in the same way, but it appears that some of the larger P&C players have increased retention compared with last year which may be leading to them benefiting more from this profitable segment.

At a market level, there is now a much stronger reliance on investment income which comprises around 85% of net profit, compared with around 64% last year. Looking at the overall results, the KSA insurance industry's profitability (after zakat & tax) rose by 15% in the first 9 months of 2024, climbing from SAR 2.6 billion in Q3 2023 to SAR 3.0 billion in Q3 2024. However, the performance was mixed. The Top 3 companies - BUPA, Tawuniya, and Al Rajhi - saw profit increases of 34%, 62%, and 29%, respectively totaling SAR 0.7 billion. 18 companies reported a decline in profit averaging -40%, totaling SAR 369 million. Apart from some notable increases in profit for Arabian Shield, LIVA and UCA there are some worrying signs for many others with sharp falls in profit. Excluding the Top 3, the industry reported a profit of SAR 720 million, down from SAR 1.0 billion in Q3 2023, a 28% decrease. This likely reflects the impact of increased price competition, particularly in the Motor TPL and medical SME segments. Although profitability has improved, future prospects appear bleak as the industry is slipping back into a price war in both Motor and Medical segments. If this trend continues unchecked, the industry's full-year profitability is likely to fall significantly below last year's levels. The silver lining is the growth in P&S, a line that offers long-term profitability for companies.



## Disclaimer

We have undertaken an analysis of the Key Performance Indicators (KPIs) of the listed insurance companies in KSA for Q3 2024. The data has been extracted from the published financial reports of those companies which were publicly listed and available till the compilation of this report.

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The inclusion of the IFRS-17 analysis in our reports introduces the possibility of encountering errors. This likelihood primarily stems from the inconsistency observed in the treatment of accounts within the financial statements across various companies. These disparities can pose significant analytical challenges and impede accurate interpretation of the data.













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## Listed Insurance Companies



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Q3 2024 – KSA Listed Insurance Companies














Logos	Sr. No.	Name	Abbreviation
	1	The Company for Cooperative Insurance	TCCI
	2	Aljazira Takaful Taawuni Co.	AJTTC
	3	Malath Cooperative Insurance Co.	MCIC
	4	The Mediterranean and Gulf Insurance and Reinsurance Co.	TMGIRC
	5	Allianz Saudi Fransi Cooperative Insurance Co.	ASFCIC
	6	Salama Cooperative Insurance Co.	SCIC
	7	Wala'a Cooperative Insurance Co.	WCIC
	8	Arabian Shield Cooperative Insurance Co.	ARSCIC
	9	Saudi Arabian Cooperative Insurance Co	SACIC
	10	Gulf Union Al Ahlia Cooperative Insurance Co.	GUACIC
	11	Allied Cooperative Insurance Group	ACIG
	12	Arabia Insurance Cooperative Co.	AICC

# Companies Included in the Analysis

Analysis of the Key Performance Indicators (KPIs) of 25\* Listed Insurance Companies of KSA for Q3 2024 has been undertaken.



## Listed Insurance Companies

Logos	Sr. No.	Name	Abbreviation
	13	Trade Union Cooperative Insurance Co.	TUCIC
	14	Al Sagr Cooperative Insurance Co.	ASCIC
	15	United Cooperative Assurance Co.	UCAC
	16	Bupa Arabia for Cooperative Insurance Co.	BACIC
	17	Al-Rajhi Company for Cooperative Insurance	ARCCI
	18	CHUBB Arabia Cooperative Insurance Co.	CACIC
	19	Gulf Insurance Group	GIG
	20	Gulf General Cooperative Insurance Co.	GGCIC
	21	Buruj Cooperative Insurance Co.	BCIC
	22	LIVA Insurance formerly known as Al Alamiya	AACIC
	23	Wataniya Insurance Co.	WIC
	24	Amana Cooperative Insurance Co.	ACIC
	25	Saudi Enaya Cooperative Insurance Co.	SECIC

# Companies Included in the Analysis

Analysis of the Key Performance Indicators (KPIs) of 25\* Listed Insurance Companies of KSA for Q3 2024 has been undertaken.





# About Our Team

	Directors	6 Staff
UAE/ Oman Actuarial	48 Staff	Medical 9 Staff
KSA Actuarial	53 Staff	IFRS 17 17 Staff
Business Intelligence	8 Staff	HR Consultancy 3 Staff
End of Services	5 Staff	Financial Services 11 Staff
Sales	2 Staff	Strategy Consulting 2 Staff
Support & Admin	29 Staff	Data Science 7 Staff

# Total Strength 200



**BADRI**

Q3 2024 – KSA Listed Insurance Companies



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Managing Director - BADRI



**Ali Bhuriwala**  
Co-founder & Executive  
Director - BADRI



**Hasham Piperdy**  
GM Saudi Arabia – BADRI for  
Actuarial Services



**S. Azadar Haider**  
Manager Actuarial - BADRI



**Amjaad Al Qahtani**  
AM Actuarial - BADRI



**Razan Saud R Alanazi**  
Sr. Actuarial Analyst - BADRI



**Hassan Athar**  
Senior Research Executive

# Our Team



## Our Feedback

BADRI Management Consultancy is proud to present KSA Listed Insurance Industry Performance analysis Q3 2024. We have a dedicated team that is working to bring you research reports. Our doors are open for feedback, and we welcome them. Feel free to inquire about the report.

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