

KSA

Listed Insurance Industry Performance Analysis – Q1 2025

Date: June 15th, 2025



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



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Q1 2025 – KSA Listed Insurance Companies

Awards & Achievements

Award winning strategic partner to the insurance industry with around **206** 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 2025, 2023, 2018 & 2016 by MENAIR.
- Corporate Risk Manager of 2023 & Best Actuarial Firm of 2024 & 2025 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 **206** 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



IFRS 17 Implementation Partner

BADRI provides a seamless and supportive environment for your IFRS 17 financial reporting needs.



ACE 17 Financial Reporting System



Extensive experience of IFRS 17 –
Across 8 locations



Dedicated IFRS 17 team –
17 Individuals



Financial Services Team –
15 Individuals

Financial Services – Optimize Your Financial Precision

Elevate your operations with a specialized suite of sub services from our Financial Services team – designed to ensure accuracy, efficiency, and strategic financial insight.

Accounting Services – We Offer



Account Reconciliation
Services



Fixed Assets Verification
and Reconciliation



Preparing Position Papers
for Accounting Matters



Account Receivable &
Payable Cleaning Up
Services



Virtual CFO
Services



Backlog
Accounting



Navigating Challenges in Competitive Talent Acquisition

In today's dynamic business environment, HR consulting firms face complex challenges in delivering effective workforce solutions. Addressing these hurdles is essential to drive organizational success.

Key Challenges in Talent Acquisition



Talent Acquisition & Retention



HR Compliance & Regulations



Localization Requirements



Leadership & Change Management



Workforce Diversity & Inclusion



HR Analysis & Decision-Making



Employee Engagement & Experience



HR Strategy

Overcoming these challenges requires the right expertise, Let's build future ready HR strategies together.

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Q1 2025 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 Insurance Result & Investment Income Profit Breakup | | Insurance Service Expense | Loss Component |
| Insurance Service Ratio | Combined Ratio | | Insurance Service Results | Risk Adjustment / LIC |
| | Profit Margin | | Combined Ratio | |
| | Total Comprehensive Income | | UW Profit Margin | |
| | | | Profit Breakdown | |
| | | | Market Segment Wise Breakup | |



Q1 2025 Highlights

Gross Written Premium

Q1 2025: SAR **24** billion
Q1 2024: SAR 21 billion
Growth: 13%

Insurance Revenue

Q1 2025: SAR **17** billion
Q1 2024: SAR 16 billion
Growth: 6%

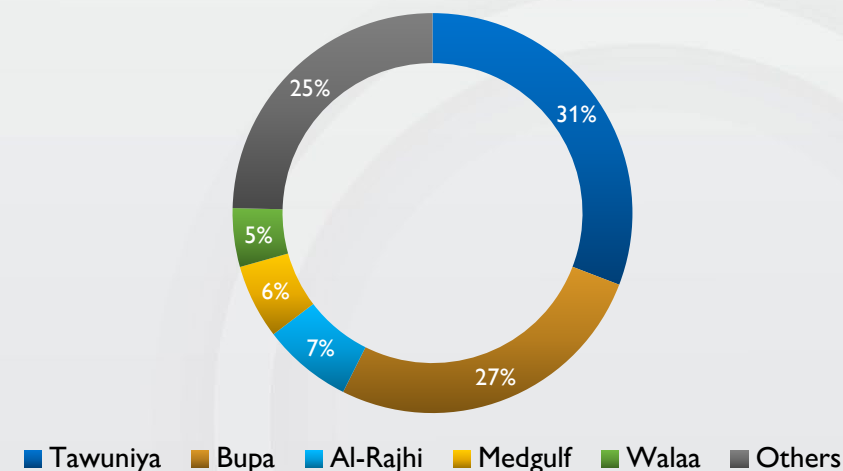
Insurance Service Results

Q1 2025: SAR **617** million
Q1 2024: SAR 799 million
Growth: -23%

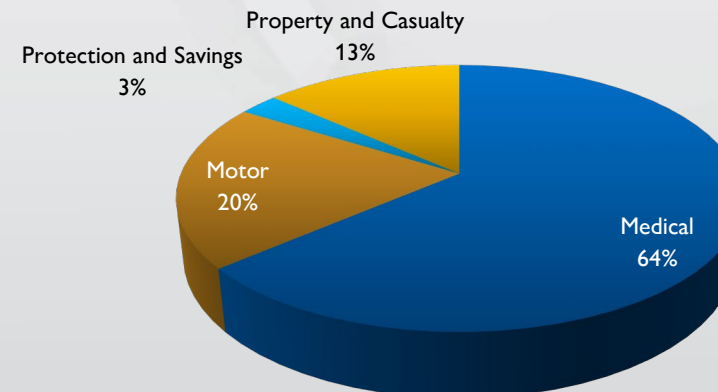
Profit After Zakat

Q1 2025: SAR **637** million
Q1 2024: SAR 887 million
Growth: -28%

Insurance Revenue Q1 2025



Insurance Revenue Breakdown Q1 2025





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Q1 2025 – KSA Listed Insurance Companies

01

Revenues

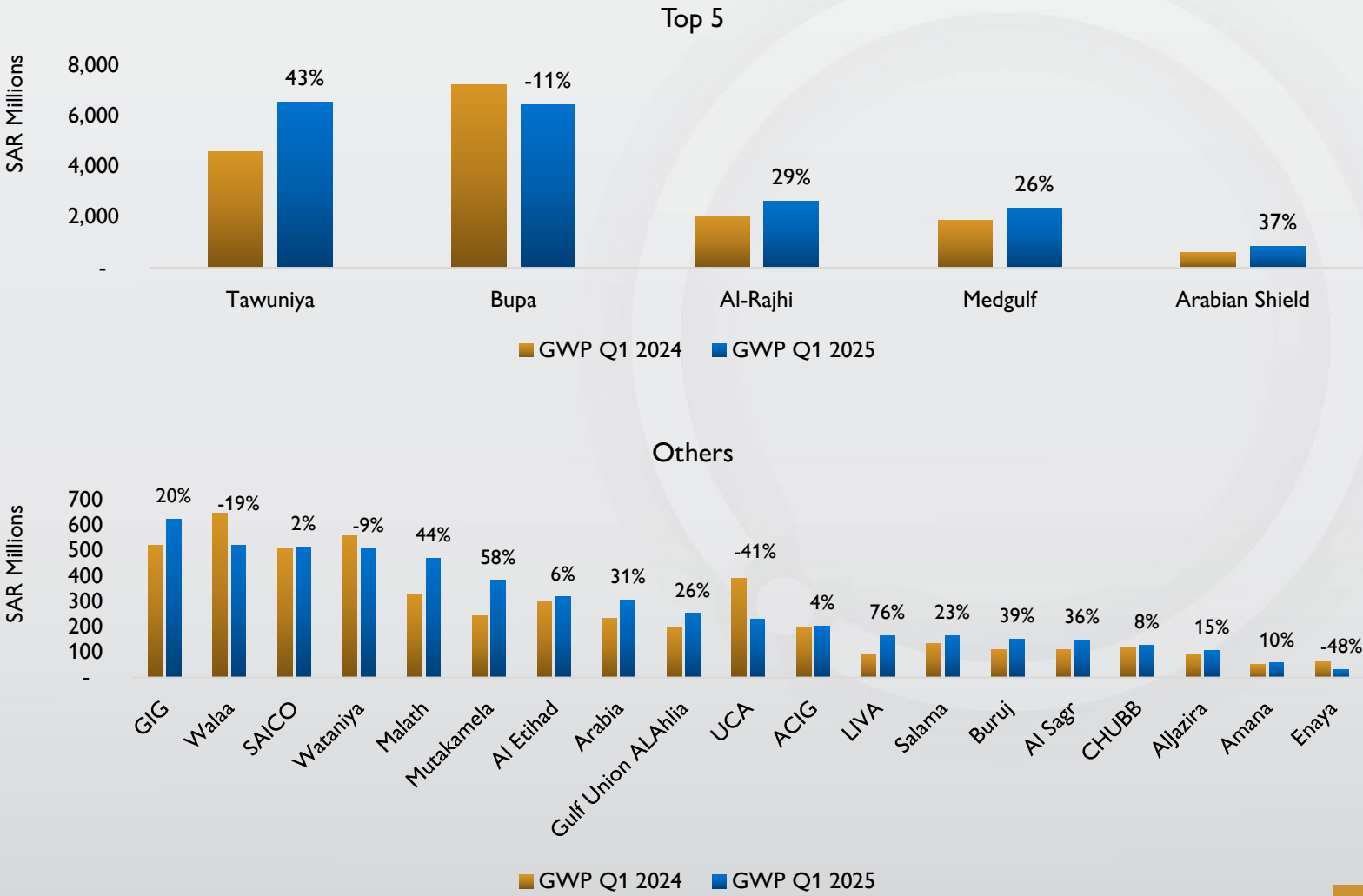
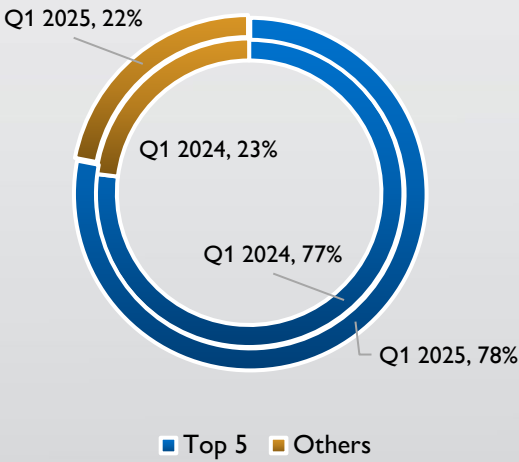
Gross Written Premium



The top 5 companies grew their top line by SAR 2.5 billion, with a combined premium of SAR 18.8 billion in Q1 2025 as compared to SAR 16.3 billion in Q1 2024. The share of overall GWP for the top 5 companies is 78% for Q1 2025, as compared to 77% for Q1 2024. The primary driver of growth among the Top Five companies was Tawuniya, which achieved the highest volumetric growth in the industry (SAR 2.0 billion or 43%), mainly driven by its medical business.

GGI GWP is not available in the financials therefore its not included in the analysis.

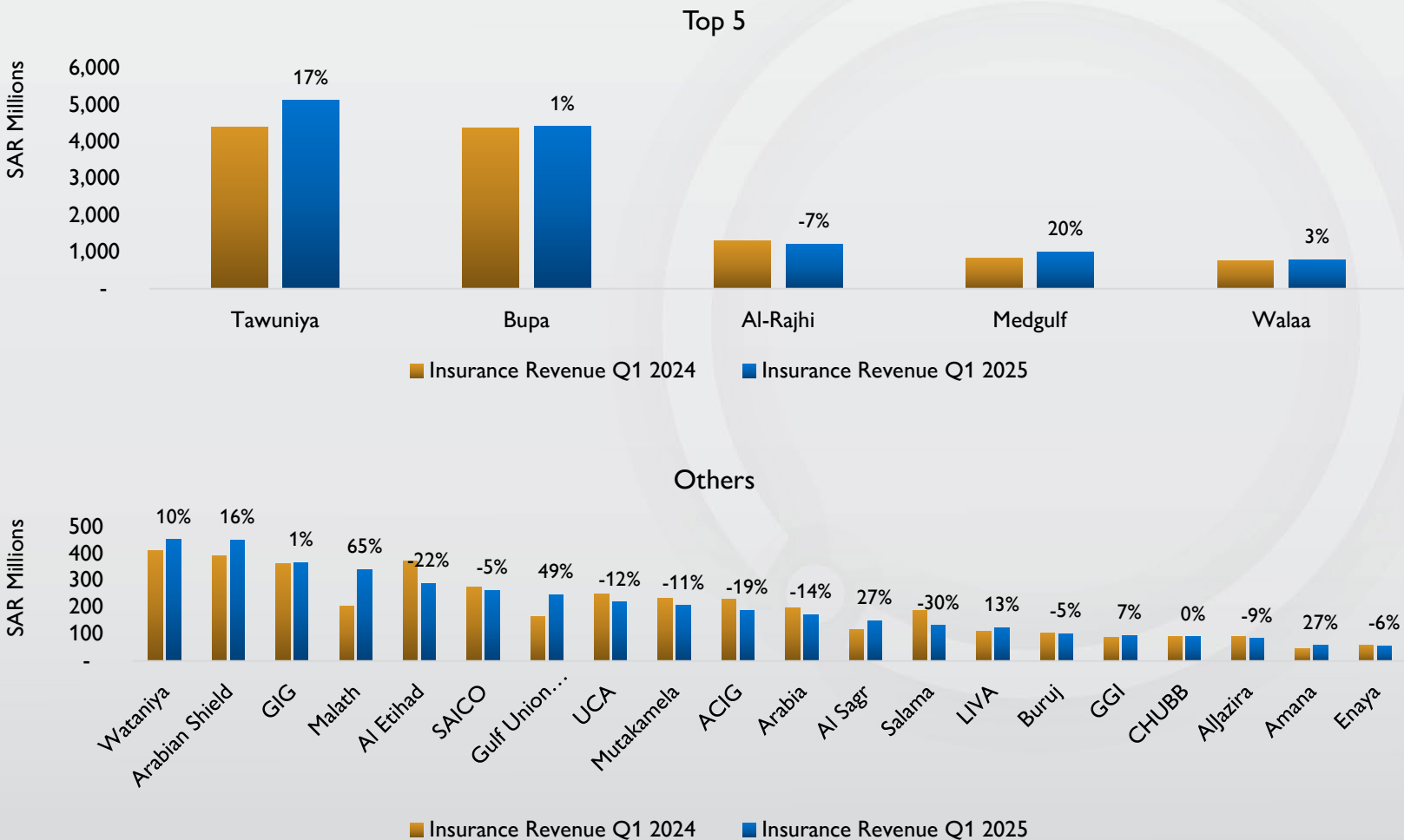
GWP Distribution



Insurance Revenue for the 25 listed companies analyzed grew by 6% to SAR 17 billion in Q1 2025 as compared to SAR 16 billion in same period for previous year. 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 Increase from approximately SAR 12 billion in Q1 2024 to SAR 13 billion in Q1 2025, a growth of 7% while the rest of the companies experienced a growth of 2% from SAR 4.0 billion to SAR 4.1 billion.

Malath displayed the highest growth of 65%, meanwhile, on the other hand, Salama exhibited the largest dip in business of 30%.

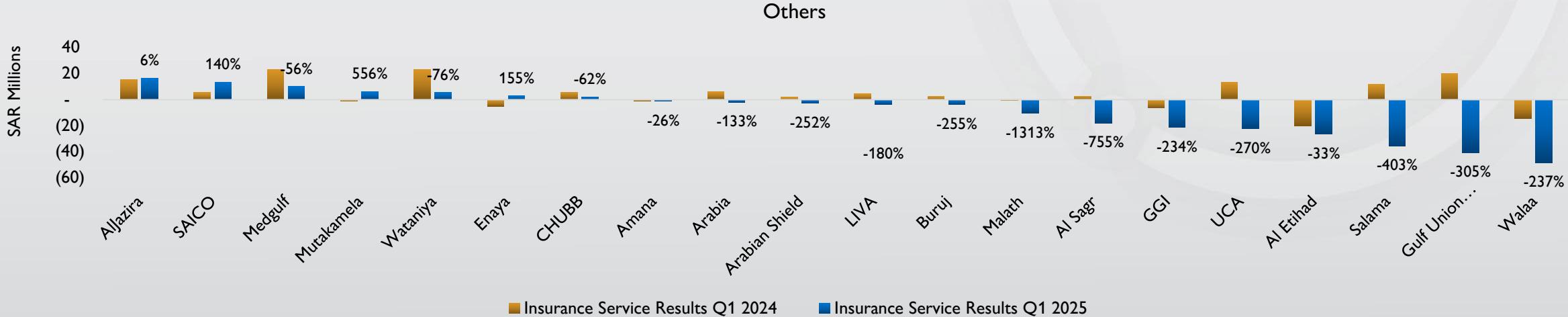
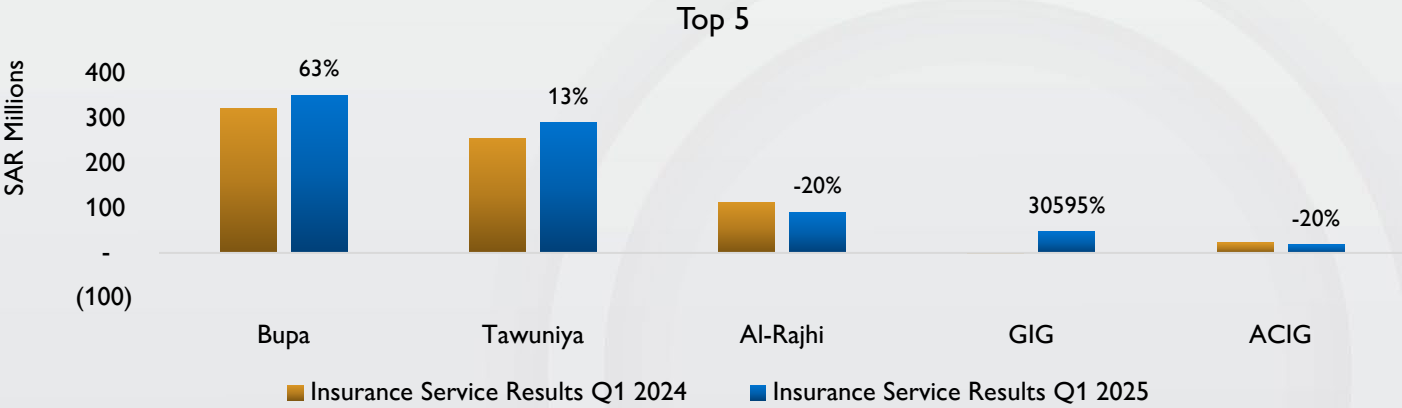


Insurance Service Results



In Q1 2025, the Insurance Service Results for the 25 listed companies underwent a decrease of 23% from SAR 799 million to SAR 617 million in Q1 2025. Among the leading 5 companies determined by this key performance indicator (KPI), there was a growth of 12%, surging from SAR 713 million to SAR 797 million between the two periods. Conversely, the remaining companies encountered a decline from SAR 86 million to negative SAR 180 million. Notably, GIG achieved the most substantial absolute growth of SAR 47 million. Gulf Union experienced an absolute decline of SAR 61 million.

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



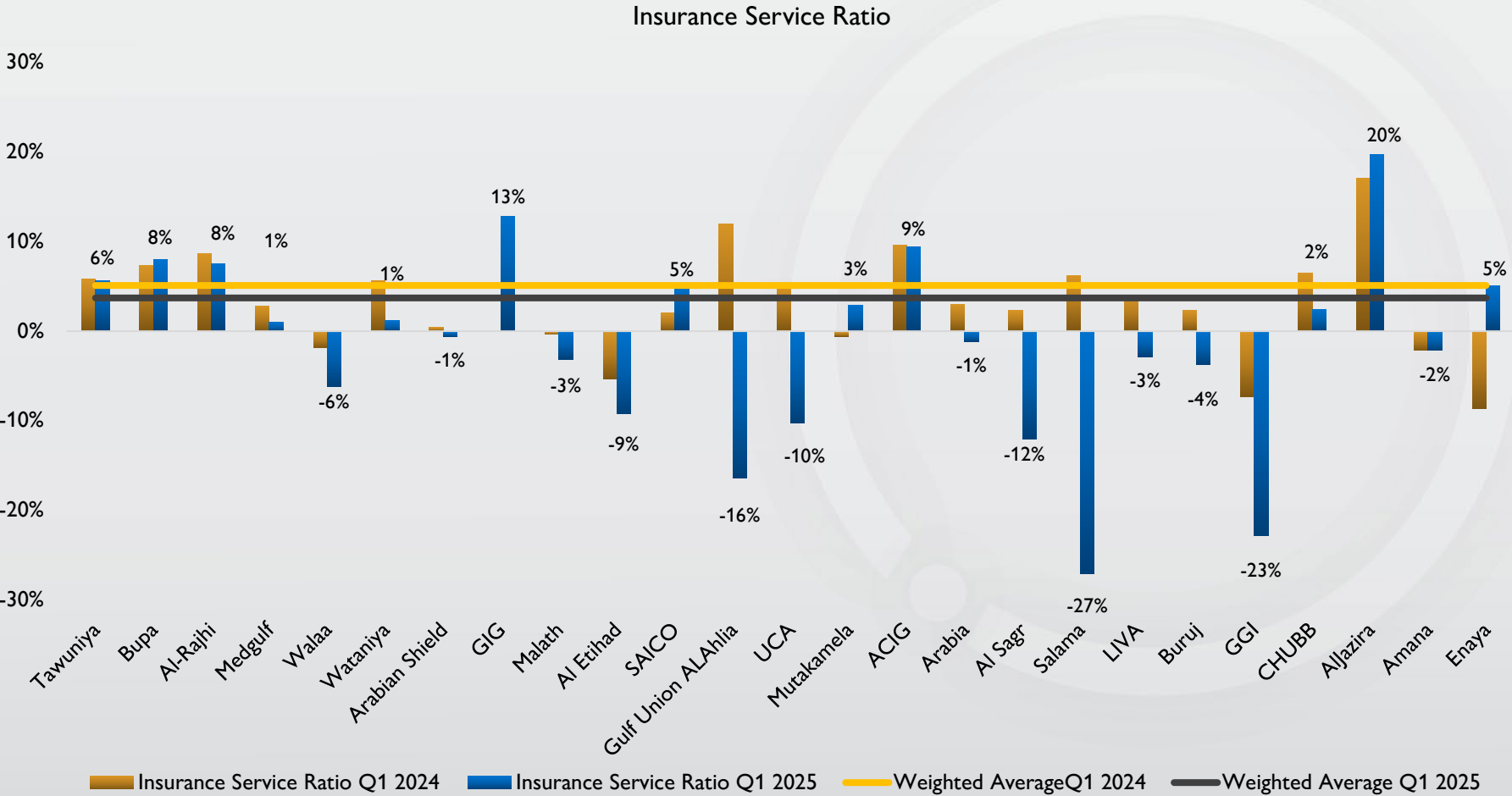
Insurance Service Ratio



The average Insurance Service Ratio for the examined companies was 4% in Q1 2025 as compared to 5% in Q1 2024. Notably, Al Jazira recorded the highest ratio at 20% (Q1 2024: 17%), while Salama recorded the lowest ratio at -27% (Q1 2024: 6%).

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.





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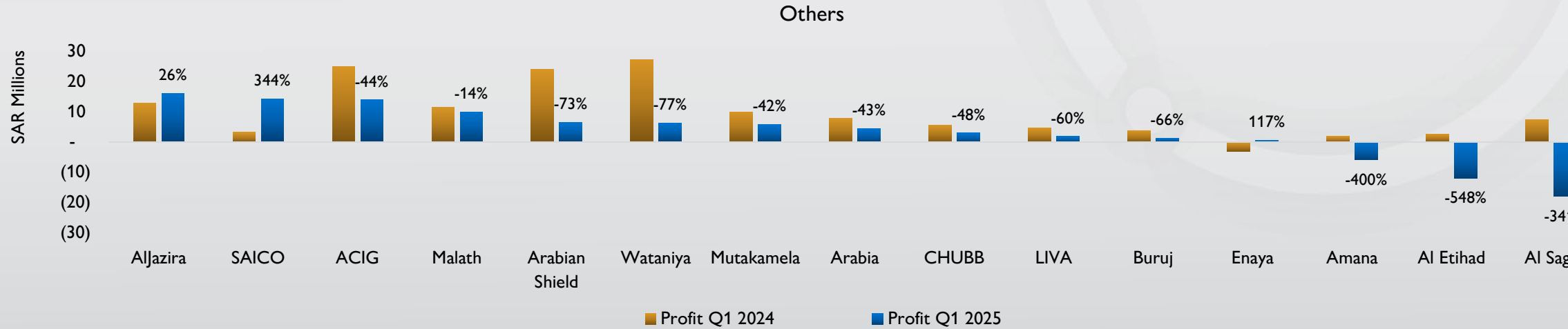
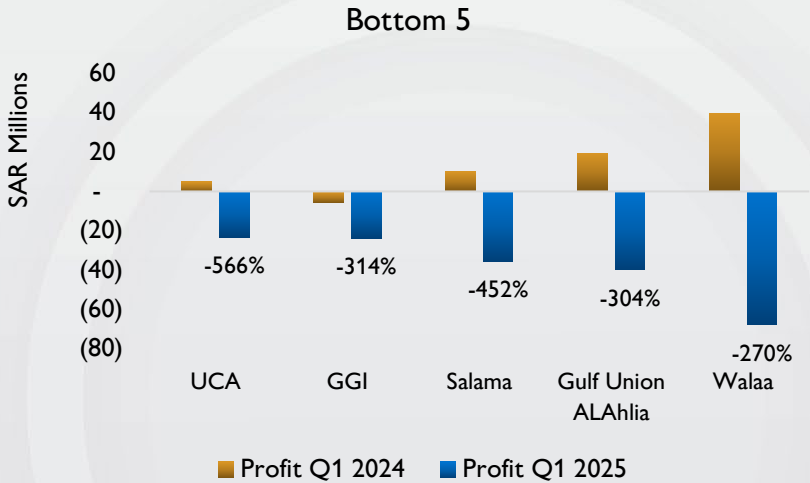
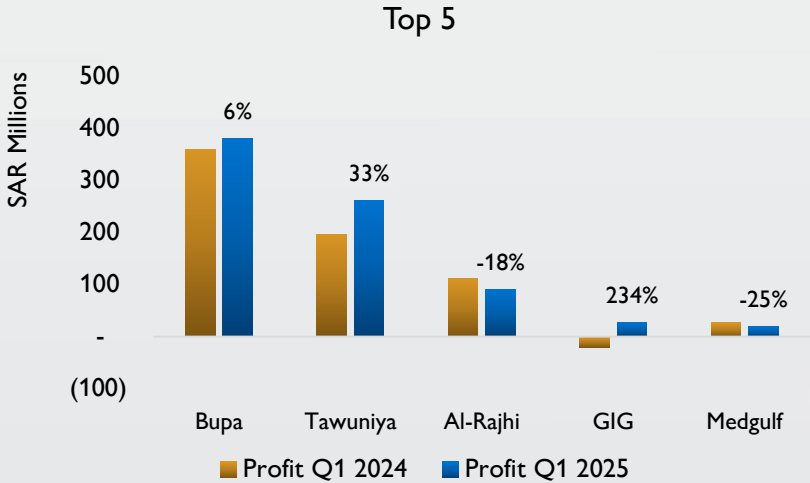
Q1 2025 – KSA Listed Insurance Companies

Profitability

Profit After Zakat



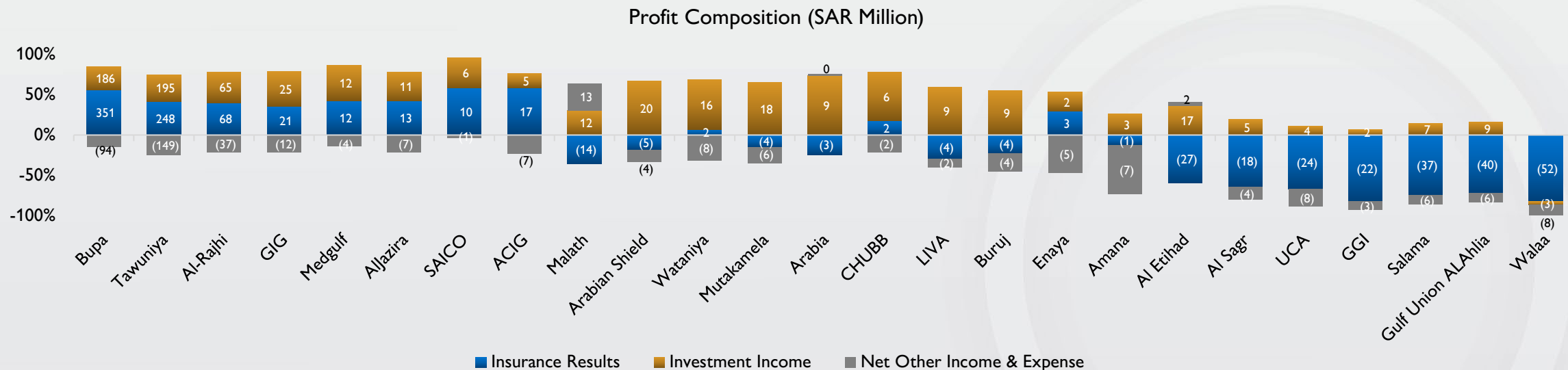
The Profit (after zakat) for the 25 listed companies exhibited a decline from SAR 887 million in Q1 2024 to SAR 637 million in Q1 2025. Notably, among the leading 3 companies in terms of profitability, there was 10% growth, reaching SAR 732 million (Q1 2024 - SAR 667 million). The remaining companies witnessed a decline of 144%, with cumulative loss of SAR 96 million (Q1 2024 SAR 219 million).



Profit Composition (Before Zakat & Tax)



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Q1 2025 – KSA Listed Insurance Companies



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.

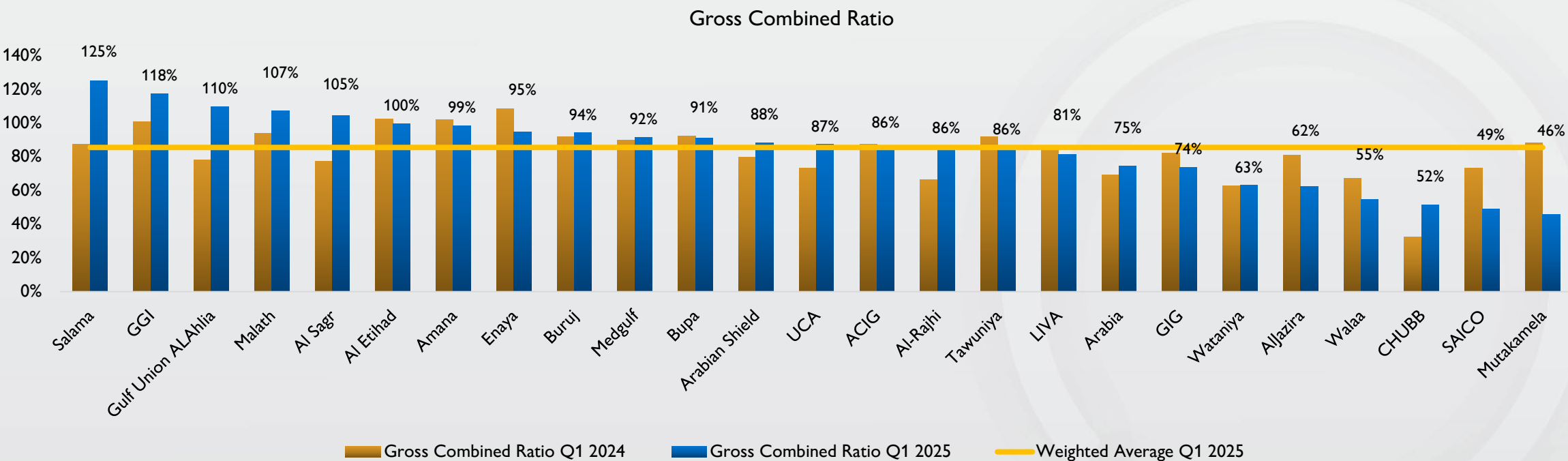
The highest insurance results and investment income was generated by Bupa of SAR 351 million & Tawuniya SAR 195 million, respectively.

14 out of 25 companies recorded negative insurance results and among these 14 companies, 6 were able to generate profit on an overall basis. Wahaa recorded loss in its investment income.

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.

Unit-linked investments have been subtracted from the investment income figures.

Gross Combined Ratios

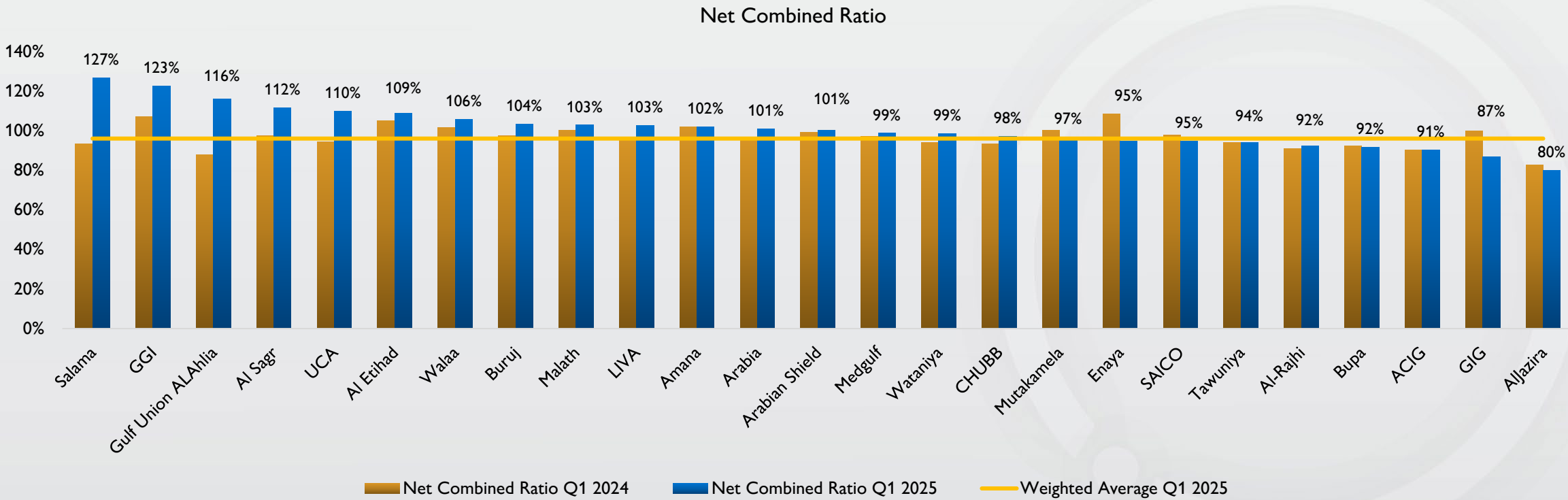


The weighted average gross combined ratio stood at 86%, with Salama bearing the highest combined ratio of about 125%. The lowest gross combined ratio of 46% was depicted by Mutakamela.

A company is deemed profitable from an underwriting perspective if the combined ratio is below 100%, Salama, GGI, Gulf Union, Malath, Al Sagr & Al Etihad have depicted gross combined ratio greater than 100%.

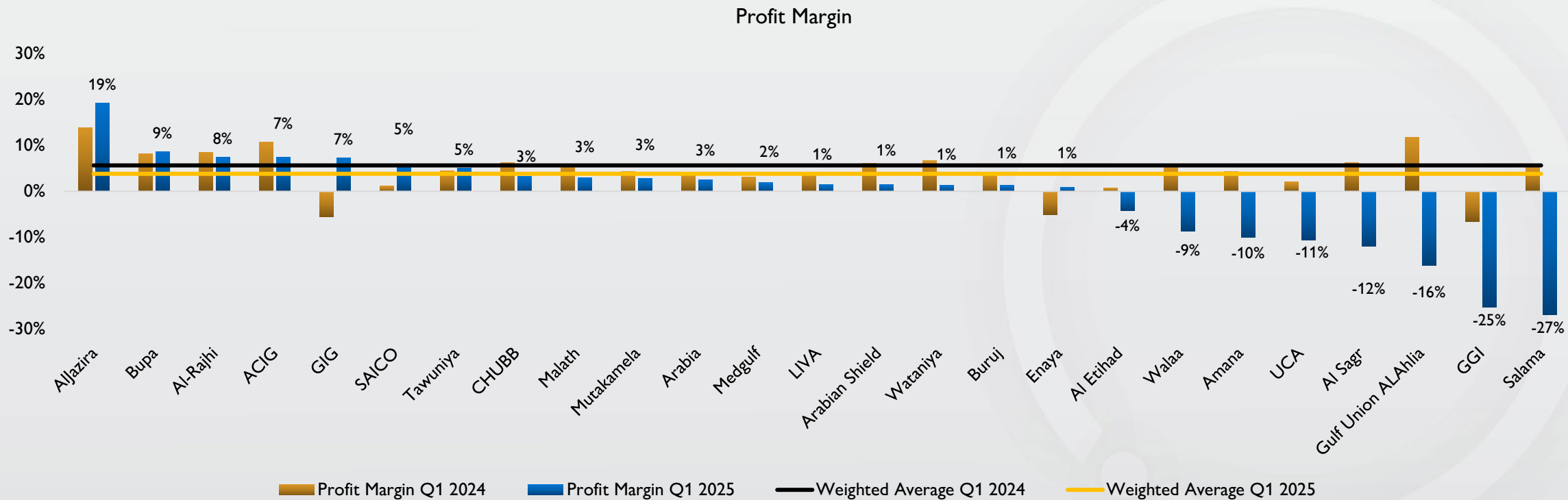
- Gross Combined ratio is computed as insurance Service Expenses over Insurance Revenue.

Net Combined Ratios



The weighted average net combined ratio stood at 96%, with Salama bearing the highest combined ratio of about 127%. The lowest net loss ratio of 80% was depicted by Aljazira.

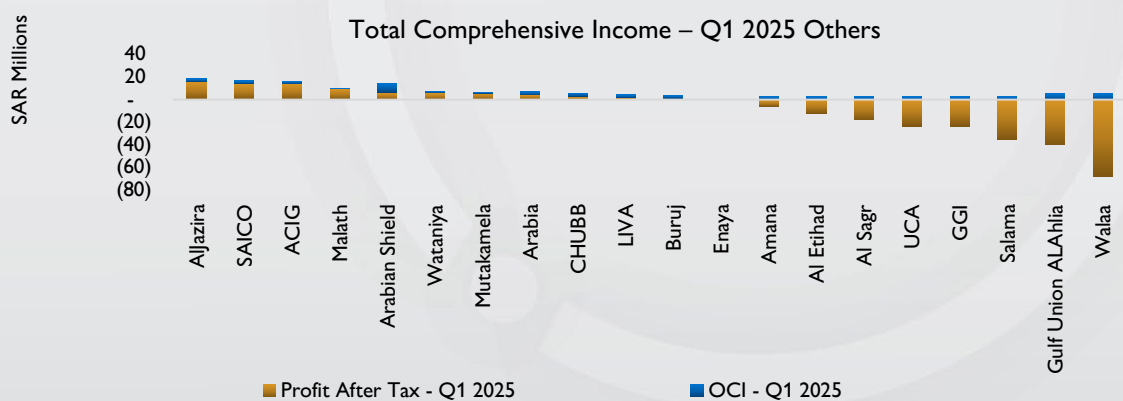
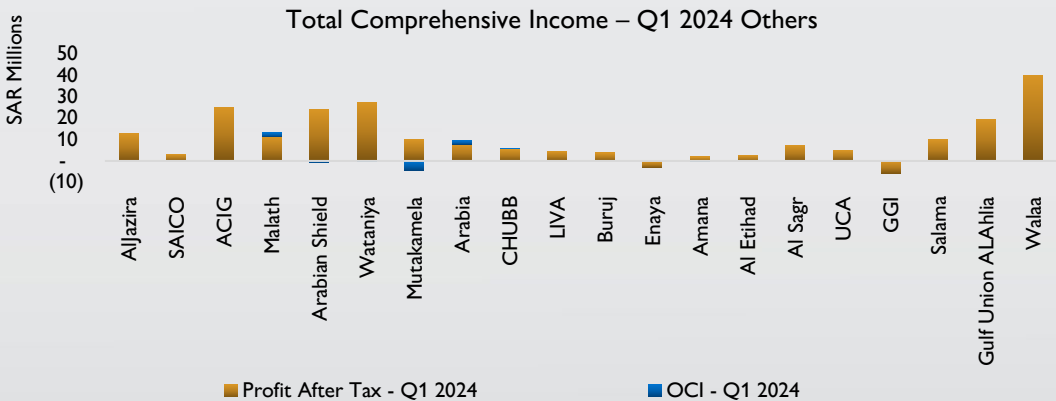
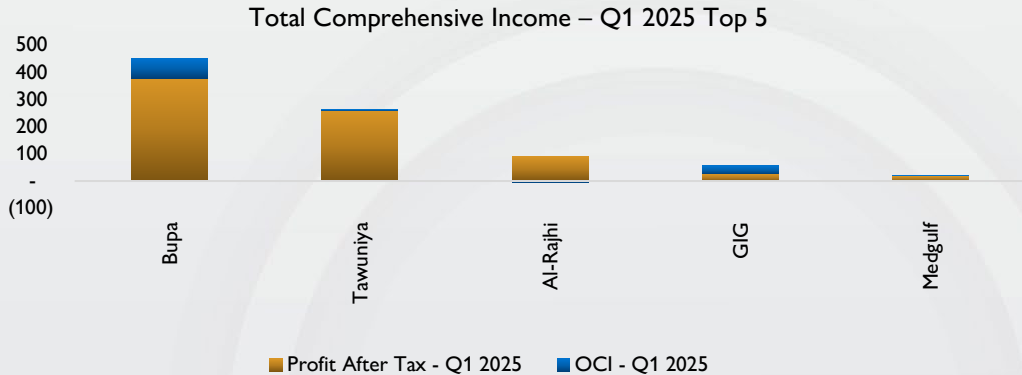
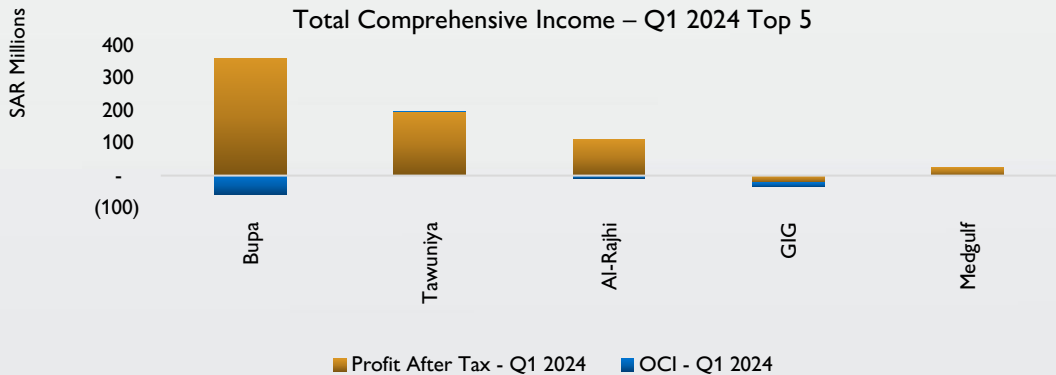
• Net Combined ratio is computed as Net insurance Service Expenses + RI Results over Insurance Revenue.



The weighted average for profit margin stood at 4% (Q1 2024: 6%), with Aljazira bearing the highest profit margin of about 19% (Q1 2024: 14%). The lowest is depicted by Salama, -27% (Q1 2024: 5%)

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

Total Comprehensive Income - Companies



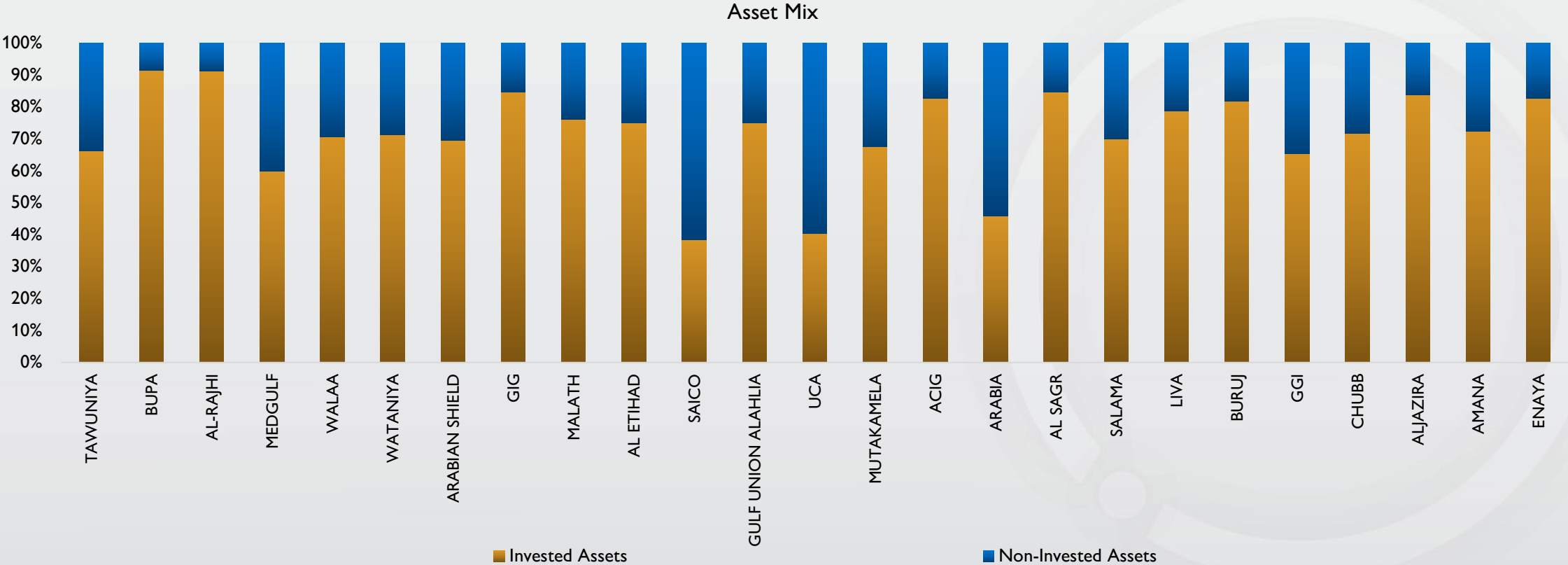
In the Q1 2025, the Total Comprehensive Income experienced a decrease of 2% compared to Q1 2024.

1 out of 25 companies in this analysis have shown losses in their OCI. The Total Comprehensive Income is the sum of the Profit After Zakat and the Other Comprehensive Income (OCI).



03

Assets



Asset Mix compares the proportion of invested assets and non invested assets for Q1 2025

Bupa and Al-Rajhi have the highest proportion of 91% of their assets invested, while SAICO has only invested 38% of their assets.



| Company | EPS Q1 2024 | EPS Q1 2025 |
|----------------|-------------|-------------|
| Bupa | 2.40 | 2.55 |
| Tawuniya | 1.31 | 1.76 |
| Al-Rajhi | 1.11 | 0.91 |
| GIG | -0.39 | 0.52 |
| Medgulf | 0.25 | 0.19 |
| AlJazira | 0.19 | 0.24 |
| SAICO | 0.11 | 0.47 |
| ACIG | 0.86 | 0.48 |
| Malath | 0.23 | 0.20 |
| Arabian Shield | 0.30 | 0.08 |
| Wataniya | 0.68 | 0.16 |
| Mutakamela | 0.17 | 0.10 |
| Arabia | 0.15 | 0.08 |
| CHUBB | 0.19 | 0.10 |

| Company | EPS Q1 2024 | EPS Q1 2025 |
|--------------------|-------------|-------------|
| LIVA | 0.12 | 0.05 |
| Buruj | 0.13 | 0.04 |
| Enaya | -0.13 | 0.02 |
| Amana | 0.05 | -0.14 |
| Al Etihad | -0.05 | -0.24 |
| Al Sagr | 0.40 | -0.60 |
| UCA | 0.13 | -0.58 |
| GGI | -0.19 | -0.79 |
| Salama | 0.41 | -1.18 |
| Gulf Union ALAhlia | 0.43 | -0.87 |
| Walaa | 0.39 | -0.53 |

Earning Per Share



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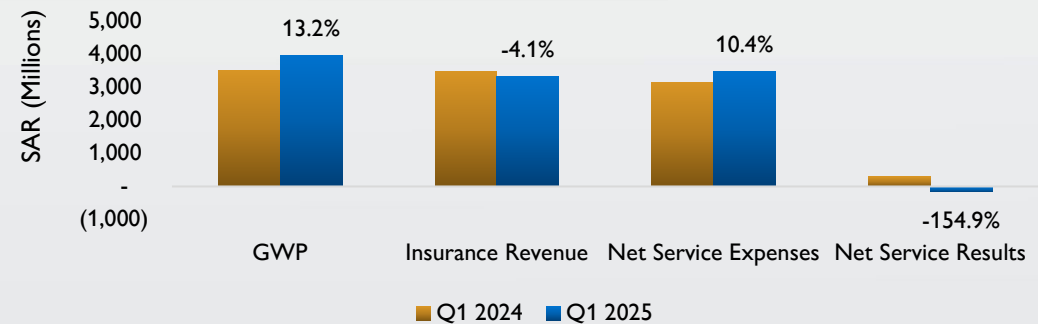
Q1 2025 – KSA Listed Insurance Companies

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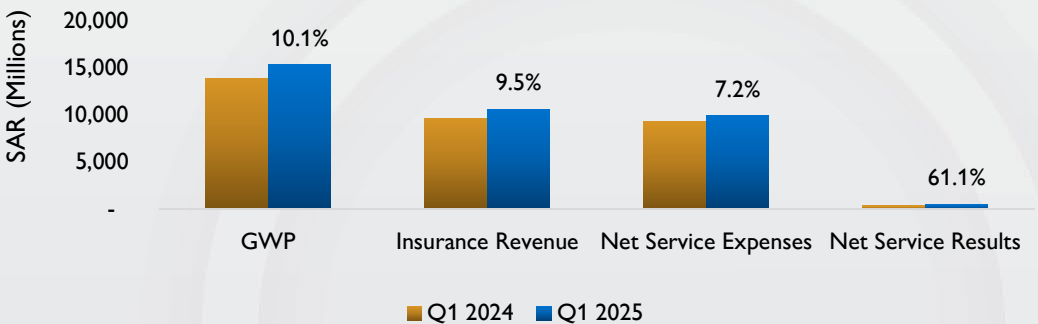
Line of Business Wise



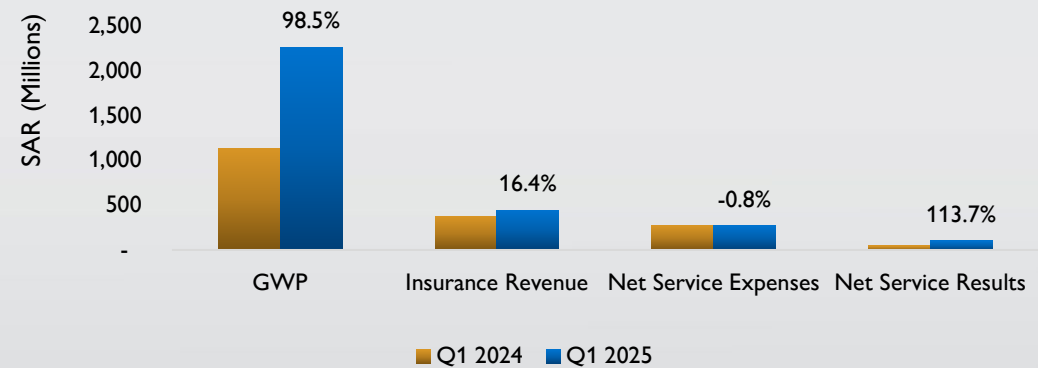
Motor Insurance



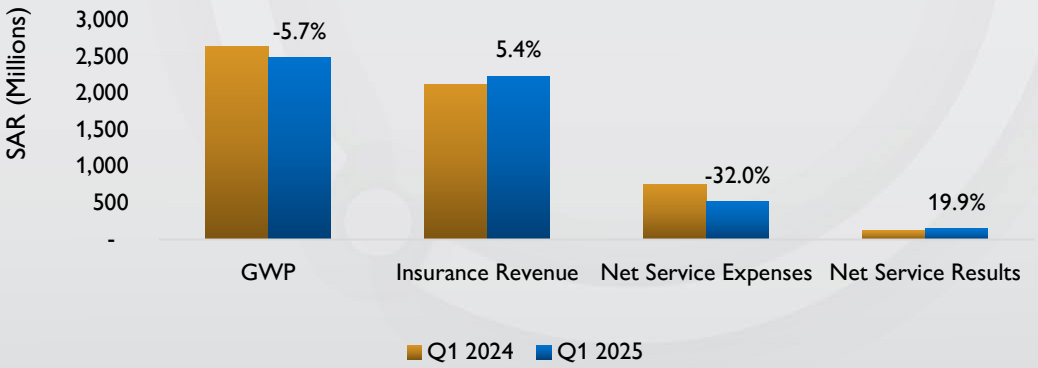
Medical Insurance



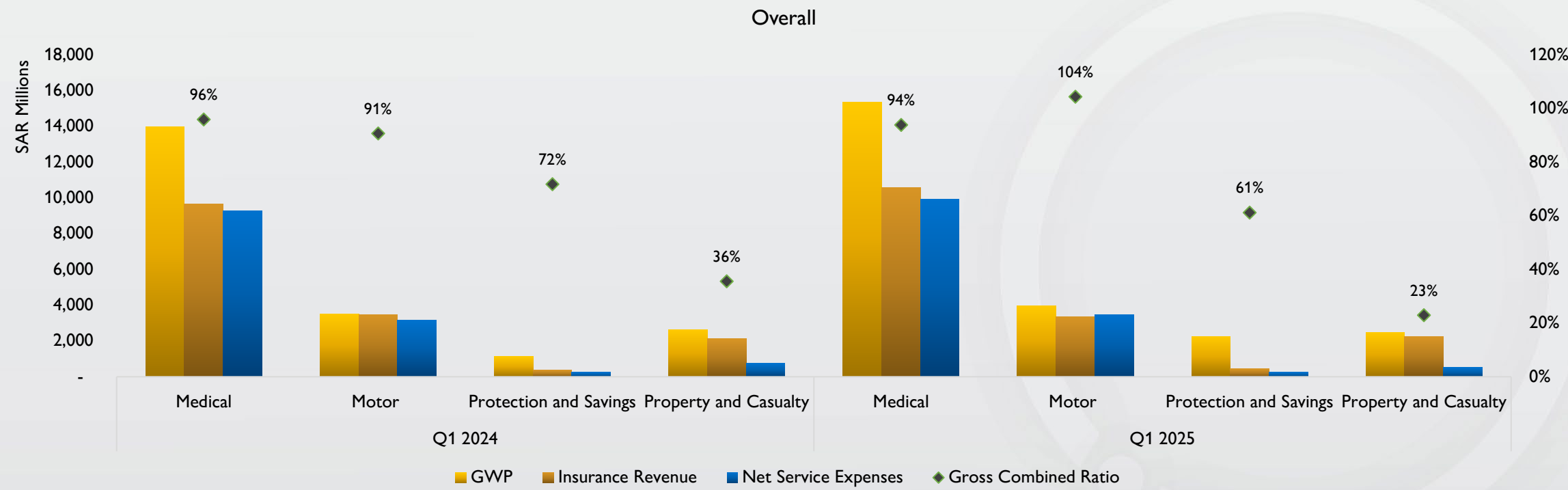
Protection & Savings Insurance



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 5.4% in Insurance Revenue , however this continues to be heavily ceded.



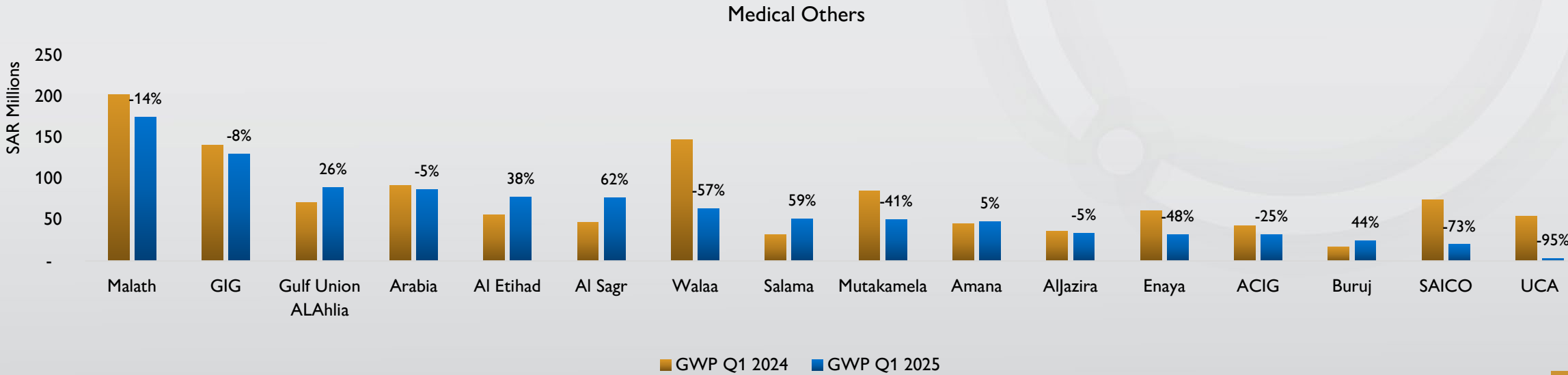
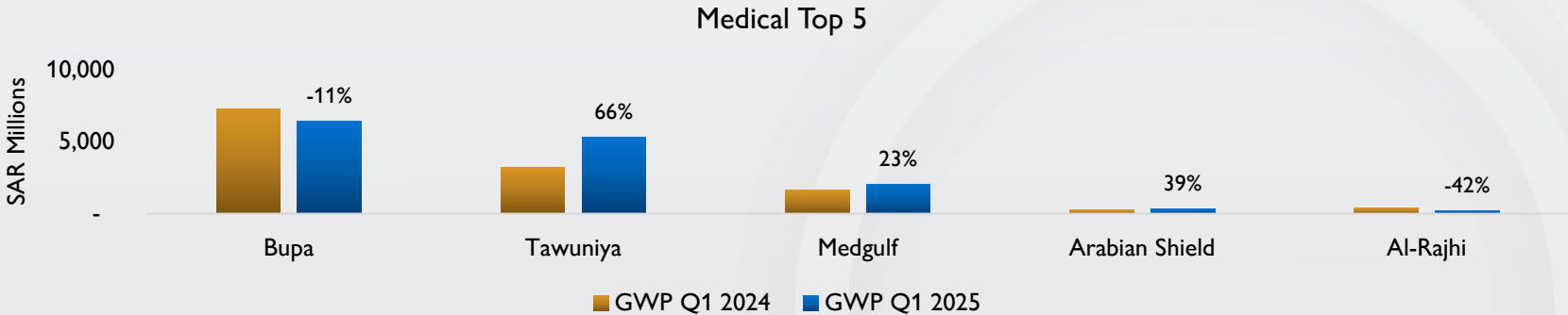
- The Gross Combined Ratio Increased for Motor for 13 percentage points while all the other line of business a decline for Q1 2025.
- Medical, protection and savings and property and casualty gross combined ratio decreased by 2%, 11% and 13%, respectively.
- Gross combined ratio is computed as Net insurance Service Expenses over Insurance Revenue

Gross Written Premium - Medical



The overall premium in Q1 2025 was SAR 15 billion (Q1 2024: SAR 14 billion) with a 10% increase.

The top 5 companies' GWP for medical grew by SAR 1.6 billion, with a premium of SAR 14.4 billion in Q1 2025 as compared to SAR 12.8 billion in Q1 2024.



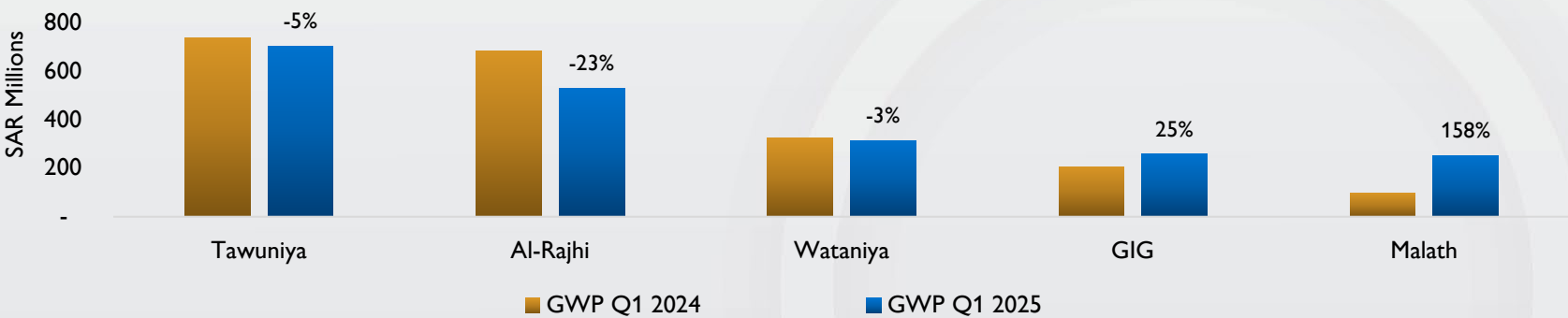
Gross Written Premium - Motor



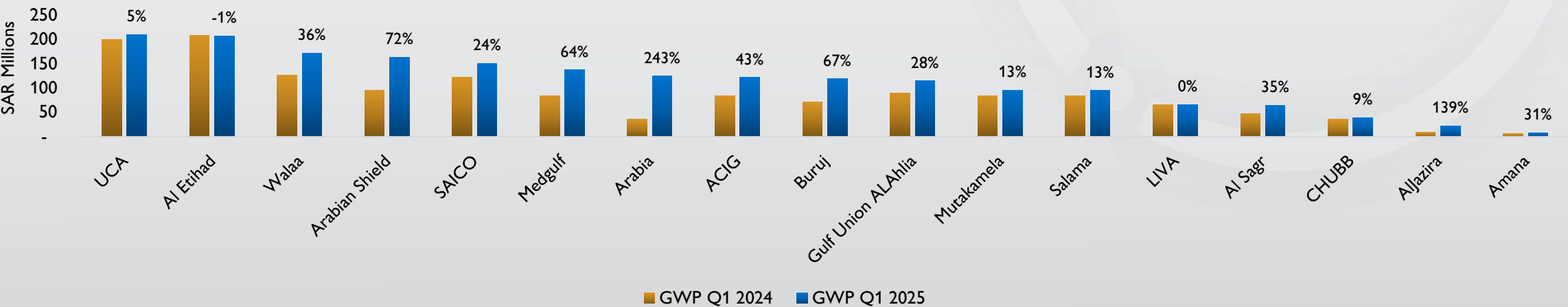
The overall premium in Q1 2025 was SAR 4.0 billion (Q1 2024: SAR 3.5 billion) with a 13% increase.

The top 5 companies' GWP for motor increased by 4.3 million, with a premium of SAR 2.06 billion in Q1 2025 as compared to SAR 2.05 billion in Q1 2024.

Motor Top 5



Motor Others



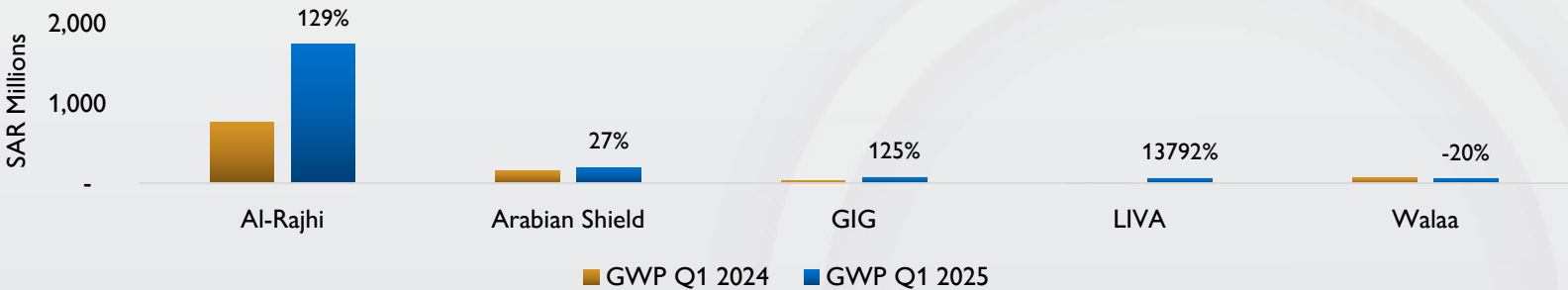
Gross Written Premium – P&S



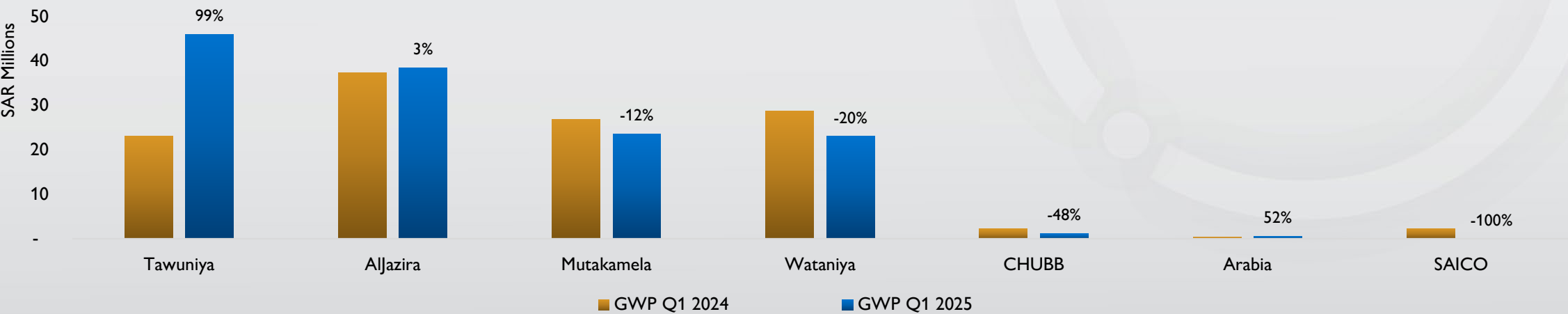
The overall premium in Q1 2025 was SAR 2.3 billion (Q1 2024: SAR 1.1 billion) with a 99% increase.

The top 5 companies' GWP for protection & saving grew by 1.1 billion, with a premium of SAR 2.1 billion in Q1 2025 as compared to SAR 1.0 billion in Q1 2024.

P&S Top 5



P&S Others

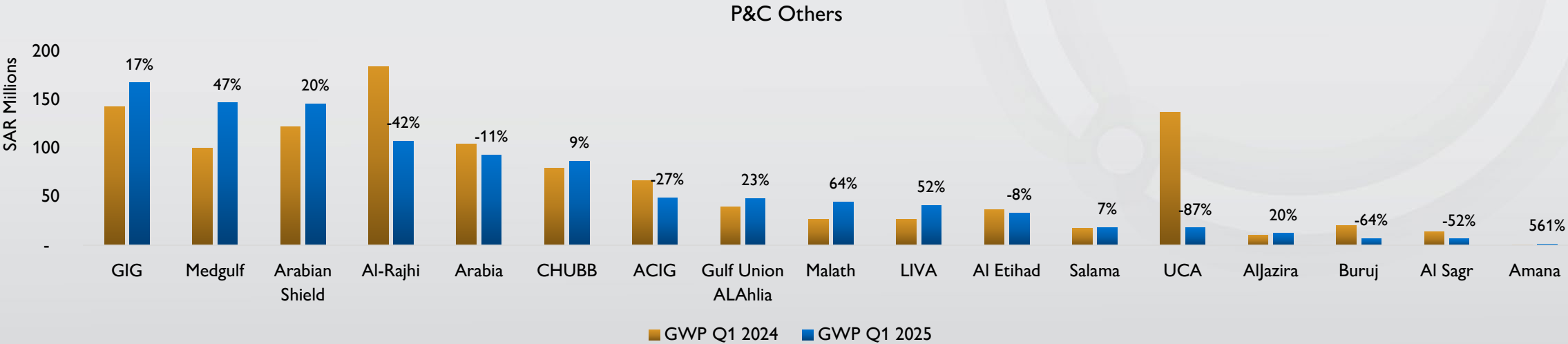
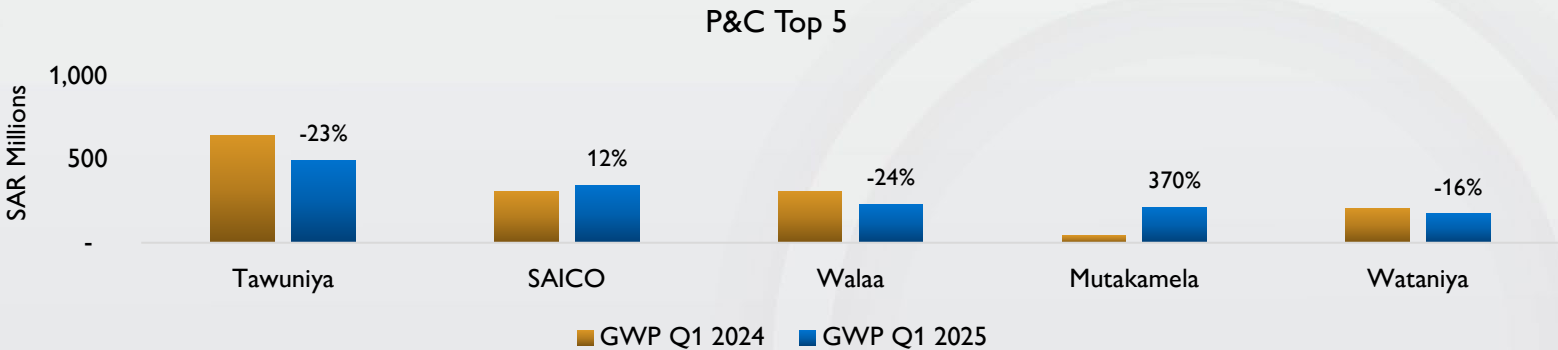


Gross Written Premium – P&C

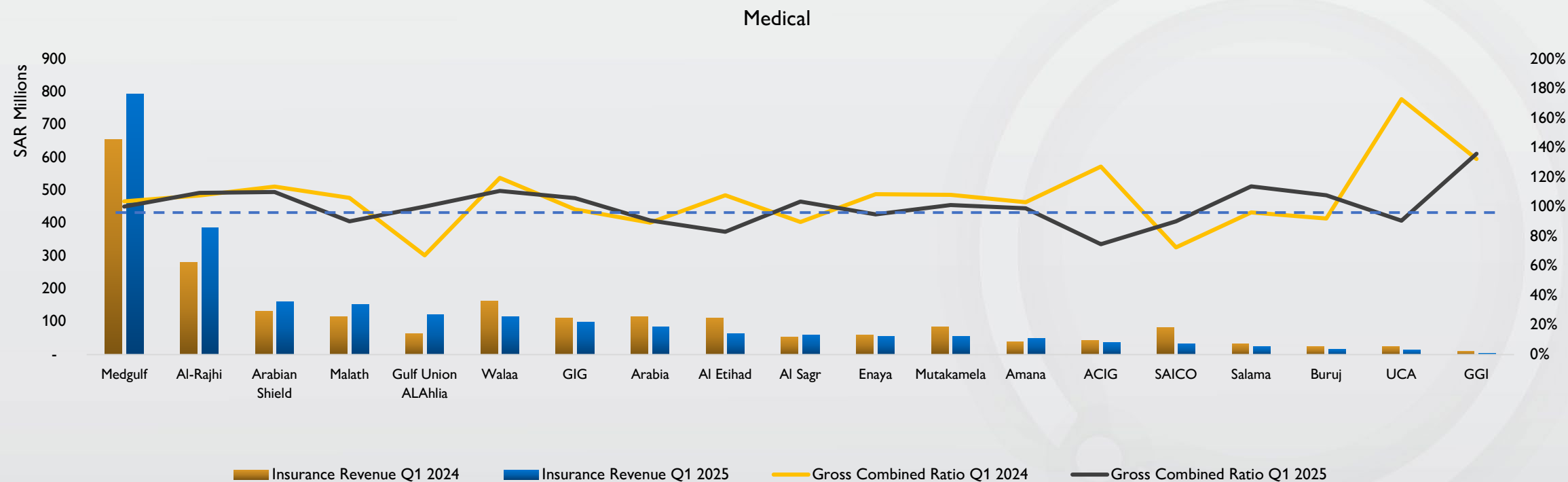


The overall premium in Q1 2025 was SAR 2.5 billion (Q1 2024: SAR 2.6 billion) with a 6% decrease.

The top 5 companies' GWP for property & casualty decreased by 47 million, with a premium of SAR 1.46 billion in Q1 2025 as compared to SAR 1.51 billion in Q1 2024.



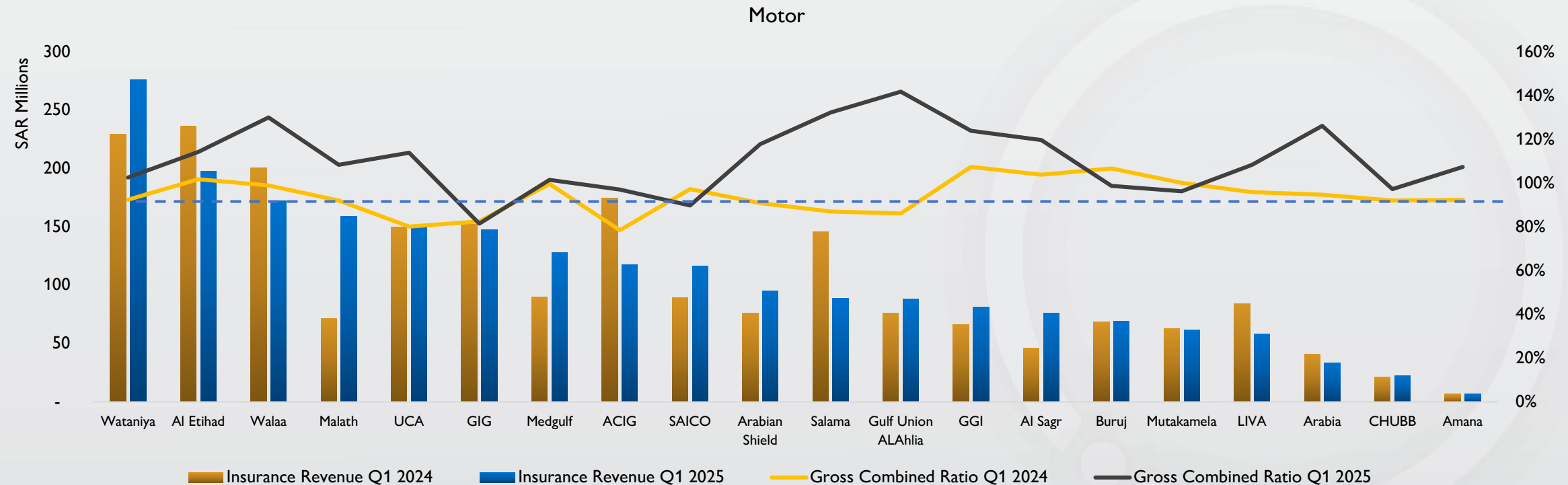
Insurance Revenue & Gross Combined Ratio – Medical



Bupa & Tawuniya are excluded from the above graph. Bupa has insurance revenue of SAR 4.41 billion for Q1 2025 and SAR 4.37 billion in Q1 2024 reflecting ,the gross combined ratio of 91% for Q1 2025. Tawuniya has insurance revenue worth SAR 3.9 billion for Q1 2025 and SAR 3.1 billion in Q1 2024 reflecting the gross combined ratio of 93% and 95%respectively.

The weighted average of gross combined Ratio for the top 5 Companies for Medical is 94% in Q1 2025 and 95% Q1 2024, whereas the weighted average combined ratio for other companies is 98% for Q1 2025 and 102% for Q1 2024.

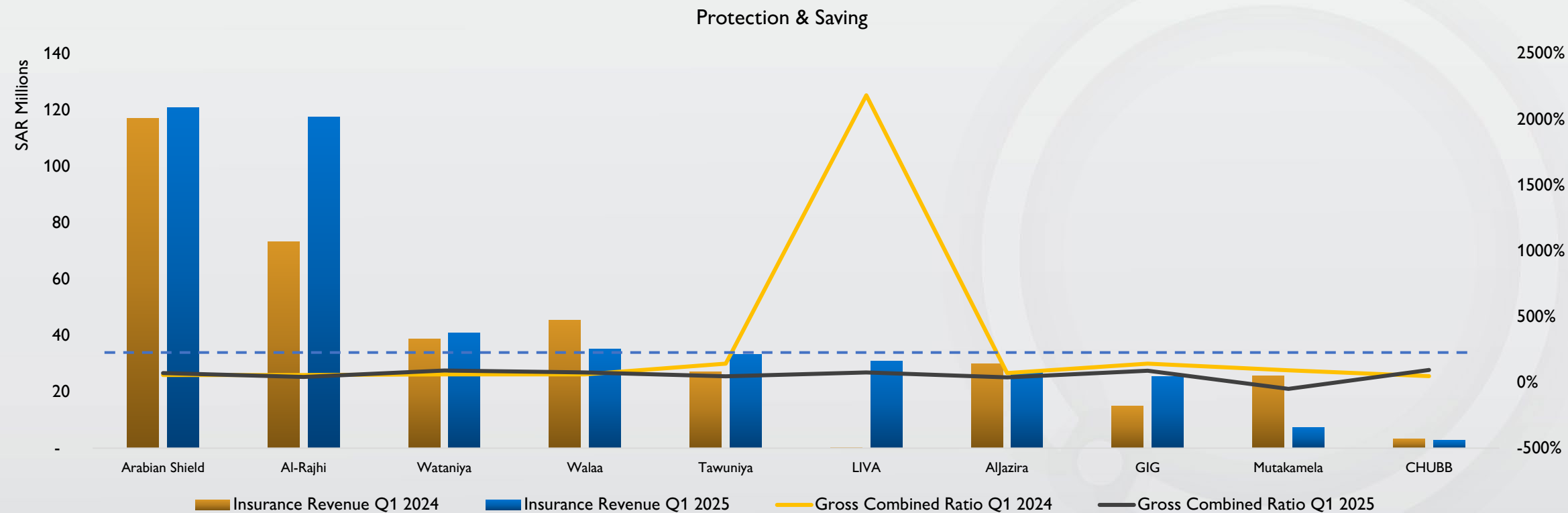
Insurance Revenue & Gross Combined Ratio – Motor



Tawuniya & Al-Rajhi are excluded from the above graph. Tawuniya has insurance revenue of SAR 613 million for Q1 2025 and SAR 727 billion for Q1 2024 reflecting the gross combined ratio of 98% and 89% respectively. Al-Rajhi has insurance revenue of SAR 578 million for the Q1 2025 and SAR 665 million for Q1 2024 reflecting the gross combined ratio of 91% and 86% respectively.

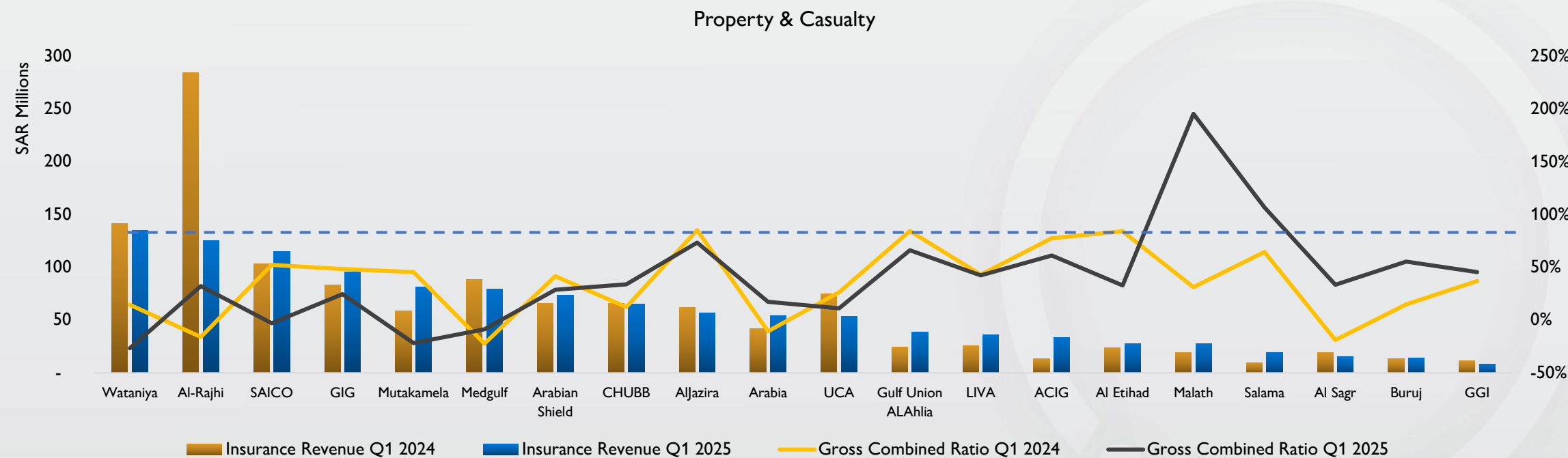
The weighted average gross combined ratio for top 5 companies is 101% for period Q1 2025 and 91% for Q1 2024, whereas the weighted average combined ratio for other companies is 108% for Q1 2025 and 91% for Q1 2024.

Insurance Revenue & Gross Combined Ratio – P&S



Gulf Union ALAhlia is excluded from the above graph. Gulf Union ALAhli has Insurance Revenue of approximately SAR 89 thousand for Q1 2025 and SAR 840 thousand for Q1 2024. The weighted average gross combined ratio for top 5 Companies in P&S is 62% and for others is 58% corresponding to 66% for top 5 companies and 95% for others in Q1 2024, respectively.

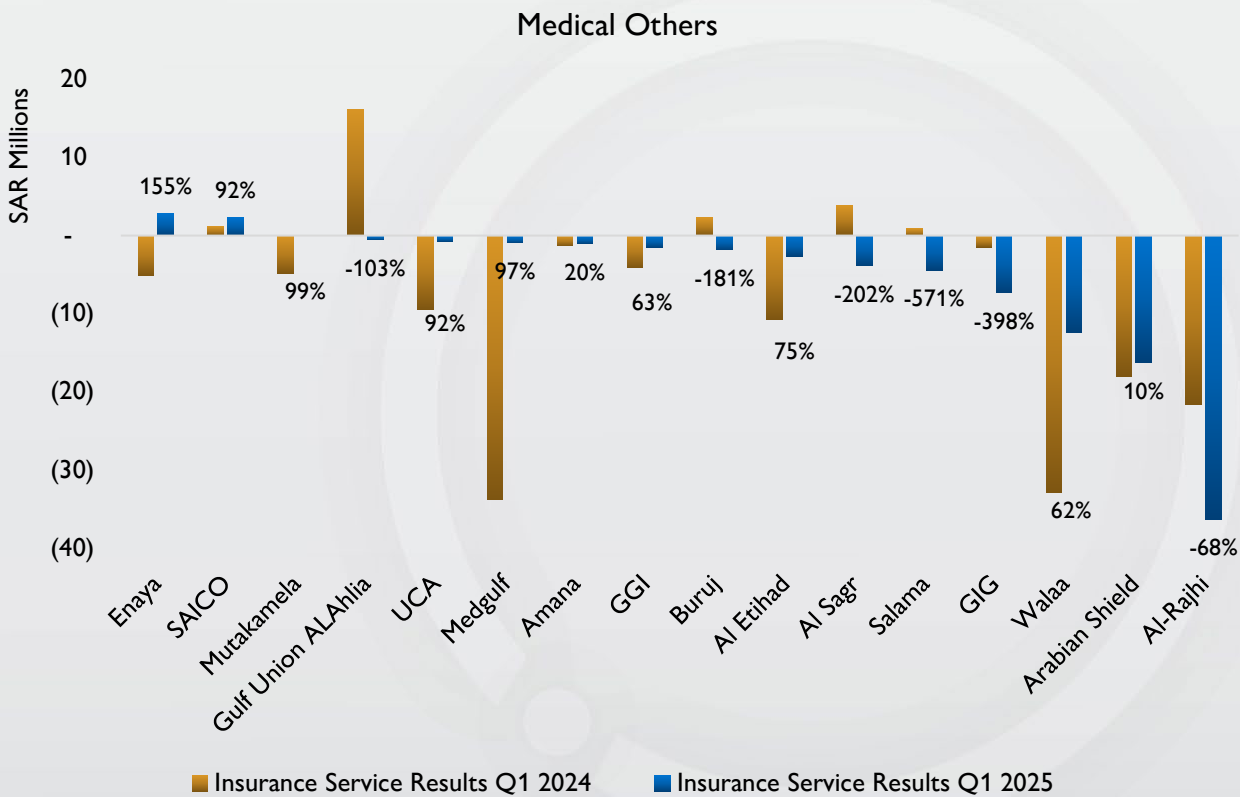
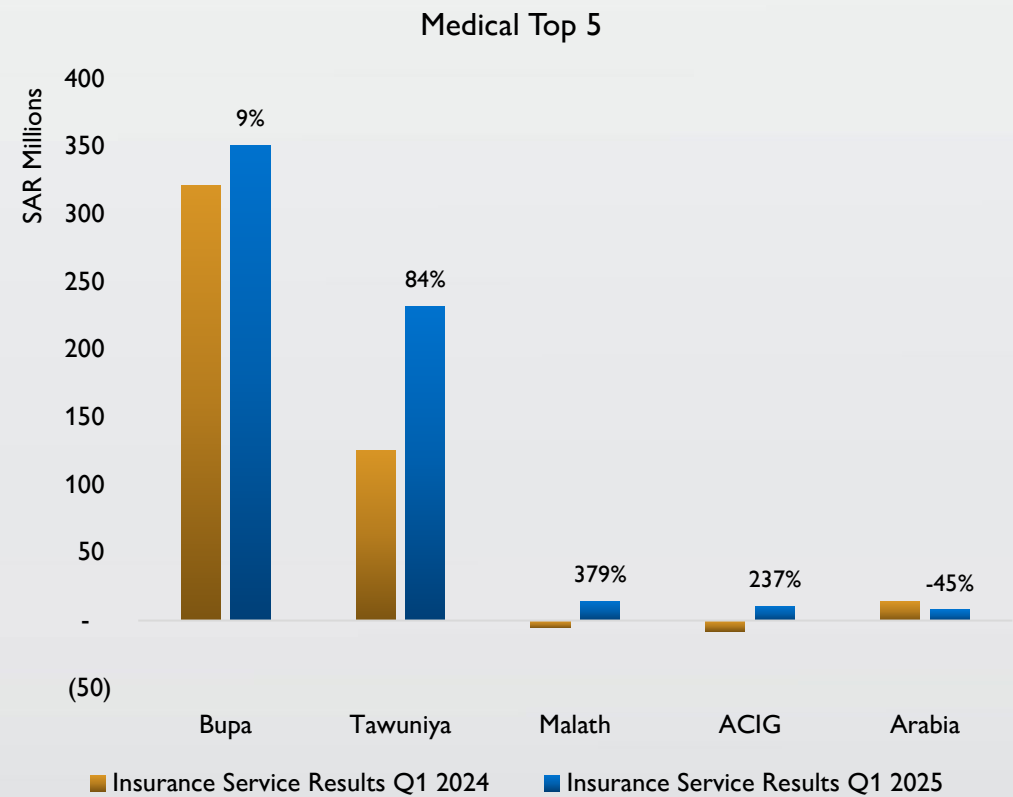
Insurance Revenue & Gross Combined Ratio – P&C



Tawuniya, Walaa and Amana are excluded from the above graph. Tawuniya has Insurance Revenue worth SAR 619 million for Q1 2025 and SAR 536 million for Q1 2024 reflecting the gross combined ratio of 32% and 75%, respectively. Walaa has Insurance Revenue worth SAR 466 million for Q1 2025 and SAR 358 million for Q1 2024 reflecting the gross combined ratio of 11% and 27%, respectively.

For P&C, the weighted average gross combined ratio for Top 5 companies is 17% in Q1 2025 however in Q1 2024 the weighted average gross combined ratio was 37%. For companies other than top 5, the weighted average gross combined ratio is 33% in Q1 2025 and in Q1 2024 both.

Net Service Results – Medical

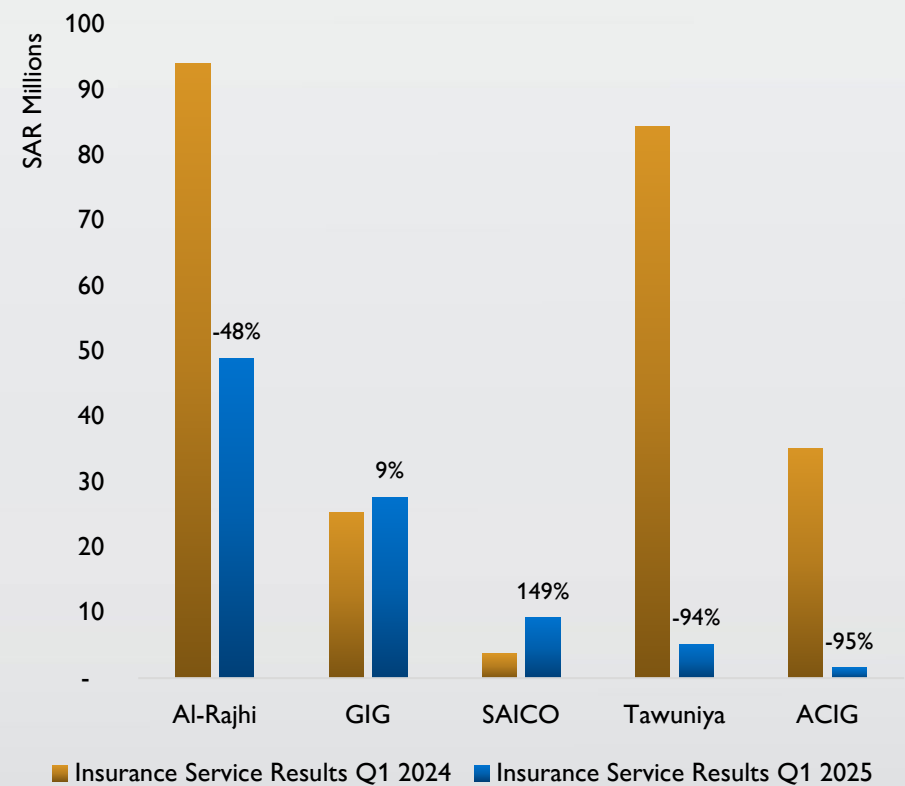


Total net service result in the Medical line is SAR 531 million signifying an increase of 61% in the Q1 2025 compared to Q1 2024 when the total net service result recorded in Medical was SAR 330 million.

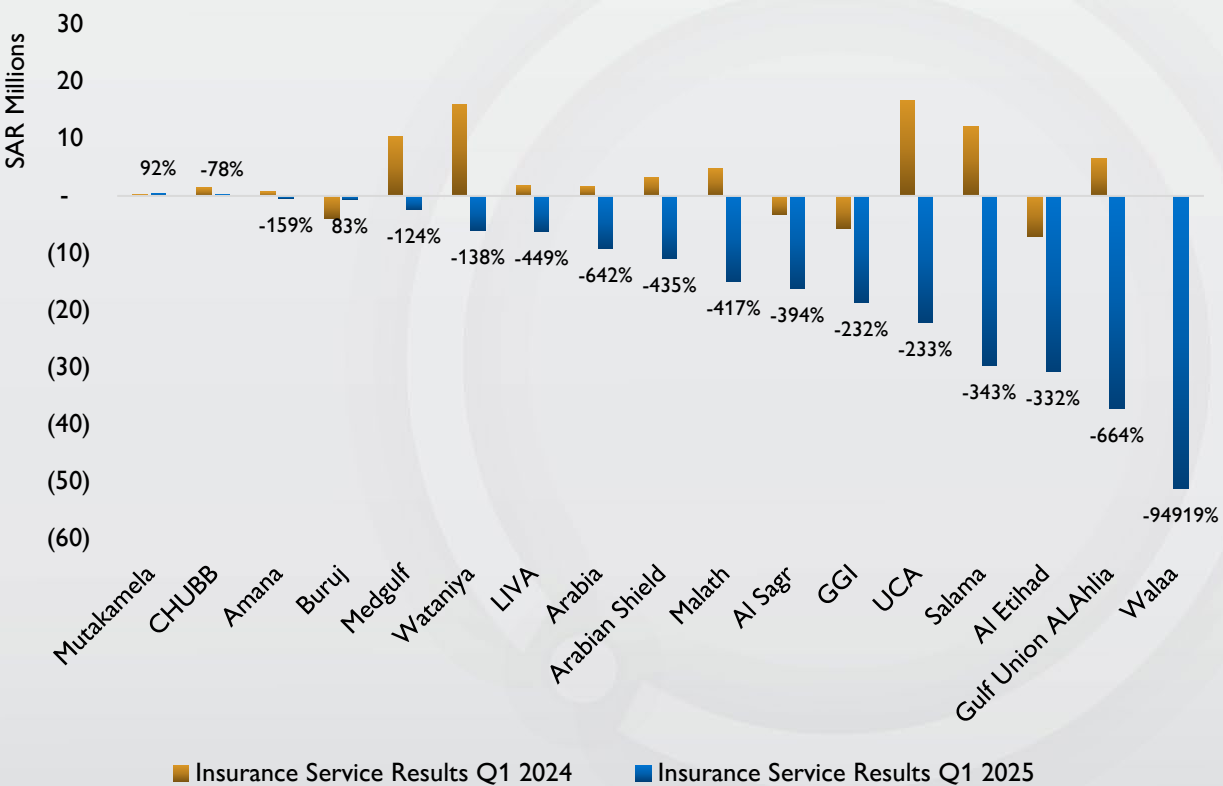
Net Service Results - Motor



Motor Top 5

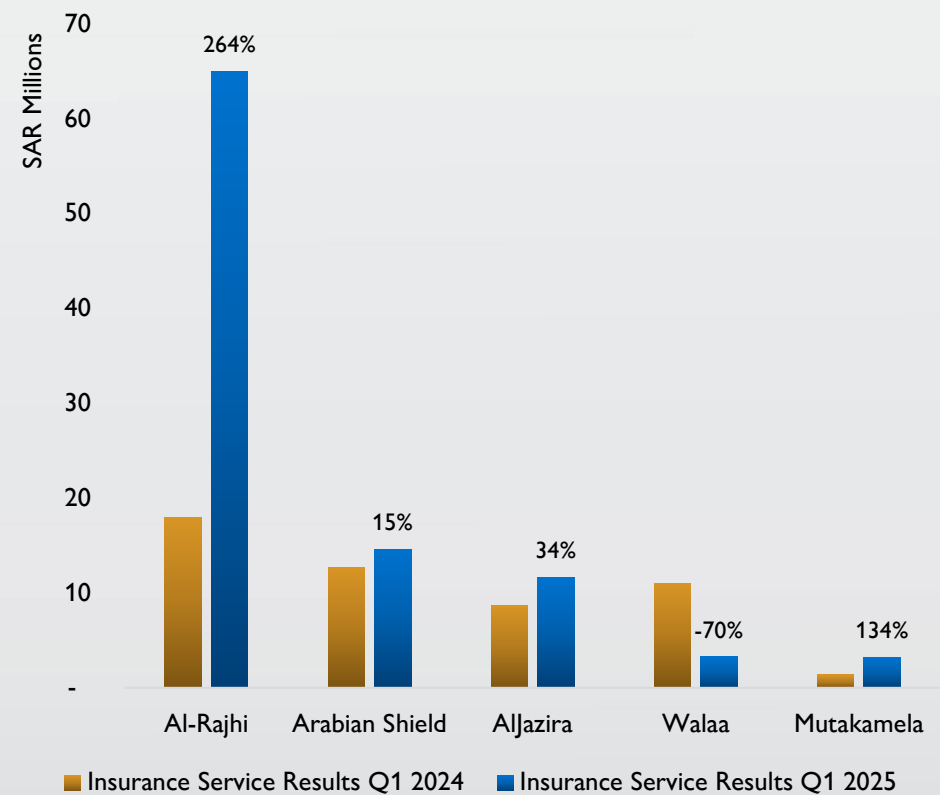


Motor Others

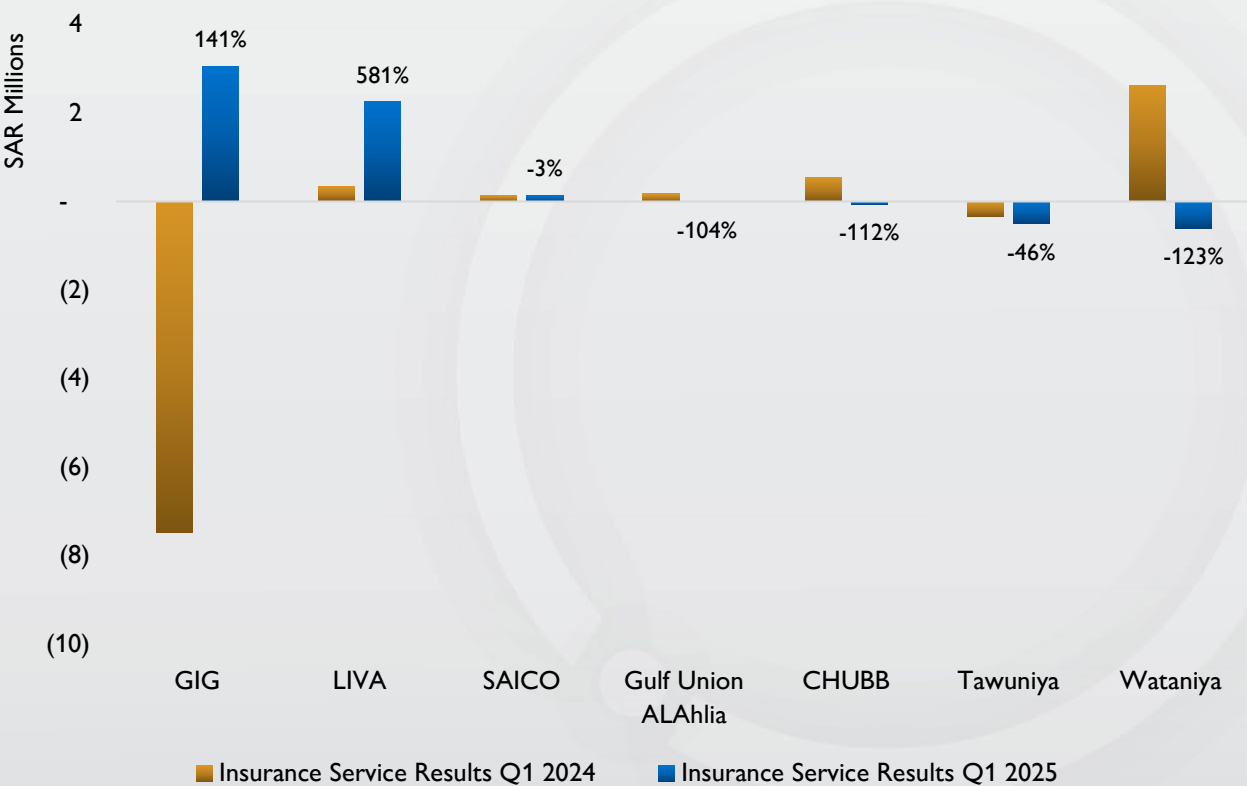


Total net service result in the Motor line is SAR -164 million, signifying a decrease of 155% in Q1 2025 compared to Q1 2024 when the total net service result recorded in Motor was SAR 299 million.

Protection & Saving Top 5



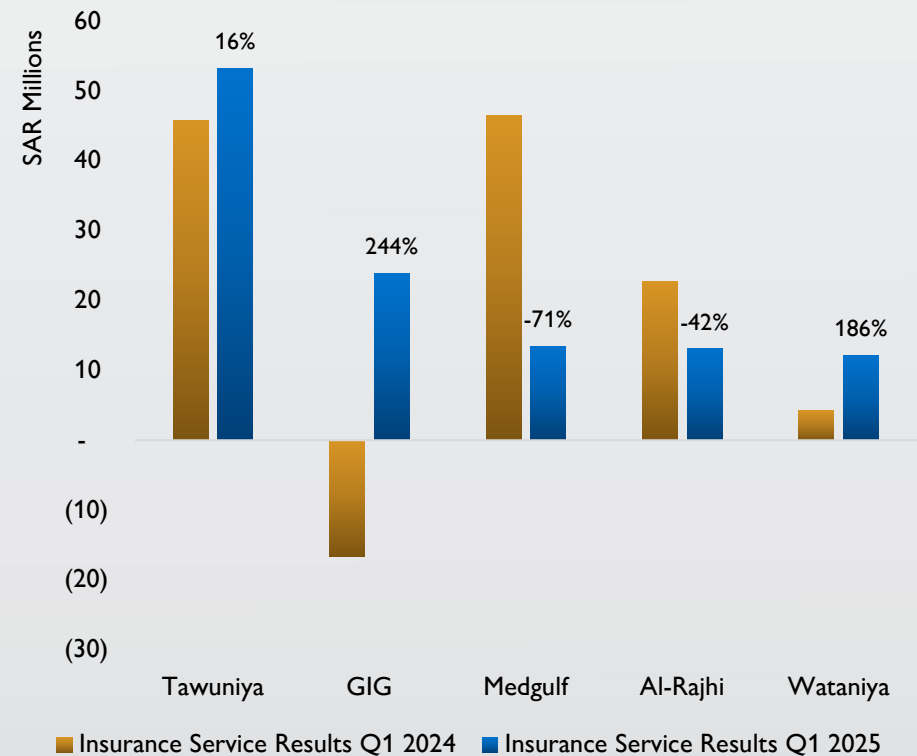
Protection & Saving Others



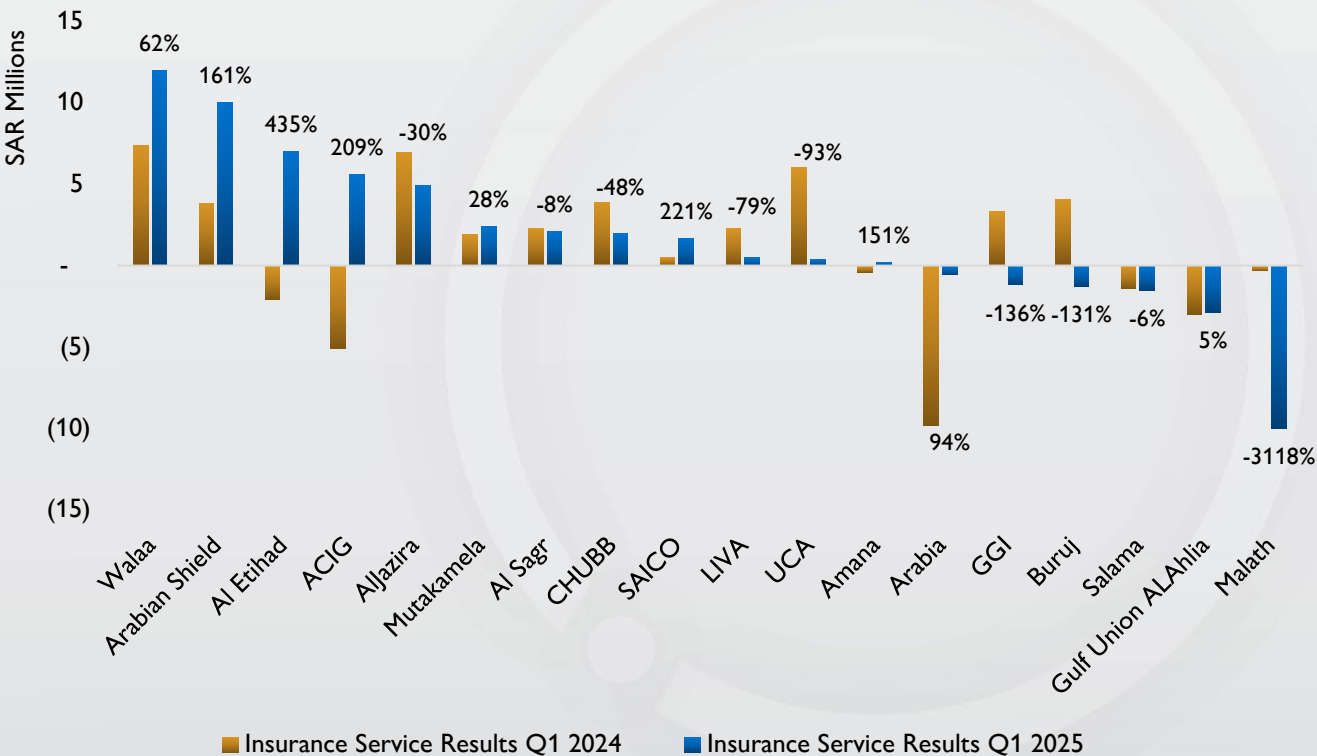
Total net service result in the protection and saving line is SAR 102 million signifying an increase of 144% in Q1 2025 compared to Q1 2024 when the total net service result recorded was SAR 48 million.



Property & Casualty Top 5



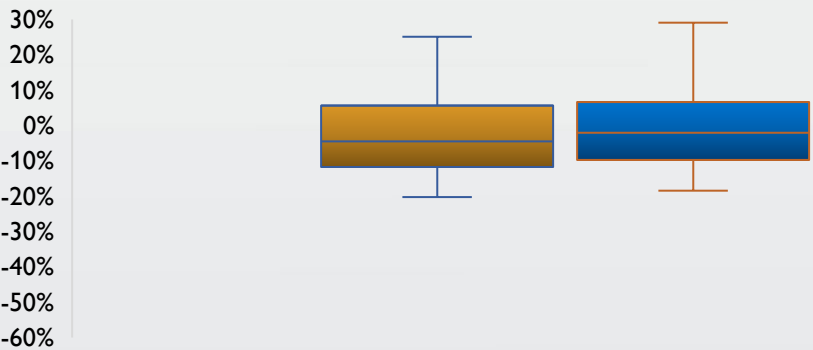
Property & Casualty Others



Total net service result in the property & casualty line is SAR 147 million signifying an increase of 20% in Q1 2025 compared to Q1 2024 when the total net service result recorded was SAR 123 million.

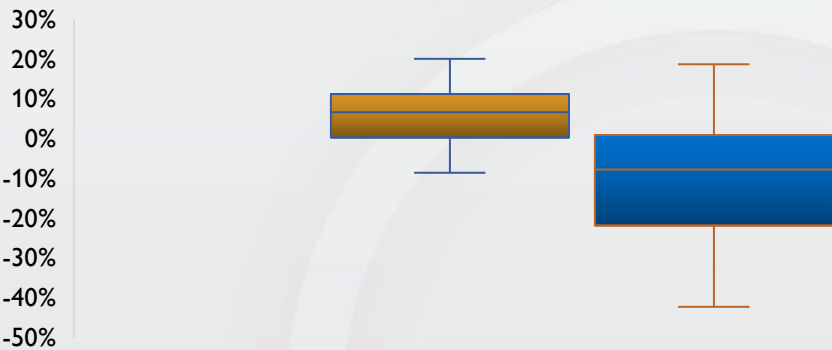


Medical



■ UW Profit Margin Q1 2024 ■ UW Profit Margin Q1 2025

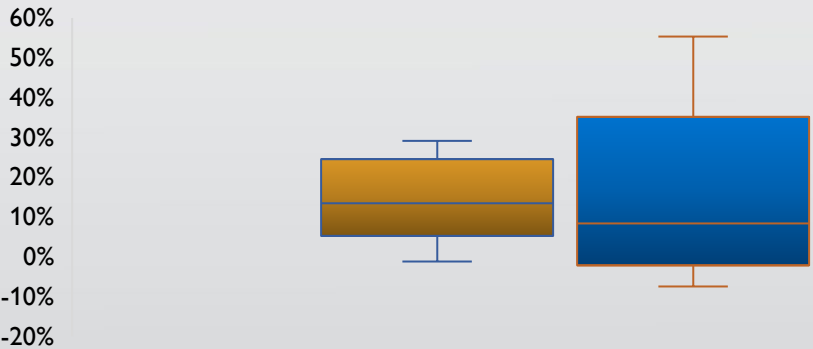
Motor



■ UW Profit Margin Q1 2024 ■ UW Profit Margin Q1 2025

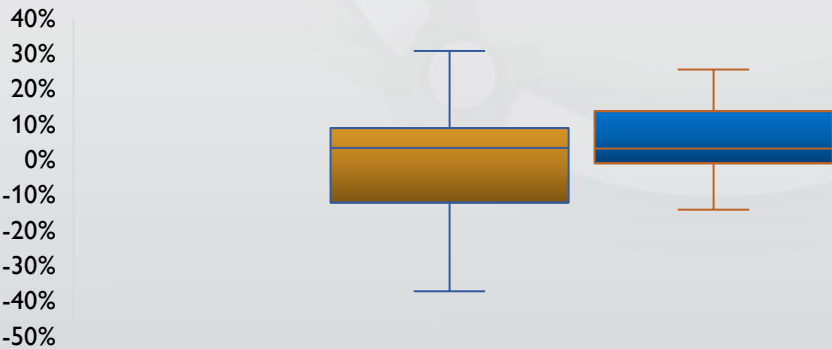
UW Profit Margin is calculated by dividing net service results with the insurance revenue.

Protection & Saving



■ UW Profit Margin Q1 2024 ■ UW Profit Margin Q1 2025

Property & Casualty



■ UW Profit Margin Q1 2024 ■ UW Profit Margin Q1 2025



| | Q1 2024 | Q1 2025 | Variance |
|-----------------------------------|-------------|-------------|-------------|
| | SAR billion | SAR billion | SAR billion |
| Medical Insurance Service Results | 0.33 | 0.53 | 0.20 |
| Motor Insurance Service Results | 0.30 | (0.16) | (0.46) |
| P&S Insurance Service Results | 0.05 | 0.10 | 0.05 |
| P&C Insurance Service Results | 0.12 | 0.15 | 0.02 |
| Total Insurance Service Results | 0.80 | 0.62 | (0.18) |
| Net Finance Income | (0.33) | (0.11) | 0.21 |
| Investment Income | 0.78 | 0.65 | (0.13) |
| Other Income & Expense | (0.23) | (0.38) | (0.15) |
| Total Profit (Before Zakat & Tax) | 1.03 | 0.78 | (0.25) |
| Zakat & Tax | (0.14) | (0.14) | (0.00) |
| Total Profit (After Zakat & Tax) | 0.89 | 0.64 | (0.25) |

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

* Unit-linked investments have been subtracted from the investment income figures.

Net Profit Breakdown

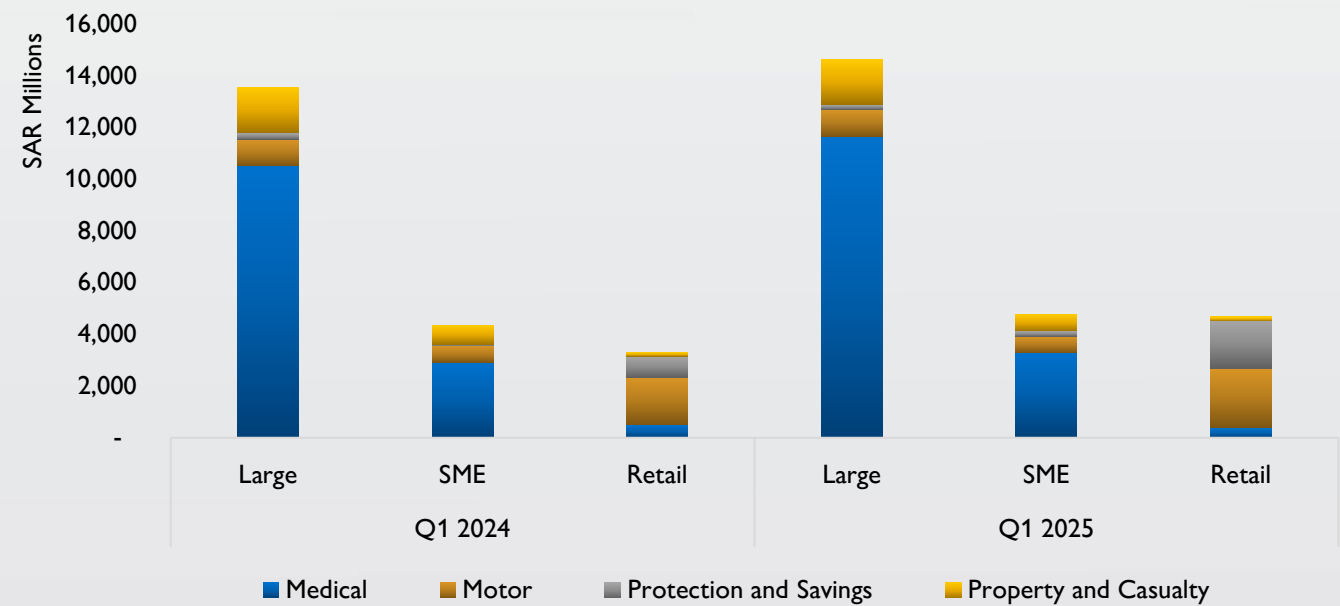


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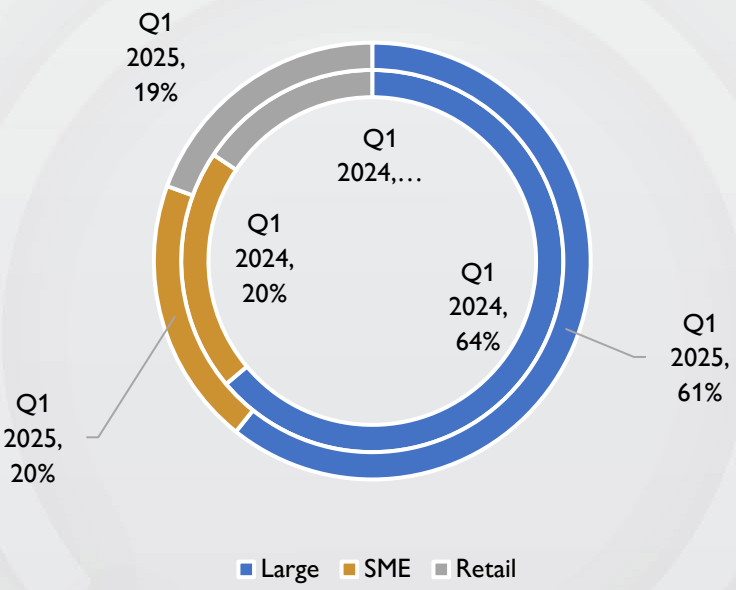
Q1 2025 – KSA Listed Insurance Companies

Segment Wise

LOB wise Segments



Segment Wise (SAR Billions)



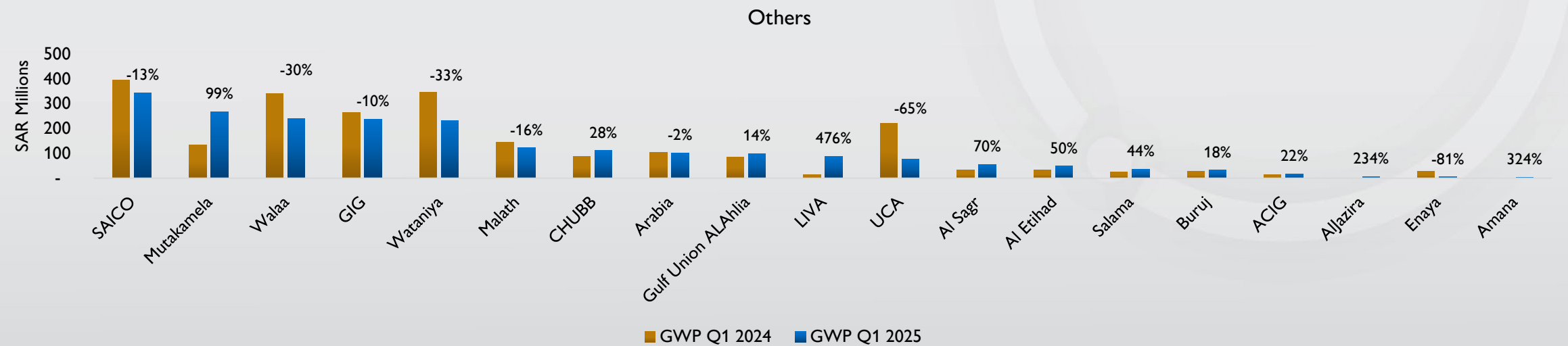
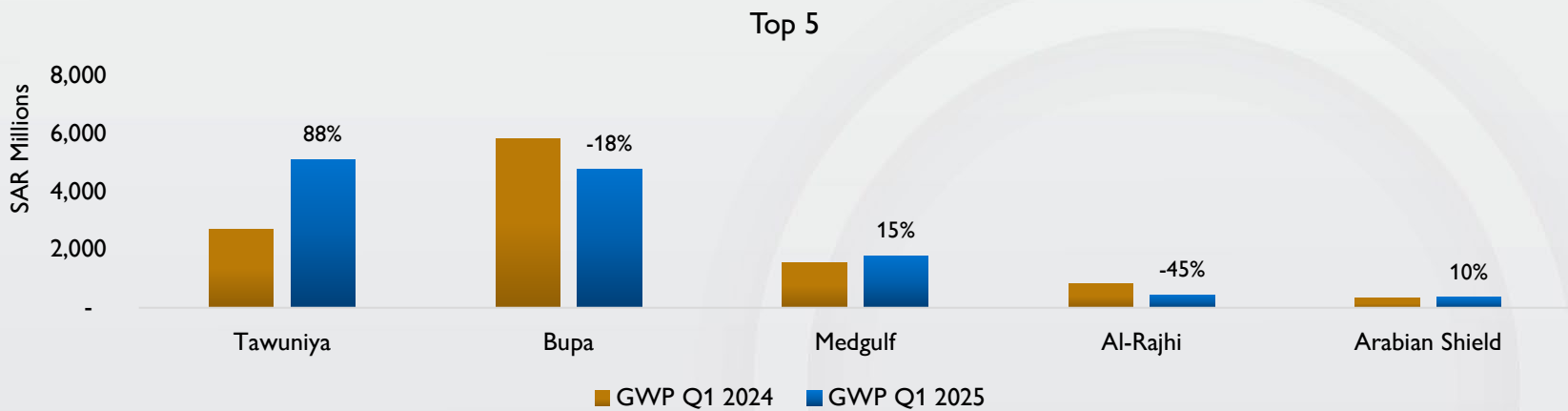
- In Large segment, medical, motor witnessed increase of 11% and 1% respectively, while P&S and P&C a decline of 24% and 2% respectively, compared to Q1 2024.
- In SME segment, Medical and P&S were the main movers with 13% and 271% growth, respectively. Motor and P&C GWP from SMEs decreased by 3% and 13% respectively.
- In Retail segment, P&S GWP increased by SAR 1 billion (125%) primarily driven by AlRajhi. Retail P&C and Medical decreased by 11% and 24%, respectively whereas Retail Motor increased by 25%.

Gross Written Premium - Large



The overall premium for large market segment in Q1 2025 was recorded at SAR 14.6 billion (Q1 2024: SAR 13.6 billion), a growth of 8%.

Highest absolute growth was recorded by Tawuniya of SAR 2.4 billion compared to Q1 2024.

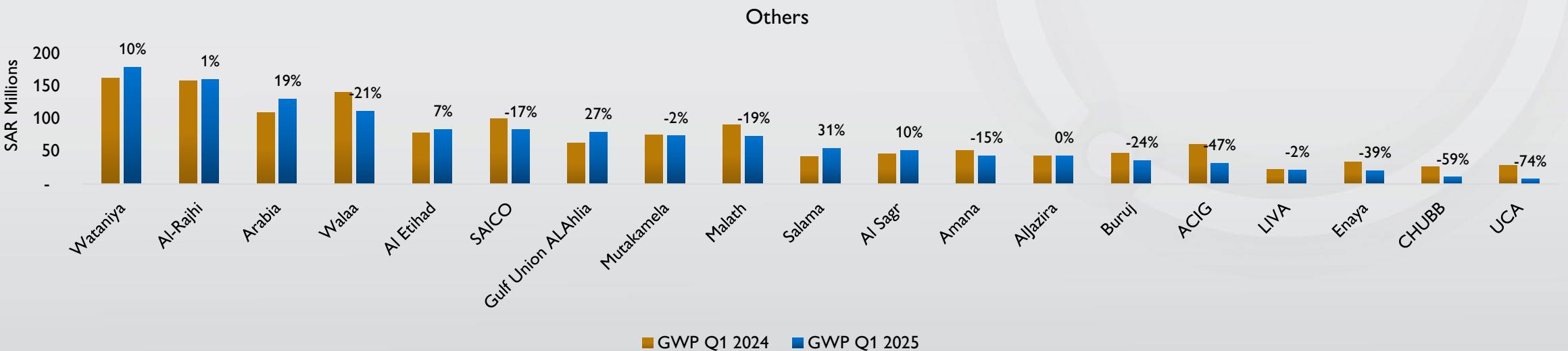
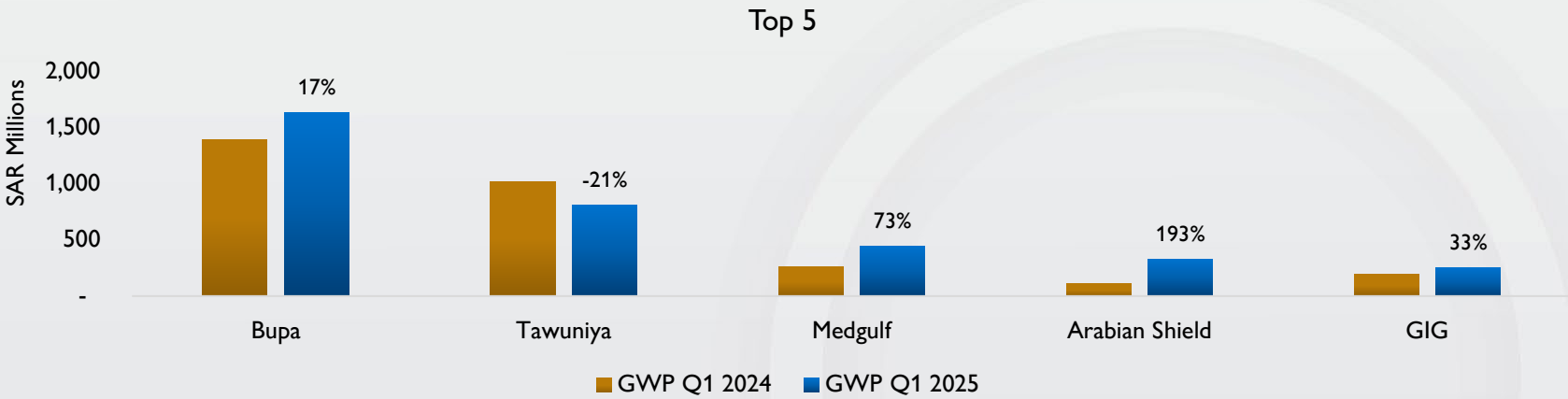


Gross Written Premium - SME



The overall premium for SME market segment in Q1 2025 was recorded at SAR 4.8 billion (Q1 2024: SAR 4.4 billion), a growth of 10%.

Highest absolute growth was recorded by Bupa of SAR 243 million compared to Q1 2024.

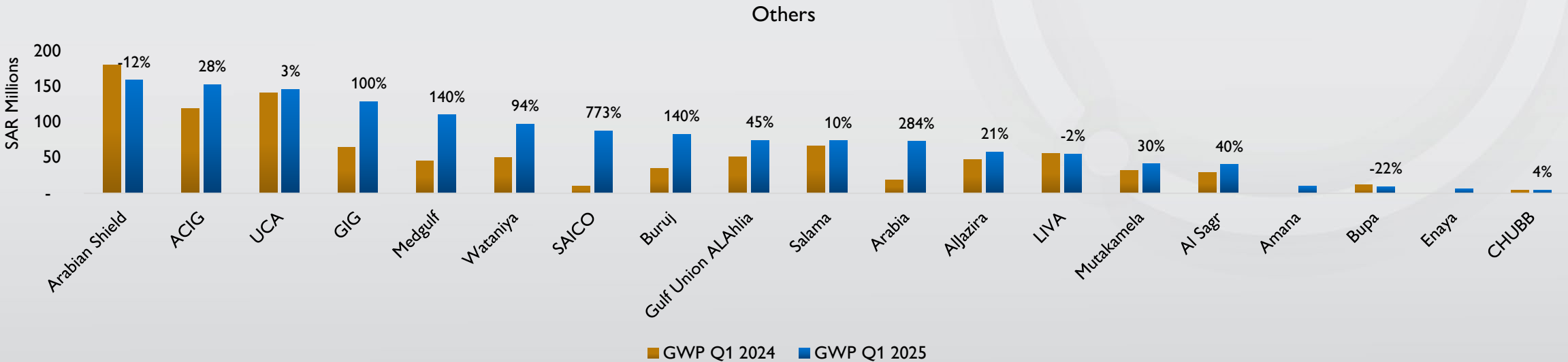
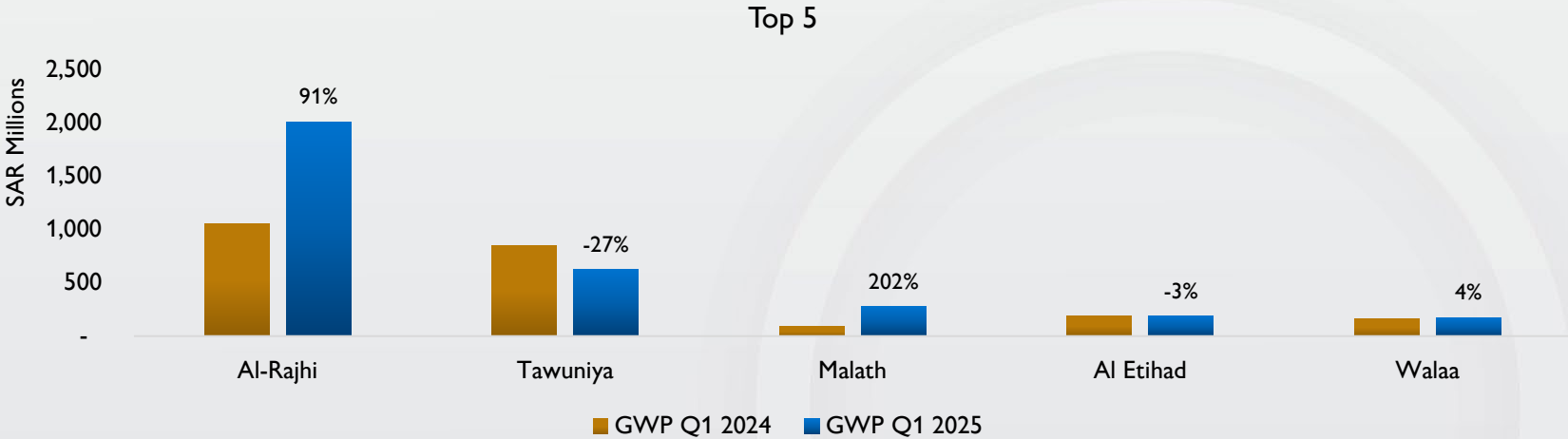


Gross Written Premium - Retail



The overall premium for Retail market segment in Q1 2025 was recorded at SAR 4.7 billion (Q1 2024: SAR 3.3 billion), a growth of 41%.

Highest absolute growth was recorded by Al-Rajhi of SAR 959 million when compared to Q1 2024.





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Q1 2025 – KSA Listed Insurance Companies

04

IFRS 17 Comparison

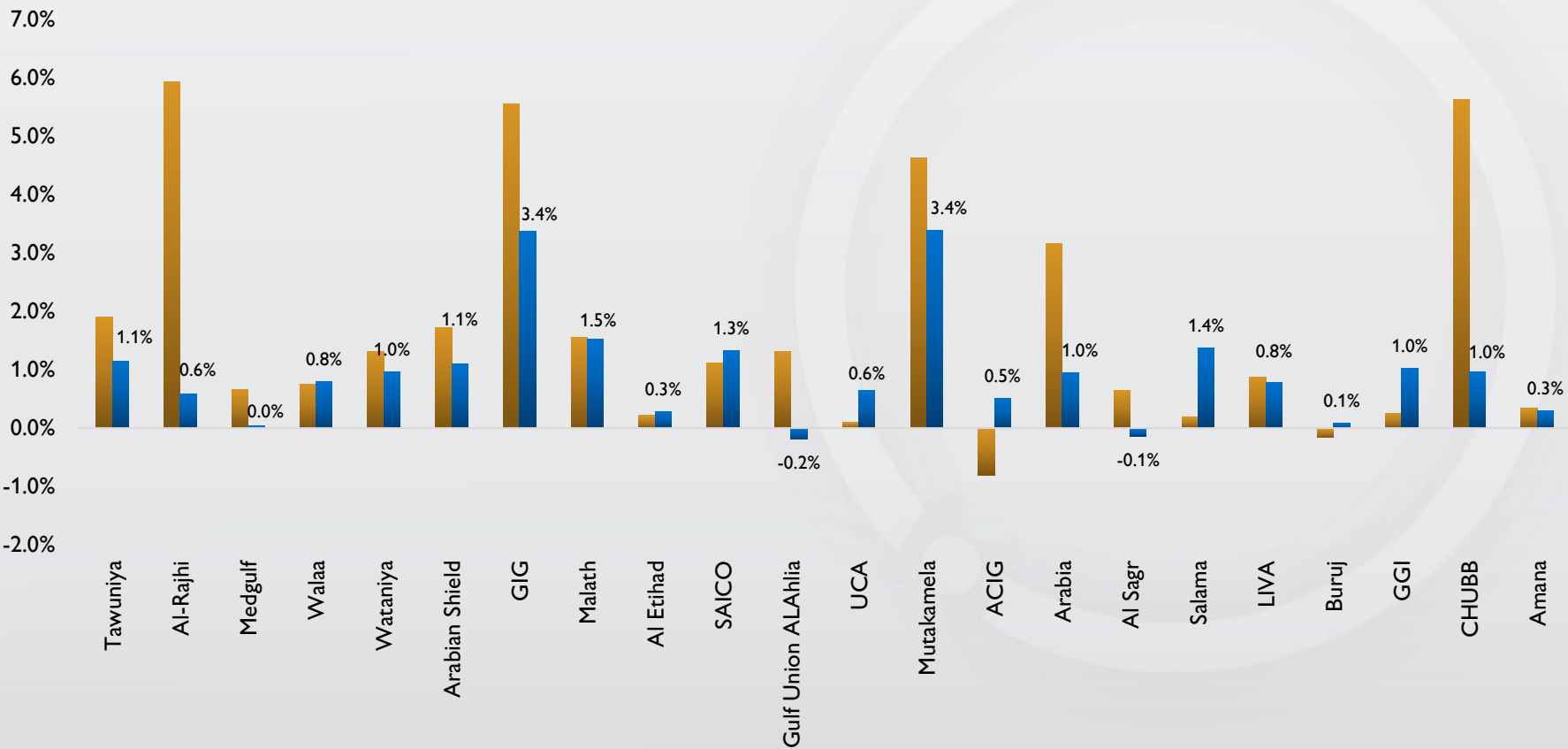
Finance income (or expenses) directly impact the valuation of the liability for incurred claims through the discounting process in IFRS-17.

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.

AlJazira is excluded from the analysis for being an outlier, having a percentage of negative 45%. 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 LIC for the year.

Finance Cost as a % of LIC



■ Finance Cost as a % of LIC 31st March 2024 ■ Finance Cost as a % of LIC 31st March 2025

Loss Component as % of Insurance Revenue

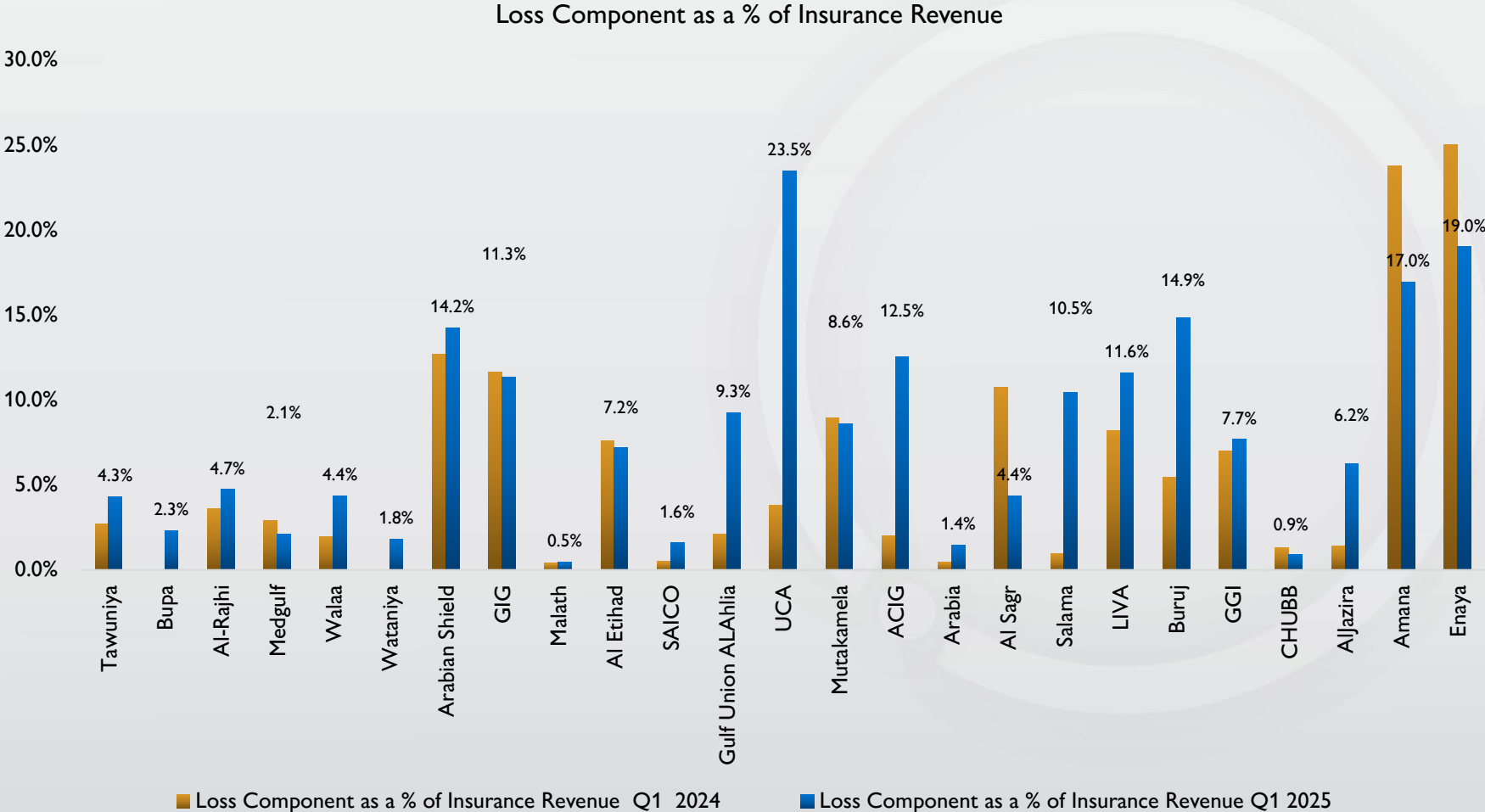


The relationship between the loss component and insurance revenue is crucial for determining the overall profitability and financial performance of an insurance company. By analyzing the ratio of the loss component to insurance revenue, stakeholders can assess the efficiency of the company's underwriting 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 Q1 2025 Insurance revenue.

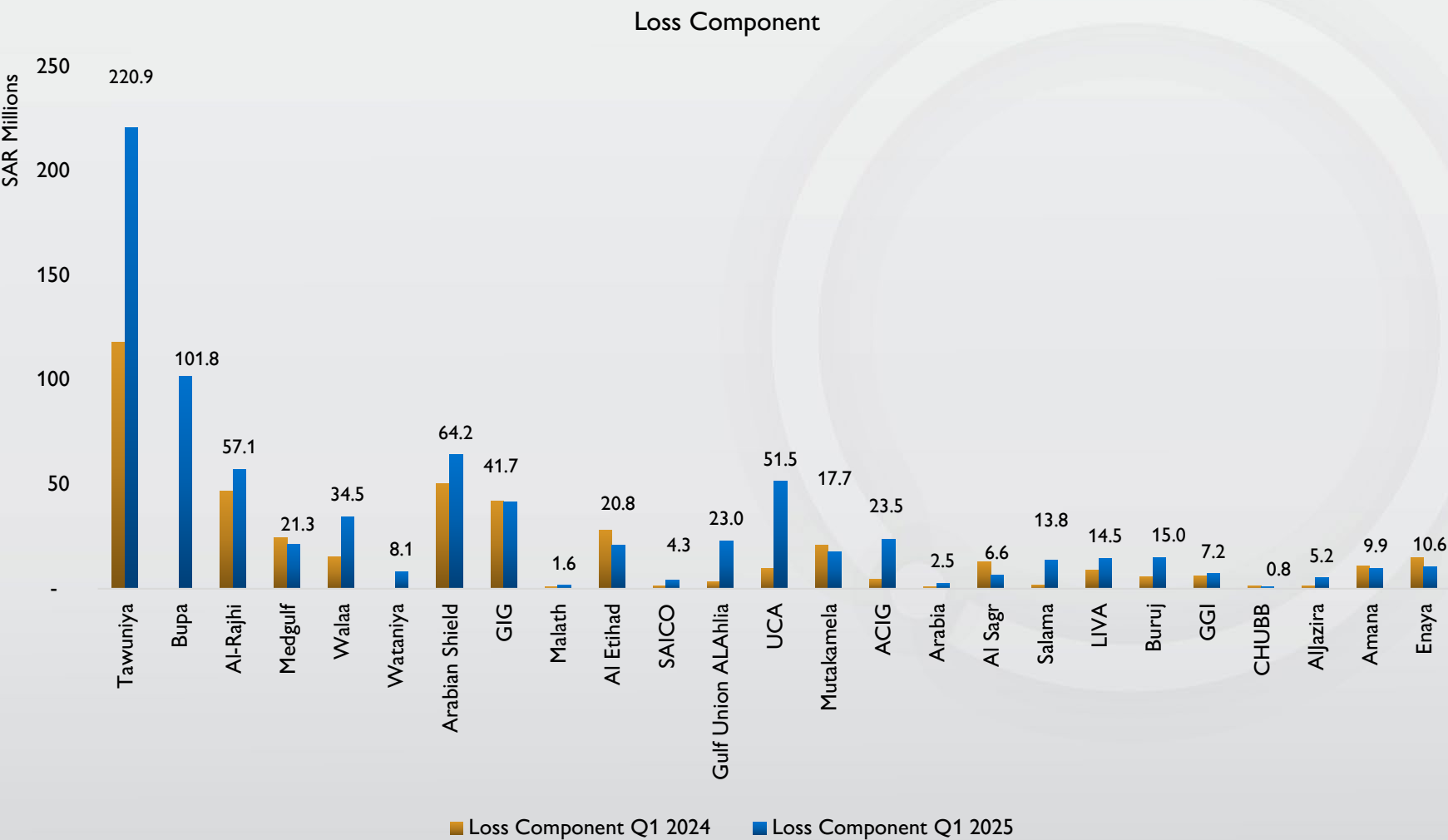


The Loss Component in IFRS 17 is a part of the Liability for Remaining Coverage (LRC), representing the excess of expected future cash outflows over inflows for onerous insurance contracts. It reflects the expected loss recognized immediately in profit or loss when a contract becomes onerous.

The Total loss component for 25 listed companies in Q1 2025 is SAR 778 million (Q1 2024: SAR 431 million)

The highest loss component is observed by Tawuniya of SAR 221 million (Q1 2024: SAR 118 million). The lowest loss component is depicted by CHUBB of SAR 844 thousand (Q1 2024: SAR 1.2 million)

Graph is sorted on the basis of decreasing order of Q1 2025 Insurance revenue.



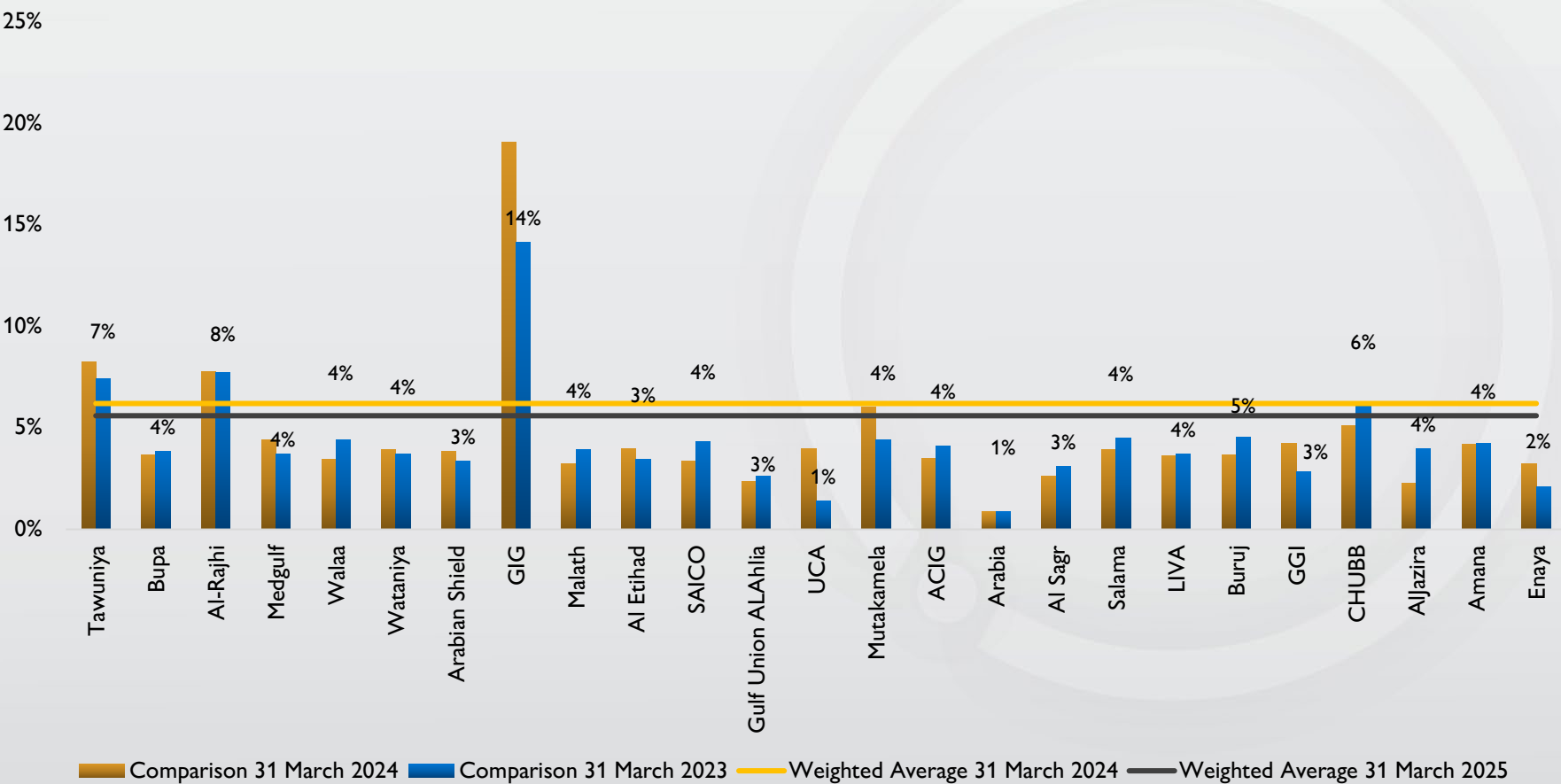
The graph depicts the relationship between risk adjustment and liability for incurred claims and provide insights into the Company’s risk assessment and their diligence in accounting for these risks. It is an important KPI for stakeholders to evaluate the Company’s prudence and risk management practices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

The weighted average proportion of Risk Adjustment in LIC for the period of 31 March 2024 and 31 March 2025 is analyzed to be 6%.

The Highest Ratio is depicted by GIG of 19% whereas the lowest is shown by Arabia of 1%.

Graph is sorted on the basis of decreasing order of Q1 2025 Insurance revenue.

Risk Adjustment as a % of LIC





Conclusion

Medical out of ICU. Motor back in workshop for repairs.

With a few notable exceptions Q1 2025 has been a disastrous one. The impact of intense price competition in motor is now coming through with a COR of 104%. Without sharp price corrections 2025 will be a very difficult year of losses for many.

The KSA insurance industry's profitability (after-zakat & tax) declined 28% in the first 3 months of 2025, from SAR 0.9 billion in Q1 2024 to SAR 0.6 billion in Q1 2025. Motor results went from SAR 0.3 billion profit in Q1 2024 to a loss of (SAR 0.2 billion) in Q1 2025. This was the biggest contributor to the drop in overall profits.

For the top 3 insurers, BUPA, Tawuniya and Al Rajhi, the total profit was SAR 0.7 billion. BUPA and Tawuniya increased profit by 6% and 33% whereas Al Rajhi declined by 18% impacted by the challenging motor market. Meanwhile, 19 firms reported a profit drop averaging -119%, totalling SAR 401 million. While GIG, SAICO, and Enaya posted notable profit gains, many others faced significant declines.

Total insurance revenue grew by 6%, increasing from SAR 16 billion to SAR 17 billion. Without the Top 3, the industry's growth was 5%.

Overall underwriting performance declined, with insurance service results decreasing by 23%, from SAR 799 million in Q1 2024 to SAR 617 million in Q1 2025. 18 companies reported a significant drop in insurance service results compared to the prior year. Investment income dropped by 17%, from SAR 783 million in Q1 2024 to SAR 652 million in Q1 2025, often balancing weaker underwriting outcomes.

Excluding the Top 3 companies, the industry recorded a loss of SAR 96 million, down from SAR 219 million in Q1 2024, reflecting a 144% drop. Based on recent history in this market, with results such as these price rises often follow.

Whilst Medical seems to be showing some small signs of recovery, the Motor market is a car crash right now. All KSA motor writers made technical losses or suffered sharp drops in profits during Q1 2025. There has been a lack of focus on technical results from some companies, with market premiums at unprofitable levels for too long in certain motor segments and an industrywide Motor COR of 104% is the result. Whilst the top 3 Motor insurers reduced production with a GWP dip, a few mid-sized companies have more than doubled their motor books in this environment. More than say 20% growth in Motor in this environment should be a red flag for the Board and the Management.



Disclaimer

We have undertaken an analysis of the Key Performance Indicators (KPIs) of the listed insurance companies in KSA for the first quarter of 2025. 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

| 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 | Mutakamela Insurance Co. | MIC |
|  | 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 |

Analysis of the Key Performance Indicators (KPIs) of 25* Listed Insurance Companies of KSA for Q1 2025 has been undertaken.
















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Q1 2025 – KSA Listed Insurance Companies

Companies Included in the Analysis



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 |

Analysis of the Key Performance Indicators (KPIs) of 25* Listed Insurance Companies of KSA for Q1 2025 has been undertaken.

Companies Included in the Analysis



About Our Team

| | | | |
|-----------------------|-----------------|---------------------|-----------------|
| Directors | 7 Staff | KSA Actuarial | 57 Staff |
| UAE/ Oman Actuarial | 39 Staff | Medical | 7 Staff |
| Compliance | 1 Staff | IFRS 17 | 18 Staff |
| Business Intelligence | 9 Staff | HR Consultancy | 2 Staff |
| End of Services | 7 Staff | Financial Services | 15 Staff |
| Sales | 2 Staff | Strategy Consulting | 5 Staff |
| Support & Admin | 30 Staff | Data Science | 7 Staff |

Total Strength 206



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Q1 2025 – KSA Listed Insurance Companies



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Co-founder & Executive
Director - BADRI



Hasham Piperdy
GM & Director KSA -
Actuarial



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Assistant Manager -
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**Razan Saud R
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Senior Actuarial Analyst
- Actuarial



S. M Hassan Athar
Senior Research Executive

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Our Feedback

BADRI Management Consultancy is proud to present KSA Listed Insurance Industry Performance analysis for Q1 2025. 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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