

Daily Bulletin

February 26, 2026

Saudi Re's FY25 profit drops 71% on absence of one-off gain.

Last Price: SAR 23.2 | YoY Performance: -33.5%

Saudi Reinsurance Co. (Saudi Re) posted a net profit of SAR 140.0 mn during 2025, down 70.5% YoY. The decline was mainly due to a one-off capital gain of SAR 365.9 mn recorded in 2024 following the sale of the company's stake in Probitas Holding. Excluding the one-off gain, the company recorded a net profit growth of ~29% YoY during 2025. During 4Q25, Saudi Re recorded a net profit of SAR 21.3 mn, up from a net loss of SAR 0.1 mn in 4Q24.

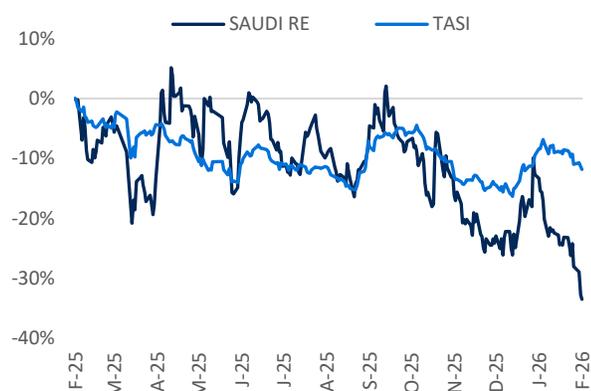
Gross written premiums for 2025 stood at SAR 2.9 bn, up 24.1% from SAR 2.4 bn in the previous year. Insurance service revenue for the year amounted to SAR 1.7 bn, up 48.0% YoY, mainly led by a growth in the company's business, in line with its strategy and business plan. Insurance service expense recorded a 48.6% YoY growth to SAR 1.5 bn, resulting in insurance service result rising by 43.8% to SAR 204.4 mn. Insurance service margins declined to 12.2% for 2025 from 12.6% in 2024. On a quarterly basis, insurance service result posted a loss of SAR 77.6 mn, compared to loss of SAR 2.2 mn in the previous year.

During 2025, net income from investments posted a 71.0% YoY decline to SAR 127.7 mn, primarily due to the one-off gain on sale of investment in 2024. Excluding the gain, net investment income for 2025 posted a 72.1% YoY growth from SAR 74.2 mn in 2024.

In January 2026, Saudi Re opened a branch in India to conduct its reinsurance business. The company has been operating in the Indian market for over ten years, through its headquarters in Riyadh. Saudi Re also recently announced signing a one-year reinsurance contract with MEDGULF, with contract value exceeding 5% of its 2024 revenue, amounting to SAR 56.5 mn. The contract is expected to have a positive financial impact during 2026.

In Oct-25, the company issued bonus shares at a ratio of 4:9, increasing its number of shares from 115.83 mn to 169.81 mn. Saudi Re's stock has declined 33.5% YoY, underperforming TASI which declined 11.8% over the same period.

Relative price chart



Source: Bloomberg, anbc research

Key financials (SAR mn)

| | 2025 | 2024 | YoY (%) | 4Q25 | 4Q24 | YoY (%) |
|-----------------------------|-------------|-------------|--------------|-------------|------------|---------------|
| Insurance service rev. | 1,672 | 1,130 | 48.0 | 475 | 306 | 55.4 |
| Insurance service exp. | (1,468) | (988) | 48.6 | (553) | (308) | 79.5 |
| Ins. services result | 204 | 142 | 43.8 | (78) | (2) | 3451.6 |
| Ins. service margin | 12.2 | 12.6 | -16.3 | -0.7 | | |
| Net reinsurance exp. | (34) | 0 | - | 117 | 4 | 2841.0 |
| Ins. service result | 171 | 143 | 19.8 | 39 | 2 | 2092.3 |
| Ins. service margin | 10.2 | 12.6 | 8.2 | 0.6 | | |
| Net income | 140 | 475 | -70.5 | 21 | (0) | - |
| Net margin (%) | 8.4 | 42.0 | 4.5 | 0.0 | | |
| EPS | 0.84 | 2.84 | 0.13 | 0.00 | | |

Source: Company financials, anbc research

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