



African Reinsurance Corporation
Société Africaine de Réassurance

Press Release

1st Quarter 2025 Financial Performance

2nd June 2025, Lagos, Nigeria

Africa Re Continues on a Steady Growth Trajectory in the first months of 2025

Key IFRS 4 Financial Highlights

- **Posted a record Gross Written Premium of US\$ 288 million (13.7% growth)**
- **Recorded a strong Net Underwriting Profit of US\$ 13.2 million (22.4% growth)**
- **Achieved an Investment Income of US\$ 21.4 million (6.7% growth)**
- **Realized an Overall Net Profit of US\$ 22.5 million (32.5% growth)**

The African Reinsurance Corporation (Africa Re) recorded a Gross Written Premium Income of US\$ 288 million for the first quarter of 2025, translating to a 13.7% growth from the US\$ 253 million reported for the same period in 2024. This was mainly due to successful marketing efforts, strong reinsurance demand in key markets and relatively lower depreciation of African currencies in which most of African business portfolio is denominated. However, global trade wars and ongoing real active wars in Ukraine, Gaza, Sudan and other pockets of instability in Africa, continue to dampen the benefits of a moderate economic growth witnessed by some countries in Africa.

In the first quarter of 2025, under IFRS 4, the Corporation recorded Gross Incurred Claims of US\$ 141 million, compared to US\$ 101 million in the previous year. The deterioration of 40.1% is attributable to the increase in claims experience across the business units of the Corporation, especially from the incurred but not reported (IBNR) claims component. In the same period, the retrocessionaires' share of incurred claims increased from US\$ 9.9 million in Q1 2024 to US\$ 16.1 million in Q1 2025. This resulted in Net Incurred Claims of US\$ 125 million in the first quarter of 2025, up from US\$ 91 million recorded in the same period of 2024.

During the period under review, based on IFRS 4, Net Commissions and Charges incurred by Africa Re amounted to US\$ 55 million, against US\$ 44 million recorded in the same period in 2024. This increase of 25.7% in net acquisition cost is explained by the increase in written premium volume.

The Net Combined Ratio under IFRS 4 at the end of the first quarter of 2025 stood at 93.60%, up from 93.15% recorded in the same period of 2024.



As a result of the above, the Net Underwriting Result for Q1 2025 closed at US\$ 13.2 million, an increase of 22.4% compared to the underwriting result of US\$ 10.8 million reported at the end of March 2024 under IFRS 4.

Our investment portfolio recorded an income of US\$ 21.8 million, translating to an increase of 6.7% compared to US\$ 20.48 million recorded in Q1 2024. The positive performance was driven by higher interest income from fixed-income instruments.

As a result of the above underwriting and investment performance, the Overall Net Profit for the first quarter of 2025 is US\$ 22.5 million, translating to an increase of 32.5% compared to the profit of US\$ 16.9 million achieved in the same period of 2024. The increase was driven by an increase in underwriting profit coupled with an increase in investment income and a moderate decrease in foreign currency (FX) loss.

The Group MD/CEO of Africa Re, Dr. Corneille Karekezi, commented on the performance at the end of March 2025, saying, *"We are pleased to report a strong first quarter 2025 performance, which reflects our expanding business portfolio and volume in diverse markets across Africa and beyond. Our disciplined underwriting, effective risk management, and prudent investment strategies have been key to our success. In an unstable global environment, we continue to deliver value to our clients and shareholders. Our interim results showcase the strength and resilience of our business model, and we are confident in our ability to seize every opportunity in our core markets and to maintain this momentum throughout the year 2025."*

***** **END** *****

Additional Information

Africa Re continues to publish its 2025 accounts under the new industry accounting and reporting standards of IFRS 17 (*Insurance Contracts*) and IFRS 9 (*Financial Instruments*). For information and comparison, the Corporation will also continue to include annual accounts under the old industry accounting and reporting standard IFRS 4 (*Insurance Contracts*).

Key Financial Information under IFRS 17

Item (US\$ Million)	Q1 2025
Reinsurance Service Revenue	216.312
Reinsurance Service Expenses	-181.980
Reinsurance Service Result	34.332
Reinsurance Finance Result	-12.507
Non-Attributable Expenses	-5.618
Net Reinsurance Result	16.207
Net Investment Income	21.999
Finance Cost & Exchange Losses / Gains	-12.099
Income Tax	-0.555
Net Profit After Tax	25.552

Key Financial Information under IFRS 4

Item (US\$ Million)	Q1 2025
Gross Written Premium	287.860
Gross Earned Premium	262.144
Net Earned Premium	207.613
Net Technical Expenses	-180.314
Management Expenses	-14.011
Investment and Other Income	21.863
Finance Cost & Exchange Losses / Gains	-12.099
Income Tax	-0.555
Net Profit After Tax	22.497

Cautionary Note: Above are un-audited Management Accounts.



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About Africa Re

The African Reinsurance Corporation (Africa Re) is a leading reinsurance company headquartered in Lagos (Nigeria). As a premier reinsurer of the African continent, it boasts one of the top highest premium income volumes and the strongest financial strength ratings.

Africa Re 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 and A - / Positive 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), more than 113 African insurance/reinsurance companies from the 42 African member countries. The non-African investors are 3 global leading insurance and reinsurance groups from France, 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 3 fully owned subsidiaries in Johannesburg (Africa Re South Africa), Cairo (Africa Retakaful Company) and Dubai (DIFC Underwriting Management Agency).