



The Saudi Insurance Market Report

2021

The General Department of Insurance Control

البنك المركزي السعودي
SAMA
Saudi Central Bank



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Insurance Sector Highlights - 2021

Highlights of the Saudi Insurance Sector

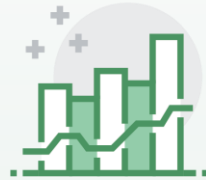
- The insurance sector witnessed a premium growth of 8.4% in 2021*, with total written premiums reaching SR 42.0 Billion. Protection and Savings and property insurance witnessed notable increases in written premiums
- Percentage of online sales through Insurance companies platform and insurance aggregator channel increased from 6.9% in 2020 to 7.5% in 2021.
- The penetration ratio of the sector to non-oil GDP slightly decreased from 1.92% in 2020 to 1.91% in 2021
- The overall loss ratio increased from 76.7% in 2020 to 83.4% in 2021 as the volume of claims returned to its normal level as before the Covid-19 pandemic
- Overall, the insurance sector made a net loss of SR 47 Million in 2021. The increase in investment income helped offset the impact of operational losses.
- The overall Saudization ratio increased from 75% in 2020 to 77% in 2021
- During the year 2021, two companies, namely. Aljazirah Takaful and Solidarity Takaful, merged, a development that was in line with the Central Bank's efforts to encourage consolidation and have fewer and stronger companies that are capable of meeting the objectives of Vision 2030 and deliver in line with the Financial Sector Development Program. This will also improve the level of protection offered to policyholders, enhance customer services, benefit from economies of scale, promote creativity in insurance product design and attract talented resources
- Two more binding agreements were signed during 2021, namely between Arabian Shield and Al-Ahli Takaful**, and between Wala'a and SABB Takaful. In addition, Al-Sagr and Gulf-Union-Al-Ahli announced that they had started initial discussions to explore the possibility of merger

(*) This report is based on the sector data collected from 29 insurance and reinsurance companies.

(**) the merger materialized in January 2022

Major Regulatory Developments in 2021

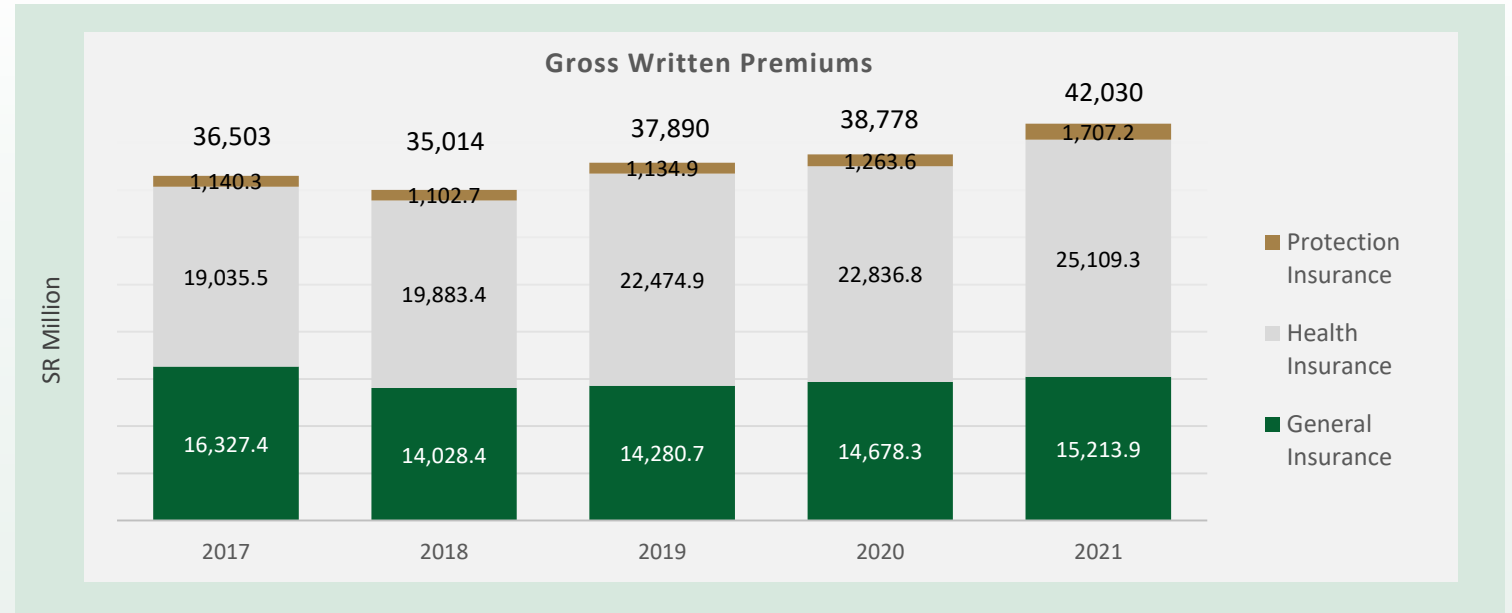
- The Cooperative Insurance Companies Control Law was amended as part of continuing governmental efforts towards ensuring the sustainability and stability of the financial sector, These amendments are expected to enhance the Central Bank's ability to preserve the rights of policyholders, beneficiaries and investors
- Rules and regulations in several other areas were improved/issued. Among those, the following two were of particular importance:
 - Rules of Forming and Managing Health Insurance Risk Pools through Brokers, which aims to support SMEs by facilitating to their access to adequate insurance coverages at affordable prices
 - The Standard Insurance Policy of Medical Malpractice, which sets the minimum coverage to be obtained by medical practitioners to cover against claims of medical malpractice
- As a continuation of the role of the Central Bank to develop insurance industry in the Kingdom, a number of insurance products were introduced, most notably: coverage of self-driving vehicles, third-party liability insurance for a crafters and professional business, private sports insurance product to cover property risks and injuries to players and participants at such sports facilities, and parcel insurance
- Significant progress was made during the year in the 'four phase' implementation road map for IFRS17 issued by the Central Bank. Phase 3 was completed successfully and the sector moved on to the fourth and final phase. A key milestone was achieved in Phase 4 during 2021 as all insurance companies completed the first dry run exercise, with the remaining two dry runs due to be completed in 2022. This new reporting standard is intended to provide more accurate, transparent and quality information to the users of insurance companies' financial statements
- In addition to the two existing aggregator licenses, approval was granted to two more aggregators to launch pilot programs. Moreover, Health insurance was added to the existing aggregator channels, increasing ease of access particularly for SMEs



Insurance Market Performance - Overall

Gross Written Premiums

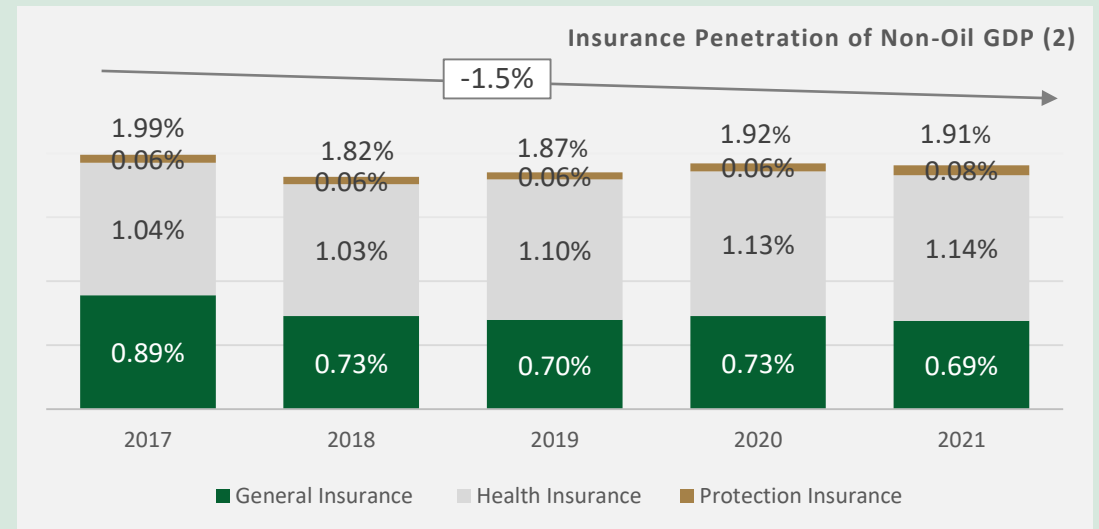
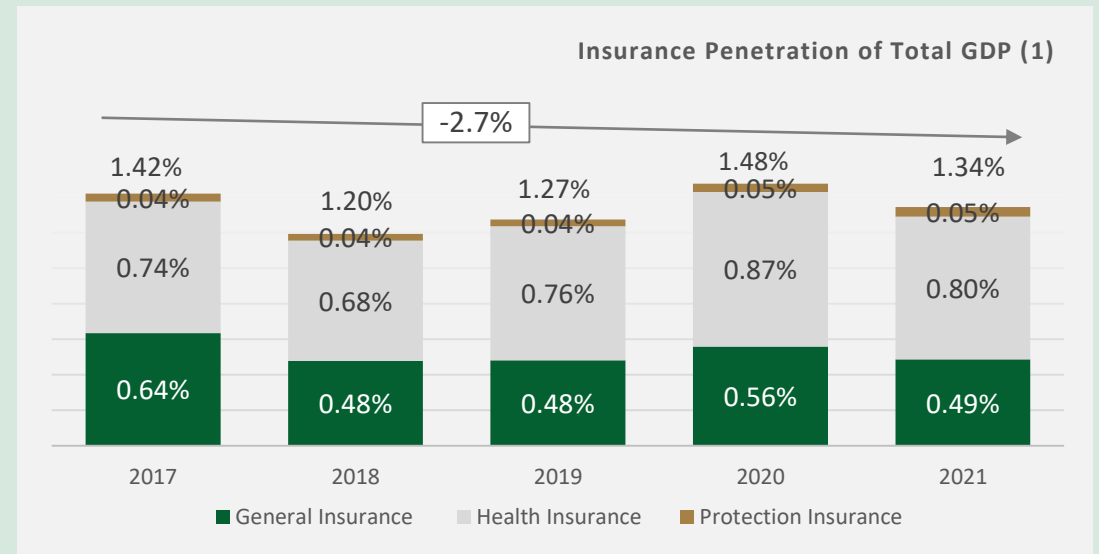
- In 2021, the total Gross Written Premiums grew by 8.4 percent in 2021, reaching SR 42.03 Billion compared to SR 38.78 Billion in 2020
- Health insurance remained the largest line of business in 2021, growing at 10%. Its contribution to total GWP in 2021 reached 59.7%
- General insurance's contribution to total GWP reached 36.2% in 2021. compared to 37.9% in 2020
- Protection and Savings insurance, representing the smallest line of business, notably increased in 2021 attaining 4.1% share in total premiums



Line of Business	2017		2018		2019		2020		2021		Change 2020-2021
	SR M	% of Total	SR M	% of Total	SR M	% of Total	SR M	% of Total	SR M	% of Total	
Health Insurance	19,035.5	52.1%	19,883.4	56.8%	22,474.9	59.3%	22,836.8	58.9%	25,109.3	59.7%	10.0%
General Insurance	16,327.4	44.7%	14,028.4	40.1%	14,280.7	37.7%	14,678.3	37.9%	15,213.9	36.2%	3.6%
Protection Insurance	1,140.3	3.1%	1,102.7	3.1%	1,134.9	3.0%	1,263.6	3.3%	1,707.2	4.1%	35.1%
Total	36,503.2	100%	35,014.5	100%	37,890.5	100%	38,778.7	100%	42,030.5	100%	8.4%

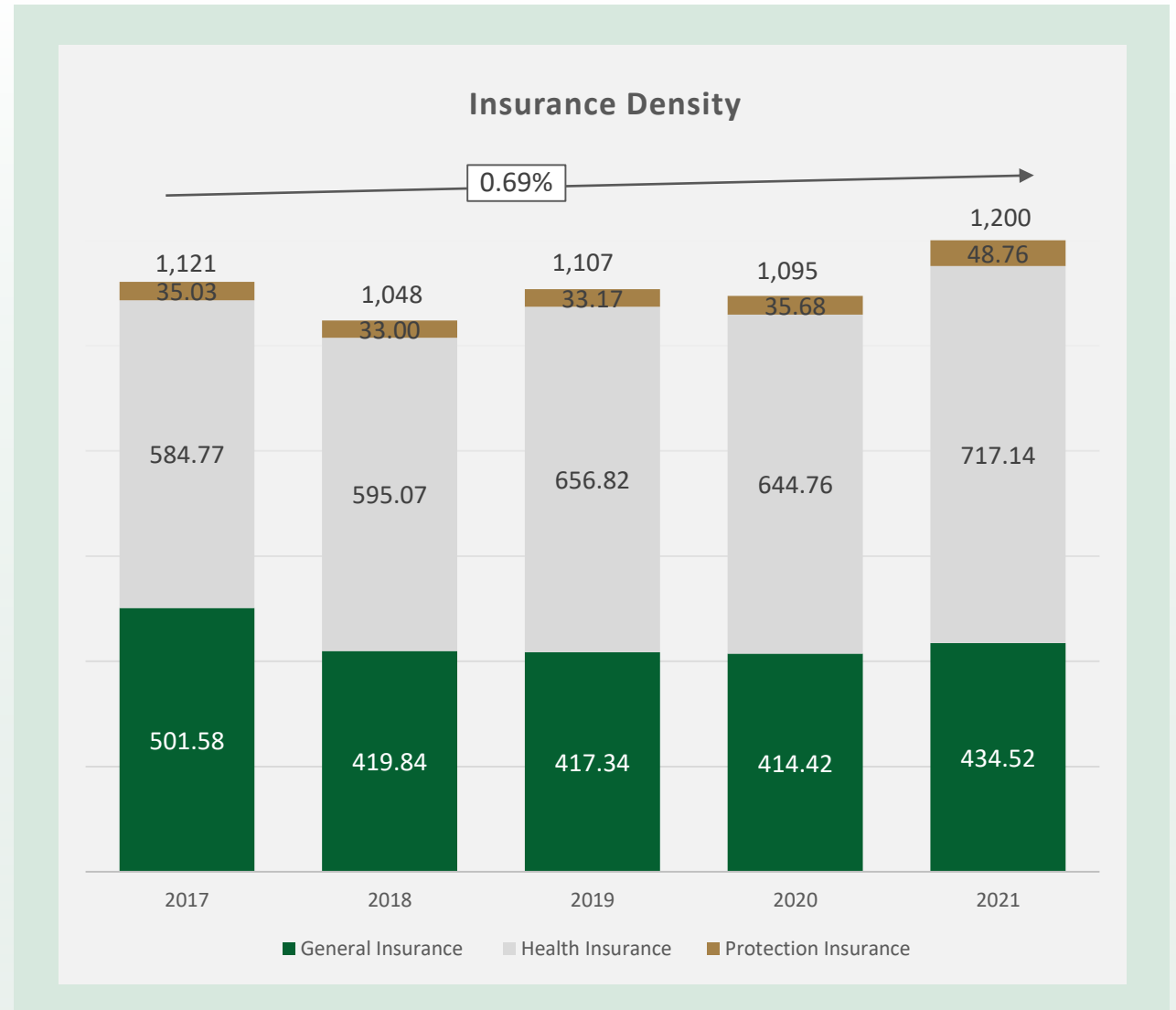
Insurance Penetration

- The insurance penetration (ratio of insurance premium to GDP) decreased from 1.48 percent in 2020 to 1.34 percent in 2021 due to the increase in GDP
- Over the course of 5 years, compound annual growth rate for insurance penetration has been -2.7%
- The penetration of insurance to non-oil GDP reached 1.91 percent in 2021 compared to 1.92 percent in 2020



Insurance Density ⁽¹⁾

- Insurance density is defined as Gross Written Premiums per Capita
- The Insurance density increased by 10% to reach SR 1,200 in 2021 compared to SR 1,095 per Capita in 2020
- Over the course of 5 years, compound annual growth rate for insurance density has been 0.69%



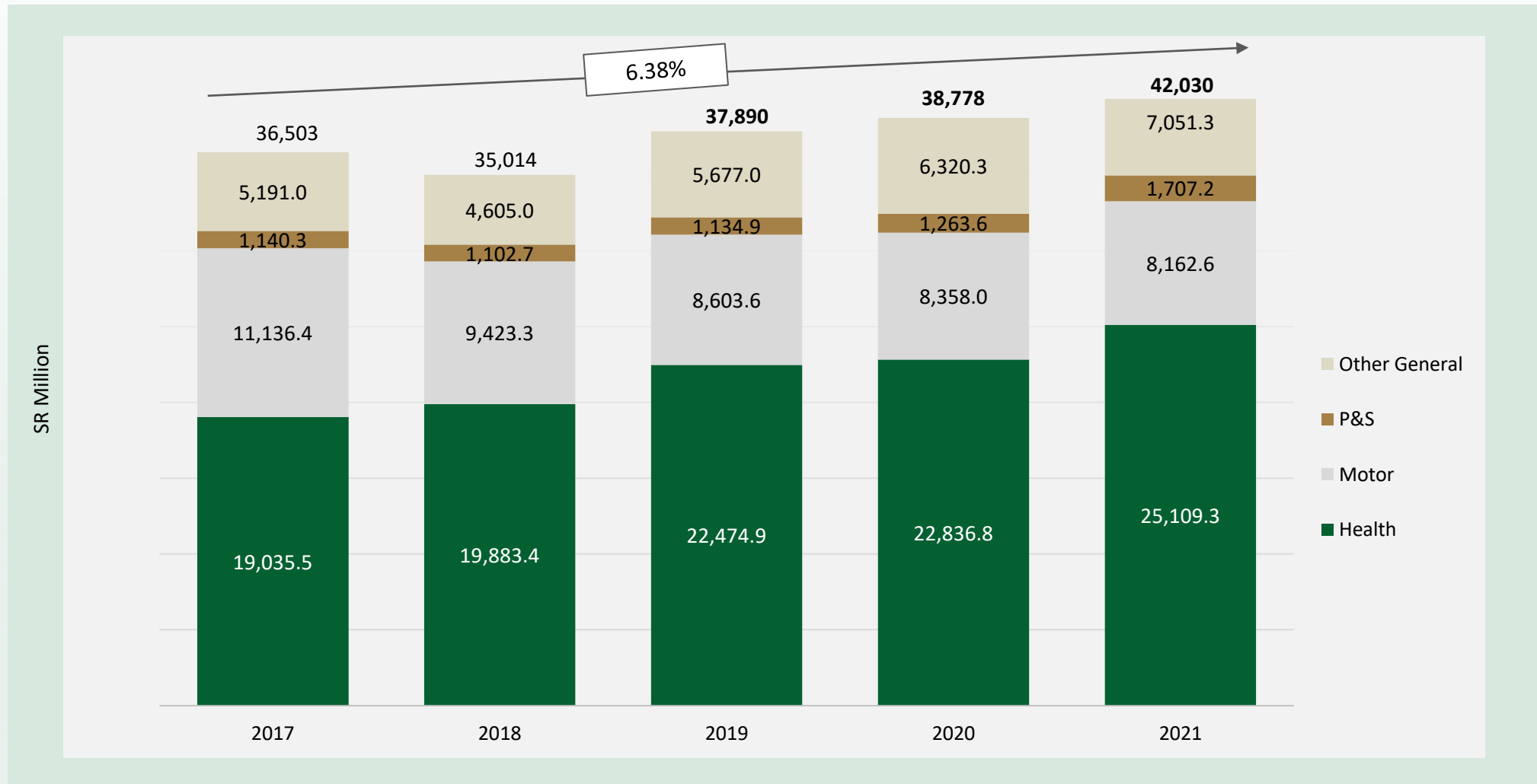
(1) Saudi population of 32.5, 33.4, 34.2, 35.4, and 35.01 Million in 2017, 2018, 2019, 2020, and 2021 respectively, General Authority for Statistics

Gross Written Premiums by Line of Business (1 of 2)

- Motor and Health insurance represent 79.1% of total GWP in 2021
- Health insurance including the compulsory and non-compulsory remained the largest line of business in 2021 accounting for 59.7% of total GWP, and experiencing 10% premium growth during 2021
- Motor insurance stood in the second place with a 19.4% share of total GWP. Its' gross written premiums decreased by 2.3% in 2021

Line of Business	2017		2018		2019		2020		2021		Change 2020 - 2021
	SR M	% of Total	SR M	% of Total	SR M	% of Total	SR M	% of Total	SR M	% of Total	
Aviation	134.9	0.4%	148.0	0.4%	158.5	0.4%	178.6	0.5%	189.1	0.4%	5.9%
Energy	739.0	2.0%	511.5	1.5%	700.4	1.8%	910.8	2.3%	1,295.3	3.1%	42.2%
Marine	621.8	1.7%	544.6	1.6%	653.6	1.7%	690.0	1.8%	696.3	1.7%	0.9%
P&S	1,140.3	3.1%	1,102.7	3.1%	1,134.9	3.0%	1,263.6	3.3%	1,707.2	4.1%	35.1%
A&L and Other	1,054.2	2.9%	1,001.3	2.9%	1,121.4	3.0%	1,369.9	3.5%	1,586.4	3.8%	15.8%
Engineering	932.4	2.6%	701.7	2.0%	1,198.4	3.2%	1,061.8	2.7%	1,002.0	2.4%	(5.6%)
Property / Fire	1,708.5	4.7%	1,697.9	4.8%	1,844.6	4.9%	2,109.2	5.4%	2,282.1	5.4%	8.2%
Motor	11,136.4	30.5%	9,423.3	26.9%	8,603.6	22.7%	8,358.0	21.6%	8,162.6	19.4%	(2.3%)
Health	19,035.5	52.1%	19,883.4	56.8%	22,474.9	59.3%	22,836.8	58.9%	25,109.3	59.7%	10.0%
Total	36,503.2	100%	35,014.5	100%	37,890.5	100%	38,778.7	100%	42,030.5	100%	8.4%

Gross Written Premiums by Line of Business (2 of 2)

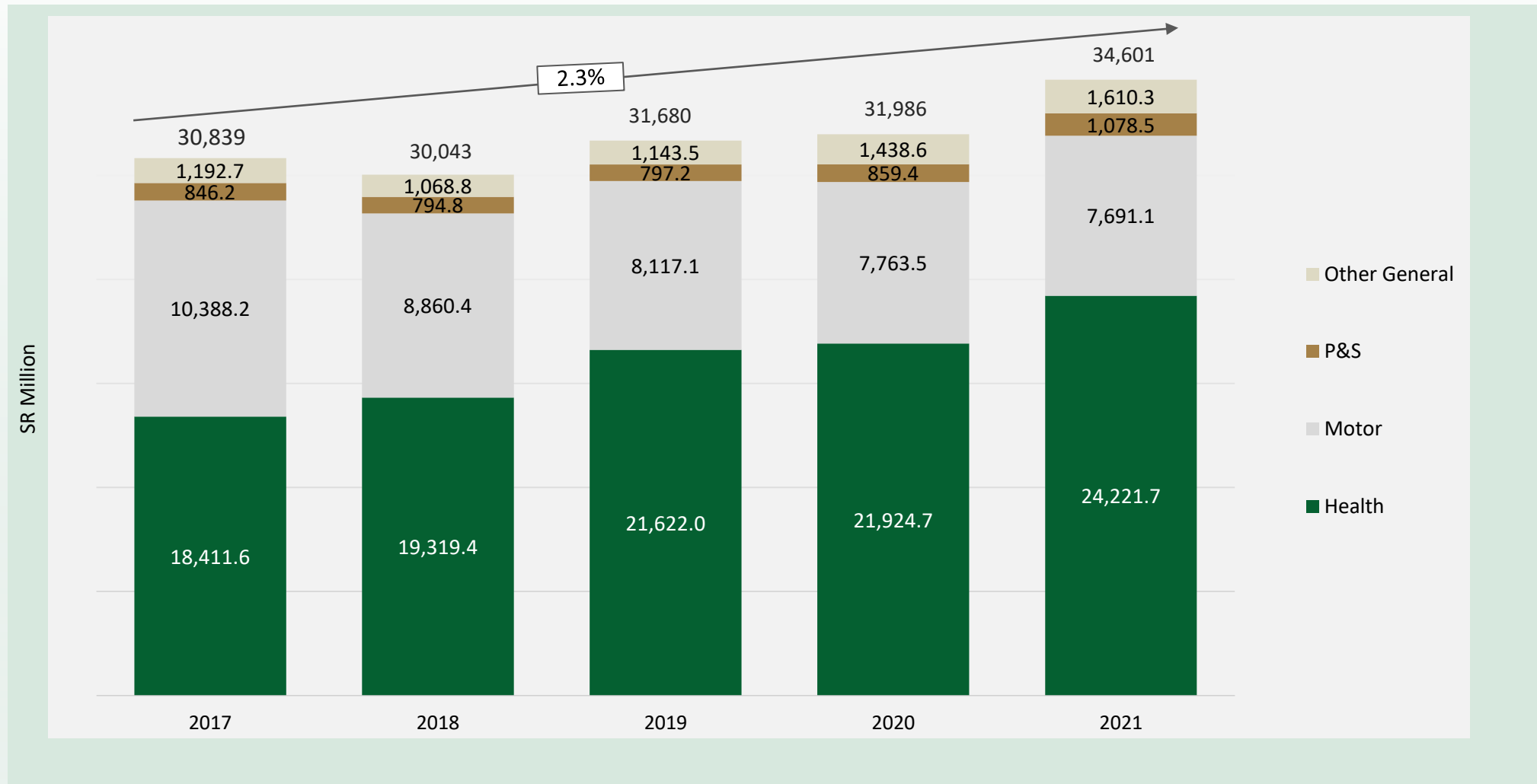


Net Written Premiums by Line of Business (1 of 2)

- Net Written Premiums (NWP) is defined as the premiums retained by the insurance company, after the subtraction of the premiums ceded to local or international reinsurers from Total GWP
- Total NWP increased by 8.2% from SR 31.99 Billion in 2020 to SR 34.6 Billion in 2021
- General Insurance (excluding Motor) share of total NWP increased slightly from 4.5% in 2020 to 4.7% in 2021
- Health insurance accounted for 70% of total NWP in 2021, whereas Motor insurance share was 22.2% of total NWP in 2021

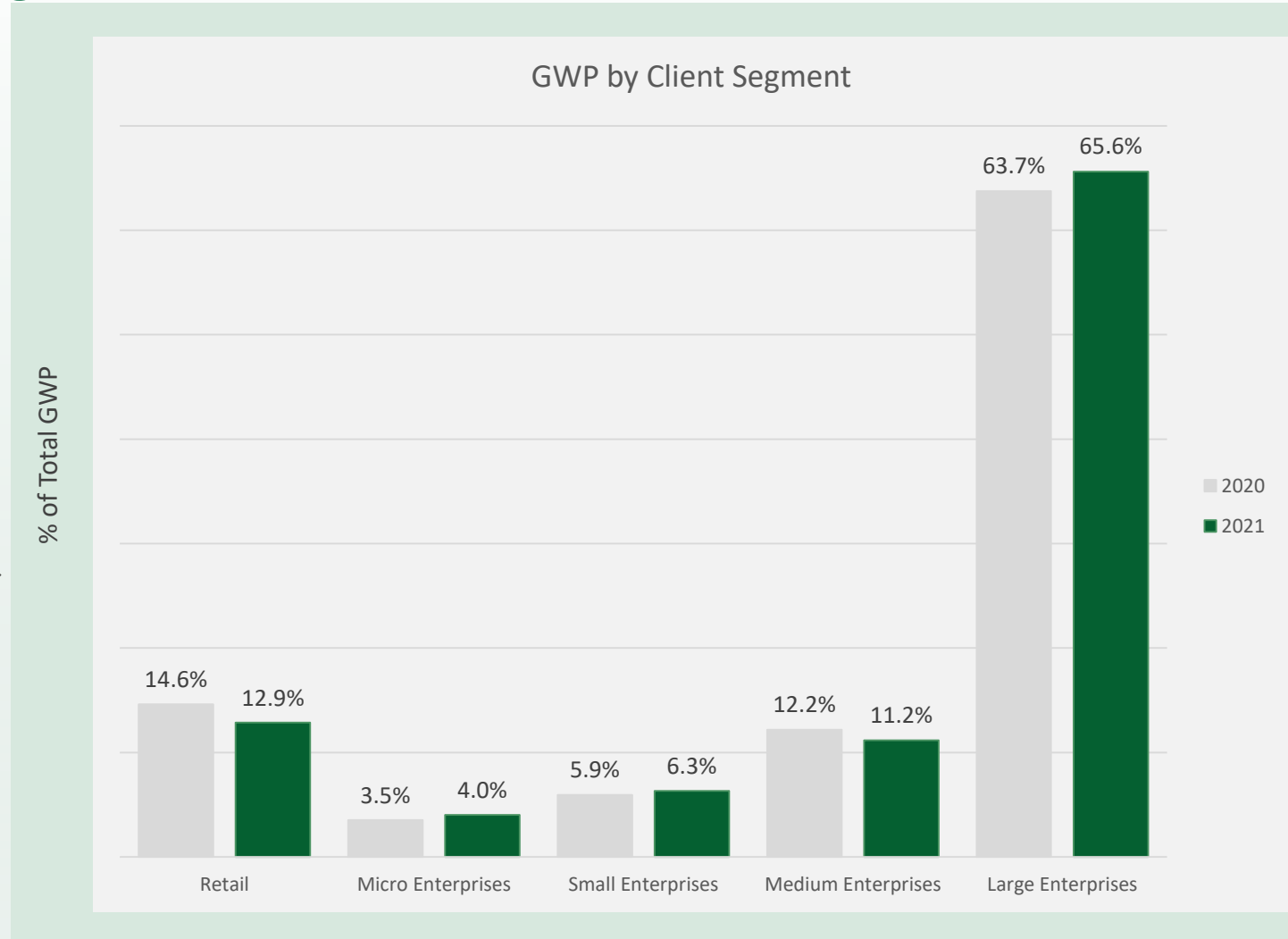
Line of Business	2017		2018		2019		2020		2021		Change 2020-2021
	SR M	% of Total	SR M	% of Total	SR M	% of Total	SR M	% of Total	SR M	% of Total	
Aviation	5.7	0.02%	5.3	0.02%	4.0	0.01%	8.7	0.03%	7.9	0.02%	(9.3%)
Energy	17.2	0.06%	3.5	0.01%	12.8	0.04%	16.9	0.05%	22.7	0.07%	34.3%
Marine	172.4	0.56%	155.4	0.52%	181.2	0.57%	176.6	0.55%	194.4	0.56%	10.1%
Engineering	168.6	0.55%	120.2	0.40%	144.2	0.46%	236.5	0.74%	189.1	0.55%	(20.1%)
P&S	846.2	2.74%	794.8	2.65%	797.2	2.52%	859.4	2.69%	1,078.5	3.12%	25.5%
Property / Fire	322.4	1.05%	314.0	1.05%	314.6	0.99%	362.7	1.13%	422.5	1.22%	16.5%
A&L and Other	506.3	1.64%	470.4	1.57%	486.6	1.54%	637.2	1.99%	773.8	2.24%	21.4%
Motor	10,388.2	33.69%	8,860.4	29.49%	8,117.1	25.62%	7,763.5	24.27%	7,691.1	22.23%	(0.9%)
Health	18,411.6	59.70%	19,319.4	64.30%	21,622.0	68.25%	21,924.7	68.54%	24,221.7	70.00%	10.5%
Total	30,838.7	100%	30,043.4	100%	31,679.7	100%	31,986.3	100%	34,601.6	100%	8.2%

Net Written Premiums by Line of Business (2 of 2)



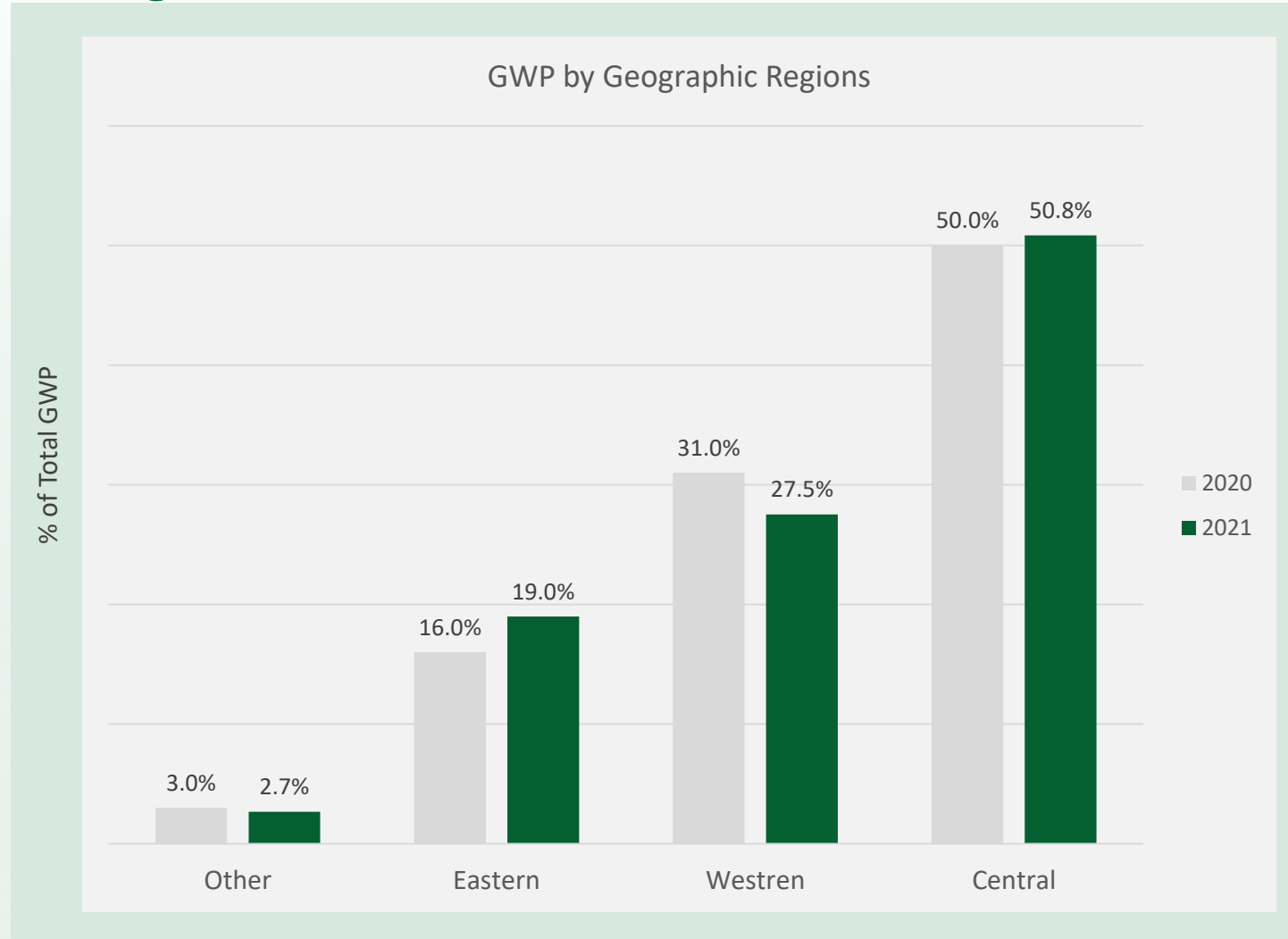
Gross Written Premiums by Client Segment

- Retail insurance GWP totaled SR 5.4 Billion, representing 12.9% share of total market GWP in 2021. Under motor insurance, individual policyholders represent 53.2% share of total motor premium
- Micro enterprises, small enterprises, and medium enterprises insurance represents 4.0%, 6.3%, and 11.2% share of total market GWP respectively
- Large Enterprises' insurance represents 65.6% of total market GWP. Under health insurance, large enterprises' GWP reached SR 18.64 Billion, representing 74.2% of total health insurance GWP



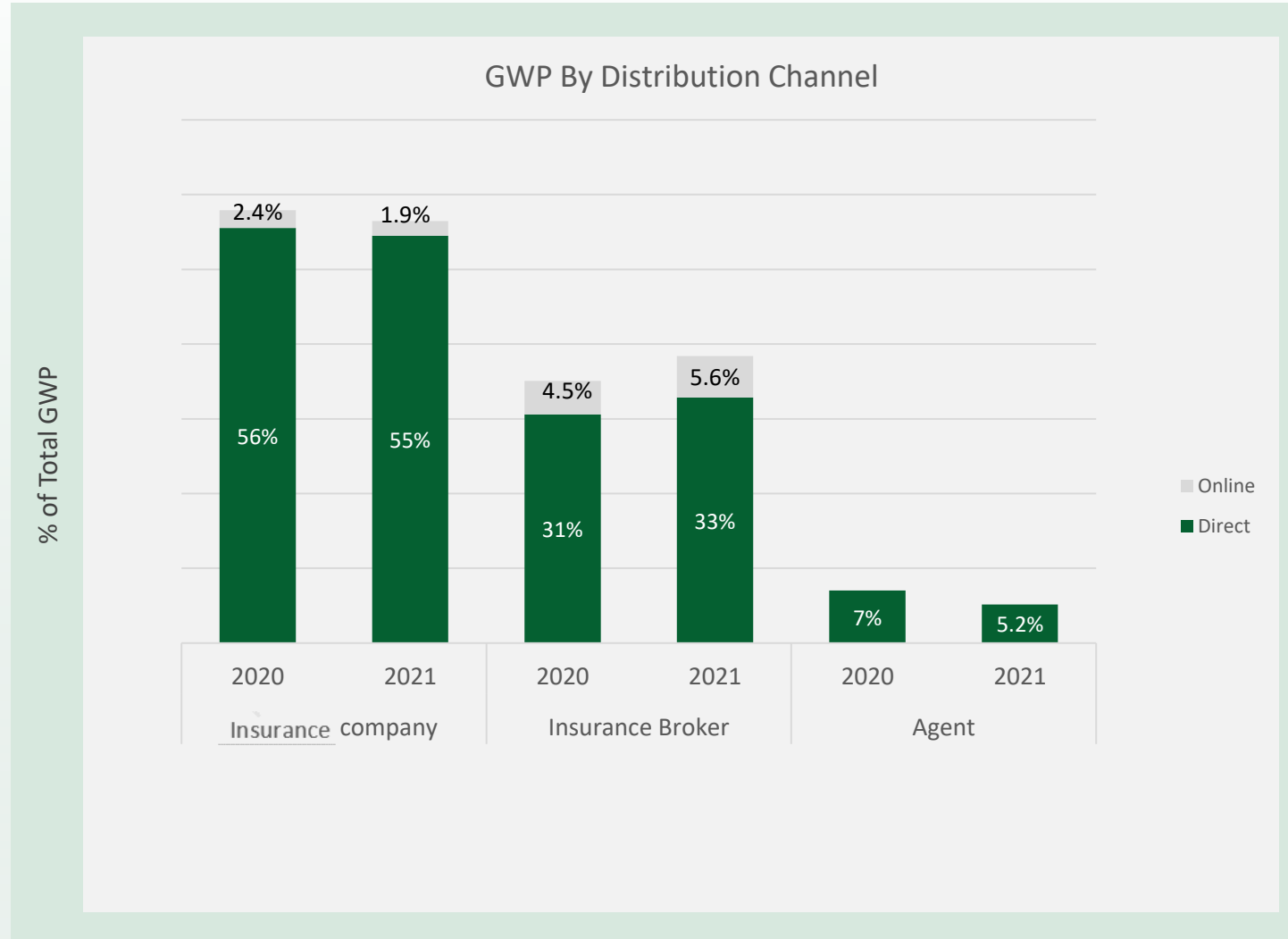
Gross Written Premiums by Geographic Regions

- Central region remained the highest in GWP reaching a 51% share of total GWP in 2021
- Western region stood in second place with a 28% share of total GWP in 2021 even though the decrease of its market share
- Eastern region's share of total GWP increased from 16% in 2020 to reach 19% in 2021



GWP by Distribution Channel

- Sales by Insurance companies remained the largest distribution channel in 2021. Its' contribution to total GWP in 2021 was 56% compared to 58% in 2020
- Sales through brokers increased from 35% in 2020 to reach 38% in 2021. In addition, online sales through insurance broker increased from 4% to 6% of the total GWP
- Agent Sales dropped from 7% in 2020 to 5% in 2021

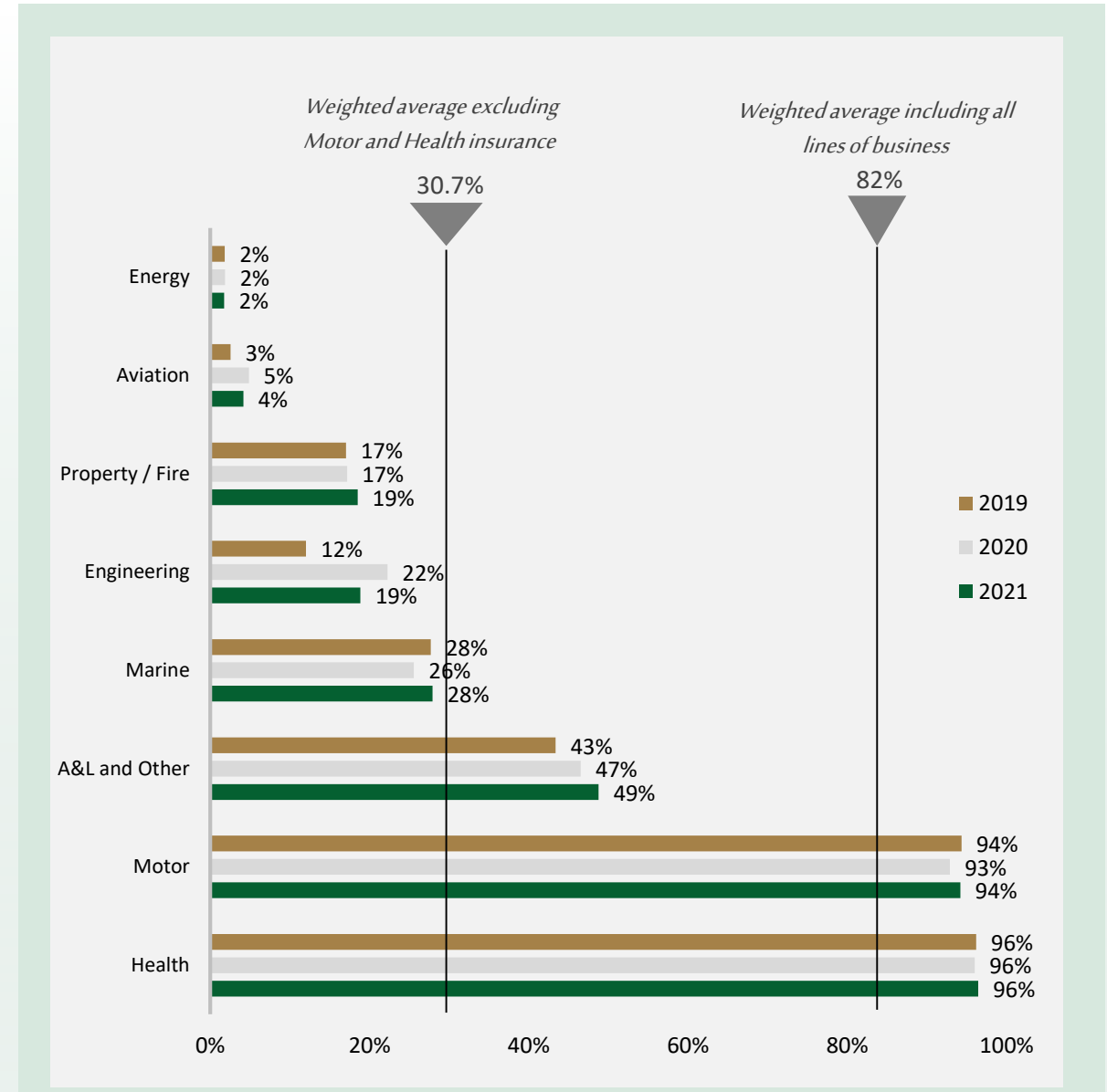


Retention Ratio by Line of Business for General and Health Insurance

- The retention ratio measures the written premiums retained by the insurance company after excluding the reinsurers' share, which is considered a measure of the net risk carried by the insurer. Retention ratio is calculated by dividing the NWP by the GWP
- The overall retention ratio reached 82% in 2021 compared to 83% in 2020
- The retention for health and motor insurance classes remained high, at 96% and 94% respectively
- For other general insurance classes in aggregate, the retention ratio reached 30.7% in 2021 compared to 23% in 2020

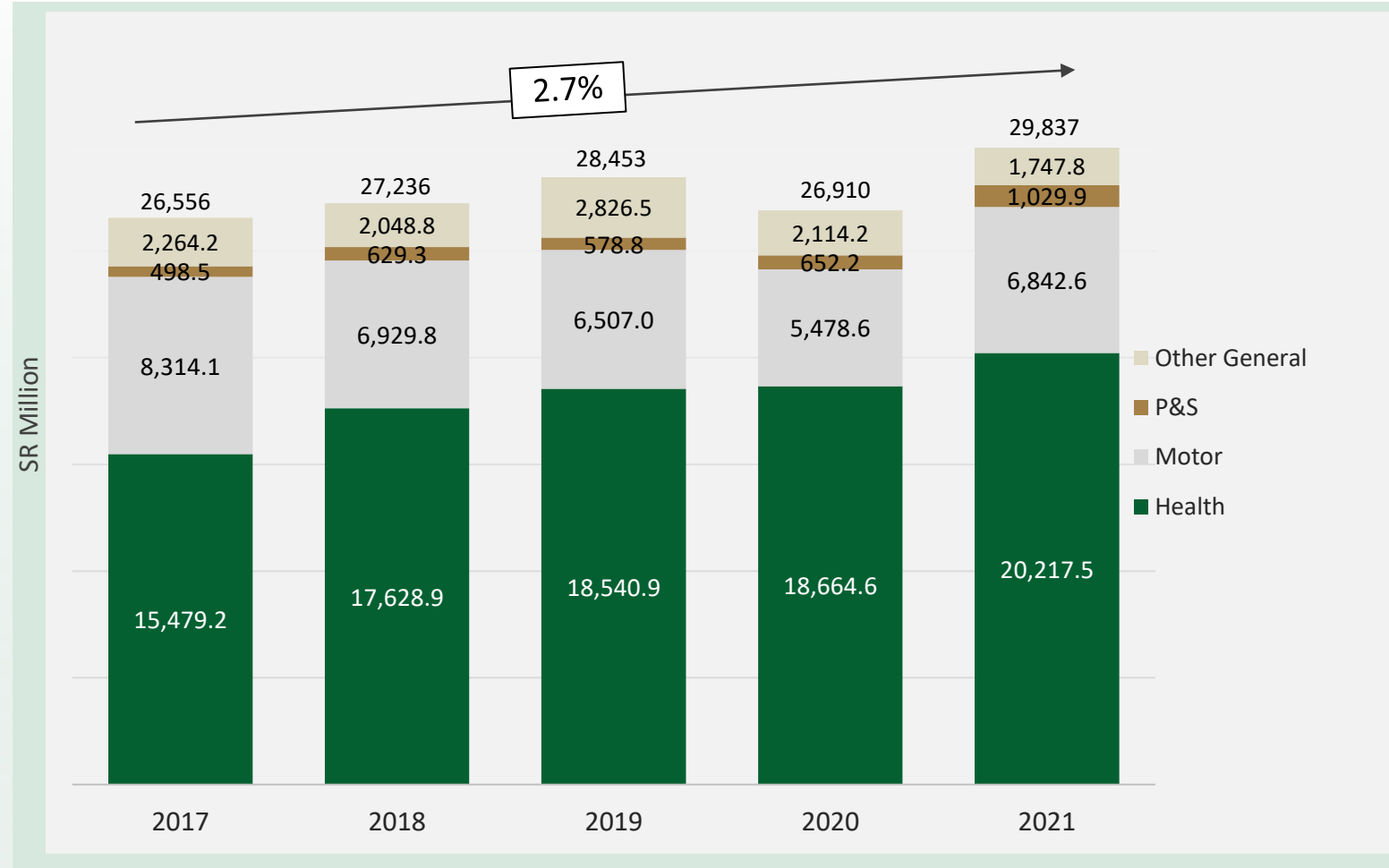
Notes:

- All licensed companies are required to adhere to a minimum retention ratio of 30% of its total insurance premiums (as per Article 40 of the Implementing Regulations)
- Retention ratios are not shown for Protection & Savings insurance as the savings element of the contract must be retained by the company. Therefore retentions for Protection & Savings insurance are not directly comparable with other insurance lines of business



Gross Claims Paid by Line of Business

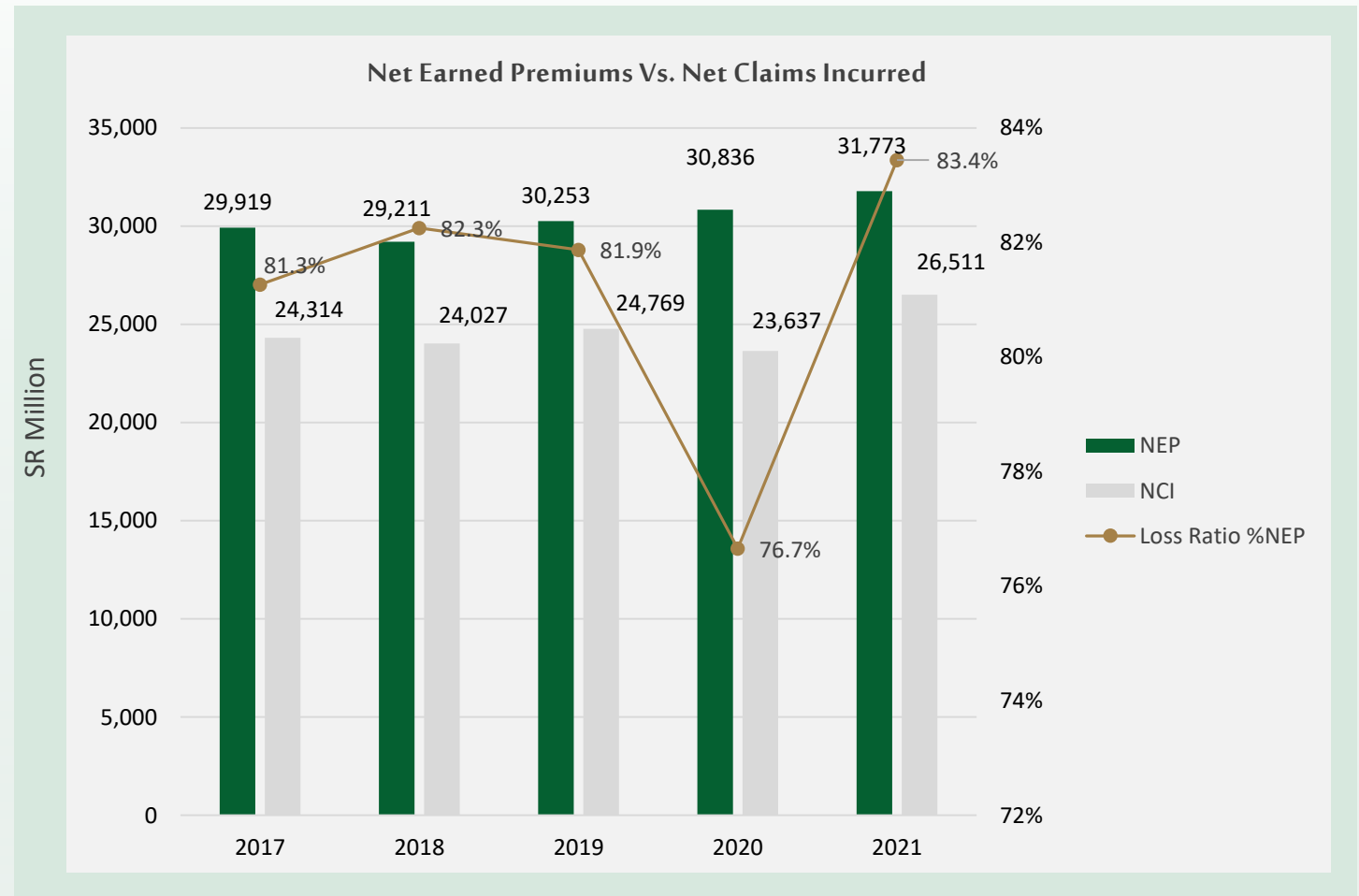
- Total gross claims paid increased from SR 26.91 Billion in 2020 to SR 29.84 Billion in 2021, which represents an increase of 10.9%
- In 2021, Health gross claims paid increased by 8% whereas Motor gross claims paid increased by 25% over 2020
- Table 9 in the appendix contains all the gross claims paid data by line of business from 2017 to 2021



% Change	Health	Motor	P&S	Other General
	8%	25%	58%	(17%)

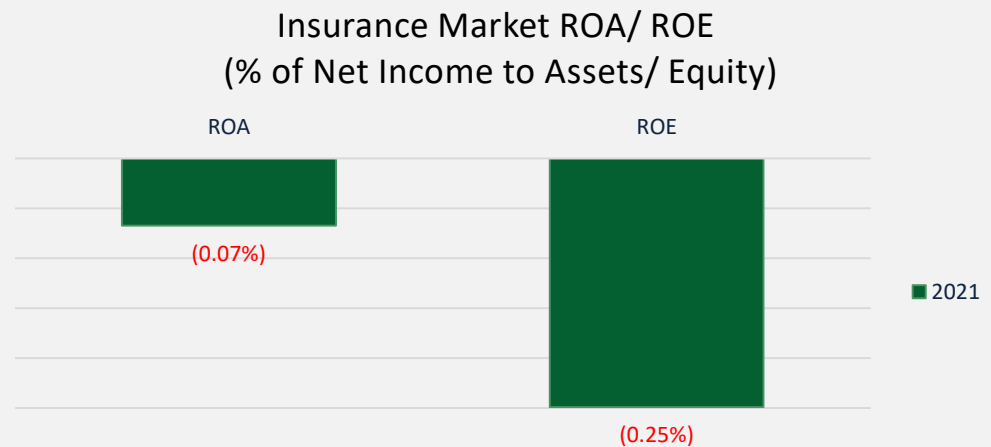
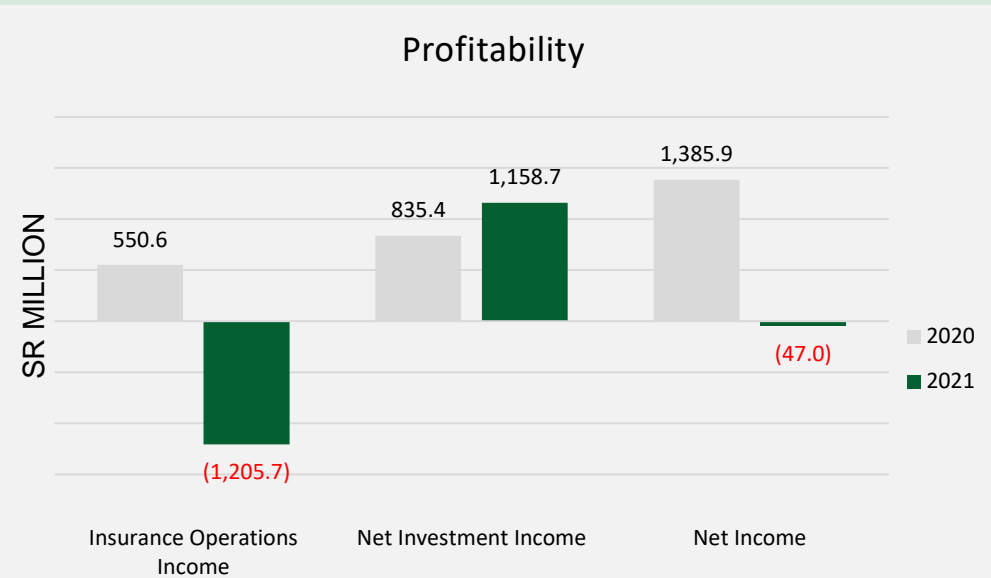
General and Health Net Earned Premiums vs. Net Claims Incurred

- Net Earned Premiums (NEP) is equal to NWP minus the change in net unearned premium reserve
- The insurance market's General and Health NEP totaled SR 31.77 Billion in 2021, compared to SR 30.84 Billion in 2020, an increase of 3%
- General and Health Net Claims Incurred (NCI), is equal to the total of net claims paid plus the change in outstanding and IBNR claims reserve
- In 2021 General and Health net claims incurred increased by 12.2% to reach SR 26.51 Billion
- In 2021 General and Health net Loss ratio increased and reached 83.4% from 76.7% in 2020



Market Profitability

- Insurance Operations Income is equal to insurance revenues minus related insurance expenses
- The net income is equal to the sum of revenues minus the sum of expenses and Zakat & Tax
- In 2021, the Insurance Operations Income recorded a loss of SR 1.21 Billion, compared to a profit of SR 551 Million in 2020
- Net Investment Income increased in 2021 by 38.7% reaching SR 1.16 Billion compared to SR 835.4 Million in 2020
- Insurance companies recorded an overall Net Loss of SR 47 Million in 2021, compared to a Net profit of SR 1.39 Billion in 2020
- Return on Assets (ROA) is the ratio of net income (loss) to total assets. In 2021, insurance market's ROA was -0.07%
- Return on Equity (ROE) is the ratio of net income (loss) to total equity. In 2021, insurance market's ROE was -0.25%



Balance Sheet - Policyholders' Assets

- Total Policyholders' assets amounted to SR 47.92 Billion in 2021 compared to SR 46.33 Billion in 2020
- Investments accounted for the largest share of policyholders' assets, with a value of SR 18.10 Billion in 2021 compared to SR 17.46 Billion in 2020
- At the end of 2021 insurance companies held SR 4.78 Billion in cash and cash equivalents in their policyholders' accounts compared to SR 4.88 Billion in 2020

Amount In Thousands

	General and Health Insurance		Protection and Savings Insurance		Total Insurance	
	2020	2021	2020	2021	2020	2021
Cash and cash equivalents	4,669,582	4,501,823	210,869	276,913	4,880,451	4,778,736
Receivables, net	10,510,947	10,889,410	322,373	390,153	10,833,320	11,279,563
Reinsurance recoverables	8,700,784	8,713,785	521,191	659,370	9,221,975	9,373,155
Deferred policy acquisition cost	845,335	1,086,128	4,878	4,409	850,213	1,090,537
Prepaid expenses	1,497,107	1,656,606	8,624	12,290	1,505,731	1,668,896
Investments	14,198,588	14,440,686	3,261,042	3,655,518	17,459,629	18,096,204
Deposits at financial institutions	9,138,054	9,400,351	68,141	36,904	9,206,195	9,437,255
Loans	-	-	-	-	-	-
Debt securities and fixed income	3,593,212	3,551,523	9,888	9,892	3,603,100	3,561,415
Shares (common, preferred)	317,788	436,826	-	-	317,788	436,826
Real estate	62,138	60,850	-	-	62,138	60,850
Investment in subsidiaries & affiliates	-	-	-	-	-	-
Other *	1,087,395	991,136	3,183,013	3,608,722	4,270,408	4,599,858
Tangible assets	444,479	483,926	6,143	6,059	450,622	489,985
Intangible assets	79,527	128,941	-	-	79,527	128,941
Other policyholders assets	1,018,327	992,646	27,696	22,682	1,046,023	1,015,328
Total	41,964,676	42,893,951	4,362,816	5,027,394	46,327,491	47,921,345

(*) Other investments consists mainly of investments in funds related to saving products

Balance Sheet - Shareholders' Assets

- Shareholders' assets amounted to SR 21.76 Billion in 2021 compared to SR 21.32 Billion in 2020
- Investments accounted for the largest share of shareholders' assets, with a value of SR 17.21 Billion in 2021 compared to SR 15.51 Billion in 2020
- At the end of 2021, insurance companies' shareholders held SR 2.24 Billion in cash and cash equivalents compared to SR 2.87 Billion in 2020
- Insurance companies' total assets amounted to SR 69.68 Billion in 2021 compared to SR 67.64 Billion in 2020

	Amount In Thousands	
	2020	2021
Cash and cash equivalents	2,868,429	2,235,347
Receivables, net	295	215,469
Investments	15,510,237	17,208,392
Deposits at financial institutions	7,516,955	7,907,406
Loans	-	-
Debt securities and fixed income	4,037,497	5,026,692
Shares (common, preferred)	1,583,286	1,958,176
Real estate	5,435	314
Investment in subsidiaries & affiliates	215,195	243,355
Other	2,151,869	2,072,448
Tangible assets	375,555	341,692
Accrued interest, rent, income	135,251	151,299
Intangible assets	1,121,397	1,329,044
Distributions due from policyholders account	991,871	120,293
Other shareholders assets	311,995	160,262
Total Shareholders Assets	21,315,029	21,761,797
Total Assets	67,642,521	69,683,142

Balance Sheet - Policyholders' Liabilities and Equity

Amount In Thousands

- At the end of 2021, insurance companies held SR 34.90 Billion in technical reserves, which consist of unearned premiums, outstanding claims, IBNR and adjustment expense reserves, compared to SR 32.41 Billion in 2020
- Mathematical reserves amounted to SR 3.73 Billion in 2021 compared to SR 3.37 Billion in 2020
- Total policyholders' liabilities and equity amounted to SR 47.92 Billion in 2021 compared to SR 46.33 Billion in 2020

	General and Health Insurance		Protection and Savings Insurance		Total Insurance	
	2020	2021	2020	2021	2020	2021
Total Policyholders liabilities	41,295,794	42,201,211	4,275,897	4,927,750	45,571,692	47,128,961
Policyholders payables	1,001,986	1,148,223	22,538	20,187	1,024,524	1,168,410
Reinsurance balances payable	1,756,375	2,134,071	88,993	196,497	1,845,367	2,330,569
Technical reserves	31,778,526	34,025,372	628,676	870,576	32,407,202	34,895,948
Unearned premium	16,518,420	18,373,958	125,561	157,884	16,643,981	18,531,841
Outstanding claims, IBNR and adjustment expenses	15,260,106	15,651,414	503,115	712,692	15,763,221	16,364,107
Mathematical reserves			3,372,983	3,732,910	3,372,983	3,732,910
Other reserves	861,263	685,144	10,556	10,009	871,818	695,153
Unearned reinsurance commissions	283,354	255,352	2,207	2,409	285,561	257,760
Accrued expense and deferred income	3,412,480	2,900,073	118,674	58,661	3,531,154	2,958,734
Declared dividend payable						
Distribution due to shareholders account	977,894	140,839	13,977	(20,546)	991,871	120,293
Other policyholders liabilities	1,223,918	912,137	17,293	57,047	1,241,211	969,184
Accumulated surplus	668,880	692,736	86,918	99,645	755,798	792,381
Total Policyholders liabilities and Equity	41,964,674	42,893,947	4,362,815	5,027,395	46,327,489	47,921,342

Balance Sheet - Shareholders' Liabilities and Equity

Amount In Thousands

- At the end of 2021, shareholders' liabilities increased to SR 2.89 Billion from SR 2.88 Billion in 2020 and shareholders' equity increased to SR 18.87 Billion in 2021 compared to SR 18.44 Billion in 2020
- Share capital increased to SR 13.16 Billion in 2021 compared to SR 12.49 Billion in 2020
- Shareholders' liabilities and equity increased to SR 21.76 Billion in 2021 compared to SR 21.32 Billion in 2020

	2020	2021
Total Shareholders liability	2,876,783	2,892,697
Shareholders payables	303,481	209,590
Zakat	1,182,076	1,207,004
Accrued expenses and deferred income	189,100	180,559
Other shareholders liabilities	1,202,127	1,295,544
Total Shareholders equity	18,438,246	18,869,103
Share capital	12,488,539	13,159,539
Statutory reserves	2,726,161	2,921,670
Retained earnings	2,599,571	1,906,002
Other shareholders equity	623,975	881,892
Total Shareholders Liabilities & Equity	21,315,029	21,761,800
Total Liabilities & Equity	67,642,519	69,683,142



Insurance Market Performance By Line of Business

Health Insurance

- Health insurance, which includes both compulsory and non-compulsory lines, accounted for 59.7% of the 2021 total market gross written premiums (GWP) with SR 25.11 Billion in underwritten premiums
- Health insurance accounted for 70% of the market's net written premiums (NWP) as insurance companies retained SR 24.22 Billion of their Health insurance GWP, which was the highest of all business lines representing a 96.5% retention ratio
- Health insurance's net earned premiums (NEP) registered SR 22.76 Billion, representing 69.3% of the insurance market's NEP.
- Health insurance's net claims incurred (NCI) amounted to SR 19.73 Billion, and resulted in a loss ratio of 86.7%

- Loss Ratio is defined as the percentage of net claim incurred over the net earned premium



% of Total	Metric				
	2020	GWP	NWP	NEP	NCI
2020	58.9%	68.5%	68.8%	74.1%	
2021	59.7%	70.0%	69.3%	72.0%	

Retention Ratio	
2020	96.0%
2021	96.5%

Loss Ratio	
2020	82.6%
2021	86.7%

Protection and Savings Insurance

- Protection and Savings insurance's GWP totaled SR 1.71 Billion in 2021, which represents a 4.1% contribution to the market's total business volume
- Protection and Savings insurance accounted for 3.1% of the market's NWP, as insurance companies retained SR 1.08 Billion of GWP
- Protection and Savings insurance's NEP registered SR 1.08 Billion, which represents a share of 3.3% of total NEP
- Protection and Savings insurance accounted for 3.3% of total market's NCI in 2021 and amounted to SR 900.8 Million

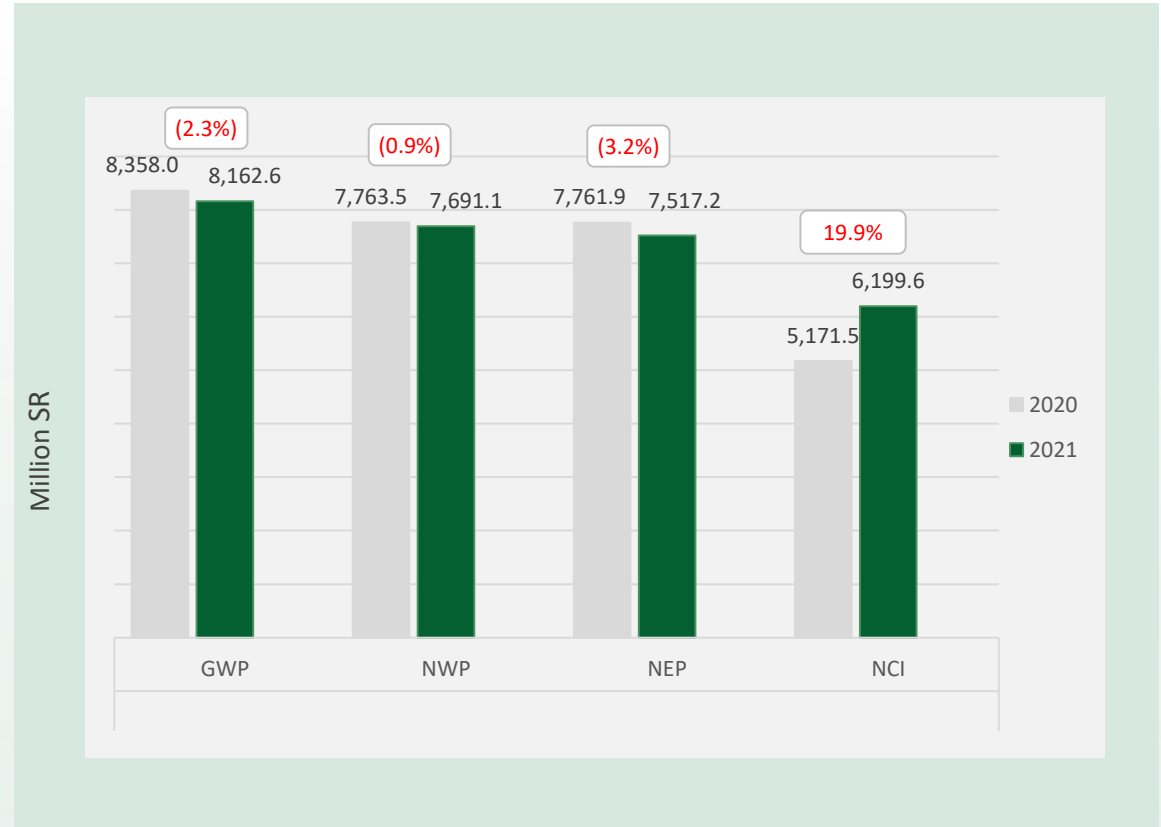


% of Total	2021				
	2020	GWP	NWP	NEP	NCI
	2020	3.3%	2.7%	2.7%	2.6%
	2021	4.1%	3.1%	3.3%	3.3%

Retention ratio and loss ratio are not shown due to the savings part of the premium which distorts the ratios

Motor Insurance

- Motor insurance's GWP totaled SR 8.16 Billion in 2021, which represents a 19.4% share of total market GWP
- Insurance companies retained 94.2% of their Motor underwritten premiums Motor insurance NWP totaled SR 7.69 Billion
- Motor insurance's NEP amounted to SR 7.52 Billion and accounted for 22.9% of the insurance market's NEP
- Insurance companies recorded SR 6.20 Billion in Motor insurance's NCI and resulted in a loss ratio of 82.5%



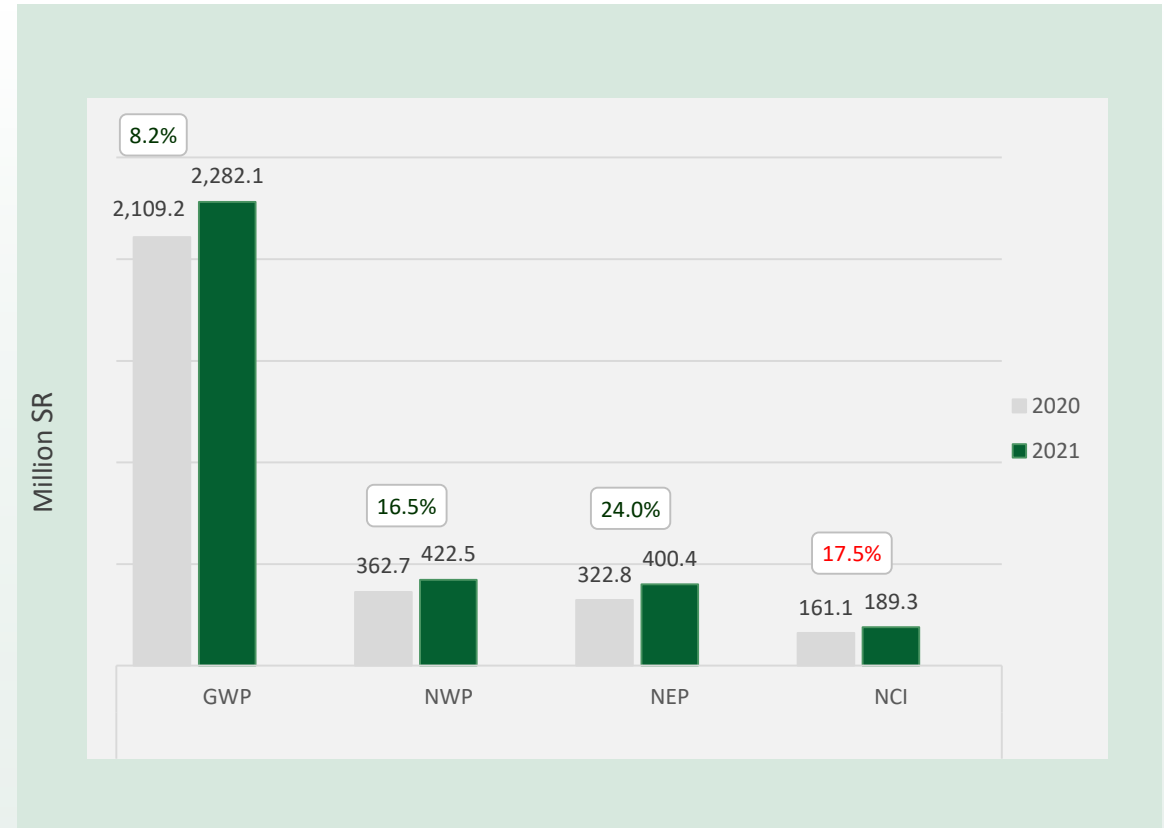
% of Total					
	GWP	NWP	NEP	NCI	
2020	21.6%	24.3%	24.5%	21.3%	
2021	19.4%	22.2%	22.9%	22.6%	

Retention Ratio	
2020	92.9%
2021	94.2%

Loss Ratio	
2020	66.6%
2021	82.5%

Property/ Fire Insurance

- Property/ Fire insurance's GWP totaled SR 2.28 Billion in 2021, which represents a 5.4% share of total market GWP
- Insurance companies retained 18.5% of their Property/ Fire insurance premiums, as the business line's NWP amounted to SR 422.5 Million. Property/ Fire insurance contributed 1.2% to total market NWP in 2021
- Property/ Fire insurance's NEP amounted SR 400.4 Million
- Insurance companies recorded SR 189.3 Million in Property/ Fire insurance's NCI, and resulted in a loss ratio of 47.3%



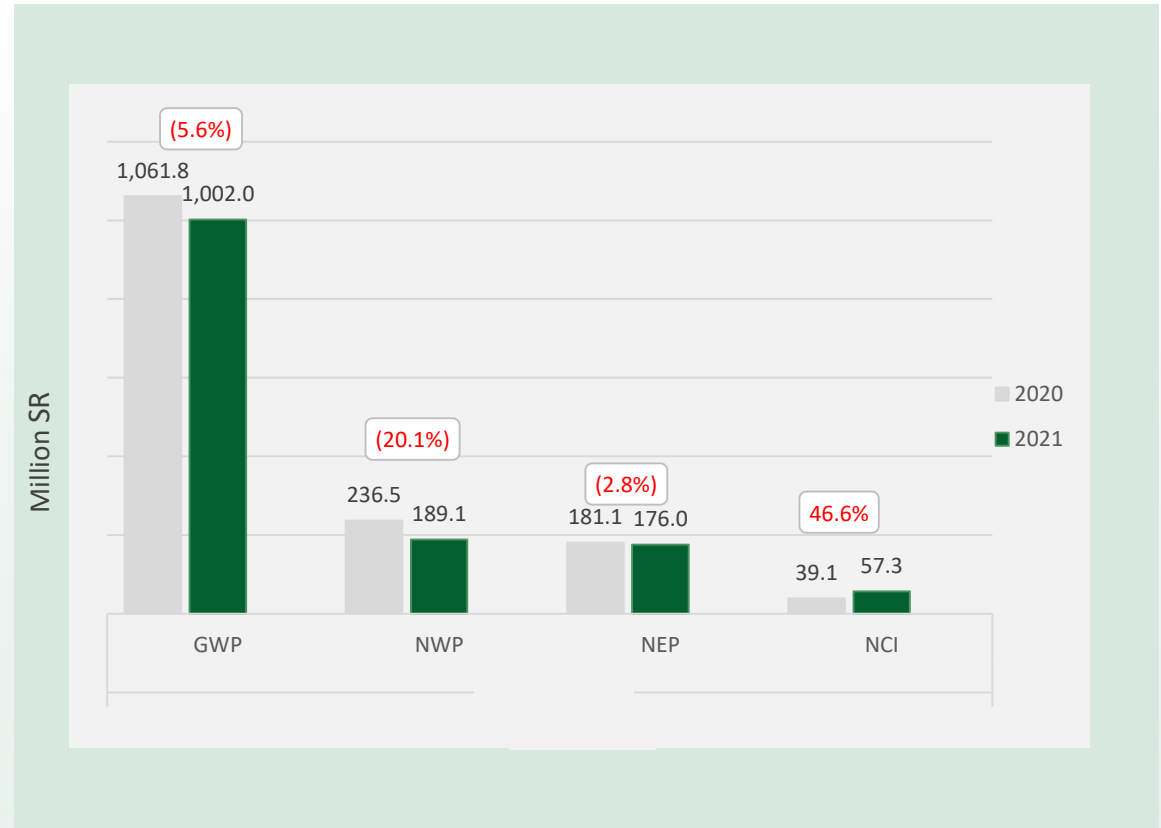
% of Total					
		GWP	NWP	NEP	NCI
	2020	5.4%	1.1%	1.0%	0.7%
2021	5.4%	1.2%	1.2%	0.7%	

	Retention Ratio
2020	17.2%
2021	18.5%

	Loss Ratio
2020	49.9%
2021	47.3%

Engineering Insurance

- Engineering insurance's GWP totaled SR 1.0 Billion in 2021, which represent a 2.4% contribution to total market GWP
- Insurance companies retained 18.9% of their Engineering underwritten premiums. Engineering insurance NWP amounted SR 189.1 Million
- Engineering insurance NEP amounted to SR 176 Million and accounted for 0.5% of the insurance market's NEP
- Engineering insurance recorded a loss ratio of 32.5%, with NCI, totaling SR 57.3 Million



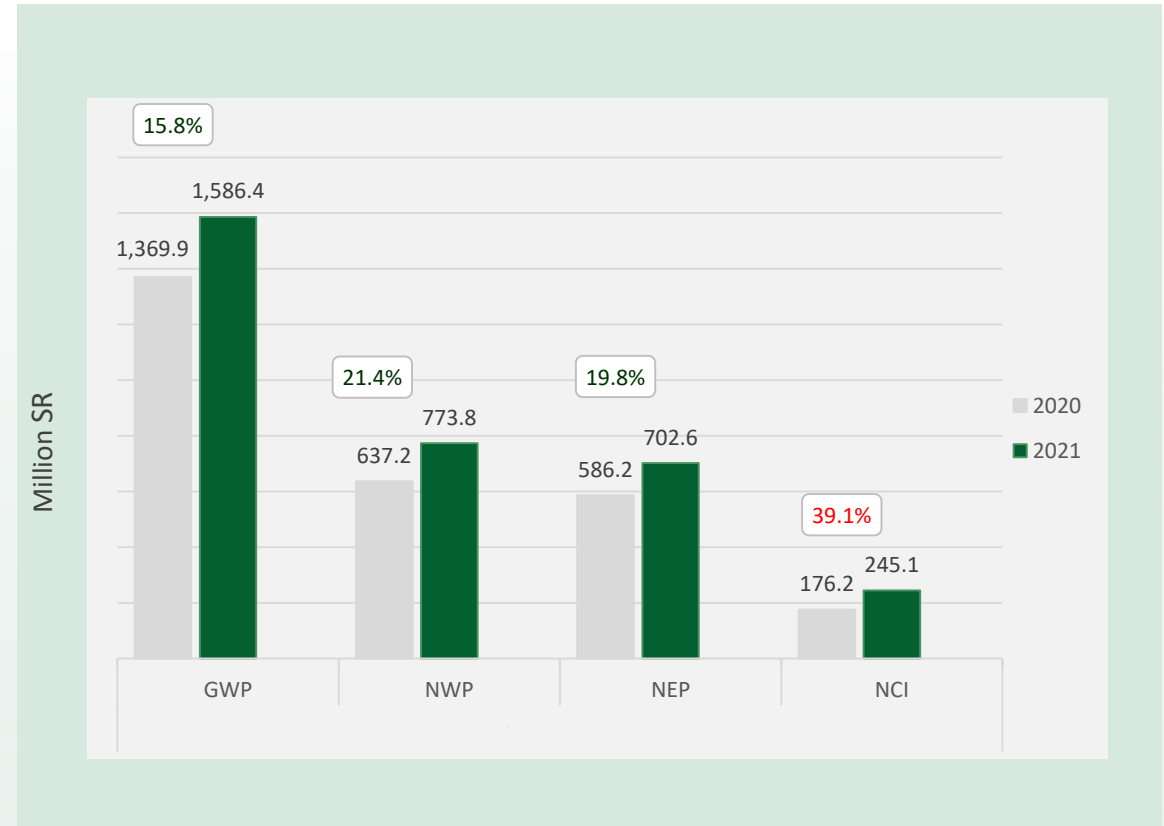
% of Total					
		GWP	NWP	NEP	NCI
	2020	2.7%	0.7%	0.6%	0.2%
2021	2.4%	0.5%	0.5%	0.2%	

	Retention Ratio
2020	22.3%
2021	18.9%

	Loss Ratio
2020	21.6%
2021	32.5%

A&L and Other Insurance

- Accident and Liability (A&L) insurance includes the following lines of business: personal accident, work related, employer's liability, third party liability, general liability, product liability, medical liability, professional liability, theft & burglary, fidelity, safe burglary inside the premises and in transit and other liability products
- Insurance companies underwrote SR 1.59 Billion in A&L and Other general insurance premiums in 2021
- Insurance companies retained SR 773.8 Million of A&L and Other general insurance underwritten premiums, with a 48.8% retention ratio
- A&L and Other general insurance NEP totaled SR 702.6 Million, which represents a 2.1% contribution to market's NEP
- Insurance companies recorded SR 245.1 Million in A&L and Other general insurance's NCI, which resulted in a loss ratio of 34.9%



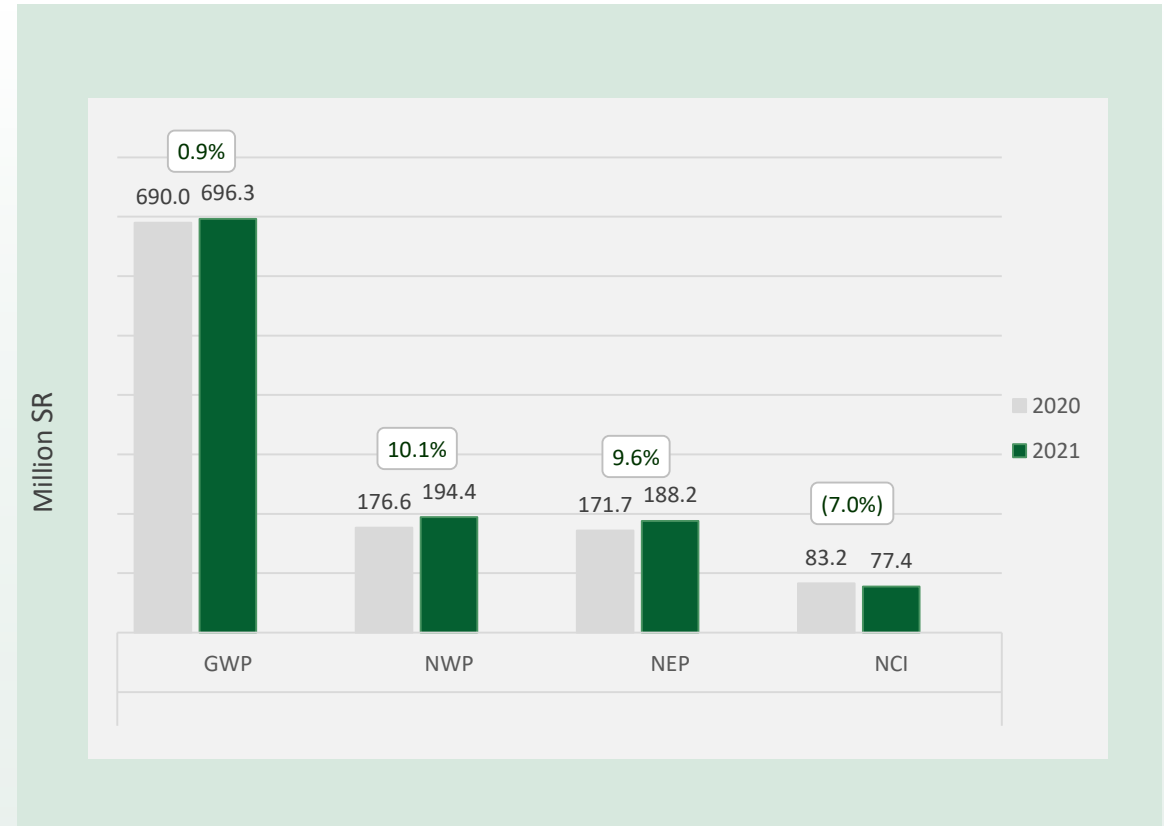
% of Total					
	GWP	NWP	NEP	NCI	
2020	3.5%	2.0%	1.8%	0.7%	
2021	3.8%	2.2%	2.1%	0.9%	

	Retention Ratio
2020	46.5%
2021	48.8%

	Loss Ratio
2020	30.1%
2021	34.9%

Marine Insurance

- The Marine insurance line of business includes both marine cargo and marine hull insurance
- Marine insurance GWP totaled SR 696.3 Million in 2021, which represents a 1.7% contribution to market's GWP
- Insurance companies retained 27.9% of their Marine insurance underwritten premiums, as the business line's NWP amounted to SR 194.4 Million
- Marine insurance's NEP recorded SR 188.2 Million, which represents a 0.6% share of market's NEP in 2021
- Marine insurance's NCI amounted to SR 77.4 Million. This resulted in a loss ratio of 41.1%



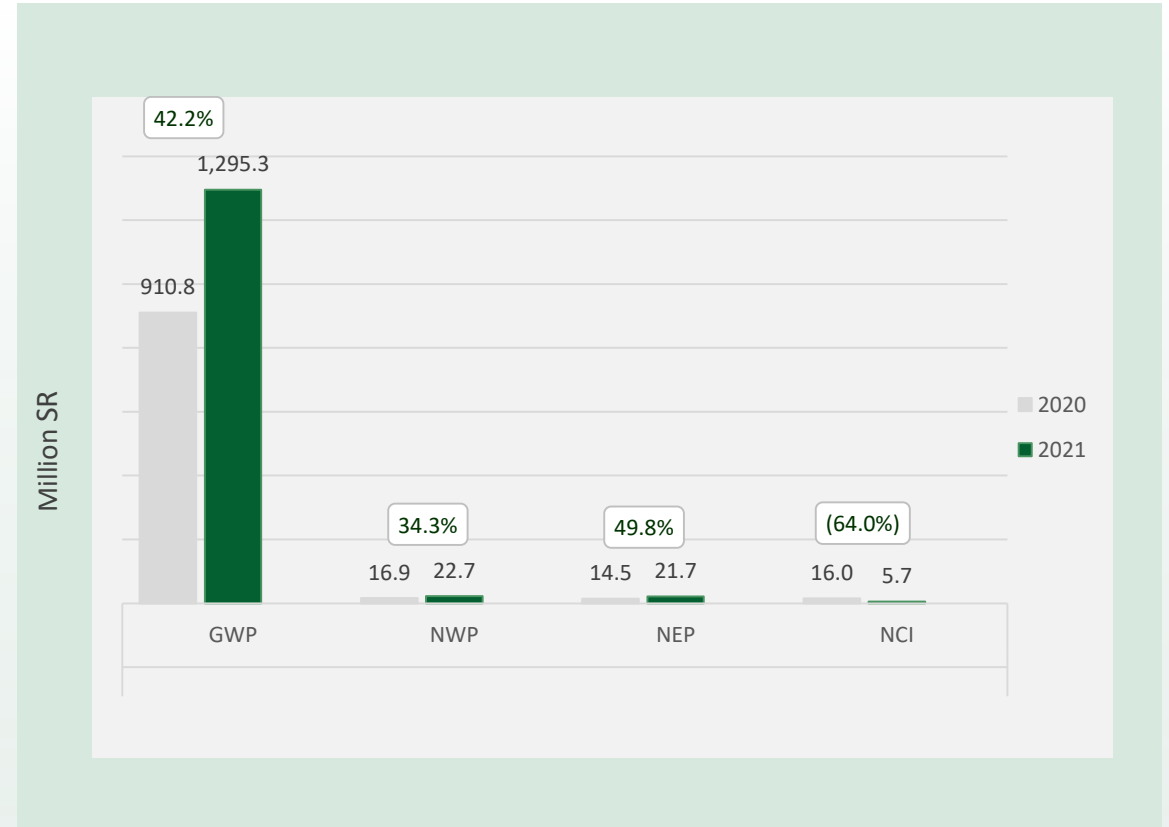
% of Total					
		GWP	NWP	NEP	NCI
	2020	1.8%	0.6%	0.5%	0.3%
2021	1.7%	0.6%	0.6%	0.3%	

	Retention Ratio
2020	25.6%
2021	27.9%

	Loss Ratio
2020	48.5%
2021	41.1%

Energy Insurance

- In 2021, Energy insurance GWP totaled SR 1.3 Billion, which represents a 3.1% share of total market's GWP
- Energy insurance NWP amounted to SR 22.7 Million, accounting for only 0.07% of the insurance market's NWP
- Energy insurance's NEP amounted to SR 21.7 Million, accounting 0.07% of the insurance market's NEP
- Energy insurance's NCI amounted to SR 5.7 Million. This resulted in a loss ratio of 26.5%



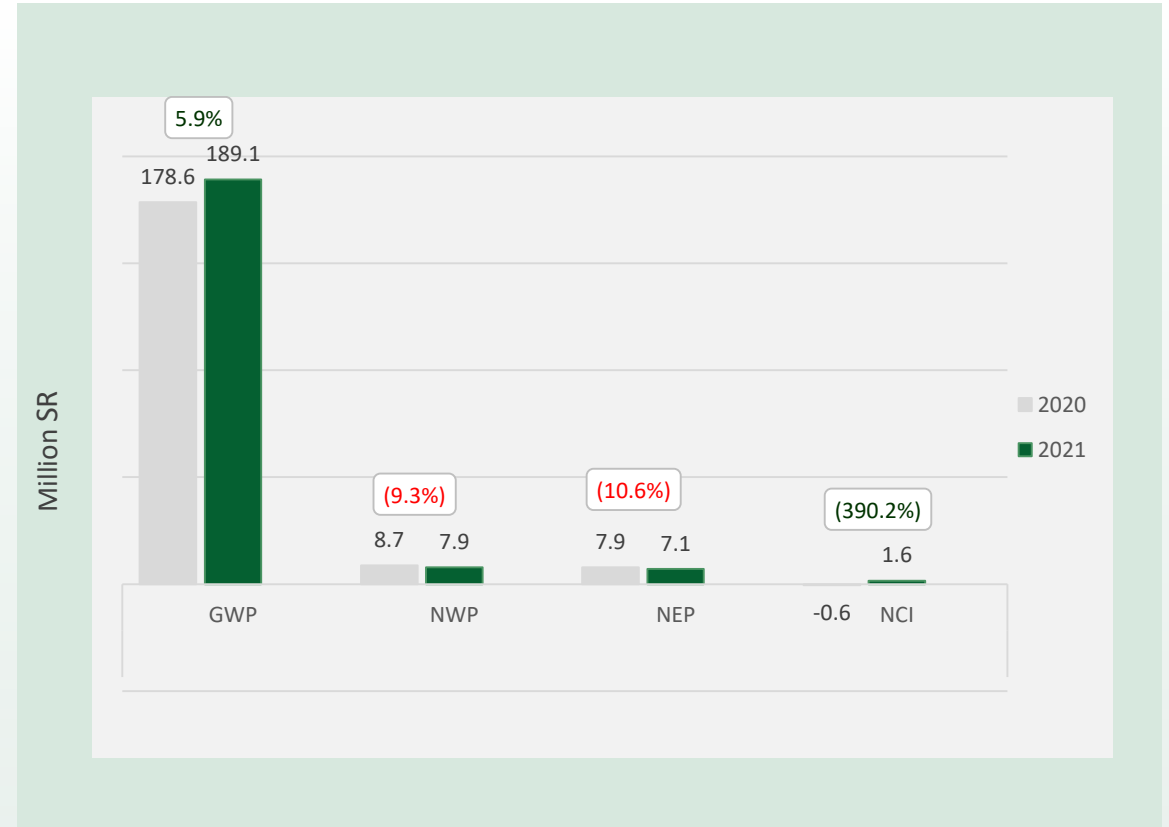
% of Total					
		GWP	NWP	NEP	NCI
	2020	2.3%	0.05%	0.05%	0.07%
2021	3.1%	0.07%	0.07%	0.02%	

	Retention Ratio
2020	1.9%
2021	1.8%

	Loss Ratio
2020	110.2%
2021	26.5%

Aviation Insurance

- Aviation insurance GWP reached SR 189.1 Million in 2021, a 0.4% contribution to market's GWP
- NWP for Aviation insurance reached SR 7.9 Million, resulting in a retention ratio of 4.2%
- Aviation insurance's NEP totaled SR 7.1 Million, accounting for only 0.02% of the insurance market's NEP
- Aviation insurance's NCI amounted to SR 1.6 Million, resulting in a loss ratio of 22.7%



% of Total					
	GWP	NWP	NEP	NCI	
2020	0.5%	0.03%	0.02%	0.002%	
2021	0.4%	0.02%	0.02%	0.01%	

	Retention Ratio
2020	4.9%
2021	4.2%

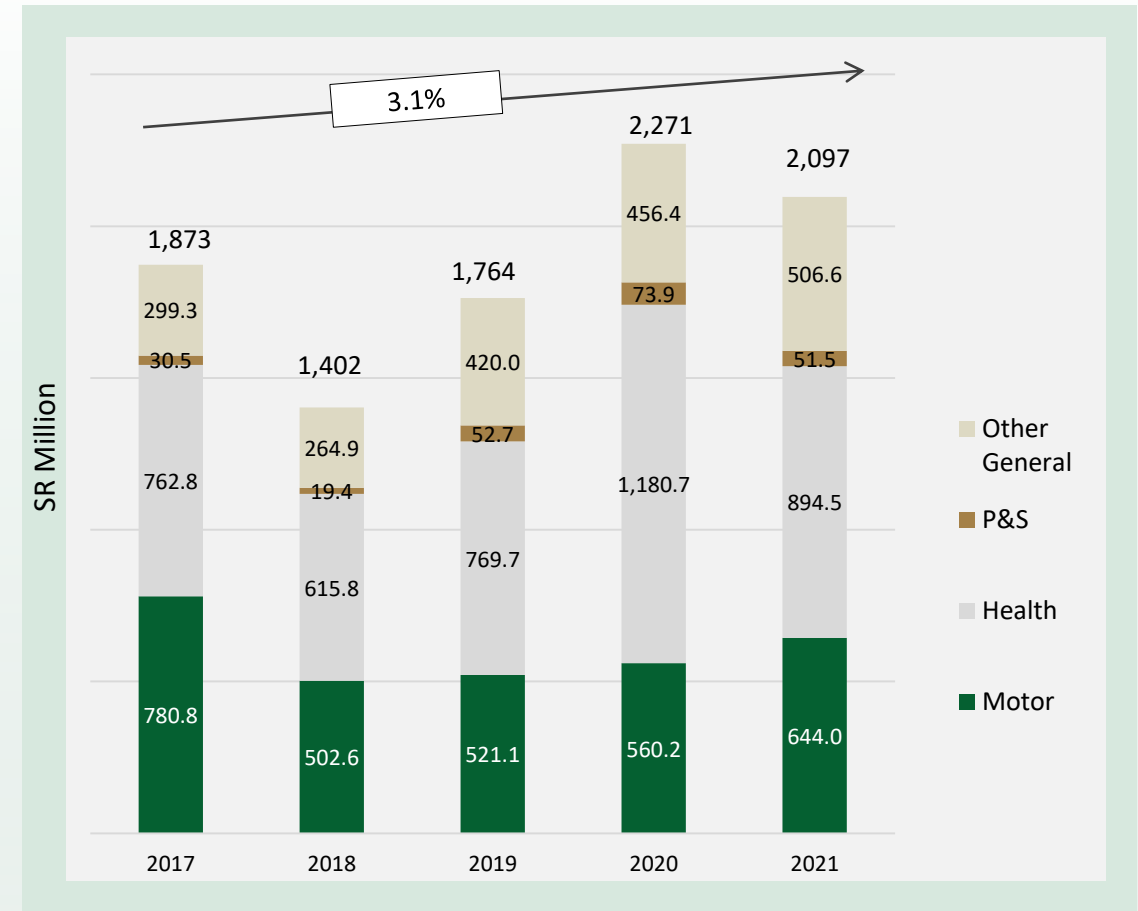
	Loss Ratio
2020	-7.0%
2021	22.7%



Other Market Indicators

Gross Commissions Incurred by Line of Business

- Total commissions incurred amounted to SR 2.10 Billion in 2021, compared to SR 2.27 Billion in 2020, which represents a decrease of 7.7%
- General insurance related commissions accounted for 54.9% of total commissions incurred in 2021
- Health insurance's share of total commissions incurred represented 42.7% in 2021
- Protection and Savings insurance's commissions incurred was 2.5% of total commissions incurred in 2021

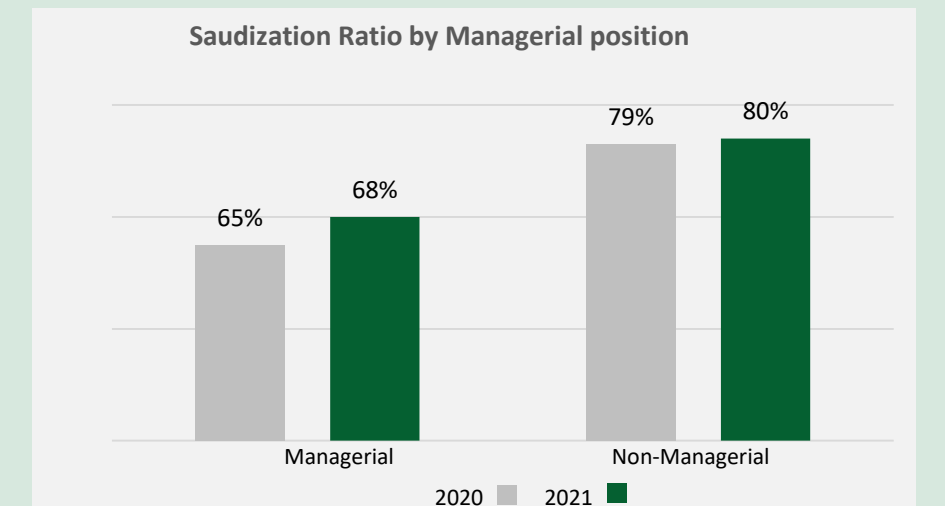
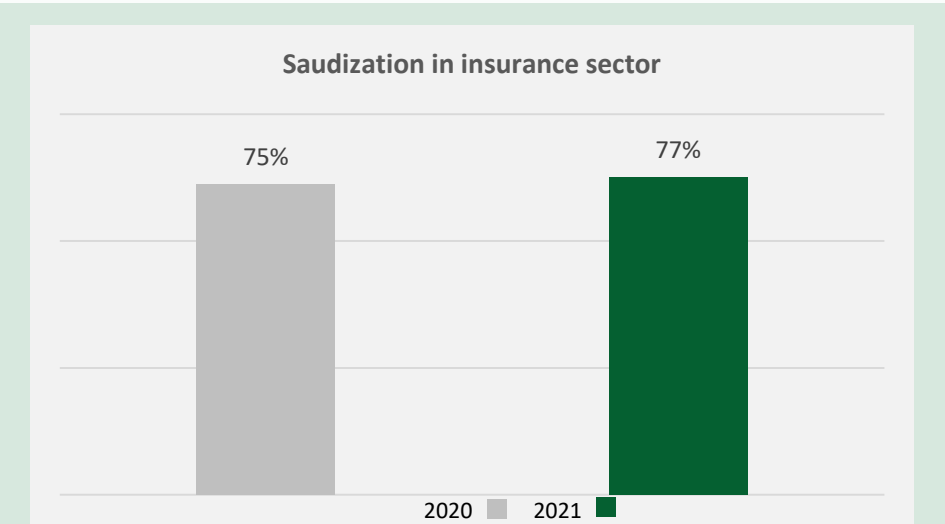


	Motor	Health	P&S	Other General
Change 2020-2021	15%	(24%)	(30%)	11%
% of Total	30.7%	42.7%	2.5%	24.2%

Employees of Insurance Companies by Nationality

- The total number of insurance companies' employees in Saudi Arabia was 10,902 in 2021, compared to 11,015 in 2020
- The ratio of Saudi nationals employed by insurance companies in 2021 increased to 77% of the total workforce
- The Saudization ratio for non-managerial positions in 2021 increased to 80%, while the Saudization ratio for managerial positions increased to 68%

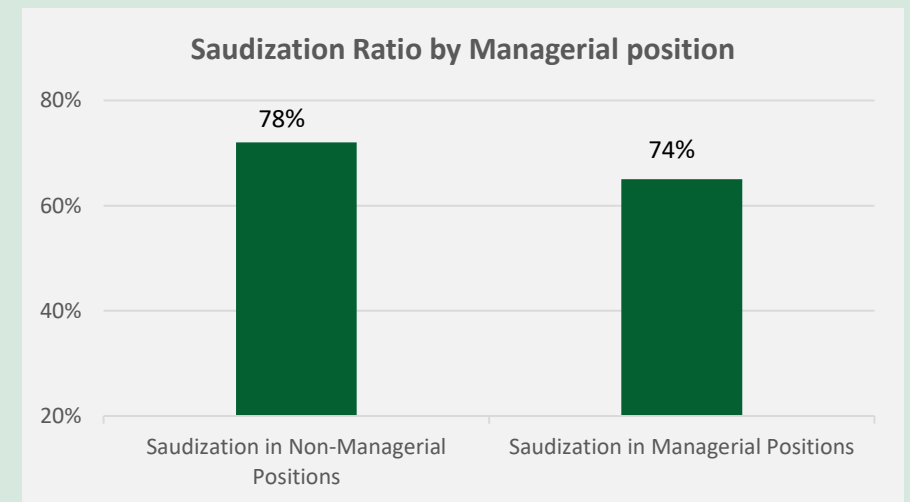
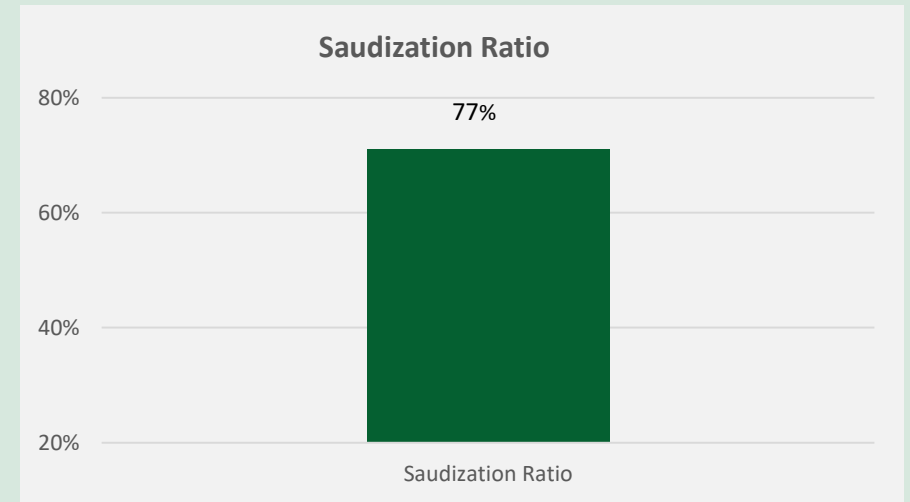
Nationality	2020		Total 2020	2021		Total 2021
	Non-Managerial	Managerial		Non-Managerial	Managerial	
Non-Saudi	1,814	889	2,703	1,724	731	2,455
Saudi	6,645	1,667	8,312	6,921	1,526	8,447
Total	8,459	2,556	11,015	8,645	2,257	10,902
Saudization Ratio	79%	65%	75%	80%	68%	77%



Employees of Insurance intermediaries by Nationality

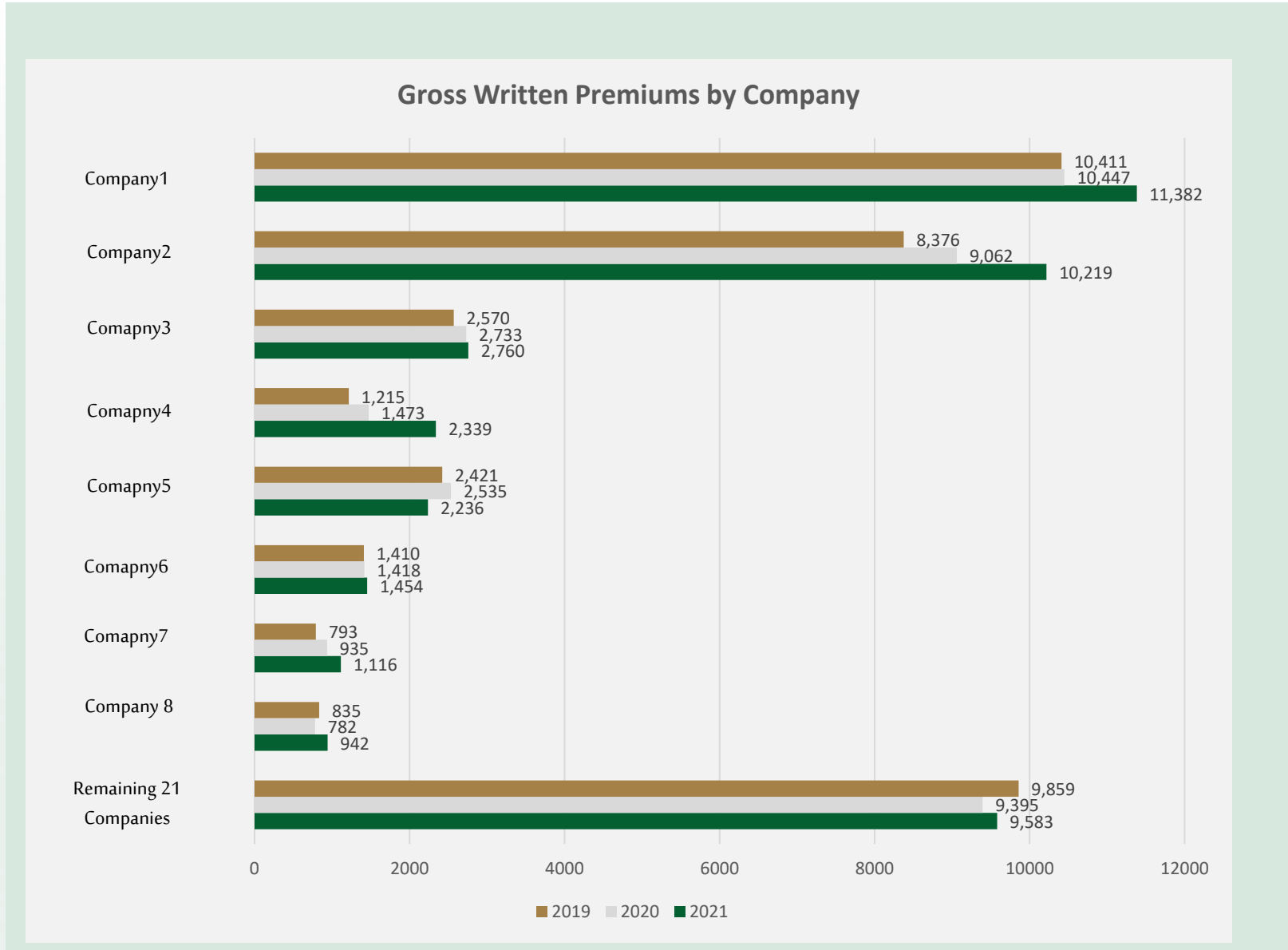
- The total number of employees in insurance intermediaries was 6,486 in 2021
- The percentage of Saudi nationals employed in insurance intermediaries was 77% in 2021
- The Saudization percentage in non-managerial positions in 2021 was 78%, while the Saudization ratio in managerial positions was 74%

Nationality	2021		Total 2021
	Non-Managerial	Managerial	
Non-Saudi	1,168	297	1,465
Saudi	4,186	835	5,021
Total	5,354	1,132	6,486
Saudization Ratio	78%	74%	77%



Insurance Market Structure

- In 2021, the top 8 insurance companies generated 77.2% of the insurance market's GWP
- The remaining 21 insurance companies included in the report accounted for the remaining 22.8% of total market premiums

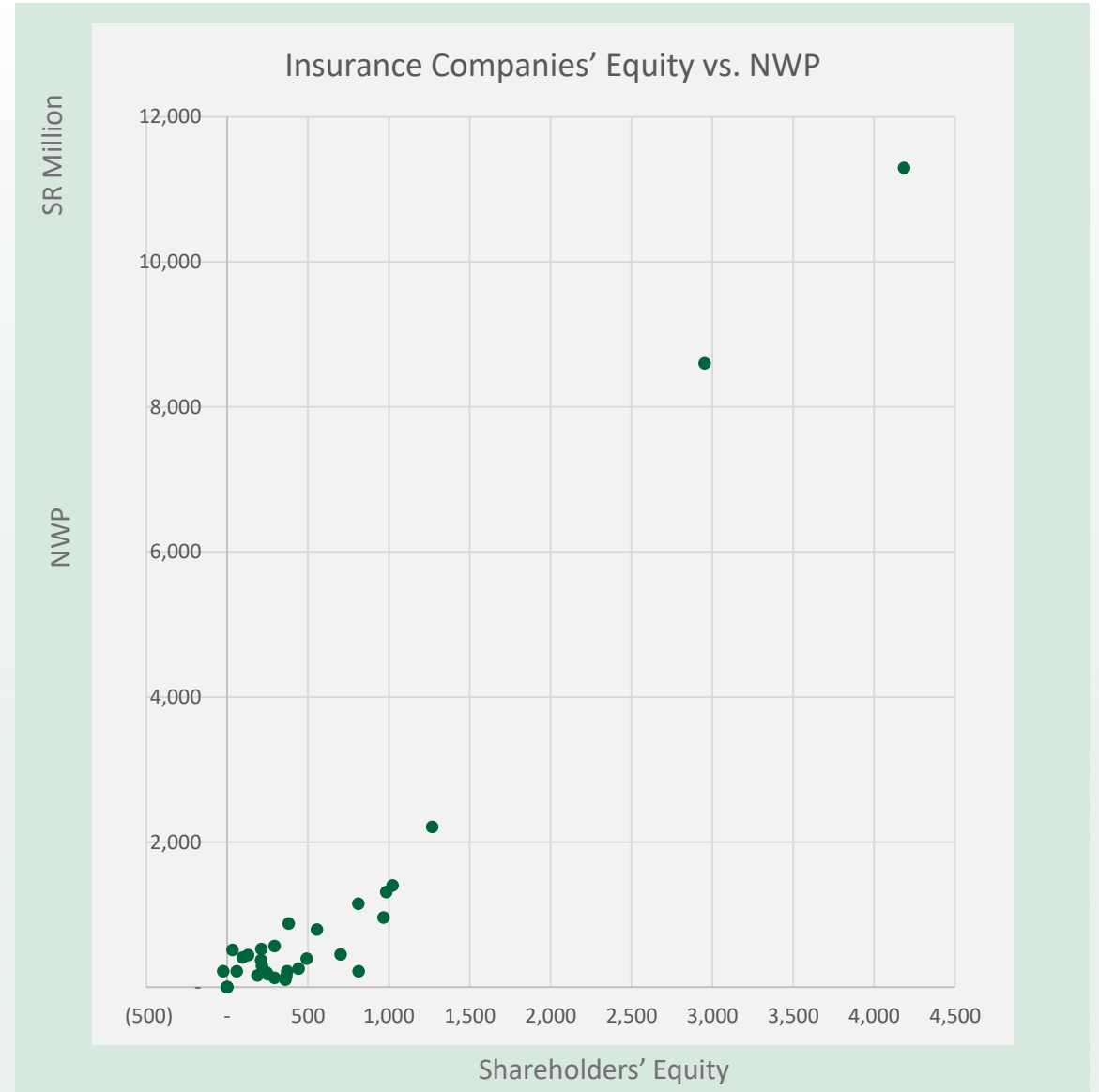


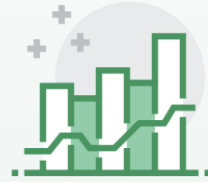
Capitalization of Insurance Companies

- Insurance companies' equity increased to SR 18.87 Billion in 2021 compared to SR 18.44 Billion in 2020

Shareholders' Equity	Number of Companies
500 M and Above	11
200 M to 500 M	12
150 M to 200 M	1
100 M to 150 M	1
50 M to 100 M	2
Up to 50 M	2

Notes: The Law on Supervision of Cooperative Insurance Companies stipulates a minimum capital of SR 100 Million for insurance companies and SR 200 Million for companies that undertake insurance and reinsurance activities





Appendix: Data Tables

Table 1: Gross Written Premiums by Line of Business (2017 To 2021)

Line of Business	2017		2018		2019		2020		2021		Change 2020-2021
	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	
General Insurance	16,327.4	44.7%	14,028.4	40.1%	14,280.7	37.7%	14,678.3	37.9%	15,213.9	36.2%	3.6%
A&L and Other	1,054.2	2.9%	1,001.3	2.9%	1,121.4	3.0%	1,369.9	3.5%	1,586.4	3.8%	15.8%
Motor	11,136.4	30.5%	9,423.3	26.9%	8,603.6	22.7%	8,358.0	21.6%	8,162.6	19.4%	(2.3%)
Property / Fire	1,708.5	4.7%	1,697.9	4.8%	1,844.6	4.9%	2,109.2	5.4%	2,282.1	5.4%	8.2%
Marine	621.8	1.7%	544.6	1.6%	653.6	1.7%	690.0	1.8%	696.3	1.7%	0.9%
Aviation	134.9	0.4%	148.0	0.4%	158.5	0.4%	178.6	0.5%	189.1	0.4%	5.9%
Energy	739.0	2.0%	511.5	1.5%	700.4	1.8%	910.8	2.3%	1,295.3	3.1%	42.2%
Engineering	932.4	2.6%	701.7	2.0%	1,198.4	3.2%	1,061.8	2.7%	1,002.0	2.4%	(5.6%)
Health Insurance	19,035.5	52.1%	19,883.4	56.8%	22,474.9	59.3%	22,836.8	58.9%	25,109.3	59.7%	10.0%
P&S Insurance	1,140.3	3.1%	1,102.7	3.1%	1,134.9	3.0%	1,263.6	3.3%	1,707.2	4.1%	35.1%
Total	36,503.2	100%	35,014.5	100%	37,890.5	100%	38,778.7	100%	42,030.5	100%	8.4%

Tables 2 & 3: Insurance Penetration and Density (2017 To 2021)

Table 2: Insurance Penetration (%)

Line of Business	2017	2018	2019	2020	2021	Change 2020-2021
General Insurance	0.64%	0.48%	0.48%	0.56%	0.49%	(12.9%)
Health Insurance	0.74%	0.68%	0.76%	0.87%	0.80%	(7.6%)
Protection Insurance	0.04%	0.04%	0.04%	0.05%	0.05%	13.5%
Total	1.42%	1.19%	1.27%	1.48%	1.34%	(9.0%)

Table 3: Insurance Density (SR)

Line of Business	2017	2018	2019	2020	2021	Change 2020-2021
General Insurance	501.58	419.84	417.34	414.42	434.52	4.9%
Health Insurance	584.77	595.07	656.82	644.76	717.14	11.2%
Protection Insurance	35.03	33.00	33.17	35.68	48.76	36.7%
Total	1,121.37	1,047.91	1,107.33	1,094.86	1,200.42	9.6%

Table 4: Net Written Premiums by Line of Business (2017 To 2021)

Line of Business	2017		2018		2019		2020		2021		Change 2020-2021
	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	
General Insurance	11,580.9	37.6%	9,929.2	33.0%	9,260.6	29.2%	9,202.2	28.8%	9,301.5	26.9%	1.1%
A&L and Other	506.3	1.6%	470.4	1.6%	486.6	1.5%	637.2	2.0%	773.8	2.2%	21.4%
Motor	10,388.2	33.7%	8,860.4	29.5%	8,117.1	25.6%	7,763.5	24.3%	7,691.1	22.2%	(0.9%)
Property / Fire	322.4	1.0%	314.0	1.0%	314.6	1.0%	362.7	1.1%	422.5	1.2%	16.5%
Aviation	5.7	0.02%	5.3	0.02%	4.0	0.01%	8.7	0.03%	7.9	0.02%	(9.3%)
Marine	172.4	0.6%	155.4	0.5%	181.2	0.6%	176.6	0.6%	194.4	0.6%	10.1%
Energy	17.2	0.1%	3.5	0.01%	12.8	0.04%	16.9	0.1%	22.7	0.1%	34.3%
Engineering	168.6	0.5%	120.2	0.4%	144.2	0.5%	236.5	0.7%	189.1	0.5%	(20.1%)
Health Insurance	18,411.6	59.7%	19,319.4	64.3%	21,622.0	68.3%	21,924.7	68.5%	24,221.7	70.0%	10.5%
P&S Insurance	846.2	2.7%	794.8	2.6%	797.2	2.5%	859.4	2.7%	1,078.5	3.1%	25.5%
Total	30,838.7	100%	30,043.4	100%	31,679.7	100%	31,986.3	100%	34,601.6	100%	8.2%

Table 5: Gross Written Premiums by Distribution Channel

Year	Direct Sales				Agent				Broker				Total	
	2020		2021		2020		2021		2020		2021		2020	2021
Line of Business	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	SR Million
General Insurance	6,847	48.2%	6,414	47%	1,166	7.9%	635.2	4%	6,664	45.4%	8,164	54%	14,678	15,214
A&L and Other	386	42.6%	757	47.2%	72	5.2%	45	2.8%	912	66.6%	800	49.9%	1,370	1,602
Motor	5,072	58.0%	4,268	52.4%	903	10.8%	421	5.2%	2,383	28.5%	3,458	42.4%	8,358	8,147
Property / Fire	561	28.2%	623	27.3%	113	5.4%	101	4.4%	1,435	68.0%	1,558	68.3%	2,109	2,282
Marine	278	41.8%	309	44.4%	45	6.5%	35	5.0%	367	53.2%	352	50.6%	690	696
Aviation	36	34.0%	35	18.3%	1	0.6%	1	0.5%	142	79.4%	153	81.1%	179	189
Energy	97	20.5%	107	8.2%	0	0.0%	0	0.0%	814	89.4%	1,189	91.8%	911	1,295
Engineering	404	35.3%	316	31.6%	34	3.2%	32	3.2%	624	58.8%	654	65.2%	1,062	1,002
Health Insurance	14,971	64.3%	16,355	65.1%	1,124	4.9%	1,004	4.0%	6,742	29.5%	7,750	30.9%	22,837	25,109
P&S Insurance	547	36.8%	955	55.9%	447	35.4%	534.2	31.3%	269	21.3%	217.9	12.8%	1,264	1,707
Total	22,452	57.4%	23,725	56.4%	2,732	7.0%	2,173	5.2%	13,595	35.1%	16,133	38.4%	38,779	42,030

Table 6: Gross Written Premiums by Client Segments

	2020										
Client Segment	Retail		Micro Enterprises		Small Enterprises		Medium Enterprises		Large Enterprises		Total
Line of Business	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million
Health	554.22	2.4%	1,180.96	5.2%	1,725.97	7.6%	3,117.94	13.7%	16,257.75	71.2%	22,836.84
Motor	4,329.09	51.8%	103.98	1.2%	305.88	3.7%	752.52	9.0%	2,866.50	34.3%	8,357.97
P&C	196.95	3.1%	83.91	1.3%	264.95	4.2%	788.47	12.5%	4,985.99	78.9%	6,320.28
P&S Insurance	586.45	46.4%	0.52	0.0%	3.74	0.3%	63.05	5.0%	609.88	48.3%	1,263.64
Total	5,666.71	14.6%	1,369.38	3.5%	2,300.55	5.9%	4,721.98	12.2%	24,720.13	63.7%	38,778.74

	2021										
Client Segment	Retail		Micro Enterprises		Small Enterprises		Medium Enterprises		Large Enterprises		Total
Line of Business	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million
Health	212.61	0.8%	1,332.60	5.3%	1,811.95	7.2%	3,114.90	12.4%	18,637.27	74.2%	25,109.34
Motor	4,343.47	53.2%	225.23	2.8%	461.73	5.7%	756.94	9.3%	2,375.28	29.1%	8,162.64
P&C	247.06	3.5%	113.33	1.6%	383.86	5.4%	728.89	10.3%	5,578.12	79.1%	7,051.27
Protection and Savings	598.97	35.1%	23.85	1.4%	4.36	0.3%	91.18	5.3%	988.87	57.9%	1,707.23
Total	5,402.31	12.9%	1,695.01	4.0%	2,661.86	6.3%	4,691.87	11.2%	27,579.41	65.6%	42,030.47

Table 7: Retention Ratio by Line of Business (2017 To 2021)

Line of Business	2017	2018	2019	2020	2021	Change 2020-2021
General Insurance	70.9%	70.8%	64.8%	62.7%	61.1%	(2.5%)
A&L and Other	48.0%	47.0%	43.4%	46.5%	48.8%	4.9%
Motor	93.3%	94.0%	94.3%	92.9%	94.2%	1.4%
Property / Fire	18.9%	18.5%	17.1%	17.2%	18.5%	7.6%
Marine	27.7%	28.5%	27.7%	25.6%	27.9%	9.1%
Aviation	4.2%	3.6%	2.5%	4.9%	4.2%	(14.3%)
Energy	2.3%	0.7%	1.8%	1.9%	1.8%	(5.5%)
Engineering	18.1%	17.1%	12.0%	22.3%	18.9%	(15.3%)
Health Insurance	96.7%	97.2%	96.2%	96.0%	96.5%	0.5%
Total	84.5%	85.8%	83.6%	82.5%	82.3%	(0.2%)

Retention ratios are not shown for Protection & Savings in this table as the savings element of the contract must be retained in the Saudi Arabian company, so retentions are not directly comparable with other insurance contracts.

Table 8: Gross Commissions Incurred by Line of Business (2017 To 2021)

Line of Business	2017		2018		2019		2020		2021		Change 2020-2021
	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	
General Insurance	1,080.0	57.7%	767.6	54.7%	941.1	53.4%	1,016.6	44.8%	1,150.5	54.9%	13.2%
A&L and Other	85.0	4.5%	86.3	6.2%	119.5	6.8%	141.6	6.2%	171.5	8.2%	21.1%
Motor	780.8	41.7%	502.6	35.8%	521.1	29.6%	560.2	24.7%	644.0	30.7%	14.9%
Property / Fire	117.4	6.3%	103.6	7.4%	169.4	9.6%	156.6	6.9%	180.5	8.6%	15.2%
Marine	43.2	2.3%	35.9	2.6%	58.1	3.3%	64.0	2.8%	52.0	2.5%	(18.8%)
Aviation	1.1	0.1%	1.3	0.1%	2.0	0.1%	2.8	0.1%	3.4	0.2%	23.4%
Energy	1.1	0.1%	1.2	0.1%	5.5	0.3%	9.5	0.4%	11.3	0.5%	19.1%
Engineering	51.5	2.7%	36.6	2.6%	65.5	3.7%	81.9	3.6%	87.9	4.2%	7.4%
Health Insurance	762.8	40.7%	615.8	43.9%	769.7	43.6%	1,180.7	52.0%	894.5	42.7%	(24.2%)
P&S Insurance	30.5	1.6%	19.4	1.4%	52.7	3.0%	73.9	3.3%	51.5	2.5%	(30.3%)
Total	1,873.3	100%	1,402.8	100%	1,763.5	100%	2,271.2	100%	2,096.6	100%	(7.7%)

Table 9: Gross Claims Paid by Line of Business (2017 To 2021)

Line of Business	2017		2018		2019		2020		2021		Change 2020-2021
	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	SR Million	% of Total	
General Insurance	10,578.3	39.8%	8,978.6	33.0%	9,333.5	32.8%	7,592.7	28.2%	8,590.4	28.8%	13.1%
A&L and Other	310.8	1.2%	263.3	1.0%	265.2	0.9%	336.5	1.3%	289.6	1.0%	(13.9%)
Motor	8,314.1	31.3%	6,929.8	25.4%	6,507.0	22.9%	5,478.6	20.4%	6,842.6	22.9%	24.9%
Property / Fire	961.1	3.6%	624.4	2.3%	699.1	2.5%	303.3	1.1%	488.5	1.6%	61.1%
Marine	207.7	0.8%	223.7	0.8%	444.3	1.6%	269.2	1.0%	221.6	0.7%	(17.7%)
Aviation	18.1	0.1%	123.8	0.5%	84.8	0.3%	27.9	0.1%	15.7	0.1%	(43.7%)
Energy	18.6	0.1%	356.8	1.3%	1,048.5	3.7%	909.9	3.4%	98.0	0.3%	(89.2%)
Engineering	748.0	2.8%	456.8	1.7%	284.6	1.0%	267.3	1.0%	634.3	2.1%	137.3%
Health Insurance	15,479.2	58.3%	17,628.9	64.7%	18,540.9	65.2%	18,664.6	69.4%	20,217.5	67.8%	8.3%
P&S Insurance	498.5	1.9%	629.3	2.3%	578.8	2.0%	652.2	2.4%	1,029.9	3.5%	57.9%
Total	26,556.0	100%	27,236.8	100%	28,453.2	100%	26,909.5	100%	29,837.8	100%	10.9%