Press Release

Africa Re Grows Insurance Service Revenue by 8.5% and Delivers a Net Profit of US$96.7 million in the First Half of 2026

Lagos, Nigeria, 20 August 2026

The African Reinsurance Corporation ("Africa Re" or "the Corporation") today reported its unaudited financial results for the six months ended 30 June 2026.

Africa Re delivered a robust operating performance in the first half of 2026.

Insurance Service Revenue rose by 8.5% to US$664.8 million, and the Insurance Service Result improved by 4.7% to US$101.7 million, notwithstanding a materially heavier large-loss burden.

An effective retrocession programme absorbed the bulk of that burden, cutting the Net Expense from Retrocession Contracts Held by 67.9% year on year, while the Underwriting Combined Ratio remained strong at 84.7%.

Net Investment Income grew by 8.4% to US$54.6 million.

The Net Result of US$96.7 million was 6.1% below the prior-year period, entirely on account of a US$19.6 million Net Foreign Exchange Loss driven by currency depreciation across several operating markets.

Shareholders' Equity increased by 3.3% since year-end 2025 to US$1,442.2 million.

Dr. Corneille Karekezi, Group Managing Director/Chief Executive Officer, said:
"Africa Re has delivered a strong first half in a demanding claims environment. Insurance Service Revenue grew across the great majority of our profit centres, our underwriting discipline held the Combined Ratio below 85%, and our retrocession programme performed exactly as designed, absorbing the impact of several large losses. The moderation in our Net Result reflects currency movements rather than any deterioration in the quality of our portfolio. With a capital base of US$1.44 billion, ample liquidity and continued strong ratings, the Corporation is well positioned to support its cedants and to deliver sustainable value to shareholders through the remainder of the year."

Performance Overview

Insurance Service Revenue increased by 8.5% to US$664.8 million (H1 2025: US$612.8 million), with growth recorded in the vast majority of the Corporation's profit centres and supported by new business and stronger renewal retention. The expansion was broad-based across the portfolio, with the Property and Engineering account, the Corporation's largest, and the Life account both growing at double-digit rates.

Incurred Claims rose by 26.6% to US$358.9 million following several large losses during the period. The Corporation's retrocession programme provided the principal offset, with recoveries from retrocessionaires rising by 152.4% to US$68.9 million and the net expense from retrocession contracts held falling by 67.9% to US$20.2 million (H1 2025: US$62.9 million).

The Insurance Service Result therefore improved by 4.7% to US$101.7 million, equivalent to a Combined Ratio of 84.7% (H1 2025: 84.2%), while a more supportive interest rate environment reduced the Net Reinsurance Finance Charge by 20.0% to US$22.7 million.

The Insurance Operating Result grew by 14.9% to US$79.0 million, confirming that the underlying business strengthened year on year notwithstanding the heavier claims burden.

Investment Performance

The investment portfolio delivered a resilient performance in conditions that remained volatile. Net Investment Income rose by 8.4% to US$54.6 million, the greater part of it being recurring income from interest, dividends and rentals, which grew by 8.5% to US$44.2 million and provided a dependable earnings base through the cycle. Active management of the portfolio added a further US$9.0 million of market-related gains despite the disruption caused by geopolitical tensions during the period.

Underpinning this outcome was steady growth in the financial asset base, with the Return on Investment at 2.72% from 2.85%.

Balance Sheet and Capital Strength

Africa Re enters the second half of 2026 from a position of considerable financial strength.

Shareholders' Equity rose by 3.3% since year-end 2025 to US$1,442.2 million and Total Assets increased by 7.5% to US$2,329.3 million, against Total Liabilities of US$887.1 million. Equity therefore accounts for almost two-thirds of the balance sheet, with financial assets of US$1,957.4 million covering reinsurance liabilities more than twice over.

This capital position, together with a conservatively reserved portfolio, a highly liquid asset base and financial strength ratings of A (Stable) from AM Best and A (Stable) from S&P Global Ratings, gives the Corporation substantial capacity to absorb volatility and to honour its commitments to cedants under stress. It also provides the headroom to write further profitable business as opportunities arise across Africa and its selected international markets, and to sustain returns to shareholders.

Outlook

Africa Re maintains its 2026 targets.

Management expects continued revenue growth supported by improved renewal retention across its core African markets and selected international portfolios, while maintaining underwriting discipline, active portfolio optimisation and prudent investment management.

The Corporation will continue to monitor claims development, currency volatility and the geopolitical environment closely over the second half of the year.

Key Figures at a Glance

US$ million, unless stated	**H1 2026**	**H1 2025**	**Change**
Insurance Service Revenue (gross)	664.8	612.8	+8.5%
Net Insurance Revenue	575.8	522.7	+10.2%
Insurance Service Result	**101.7**	**97.2**	**+4.7%**
Net Reinsurance Finance Result	(22.7)	(28.4)	-20.0%
Insurance Operating Result	**79.0**	**68.7**	**+14.9%**
Net Investment Income	54.6	50.4	+8.4%
Profit Before Tax	99.5	105.5	-5.7%
Net Profit After Tax	**96.7**	**102.9**	**-6.1%**
Combined Ratio	**84.7%**	**84.2%**	**+0.6 ppt**
	H1 2026	**FY 2025**	**Change**
Shareholders' Equity	**1,442.2**	**1,396.3**	**+3.3%**
Total Assets	2,329.3	2,166.7	+7.5%

Additional Information

1) *Above figures are unaudited and are prepared in accordance with IFRS 17 (Insurance Contracts) and IFRS 9 (Financial Instruments), the accounting and reporting standards applied by the Corporation since the 2023 financial year.*
2) *Comparative figures for the corresponding period of 2025 are presented on the same basis.*
3) *Amounts are stated in United States dollars.*
4) *Above Combined Ratio is the Underwriting Combined Ratio which is obtained through this Formula = 1 –*

(Insurance Service Result / Insurance Service Revenue)

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IFRS 17: HY 2026 Key Financial Information of the Profit & Loss Account

Item (US$'000)	HY 2026	HY 2025
Gross Insurance Service Revenue	664,847	612,845
Net Insurance Revenue	575,802	522,709
Net Insurance Service Expenses	(474,103)	(425,533)
Net Insurance Service Result	101,699	97,176
Net Insurance Finance Result	(22,740)	(28,427)
Non-Attributable Expenses	(14,464)	(12,751)
Net Insurance Result	64,495	55,998
Net Investment Income	54,583	50,354
Finance Cost & Exchange Losses / Gains	(19,577)	(838)
Income Tax	(2,804)	(2,580)
Net Profit After Tax	**96,697**	**102,934**

IFRS 4: Q1 2025 Key Financial Information of the Profit & Loss Account

Item (US$'000)	HY 2026	HY 2025
Gross Written Premium	684,697	644,297
Gross Earned Premium	664,847	612,845
Net Earned Premium	554,469	502,459
Net Technical Expenses	(450,953)	(416,654)
Management Expenses	(35,597)	(31,459)
Net Underwriting Result	67,920	54,346
Investment and Other Income	52,773	51,153
Finance Cost & Exchange Losses / Gains	(19,577)	(838)
Income tax	(2,804)	(2,580)
Net Profit After Tax	**98,312**	**102,081**

For further information, please contact:

Director, Communications & Public Affairs
Mr. Roger Bong
Tel: +234 806 338 0991 Email: bong.roger@africa-re.com

Manager, Corporate Communications

Mr. Alfred Adogbo
Tel: +234 706 957 5806 Email: adogbo.alfred@africa-re.com

About Africa Re

The African Reinsurance Corporation (Africa Re) is a leading reinsurance company and premier reinsurer of the African continent, boasting the top highest premium income volumes and the strongest financial strength ratings.

Africa Re's mission is to "*foster the development of the insurance and reinsurance industry in Africa, to promote the growth of national, regional, and sub-regional insurance risk underwriting and retention capacities, and to support African economic development.*"

Africa Re, as the leading reinsurance company in Africa and the Middle East, offers a unique value proposition to its cedant insurance companies across Africa and in selected markets of the Middle East, Asia, and Brazil, backed by a diverse pool of talent and expertise, unique market knowledge, proximity to clients, strong financial ratings (A / Stable by AM Best since and A / Stable by S&P), privileged access to African markets, and excellent customer service.

Established in 1976 and headquartered in Lagos (Nigeria), Africa Re is a pan-African financial institution with a broad-based shareholding split between African (75%) and non-African (25%) investors. African shareholding comprises 42 African member States, the African Development Bank (AfDB), and 112 African insurance/reinsurance companies from the 42 African member countries. The other investors are 3 leading global insurance and reinsurance groups whose parent companies are based in France, South Africa, Germany, and Canada.

Africa Re's core market coverage is achieved through offices located in key cities: 6 regional offices (Lagos, Casablanca, Abidjan, Nairobi, Ebène -Mauritius, Cairo), 3 representative offices (Addis Ababa, Khartoum, and Kampala), and 4 fully owned subsidiaries in Johannesburg (Africa Re South Africa), Cairo (Africa Retakaful Company), Dubai (DIFC Underwriting Management Agency), and recently India (Africa Re Gujarat GIFT City).