



PRESS RELEASE

African Reinsurance Corporation
Société Africaine de Réassurance

AFRICA RE SHAREHOLDERS APPROVE ALL PROPOSED ANNUAL GENERAL MEETING RESOLUTIONS

The African Reinsurance Corporation (Africa Re) is an international financial institution whose shareholding comprises 41 member States of the African Union (AU), the African Development Bank (AfDB), 114 insurance and reinsurance companies from all over Africa and 3 leading global insurance companies.

Due to the exceptional circumstances linked to the Covid-19 pandemic, Africa Re conducted the 42nd Annual Ordinary Meeting of its General Assembly by correspondence, in accordance with the special procedure stipulated in article 3 of the General Regulations of the Corporation. At the end of the voting process on 26 June 2020, shareholders representing over 88% of the voting power of the Corporation had overwhelmingly approved the three resolutions submitted for consideration, including the balance sheet and final accounts of the Corporation for 2019.

In a special video message to shareholders, the Chairman of the Board of Directors and the General Assembly, Mr Hassan Boubrik, conveyed his best wishes for the wellbeing of participants and their families and expressed the hope that the pandemic would soon be a thing of the past. He further expressed a profound appreciation for Africa Re's shareholders' understanding, patience and participation in large numbers in the vote by correspondence in accordance with the special procedure of the Corporation's General Regulations.

Commenting on the Corporation's 2019 performance, he emphasized that: "Africa Re recorded an impressive improvement in all performance metrics. Our gross written premium grew by almost 6% to US\$ 845 million and underwriting performance improved by 26% to US\$ 26 million. This represents a combined ratio of 96.1%, better than the average of 100.3% recorded by global reinsurers. In line with the recovery of the global financial markets in 2019, investment income reached an all-time high of US\$ 66 million, representing 165.7% growth compared to the previous year. Average return on investment stood at 5.26%. Overall, the Corporation achieved a 219.5% increase in net profit to reach US\$ 99.1 million. This excellent performance resulted in a 6.3% improvement in the shareholders' funds, which now amounts to US\$ 975 million. At the same time, a dividend of US\$ 8.8 per share is distributed, slightly higher than US\$ 8 per share paid last year."

Following the adoption of the Report of the Board of Directors for the period from 1 January to 31 December 2019, the shareholders also approved that the 2019 net profit of US\$ 99,904,000 be distributed as follows:

- US\$ 49,952,000 to the general reserve in accordance with Resolution No 4/1992 of the General Assembly which stipulates that 50% of the net profit after tax of each year is set aside as general reserve;
- US\$ 800,000 to be transferred to the reserve for loss fluctuation in accordance with the decision taken by the Board during the 57th session to set aside an amount over and above the outstanding claims provision, to moderate the effects of possible fluctuation in losses in future;

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- US\$ 1,998,080, representing 2% of the net profit, to be transferred to the Africa Re Foundation;
- US\$ 25,155,777 to be paid as dividend, in two instalments before 31 December 2020, at the rate of US\$ 8.80 per subscribed and paid-up share of US\$ 100 par value;
- The balance of US\$ 21,998,143 to be added to retained earnings.

The increased proportion of the net profit allocated to the Africa Re Foundation for 2020 will enable the Corporation to significantly enhance its contribution to mitigate the negative impact of the Covid 19 outbreak on healthcare systems and economies across Africa. The Africa Re Foundation's overall corporate social responsibility contribution towards the fight against the pandemic currently amounts to US\$3,3 million. The funds will be deployed to support key continental, regional and local players in the fight against Covid 19.

Additional Information:

- The 2019 Annual Report and Accounts of Africa Re can be found [here](#)
- The Special Video Message of the Chairman of the General Assembly and Board of Directors can be accessed [here](#)
- The Resolutions adopted by the General Assembly of Africa Re on 26 June 2020 can be found [here](#)

About Africa Re Group

The African Reinsurance Corporation (Africa Re) Group is the leading Pan-African reinsurance company in Africa and the Middle East, which was established in 1976 by African member states of the African Union (AU) and the African Development Bank (AfDB).

At the end of 2019, the share capital of Africa Re comprised the following shareholders: 41 African States (34.5%), the African Development Bank (8.4%), 114 African insurance and reinsurance companies (34%) and 3 non-regional leading global insurance and reinsurance groups (23%).

Headquartered in Lagos, Nigeria, Africa Re has the largest reinsurance commercial network in Africa with 8 offices across the continent: Casablanca, Cairo, Abidjan, Nairobi, Johannesburg, Lagos, Ebène (Mauritius) and Addis Ababa. In addition to the 6 regional offices across Africa, Africa Re has two main subsidiaries: Africa Re (South Africa Ltd.) in Johannesburg and Africa Retakaful Company in Cairo, Egypt.

Africa Re also supports the communities of its member states through the Africa Re Foundation, a body responsible for the implementation of Africa Re's corporate social responsibility initiatives. The Foundation is funded by the Africa Re Group with up to 2% of its annual net profit. Over the years, it has contributed immensely towards the development and growth of the African insurance industry, particularly through initiatives such as the Young Insurance Professional Program and the annual African Insurance Awards.

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Africa Re is among the Top 40 Global Reinsurance Groups according to the Standard & Poor's 2019 ranking. It enjoys one of the highest international financial ratings at Full A / Stable Outlook by A.M. Best and an A – / Stable Outlook by Standard & Poor's. With US\$ 845 million of premium income written and US\$ 975 million of shareholders' funds at the end of 2019, Africa Re remains the leading provider of underwriting reinsurance capacity in Africa, with a financial protection of up to US\$ 40 billion of insurance risk exposure on the continent.

For more information, please visit www.africa-re.com

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