

2024 Investor Presentation

Saudi Reinsurance Company



TASI 8200
RIC 8200.SE
ISIN SA1210540419
Saudi Re IR App :



إعادة
Saudi Re

Soaring with vision, grounded in strength

From a foundation of trust and stability built on home soil, Saudi Re has achieved remarkable growth. As we embark on our Strategy Towards 2028, we are confident in our ability to navigate the complexities of a dynamic global reinsurance landscape with agility and adaptability. With our commitment to innovation and growth, guided by our core values and driven by renewed ambition, we aspire to reach new heights in a sustainable and prosperous future.



Saudi Re Profile

1st

Saudi
Reinsurer

2008

Established

SAR

1,158.3

Mn.
Capital

A2/A-

Rating by
Moody's / S & P

300+

Clients
B2B

Head Office

Riyadh

Branch
Malaysia

40+

Countries

41%

International
Business

Financial Strength Rating

Reflecting Competitive Advantages and Solid Financial Position



A- Stable

S&P noted that Saudi Re has continued to strengthen its **competitive position via profitable business growth and diversification in recent years, thanks to local and international expansion**. At the same time, Saudi Re's exposure to catastrophe and other large risks is relatively modest and the Company maintains capital adequacy above the 'AAA' level in S&P's model.

As per S&P, the stable outlook reflects that Saudi Re will maintain excellent **capital adequacy and continue to profitably expand and diversify its business over the next two years**.

Furthermore, S&P views the **governance practices at Saudi Re as effective and appropriate**, and also **regards the consistency in strategy and management's expertise** and experience as a benefit to the Company.

* S&P report on Saudi Re dated 16th December 2022 > [link to the Announcement](#)



A2 Stable, Upgraded in April 2025

The A2 IFSR of Saudi Re reflects :

- **Strengthened business and financial profiles** following the **Public Investment Fund's acquisition** of a minority stake in Saudi Re and **the implementation of enhanced domestic cession regulations**, which Saudi Re is well positioned to take advantage of to support its market position and growth prospects in Saudi Arabia.
- Expectation that Saudi Re will continue to **benefit from ongoing growth and diversification of the Saudi economy** and government initiatives aimed at **fostering growth in the local insurance industry**.
- Despite potential challenges arising from **macroeconomic uncertainty and financial markets volatility**, we expect Saudi Re's **profitability to remain good over the next 12-18 months**, supported by both **underwriting performance and investment returns**. Its good **geographical mix** along with the **development of new products** will **positively contribute to the continued diversification, mitigating potential challenges**

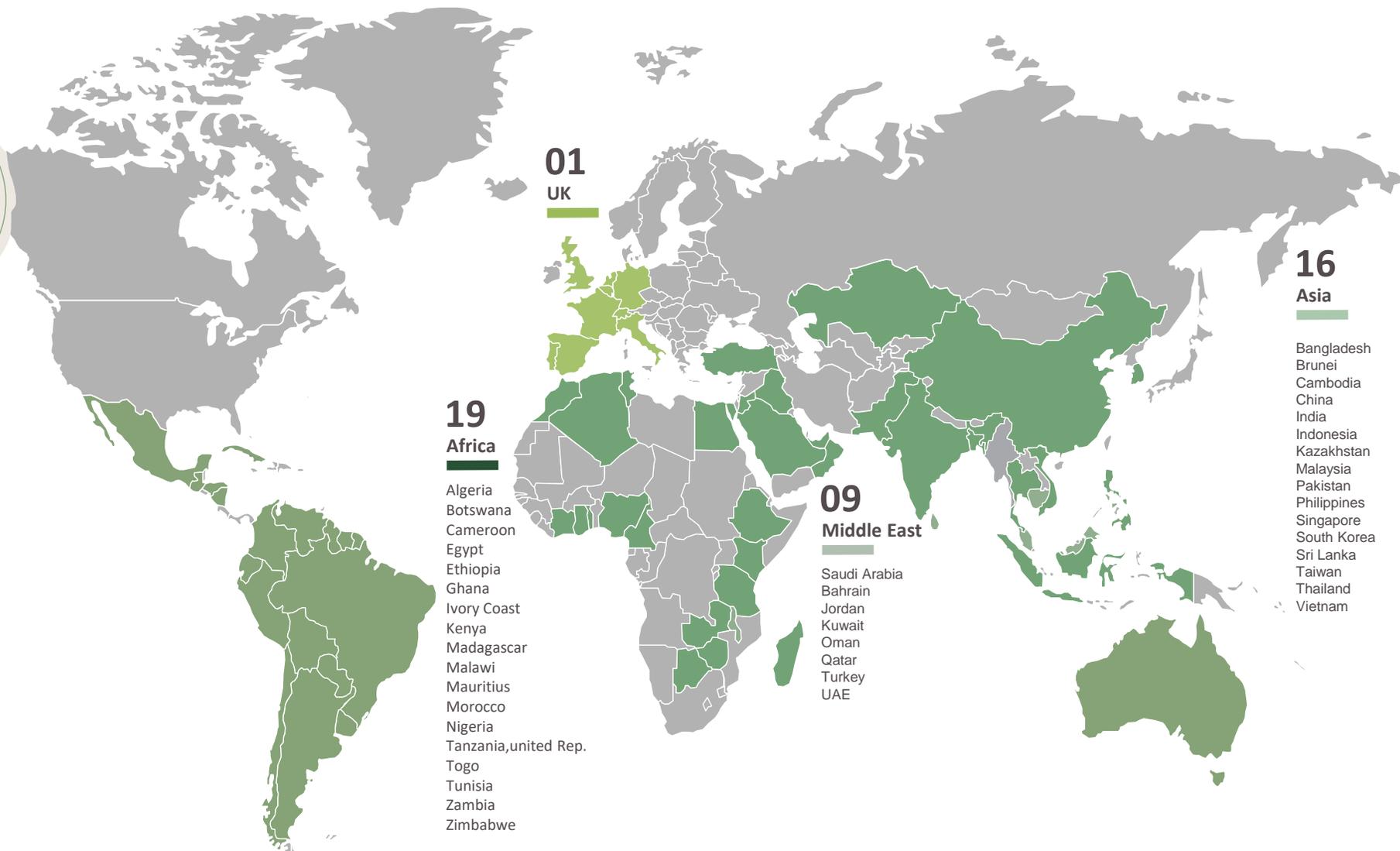
* Moody's report on Saudi Re dated 24th April 2025 > [Link to the Announcement](#)

Saudi Re Geo Presence

International Expansion & Diversification

40+
Markets

Serving clients in
40+ countries in
MENA, Asia and
Africa



01
UK

19
Africa

- Algeria
- Botswana
- Cameroon
- Egypt
- Ethiopia
- Ghana
- Ivory Coast
- Kenya
- Madagascar
- Malawi
- Mauritius
- Morocco
- Nigeria
- Tanzania, united Rep.
- Togo
- Tunisia
- Zambia
- Zimbabwe

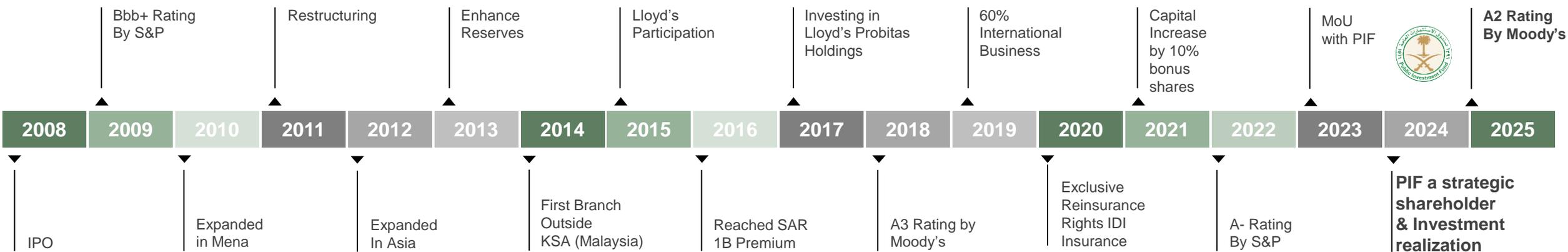
09
Middle East

- Saudi Arabia
- Bahrain
- Jordan
- Kuwait
- Oman
- Qatar
- Turkey
- UAE

16
Asia

- Bangladesh
- Brunei
- Cambodia
- China
- India
- Indonesia
- Kazakhstan
- Malaysia
- Pakistan
- Philippines
- Singapore
- South Korea
- Sri Lanka
- Taiwan
- Thailand
- Vietnam

Saudi Re Growth Journey



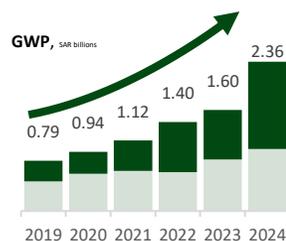
2024 marked the achievement of key milestones in our focused and forward-looking execution of the Strategy Toward 2028

Value Creation for Shareholders



- Record breaking performance in 2024 driven by **underwriting** and **investment**, resulted in profits reaching SAR475 million and **ROE of 41%** and **EPS of SAR 5.33**.
- A significant year marked by the successful conclusion of two strategic transactions **capital increase by 30% through subscription by the PIF** and **monetization of Probitas investment** with a deal value at **6x initial investment** with **IRR of 29%**.
- Board recommendation to **increase Company's share capital to SAR1.698 Billion** through **the issuance of bonus shares** to shareholders.

Outstanding Growth Trajectory



- Net Profit After Tax surged by **282%** to **SAR 474.8 million**, reflecting a robust **60% CAGR** over the 2019–2024 period, underscoring consistent and profitable growth.
- Intensified engagement with clients and partners drove robust growth in written premiums, **resulting in a 48%** year-over-year increase and sustaining a strong **CAGR of 24%** from 2019 to 2024.
- Driving innovation and growth in the insurance market through advanced solutions—such as **Employer's Default** and **Surety Bonds**—resulting in a sustainable and profitable book of business.

PIF Synergies



- Partnering with the PIF enhances our **market leadership**, extends our **international reach**, improves **financial stability**, and positively impact our credit rating.
- PIF investment is expected to **amplify the insurance and reinsurance sector's economic impact**. Product **Surety Insurance Bond Pool** marked the inaugural **outcome of the collaboration with PIF**.

Financial Strength



- "A2" rating from Moody's** affirms Saudi Re's financial strength and competitive position, and reinforces confidence in Saudi Re's credit worthiness, financial standing and strategic direction
- Credit rating at **A2 by Moody's** and **A- by S&P** with **stable outlook** a **testament to the company's financial strength and long-term stability**, following a sustained record of **financial soundness and resilience** despite fluctuations in the market.

Value Drivers YE 2024

NET PROFIT

YE 2024 ↑ 281.6%
SR 474.8 million
 YE 2023 – SR 124.4 million

GROSS WRITTEN PREMIUM

YE 2024 ↑ 47.5%
SR 2.36 billion
 YE 2023 – SR 1.60 billion

REINSURANCE REVENUE

YE 2024 ↑ 80.2%
SR 1,129.9 million
 YE 2023 – SR 627.2 million

REINSURANCE SERVICE RESULTS

YE 2024 ↑ 18.9%
SR 142.5 million
 YE 2023 – SR 119.8 million

TOTAL ASSETS

YE 2024 ↑ 32.4 %
SR 3,418.4 million
 YE 2023 – SR 2,581.6 million

ROE

YE 2024 ↑ 29.2 PP
41.4%
 YE 2023 - 12.2%

COMBINED RATIO

YE 2024 ↑ 4.0 PP
93.9%
 YE 2023 – 89.9%

INTERNATIONAL BUSINESS

40+ Countries
 YE 2024
57%
 YE 2023 – 65%

SHAREHOLDERS' EQUITY

YE 2024 ↑ 40.5 %
SR 1,611.9 million
 YE 2023 – SR 1,146.8 million

EARNINGS PER SHARE

YE 2024 ↑ 280.7%
SR 5.33
 YE 2023 – SR 1.40

CREDIT RATING

A2 Moody's, Stable
A- S&P, Stable

INVESTMENT INCOME

YE 2024 ↑ 340.9%
SR 442.7 million
 YE 2023 – SR 100.4 million

2028 Strategy



Saudi Re's strategy will make the best of a very large domestic opportunity, combined with sufficient international exposure to drive diversification across **2 pillars**

Capitalizing on the growth potential of the Saudi economy and leveraging our advantageous presence in the Kingdom to

- Supporting Saudi vision 2030, strengthening and de-risking businesses and key projects in KSA
- Play an anchor role in increased domestic market retention and absorption of risks
- Drive innovation to better capture new and emerging risks
- Aiming to grow the book of business by 2.5x
- Investment Assets would continue to grow in line with business growth and provide top quartile performance relative to peers.

Maintaining a well-balanced portfolio with healthy composition of local and international business by

- Becoming a prominent exporter of reinsurance capacity through the prudent underwriting of international risks
- Harnessing existing global reach to advance into new markets and vital capabilities

Vision

To evolve into a large and diversified reinsurer contributing to the growth of our economy aiming to be ranked among the top 50 global reinsurers

Global reinsurance sector is projected to remain stable

Tailwinds

- Expected **strong operating profits**, aiding reinsurers in earning their cost of capital in 2024-2025.
- **Robust capitalization redundant** and expected to remain so through year-end 2024, providing a cushion for potential stresses.
- **Favorable reinsurance pricing**, supported by terms and conditions in short-tail lines, overall underwriting discipline, and increasing reinsurance demand.
- **Strong investment income** due to high bond yields.
- **Capacity Grows but Underwriting Discipline Remains.** *AM Best*
- **Promising earnings prospects.** *S&P*
- **Reinsurer returns to remain strong through 2026.** *Guy Carpenter*
- **Positive outlook for 2025.** *AON*
- **Reinsurer Profits to Be Resilient in 2025 Despite Lower Renewal Prices.** *Fitch Rating*

Headwinds

- Elevated **natural catastrophe insured losses** influenced by inflation, urbanization, and climate change.
- **Economic inflation** and social inflationary concerns, as reflected in adverse loss cost trends in certain U.S. casualty lines.
- Potential **financial market volatility and geopolitical tensions** affecting both sides of the balance sheet.
- Relatively **high cost of capital.**

Saudi Re's Capital Increase Recommendation

Overview

On March 16, 2025, Saudi Re's Board recommended a capital increase of **46.6%**, raising the capital from **SAR 1.1583 billion** to **SAR 1.6981 billion**,

Benefits

- Support the Company's growth and strengthen its financial position.

Distribution Detail

- A distribution of **4 shares for every 9 held** (44.44% of the capital increase), a total of **51.48 million shares** to be granted to shareholders.
- An allocation of **2.5 million shares** for the **Long-Term Employee Incentive Program** (2.16% of the capital increase).
- The increase will be funded by capitalizing **SAR 539.8 million** from 2024 retained earnings.

Eligibility

Shareholders registered at the end of the second trading day following the Extraordinary General Assembly's approval (date to be announced).

Financial Performance



YOY Income Statement & Key Ratios

SAR Million

	YE'24	YE'23	%
Reinsurance revenue	1,129.97	627.19	80.16%
Reinsurance service expenses	(987.82)	(509.77)	93.78%
Net income from retrocession contracts	0.39	2.35	-83.40%
Insurance service result	142.53	119.76	19.01%
Finance (expense) / income from reinsurance contracts issued	(49.53)	(54.85)	-9.70%
Finance (expense) / income from retrocession contracts	12.10	20.22	-40.16%
Net finance expense	(37.43)	(34.63)	8.09%
Net investment income	440.18	60.39	628.90%
Share of profit from Probitas	2.51	40.07	-93.74%
Other finance costs	(1.80)	(1.68)	7.14%
Other Income	8.78	6.34	38.49%
Other operating expenses	(36.72)	(21.77)	68.67%
Net Income before surplus, Zakat and Tax	518.05	168.49	207.47%
Surplus	(12.33)	(9.92)	24.29%
Net income for the year before zakat and tax	505.72	158.56	218.95%
Zakat & Tax	(30.90)	(34.13)	-9.46%
Net income for the period after zakat and tax	474.81	124.43	281.59%
EPS	5.33	1.40	280.71%

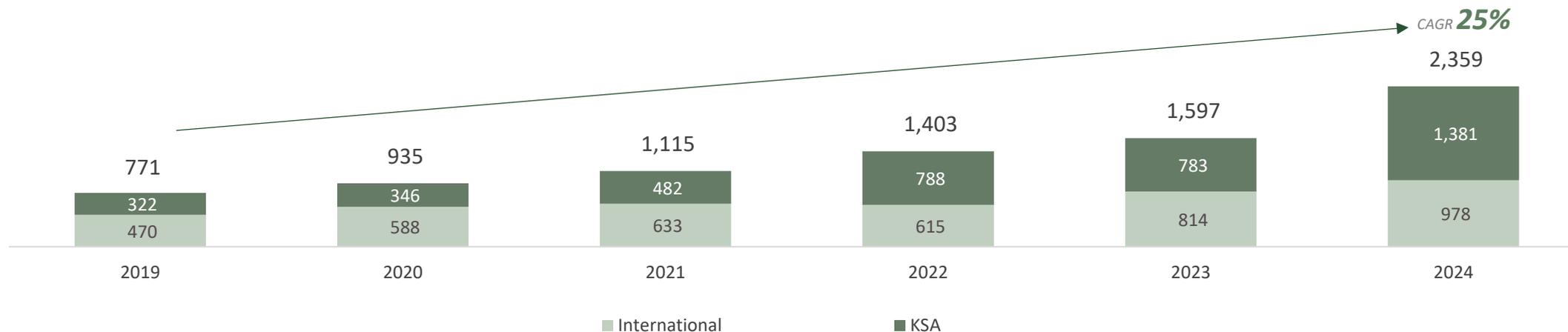
Key Ratios

	YE'24	YE'23	+/-
Net UW Exp	87.39%	80.91%	6.48%
Non attributable G&A Ratio	3.25%	3.47%	-0.22%
Net Combined Ratio	90.64%	84.38%	6.26%
Finance Expense/(Income) Ratio	3.31%	5.52%	-2.21%
Total Combined Ratio	93.95%	89.90%	4.05%

Sustainable Track Record of Profitable Growth YE 2024

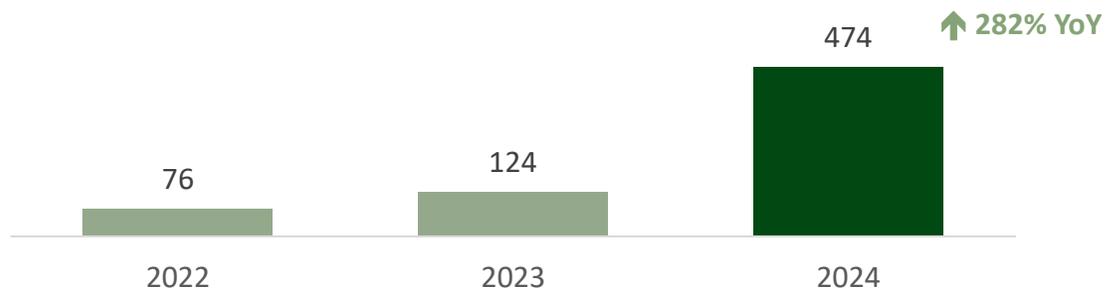
Gross Written Premium (IFRS 4)

SR 'M



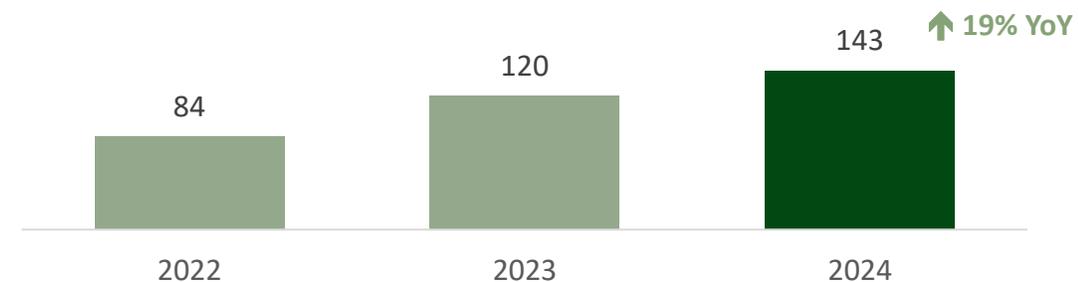
Net Profit After Zakat

SAR M



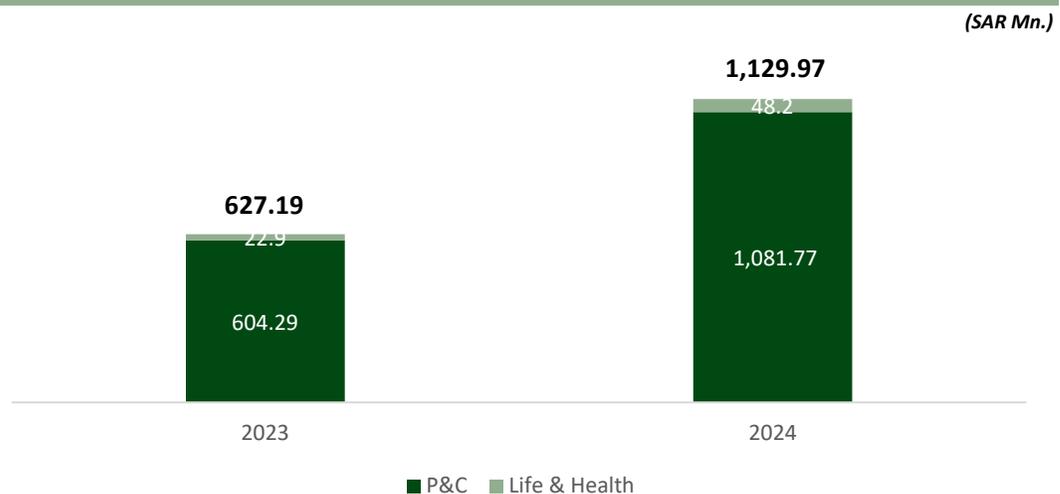
Reinsurance Service Result

SAR M

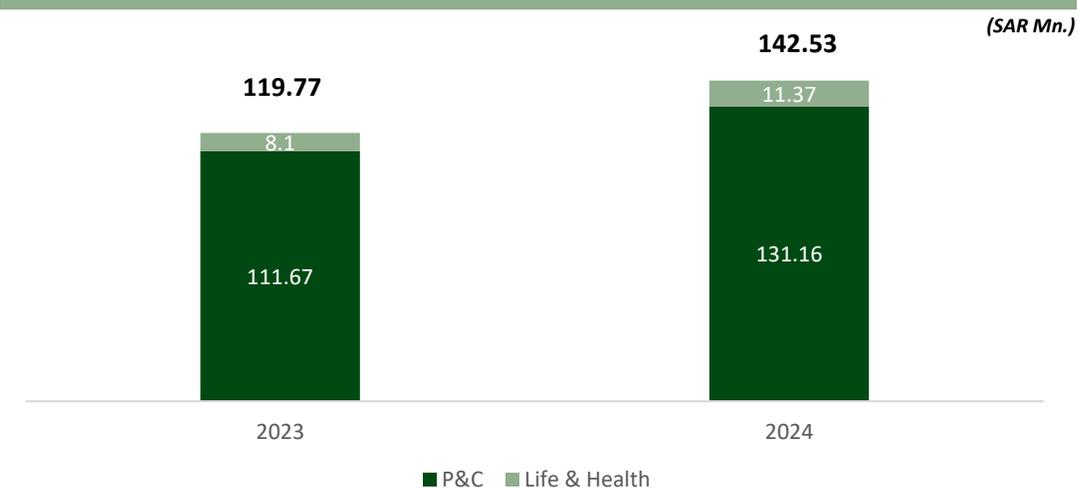


Reinsurance Revenue & Reinsurance Service Results by Segment & GEO

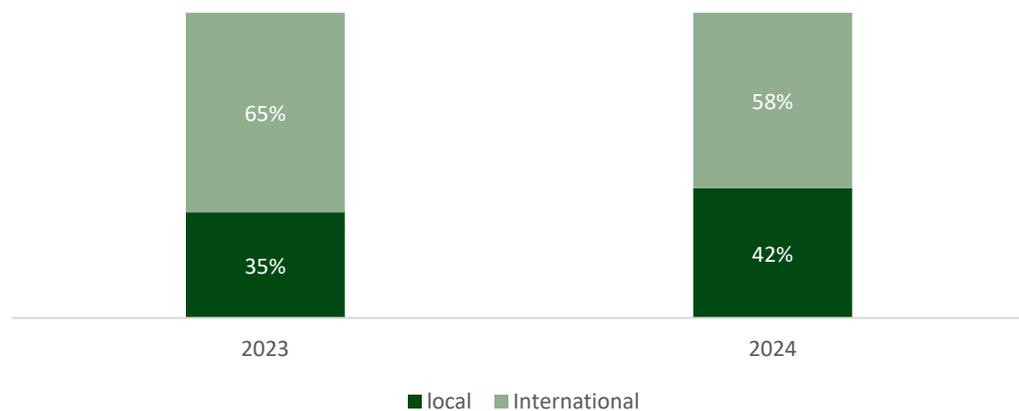
Reinsurance Revenue by Segment



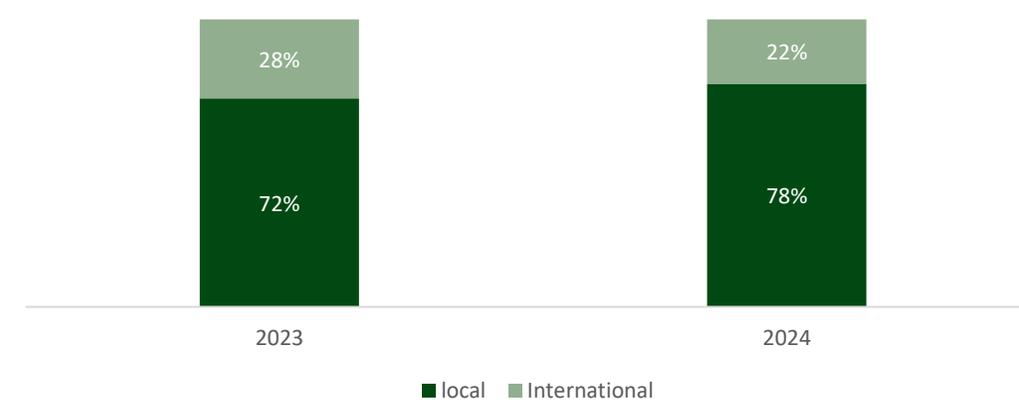
Reinsurance Service Results by Segment



Reinsurance Revenue by GEO



Reinsurance Service Results by GEO



Investment Performance

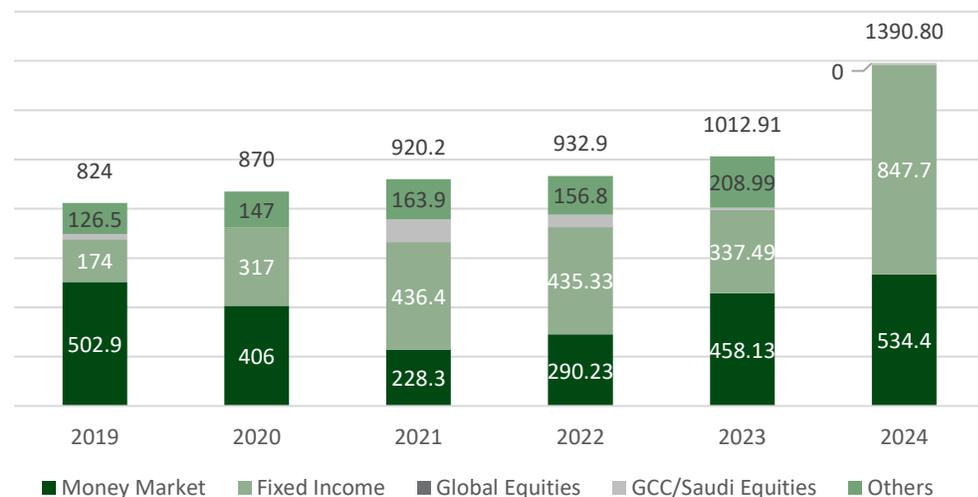


Investments 2024

Quality Investment Assets and Robust Returns

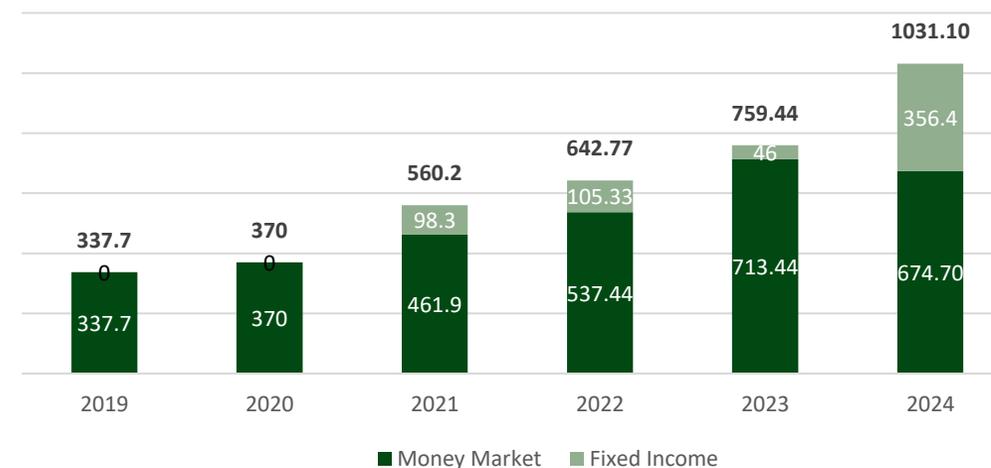
Shareholders' Funds

Total Portfolio (SAR Mn.)



Policyholders' Funds

Total Portfolio (SAR Mn.)



Return 2024	YTD SAR (000')	YTD %
Probitas	370,737	349.66
RE	87	3.07
Saudi Equity	1,234	59.98
Global FI	12	0
Fixed Income	20,939	4.74
Money Market	34,909	5.47
Total	427,918	35.45

Return 2024	YTD SAR (000')	YTD %
Fixed Income	5,859	6.85
Money Market	41,579	5.54
Total	47,438	5.63

Investments 2024

Quality Investment Assets and Robust Returns

Total Investments

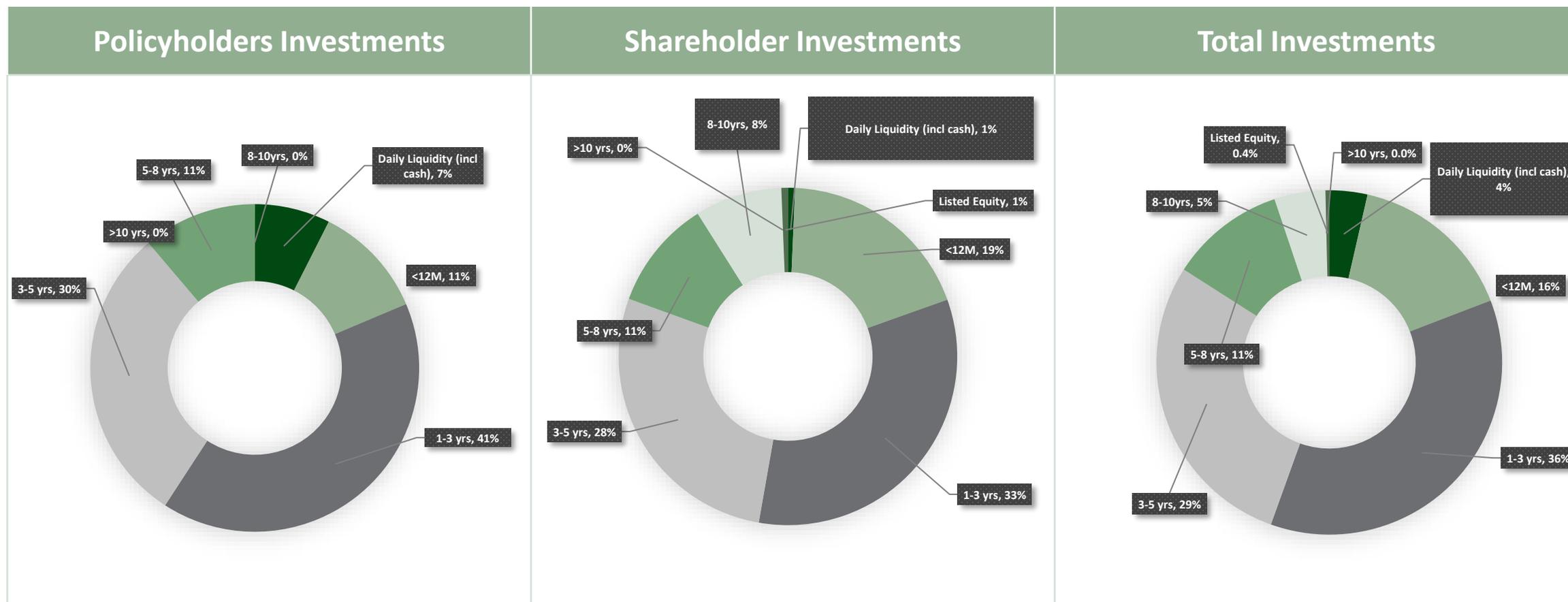
(SAR Mn.)



Return 2024	YTD SAR (000')	YTD %
Probitas	370,737	349.66
RE	87	3.07
Saudi Equity	1,234	59.98
Global FI	12	0
Fixed Income	26,798	5.36
Money Market	76,488	5.51
Total	4475,356	23.43

Investment Maturity 2024

Flexible and Diversified Profile



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Thank You

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Saudi Re Director's Report 2024

