Insurance Sector Update

Newsletter | Mexico | May 2026

Macro Update

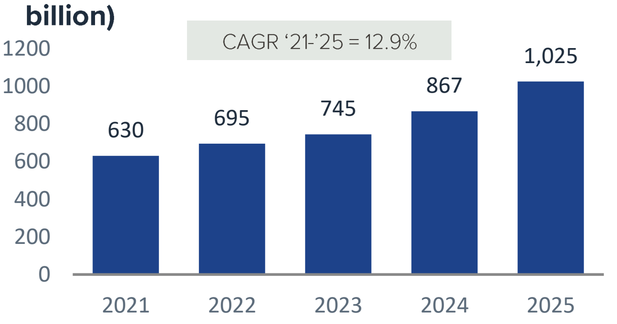
Mexico's insurance industry continued its steady expansion through 2025, reaching approximately MXN 1,025 billion in written premiums (+12% YoY), yet penetration remains structurally below 3% of GDP, leaving meaningful room for growth.

Headline GDP grew 1.5% in real terms in 2024 and contracted 0.3% during 2025, with inflation easing from 4.21% at year-end 2024 to 3.63% by December 2025 (INEGI, BANXICO). Despite this softer macro backdrop, AMIS reports premium volumes accelerated meaningfully through 1H25 (+18% YoY), with double-digit growth across Auto, P&C, Life and Health.

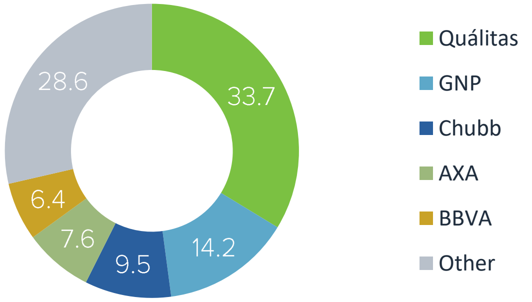
Auto insurance remains the most visible driver. Issued premiums grew **26% in 2024** to MXN 193 billion from MXN 153 billion in 2023 and a further **10% in 2025** to **MXN 212 billion**. Even so, only 33% of Mexico's vehicle fleet is insured. Mexico is the only OECD country without a mandatory nationwide auto liability requirement, and roughly 65-70% of insured policies are tied to financing agreements.

Looking ahead, recent SHCP changes to the Federal Revenue Law eliminate insurers' ability to credit VAT on third-party payments, with industry analysts expecting auto premium increases of approx. 15% through 2026. This may accelerate digitization and embedded distribution as carriers seek efficiency gains.

Mexico - Total Written Premiums (MXN billion)



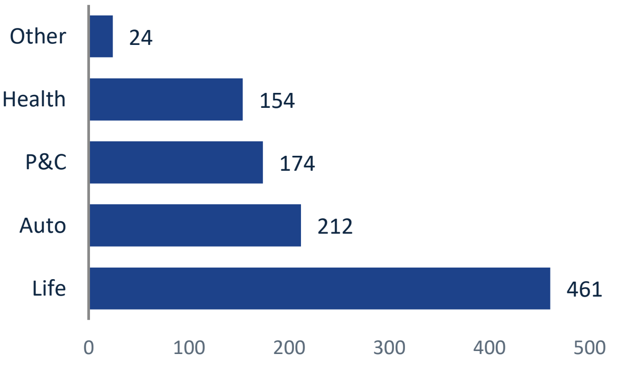
Auto Insurance Mexican Market Share (FY'25)



Key Indicators

3% Insurance penetration (% of GDP, 2025)	**33%** Vehicles with insurance coverage
+12% Industry premium growth (2025 YoY)	**MXN 212 billion** Auto premiums written (MXN, 2025)

Mexico - Premium Mix by Line (2025, MXN billion)



Source: AMIS, CNSF, INEGI, BANXICO; Oaklins/ZIMMA research, as of YE2025

Recent M&A History | Insurance Sector

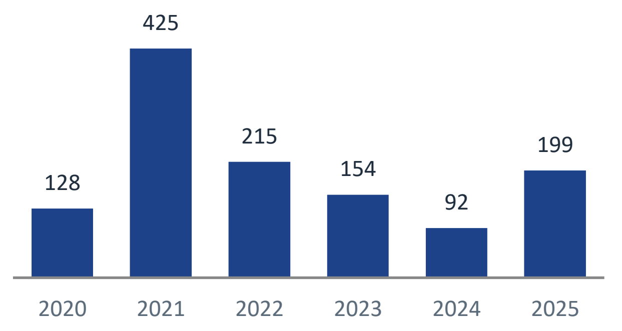
Mexico is now the second-largest insurtech ecosystem in Latin America, supported by regulatory stability, nearshoring-driven talent inflows, and the structural protection gap that traditional carriers have been slow to close.

The Latin American insurtech ecosystem closed 2025 with 536 active companies and USD 199 million in funding (+117% YoY) a clear recovery after four years of correction, though still well below the 2021-22 boom levels. Mexico ranks behind only Brazil, with 68 active insurtechs and a market size estimated at USD 162 million growing at a 30% CAGR through 2034 (Mapfre, IMARC, Tracxn).

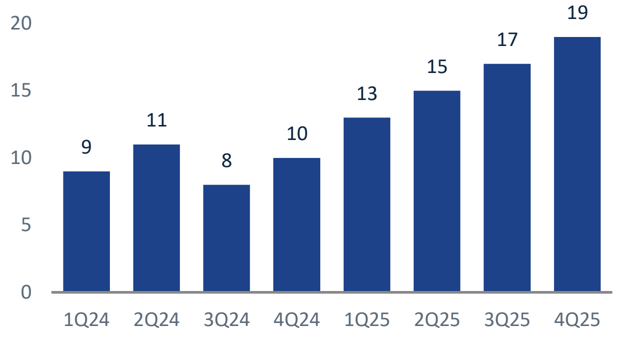
Capital is now flowing toward technology enablers and embedded distribution rather than pure marketplace plays. Crabi raised USD 13.6 M in June 2025 (Kaszek, IGNIA) the first tech-native auto insurer to obtain a CNSF license in over 25 years. MetLife acquired a 20% stake in Klimber in September 2025 to scale embedded distribution. Sofía has cumulatively raised USD 45 M from Index Ventures, Kaszek, IDB Lab and others.

Beyond auto, activity is broadening across health (Sofía), embedded B2B2C platforms (Guros, integrated with Kavak, Creditas, Coppel), claims and fraud (Leverbox, Custodian), telematics and IoT, and SME / surety verticals mirroring patterns observed in more mature Latin American markets.

LatAm Insurtech Funding (USD million)



LatAm Insurtech M&A - Quarterly Deal Count



M&A Activity at a Glance

+68%
Deal count growth 2025 vs. 2024 (LatAm)

USD 199 million
Total LatAm insurtech funding (2025)

68
Active Mexican insurtechs (2025)

30%
Mexico insurtech CAGR through 2034

Selected Recent Transactions - Mexican & LatAm Insurtech

Date	Target	Country	Acquirer / Investor	Sub-sector
Sep-25	**Klimber**	AR/MX	MetLife	Embedded life
Jun-25	**Crabi**	MX	Kaszek, IGNIA	Auto / full-stack
May-25	**Sami**	BR	Dawn Sky, Y Combinator	Health
Apr-25	**Olé Life**	LatAm	Itaú, Catterton	Life
Mar-25	**Mango Life**	MX	Founders Fund	Life / digital
Feb-25	**Sofía**	MX	Index Vent., Kaszek	Health insurer
Nov-24	**Súper**	MX	Soft Bank LatAm Fund	Multiline broker

Insurtech Universe in Mexico & LatAm

Aggregators & Brokers

Digital Insurers & MGA's[1]

Source: Mapfre, Tracxn, PitchBook, Crunchbase, press releases; Oaklins/ZIMMA research. Notes: (1) Managing General Agent

Oaklins | Expertise in the Insurance Sector

Oaklins offers a comprehensive suite of M&A advisory services, including buy-side and sell-side support, exit planning and fundraising advisory.

Below you can find a case study about one of our recent sell-side services.

SulAmérica and Rede D'Or São Luiz have announced a combination

SulAmérica (B3:SULA11), a leading insurance company in Brazil, has announced a combination with Rede D'Or São Luiz S.A. (B3:RDOR3), the largest Brazilian hospital network. The companies had a combined market value of approximately US$21 billion on 18 February 2022.

SulAmérica is one of the largest insurance companies in Brazil and operates in the health and dental insurance, life and pension plans, and asset management sectors.

The company was founded in 1895 and is headquartered in Rio de Janeiro, Brazil.

Rede D'Or is the largest integrated healthcare network in Brazil, operating in the health sector, with an extensive network of private hospitals.

One of Oaklins' teams in Brazil acted as the sole financial advisor to SulAmérica on its combination with Rede D'Or São Luiz S.A.

SulAmérica

has announced its combination with

REDE D'OR

US$3bn

M&A SELL-SIDE

Financial Services/Healthcare

OAKLINS TEAM – BRAZIL

TicTrac

Tictrac has been Acquired by Dialogue

TICTRAC

has been acquired by

Dialogue

US$44m

M&A SELL-SIDE

Private Equity/TMT

About the Company

TicTrac is a UK-based SaaS provider of a global health and wellness platform. The company supports employers and insurance partners.

Dialogue Health Technologies is Canada's premier virtual healthcare and wellness platform.

RPC Tyche

RPC Tyche has Acquired BTEXT-2T Group

Tyche FINANCIAL MODELLING

has been acquired by

AON

M&A SELL-SIDE

Business Support Services/Financial Services/TMT

About the Company

RPC Tyche, a specialist in developing customized risk and capital modelling software for actuaries, quantitative analysts and risk teams, serves global clients including some of the largest life, non-life, and composite insurers and pension firms. Being a leading insure-tech SaaS business

The Floow

The Floow Limited has been acquired by Otonomo Technologies

The Floow

has been acquired by

otonomo

US$69m

M&A SELL-SIDE

TMT

About the Company

The Floow is a pioneer in the use of advanced data analytics that sits behind blue-chip insurers-connected automotive insurance policies that effectively prices on driving behavior and usage.

Otonomo Technologies is a cloud-based software as a solution (SaaS) platform for vehicle data exchange.

Grupo Veta

Grupo Veta has been Acquired by MSA Mizar

Veta+

has been acquired by

MSA Mizar

M&A SELL-SIDE

Business Support Services/Financial Services/Private Equity/TMT

About the Company

Founded in 1971 and headquartered in Madrid, Veta+ is an independent tech-led provider of insurance services for the management of multi-risk claims across Spain. It primarily caters to insurance and financial entities within the home insurance segment.

Insurance Sector Public Companies Stock Performance

Established Insurance Distributors

Traditional brokers and aggregators — Gallagher, Brown & Brown, Ryan Specialty, and BRP (Baldwin) — have delivered steady outperformance vs. the S&P 500 since early 2023, with all four ending the period in a tight 100–160 range. Gallagher and Brown & Brown reached new highs in mid-2025 before mean-reverting alongside broader market weakness in late 2025 / early 2026.

The pattern reflects the structural appeal of the model: recurring commission economics, double-digit organic growth, active M&A pipelines, and limited exposure to underwriting risk. Multiples have compressed modestly from late-2024 peaks but remain at premium levels, with investors continuing to reward predictable cash flows over speculative growth.

Digital-Native & Next-Gen Distributors

Performance among digital-native and tech-enabled distributors has been highly dispersed. Goosehead and Hippo both staged dramatic 200–300% rallies through 2024–2025 before correcting sharply — Goosehead from ~320 to ~165 (−48%), and Hippo from ~220 to ~80 (−64%) — as investors reassessed growth-adjusted multiples and execution risk.

eHealth and GoHealth, the legacy online health insurance aggregators, have remained structurally challenged, both trading well below their 2023 baseline. Together, these patterns reinforce a clear market preference for digital-native models with credible paths to profitability, scalable unit economics, and embedded distribution moats — the same drivers underpinning recent Mexican rounds (e.g., Crabi's Series A) and cross-border strategic activity (e.g., MetLife / Klimber).

Source: S&P: Capital IQ.

Oaklins ZIMMA

Global Reach | Local Expertise

Advising entrepreneurs, families and investors on sell-side, buy-side and debt restructuring transactions.

ZIMMA's Senior Leadership Team

ARSENY LEPIAVKA
Founding Partner
- Over 39 years of experience.
- Citibank, NOMURA Securities, DLJ, member of FEMSA's committee, SERFIN, amongst others.
- UNAM, Harvard.

ANDREI LEPIAVKA
Managing Partner
- Over 16 years of experience.
- Procter & Gamble, Merrill Lynch, Johnson & Johnson.
- IBERO, Duke MBA.

DIEGO QUIJANO
Partner
- Over 19 years of experience.
- JP Morgan, Temasek.
- IBERO.

STEFAN PRUM
Partner
- Over 18 years of experience.
- Citigroup, Barclays, McKinsey, BCG
- IBERO, McCombs UT, CFA

ZIMMA's Industry Experts

LARRY NEWELL
Partner – Chemicals
- Over 40 years of experience.
- Prove-Quim, member of ANIQ's committee, H. ABC, ASF
- Allegheny College, ITESM.

BERNARDO GUTIÉRREZ
Partner – F&B
- Over 30 years of experience.
- Tequila Sauza, del Valle. (Coca-Cola/FEMSA), amongst others.
- UP, IPADE.

HANS KOHLSDORF
Partner – Energy
- Over 30 years of experience.
- Siemens, Tecnolite Efficient Ideas, IEC Holden.
- Universidad de los Andes, Harvard.

ALFONSO AVALOS
Partner – Real Estate
- Over 30 years of experience.
- BBVA, Citibank, TransCanada Pipelines.
- ITAM.

ZIMMA's Professional Team

JAVIER DE LA VEGA
Associate
- Over 5 years of experience.
- J.P. Morgan, Sativus IB.
- Tecnológico de Monterrey, Kühne Logistics University.

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- PGIM Real Estate, Coppel & Salesforce.
- Tecnológico de Monterrey.

JOSE PORTILLA
Analyst
- Over 3 years of experience.
- Arquitectoma, CREO.
- Tecnológico de Monterrey.

EMILIO CAJIGA
Analyst
- Over 2 years of experience.
- GBM, Pinfra, Altor.
- Babson College.
- CFA Program – Passed Level I.

THE OAKLINS' FOUNDATION

OUR SERVICES

- M&A sell-side / buy-side
- Distressed M&A
- Growth Equity & ECM
- Debt Advisory
- Corporate finance services

OUR STRENGTH

- 900+ professionals
- 45 countries
- 63 offices
- 16 vertical markets with in-depth industry expertise

OUR RESULTS

- 500+ live mandates
- More than 5,500 closed deals
- Over 50% cross-border transactions

LOCAL CONTACTS, GLOBAL EXPOSURE

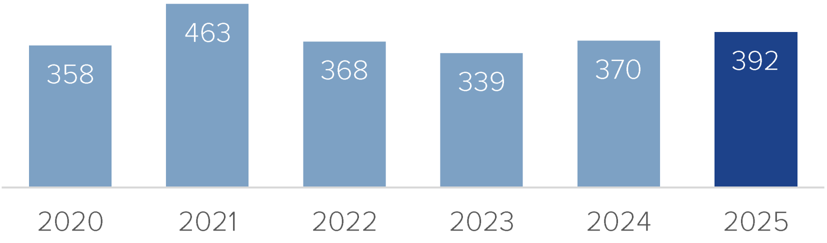
Oaklins MEMBER FIRM

63 offices
+900 professionals

OAKLINS' TRANSACTIONS IN THE PAST FIVE YEARS

~2,000
transactions closed 2021–2025

+30%
cross-border transactions



United by the firm conviction that we can achieve the extraordinary. Oaklins is a global team of more than 900 financial advisory executives in 45 countries providing M&A, growth capital, ECM, debt advisory, and corporate finance services to help entrepreneurs, business owners, and investors reach their goals.

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