



African Reinsurance Corporation
Société Africaine de Réassurance

PRESS RELEASE

16 August 2024

1st Half Year 2024 Financial Performance

Africa Re posts a strong profitable growth despite ongoing global macroeconomic headwinds

- **Strong Growth of 5.56% recorded in revenue**
- **Strong Underwriting Performance with 87.54% in Net Combined Ratio**
- **Strong Investment and Other Income Growth of 21.65%**
- **Strong Net Income Growth of 75.42% to achieve US\$ 85.09 million**

The African Reinsurance Corporation (Africa Re) recorded a Gross Written Premium income of US\$ 558.74 million at the end of second quarter 2024, translating to 5.56% growth from the US\$ 529.33 million reported for the same period of 2023 under IFRS 4. This was mainly due to successful marketing efforts, positive pricing momentum and moderate economic growth witnessed by most African countries despite continued challenges posed by the ongoing geopolitical tensions, extreme weather conditions, fiscal policy tightening, inflationary pressures, high levels of sovereign debt, and depreciation of major currencies of our revenues.

The strong top-line performance translated into a net underwriting result of US\$ 54.04 million, an improvement of 69.03% compared to the underwriting result of US\$ 31.97 million reported at the end of June 2023 under IFRS 4. The net combined ratio under IFRS 4 at the end of the second quarter of 2024 stood at 87.54%, down from 91.52% recorded in the same period of 2023. This performance was driven by our diversified portfolio through stronger net retention ratio, growth in net earned premium, favourable claims experience and controlled expense ratios compared with the same period of 2023. This was achieved despite the impact of cyclone Belal as well as the February and April floods in the United Arab Emirates.

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Our investment portfolio reported an income of US\$ 42.02 million, translating to an increase of 21.66% compared to US\$ 34.54 million recorded over the same period in 2023. The positive performance was driven by higher interest income from cash and other fixed-income instruments as well as stable returns from other asset classes.

Despite the usual impact of currency volatility on the performance of the Corporation, the overall net income under IFRS 4 at the end of the second quarter of 2024 is US\$ 85.09 million, an improvement of 75.42% compared to US\$ 48.51 million achieved in the same period of 2023.

Africa Re Group Managing Director / Chief Executive Officer, Dr. Corneille KAREKEZI comments: *"I am pleased with the results despite the challenging macroeconomic environment in our core markets. Africa Re will continue to monitor these developments especially the changes in exchange rate regimes and recent volatility in the global financial markets. I am optimistic that barring any fiscal, monetary, structural and industry unforeseen shocks, we are on track to surpass our targets for 2024. We will continue to deploy strategic interventions in our underwriting, investment and operational activities to maximize our returns whilst fulfilling our mandate to support the economic development of Africa".*

#ends#



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About Africa Re

Established in 1976, African Reinsurance Corporation (Africa Re) is a pan African financial institution and the leading reinsurance company in Africa and the Middle East, with a shareholding split between African (75%) and non-African (25%) investors. African shareholding comprises 42 African member States, the African Development Bank (AfDB), and more than 113 African insurance/reinsurance companies from the 42 member countries. Headquartered in Lagos (Nigeria), Africa Re has a continental network of more than 10 regional and local offices in major African cities, as well as three subsidiaries: Africa Re (South Africa) Limited in Johannesburg, Africa Retakaful Limited in Cairo (Egypt) and Africa Re Underwriting Agency Limited in Dubai (UAE).

Cautionary Note on Forward-Looking Statements

Some of the statements in this document may be forward-looking statements or statements of future expectations based on currently available information. Such statements are naturally subject to risks and uncertainties. Known and unknown risks, uncertainties and other factors could lead to material differences between the forward-looking statements given here and the actual development, in particular the results, financial situation and performance of our corporation. The Corporation assumes no liability to update these forward-looking statements or to make them conform to future events or developments. Factors such as the development of general economic conditions, future market conditions, unusual catastrophic loss events, changes in the capital markets and other circumstances may cause the actual events or results to be materially different from those anticipated by such statements. Africa Re does not make any representation or warranty, express or implied, as to the accuracy, completeness or updated status of such statements. Therefore, in no case whatsoever will Africa Re and its subsidiaries be liable to anyone for any decision made or action taken in conjunction with the information and/or statements in this document or for any related damages.