

# Insurance

## INVESTMENT OPPORTUNITY SCORECARD

### FINANCIAL SERVICES

September 2021



# FINANCIAL SERVICES Insurance

Public / متاح

High Potential

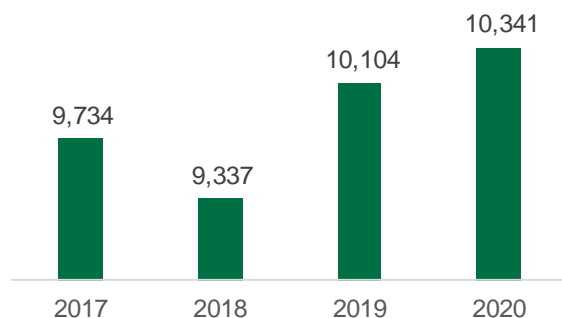
Moderate Potential

Low Potential

**OPPORTUNITY'S DESCRIPTION:** Attracting insurance and re-insurance companies that offer both the property & casualty insurance policies and health insurance policies.

## DEMAND

Gross Written Premiums  
(Million USD)



## INVESTMENT OVERVIEW

### INVESTMENT HIGHLIGHTS

- Insurance sector in KSA is undergoing a lot of upgrades and opportunities as KSA economy prospers.
- Encouraging foreign investors to buy local insurance companies.

### VALUE PROPOSITION

- Enhancing the existing regulatory environment to drive consolidation through merger & acquisition, resulting in better capitalized insurers with capacity and capability to better serve market needs. Also, driving consolidation will ensure further development and market growth.
- The Kingdom has extensive requirements for health insurance, making this the largest single market segment. Also, KSA plans to extend private health insurance to Saudi nationals, a plan which might double the size of the insurance market.

### KEY DEMAND DRIVERS

- As more greenfield opportunities are created as we are achieving Vision 2030, the insurance sector is having more demand than ever.
- There are couple of initiatives currently that aim to increase the ease of doing business in KSA including lowering in licensing requirements and having one body as a regulator which will make the sector policies clearer.
- Enforcing health insurance for small/medium sized companies which currently has low current coverage ratio
- Assuming mandatory motor insurance covers all vehicles in KSA

## MARKET OVERVIEW

### MARKET READINESS AND COMPETITOR ANALYSIS

- The regulatory environment for insurance industry is undergoing a lot of evolvments and improvements as there is a move toward consolidation and amending current laws and regulations with a main objective to create a diversified, more comprehensive, and effective insurance industry.

### GLOBAL TRENDS

- The global insurance market is experiencing a shift toward digital transformation and AI utilization in order to upgrade their business models into more profitable and cost efficient models.

### COMPETITOR ANALYSIS



### CAPITAL REQUIREMENTS IN KSA (USD M)

- The regulation of the supervision of insurance companies determines the minimum capital of the insurance and reinsurance companies, taking into consideration that it is not less than 80 M.

# DEFINITIONS

#	SCORECARD SECTION	DEFINITION
1	Gross written premiums	The total premium amount written by an insurer before any deductions, which customers are required to pay for insurance coverage on policies during a pre-specified period of time.
2	Key Demand drivers	A select number of factors that will influence future demand for the related product/service
3	Investment highlights	An overview of key financial metrics summarizing the investment opportunity along with the expected return based on the suggested investment size. The process or activities that would potentially need to be carried out to deliver the underlying product or service
4	Value proposition	Summary of key differentiators that position KSA as a strategic choice over other regional/global peers
5	Market readiness	An overview of KSA market structure, market maturity and level of participation by local and global players
6	Competitor analysis	List of the local & international players manufacturing the underlying product in Saudi Arabia and their market share
7	Global trends	Latest business developments within the sector/product category
8	Capital requirements in KSA	Capital requirements imposed by the regulator



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