



KSA INDUSTRY UPDATE

2025 H1



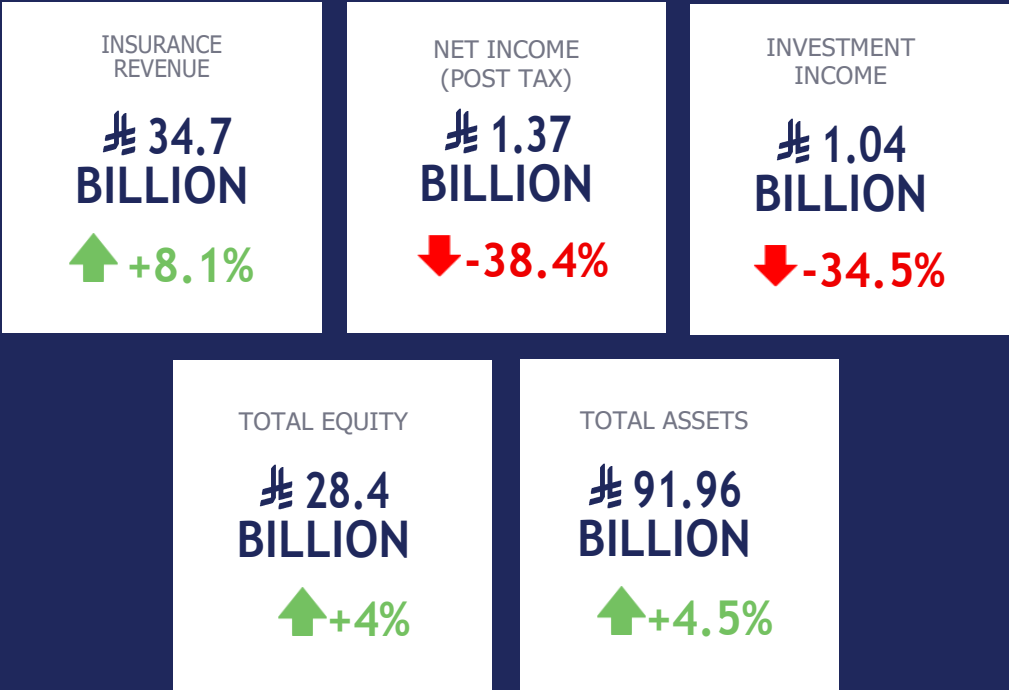
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KSA insurance market grows but margins tighten in 2025 H1

In 2025 H1, the Saudi insurance sector maintained solid momentum with insurance revenue rising 8.1% to ﷲ 34.7 billion, assets growing 4.5% to ﷲ 91.96 billion, and equity expanding 4% to ﷲ 28.4 billion. These gains demonstrate stronger market penetration, and possible rate adjustments to reflect rising claim costs.

Profitability, however, weakened. Net income fell 38.4% to ﷲ 1.37 billion and investment income declined 34.5% to ﷲ 1.04 billion as fluctuations in market yields and tariff volatility reduced earnings support. At the same time, claims and reinsurance costs rose faster than premiums, further compressing operating margins despite the healthy growth in revenue.



Note¹: Percentage change in income statement metrics (insurance revenue, net income, investment income) shown above is in comparison to H1 2024
Note²: Percentage change in balance sheet metrics (total assets, total equity) reflect movements since year-end 2024.

2025 H1 vs 2024 H1

H1 2025 net profit eases on higher service expenses and softer investment income.

Segment N.O.	P&L Line Item	(S Millions)		(%)
		2025 H1	2024 H1	Change
(1)	Insurance revenue*	34,674	32,063	8.1
(2)	Insurance service expenses	(30,093)	(27,166)	10.8
(3)	Net expenses from reinsurance contracts held	(3,218)	(2,835)	13.5
(4)	Insurance Service result	1,353	2,063	(34.4)
(5)	Net investment income	1,043	1,593	(34.5)
(6)	Net insurance and investment results	2,489	3,085	(19.3)
(7)	Net income post tax and zakat*	1,374	2,229	(38.4)
Balance Sheet Line Item		2025 H1	2024 YE	Change
(8)	Total Assets*	91,955	87,977	4.5
(9)	Total Liabilities	63,577	55,991	4.8
(10)	Total Equity*	28,378	24,585	4.0
Financial KPIs				
(2)/(1)	Loss Ratio	86.8%	84.7%	2.1
(4)/(1)	Insurance service margin	3.9%	6.4%	(39.3)
(7)/(1)	Net Profit ratio	4.0%	7.0%	(43.0)
(7)/(10)	Return on Equity**	4.9%	9.2%	(46.3)

*Insurance revenue, net income, Total Assets, and Equity are provided per company on the Exhibits (pages 6-9)

** Return on Equity was calculated based on **Net income (7) / the weighted average of the total equity (2025 H1 & 2024 YE) and (2024 H1 & 2023 YE) respectively**

The Saudi insurance market delivered solid top-line growth in H1 2025, with industry revenue up 8.1% year on year, but profitability tightened as insurance service expenses and reinsurance costs grew faster than premiums and investment income.

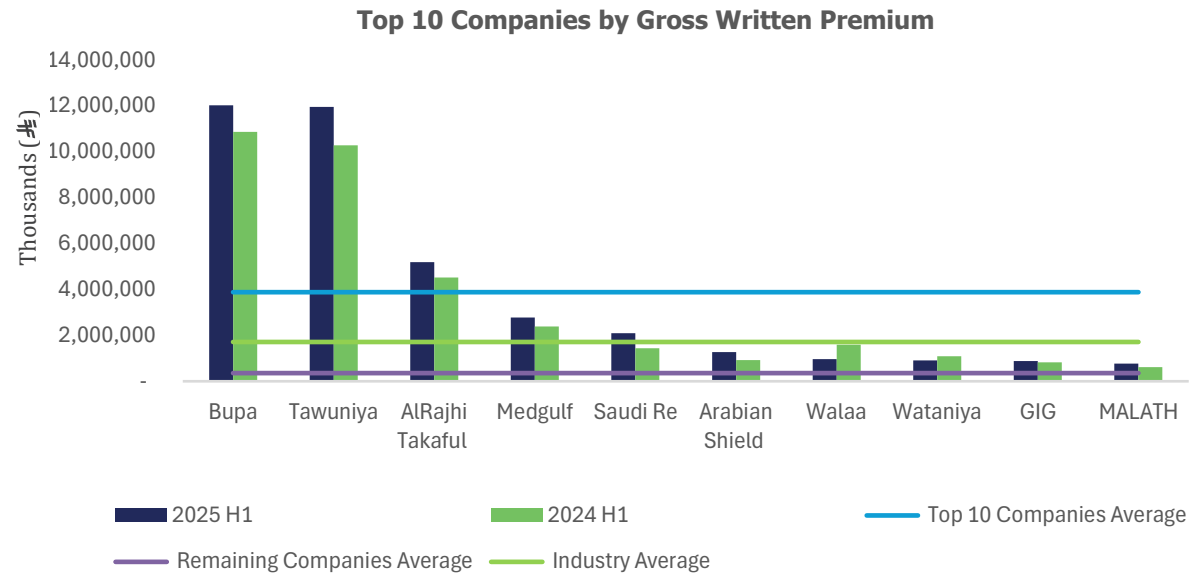
Loss ratio increased to 86.8% from 84.7%, a 2.1 pp deterioration, since insurance service expenses (2) rose by S 2,927mn, outpacing revenue (1) growth of S 2,610mn.

Insurance service margin fell to 3.9% from 6.4% as the insurance service result (4) declined by S 710mn despite higher revenue; the step-up in service expenses (2) and heavier reinsurance spend (3) more than absorbed the top-line gain, compressing underwriting profitability.

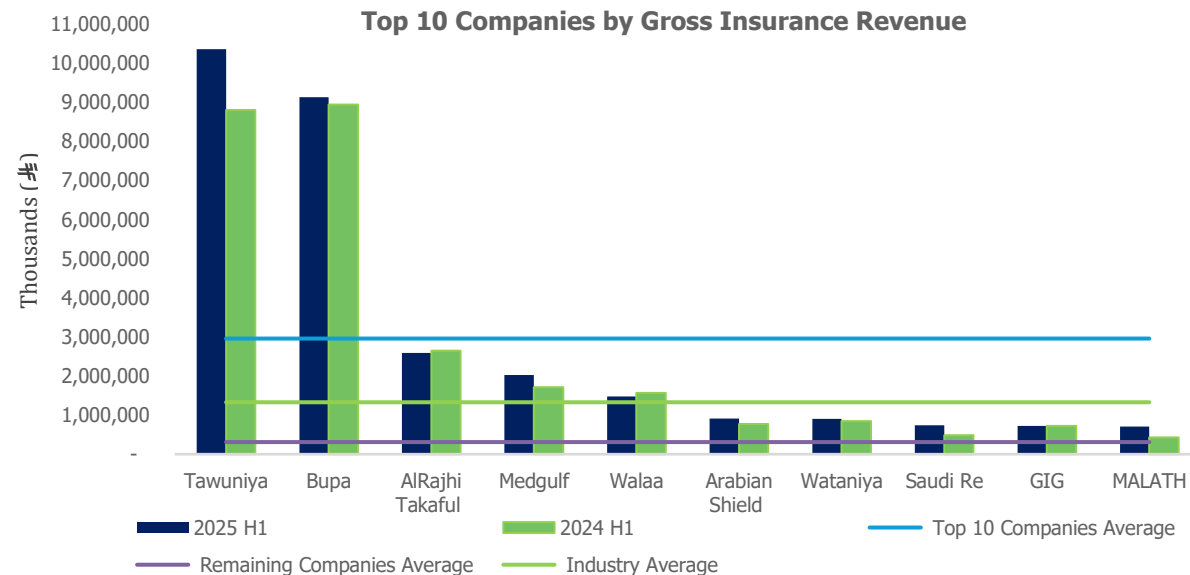
Net profit ratio contracted to 4.0% from 7.0% with net income post zakat and tax (7) down S 855mn; the weaker insurance service result (4) and the drop in net investment income (5) of S 550mn, which was partially offset by the decrease on net Insurance finance(expenses)/income of S 449mn, leading to a negative net impact of S 100mn that reduced earnings momentum, so growth in revenue (1) did not translate into bottom-line gains.

Return on equity declined to 4.9% from 9.2% because net income (7) decreased by S 855mn while the weighted average increase on equity (10) was S 3,581mn, producing a two-sided drag on ROE.

Graph 1 – Top 10 Companies by Gross Written Premium – H1



Graph 2 – Top 10 Companies by Gross Insurance Revenue – H1



Graph 3 – Top 10 Companies by Net Income – H1

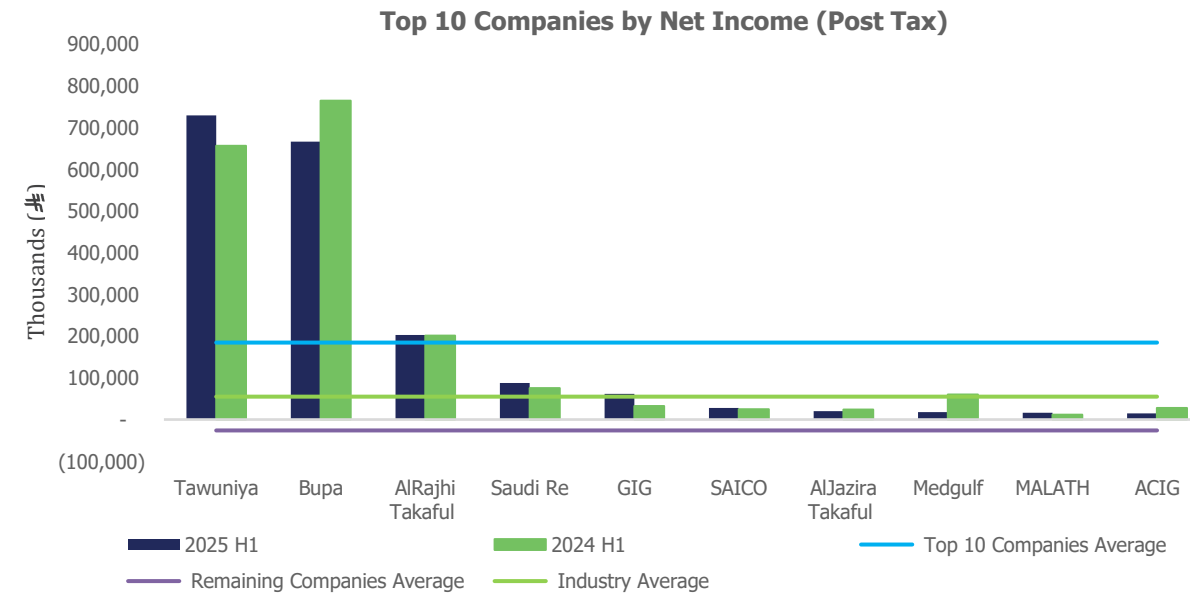


Exhibit 1

GWP (ﷲ Thousands)

COMPANY NAME	GWP		MARKET SHARE BY GWP		MARKET RANK BY GWP		
	2025 H1	2024 H1	2025 H1	2024 H1	2025 H1	2024 H1	CHANGE
Bupa	12,034,747	10,866,143	27.0%	27.3%	1	1	0
Tawuniya	11,956,467	10,292,086	26.8%	25.8%	2	2	0
AlRajhi Takaful	5,198,415	4,529,660	11.6%	11.4%	3	3	0
Medgulf	2,774,187	2,387,002	6.2%	6.0%	4	4	0
Saudi Re	2,088,580	1,445,915	4.7%	3.6%	5	6	1
Arabian Shield	1,270,834	921,990	2.8%	2.3%	6	8	2
Walaa	966,000	1,591,140	2.2%	4.0%	7	5	-2
Wataniya	910,783	1,088,300	2.0%	2.7%	8	7	-1
GIG	876,115	830,747	2.0%	2.1%	9	9	0
MALATH	763,538	619,137	1.7%	1.6%	10	12	2
SAICO	728,603	740,303	1.6%	1.9%	11	10	-1
Aletihad	607,928	525,452	1.4%	1.3%	12	13	1
Mutakamila	585,882	448,063	1.3%	1.1%	13	16	3
Gulf Union	574,272	473,829	1.3%	1.2%	14	14	0
U C A	494,329	626,202	1.1%	1.6%	15	11	-4
AICC	477,658	335,131	1.1%	0.8%	16	17	1
ACIG	465,233	449,094	1.0%	1.1%	17	15	-2
Buruj	353,762	180,385	0.8%	0.5%	18	22	4
Liva (Alamiya)	268,227	140,177	0.6%	0.4%	19	24	5
Salama	263,289	237,349	0.6%	0.6%	20	20	0
Sagr	251,810	255,540	0.6%	0.6%	21	19	-2
AlJazira Takaful	204,400	174,414	0.5%	0.4%	22	23	1
CHUBB	204,126	204,692	0.5%	0.5%	23	21	-2
Amana Insurance	151,536	93,435	0.3%	0.2%	24	26	2
Gulf General	128,292	260,748	0.3%	0.7%	25	18	-7
Enaya	55,206	101,658	0.1%	0.3%	26	25	-1
Totals	44,654,219	39,818,594	100%	100%			

Exhibit 2

Insurance Revenue (ﷲ Thousands)

COMPANY NAME	INSURANCE REVENUE		MARKET RANK		
	2025 H1	2024 H1	2025 H1	2024 H1	CHANGE
Tawuniya	10,347,361	8,798,189	1	2	1
Bupa	9,125,481	8,936,472	2	1	-1
AlRajhi Takaful	2,586,118	2,645,888	3	3	0
Medgulf	2,026,784	1,709,533	4	4	0
Walaa	1,475,032	1,563,249	5	5	0
Arabian Shield	912,031	772,008	6	7	1
Wataniya	903,086	843,301	7	6	-1
Saudi Re	738,181	482,691	8	11	3
GIG	726,758	721,777	9	9	0
MALATH	706,079	431,723	10	15	5
Aletihad	605,544	737,784	11	8	-3
SAICO	555,692	536,141	12	10	-2
Gulf Union	508,221	358,475	13	18	5
U C A	430,431	466,400	14	13	-1
Mutakamila	426,947	470,308	15	12	-3
ACIG	410,227	447,137	16	14	-2
AICC	369,237	367,829	17	16	-1
Sagr	303,542	234,258	18	19	1
Salama	272,614	365,328	19	17	-2
Liva (Alamiya)	261,368	213,338	20	20	0
Buruj	215,081	194,290	21	21	0
CHUBB	191,059	187,026	22	23	1
Gulf General	173,453	192,895	23	22	-1
AlJazira Takaful	170,896	174,239	24	24	0
Amana Insurance	127,676	96,225	25	26	1
Enaya	104,902	116,987	26	25	-1
	34,673,800	32,063,491			

Exhibit 3

Net Income (ﷲ Thousands)

COMPANY NAME	NET INCOME		MARKET RANK		
	2025 H1	2024 H1	2025 H1	2024 H1	CHANGE
Tawuniya	729,109	656,505	1	2	1
Bupa	666,485	764,027	2	1	-1
AlRajhi Takaful	202,365	201,133	3	3	0
Saudi Re	87,992	75,277	4	4	0
GIG	61,232	32,240	5	10	5
SAICO	27,660	25,050	6	13	7
AlJazira Takaful	20,193	23,871	7	14	7
Medgulf	18,168	59,869	8	6	-2
MALATH	16,557	11,593	9	18	9
ACIG	15,115	27,887	10	11	1
Mutakamila	14,524	10,589	11	21	10
AICC	9,574	21,059	12	16	4
Wataniya	6,684	55,683	13	7	-6
Liva (Alamiya)	5,257	11,247	14	20	6
CHUBB	3,972	9,311	15	22	7
Buruj	2,838	7,163	16	23	7
Enaya	682	(2,276)	17	25	8
Amana Insurance	(249)	11,530	18	19	1
Arabian Shield	(23,460)	52,863	19	8	-11
Sagr	(33,258)	17,934	20	17	-3
Salama	(39,132)	21,481	21	15	-6
Gulf General	(52,861)	(13,411)	22	26	4
Gulf Union	(67,829)	26,630	23	12	-11
Aletihad	(75,612)	52,049	24	9	-15
U C A	(104,861)	5,305	25	24	-1
Walaa	(117,304)	64,301	26	5	-21
	1,373,842	2,228,912			

Exhibit 4

Total Assets and Shareholder's Equity (in Thousands)

COMPANY NAME	TOTAL ASSETS		SHAREHOLDER'S EQUITY	
	2025 H1	2024 YE	2025 H1	2024 YE
Tawuniya	21,315,515	20,995,701	4,963,139	4,478,243
Bupa	16,811,731	15,575,080	5,247,523	5,117,997
AlRajhi Takaful	13,706,335	12,087,407	2,280,332	2,080,425
Walaa	4,324,648	4,765,913	1,714,075	1,824,018
Saudi Re	4,078,130	3,418,420	2,120,483	1,611,915
Arabian Shield	4,048,986	3,613,538	1,634,946	1,652,095
AlJazira Takaful	3,085,744	3,088,474	978,578	975,676
Medgulf	3,059,856	2,883,036	1,049,321	1,028,644
GIG	2,746,540	2,772,598	1,126,795	1,089,957
Wataniya	2,011,708	2,134,822	617,817	609,634
Mutakamila	1,973,155	2,048,366	827,733	813,091
SAICO	1,969,074	1,964,290	412,000	381,832
AICC	1,878,746	1,726,034	617,182	604,938
Aletihad	1,413,777	1,550,782	608,553	711,657
MALATH	1,393,508	1,199,637	451,343	432,775
Gulf Union	1,172,394	1,195,978	563,950	626,699
Liva (Alamiya)	1,042,144	1,019,046	448,317	440,551
ACIG	918,789	894,529	270,775	253,151
Buruj	890,932	769,087	479,720	474,373
U C A	825,172	920,603	165,961	268,314
CHUBB	780,108	687,820	461,749	454,415
Salama	768,385	745,506	313,648	254,326
Sagr	657,299	743,509	370,520	400,910
Amana Insurance	495,602	473,580	315,035	312,787
Gulf General	333,604	433,186	173,552	223,906
Enaya	253,258	269,861	164,596	163,914
Totals	91,955,141	87,976,803	28,377,643	27,286,243

Regulatory Updates

The highlights of the KSA insurance regulatory activities include the following:

- Insurance Authority Strips Licenses:** The Insurance Authority (IA) has taken a stricter stance on market conduct. In May 2025, it revoked the licenses of 28 insurance intermediaries (agencies and brokerages) as part of a sector “shake-up” to improve stability and credibility. These decisions – following warnings issued in late 2024 – were said to protect policyholders and discard persistently non-compliant players.
- Medical Pre-Approval:** The authority’s CEO has indicated a review of health insurance pre-authorization requirements, noting that the current pre-approval system for medical treatments may be causing harmful delays. Removing such red tape is being considered to speed up patient care, while still managing costs.
- Health Insurance Compliance Platform:** In a move to reinforce regulatory oversight and improve compliance efficiency, the IA working in partnership with the Council of Health Insurance, the Ministry of Human Resources, launched a dedicated health insurance compliance platform. The platform provides real-time data on policy coverage, helping streamline employer obligations and ensuring greater alignment with national insurance regulations and workforce protection standards.



Market Developments & Updates

Mergers & Acquisitions

- The Public Investment Fund (PIF), Saudi Arabia's sovereign wealth fund, completed an injection into Saudi Reinsurance Company (Saudi Re), acquiring a 23.08% stake via a capital increase in January 2025. This PIF deal bolsters Saudi Re's capital base and is meant to help local insurers obtain high-quality reinsurance capacity at home.
- Reflecting ongoing consolidation trends, Gulf Union Al Ahlia Cooperative Insurance signed a binding merger agreement with Gulf General Cooperative Insurance in 2024. However, this agreement has been terminated as of March 2025.
- Salama Cooperative Insurance and Saudi Enaya announced regulatory clearance to merge, after the General Authority for Competition issued a no-objection in June 2025. This paved the way for a merger that would combine two mid-sized insurers (a binding agreement was signed later in August).
- MedGulf and Buruj were in advanced merger talks as well. This deal was anticipated in H1 2025 and ultimately a binding merger agreement was announced in late July 2025.



References:

1. Published Financial Statements

- <https://www.saudiexchange.sa/wps/portal/tadawul>

2. Regulatory Updates

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3. Insurance Market Mergers

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- <https://www.argaam.com/en/article/articledetail/id/1773175>
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