Africa Re

Established in 1976

ANNUAL REPORT & ACCOUNTS

2024

Africa Re

About Us

The African Reinsurance Corporation (Africa Re) was established by a multilateral Agreement as a **pan-African intergovernmental reinsurance group** on **24 February 1976** by 36 member States of the Organization of African Unity (now African Union) and the African Development Bank Group (AfDB).

Mission

- To **foster** the development of the insurance and reinsurance industry in Africa.
- To **promote** the growth of national, regional and sub-regional underwriting and retention capacities.
- To **support** African economic development.

Value Proposition

- We **deploy** our **strengths** and **leverage** our **proximities** for **endless possibilities** and **client protection**.
- We offer financial protection through reinsurance covers to life and non-life insurers in Africa and other selected markets in the Middle East, Asia and South America.

Diversified Shareholding

- 42 African States: **33.77%**
- 112 Insurance and Reinsurance Companies: **34.87%**
- African Development Bank: **8.17%**
- Fairfax Financial Holdings: **7.15%**
- AXA Africa Holdings: **7.15%**
- Sanlam Allianz Africa Proprietary Limited: **8.17%**
- Employees: **0.72%**

With a **gross written premium of US$ 1.214 billion (IFRS 4) in 2024 that translates to a reinsurance revenue of 1.200 billion (IFRS 17)**, Africa Re is the **leading and largest pan-African** reinsurer in Africa and the Middle East.

Africa Re is **ranked 38th by S&P in the Top 40 Global Reinsurance Groups by net reinsurance premiums written in 2023** and **ranked 46th by AM Best in the Top 50 World's Largest Reinsurance Groups** by unaffiliated gross premium written **in 2023**. AM Best also ranked the Corporation among the **Top 15 global reinsurers that have implemented IFRS 17** based on the gross reinsurance revenue.

Our portfolio is about **90% Property & Casualty** with the remainder covering Life & Health. Our risk solutions are categorized into Fire & Engineering, Accident & Motor, Oil & Energy, Marine & Aviation, Life & Health and Miscellaneous.

The Corporation is **led and managed** by **Africans** and has **300 permanent employees** from **29 African nationalities** including Executive Management.

Africa Re operates from **11 business locations and operating entities** serving **Africa**, parts of the **Middle East, Asia** and **Latin America**. The **network of offices** comprises:

- **Subsidiaries (4):** Africa Re South Africa Limited (South Africa), Africa Retakaful Company (Egypt), Africa Re Underwriting Management Agency Limited (United Arab Emirates) and Sherborne Number Ten Parktown Investments Pty Limited (South Africa)
- **Regional Offices (6):** Nigeria, Morocco, Côte d'Ivoire, Egypt, Mauritius and Kenya
- **Local Office (1):** Ethiopia
- **Underwriting Representative Offices (2):** Uganda and Sudan

The Corporation is the best rated pan-African reinsurer.

- **A.M. Best at A (Excellent)** with **Stable Outlook** since 2016 ("A-"since 2002)
- Standard & Poor's at **A – (Strong)** with **Positive Outlook** since 2024 (Stable Outlook since 2019).

Africa Re manages the following **continental and national Insurance Pools**:

- **AAIP:** African Aviation Insurance Pool, which started in 1983 is promoted by the African Insurance Organization (AIO) for aviation business.
- **AOEIP:** African Oil & Energy Insurance Pool, which started in 1989 is promoted by the African Insurance Organization (AIO) for oil & energy business.
- **EAIPN:** Energy & Allied Insurance Pool of Nigeria, which started in 2014 is promoted by the Nigerian Insurers Association (NIA) for oil & energy business.

We also contribute to the wellbeing of our communities of stakeholders through the **Africa Re Foundation** registered in Mauritius which is the channel of our **Corporate Social Responsibility (CSR) activities**. The areas of focus of the Africa Re Foundation are Insurance Education, Industry Development, Disaster Relief, Technology Development, Community Development and Risk Prevention, Awareness & Research.

Africa Re is an **active and influential member** of the African Insurance Organization **(AIO)**, the Alliance of African Multilateral Financial Instructions **(AAMFI)**, the International Insurance Society **(IIS)**, and the Insurance Development Forum **(IDF)**.

Africa Re has been awarded the prestigious '**Pan-African Champion**' award in **May 2025**, which recognizes the role of Africa Re in the field of African economic integration, highlights the significant increase of its involvement throughout the continent, specifically its growing presence in several regions, and implementation of a consistent and coherent regional expansion strategy.

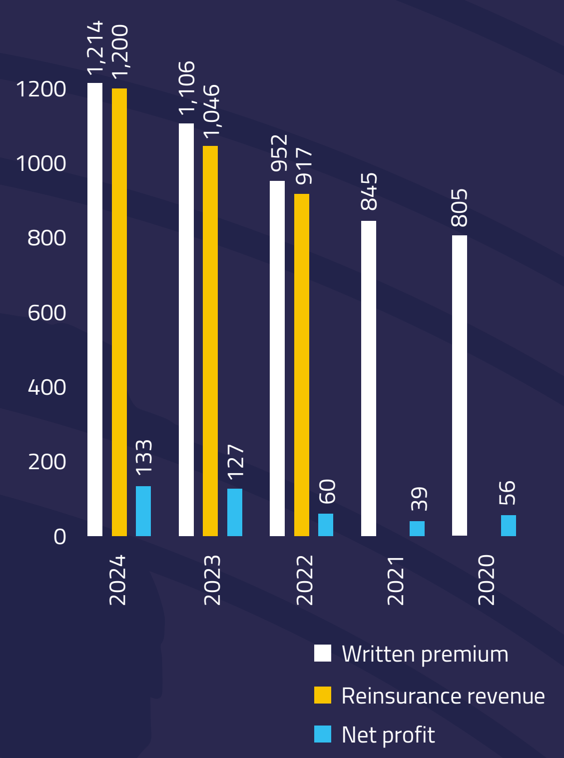
Pan-African Champion Award granted to Africa Re

Financial highlights

In US$ '000	2024*	2023*	2022 R*	2021	2020
Results					
Gross Written Premium	1,214,098	1,106,487	951,789	845,346	804,774
Reinsurance Revenue	1,200,346	1,045,516	917,112		
Reinsurance Service Expense	843,805	786,053	763,080		
Net Profit	132,942	126,954	59,873	38,823	55,709
Financial position					
Shareholders' Equity	1,158,834	1,065,691	989,912	1,000,714	1,017,106

NB*: 2024 and 2023 are under IFRS 9 & 17 and the 2022 figures have been restated for comparability.

Results 2020 - 2024
(in million US$)



Financial position 2020 - 2024
(in million US$)

Ratings		
A.M. Best	A	**A.M.Best** Stable Outlook (Excellent)
Standard & Poor's	A-	**S&P** Positive Outlook (Strong)

Proposed dividend per share for 2024

US$ 10.0

2023 Dividend: US$ 10.0

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31 DECEMBER 2024

African Reinsurance Corporation
General Assembly

47th Annual Ordinary Meeting
June 2025

Honourable Representatives at the General Assembly of the African Reinsurance Corporation,

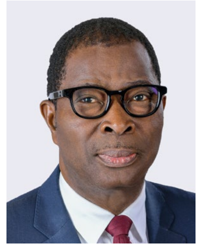
In accordance with the provisions of Articles 14 and 37 of the Agreement Establishing the African Reinsurance Corporation and Article 8 of the General Regulations of the Corporation, I have the honour, on behalf of the Board of Directors, to submit to you the Annual Report and Audited Accounts of the Corporation for the period 1 January to 31 December 2024.

Please accept, Honourable Representatives, the assurance of my highest consideration.

Mr Moustapha COULIBALY

Chairman of the Board of Directors and General Assembly

BOARD OF DIRECTORS



Mr Moustapha COULIBALY

Independent Non-Executive Director
Chairman of the Nominations & Governance Committee
Chairman of the Board

Nationality: Ivoirian (Côte d'Ivoire)
Current Term ends in: 2027

Mr Moustapha COULIBALY is a US Certified Public Accountant (CPA) with over 44 years of experience in auditing, financial management and consulting. He spent a tremendous number of years of his professional career with Touche Ross & Co, Deloitte & Touche and with Grant Thornton Côte d'Ivoire as Managing Partner.

Mr COULIBALY holds an MBA in Finance and Management from ADELPHI University, Long Island, New York, USA and, a Master's plus a Bachelor's degree in Finance and Management from the University of Abidjan, Côte d'Ivoire.

Mr Moustapha COULIBALY was external auditor of the AfDB group for 25 years (1982- 2007) as audit staff and audit partner; Africa Re for 8 years (1998 – 2006) as engagement partner and; CICA Re for 9 years (2009- 2017) as engagement partner. He also served as Audit Engagement Partner to ETI Group (Ecobank Transnational Incorporated) from 2015 to 2018.

Mr COULIBALY is currently Chairman of the Boards of SanlamAllianz Côte d'Ivoire Assurances - Life and Non-Life. He also chairs the Audit Committee of the Board and the IT migration Ad Hoc committee of BICICI in Côte d'Ivoire (Bank).

He is the founder of Lycée Maurice Delafosse in Abidjan, Côte d'Ivoire where he served as Chairman of the Board from inception in 2004 to 2017.

Dr Mohamed Farid SALEH

Vice Chairman
Member of the Finance and Investment Committee
Member of the Nominations and Governance Committee

Nationality: Egyptian
Current Term ends in: 2027

Dr Mohamed Farid SALEH was appointed Chairman of the Financial Regulatory Authority (FRA) of the Arab Republic of Egypt in August 2022 and is also a Board Member of the Central Bank of Egypt (CBE).

In September 2022, he was elected Chair of the IOSCO Growth and Emerging Markets Committee (GEMC) and Vice Chair of IOSCO Board. In addition, Dr Farid is the current Vice Chair of the Advisory Board for GFANZ Africa Network.

Throughout his outstanding professional career, Dr Farid has held a number of leading positions, amongst others, Executive Chairman of the Egyptian Exchange (EGX) since August 2017 and the tenure was extended for another period. During this period, he also held many significant international positions namely: Chairman of the Federation of Euro-Asian Stock Exchanges (FEAS) from 2017 to 2019 and from 2021 to August 2022; Chairman of the Arab Federation of Capital Markets (AFCM) from 2019 to2021; Chairman of the Emerging Markets Working Group at the World Federation of Exchanges (WFE) from 2017 to 2021. In addition, Dr Farid served as Board Member of the African Securities Exchanges Association (ASEA) from 2017 to August 2022. Prior to his appointment as Executive Chairman of EGX, he was Chairman and CEO of Dcode EFC - a leading economic forecasting firm in Egypt.

Between 2013 and 2016, Dr Farid was External Consultant on Venture Capital (VC) and Financial Leasing for the World Bank Group in Egypt, and a Member of the Capital Market Advisory Committee established by the Financial Regulatory Authority (FRA). He served as Vice Chairman of EGX from 2010 to 2011 and was a part-time lecturer for Financial Markets, International Finance and Financial Derivatives at the American University in Cairo (AUC) and the Arab Academy for Science, Technology and Maritime Transport (AASTMT).

The areas of reforms that he embarked upon were: a complete revamp of the insurance regulatory and legal framework in Egypt, deepening of capital markets and financial inclusion through digitalization and enabling the adoption of new technological advancement in the field of financial technology.

Dr Farid holds a PhD in Financial Economics from Cardiff Metropolitan University - UK, an LLM in International Financial & Commercial law from King's College London (KCL) – UK, an MSc in Quantitative Finance from Bayes Business School - City, University of London - UK, an MSc in Economics, in Project Analysis, Finance & Investment from York University - UK, and an MBA from the Arab Academy for Science, Technology & Maritime Transport (AASTMT) - Egypt. He also holds a certificate in Venture Capital from UC Berkley - USA, a certificate in Time-Series Analysis from Timberlakes, Cambridge University - UK, and a BSc in Foreign Trade and Economics from Helwan University - Egypt.

Mr Kamel MARAMI

Director
Chairman of the Human Resources & Remuneration Committee
Member of the Nominations and Governance Committee

Nationality: Algerian
Constituency: Algeria: state and companies
Current Term ends in: 2027

Mr MARAMI is currently the Director of Insurance and member of the Insurance Supervisory Commission, Ministry of Finance, Algeria. He is also a member of the National Insurance Board of Algeria.

He is a professional insurer and holds degrees in Economics and Finance. Mr MARAMI equally has a Postgraduate degree (3ème cycle) in insurance.

Mr Hafed Mohamed OMRAN

Director
Member of the Human Resources and Remuneration Committee
Member of the Finance and Investment Committee

Nationality: Libyan
Constituency: Libya, Mauritania and Tunisia (states and companies)
Current Term ends in: 2027

Mr Hafed Mohamed OMRAN holds a Master's degree in Computer Science from Coventry University, United Kingdom, and an MBA from Anglia Ruskin University, London, United Kingdom. He also holds a Bachelor of Science degree with a specialization in Data Analysis from the Faculty of Accounting in Gharyan, Libya.

Mr. OMRAN is currently the Chairman of the Board of Directors of the Libya Insurance Company (LIC). Prior to this, he held senior roles at the Libyan Capacity Building Centre in Malta and the Libya Trade Network (LTNet) in Libya. Additionally, Mr. OMRAN has served as the Executive Manager of DAR AL-KIBRA Construction Group in Libya. He was also the Head of the Distribution and Economic Marketing Department within the economic sector of Gharyan in Libya.

Annual Report & Accounts 2024
Board of Directors

Mrs Faouzia ZAABOUL

Director
Chair of the Finance and Investment Committee
Member of the Audit Committee

Nationality: Moroccan
Constituency: Morocco: state and companies
Current Term ends in: 2027

Mrs Faouzia ZAABOUL is Inspector of Finance of exceptional rank. She is the current Director of Treasury and External Finance at the Ministry of the Economy, Finance and Administrative Reform of the Kingdom of Morocco. Previously, she held the following positions within the same Ministry: Deputy Director of Treasury and External Finance in charge of the "Macroeconomics and Domestic Debt" Unit (2007-2010); Head of the Capital Market Division (1995-2007); Head of the Development of Financial Instruments (1994 - 1995) and Head of the service for Bilateral Funding (1992-1994).

Mrs ZAABOUL occupies various positions of representation, including the following:

- Alternate Governor for the Kingdom of Morocco at the World Bank, the African Development Bank and the European Bank for Reconstruction and Development, since June 2010;
- Director on the boards of the financial sector regulatory authority (Bank Al-Maghrib since June 2010, the Moroccan Capital Market Authority since March 2016 and the Insurance and Social Security Supervisory Authority since April 2016);
- Member of the Credit Institutions Committee (Comité des Etablissements de Crédit) since December 2010 ;
- Director on the Board of the Moroccan Foundation for Financial Education since 2013;
- Director on the Board of the Deposit and Management Fund (Caisse de Dépôt et de Gestion) since March 2015; Chairman of the Audit and Risk Committee of the Deposit and Management Fund since March 2015; Member of the Investment and Strategy Committee of the Deposit and Management Fund since March 2015;
- Member of the Commission for the Coordination and Supervision of Systemic Risks since June 2015.
- Member of the Capital Markets Committee since October 2017; Chair of the Sub-Committee of the Capital Markets Committee since May 2023;
- Member of the Commission for the Transfer of Public Enterprises to the Private Sector since April 2019;
- Director on the Board of the National Agency for Strategic Management of State Holdings since December 2022; Member of the Audit Committee of the National Agency for Strategic Management of State Holdings since April 2024; Member of the Strategy and Investment Committee of the National Agency for Strategic Management of State Holdings since April 2024;
- Member of the Audit Committee of the Mohammed VI Investment Fund, since March 2024.

Mrs ZAABOUL is holder of 2éme CES in Economics; 1st year MBA, ESC, Toulouse; and ISCAE Diploma (short course, Strategic Management).

Mrs Delphine TRAORE

Director
Chair of the Audit Committee
Member of the Nominations and Governance Committee

Nationality: Burkinabe
Constituency: SanlamAllianz Africa Pty Limited
Current Term ends in: 2027

Delphine Traoré is the Chief Executive Officer of SanlamAllianz General Insurance since September 2023, following the successful combination of Allianz and Sanlam activities on the African continent.

Prior to this appointment, she was CEO of Allianz Africa from November 2021 to August 2023, while retaining her previous positions as Member of the Board of Directors and Chief Operating Officer, which she held since 2017.

She joined the Allianz Group in 2005, in the Canadian subsidiary of Allianz Global Corporate & Specialty (AGCS). From 2012 to 2017, she was CEO of AGCS Africa in South Africa.

Holder of a Chartered Property and Casualty Underwriter (CPCU) from the American Institute for Chartered Property Casualty Underwriters, Delphine served consecutively as Vice-President and then President of the African Insurance Organization (AIO), and President of the Insurance Institute of South Africa. She is a member of the Board of Directors of the African Reinsurance Corporation (Africa Re); Chairperson of Allianz Insurance Company, Egypt, Board Member of Sanlam Morroco and SanlamAllianz Cote D'ivoire Assurances; and a Non-Executive Director at Alliance for a Green Revolution in Africa (AGRA) and Ivanhoe Mines.

Annual Report & Accounts 2024
Board of Directors

Mrs Meryem CHAMI

Director
Member of the Nominations and Governance Committee
Member of the Human Resources and Remuneration Committee

Nationality: Moroccan
Constituency: AXA
Current Term ends in: 2027

Mrs Meryem CHAMI is a graduate of "Ecole Nationale Supérieure Télécom Bretagne" and holds an Executive MBA from Ecole des Ponts et Chaussées, along with a certificate in Management from the Massachusetts Institute of Technology (MIT).

Her professional career began as a Network and Telecommunication Consultant at Siticom in Paris. In this role, she worked on projects throughout Europe, Asia and Africa, and developed Siticom's presence in Morocco.

Upon her return to Morocco, she joined Attijariwafabank, where she successively held the positions of Group Purchasing Director and Director in charge of implementing the Information Technology Master Plan.

In 2008, she became part of OCP, the leading Moroccan company operating in the mining and chemical industry, initially as Chief of Staff to the Group's CEO and later as Deputy General Secretary of the Group in charge of transformation (HR, IS, communication, organization, consulting, etc.). She subsequently served as the Executive Director responsible for planning, steering and transformation of the group.

Meryem CHAMI played a pivotal role in launching Capgemini Engineering in Morocco in 2015, global leader in engineering, serving as CEO since January 2015. She also expanded their presence into Tunisia in July 2017. By March 2020, Capgemini Morocco had a work force of over 2000 engineers, and Tunisia employed nearly 300 engineers. She was a member of Altran Group Executive Committee.

In March 2020, she joined AXA Assurance Maroc and CIMA (Senegal, Côte d'Ivoire, Cameroon, Gabon) as Director of Transformation and subsequently took on the role of CEO from October 2020.

In September 2023 she was appointed AXA Africa CEO covering 10 countries.

Furthermore, Meryem serves as an independent Board member of the Moroccan Investment and Export Development Agency (AMDIE), HPS (payment leading company) and the Morocco Business Council (CGEM). She is also a corresponding member of France's Foreign Trade Advisors. As AXA representative, she also holds Board member positions in BMCI (BNP Paribas subsidiary in Morocco), CFG, SCR (Moroccan reinsurer), Public Transport Insurer (CAT) and many African AXA subsidiaries.

Mrs Estelle TAGNONGOH TRAORE

Director
Member of the Audit Committee
Member of the Human Resources and Remuneration Committee

Nationality: Ivorian
Constituency: Francophone West and Central Africa
Current Term ends in: 2027

Mrs Estelle TAGNONGOH TRAORE is a prominent figure in the African insurance industry. She is a former Alternate Director of the Board of Directors of Africa Re and is the current Managing Director of two insurance companies of the BCP-Maroc Group in Côte d'Ivoire namely, Assurance Atlantique Vie and Assurance Atlantique Non-Vie.

She is also a Board Member of a national agricultural structure, a sub-regional securitization company and a member of the investment committee of a sub-regional financial fund.

With a solid academic background, Mrs TRAORE holds an Executive MBA from the Centre des Hautes Études en Assurances (CHEA) of the Paris-Dauphine University, a Master's in Audit, Tax and Management Control from the Cheikh Anta Diop University, a DESS in Project Management and a Maîtrise Professionnelle in Business Management and Organisation from the prestigious CESAG in Dakar.

She began her career in Côte d'Ivoire in 2001, then in Senegal and Mali, before joining the Atlantic Financial Group (AFG) in 2007. Thanks to her expertise and leadership, she quickly rose through the ranks, successively holding positions of responsibility. She was appointed Deputy Managing Director of Groupement Togolais d'Assurances - Compagnie Africaine d'Assurance Vie (GTA C2A-Vie) in Lome, Togo, before becoming Managing Director of Atlantique Assurance Vie in Côte d'Ivoire and then Managing Director of Atlantique Assurance Vie et non Vie.

Her strategic vision and in-depth understanding of the challenges facing the sector enabled her to transform the company, undertaking innovative initiatives and mobilising her team to work towards ambitious goals. Her commitment to the development of the insurance sector in Côte d'Ivoire is widely recognised, notably through her membership of the Executive Bureau of the Association of Insurance Companies of Côte d'Ivoire (ASA-CI).

In recognition of her contributions, she was made a Knight of the Ivorian Order of Merit on 10 July 2023, an award presented by the Minister of the Economy and Finance on behalf of the President of the Republic of Côte d'Ivoire and the Grand Chancellor.

The undeniable leadership of Mrs TRAORE is also seen in her active involvement in a charitable association and in her love for child welfare.

Mr Jean CLOUTIER

Director
Chairman of the Underwriting, Risk Management and Information Technology Governance Committee

Nationality: Canadian
Constituency: FAIRFAX
Current Term ends in: 2027

He is the current Chairman of Fairfax International, Executive Committee Member of Fairfax Financial

Holdings Limited and Vice President of International Operations. Mr Cloutier holds a Bachelor's degree in Actuarial Science from Laval University, Quebec City. He is a fellow of the Canadian Institute of Actuaries (FCIA) and the Casualty Actuarial Society (FCAS). He represents Fairfax on numerous subsidiary and industry trade boards.

Mr Jacques DJOFACK

Director
Member of the Finance and Investment Committee
Member of the Underwriting, Risk Management and Information Technology Governance Committee

Nationality: French
Constituency: African Development Bank (AfDB)
Current Term ends in: 2027

Mr Jacques DJOFACK is currently serving as Director Financial Management of the African Development Bank since May 2021. In this position, he provides strategic leadership and vision on the financial risk, asset and liability management and treasury-related risk of the African Development Bank Group. He is also the vice-chair of the Bank's management credit risk committee. Prior to that, he worked as Advisor to the Vice-President Finances. He was also a Board member of Advans Banque Congo, representing the African Development Bank.

Mr Jacques DJOFACK joined the African Development Bank in 2011 as Chief Financial Risk Officer. He contributed to the promulgation of finance and risk management policies. He was also instrumental in delivering several financial strategic board documents pertaining to the Bank's financial capacity, among which are the Bank's Medium-Term Financial Outlooks, and the Bank's Long-Term Financial Sustainability Framework.

Prior to joining the African Development Bank, Mr Jacques DJOFACK acquired extensive experience in corporate finance and risk management with international organizations such as Shelter Afrique in Nairobi (Kenya), a housing development finance institution, where he was Head of the Risk Management Department. He also held various senior positions in risk and project management in France, at Société Générale Corporate & Investment Banking, Total and other consulting companies.

He holds a PhD in civil engineering from Ecole Nationale des Ponts et Chaussées in Paris (France), and an Executive MBA from Concordia University, Canada.

Mr Olusegun Ayo OMOSEHIN

Director
Member of the Underwriting, Risk Management and Information Technology Governance Committee
Member of the Finance and Investment Committee

Nationality: Nigerian

Constituency: Nigeria: state and companies

Current Term ends in: 2027

Mr OMOSEHIN is a multidisciplinary professional with over three decades of hands-on experience spanning strategic planning, risk management, organizational restructuring, and performance management in the insurance sector.

He is currently the Commissioner for Insurance/Chief Executive Officer, National Insurance Commission, Nigeria. Prior to his appointment in April 2024, he was the Chairman of the Nigerian Insurers Association, the umbrella association of all insurance and reinsurance companies in Nigeria, as well as the Managing Director & Chief Executive Officer of Old Mutual Nigeria Life Assurance Company Limited, the Nigerian subsidiary of the Old Mutual Group, South Africa.

He is a Fellow of the Chartered Insurance Institute of Nigeria (FIIN), and a Fellow of the Institute of Directors (FIoD).

Mr. OMOSEHIN holds an M.Sc. in Economics from the University of Lagos, Nigeria, a Master of International Law and Diplomacy (MILD) degree, and a Bachelor of Science degree in Political Science. He equally attended the Oxford Advanced Management and Leadership Programme, Said Business School, University of Oxford, United Kingdom, and is an alumnus of the Lagos Business School, Pan African University.

He was the Managing Director/Chief Executive Officer of Mutual Benefits Assurance Plc (a publicly quoted insurance company in Nigeria) from 2010 to 2019; and Managing Director/CEO of AIICO General Insurance Company Limited, (the then general insurance arm of AIICO Insurance Plc, Nigeria). Also, he was the MD/CEO of Admiral Insurance Company Limited (Nigeria) between 2003 and 2007.

Annual Report & Accounts 2024
Board of Directors

Mr Yared MOLA

Director
Member of the Audit Committee
Member of the Nominations and Governance Committee

Nationality: Ethiopian

Constituency: Anglophone West Africa (companies and 4 states) and East and Southern Africa (companies)

Current Term ends in: 2027

Yared Mola is a distinguished insurance executive with over three decades of leadership in the insurance and reinsurance sectors, both in Ethiopia and internationally. Renowned for his expertise in strategic leadership, risk management, and market development, Mr. Yared has played a transformative role in shaping the trajectory of the Ethiopian insurance landscape.

For the past 12 years, Yared Mola has served as the Chief Executive Officer of Nyala Insurance S.C., one of Ethiopia's leading insurers. Under his visionary leadership, Nyala has evolved into one of the most profitable and customer-centric insurance companies in the country, recognized for its financial strength, innovative products, and high-quality service delivery. Mr. Yared's career also includes international exposure, having served as a risk management consultant in the United States,

Academically, he holds a Bachelor's degree from Addis Ababa University and a Master's degree from the University of Greenwich, UK. He is currently pursuing a PhD at the Paris School of Business, further deepening his expertise in global finance and strategic management.

Beyond his executive responsibilities, Mr. Yared is deeply committed to capacity building in the insurance profession. He actively contributes to the training and mentoring of professionals, fostering the next generation of insurance leaders in Ethiopia.

As President of the Association of Ethiopian Insurers, Yared Mola is a vocal advocate for sector-wide transformation. His leadership focuses on deepening insurance penetration and density, raising public awareness about the value of insurance, and driving the overall development of the Ethiopian insurance industry. He has worked closely with regulators, stakeholders, and international partners to position insurance as a pillar of economic resilience and inclusive growth.

In recognition of his exemplary leadership and sectoral impact, Mr.Yared was honored as Africa Insurance CEO of the Year in 2019 by the African Insurance Organization (AIO).

A visionary yet grounded leader, Yared Mola continues to lead Ethiopia's insurance industry into a future defined by growth, trust, and innovation, while contributing meaningfully to the advancement of insurance across Africa

Mr Alhaj Kaddunabbi Ibrahim LUBEGA

Director
Member of the Human Resources and Remuneration Committee
Member of the Underwriting, Risk Management and Information Technology Governance Committee

Nationality: Ugandan
Constituency: East and Southern Africa and Sudan (12 states)
Current Term ends in: 2027

Alhaj Kaddunabbi Ibrahim LUBEGA is a Fellow and Certified Professional of the Australian and New Zealand Institute of Insurance and Finance (ANZIIF) with over 20 years of hands-on experience in finance operations, regulation, and supervision. He is passionate about good governance, policy-making, standard-setting, and capacity building. He is the Chief Executive Officer of the Insurance Regulatory Authority of Uganda (IRA) and Chairman of the East African Insurance Supervisors Association (EAISA).

Alhaj Kaddunabbi was also the president of the African Insurance Organisation (AIO) from 2017 to 2018. As Chief Executive Officer, Alhaj Kaddunabbi has presided over several reforms (legal and regulatory) aimed at strengthening the oversight role of the Authority.

Before his current assignment, Alhaj Kaddunabbi was a Legislator in the Parliament of the Republic of Uganda for 10 years, where he chaired the Parliamentary Committee on the National Economy and Board of Trustees of the Parliamentary Pension Scheme. He was also an Executive Member of the Parliamentary Union of the Organization of the Islamic Conference. During his 10-year tenure at Parliament, Alhaj Kaddunabbi participated in scrutinising government programmes and all matters related to the national economy and finance and monitoring the state of the national economy.

Alhaj Kaddunabbi is a member of the Steering Committee of the East African Community Financial Sector Development and Regionalisation project, the Financial Markets Development Apex Committee, and the Accountability Sector Steering Committee, among others. He brings his expertise in finance and legislative disciplines to these committees. He also sits on regional and international committees such as the East African Insurance Financial Sector and Regionalisation Projects Steering Committee and the International Association of Insurance Supervisors, respectively. These engagements have allowed him to gain a deeper understanding of the workings of the broader financial markets ranging from insurance and pension and banking to capital markets.

Alhaj Kaddunabbi holds a Doctorate in Business Administration (finalising) and a Master's degree in economic policy and Planning from Makerere University, Uganda. He also holds a Bachelor of Science in Economics from Makerere University, Uganda.

Alternate Directors

Mr Oussama BENAMIROUCHE
Mr Milad M. QASHOUTA
Mr Omar GOUDA
Mr Etienne RAMBA
Dr Baghayo SAQWARE
Mr Netsanet LEMESSA
Mrs Safaa TALBI
Mr Sandeep JAIN
Mr Edwyn O'NEILL
Mr Ilyes HASSIB
M. Abdelhadi El Omari
M. Oye Hassan-Odukale

EXECUTIVE MANAGEMENT

Dr Corneille KAREKEZI

Group Managing Director / Chief Executive Officer

Dr. Corneille KAREKEZI rose to the current position of Group MD/CEO after occupying the position of Deputy MD/COO for 2 years (2009-2011), and of Group Board Director for 3 years (2003-2005).

Prior to joining Africa Re, his professional career started in the primary insurance industry where he served practically in all the financial, marketing, reinsurance, and technical departments at senior management levels of the leading insurance companies in Burundi and Rwanda, up to the position of CEO of SONARWA, the then insurance leader of Rwanda.

Dr. KAREKEZI holds a Bachelor's Degree in Economics (University of Burundi), a Master's Degree in Management (University of Burundi), Postgraduate Diplomas in Business Administration (Edinburgh Business School and University of Liverpool, both in UK), an Honorary Doctorate in Business Administration (Commonwealth University, UK) and a Doctorate in Business Administration (Paris School of Business, France & Galilee International Management Institute, Israel).

He speaks fluently English, French, Swahili, and other African languages.

Since 1996, he has contributed significantly to the development of the insurance and reinsurance industries in Africa through his involvement and leadership in various national, regional, and continental initiatives and organizations. He has participated actively, as speaker, in seminars, conferences, symposia and other fora across the world, particularly on issues of insurance development and reduction of insurance protection gap, risk management for development, InsurTech, and in general on issues of economic development and leadership.

Dr. KAREKEZI has served as chair and/or member of governing bodies of various financial institutions and foundations in Africa and at the global stage. He is currently the Chairman of Africa Re (South Africa) Limited, Chairman of Africa Retakaful Company (Egypt), Member of the Executive Committee of the African Insurance Organization (AIO) where he chairs the Finance Committee, Chairman of the AIO Foundation, 2nd Vice Chairperson of the Governing Council of the Alliance of African Multilateral Financial Institutions (AAMFI) Council and a Member of the Executive Council of the International Insurance Society (IIS).

Mr Ken AGHOGHOVBIA

Deputy Managing Director / Chief Operating Officer

Since joining the Corporation in 1985, Mr Ken AGHOGHOVBIA worked in different capacities before rising to the position of Regional Director of the Anglophone West Africa Regional Office. He was the pioneer Regional Director of this Office when it was established in 2009 and played a pivotal role in the turnaround of the fortunes of the Regional Office, the African Oil and Energy Pool and the African Aviation Pool.

Mr AGHOGHOVBIA holds a Bachelor of Science in Insurance (Nigeria) and a Master's degree in Business Administration (Nigeria). He is an Associate (ACII) and a Fellow (FCII) of the Chartered Insurance Institute (UK).

He has been a member of various regional professional committees. Mr AGHOGHOVBIA became Deputy Managing Director / Chief Operating Officer on 1 July 2011.

Mr Ephraim Kiiza BICHETERO
Deputy Managing Director/Chief Operating Officer Elect

Mr Ephraim Kiiza BICHETERO started his career in 1994 as Underwriter trainee in Pan World Insurance Uganda and rose to become head of the reinsurance department. In 1998, he joined Goldstar Insurance Uganda as head of underwriting, claims and reinsurance and eventually became Assistant General Manager. In 2002, he was recruited as Head of Technical Operations in charge of underwriting, reinsurance and claims in the then United Assurance Ltd (now UAP Old Mutual General Insurance Uganda Ltd).

Mr BICHETERO joined Africa Re as Underwriter in June 2004 at the Nairobi Regional Office. He subsequently rose through the ranks to become Assistant Director Technical Operations and Deputy Regional Director. In July 2017, he was appointed Interim Regional Director and in January 2018, he became the Regional Director of the Nairobi Regional Office.

Mr BICHETERO became the Deputy Managing Director/Chief Operating Officer Elect of Africa Re on 1 July 2024.

Mr BICHETERO holds a Bachelor of Arts from Makerere University, Kampala, Uganda and an Executive MBA degree from the United States International University, Nairobi, Kenya. He is also a holder of an Associate Diploma from the Chartered Insurance Institute, London (ACII).

Mr BICHETERO has been on the Board of Directors and/or Board Committees of international organizations including the African Trade Insurance Agency, Shelter Afrique, Organisation of East and Southern Africa Insurers, and Insurance Training and Education Trust, Kenya. He has also served as a member of many insurance and reinsurance technical committees in the Ugandan and Kenyan insurance industry.

CENTRAL DIRECTORS

Mrs Silifat AKINWALE
Director, Internal Audit

Mrs AKINWALE is a highly experienced professional with over 30 years of diversified experience in audit, accounting, finance and administration. Her professional experience started with Deloitte, where she worked for 12 years providing assurance and advisory services to both private and public sector organisations.

She joined Africa Re in August 2003 as Senior Accountant. Within her first year, she developed the first accounting manual for the Corporation. She was promoted to the position of Assistant Director, Financial Reporting in January 2006. In that capacity, she led the Corporation's first-time adoption of International Financial Reporting Standards (IFRS) and played a key role in developing the Group's accounting policies and guidelines on financial reporting. She has served in this position at the Head Office and two of the regional offices in Nairobi, Kenya and Cairo, Egypt. During her experience at the regional offices, Mrs AKINWALE also had overall responsibility for the financial reporting, budgetary control and administrative functions.

Mrs AKINWALE was appointed the Director of Internal Audit in September 2022.

Mrs AKINWALE holds a Bachelor of Science (Hons.) degree in Sociology and Anthropology from Obafemi Awolowo University and a Postgraduate degree in International Business Management from the University of London. She is a Chartered Accountant, a fellow of the Institute of Chartered Accountants of Nigeria and a member of the Association of International Certified Professional Accountants.

Ms Yvonne PALM
Director, Risk Management and Compliance

Ms Yvonne PALM joined Africa Re as Director of Risk Management and Compliance on 27 November 2019.

Prior to joining Africa Re, she served as the Lead Corporate Actuary at Travelers Syndicate Management in London, overseeing reserving, technical provisions, business planning and reporting of results to regulators and management.

She started her career at Ernst & Young in the USA, serving as the lead actuarial analyst for multinational clients including (re)insurers, captives and entities that self-insure their exposure. She went on to hold senior actuarial positions at Markel International and ACE European Group in London (UK). Her experience spans the United States, Europe and Latin America, as well as exposure to African, Middle Eastern and Australasian business through the Lloyd's platform.

Yvonne is a Fellow of both the Casualty Actuarial Society (USA) and the Institute and Faculty of Actuaries (UK). She holds a Bachelor of Arts degree from Grinnell College in the USA, where she graduated Phi Beta Kappa with Honours in both Mathematics and Economics.

Mr Guy B. FOKOU
Corporate Secretary
Director, Human Resources

Mr Guy B. FOKOU was appointed Corporate Secretary of Africa Re in January 2024, a role he now combines with his responsibilities as the Director of Human Resources.

With over two decades of versatile experience in leadership roles across various sectors (Insurance/Reinsurance, Oil & Gas, Humanitarian, Communication, Logistics), leading diverse teams and navigating in large, matrix and complex corporate environment, Mr Fokou's professional journey began as an HR Management Trainee at Bolloré Cameroon (now Africa Global Logistics). He later joined Multiprint Sérigraphie (a leading printing and communication Group of Companies in Cameroon) as HR & Legal Manager and eventually rose to the position of Group Director of Human Resources.

Mr FOKOU joined Africa Re in 2014 as Assistant Director, Human Resources & Administration before being appointed as Director of Human Resources in 2019. His role expanded further when he served as Acting Director of Administration & General Services from May 2022 to June 2024.

Prior to joining Africa Re, Mr FOKOU was Director of Human Resources & Administration/Company Secretary at Total Energies Cameroon where he was in charge of Human Resources, Legal & Insurance matters as well as General Services.

In his career trajectory, Mr FOKOU has also held several key positions including Assistant Director of Human Resources at Ecobank Cameroon, Regional HR & OD Advisor for SOS Children's Villages in the Central & West Africa Regional Office (Yaounde, Cameroun), overseeing 13 countries in the Region, and Director of Human Resources at ACTIVA Group (Insurance) Cameroon.

He holds an MBA from the African Leadership University (ALU) School of Business in Kigali, Rwanda, a Professional Master's Degree in Human Resource Management from ESSEC Business School of Douala, Cameroon and a Master's Degree in Business Law from the University of Douala.

Mr Mesfin Abebe DAMTEW
Director, Central Operations and Special Risks

Mr Mesfin Abebe DAMTEW started his professional career as Design Engineer in the then Engineering Design & Tool Enterprise in Ethiopia before joining the insurance industry. In 1995, he joined Ethiopia Insurance Corporation (EIC) as Fire and Engineering Surveyor where he conducted pre and post risk assessments and in 2003 was promoted as Senior Supervisor in the Marine and Aviation Department. From 2008 to 2013 he served in various capacities in the same Corporation namely, Deputy Main Branch Manager, District Director and General Insurance Deputy CEO before Joining Africa Re in September 2013 as Engineering Underwriter in the Nairobi Regional Office.

For 11 years, Mr Mesfin served in various capacities in the Nairobi Regional Office of Africa Re and subsequently rose through the ranks to become Assistant Director – Underwriting and Marketing on 1 August 2021. He was an active member of the Association of Kenyan Reinsurers (AKR) and chaired the technical committee for one year (2023 to 2024).

Mr Mesfin is a graduate of Addis Ababa University with a Bachelor of Science Degree in Mechanical Engineering and holds a Master of Business Administration (MBA) from the United States International University (USIU) – Africa, Nairobi, Kenya. He has also taken short-term training in insurance from various institutes.

He has attended many foreign and local seminars and on various occasions facilitated training in risk survey, property, engineering and marine insurance underwriting.

Mr Moussa BAKAYOKO
Director, Finance and Accounts

Mr Moussa BAKAYOKO was appointed Director of Finance and Accounts on 7 September 2022.

Prior to this position, he was Director of Internal Audit from October 2020 to September 2022; Assistant Director, Finance and Administration in the Regional Office of Africa Re in Mauritius from 2014 to 2020. Mr BAKAYOKO joined Africa Re in 2006 as financial controller. He later on held the positions of Group Acting Director, Finance & Accounts, and Assistant Director, Finance and Administration for the Lagos Regional office.

Mr BAKAYOKO started his career in Uniconseil (an audit firm) in 1988 and later moved to Protection Ivoirienne, an insurance company, where he was the Chief Accountant for five years, before joining Chronopost International Côte d'Ivoire in 1999 as Administrative and Financial Director.

He has acquired more than 30 years of experience in finance, audit and administration in the insurance and reinsurance sectors.

Mr BAKAYOKO holds a Bachelor's degree in Economics and a Masters' degree in Accounting and Finance (MSTCF/DECF). He also has a Postgraduate Diploma (DEA) in Finance. The three certificates were awarded by the University of Abidjan. He has attended various training courses in finance and accounting.

Mr BAKAYOKO was the Best Employee of the African Reinsurance Corporation in 2014.

Mr Chris SAIGBE
Director, Life Operations

Mr Chris SAIGBE worked as a life insurance specialist in Nigeria for several years before moving to the African Reinsurance Corporation in January 2009. He has over thirty years' experience in life insurance and reinsurance management. He holds a Bachelor of Science in Economics from Obafemi Awolowo University and a Master's degree in Economics from the University of Lagos, both in Nigeria. Mr SAIGBE obtained a Master of Business Administration from Moi University in Nairobi, Kenya. He is an Associate member of the Chartered Insurance Institute of Nigeria and a Certified Personal Financial Planner. His wealth of experience in direct life assurance operations and reinsurance comes in handy in leading the life team to fashion appropriate life reinsurance treaties and manage the reinsurance expectations of clients.

Mr Roger BONG BEKONDO
Director, Communications and Public Affairs

Mr Roger BONG BEKONDO is a seasoned professional with a rich national and international experience. He is a trained translator-interpreter (Masters in Interpretation -1995- and Masters in Translation -1990) and holds an Executive MBA (2008) from the East and Southern African Management Institute (ESAMI), Arusha, Tanzania. His international career (Africa Re, Lagos, Nigeria, since 2008, and the United Nations International Criminal Tribunal for Rwanda -UNICTR- from 2004 to 2008) was preceded by a solid career in his home country, Cameroon, where he served at the Presidency of the Republic from 1996 to 2004, and at the Ministry of Finance from 1991 to 1996.

On 1 July 2024 he was appointed Director, Communications and Public Affairs at the African Reinsurance Corporation (Africa Re). His main activities within the Africa Re Group consist in supervising the Communications & Public Affairs Department; he is responsible for Corporate Communications, Host Countries Engagement, Protocol Services, Consular & Visa matters, Travel Logistics, Language Services, Records Management and Corporate Social Responsibility (CSR), etc.

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Mr Adil ESSOUKKANI

Director, Information and Communication Technology

Mr Adil ESSOUKKANI has a Bachelor's degree in Computer Science and a Master's degree in Programme Management from ESC Lille, France. He has more than 15 years of experience in the insurance industry.

Prior to joining Africa Re, Mr ESSOUKKANI was Chief Information Officer of Saham Angola Seguros (2017-2019).

Mr Adil ESSOUKKANI has equally worked as Project Director at Saham Finances, Director of the software factory of SAHAM Finance Group, Head of IT in a leasing company (WAFABAIL), Project Manager and business analyst at AXA insurance Morocco.

He started his professional career in 1999 as an engineer in software development.

Mr ESSOUKKANI joined Africa Re in September 2019 as Director of Information and Communication Technology.

Mr Alain ZONGO

Director, Treasury & Investments

Mr Alain ZONGO is an investment professional with more than 20 years of experience in the finance industry. He is a well-appreciated team leader and has worked for several banks, including Ecobank and other renowned organizations. Before his current position, he was the Assistant Director for Treasury and Investment.

He holds a diploma in physics and chemistry from the University of Ouagadougou and a Bachelor's degree in mechanical engineering. This led him to work for Air Afrique between 1995 and 2002.

Later, he transitioned into banking and finance by obtaining a Bachelor's degree in business management from Check Anta Diop University in Dakar, a Master's degree in banking and finance from CESAG in Dakar and an MBA from Roehampton University in the UK.

He also holds various treasury, investment and ALM management certificates from INSEAD and New York University.

Mr Oluseye OLAKANMI

Chief of Staff & Strategy

Since joining Africa Re in 2011 under the Young Professional Programme, Mr. Oluseye OLAKANMI has held several positions across cadres gradually increasing in responsibility from Officer, Manager, Senior Manager, Assistant Director and now a Director with the Corporation. He was the pioneer officer in charge of the Strategy Management Office with responsibility to support the Executive Management in the formulation and execution of the Corporate Strategy. He has a Bachelor's degree with Honours from the University of Ibadan (Nigeria) and a Master in Business Administration from the University of Cape Town (South Africa). He has several awards for his academic achievements and relevant professional certifications. On 01 July 2024, he was appointed as the Chief of Staff & Strategy to supervise the Executive Management Office and shall be responsible for strategy management, executive support, cycle management, operational excellence, internal collaboration, project reporting, and any other special duties or assignments as may be required.

Dr Kantam Nagou

Director, General Services

Dr Kantam Nagou has over two decades of progressive and diverse experience in international financial institutions.

In September 2003, he joined the Central Bank of West African States (BCEAO) as Information System Manager at its headquarters in Dakar, Senegal. His responsibilities included overseeing the Information Technology Services for the West African Monetary Union (WAMU) Retirement Fund Institution (CRRAE-UMOA).

Having joined Africa Re in 2009, he worked in different capacities before rising to the current position of Director of General Services. He was appointed Assistant Director in charge of Projects Management & Information Security in August 2021, a position he held until his appointment as Director of General Services in July 2024.

Dr Kantam Nagou holds a Doctor of Engineering Degree (D.Eng.) from the George Washington University (USA) with specialisation in Cybersecurity Analytics, an Executive MBA Degree in Business Administration (Entrepreneurship) from the Faculty of Economics and Management, Chekh Anta Diop University, Dakar (Senegal) and a Master's Degree in Information Systems and Telecommunications from Ecole Supérieure Multinationale des Télécommunications (ESMT), Chekh Anta Diop University, Dakar (Senegal).

In addition, he is a holder of several cybersecurity defensive and leadership certifications, including Certified Information Systems Security Professional (CISSP), Certified Ethical Hacker (CEH), Certified Chief Information Security Officer (CCISO), Certified in Risk and Information Systems Control (CRISC), and Certified Information Security Manager (CISM). These credentials equip him with the necessary expertise to effectively drive strategic cybersecurity goals within acceptable risk appetites.

He speaks fluently English, French and other African languages.

REGIONAL DIRECTORS, MANAGING DIRECTORS OF SUBSIDIARIES AND LOCAL REPRESENTATIVE

Mrs Temitope AKINOWA
Regional Director, Lagos Office

Mrs Temitope AKINOWA started her career in 2000 with Lasaco Assurance Company as a marketing executive. In May 2000, she moved to Cornerstone Insurance Plc where she worked in the Underwriting and Business Development Unit. She was employed as a graduate trainee and rose through the ranks to become the Head of the Oil & Gas unit in 2004 and held the position until 2008.

She joined Africa Re as Assistant Underwriter in 2008 and subsequently rose through the ranks to become Assistant Director, Underwriting and Marketing in 2018. In March 2020, she was appointed as the Acting Regional Director for the Lagos Office and in April 2021 she was confirmed as the Regional Director .

She is a graduate of Insurance from The Polytechnic, Ibadan and holds a Master's degree in Business Administration from Abubakar Tafawa Balewa University, Bauchi. She is a Fellow of the Chartered Insurance Institute of Nigeria. She has over 23 years of experience in Insurance and Reinsurance and has attended many foreign and local seminars as well as presented insurance papers locally and internationally.

Mr Mohamed Larbi NALI
Regional Director, Casablanca Office

Mr Mohamed Larbi NALI joined Africa Re in July 2016. He started his career in 1993 as Director of the Life Department in Société Centrale de Réassurance (SCR). Between 1997 and 2012, he successively held many positions namely, Director of the Actuarial Department, Deputy Director in charge of Marketing and Operations. In 2012, he was appointed Managing Director of Société Centrale de Réassurance (SCR).

He is the founder of the Moroccan Association of Actuaries and was its Chairman from 2010 to 2013. Mr NALI was also the Chairman of the African Centre for Catastrophe Risks (ACCR), Vice- Chairman of the African Insurance Organisation (AIO) and Vice-Chairman of the General Arab Insurance Federation (GAIF).

He holds a Postgraduate degree in Mathematics from the Catholic University of Louvain in Belgium and a Maîtrise in Actuarial Science from the Business School of the Catholic University of Louvain.

Mr Gamal Mohamed SAKR
Regional Director, Cairo Office

Mr Gamal Mohamed SAKR joined Africa Re in July 2020 as Deputy Regional Director of the Cairo Regional Office and was promoted to the position of Regional Director in January 2021.

He started his career in 1992 in banking. He moved to insurance in 1993 and worked as Reinsurance Officer in Pharaonic Insurance. In 1999, Mr SAKR became the Head of the Reinsurance Department. He joined GIG Egypt as Reinsurance Manager in 2000 and AIG Egypt in 2002 as Property Manager. In 2007, he was recruited by Allianz Egypt as head of general insurance.

In 2013 he moved to Saudi Arabia to Rajhi Takaful, the 3rd largest insurer of the country, as Head of General Takaful. Mr SAKR returned to Egypt in 2017 and joined Misr Insurance, the largest insurer in the country, as Executive Deputy Chairman (Board Member) for Insurance & Reinsurance.

Mr SAKR holds a Bachelor's degree in Accounting from the University of Ain Shams, Cairo. He is an Associate of the Chartered Insurance Institute of London (ACII).

Mr Olivier N'GUESSAN-AMON
Regional Director, Abidjan Office

After spending seven years as head of production in life and non-life insurance companies in Côte d'Ivoire, Mr Olivier N'GUESSAN became Director of SCOR Office for French-speaking West and Central Africa. He served as Managing Director of Compagnie Nationale d'Assurance for three years before joining Africa Re in 2005 as Senior Underwriter. He was Deputy Regional Director from January 2008 to March 2011 when he was promoted to the position of Regional Director of the Abidjan Office.

Mr N'GUESSAN holds a Master's in Business Economics from Université Nationale de Côte d'Ivoire- Abidjan Cocody and a Postgraduate diploma in Insurance from the International Insurance Institute of Yaounde, Cameroon.

Dr Phocas NYANDWI
Regional Director, Nairobi Office

Dr Phocas Nyandwi has over 25 years of experience in the Insurance and Reinsurance Industry. He started his career in direct insurance in Burundi, where he worked for over 10 years in various managerial positions in non-life and life. In 2008, he joined Kenya Reinsurance Corporation (Kenya Re) as a non-life underwriter in charge of francophone markets. He joined Africa Re in 2010 in the Nairobi Regional Office where he worked for 9 years. Before being appointed to the current position, at the Head Office in Lagos, he was Assistant Director Underwriting and Marketing in the Nairobi Regional Office.

He holds a Doctorate in Business Administration (DBA) from the United States International University – Africa (USIU-A) and a Postgraduate Diploma in Insurance from the African Insurance Institute of Tunisia (IAA). He is a Certified Expert in Micro-insurance (Frankfurt School of Finance and Management) and was an active member of the technical committee of the Association of Kenyan Reinsurers (AKR) from 2011 to 2019.

Dr Phocas NYANDWI was appointed Director of Central Operations and Special Risks in the Head Office from 1 August 2019 and on 1 July 2024, he was appointed Regional Director of the Nairobi Regional Office.

Mr Vincent MURIGANDE
Regional Director, Mauritius Office

Mr Vincent MURIGANDE joined Africa Re in January 2012 as Senior Manager Underwriting and Marketing in the Abidjan Regional Office. In September 2018, he was appointed Assistant Director Underwriting and Marketing and was promoted to the position of Regional Director, Mauritius Office in April 2020.

Before joining Africa Re, Mr MURIGANDE was Managing Director of Jubilee Insurance Burundi. He started his insurance career in 1996 in SONARWA, Rwanda, where he worked in different capacities up to the position of Technical Director from 2005 to 2010.

Mr MURIGANDE holds an Executive MBA from British Institute of Management and Technology, Abidjan Campus; a Bachelor's degree in Insurance from the National Insurance School of Paris (ENASS Paris) and a Postgraduate diploma in Insurance from the African Insurance Institute of Tunisia (IAA).

He has served as a member of many insurance technical committees in Rwanda and in member countries of the Common Market for Eastern and Southern Africa (COMESA).

Mr Andy TENNICK

Managing Director, African Reinsurance Corporation South Africa (ARCSA) subsidiary

After graduating from university in 1986, Mr TENNICK joined Swiss Re in Johannesburg as a graduate trainee. During a 14-year career, he worked in various capacities culminating in management of the underwriting and subsequently the client management functions.

He then joined the Imperial Holdings Group in Johannesburg and set up Imperial Reinsurance before moving to the Group's insurance business, Regent Insurance, as an executive director with various responsibilities including underwriting, reinsurance and risk management. He was joint CEO of the Regent Insurance Group at the time he left the Group.

Mr TENNICK holds a Bachelor of Commerce degree from the University of Cape Town.

He became Managing Director of African Reinsurance Corporation South Africa in April 2018.

Mr Yousif El Lazim GAMMA

Managing Director, Africa Retakaful

Mr Yousif El Lazim GAMMA was appointed Managing Director of Africa Retakaful, and Africa Re Local Representative in Sudan, in January 2021.

Prior to this appointment Mr GAMMA was the Acting Regional Director of the Cairo Regional Office (North East Africa and Middle East) since May 2020; he was also Assistant Director, Technical Operations, in the same office. Mr GAMMA joined Africa Re in July 2009 as Senior Underwriter in the Cairo Regional Office.

He started his career in 1991 as underwriter in the National Reinsurance Company (Sudan) where he worked for Seven years in the Non-Marine Department. In 1998, he joined Greater Nile Petroleum Operating Company (GNPOC) as Head of Risk and Insurance Unit. In 2005, he was recruited by Savanna Insurance Company as General Manager in charge of all executive operations.

Mr GAMMA holds a Bachelor's degree in Economics (Honours) from the University of Khartoum, an MBA from the School of Business Administration (University of Khartoum) and an MBA from the German University of Cairo (GUC).He is an Associate of the Chartered Insurance Institute of London (ACII).

Mr. GAMMA has attended many seminars, workshops and conferences.

Mr Debela HABTAMU

Local Representative, Addis Ababa Local Office

Mr Debela HABTAMU started his career with the Ethiopian Insurance Corporation in 1997. He worked in different capacities and rose to the position of Executive Officer for insurance operations in various insurance companies in Ethiopia. Mr Debela HABTAMU holds a Diploma in Accounting, BA in Business Administration and Executive MBA.

He became the Local Representative of the Addis Ababa Local Office in April 2018.

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Mr Mohamed Saad ZAGHLOUL

Senior Executive Officer, Africa Re Underwriting Management Agency Ltd - DIFC (Dubai Office).

Mr Mohamed Saad ZAGHLOUL was appointed as Senior Executive Officer of Africa Re Underwriting Management Agency Ltd (Dubai Office) in July 2020. He joined Africa Re in October 2018 as Assistant Director - Underwriting and Marketing in the Cairo Regional Office with the assignment of establishing Africa Re's first office outside Africa in Dubai International Financial Center – United Arab Emirates.

Mr ZAGHLOUL has more than 20 years of experience in both Conventional and Takaful professional reinsurance across the Middle East region. He is a Fellow (FCII) of the Chartered Insurance Institute of London and also holds a Bachelor's degree in commerce & business administration (Honours) from the Helwan University in Cairo – Egypt.

Mr ZAGHLOUL started his career in 2000 in the Egyptian Reinsurance Company (Egypt Re) as an underwriter responsible for the treaty and facultative business of the Gulf Region. In 2007, he moved to Tawuniya Cooperative Insurance Co. in the Kingdom of Saudi Arabia. Later on, Mr. ZAGHLOUL occupied many senior positions and played a vital role in the setting up, formation and management of two key regional Retakaful reinsurers in the Gulf Region: Al Fajer Retakaful Co. (Kuwait), and Emirates Retakaful Co. (United Arab Emirates).

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Chairman's Statement

Mr Moustapha COULIBALY
Chairman

Letter to Shareholders

Dear Shareholders

I have the pleasure to present my first Annual Report since my election as the Chairman of the Board of Directors of the African Reinsurance Corporation ("Africa Re" or the "Corporation") on 28 June 2024 in Kampala (Uganda).

The 47th Annual Report of the Board of Directors presents Africa Re Group's consolidated financial statements and financial performance for the year 2024.

This report also includes a brief review of the Corporation's operating environment, the external auditor's report to shareholders, as well as reports on capital management, human resources, enterprise risk management, corporate governance, compliance and corporate social responsibility.

Operating Environment

The year 2024 remained a challenging year for the global economy as it was marked by resilient but uneven growth, persistent inflationary pressures, and shifting geopolitical dynamics. We also witnessed significant developments in the democratic process as most elections held were largely peaceful including the United States. In April 2025, the International Monetary Fund (IMF) estimated that the global economy grew in 2024 by 3.29%, a slightly lower performance from the 3.49% growth recorded in 2023 and the forecast of the year. The major headwinds of persistent inflation, high interest rates, financial markets volatility and geopolitical tensions heightened concerns of a probable global economic recession which did not materialize.

The African continent witnessed a gradual but uneven economic recovery amid the varying structural challenges across countries which have made the economic prospects subdued and fragile. According to the African Development Bank (AfDB), the African continent continues to face significant challenges such as disparate inflationary pressures, rising debt vulnerabilities and increasing regional conflicts. African countries and the continent as a whole remain exposed to multiple domestic, regional and global shocks especially the elevated public debt levels and rising debt service costs. However, governments have remained agile and continue to deploy the available interventions in collaboration with development partners including reforms to ease the burdens on the citizens and necessary rethink of the global financial architecture which is not favorable to Africa. In 2024, the AfDB estimated that the real GDP growth of Africa was 3.17% an improvement from the 3.01% recorded in 2023.

The reinsurance industry continued to post strong results with individual companies impacted by their strategic orientation, operating environment and portfolio structure. In general, the industry demonstrated resilience and adaptability amidst a challenging risk environment, especially extreme weather events and other catastrophes. The combination of growing capital, impressive results from the lows of the past, and favorable changes in terms and conditions contributed to the performance. With the challenging macroeconomic environment, African reinsurers are still expected to be impacted by the depreciation of local currencies in varying degrees depending on their reporting currencies and the fallout of Cyclone Belal which hit Mauritius and the French island of La Réunion early in 2024.

Corporate Financial Performance

Africa Re has been recognized as one of the top fifteen (15) reinsurers, among the top fifty (50) global reinsurance groups, to adopt IFRS 17 by AM Best in its global ranking of 2023. This affirms our market leadership position not just in terms of business volumes or financial strength and credit ratings but in compliance with global practices. With the deviation of the accounting standards from key performance indicators, the Corporation continues to report its 2024 financial statements under IFRS 17, with an illustration of the IFRS 4 ones for comparative purposes.

The Corporation recorded strong revenue growth, stable claims experience, strong underwriting income and a record investment income translating into a historical record in net income. Africa Re maintained its membership of billion-dollar revenue reinsurers club despite operating in economies with predominantly depreciating currencies and reporting in US dollars.

Under IFRS 4, Africa Re posted in 2024 a Gross Written Premium of US$ 1.214 billion in 2024 (2023: US$ 1.106 billion) with a Net Income of US$ 132.364 million (2023: US$ 128.446 million).

In 2024, under IFRS 17, Africa Re achieved a Reinsurance Service Revenue of US$ 1.200 billion (2023: US$ 1.046 billion) with a Net Income of US$ 132.942 million (2023: US$ 126.954 million).

Finally, the Corporation recorded a 6.68% growth in its Shareholders' Equity to close the year at US$ 1.159 billion from US$ 1.065 billion recorded in 2023.

In line with the dividend policy of the Corporation as adopted in 2019, a resolution will be presented to the General Assembly for the approval of the financial statements for the 2024 financial year, proposing a dividend of US$ 10 (ten dollars) per share at a total dividend of US$ 29.4 million compared to US$ 28.7 million paid in 2023.

Maintaining the proposed dividend at the same level, which had just recently been improved, is a testament of the confidence the Board has in the future performance of the Corporation and its resilience supported by a conservative dividend policy.

Corporate Governance and Corporate Social Responsibility

In 2024, the Board of Directors held four (4) plenary meetings as follows: in May to review and approve the 2023 financial performance and financial statements; in June to prepare for the 46th Annual Ordinary Meeting of the General Assembly and elect the Board Chairman and Vice Chairman; in October to review corporate policies and strategic projects; and in December to consider and approve the 2024 revenue and expenditure budget.

In addition to these meetings, several scheduled meetings were held by the five Standing Board Committees, namely the Nominations & Governance; the Audit; Finance & Investments; the Human Resources & Remuneration; and the Risk Management, Underwriting and IT Governance.

The Corporation, through its Africa Re Foundation, continued to rollout its corporate social responsibility policy under the theme of "risk management for development". The Foundation continues to work with national insurance associations and insurance supervisory authorities to drive excellence, professionalism and innovation. Several initiatives were funded by the Foundation in various areas such as education, professional development, industry excellence, market development, industry digitalization and community resilience through prevention and risk management awareness.

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Chairman's Statement

Board and Management Succession Planning

Another term of the Board of Directors came to an end in June 2024. In line with the statutory provisions of the Corporation, the election of new Directors and their appointment were concluded in Kampala (Uganda) during the 46th Annual Ordinary Meeting of the General Assembly. At the end of the triennial exercise, the Board of Directors welcomed seven (7) new members, six (6) returning members and one (1) vacant position for the ongoing recruitment of an Independent Director. All appointments are for a 3-year renewable term ending in June 2027.

The newly constituted Board thereafter appointed my humble self, Mr. Moustapha COULIBALY, as its Chairman, and Dr. Mohamed Farid SALEH as its Vice Chairman. The appointment of an Independent Board Chairman marks another significant corporate governance milestone for the Corporation.

The outgoing Board of Directors, whose tenure ended in June 2024, also conducted a self-evaluation survey to assess the performance of the Board as a collective organ and its individual Board Committees. Based on the findings, an action plan addressing the identified areas of improvement has been developed for execution in the subsequent months. Also, all Board Committees reviewed and updated their Terms of Reference and adopted an annual work plan for the 2025 calendar year. The Board remains committed to adopting best practices and continually renewing itself from time to time to ensure its effectiveness in overseeing the Corporation's management, assisting it in making critical decisions, and setting strategic direction.

The Board of Directors is also finalizing the recruitment of an Independent Director as a replacement for late Mr. Bakary Hadiyatou KAMARA who passed on early last year 2024. The appointment is expected to be concluded soon and the Independent Director is expected to assume duty from 1st of July 2025.

Furthermore, in line with the succession policy of the Executive Management, the Board has appointed Mr. Kiiza Ephraim BICHETERO as Deputy Managing Director / Chief Operating Officer (DMD/COO). Mr. BICHETERO, who was leading the Nairobi Regional Office for some years, will officially assume duty on the 1st of July 2025 after a 12-month transition period with the incumbent DMD/COO, Mr. Ken Edirin AGHOGHOVBIA.

The Board wishes Mr. AGHOGHOVBIA the best in his future endeavours after 40 years of commitment and dedicated service to the Corporation.

The Corporation continues to produce within its ranks leaders who were appointed to various senior positions, which is a testament to the strength of the leadership succession policy.

Outlook for 2025

The gradual recovery from the recent macroeconomic headwinds seems to be disrupted with the unexpected global trade tensions and rising geopolitical conflicts, which have elevated the risks in our operating environment. These challenges could adversely impact the reinsurance industry especially on the performance of the investment portfolio. However, the Corporation has remained resilient over the years and the Board of Directors does not expect 2025 to be an exception.

In collaboration with the Executive Management, we will continue to monitor these developments through scenario planning and deploying strategic interventions when necessary. We maintain the belief that the Corporation will attain its realistic scenario budget for 2025 based on the underlying assumptions and will continue to review these assumptions throughout the year.

Final Note

On behalf of the Board of Directors, I would like to say thank you to all the women and men who contributed to the excellent and record-breaking performance achieved in 2024 in a challenging and volatile environment. Africa Re staff in all the locations, led by Dr. Corneille KAREKEZI, the Group Managing Director and Chief Executive Officer, continued to implement successfully and in a nimble way the corporate strategy and to achieve strong performance, even with significant foreign exchange losses.

On my part as the new Chairman of the Corporation, I humbly pledge my commitment to build on the excellent and remarkable work done by my predecessor, Dr. Mohamed Ahmed MAAIT, whose visionary leadership has built on the legacy of past Chairmen in strengthening the Corporation, a real pride of the African continent.

My gratitude goes to my fellow Board Directors for their trust, and their commendable dedication, hard work and commitment to excellence and higher performance.

My appreciation is also directed to the Corporation's Shareholders for their continued support in various ways.

It is indeed comforting to know that I can count on the above synergies and strengths during the coming unprecedented and difficult times the world is about to face as per many analysts. Together, we are entrusted with the stewardship of the Corporation and this is a continental call to service for us all. Thank you once again for your confidence. I look forward to working alongside each of you in this exciting new chapter.

More importantly, the Board and Management would like to thank all ceding insurance companies, brokers and business partners, without whom the Corporation cannot survive and thrive as it does. We remain committed to the mission of Africa Re as strategic partners including promoting the growth of national, regional and sub-regional underwriting and retention capacities on the African continent.

Thank you.

Mr. Moustapha COULIBALY

Chairman of the Board of Directors

Dr Corneille KAREKEZI
Group Managing Director /
Chief Executive Officer

MANAGEMENT REPORT

I. ECONOMIC & TRADE ENVIRONMENT IN 2024

Global Economy: Slower Recovery amid Growing Uncertainties

The global economy survived the threats of a recession amid the challenges of inflationary pressures, geopolitical tensions, economic fragmentations, political uncertainties and ever evolving climate change crisis. As the world gradually recovers from the lows of the Covid-19 pandemic, the strength of economic growth remains subdued and inherently below the pre-pandemic levels as there have been newer challenges on the horizon. The US-China trade war, Russia-Ukraine invasion, Israel-Hamas crisis and Iran-Israel tensions continued to impact global trade.

The moderate and divergent growth recorded in 2024 was driven by the depth and impact of fiscal and monetary policy interventions from governments and other policymakers around the world to ease inflation occasioned by the supply chain disruptions as well as the food and energy crisis induced by the ongoing Russian invasion of Ukraine. This has allowed central banks to gradually and cautiously begin cutting interest rates with the rate cuts of one percentage point initiated by the United States Federal Reserve. With the improvement of economic fundamentals, it is expected that advanced economies will return sooner to their inflation targets as emerging markets continue to grapple with the sticky and stubborn inflation.

African Economy: Divergent Growth Trajectories driven by Macroeconomic Shocks

The African economic performance in 2024 demonstrated resilience again amid several domestic and global shocks with growth remaining fragile and uneven across the continent. The divergent growth trajectories were driven by differences in economic structures, commodity dependence and policy response. Overall, the pace of growth is still insufficient to address the traditional development challenges of the continent such as infrastructure gap, job creation, and climate transition. There are challenges ahead with the recent cancellation of aid and closure of aid agencies of the American government supporting developmental initiatives on the continent and this is expected to create some funding gaps in national budgets.

There was a notable decline in inflationary pressure in South Africa, Egypt and Morocco but the continental giant of Nigeria recorded a stubbornly high inflation primarily driven by food prices. The entire continent continued to battle debt sustainability challenges in varying degrees thereby impacting government priorities for key developmental projects as most economies continue to battle for survival. The recent improvement in sovereign ratings by Standard & Poor's, Fitch and Moody's has led to increased access to funding though at high debt service costs. As a continent, Africa continues to grapple with regional conflicts ranging from armed groups activities and territorial disputes in the eastern part of the Democratic Republic of Congo, heightened diplomatic tensions between Algeria and Morocco, armed conflicts in the Horn of Africa, ravaging war in Sudan, terrorism in Nigeria and political crisis in the Sahel region.

On African Continental Free Trade Area (AfCFTA) Agreement which remains a beacon of hope for the development and collective prosperity of our continent, there has been some encouraging progress as commercially meaningful trade has begun under the AfCFTA's Guided Trade Initiative (GTI) with 37 member countries, showcasing the potential for increased intra-African trade. However, there is still much more to do for the political actors to unlock their potential for a sustained and inclusive economic transformation.

According to the 2025 Africa's Macroeconomic and Performance Outlook published by the African Development Bank (AfDB) released in February, the projected economic growth improved for the continent as a whole at 3.17% (2023: 3.01%). There was also improvement for East Africa at

4.37% (2023: 1.15%), Southern Africa at 1.81% (2023: 1.74%) and West Africa at 4.06% (2023: 3.60%) including declines in North Africa at 2.65% (2023: 3.79%) and Central Africa at 4.00% (2023: 4.54%). The divergence in the regional economic performance has been recurrent in recent years.

A key pulse of the African continent is the strength of the local currencies against the US Dollars. 2024 witnessed another round of currency devaluation and volatility contributing to the inflationary pressure. In the period under review, the Nigerian Naira (NGN), Egyptian Pound (EGP), Ethiopian Birr (ETB), Moroccan Dinar (MAD), South African Rand (ZAR) and West Africa CFA Franc (XOF) all depreciated by 42.87%, 39.17%, 56.01%, 2.55%, 2.66% and 5.94% respectively. On the other hand, the Kenyan Shilling (KES) and Ugandan Shilling (UGX) appreciated by 21.47% and 2.91% respectively.

Financial Markets: Neutral to Easing Monetary Policies with Strong Corporate Earnings

The year 2024 proved to be a positive year for most financial markets, driven by a mix of optimism and volatility but significant challenges, especially inflationary pressures, geopolitical tensions, and trade uncertainty. With the global economy navigating a complex interplay of macroeconomic factors, most policymakers in advanced economies made timely and cautious interventions that stabilized markets and drove positive returns by the end of the year. The overall performance in dividends, interest income and capital gains was boosted by divergent disinflationary trends, healthy corporate earnings, neutral to easing monetary policies and moderate economic growth.

Major equity indices recorded a positive performance, namely: S&P 500 (+25.00%), Tokyo Stock Price Index (+8.00%), DJ Euro Stoxx 50 (+3.80%), MSCI Emerging Market (+8.10%), MSCI World (+18.00%). The African exchanges in local currencies of Nigeria (NSE All Share Index), Kenya (NSE All Share Index) and South Africa (FTSE / JSE All Share Index) recorded a return of +37.65%, +34.06% and +9.73% respectively. Additionally, commodity prices experienced a divergent year shaped by varying supply-demand dynamics, with gold being one of the best performers.

The fixed income market experienced a stable performance but the delayed change in the United States Federal Reserve's monetary policy with a cumulative rate cut of one percentage point between September and December. This change in policy stance increased yields on long-term bonds and pushed valuations into negative territory. Globally, the bond market posted mixed returns with the 2-year, 5-year, 10-year, and 30-year US treasuries posting a return of +3.70%, +1.20%, -1.70%, and -8,00% respectively. 2024 also saw the gradual return of some African sovereigns (Cote d'Ivoire, Benin, Kenya, Senegal, Cameroon, Nigeria, South Africa and Angola) to the international Eurobond market as sovereign ratings improved and limited fiscal buffers necessitated borrowings to finance developmental projects and other government priorities.

Reinsurance Industry: Stable Outlook with Increasing Impact of Climate Change

The global reinsurance market continued its positive momentum from 2023 with most rating agencies maintaining a favourable view of the industry. AM Best has maintained its industry outlook at positive underpinning the strong underwriting margins, robust capitalisation and stable pricing including the strengthening of terms and conditions. The industry has also continued to exceed its cost of capital, a concern for market analysts prior to 2023. The demand for insurance and reinsurance has also remained strong and even growing due to heightened natural catastrophes, economic uncertainties and political tensions.

African reinsurers have not been able to maximize the positive global momentum due to socio-economic environment characterized by inflationary pressures, political instability, market fragmentation, low capitalisation and depreciation of local currencies again the US Dollar. Also, there is an increasing demand for reinsurance in specialty lines of business such as cyber liability insurance, trade credit and political risks, political violence and terrorism and other related emerging risks on the continent. Overall, positive sentiments are expected to continue amid improving regulatory interventions to strengthen capitalisation and improve insurance penetration with underwriting discipline and industry coalition to strengthen market fundamentals.

Africa Re in 2024: Another Milestone in Top Line and Bottom Line

The Corporation has set yet another historic performance in 2024 across key metrics. The performance continues to be reported both under the old accounting standard, IFRS 4 ("Insurance Contract"), and the new standard, IFRS 17 ("Insurance Contract"). Under IFRS 17, Africa Re recorded a reinsurance service revenue of US$ 1.200 billion compared with US$ 1.045 billion achieved in 2023, translating to a growth of 14.81%. On the other hand, under IFRS 4, the gross written premium of the Corporation grew to US$ 1.214 billion from US$ 1.106 billion in 2023 representing a growth of 9.73%.

The strong growth was driven by renewed marketing efforts, key strategic partnerships, client-centric service, and prudent expansion in the Asian reinsurance markets. The scale of the performance would have been stronger if not subdued by the volatility of the operating currencies in the portfolio. Given a hypothetical scenario at constant year-end exchange rates of 2023, the Corporation would have achieved a higher gross written premium of US$ 1.273 billion representing a growth of 15.03% over 2023 under IFRS 4.

The year 2024 also posted an improvement in net reinsurance revenue after excluding the allocation to retrocession premium to achieve US$ 995.845 million compared with US$ 879.551 million in 2023 at a growth rate of 13.22%. This further reinforces the strength of our capitalisation and underwriting discipline while the Corporation protects its net account with adequate retrocession from time to time. Under IFRS 4, a stronger net retention ratio of 81.16% (2023: 79.55%) was recorded.

In the period under review, the Corporation achieved an IFRS 17 net combined ratio of 81.58% (2023: 85.75%), an excellent performance compared with industry benchmarks compiled by leading global reinsurance brokers. According to Gallagher Re in its Reinsurance Market Report for 2024, their selected subset of global reinsurers posted a net combined ratio of 86.80% (2023: 87.30%). Aon, another leading reinsurance broker, in its Reinsurance Market Dynamics also noted their aggregate of reinsurance companies also posted 91.70% (2023: 90.30%). It is worth noting that the calculation of net combined ratio under IFRS 17 has not been standardized as of now. Furthermore, the Corporation would have achieved a net combined ratio of 90.89% (2023: 93.51%) under IFRS 4. The net combined ratio under IFRS 17 is much lower due to the positive impact of discounting and the exclusion of non-attributable expenses from the underwriting results in compliance with the new accounting standard.

The investment portfolio also recorded another historic performance in nominal terms under IFRS 9 ("Financial Instruments") and IFRS 17 as the net investment and other income excluding interests from reinsurance deposits also grew to US$ 85.217 million in 2024 compared with US$ 71.289 million recorded in 2023 at the growth rate of 19.54%. Under IFRS 4 and IAS 39 ("Financial Instruments"), the Corporation recorded a total investment and other income of US$ 89.326 million (2023: US$ 73.173 million). The strong performance is explained by the active management of the portfolio supported by the recently approved investment strategy adopted by the Board of Directors that allowed the team to remain agile and responsive in volatile market conditions. The dynamic allocation of risky instruments combined with the strategic positioning of the fixed-income portfolio on the yield curve contributed to securing significant interest income.

The Corporation recorded an average investment yield of 4.94% under IFRS 4 and IAS 39 with the performance across the individual asset classes as follows: 5.22% on cash instruments (2023: 3.84%), 4.56% on fixed-income instruments (2023: 4.34%), 11.19% on equities (2023: 13.61%) and 7.58% on investment property (2023: 9.02%). The improvement in the investment income was driven by an excellent blend of bond coupons, equity dividends, interest income and modest capital gains from valuation.

Overall, 2024 was another historic year for the Corporation as the highest net income after tax of US$ 132.942 million was achieved compared with the last milestone of US$ 126.954 million recorded in 2023 translating to a growth of 4.72% under IFRS 9 and IFRS 17. The trend was similar under IFRS 4 and IAS 39 as a growth of 3.05% was reported based on the US$ 132.364 million (2023: US$ 128.446 million) net income recorded. This performance was driven by our prudent underwriting philosophy and active management of the underwriting and investment portfolios respectively despite the significant effect of volatile and depreciating currencies from predominantly our core market, Africa.

As a result, Africa Re achieved a Return on Average Equity of 11.98% (2023: 12.53%). There was a marginal decline despite the strong improvement in operating profit of 38.05% recorded in 2024 – before foreign exchange movements and tax - at US$ 176.67 million (2023: US$ 127.98 million) under IFRS 4.
The milestone achievements in underwriting and investment income were suppressed in the translation impact of the volatile African currencies largely driven by convertibility issues of surplus financial assets into the reporting currency. In 2024, the Corporation recorded a foreign exchange loss of US$ 41.726 million compared with a gain of US$ 1.358 million in 2023. This significant negative variation from the previous year is primarily driven by the strategic interventions of fiscal and monetary policy authorities in response to the uncertainties and pressures impacting the global economy as a whole that may be beyond the control of the management team. However, it continues to deploy available and affordable interventions within its control to mitigate the impact of currency volatility and depreciation, notably active conversion into the reporting currency accumulated surplus fund and from time to time investing in real estate projects. The performance of the Corporation despite these challenges is a testament to our resilience and strategic orientation supported by the diversification in our asset-mix, product offerings and geographical footprint.

In 2024, the shareholders' equity of the Corporation increased from US$ 1.066 billion to US$ 1.159 billion, representing a growth of 8.74% with a similar trend under both accounting standards of IFRS 4 and IAS 39 as well as IFRS 9 and IFRS 17. The strong growth is driven by additional shares purchases, strong corporate earnings and conservative dividend policy despite the additional translation reserve of US$ 19.892 million impacting the shareholders' fund negatively. The additional shares reflect the payment for outstanding allocated units by the Libyan government from the fourth capital increase. The strong capital buffers and the excellent performance of the Corporation has allowed the Board of Directors to maintain a dividend of US$ 10.00 per share. This is in alignment with the conservative stance of the Corporation on dividend distribution at a dividend payout ratio of 22.09% which is slightly lower than the 22.62% of 2023.

Social Responsibility in 2024: Unwavering Support to the Insurance Agenda

The Corporation maintained its continued support to the insurance industry through the Africa Re Foundation ("ARF" or "The Foundation") across the key areas of interventions of risk awareness, insurance industry development, education, disaster recovery, technology development, industry research and community support. Africa Re through its Foundation continues to engage governments on the integration of insurance into their macroeconomic resilience toolkit and long-term financial resources mobilization. This is done through public-private partnership initiative proposals as well as technical and financial support to develop national insurance strategies as a foundational step to unlock the strategic value of insurance.

The Foundation continued the sponsorship of the Young Insurance Professional Programme (YIPP) with the enrollment of 1,000 trainees in the 9-month long online programme in 2025. The 6th Cohort has just completed their programme and the 7th Cohort of 1,000 trainees has just started. ARF supported the actuarial domain across different countries with training programmes and the development of mortality tables. There are also plans to support insurance awareness campaigns across key markets through insurance associations. We are in active collaboration with industry regulators in areas that can strengthen their oversight, especially with the deployment of digital technologies.

As part of the activities to close the 2024 financial year, the Corporation celebrated distinguished leaders, industry innovators and top-performing companies at the 10th African Insurance Awards organised by Africa Re alongside the African Insurance Organization conference which took place in Addis Ababa (Ethiopia) in May 2025.

Other Updates: Revised Financial Strength Rating Outlook and the 8th Strategic Plan

After 15 years at a "A-" (Strong) with "Stable" Outlook with Standard & Poor's (S&P), the Rating Outlook of the Corporation was revised from "Stable" Outlook to "Positive" Outlook at the end of 2024 by S&P, signaling a possible full upgrade at "A" financial strength rating within the next 24 months for the first time. The Full "A" Rating would signify a strong financial security position, while an "A – (minus)" rating indicates a strong but slightly less secure position. The "A" rating suggests a higher capacity to meet financial obligations and a greater resilience to adverse business conditions compared to an "A-".

AM Best, the second agency to regularly rate the Corporation, also affirmed our Financial Strength & Credit Rating at Full "A" (Excellent) with "Stable" Outlook. This confirms the strength of our financial position and performance, as well as future prospects of the Corporation, as we continue to cautiously navigate the risks in our operating environment. The rating exercise is a forward-looking assessment and Africa Re is well positioned to continue setting strong revenues and solid returns in alignment with the industry trajectory.

The 7th Strategic Plan (2022 – 2025) expires in 2025 and an interim assessment shows that the Corporation has hit key milestones despite the turbulent operating environment impacted by global macroeconomic shocks including the unprecedented impact of natural catastrophes, geopolitical tensions and other vulnerabilities. Africa Re has remained true to its mission by continuing to deploy bespoke risk management solutions to support the economic development of the continent.

The Executive Management and the Board have initiated the development of the 8th Strategic Plan under the theme "consolidating market leadership and exploring new frontiers" across geographical and product offerings dimensions for a 5-year period covering 2026 to 2030 with planned annual reviews and mid-term refresh.

The Corporation has witnessed a turnaround in its poor performing portfolios through deliberate strategic interventions including underwriting discipline, market coalition and A-rated retrocession protection. The strength of its diversified portfolio and these interventions have led to the stabilization of results. The pan-African brand of the Corporation continues to attract interest within and outside the continent with the Executive Management under the guidance of the Board of Directors evaluating each strategic opportunity on a case-by-case basis with the potential for profitability as the ultimate decision factor.

Recent developments in the technological space are also a key strategic consideration for the Corporation including the adoption of Artificial Intelligence in supporting underwriting activities, investment decisions and overall operational efficiency of the Corporation across the relevant departments and business units. A detailed risks and opportunities action plan will be outlined in the 8th strategic plan.

50th Anniversary: Pan-African Success Story and Pan-African Champion

Established on 24 February 1976, the Corporation is set to celebrate its "golden anniversary" in 2026. Most analysts consider Africa Re as a success story for a pan-African entity that was founded in the 1970s with a modest initial capital below US$ 4 million and an ambitious mission to foster the development of the insurance and reinsurance industry in Africa, to promote the growth of national, regional and sub-regional underwriting and retention capacities and to support the African economic development. We have contributed our quota with the current shareholding of close to one third of the total equity of all reinsurers registered in Africa, while creating value to our shareholders with regular dividends and capital gains. Besides, with our various private and public stakeholders, we have contributed to the development of the African insurance industry, though the journey to increasing the average insurance penetration is still long.

The programme for the 50th Anniversary will be rolled out soon. The celebratory activities and events will kick off in February 2026 and culminate with a colorful celebration alongside the General Assembly of our shareholders in June 2026.

I am pleased to also share that the Corporation recently won the "Pan-African Champion" award at the prestigious Africa CEO Forum in 2025 held in Abidjan (Côte d'Ivoire) in May. This could not have come at a better time. It is a solemn recognition of our collective efforts to invest in Africa, do business in Africa, train Africans, promote Africa, develop Africa, protect Africa, and lead in Africa. It is a reminder of our rise from a challenging birth to a continental giant that Africa Re has become whilst competing with leading international players in our industry against all odds. We are Africa Re, Africa Reassured!

2025 Outlook: Strong Performance Amid Trade Tensions and Economic Uncertainty

The global economy was off to a tumultuous start in 2025 with the change in leadership at the helm of the United States government and the adopted policy stance of American exceptionalism and protectionism. This metamorphosed into heightened trade tensions with the liberation day declaration of 2 April 2025 with reciprocal tariffs on more than 100 trading partners. In the United States, the announcement of the order marked the beginning of a global trade war and triggered a global stock market crash. The American government has since issued a 90-day pause and continued bilateral trade discussions with governments around the world, although the uncertainty around the trade environment remains elevated.

Meanwhile, the United States government and some of its allies continue to broker peace deals across the ongoing geo-political conflicts of Israel-Hamas, Pakistan-India, Ukraine-Russia, Israel-Iran and DRC-Rwanda. Among all the acute ongoing world crisis, the civil war in Sudan is yet to see a start of negotiations for peace and stability.

The trade tensions and rising geopolitical conflict made the IMF in its April 2025 forecast to lower its 2025 economic growth from its projection of 3.3% in January 2025 to 2.8% with lowering of the United States economic growth from 2.7% to 1.8% and that of China from 4.6% to 4.0%. The outcome of the ongoing trade negotiations between the world powers will have significant economic implications for the rest of the world.

Besides, for the African continent, the US aid cuts is likely to impact negatively many governments' budgets, including in Kenya, South Africa, and Nigeria, in their provision of social goods and services such as access to vital medication for HIV antiretroviral drugs, salaries of healthcare workers, and school programs.

The insurance and reinsurance sector has since maintained a stable momentum and is expected to continue riding the wave of positive sentiments from 2023 and 2024. However, the uncertainty from the macroeconomic and geopolitical environment will impact reinsurers in varying degrees depending on their underwriting philosophy, risk appetite and strategic asset allocation. The impact on African insurers and reinsurers is also expected to vary with African currencies' strength, retrocession protection and capitalization, which are key drivers of performance.

The African macroeconomic environment remains prone to global shocks as the trajectory of the gradually easing of inflationary pressures remains uncertain amid the heightened global trade tensions. There are also concerns around sovereign debt sustainability and high debt service costs. The continent still needs to tame pockets of very high inflation and shall continue to face the perennial issues of poverty, unemployment and economic inequality. However, there is a renewed commitment from governments to institute reforms to reposition the economies. Additionally, elections have been known to cause civil unrest with the continent having about 10 elections with key national polls in Cameroon, Côte d'Ivoire and Tanzania. However, going by the trends in 2024, it is expected that the elections will be peaceful and any unrest swiftly contained with some upsets to incumbents amid political polarization, anti-establishment sentiments and economic challenges.

The Corporation's business portfolio remains geographically diversified and strategically agile to respond to the uncertainty in the macroeconomic environment. Executive Management will continue to focus on profitability as its key strategic imperative whilst fulfilling its developmental mandate on the continent. Barring any unforeseen contingencies, the Corporation projects a growth of around 5% on its topline while maintaining a conservative forecast of a net combined ratio not exceeding 90.00% and 95.00% under IFRS 17 and IFRS 4 respectively. As a US Dollar reporting entity conducting business in predominantly local currencies, the Corporation will continue to aim for a risk-adjusted Return on Average Equity of at least 10.00%. Furthermore, in line with the dividend stability policy, a minimum dividend of US$ 10.00 per share is expected to be maintained.

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Management Report

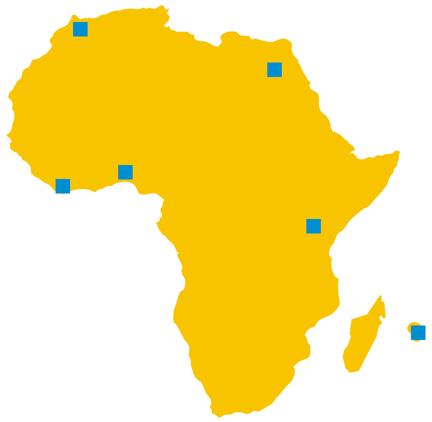
II. TECHNICAL OPERATIONS

The Corporation's operating results are examined in this section and compared to 2023 figures.

Africa Re operates through a network of eight offices strategically located in the continent. Activities in a number of African markets situated within a common geographical area are coordinated by an office in the region. Closeness to clients in each location gives Africa Re a unique leverage over its peers, providing credible and efficient services to insurance markets in the continent.

Africa Re adheres to best practices in every facet of its business. Cedants reciprocate its long-term commitment to the continent by granting the Corporation access to profitable and diversified business in Africa, and to a lesser extent, Asia, the Middle East and Brazil.

The Corporation operates from the following production centers:



Six regional offices:

- Lagos, Nigeria: Anglophone West Africa and African Pools;
- Abidjan, Côte d'Ivoire: Francophone West and Central Africa;
- Casablanca, Morocco: Maghreb;
- Cairo, Egypt: North East Africa and the Middle East;
- Nairobi, Kenya: East Africa and parts of Southern Africa; and
- Ebene, Mauritius: African Indian Ocean Islands, Portuguese-speaking African market, Asia and Brazil.

Three wholly owned subsidiaries

- Johannesburg, South Africa: South Africa and neighboring markets, handled by the subsidiary - African Reinsurance Corporation (South Africa) Limited;
- Cairo, Egypt: Africa, Asia and Middle East Retakaful markets handled by the subsidiary - African Retakaful Company;
- Dubai, United Arab Emirates: Middle East business written through a specialized underwriting vehicle – Africa Re Underwriting Agency Limited.

Two Local Offices

- Addis Ababa, Ethiopia;
- Kharthoum, Sudan

One underwriting offices

- Kampala, Uganda.

The portfolio of insurance risks accepted by the Corporation can be broadly classified along the following business lines:

- Fire & Engineering
- Accident & Motor
- Oil & Energy
- Marine & Aviation; and
- Life

The table below provides a summary of the Corporation's performance:

Description (US$ Million)	2024			2023		
	Gross	Retro	Net	Gross	Retro	Net
Income						
Gross Written Premium	1,214.09	(191.88)	1,022.21	1,106.49	(190.93)	915.56
Change in unearned premium Reserve	(13.75)	(12.62)	(26.37)	(60.97)	24.97	(36.00)
Reinsurance Revenue/ Allocation of retrocession Premium	1,200.35	(204.50)	995.85	1,045.52	(165.97)	879.55
Outgo						
Incurred Claims & expenses and changes to liability	544.12	(31.56)	512.55	523.50	(31.59)	491.91
Change in Loss (Recovery) Component	(1.60)	(1.82)	(3.42)	0.36	(0.29)	0.07
Incurred Acquisition costs	301.29	0.00	301.29	262.20	0.00	262.20
Service Expense/Retro Loss recovery	843.81	(33.38)	810.43	786.05	(31.88)	754.17

Revenue Income

In 2024, the Corporation recorded a gross written premium of US$1,214.09 million under IFRS 4, compared to US$1,106.49 million in 2023. Under the IFRS 17 accounting standard, this translates to a gross reinsurance revenue of US$1,200.35 million an increase of 14.81% from US$1,045.52 million in 2023. The growth was primarily driven by conducive reinsurance business environment in many African countries and international business.

Fluctuations in exchange rates adversely impacted the Corporation's production by US$58.67 million following the significant depreciation of major operating currencies such as the Nigerian Naira, the Egyptian Pound and the Ethiopian Birr, which weakened against the US dollar.

Tighter financing conditions and lingering global shocks have continued to constrain borrowing in sub-Saharan Africa, sustaining macroeconomic vulnerabilities across the region. As a result, economic recovery remained sluggish in 2024, with growth projected to hold steady at 3.6 percent, unchanged from 2023, potentially impacting the region's capacity to build fiscal buffers and accelerate poverty reduction, according to the International Monetary Fund.

The major economies in Africa have faced various challenges and opportunities when it comes to growth. South Africa is expected to see a modest improvement in GDP growth, rising to 1.1 percent in 2024 from 0.6 percent in 2023. This slight rebound is supported by post-election optimism and a reduction in power outages, though broader structural challenges continue to weigh on the economy.

Nigeria's real GDP is estimated to remain at 2.9 percent in 2024, unchanged from 2023, following a 3.3 percent increase in 2022, as the country continues to face persistent challenges in the oil sector, high inflation, currency depreciation, and tight financing conditions. Despite ongoing reforms, inflation remains in double digits, and rising debt service burdens continue to limit fiscal space.

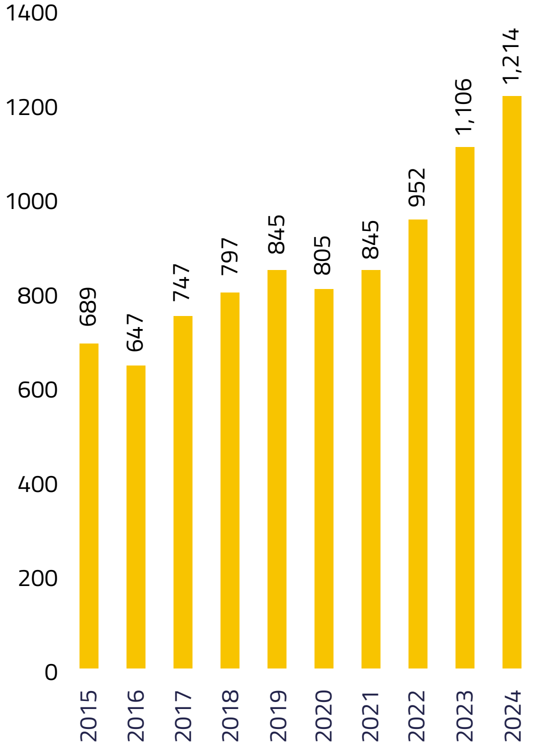
Egypt's GDP growth for the entire fiscal year is projected to decrease to 3.6 percent in 2024, following the 3.8 percent increase in 2023, due to the impact of foreign exchange restrictions and shortages.

In 2024, Kenya's economy experienced a mixed performance, with GDP growth decelerating but still remaining relatively strong, with a rebound of the Kenyan Shilling against the US dollar. Kenya's economy is estimated to have grown by 5.0 percent in 2024, a decrease from the 5.5 percent in 2023. While the economy expanded, it faced challenges including slower growth in some sectors, inflationary pressures, and political instability. However, the country demonstrated resilience, particularly in agriculture and services, and the government's efforts to address fiscal imbalances helped stabilize the economy.

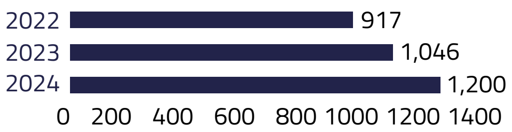
Morocco's GDP is projected to grow by 3.0 percent in 2024, maintaining the same pace as in 2023, supported by normalized agricultural output and improvements in the industrial and services sectors. Inflation stood below 2 percent as of August 2024 due to declining food prices, although it is expected to rise modestly following the phaseout of butane gas subsidies. Morocco's economic resilience is underpinned by improved investor sentiment and strong performance in trade and tourism.

Africa Re remains the leading African reinsurer and the main local security on the continent backed by A rating from AM Best and A- rating from S&P with a positive outlook. Accordingly, the Corporation will continue to build its expertise in emerging and specialty lines with the view to providing African insurance markets with capacity and technical support in new products and special risks. Concurrently, in the coming years, the Corporation will continue to deploy its resources to maintain and increase its existing portfolio lines.

Development of gross written premium in US$million



Gross Reinsurance Revenue in US$ Million

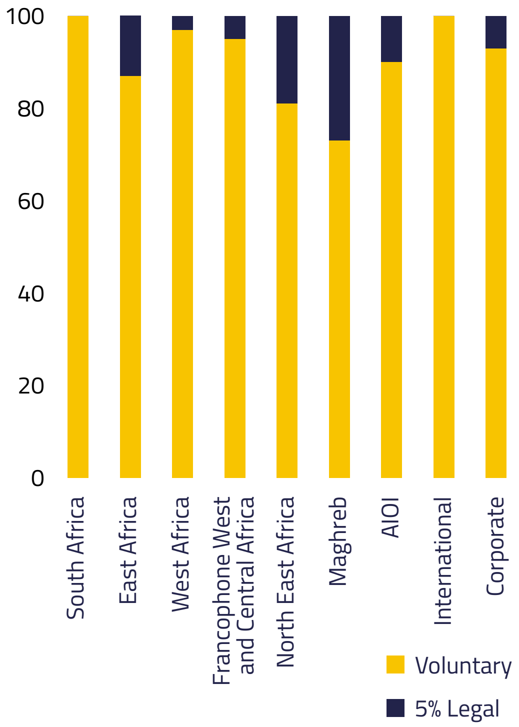


Legal (Compulsory) Cessions

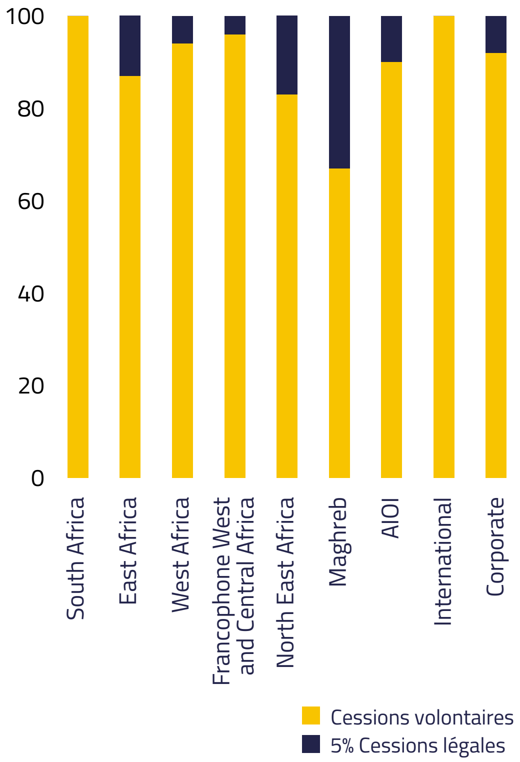
In 1976, when Africa Re was established by 36 member states, as an initiative of the African Development Bank, it had to compete with much larger foreign reinsurers with ties to former colonies. The rationale for setting up the Corporation, which is still paramount to date, is to reduce the outflow of premium income from the continent. To ensure its survival among these well-known larger brands, the Corporation was granted, at inception, 5% of every reinsurance treaty emanating from member states (currently the number of member states has risen to 42).

Compulsory cessions presently account for 7.1% (8.0% in 2023) of gross premium income.

Financial year 2024



Financial year 2023



Geographical distribution

The Corporation accepts business from cedants across Africa, as well as selected markets in Asia, the Middle East, and Brazil.

Southern Africa
The African Reinsurance Corporation, South Africa Ltd (ARCSA) in Johannesburg, oversees operations in Botswana and the Rand zone. The subsidiary is Africa Re's fourth-highest revenue provider, with a contribution of 12.67% to the overall group turnover in 2024. In the year under review, ARCSA generated US$152.14 million of reinsurance revenue, which is greater than the previous year's income (2023: US$131.55 million). This growth in revenue is partly due to the expansion in the Life sector, better reinsurance terms and the strengthening of the South African Rand against the US Dollar during the year.

East Africa
Revenue from this region increased by 8.49% to US$231.41 million (2023: US$213.30 million). This figure accounts for 19.28% of the corporate income, making the office the second highest revenue provider in 2024. Income from the proportional treaty and strengthening of Kenyan shilling against US dollar are main contributor for the revenue growth.

Anglophone West Africa
Reinsurance revenue from this region was US$102.27 million (2023: US$129.08 million), representing a 20.77% decrease over the previous year. This turnover accounts for 8.52% of the corporation's production. The negative impact of exchange rate fluctuation was US$31.56 million, driven by the sharp depreciation of the Nigerian Naira.

Maghreb
Production from the Maghreb region increased by 6.77% to US$85.38 million (2023: US$79.97 million). The revenue from the region accounts for 7.11% of the corporation's production.

North East Africa
Domestic revenue from the Cairo Regional Office slightly contracted from US$39.35 million in 2023 to US$39.19 million in 2024. The growth would have been higher if not for the depreciation of the Egyptian Pound. The impact of rates of exchange fluctuation negatively affected production by US$8.41 million. Income from North-East Africa accounts for 3.26% of corporate production.

Francophone West and Central Africa
The Abidjan Office is responsible for the predominantly French-speaking region of West and Central Africa. Turnover increased by 29.74% from US$127.39 million in 2023 to US$165.28 million in 2024. This growth was achieved due to the continued expansion in the Energy sector. Revenue from this region accounts for 13.77% of corporate production, hence the third-highest revenue provider.

African Indian Ocean Islands
Revenue from the African Indian Ocean Islands and Lusophone African markets increased from US$33.91 million in 2023 to US$40.09 million in 2024. Business from this office accounts for 3.34% of the Corporation's turnover.

Africa Retakaful
Africa Retakaful's revenue, which includes income outside Africa, increased from US$49.44 million in 2023 to US$53.09 million in 2024. This performance is mainly due to the expansion in the Life, Motor and Energy classes of business. Production was adversely impacted by the fluctuation of rates of exchange to the tune of US$5.43 million.

International Business
Africa Re's revenue from international business increased from US$241.54 million in 2023 to US$331.49 million in 2024. Production from the Middle East was US$116.16 million in 2024 (2023: US$77.90 million). The revenue from Asia increased from US$138.63 million in 2023 to US$178.73 million in 2024, mainly as a result of high growth in Fire, Life and Non-Marine classes of business. Production from Brazil recorded notable growth as well from US$25.01 million in 2023 to US$36.60 million in 2024, mainly from Fire class of business. The positive rate movement or correction after the Turkish Earthquake and UAE flood in the direct insurance market contributed for the growth in revenue in the Middle East. The relatively stable currencies against the US dollar, which is the reporting currency, is another contributor for the international business portfolio growth.

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Geographical distribution of gross premium

- South Africa **12.67%** *(2023: 12.6%)*
- East Africa **19.28%** *(2023: 20.4%)*
- West Africa **8.52%** *(2023: 12.4%)*
- Central Africa **13.77%** *(2023: 12.2%)*
- North East Africa **3.26%** *2023: 3.8%)*
- Maghreb **7.11%** *(2023: 7.7%)*
- AIOI & PALOP **3.34%** *(2023: 3.2%)*
- Retakaful **4.42%** *(2023: 4.7%)*
- International **27.62%** *(2023: 23.1%)*

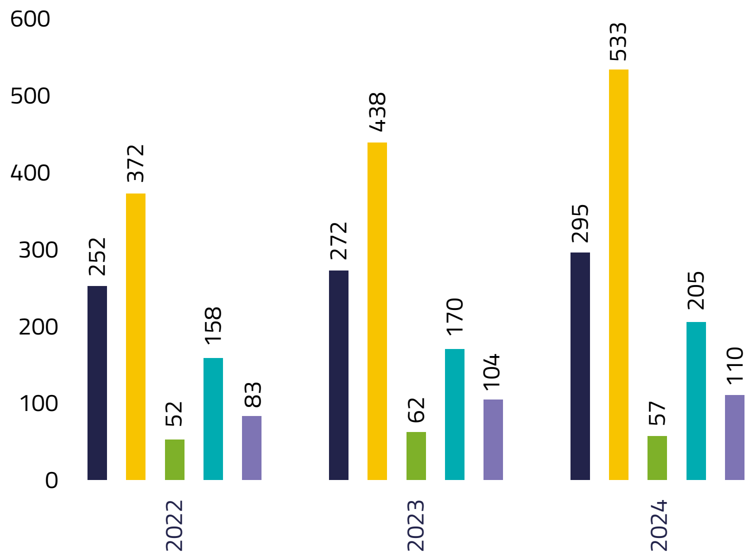
Sectoral distribution

Fire and Engineering class continued to produce the highest revenue with US$533.48 million, representing 44.44% of corporate production as against US$438.23 million or 41.92% in 2023. This is followed by the Accident and Motor class, which stood at US$294.51 million or 24.54% of corporate revenue (2023: US$271.92 million, representing 26.01%)

Oil & Energy class is third with a revenue of US$204.65 million or 17.05% of turnover (2023: US$169.57 million, representing 16.22%).

The Life class is fourth with US$110.29 million or 9.19% of turnover (2023: US$103.80 million or 9.93%) while the Marine and Aviation class follows with US$57.41 million, which is 4.78% of corporate production (2023: US$61.99 million representing 5.93%).

Reinsurance Revenue by Class in US$ Million



- Accident & Motor
- Fire & Engineering
- Marine & Aviation
- Oil & Energy
- Life

Reinsurance Service Results

Results by Line of Business

Total gross reinsurance service expense stood at US$843.81 million in 2024 from US$786.05 million in 2023, translating to a decrease of the gross combined ratio from 75.18% in 2023 to 70.30% in 2024.

After accounting for the cost of reinsurance, the net combined ratio stood at 81.38%. Life recorded the lowest net combined ratio at 76.16%, followed by Marine & Aviation at 77.46%.

The table below provides insight into the previously stated indicators.

Gross Combined Ratio and Net Combined Ratio by Class - Financial Year 2024 (US$ Million)

Class of business	Reinsurance Service Expense	Reinsurance Revenue	Gross Combined Ratio	Net Combined Ratio
Accident & Motor	248.04	294.51	84.22%	86.92%
Fire & Engineering	406.49	533.48	76.20%	78.19%
Marine & Aviation	39.75	57.41	69.24%	77.46%
Oil & Energy	67.61	204.65	33.04%	92.30%
Life	81.91	110.29	74.27%	76.16%
Total	**843.81**	**1,200.35**	**70.30%**	**81.38%**

Results by Trading Area (US$ Million)

Region	Reinsurance Revenue	Reinsurance Service Expense	Gross Combined Ratio	Loss Ratio	Expense Ratio[1]	Combined Ratio 2024[2]	Combined Ratio 2023
ARCSA	152.14	121.10	79.59%	46.65%	37.39%	84.05%	98.46%
Anglophone West Africa	102.27	36.72	35.91%	11.49%	50.55%	62.04%	81.00%
East Africa	231.41	183.09	79.12%	45.09%	35.28%	80.37%	83.54%
North Africa Maghreb	85.38	54.99	64.40%	41.32%	28.83%	70.15%	68.99%
Northeast Africa	39.19	21.53	54.95%	28.00%	41.54%	69.54%	70.65%
Francophone West & Central Africa	165.28	58.54	35.42%	31.24%	43.83%	75.07%	55.74%
African Indian Ocean Islands	28.84	36.18	125.44%	111.31%	36.87%	148.18%	81.05%
Lusophone Africa (PALOP)	11.25	9.34	83.04%	62.90%	33.35%	96.25%	94.24%
Africa Retakaful	53.09	45.70	86.08%	57.61%	31.21%	88.82%	82.05%
International	331.49	276.61	83.44%	55.37%	27.72%	83.09%	98.02%
Corporation	**1,200.35**	**843.81**	**70.30%**	**47.18%**	**34.20%**	**81.38%**	**85.75%**

The combined ratio of 81.38% is lower than the previous year's figure of 85.75%. The improvement is mainly attributable to a better loss experience, with a loss ratio of 47.18% against 52.20% in 2023. All trading areas recorded positive returns in 2024, with the exception of the African Indian Ocean Islands. The underperformance was largely due to the significant impact of Cyclone Belal, which struck the islands at the beginning of the year.

1 Expense ratio includes acquisition cost ratio and attributable management expense ratio.
2 The combined ratio is calculated on net basis as the sum of net loss ratio and net expense ratio.

III. INVESTMENT INCOME

Portfolio Performance (Abundant Harvest for the Corporation)

After a historically good performance in 2023, the investment portfolio continued the success in 2024 with a new record on investment and other income. This is thanks to the active implementation of the investment strategy, which has demonstrated its resilience over the years.

The Corporation's investment and other Income improved by **19.54%** to reach **US$85.22** million compared to **US$71.29** million recorded in 2023. Interest income from bank deposits and bond instruments, representing over 80% of the overall investment and other income, are the primary contributors to the performance.

Despite a lower dividend and rental income, the income from dividends, interest, and rental income improved by **31.15%**, reaching **US$75.70 million** from **US$57.72 million** in the financial year 2023.

The expected credit loss increased marginally by **US$0.08 million** due to the deterioration of the sovereign credit ratings of a few African countries where assets are held.

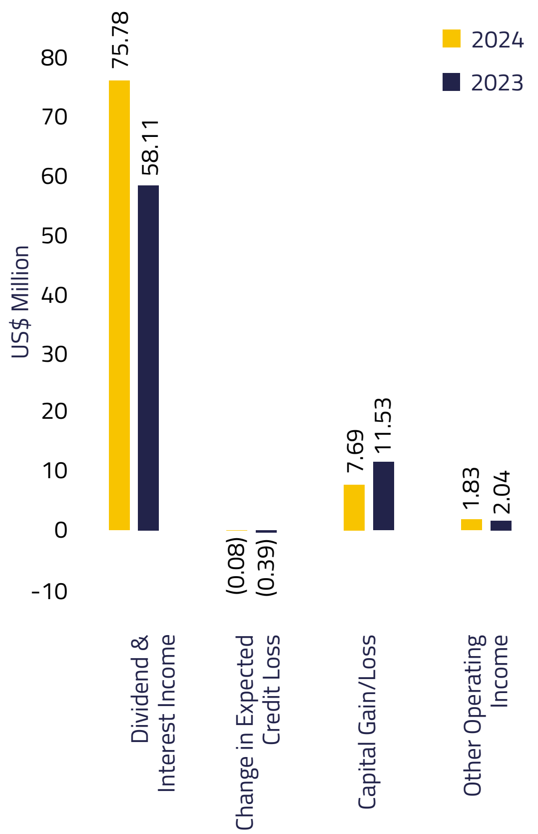
The price appreciation of financial instruments reported at fair value was lower in 2024 at **US$7.69 million** due to lower performance of the equity instruments compared to the previous year **(US$11.53 million)** and capital losses from the bond portfolio. The rise in long-term yields negatively impacted the valuation of the bond portfolio.

Substantial investment income and net technical collections improved the size of the investment portfolio by 11.32%, from **US$1.46 billion** in December 2023 to **US$1.62 billion** in December 2024.

The **risk level of the investment portfolio also improved significantly as reflected by a lower** Value-at-Risk of **6.35%** of the investment portfolio.

The aggregation of all results indicates an average return of **5.42%** for the full year of 2024 and an improvement from the **4.96%** achieved in the previous year.

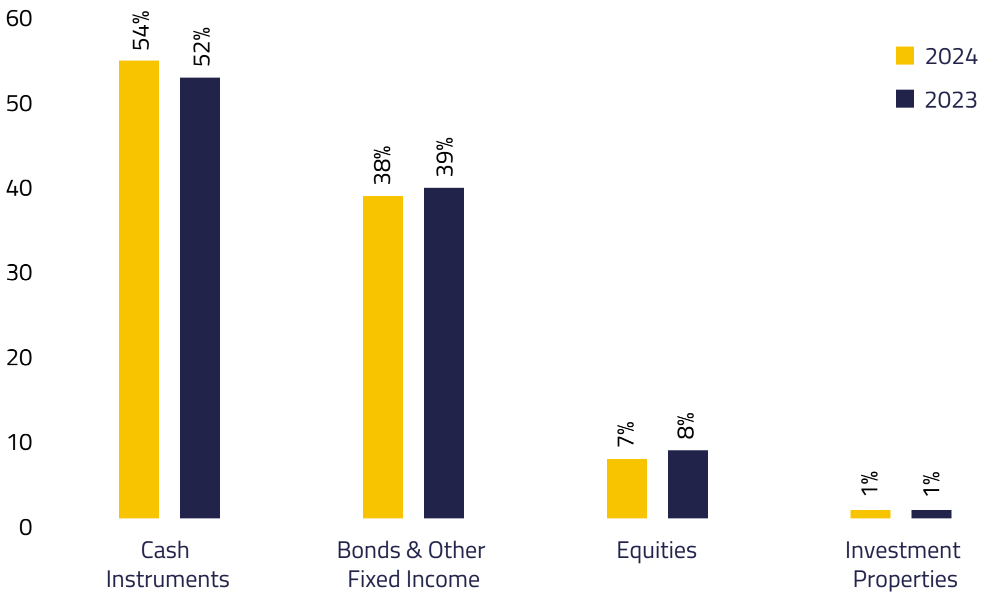
The graph below details the performance of the year under review compared to last year.



Asset composition

The allocation of the investment portfolio between asset classes remained stable compared to previous years (Cash instrument: 54%, Equity Securities: 7%, Fixed Income: 38%, and Investment Properties: 1%), reflecting the stability of the Corporation's investment strategy.

Asset Composition



Long term investments

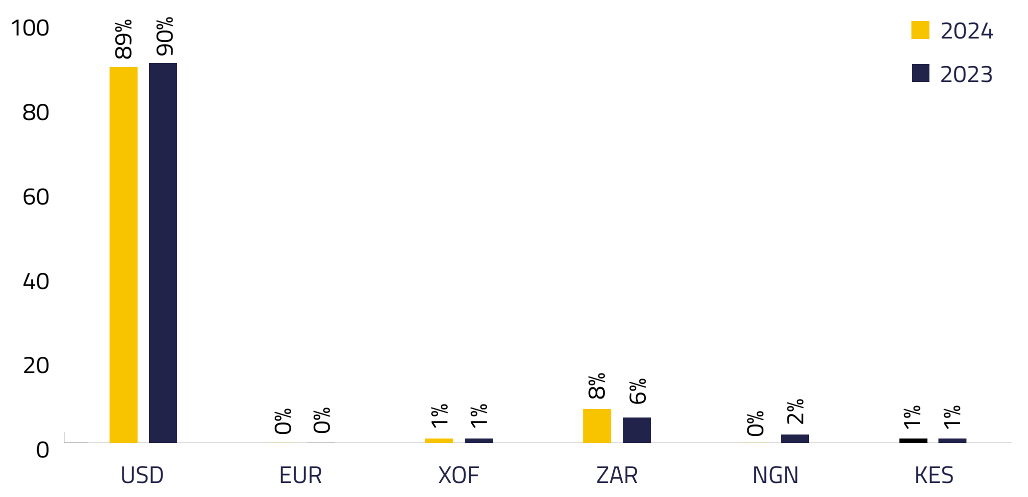
The Corporation continues to support the socio-economic development of the African continent by, amongst others, allocating its long-term equity investments to African entities or those contributing directly or indirectly to the growth of economic activities on the continent. The Corporation's total commitment to private equity stood at **US$57.87 million** invested in a portfolio of 22 companies comprising:

- Three (3) regional development finance institutions: Shelter Afrique, Afreximbank, and Africa Finance Corporation
- Five (5) insurance companies: SanlamAllianz Vie (Cameroon), AMSA-CI, African Trade and Investment Development Insurance, Gepetrol Seguros SA (Equatorial Guinea), and ENH Mozambique
- One (1) pension fund administration company (ACCESS ARM PFA in Nigeria),
- Twelve (12) private equity funds (CAPE II, CAPE III, CAPE IV, AFIG I, AFIG II ECP Africa Fund III, ECP IV, Adlevo Capital, PAHF, Carlyle Africa fund, AAF SME Fund and Partech Africa Fund II) and
- One (1) Blockchain initiative called Blockchain Insurance Industry Initiative (B3i Services AG)

Listed Equity Portfolio

Due to lower dividends and valuations, the equity portfolio performance was reduced by **22.57%** from **US$15.99 million** in 2023 to **US$12.38 million in 2024**.

Currency Exposure of the Equity Portfolio



The US dollar remains the dominant investment currency for equity instruments, with about 90% of equity instruments.

Bonds and other fixed income

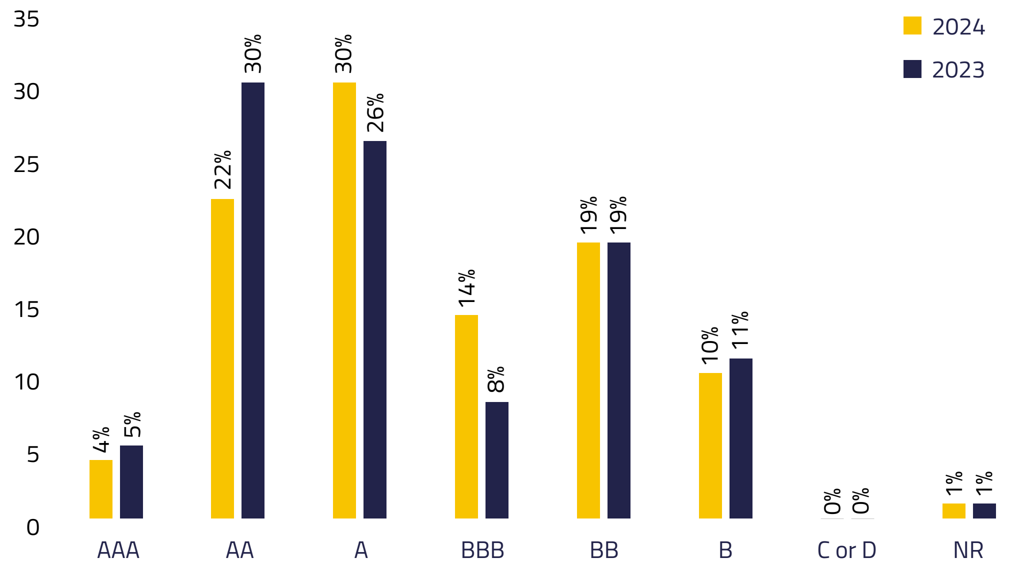
The size of the bond portfolio increased modestly by 1.65% from **US$573.03 million** on 31 December 2023 to **US$611.11 million** on 31 December 2024. Its performance improved by 12.60% from **US$23.92 million** recorded in 2023 to **US$26.94 million** achieved in 2024. Interest rate levels played a significant part in this result.

The net coupon interest (Net of tax on foreign investments) received in the period amounted to **US$28.72 million** compared to **US$24.06 million** recorded in the same period of 2023, indicating an improvement of **19.35%**. The improvement of coupon interest income results from gradual reinvestment into higher coupon bonds.

Bond yields increased in the last quarter, pushing valuations into negative territory. The 10-year US treasury yield reached **4.57%** in December 2024 from **3.86%** in December 2023, higher than the **4.25% historical average**.

The bond portfolio's quality and interest rate risk remain at excellent levels, as required by the investment policy. The graph below shows the allocation per rating category for both years 2023 and 2024.

Bond Portfolio Credit Profile



Cash Instruments

The cash instruments portfolio increased by 16.60% from **US$754.88 million** in December 2023 to **US$880.16 million** in December 2024 and is attributable to both interest income and net positive technical cashflows.

Interest income received on the cash instrument portfolio increased by **54.24%**, from **US$27.70 million** in 2023 to **US$42.73 million** in 2024.

Other Operating Income

Other operating income (management fees received from Aviation, Oil & Energy, EAIPN pools, and sundry income) totalled **US$1.83 million** compared to **US$2.03 million** posted in 2022.

Outlook

The global economy continues to improve at different speeds. Inflation continues to decrease but remains above the US Federal Reserve's 2% target. Recent US tariff hikes would contribute to maintaining it above the target. Geopolitical risk, trade uncertainties, and supply chain disruptions are the significant factors affecting the performance of the world economy.

Considering the various risks (geopolitical, inflation, interest rate, currency, credit, etc.), we expect the Corporation's investment income to improve moderately in 2025.

IV. RESULTS OF THE 2024 FINANCIAL YEAR

Gross Written Premium[1] for the year ended 2024 amounted to US$ 1.21 billion reflecting a 9.73% increase from US$ 1.11 billion in 2023. This growth was primarily driven by successful marketing efforts and favourable price movements across key markets.

Reinsurance Revenue[2] (comparable to gross earned premium under IFRS 4) rose to US$ 1.20 billion representing a 14.81% increase over the 2023 figure of US$ 1.05 billion.

Reinsurance service expenses which include gross acquisition costs, gross claims incurred and attributable expense increased by 7.35% from US$ 786.05 million in 2023 to US$ 843.81 million in 2024. Net expenses from retrocession contracts held rose significantly by 27.62%, from US$ 134.09 million in 2023 to US$ 171.12million. Net reinsurance finance expense also increased, reaching US$ 70.41 million in 2024 from US$ 50.12 million in the previous year.

Investment and other income, excluding capital gains or losses, improved by 20.42% from US$69.25 million in 2023 to US$83.39 million in 2024 due to higher interest income from fixed income assets. The Corporation's high allocation of cash instruments and bonds contributed to substantial income. Despite the rise in yields towards the end of the year, the portfolio posted a capital gain of US$7.69 million (2023: US$11.53 million) due to adequate positioning on the yield curve. In addition to the substantial investment income, the net technical cash flow was also good, and all of this contributed to increasing the investment portfolio to US$1.62 billion (2023: US$1.46 billion).

Foreign Currency Exchange Differences arising from the revaluation of monetary assets and liabilities against various functional currencies resulted in a net exchange loss of US$ 41.73 million for 2024, compared to a gain of US$ 1.36 million in 2023.

The income tax charge for the year amounted to US$ 2.58 million (2023: US$ 0.89 million), incurred in South Africa where the Corporation is subject to taxation.

As a result, Profit After Tax for 2024 was US$ 132.94 million, representing a 4.71% increase from US$ 126.96 million recorded in 2023.

1 Gross written premium is an IFRS 4 metric not comparable to insurance service revenue
2 Insurance Service revenue is an IFRS 17 metric comparable to gross earned premium under IFRS 4

Total Comprehensive Income for the year reached US$ 110.41 million (2023: US$ 90.69 million), after accounting for additional negative exchange differences on the translation of foreign operations amounting to US$ 19.89 million (2023: US$ 35.03 million).

There were also fair value losses on financial assets available for sale of US$ 2.64 million in 2024, compared to US$ 1.23 million in the prior year.

V. APPROPRIATION OF RESULTS

In furtherance of the Corporation's commitment to consolidate its financial position while providing remuneration on the capital invested in its equity, and in accordance with Resolution No. 3 on the New Dividend Distribution Policy and Appropriation of Net Profit adopted by the Ordinary General Assembly of 17 June 2019 held in Tunis, Tunisia, the Board recommends that the 2024 Net Profit of US$ 132,942,736 be distributed as follows:

1. **US$ 66,471,368** to the General Reserve in accordance with Resolution No. 4/1992, which stipulates that **50% of the net profit after tax** of each year is set aside as **General Reserves;**
2. **US$ 1,000,000** to be transferred to the **Reserve for Loss Fluctuation** in accordance with the decision taken by the Board during its 57th Board Meeting of 17 November 1992 held in Lagos (Nigeria) to set aside an amount over and above the outstanding claims provision to moderate the effects of possible fluctuation in losses in future.
3. **US$ 2,658,855** to be transferred to the **Africa Re Foundation** as **2% of the Net Profit** for the Year;
4. **US$ 29,367,950** to be paid as a **Dividend** at the **rate of US$ 10.0** (2023: US$ 10.0) **per subscribed and paid-up share** of US$ 100 par value to be funded as follows:
    a. **Regular Dividend** of **US$ 29,367,950** to be paid from the **Net Profit** for the year 2024;
    b. No special Dividend is distributed in the financial year
5. The balance of **US$ 33,444,563** is to be added to **Retained Earnings.**

VI. CAPITAL MANAGEMENT

Africa Re ensures that its solvency and cash flow are sufficient to meet existing liabilities, future growth aspirations and to maximize reported profits. This is achieved by efficiently managing capital through a risk-based capital modelling regime under which the Corporation's capital reflects all the main risks to which it is exposed.

It is worth mentioning that the successful fourth capital increase improved the Corporation's solvency position in 2013. Since then, the Corporation has improved its solvency position by combining considerable retained earnings and risk-informed strategic decisions.

The capital needs of the Corporation are assessed using an internal risk-based capital model and external proprietary models developed by rating agencies. The objective is to ensure that, at all times, the Corporation has available more capital than required.

Financial strength ratings and capital adequacy

Due to its supranational nature, Africa Re Group is not legally subject to any national regulatory regime.

However, it should be noted that its subsidiary company, African Reinsurance Corporation South Africa Ltd (ARCSA), is supervised by the Prudential Authority and Financial Services Conduct Authority of South Africa. ARCSA was involved, alongside other industry participants, in the development of the regulatory framework called Solvency Assessment and Management (SAM), which is similar to the European Solvency II and is based on economic principles in the measurement of assets and liabilities. SAM sets out requirements for governance, risk management, supervision, disclosure and transparency. South Africa commenced the implementation of SAM in June 2018. Africa Re continues to follow developments within the SAM framework in order to comply with the requirements in South Africa and adopt best practices for its Group operations.

Financial strength ratings, counterparty and issuer credit ratings have been assigned to Africa Re by S&P Global Ratings (S&P) and AM Best since 1998 and 2003 respectively.

The evaluations of the rating agencies are based on a set of criteria, which include the assessment of the Corporation's capital adequacy. For their highest assessment categories, S&P and AM Best require an annual solvency probability at the 99.99% and 99.6% confidence level respectively, which entails a high level of capital that should enable the company to endure exceptional losses that would be expected to occur once in every 10,000 years for S&P, and once in every 250 years for AM Best.

The Corporation has a strong capitalization under the capital adequacy requirements of the two rating agencies. The Corporation's financial strength is assessed in accordance with the capital models of the two rating agencies in the table below.

Financial strength ratings

Rating Agency	Financial strength rating	Counterparty/ issuer credit Rating	Outlook	Last press release/ report date
A.M. Best	A	a	Stable	December 4, 2024
Standard & Poor's	A-	A-	Positive	November 26, 2024

AM Best affirmed on 4 December 2024 the financial strength rating of Africa Re at A (Excellent) and the issuer credit rating at "a" with both outlooks remaining Stable. According to AM Best,

"the ratings reflect [Africa Re's] balance sheet strength, which AM Best assesses as strongest, as well as its strong operating performance, favourable business profile and appropriate enterprise risk management".

"[Africa Re's] balance sheet strength is underpinned by risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR)."

S&P Global Ratings affirmed the financial strength and the counterparty credit rating of Africa Re at A- and revised its outlook to Positive on 26 November, 2024. According to S&P, "[the] positive outlook reflects [their] view that Africa Re will continue to maintain its strong operating performance, leading market position, and capital buffer above the 99.99% level of [their] capital model over the next two years."

They believe "Africa Re has a well-diversified exposure across Africa, with a strong franchise and overall market position."

VII. ENTERPRISE RISK MANAGEMENT (ERM)

Africa Re ensures an enterprise approach to its risk management process to enable efficient identification and management of known and emerging threats to its business operations.

The Enterprise Risk Management (ERM) function supports value creation by enabling Management to deal effectively with future events that create uncertainty and to respond in a manner that reduces the likelihood of downside outcomes while leveraging opportunities. Consequently, the Corporation has processes in place to be anticipatory and effective at evaluating and managing uncertainties faced as it works towards creating sustainable value for stakeholders.

Risk Governance

The Risk Management and Compliance Department was created in 2010. The Department is headed by a Central Director who is the Chief Risk Officer (CRO). The Chief Risk Officer assumes responsibility for the overall leadership, vision and direction of the risk management function across the Corporation.

A Risk Management Committee (RMC) exists, consisting of the Central Directors and headed by the Deputy Managing Director/Chief Operating Officer. The Committee meets quarterly.

Through the current risk governance structure, the Corporation recognizes the importance of an integrated approach by assigning the corporation-wide risk management responsibility to senior management with access to the Underwriting, Risk Management and Information Technology Governance Committee of the Board.

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Key Risk Management Bodies and Functions

Board of Directors			
Underwriting, Risk Management and Information Technology Governance Committee of the Board			
Executive Management			
Risk Management Committee	**Investment Committee**	**ICT Steering Committee**	**Central Operations & Special Risks**
Chief Risk Officer			
Risk Management function			

The African Reinsurance Corporation has also adopted the "three lines of defence" operational framework which operates as follows:

- 1st line: The day-to-day risk management and management control line, where staff and Management have direct responsibility for the management and control of risk;
- 2nd line: The risk oversight, policy and methodologies line, where the concerned staff co-ordinate, facilitate and oversee the effectiveness and integrity of Africa Re's risk management framework; and
- 3rd line: The independent assurance line, where control departments in charge of internal audit, technical inspection and external auditors provide independent assurance across all business functions in respect of the integrity and effectiveness of the risk management framework.

The roles and responsibilities of each of these functions and parties involved in the risk management process are described in detail in the Group ERM Framework.

Risk Landscape

The risk landscape of the Corporation comprises core business risks as well as other risks, and are categorised and defined as follows:

Group 1 - Insurance risk: risk of loss arising from the Corporation's core business as a result of inadequate underwriting or reserving.

Group 2 - Credit risk: risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Group 3 - Market risk: risk that arises from fluctuations in values of, or income from assets, interest or exchange rates.

Group 4 - Currency fluctuation risk: risk of loss arising from changes in the different operational currencies of the Corporation.

Group 5- Liquidity risk: risk that sufficient financial resources are not maintained to meet liabilities when due.

Group 6 - Strategic risk: risk that the strategy the company sets for itself is unsuccessful or does not adequately recognise opportunities.

Group 7 - Reputational risk: risk of loss arising from damage to the Corporation's brand, leading to loss of business and competitive advantage.

Group 8 - Regulatory/Compliance risk: risk of loss from non-adherence to regulatory or shareholding agreement and international standards/policies leading to fines, sanctions, interventions and ultimately revocation of operating licence.

Group 9 - Operational risk: risk of loss resulting from inadequate or failed internal processes, people, systems and external events.

Across these categories, the Corporation identifies and evaluates all threats and opportunities to its strategic objectives through a systematic framework that is applied consistently across the Group.

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Risk Management Processes

The implementation of risk management at the operational level embraces various steps, including identification, measurement, analysis, assessment, reporting and monitoring, which enable the Corporation to closely follow significant risks in each group.

Financial Risks

Insurance, credit, market, currency fluctuation and liquidity risks have been classified as financial risks. The management of these risks is covered under "Management of Insurance and Financial Risks" (Pages 111-122).

Operational Risk

As indicated above, operational risk includes potential losses or reputational damage arising from inadequate or failed internal processes, people, systems and external events.

Within this framework, Africa Re includes legal and fraud related risks within operational risks. Other non-financial risk categories such as reputational, strategic and regulatory/compliance have been identified separately. The detailed risk categorization is set out in the Corporation's Risk Taxonomy and Risk Register.

Africa Re is committed to properly mitigating and managing its exposure to operational and other non-financial risks. The operational risk management model involves the following cyclical process: identification, assessment, response & control, reporting and monitoring of risks. Dedicated officers (Risk Champions) from production centres and central departments are responsible for overseeing the management of operational risks which arise in their areas of control. The Corporation applies a centrally coordinated methodology to identify and assess risks through the use of an effective Operational Risk Solution, an IT platform called OneSumX.

The Operational Risk Solution facilitates the implementation of the tools and techniques provided in the Group ERM Framework, which include the risk and control self-assessment (RCSA), internal loss data capturing, key risk indicators (KRIs), stress and scenario testing, etc. The solution is used in the Corporation's head office and production centres.

Appropriate controls and contingency plans such as Business Continuity Plans (BCPs) and Disaster Recovery Plans (DRPs) are in place to manage the Corporation's operational risk exposures to an acceptable level.

Emerging risks

These are developing risks, or already known risks which are subject to uncertainty and ambiguity and are therefore difficult to quantify using traditional risk assessment techniques.

An emerging risk can represent either a change in the nature of an existing or known risk or the development of a new risk. Generally, such risks are characterised by a high level of uncertainty.

Appropriate processes are implemented to quickly identify emerging risks as they have indirect bearing on strategy implementation, stability of the Corporation and can also present opportunities.

Africa Re uses horizon scanning and stress-testing indicators and parameters to identify emerging risks. The Corporation's approach to managing emerging risks, builds on the structures and tools for managing its known/traditional risks. It ensures that the provisions of its risk management framework are robust in response to changing exposure to known risks and other emerging risks.

Risk Modelling

Financial Modelling

In response to the demands of the changing environment by regulators and rating agencies, the global insurance industry developed Dynamic Financial Analysis (DFA) models. Africa Re pioneered the use of internal models for capital assessment and risk management purposes in Africa.

ReMetrica, a tool for building financial models of an insurance or reinsurance company developed by Aon, was acquired by Africa Re under a license agreement. ReMetrica is used for the modelling of insurance, market and credit risks.

ReMetrica is used by Africa Re in different areas of decision-making including assessment of required capital, optimization of retrocession programme and support for strategic business decisions.

Africa Re acquired ReMetrica primarily to assess the sufficiency of shareholders' funds compared to its risk exposure, consistent with requirements from the Prudential Authority in South Africa and rating agencies (AM Best and S&P).

ReMetrica enables the Corporation to choose an optimum retrocession structure from

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various scenarios depending on their financial impact on the Corporation. Furthermore, it allows the Corporation to build different models for each business strategy. By comparing the results of different business strategies, the business portfolio can be improved. In that regard, ReMetrica has been for Africa Re, a useful tool for building a well-balanced business portfolio.

Catastrophe Modelling

Catastrophe modelling provides expected annual aggregate loss from catastrophe events which could help in developing strategies in the following areas:

- Monitoring of accumulations and pricing of original risk;
- Retrocession purchase including setting of limits and retentions depending on the risk appetite;
- Meeting the requirements of the Prudential Authority and rating agencies.

Africa Re has been monitoring its catastrophe exposures annually, particularly in African countries prone to natural perils such as South Africa, Mauritius and Kenya. Willis and Aon Benfield have traditionally offered a catastrophe modelling service, using either licensed or own models.

VIII. CORPORATE GOVERNANCE

Overview

Africa Re is regulated by the Agreement Establishing the Corporation and other statutory documents detailed below.

There are various corporate governance policy documents in force, which are based on international best practices. The Corporation's subsidiary in South Africa is locally incorporated and in addition, complies with the applicable local corporate governance codes such as the King III Report.

The Board and Management are responsible for ensuring that the Corporation applies the best practices in corporate governance that match the required minimum in modern international and peer companies.

Corporate Governance Framework

Corporate governance principles and procedures of Africa Re are defined in a series of documents governing the organization and its management. They include::

- Agreement Establishing the African Reinsurance Corporation, defining the ownership, administration and governance structure;
- Procedure for Proposing and Introducing Amendments to the Agreement;
- General Bye-Laws defining the General Regulations and the Rules of Procedure of the General Assembly;
- Rules of Procedure of the Board of Directors;
- Rules for the Election of Directors;
- The Board Charter and Board Committee Terms of Reference, setting out the duties and responsibilities of the Board and its Committees; and
- Code of Ethics, which lays down rules, behaviour and attitude to be observed by staff and Management when accomplishing their duties or acting on behalf of the Corporation.

The corporate governance framework of the Corporation undergoes appropriate reviews triggered by changes in the operations of the Corporation, international best practices in relevant areas, as well as strategy and risk profile amongst others.

Since June 2019, the Board comprises 5 Committees. The Committees of the Board of Directors of the African Reinsurance Corporation are today as follows:

1. Human Resources and Remuneration Committee;
2. Audit Committee;
3. Underwriting, Risk Management and Information Technology Governance Committee;
4. Nominations and Governance Committee;
5. Finance and Investment Committee.

The General Assembly, at its 41st Annual Ordinary Meeting held in Tunis, Republic of Tunisia, on 17 June 2019, decided to increase the number of Directors from 12 to 14 to cater for two (2) Non-Executive Independent Director board seats, in line with best international governance standards.

The Board had its first Independent Non-Executive Directors in 2020 and 2021 and one of them. Mr Moustapha COULIBALY, was elected Chairman of the Board of Directors in June 2024, marking a major step in strengthening the Corporation's governance.

Shareholding

Shareholding Structure as at 31 December 2024

Shareholder	Number of Shares	In %
42 African Member States	991,627	33.77
African Development Bank (AfDB)	240,000	8.17
112 African insurance and reinsurance companies	1,024,091	34.87
3 Non-African Investors (FAIRFAX, AXA, and SanlamAllianz)	660,000	22.47
Africa Re Employee Share Ownership Programme (ESOP)	21,077	0.72
Total shares	**2,936,795**	**100.00%**

Authorized / Paid-Up Capital and Recent Changes in Shareholding

The Corporation's policy consists in steadily growing capital with retained profit and additional equity from existing shareholders and selected potential investors. Therefore, from an initial paid-up capital of US$ 100 million in 2010, a call of the first portion of the capital of US$ 200 million was made in 2010 by issuing 1,000,000 new shares and distributing 1,000,000 bonus shares to existing shareholders.

The authorized capital stands at US$ 500 million as at 31 December 2024 with US$ 293 679 500 fully paid up. The capital is divided into 2,936,795 shares, each with a nominal value of US$100.

General Assembly

General Assembly Meeting

The General Assembly meets at least once a year in one of the member states, usually in June.

Voting Right & Representation

In line with the Agreement Establishing the Corporation, each shareholder has one vote for any one fully paid-up share. Each representative at the General Assembly is entitled to cast the votes of the shareholder or shareholders he represents. All significant decisions and matters before the Ordinary General Assembly are taken by a majority of the voting power represented at the meeting.

Statutory quorums

A quorum for any meeting of the General Assembly shall be sixty (60) per cent of the total voting power of shareholders. If a quorum is not reached, a second meeting shall be held at least twenty-one (21) days or at most forty-five (45) days after the first meeting in the case of the ordinary general meetings and at least seven (7) days or at most thirty (30) days after the first meeting in the case of extraordinary meetings. The notice for the second meeting shall be sent within seven (7) days after the first meeting. The shareholders present at the second meeting shall have the right to pass valid resolutions whatever the number of shares they represent.

Notice & Agenda of the General Assembly

Notices for convening ordinary meetings of the General Assembly shall be sent to all shareholders by registered airmail not less than six (6) weeks before the date fixed for the meeting. The notice shall contain the agenda of the meeting.

Extraordinary meetings shall be convened in writing by appropriate means of communication not less than seven (7) days before the date of the meeting. An extraordinary meeting of the General Assembly may be called by the Board of Directors, or by shareholders representing at least twenty-five per cent (25%) of the total voting power of the Corporation.

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Board of Directors

Board of Directors – Composition

The Board of Directors is currently chaired by Mr. Moustapha COULIBALY and comprises 14 substantive members. Directors are elected by the General Assembly for a period of three years and may be re-elected at the expiration of the term. They shall continue in office until their successors are elected.

The table below contains the current members of the Board of Directors of the Corporation as at 31 December 2024 as well as the constituencies/group of shareholders they represent.

Name & Nationality	Constituency
Mr Moustapha COULIBALY Ivorian	Independent Director
Dr Mohamed Farid SALEH Egyptian	Egypt: state and companies
Mrs Faouzia ZAABOUL Moroccan	Morocco: state and companies
Alhaj Kaddunabbi Ibrahim LUBEGA Ugandan	East and Southern Africa and Sudan (12 states)
Mrs Estelle TRAORE Ivorian	Francophone West and Central Africa (states and companies)
Mr Kamel MARAMI Algerian	Algeria: state and 4 companies
Mr Yared MOLA Ethiopian	Anglophone West Africa (companies and 4 states) and East and Southern Africa (companies)
Mr Hafed Mohamed OMRAN Libyan	Libya, Mauritania and Tunisia (states and companies)
Mr Olusegun Ayo OMOSEHIN Nigerian	Nigeria: state and companies
Mr Jacques DJOFACK French	African Development Bank (AfDB)
Mrs Meryem CHAMII Moroccan	AXA
Mr Jean CLOUTIER Canadian	FAIRFAX
Mrs Delphine TRAORE Burkinabe	SANLAM ALLIANZ PROPRIETARY LIMITED

Board seats are distributed among shareholders or group of shareholders based on their voting power. The composition of the current Board is as follows:

- Nine (9) for Class "A" Shareholders (42 African member states, AfDB and 112 African insurance and reinsurance companies), with the AfDB entitled to a permanent seat.
- Three (3) for Class "B" Shareholders (3 non-African investors).
- Two (2) Independent Directors.

The Board of Directors currently has five (5) standing committees: Audit Committee; Finance and Investment Committee; Human Resources and Remuneration Committee; Nominations and Governance Committee and the Underwriting, Risk Management and Information Technology Governance Committee;

Board of Directors – Committees

Audit Committee

The role of the Audit Committee includes but is not limited to the following:

a) Providing oversight on the Corporation's statutory financial reporting obligations together with fulfilling the legal, operational and professional requirements relating thereto.

b) Acting to ensure that the Corporation's records and reports of its business and other activities are adequate, appropriate, accurate and compliant with best practices.

c) Supplementing, supporting, advising, providing guidance and reports on the adequacy, integrity, effectiveness or otherwise of the Corporation's system of accounting, financial reporting and internal controls as well as Management's effectiveness in fulfilling its responsibility and mandate as custodian of the Corporation's assets and the financial records evidencing its business activities.

Members
- Mrs Delphine TRAORE (Committee Chair)
- Mrs Faouzia ZAABOUL
- Mr Yared MOLA
- Mrs. Estelle TRAORE

Human Resources & Remuneration Committee

The role of the Committee includes but is not limited to the following:

a) Governing the staff remuneration process and making recommendations to the Board.

b) Providing oversight responsibilities on the Corporation's human resource management policies, practices and procedures.

c) Acting as the forum for supporting Executive Management to ensure that the Corporation has access to appropriate human resources through a transparent, balanced and sustainable framework for dealing with performance recognition and reward.

Members
- Mr Kamel MARAMI (Committee Chairman)
- Mr Hafed Mohamed OMRAN
- Mrs. Meryem CHAMI
- Mr Alhaj Kaddunabbi I. LUBEGA
- Mrs. Estelle TRAORE

Underwriting, Risk Management & Information Technology Governance Committee

The role of the Committee includes but is not limited to the following:

a) Providing guidance and oversight on the Corporation's underwriting and other risk-taking activities.

b) Acting as the forum for setting and updating the framework, models and policies for managing risk across the Corporation and for overseeing the underwriting activities of the Corporation as well as ICT resourcing activities.

Members
- Mr Jean CLOUTIER (Committee Chairman)
- Mr Kamel MARAMI
- Mr Olusegun OMOSEHIN
- Mr Alhaj Kaddunabbi I. LUBEGA
- Mr Jacques DJOFACK

Finance & Investment Committee

The role of the Committee includes but is not limited to the following:

a) Reviewing and confirming that the medium term financial plans, annual operating budget and annual capital budget prepared by Management, are consistent with the strategic plan and the Corporation's financial policies.

b) Providing guidance and oversight on the Corporation's financial and investment affairs and activities.

c) Acting as the forum for setting and updating the framework, models and policies for managing investment risk across the Corporation and for overseeing the financing, investing, planning, capital and operational budgeting of the Corporation.

Members

- Mrs. Faouzia ZAABOUL (Committee Chair)
- Mr. Hafed Mohamed OMRAN
- Dr. Mohamed Farid SALEH
- Mr Jacques DJOFACK
- Mr Olusegun OMOSEHIN

Nominations and Governance Committee

The role of the Committee includes but is not limited to the following:

a) Providing guidance and oversight on the Corporation's corporate governance activities and Board affairs.

b) Acting as the forum for setting and updating the framework, models and policies for providing leadership and direction for the Board, for ensuring Board performance and effectiveness, and for overseeing the continuous flow of quality personnel and other resources into the Corporation's leadership.

c) Governing the non-executive directors' remuneration process and making recommendations to the Board for preliminary approval and the General Assembly for final adoption.

Members

- Mr Moustapha COULIBALY (Committee Chairman)
- Dr. Mohamed Farid SALEH
- Mrs Delphine TRAORE
- Mrs Meryem CHAMI
- Mr Yared MOLA

Board Evaluation and Training

As regards training, new Board members are provided with induction packs on the functions of the Board and the Committees. In addition, training is also provided to Directors in specific areas as need be. Accordingly, a training session on Retakaful business was organized for all board members on 22 March 2023.

Board of Directors – Activities in 2023

The Board of Directors met five (5) times in 2024 in Mauritius, Kampala (2 times), Cairo and Abuja. The five meetings were held in a hybrid format with some board members participating remotely (on the Zoom platform). The average attendance rate was 95%.

Executive Management

The Executive Management comprises the following members as at 31 December 2024.

Name	Nationality	Function
Dr Corneille KAREKEZI	Rwandese	Group Managing Director / Chief Executive Officer
Mr Ken AGHOGHOVBIA	Nigerian	Deputy Managing Director / Chief Operating Officer
Mr Kiiza BICHETERO	Ugandan	Deputy Managing Director / Chief Operating Officer Elect

IX. COMPLIANCE

As part of an effective system of risk management and internal controls in the Corporation, control functions were established including risk management, actuarial services, internal audit and compliance. The compliance function was formally developed in 2014 in order to complete the essential pillars of a strong risk management system.

The compliance function enhances governance, checks and balances and provides support to the Board in the fulfilment of its oversight duties.

Though the parent company is not subject to any regulatory compliance requirements, its subsidiaries, Africa Re South Africa Limited in Johannesburg (South Africa) and Africa Re Underwriting Agency Limited in Dubai (the United Arab Emirates), are mandated to comply with all applicable regulatory requirements in South Africa and the UAE respectively. Each of these subsidiaries have their own local compliance functions. The Group compliance function reviews requirements and best practices of relevant and applicable rules and regulations in order to assess the Corporation's compliance levels, and issues reports to Executive Management and the Board.

Consequently, through this function, the Corporation ensures there are appropriate policies and procedures in place to monitor and ensure compliance with the contractual agreements of Africa Re.

The compliance function operates as a second line of defence. It also ensures as much as possible that there is no conflict of interest with other control functions, hence meeting the minimum requirement of good governance and control practice.

The following are some examples of policies and procedures within the compliance function of the Corporation:

- FATCA: The Foreign Accounts Tax Compliance Act (FATCA), an act of the United States Internal Revenue Service (IRS), has been considered and implemented.
- Policy Formulation and Review: The Anti-Money Laundering (AML)/Combating Terrorist Financing (CTF) and Combating Proliferation Financing (CPF) policy is approved by the Board and reviewed periodically to incorporate latest best practices and conform to recent standards.

  The Corporation has in place Data Protection policies, procedures and contract clauses to adhere to best practice and applicable data protection laws across its operating environment.
- Gap Assessment & Management: The compliance function also identifies gaps in the compliance processes and develops a strategic response to manage them. A risk-based assessment is used for the Know Your Customer (KYC) process.
- Screening Tools: A compliance screening tool is used to screen all clients during the on boarding stage and on a continuous basis.

The Corporation's fight against money laundering, terrorist financing and proliferation financing is critical in maintaining a stable and corrupt-free society; hence the adoption of the recommendations of the Financial Action Task Force (FATF) and the guidance paper of the International Association of Insurance Supervisors (IAIS) on this subject.

The AML/CTF/CPF process forms part of the Risk Management Programme of the African Reinsurance Corporation and formalises the approach to combat money laundering, terrorist financing and proliferation financing.

Although at the Group level, the Corporation is not subject to any specific local regulation on AML/CTF/CPF, it has adopted the FATF recommendations as best practice in combating money laundering, terrorist financing and proliferation financing.

These recommendations shall be used to:

- define and communicate principles and minimum requirements for conducting money laundering, terrorist financing and proliferation financing assessments;
- provide further controls on the operational, reputational and legal risks of the Corporation;
- ensure compliance with international best practices in fighting money laundering, terrorist financing and proliferation financing;
- provide guidance to eliminate the possibility of the Corporation's participation in any money laundering, terrorist financing or proliferation financing activities;
- formalise the Know Your Customer (KYC) and Customer Due Diligence (CDD) procedures of the Corporation; and
- advise the board on the compliance risk exposures faced in the different operating markets.

X. CORPORATE SOCIAL RESPONSIBILITY

A sustainable business, whose main goal is to maximize shareholder value, must pay attention to the interests of its shareholders and the environment in which it operates. Following the Board decision of November 2013 and the General Assembly Resolution of June 2014, Africa Re Trust Fund was established to execute the corporate social responsibility (CSR) initiatives of the Corporation. To carry out corporate social responsibility in line with global best practices and to achieve the goal of the CSR Trust Fund, **Africa Re Foundation** was established in January 2018 to serve as an independent vehicle to implement various strategic initiatives aimed at achieving Africa Re's vision. The Foundation is funded primarily by a maximum of 2% of the Corporation's yearly net profit after tax. In 2023, the Foundation implemented the following recurrent and non-recurrent initiatives to achieve its strategic goals.

Covid-19 Pandemic in Africa

The Foundation sponsored insurance awareness campaigns in four countries: Uganda, Côte d'Ivoire, Cameroon, and the Democratic Republic of Congo to deepen insurance penetration and improve the insurance market in these countries.
This is the first phase of the programme.

Education and Training

- The Foundation continues to support training and capacity building for African Insurance Regulators. The project is aimed at enhancing the knowledge and capacity of the insurance industry regulators and promoting efficient regulation and service delivery.
- Three hundred and thirty three (333) insurance professionals were trained in insurance, reinsurance and related courses through the Young Insurance Professionals Programme (YIPP). They were equipped with the required knowledge and skills of the industry that will facilitate higher job performance and improve productivity.
- The Foundation supported the actuarial training programme in Egypt for insurance professionals to help bridge the knowledge gap in the industry.

Insurance Industry Development

- The 9th African Insurance Awards (AIA) was supported by the Africa Re Foundation supported. The award ceremony is an initiative aimed at celebrating insurance industry performers with a view to motivating excellent performance and the development of the insurance industry in Africa. The award categories celebrated are the African Insurance Company of the Year, the African Insurance CEO of the Year, the Insurance Innovation of the Year, and the Insurtech of the Year.
- With funding from the Foundation, the National Insurance Commission (NAICOM) of Nigeria completed the development of the insurance regulatory software to enhance regulatory functions and ensure efficient service delivery.
- The Foundation commenced the development of an insurance regulatory software for the Agence de Régulation et de Contrôle des Assurances(ARCA), the regulatory authority of the Democratic Republic of Congo.
- The digitalization of the automobile insurance process in Senegal was supported by the Foundation to promote efficiency across the automobile insurance value chain.
- The Foundation sponsored the 2024 edition of the Africa CEO Forum in Kigali, Rwanda. The forum is an event that brings together the continent's most influential CEOs and investors, representing the entire Africa-focused ecosystem in one place.

Research and Development

- With funding received from the Foundation, the Financial Regulatory Authority (FRA) of Egypt completed the building of the first actuarial tables for the life insurance industry in the country.
- In Uganda, the Foundation supported the undertaking of a cost-benefit analysis of the insurance of national assets and public properties and a policy framework with recommendations on insurance covers that should be taken out by the Government to secure its assets and public properties.

Community Development

The literacy campaign initiative of the Child2Child Book Foundation in the Republic of Guinea was supported by the Foundation. The campaign helped the children in underprivileged and remote places to have access to books and school supplies.

Disaster Recovery and Management

The Foundation provided relief funds to support the survivors of the earthquake in Morocco.

XI. HUMAN RESOURCES AND COMPENSATION

1. Human Resources

As an employer of choice in the African reinsurance market, Africa Re places great emphasis on Employee Value Proposition (EVP). The Corporation recognizes its greatest asset to be its employees and consistently seeks ways and means to attract and retain top talents.

To this end, the Corporation runs a centralized HR environment that supports the key business initiative. The Corporation is dedicated to sourcing and developing talented professionals, building their performance capabilities and promoting, best practices that support high levels of employee engagement and organizational development to meet strategic business goals.

The remuneration and benefits offered by Africa Re are consistently assessed to ensure that they remain competitive. This approach enhances the Corporation's ability to recruit and retain highly qualified employees to carry out the strategic plans and goals of the Corporation.

Overall, Africa Re's strong EVP and commitment to support employee development and career growth plays a significant role in the Corporation's ongoing success in the African reinsurance market.

1.1 Staff Categories

There are six (6) staff categories in Africa Re.

Table A: Staff Categories

Executive Management (MGT)	▪ Group Managing Director/Chief Executive Officer ▪ Deputy Managing Director/Chief Operating Officer ▪ Deputy Managing Director -Elect
Executive Staff (ES1, ES2, ES3, ES4)	▪ Central Directors ▪ Regional Directors ▪ Managing Directors of Subsidiaries
Professional Staff (PS1, PS2 PS3, PS4, and PSS)	▪ Deputy Directors ▪ Assistant Directors ▪ Senior Managers ▪ Managers ▪ Assistant Managers
Local Professional Staff (LP1, LP2, LP3)	▪ Principal Officers
Support Staff (SS1, SS2, SS3, SS4, SSS A, SSS B)	▪ Assistant Officers /Officers/ Senior Officers
Manual Staff (MS1, MS2, MS3, MS4, MSS)	▪ Attendants /Operatives

Executive Management, Executive Staff and Professional Staff are considered "international" staff. Local Professional, Support Staff and Manual Staff are locally recruited staff of the respective locations in which the Corporation operates.

The table below shows the distribution of staff according to categories and duty posts across the African continent.

Table B: Staff Establishment Figures as at 31 December 2024

Locations	Establishment							
	MGT	ES	PS	LP	SS	MS	Total	Temp/ Consultants
Head Office	**3**	**9**	**28**	**5**	**23**	**11**	**79**	**14**
Abidjan Regional Office		1	6	1	14	2	**24**	
Addis Ababa Regional Office			1	1	1		**3**	
Cairo Regional Office		1	5	2	17	1	**26**	1
Casablanca Regional Office		1	4	1	17	3	**26**	
Lagos Regional Office		1	6	5	11	2	**25**	3
Mauritius Regional Office		1	5	2	12	3	**23**	
Nairobi Regional Office		2	12	2	23	1	**40**	10
Africa Re DIFC		1	4		1		**6**	
Sudan Local Office			1		1		**2**	1
South African Subsidiary (ARCSA)		4	14		24	4	**46**	6
Total (Regional Office)	**0**	**12**	**58**	**14**	**121**	**16**	**221**	**21**
Total (with Head Office)	**3**	**21**	**86**	**19**	**144**	**27**	**300**	**35**
Percentage %	1.00	7.00	28.67	6.33	48.00	9.00	100.00	

1.2 Diversity

Africa Re is proud to be an equal opportunity employer that is committed to diversity and inclusion. The staff of the Corporation cuts across twenty-nine (29) nationalities in Africa. The Corporation also promotes gender equality amongst its workforce.

Table C: Gender Distribution of Staff

Location	Female	Male	Total
Head Office	22	57	79
Abidjan Regional Office	8	16	24
Addis Ababa Local Office	1	2	3
Africa Re DIFC	2	4	6
Cairo Regional Office	12	14	26
Casablanca Regional Office	11	15	26
Lagos Regional Office	5	20	25
Mauritius Regional Office	13	10	23
Nairobi Regional Office	19	21	40
Sudan Local Office	1	1	2
South African Subsidiary (ARCSA)	25	21	46
Grand Total	**119**	**181**	**300**
Percentage %	**39.67**	**60.33**	**100**

2. Compensation

The guiding principle for Africa Re's compensation and incentives is to be within at least the 75th percentile of peer benchmark compensation accepted in the reinsurance and financial industry. Our comprehensive compensation is benchmarked against relevant peers in the African labour market to identify trends, gaps and opportunities in our compensation practices leading to informed decision-making and effective implementation of our compensation philosophy. This enables our employees to focus on achieving exceptional results without taking avoidable risks.

Africa Re's compensation practices are based on participation in remuneration surveys and peer reviews, complemented by effective employee and team performance management policies.

Africa Re employs the Balanced Scorecard (BSC) as a strategic performance management tool to set measurable performance goals for teams and individuals. Performance targets are tied to the company's strategic business plan. Each employee's BSC is a combination of goals and initiatives measured against several Key Performance Areas (KPAs), Perspective or Key Performance Indicators (KPIs). The performance management system is now automated with Corporater software.

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Compensation and Rewards were reviewed with effect from 1st January 2024 to alleviate the impact of erosion in real income of staff caused by local currency devaluation/currency fluctuation and hyper-inflation in some of Africa Re's operating locations.

The Corporation continues to promote and practice equal pay for similar roles amongst the male and female staff. All allowances and benefits are applicable to male and female staff occupying the same role with the same grade level without any form of discrimination or disparity.

Africa Re's pay practice comprises fixed pay, variable pay (short and long term incentives), allowances and other benefits (children education grant, Provident Fund, end-of-service gratuity, medical insurance, other insurance covers, etc.).

Table D: Components of compensation

Type	Composition	Beneficiaries	Comments
Fixed Compensation	Base salary	- Executive Management - Executive Staff - Professional Staff - Local Professional - Support Staff - Manual Staff	Base pay and allowances are paid monthly in US dollars for Executive Management, Executive Staff and Professional Staff, and in local currencies for Local Professional, Support and Manual Staff
	Duty Post Differential	- Executive Management - Executive Staff - Professional Staff	Paid monthly only to international staff
Annual Variable Compensation	Individual Performance Bonus	- Executive Management - Executive Staff - Professional Staff - Local Professional - Support Staff - Manual Staff	Paid annually to all categories of staff
	Special Location Performance Bonus	- Executive Staff - Professional Staff - Local Professional - Support Staff - Manual Staff	Designed to reward all the employees of a production centre upon attainment of a specified financial performance level.
	Employee Share Ownership Plan (ESOP)	- Executive Management - Executive Staff - Professional Staff - Local Professional - Support Staff - Manual Staff	A scheme to provide both Management members and employees with a financial share in the business and increase the alignment of their future interests with those of shareholders.
Allowances	- Housing - Transport - Inflation Adjustment - Dependency (Spouse & Child) - Domestic Staff - Vehicle	- Executive Staff - Professional Staff - Local Professional - Support Staff - Manual Staff	Allowances are paid monthly in US dollars for Executive Staff and Professional Staff, and in local currencies for Local Professional, Support and Manual Staff.

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3. Employee share ownership Scheme -ESOP

Following the approval of the Group's Board and the endorsement of the General Assembly, Africa Re implemented the ESOP Framework and Policy and allocated shares to eligible staff and elected members of Management with effect from the 2021 performance appraisal year.

The ESOP program offers a unique opportunity for interested employees to acquire shares in the Corporation, an initiative that has been implemented across the entire Group . This initiative is part of Africa Re's commitment to foster a sense of ownership, participation, and inclusivity which in turn enhances employee engagement, retention, and loyalty.

4. Learning and Development

Africa Re is dedicated to fostering a culture of continuous learning and professional growth. In 2024, we had two major initiatives on learning and development;

- **Partnered with Udemy to provide sufficient licenses for all staff, ensuring unrestricted access to an extensive library of courses tailored to their development needs.** The platform offers a diverse range of courses, including Reinsurance, Business Acumen, Technology, Leadership, Compliance, Emotional Intelligence and Work-Life Balance, to mention just a few. With self-paced learning opportunities, this initiative equips our staff with the knowledge and skills required to excel in their roles and adapt to the dynamic demands of the industry.
- We introduced the Knowledge Sharing Session, a two-hour interactive learning platform held every Thursday to foster continuous staff development. Covering diverse topics such as social skills, technical expertise, soft skills, investment strategies, mental health, career planning, cybersecurity and AI, and personal finance management, the sessions provide valuable insights facilitated by both internal experts and external professionals.
- Moving forward, we plan to expand the scope of topics, incorporate more guest speakers, and leverage digital platforms to enhance accessibility and impact.

This learning commitment underscores Africa Re's unwavering commitment to developing its workforce and maintaining its position as a leader in the reinsurance sector.

5. Cultural Transformation.

We embarked on a cultural transformation journey to align Africa Re's culture with its strategic goals and build a customer-focused, innovative, collaborative, and adaptable organization capable of thriving in a complex reinsurance environment. Stage One involved evaluating the current culture to identify the "AS-IS" state, while Stage Two focused on defining transformation goals, outlining the desired "TO-BE" culture, and developing a comprehensive roadmap with leadership buy-in.

The project is currently on Stage Three, implementing the plan through training programs to build capacity for change, fostering collaboration and innovation and engaging employees to embrace Africa Re's vision, mission, and values. Metrics have also been developed to monitor progress and ensure continuous improvement.

This progress provides a strong foundation for achieving a sustainable cultural transformation and maintaining Africa Re's competitiveness.

6. Competency Framework Project

We embarked on the Competency Framework Project in 2021 to establish a structured approach to workforce development, aligning staff competencies with corporate objectives. Over the three-year journey, key milestones were achieved, including the development of a comprehensive learning gaps, the introduction of digital learning through Udemy and the integration of training progress into performance evaluations. These efforts have strengthened internal capacity, ensuring a workforce equipped with the necessary technical, financial, and cross-functional skills.

With the successful closure of the project in 2024, the focus now shifts to full implementation and continuous refinement. Training programs will be expanded and customized to meet evolving business needs, with quarterly competency reviews ensuring alignment with industry demands. This marks a significant step toward sustaining a competitive and agile workforce, positioning Africa Re for continued success in the dynamic reinsurance sector.

7. Wellness Programs

In 2024, we reinforced dedication to employee wellbeing through a range of impactful initiatives aimed at enhancing both personal and professional lives. Four mental health sessions were conducted to address emotional resilience, reduce stress, and create awareness around mental health challenges. Additionally, all staff and third party employees received comprehensive first aid training, equipping them with the necessary skills to handle emergencies effectively.

To further support work-life balance, flexible working arrangements were introduced, enabling employees to better manage their personal and professional commitments. Complementing these efforts, wellness programs focused on physical health, emotional resilience, and overall wellbeing were implemented, promoting a healthier and more engaged workforce. These initiatives underscore Africa Re's ongoing commitment to fostering a supportive, adaptable, and thriving work environment for all employees.

8. Succession Planning

In an effort to bolster internal capacity at middle and senior management levels, we have been diligently tracking the progress of staff within the successor pools. In 2024, we made substantial progress in strengthening leadership continuity by implementing a comprehensive succession planning framework. The strategy focused on both short-term and long-term talent development. In the short term, efforts concentrated on identifying leadership resources for key positions, while the long-term focus aimed at developing a robust talent pipeline to ensure sustainable leadership. This framework has allowed Africa Re to identify and prepare high-potential employees for critical roles, ensuring continuity amidst staff retirements and attrition.

To enhance leadership continuity, we adopted a replacement strategy that emphasized internal promotions, inter-departmental transfers, external recruitment, and the grooming of high-potential staff. With an average staff age of 42years, the Corporation has worked towards reducing this by recruiting younger, entry-level talent and facilitating knowledge transfer to promote smooth generational transitions. These strategic initiatives are positioning Africa Re for long-term success, with a strong, adaptable workforce that meets future challenges.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR EXTERNAL FINANCIAL REPORTING

Management responsibility regarding Effectiveness of Internal Controls over Financial Reporting

The Management of the African Reinsurance Corporation (Africa Re) is responsible for the preparation, integrity and fair presentation of its financial statements and other information presented in the annual report. The financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of Article 37 of the Agreement Establishing the African Reinsurance Corporation and as such, include amounts based on informed judgments and estimates made by Management.

The financial statements have been audited by an independent accounting firm, which was given unrestricted access to all financial records and related data, including minutes of all meetings of the Board of Directors and Committees of the Board. Management believes that all representations made to the independent auditors during the audit were valid and appropriate. The independent auditors' report accompanies the audited financial statements.

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Agreement Establishing the African Reinsurance Corporation, and for such internal controls as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Management believes that internal controls for external reporting, which are subject to scrutiny by Management and the internal auditors, and are revised as considered necessary, support the integrity and reliability of the external financial statements.

Key procedures that Management has established, which are designed to provide effective internal financial control within the Group, include the preparation, review and Board approval of the annual financial plans that align with strategic plans. Results are monitored regularly and progress reports on performance are prepared quarterly. The system of internal controls includes written policies and procedures, proper delegation of authority, accountability through establishing responsibility and segregation of duties.

In addition, Management has developed a risk management framework that ensures an effective coordination and monitoring, within the Group, of all the risk management policies approved by the Board of Directors and/or by Executive Management such as underwriting and reserving policies, staff rules and regulations, investment policy guidelines and accounting and financial procedures.

There are inherent limitations in the effectiveness of any internal control, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective internal controls can only provide reasonable assurance with respect to the preparation of financial statements. The effectiveness of internal controls may vary over time because of changes in circumstances.

The Board of Directors of Africa Re has set up an Audit Committee and an Underwriting, Risk Management & IT Governance Committee to monitor the internal controls and risk management practices within the Group. The Committees are made up of non-executive Directors who are independent of Management. They meet periodically with Management, external auditors, internal auditors, chief risk officer and technical inspectors to review their reports and ensure that they are effectively carrying out their respective responsibilities. The external auditors, internal auditors and chief risk officer have free access to the Committees with or without the presence of Management to discuss the adequacy of internal control over financial reporting and any other matters which they believe should be brought to the attention of the Committees.

Mr Moustapha COULIBALY
Chairman

Dr Corneille KAREKEZI
Group Managing Director / CEO

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of the AFRICAN REINSURANCE CORPORATION

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the AFRICAN REINSURANCE CORPORATION and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), i.e. the IESBA Code issued by the International Ethics Standards Boards for Accountants, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

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External Auditor's Report

opinion on these matters.

- **Measurement of reinsurance contract liabilities (690,687 million USD)**

The corporation's reinsurance contract liabilities comprise the liability for incurred claims and liability for remaining coverage. Premium Allocation Approach is applied to all portfolios.

The measurement of reinsurance contract liabilities involves subjective judgments about estimation of fulfillment cash flows, risk adjustment, and discounting by management. There is no requirement to compute risk adjustment for liabilities for remaining coverage for PAA.

The most judgmental aspects of the valuation are as follows:

- The liability for remaining coverage is measured with PAA approach, based on premium and acquisition costs.
- The measurement of the liability for incurred claims includes an estimate of future cash flows, a risk adjustment for non-financial risk and the adjustment of this estimate to reflect the time value of money (discounting).
- The measurement of liability for remaining coverage and liability for incurred claims includes the use of assumptions, particularly contract boundary for liability for remaining coverage, triangles projections and expenses assumptions for liability for incurred claims.

With the support of our actuarial experts, the procedures we have put in place to address the risk of material misstatement in the measurement of reinsurance contract liabilities include the following:

- IFRS 17 normative review to ensure compliance of the measurement approach used by AFRICA RE;
- Consistency checks (e.g., reconciliation of data, controls on whether the assumptions used are those calibrated, etc.);
- Analytical review including challenging assumptions used and the methodology;
- Performance of independent calculations.

Other information

Management is responsible for the other information. The other information comprises information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Abidjan, 21 May 2025

The independent auditor

Deloitte Côte d'Ivoire

Frederick BLEDOU
Chartered Accountant
Partner

APPENDIX 1 : Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

As at 31 December 2024

Assets	**Notes**	**2024 US$'000**	**2023 US$'000**
Cash and cash equivalents	27	490,767	437,033
Investments	4	1,112,046	1,000,609
Retrocession Contract Assets	8	169,938	107,650
Sundry receivables		54,517	44,470
Tax recoverable	21	399	1,370
Investment properties	10	17,448	17,896
Property and equipment	11	35,510	35,339
Intangible assets	12	3,607	5,175
Total assets		**1,884,232**	**1,649,542**
Liabilities			
Sundry payables	24	22,301	20,845
Dividend payable	22	11,553	13,828
Deferred tax	14	862	412
Reinsurance Contract Liabilities	9	690,687	548,767
Total liabilities		**725,403**	**583,852**
Shareholders' funds			
Retained earnings		272,059	237,964
Other reserves	16	367,450	322,508
Share premium		225,640	218,037
Share capital	17	293,680	287,181
Total shareholders' funds		**1,158,829**	**1,065,690**
Total liabilities and shareholders' equity		**1,884,232**	**1,649,542**

The financial statements on pages 68 to 130 were approved and authorised for issue by the Board of Directors of the Corporation on 8 May 2025 and were signed on its behalf by:

MR. MOUSTAPHA COULIBALY
Chairman

DR. CORNEILLE KAREKEZI
Group Managing Director / CEO

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2024

	Notes	**2024 US$'000**	**2023 US$'000**
Reinsurance Revenue	5	1,200,346	1,045,516
Less: Reinsurance Service Expense	6	(843,805)	(786,053)
Reinsurance Service Result Before Retrocession Contracts Held		**356,541**	**259,463**
Allocation of Retrocession Premiums		(204,501)	(165,965)
Amounts Recoverable from Retrocession for Incurred Claims		33,379	31,880
Net Expenses from Retrocession Contracts Held	**7**	**(171,122)**	**(134,086)**
Reinsurance Service Result		**185,419**	**125,378**
Reinsurance Finance (expense)/Income from reinsurance contracts issued		(84,099)	(59,523)
Retrocession Finance (expense)/income for retrocession contracts Held		13,691	9,399
Net Reinsurance finance (expense)/income	**13**	**(70,408)**	**(50,124)**
Interest on reinsurance deposits	19	4,031	2,277
Investment and Other Income	19	85,217	71,289
Net Foreign Exchange Gain/(Loss)	20	(41,726)	1,358
Other Expenses	18	(27,011)	(22,332)
Profit Before Tax		**135,522**	**127,846**
Income Tax Charge	21	(2,580)	(892)
Profit for the year		132,942	126,955
Other comprehensive income			
Items that may subsequently be reclassified to profit or loss			
Exchange differences on translating foreign operations		(19,892)	(35,033)
Net fair value gain on revaluation of available-for-sale financial assets		(2,636)	(1,230)
Total other comprehensive (Loss)/Gain		**(22,528)**	**(36,262)**
Total comprehensive income for the year		**110,414**	**90,694**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2024

	Retained earnings	Translation reserve	General reserve	Reserve for Market Value Adjustment	Reserve for exchange fluctuation	Reserve for loss fluctuation	Other total reserves	Share premium	Share capital	Total
	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000	US$ '000
At 1 January 2024	**237,965**	**(228,231)**	**477,239**	**6,605**	**6,294**	**60,600**	**322,507**	**218,037**	**287,181**	**1,065,691**
Profit for the period	132,942									**132,942**
Other comprehensive income	-	(19,892)	-	(2,636)	-	-	(22,528)	-	-	**(22,528)**
	132,942	**(19,892)**	**-**	**(2,636)**	**-**	**-**	**(22,528)**	**-**	**-**	**110,414**
Issue of ordinary shares	-	-	-	-	-	-	-	7,603	6,499	**14,102**
Dividend declared for 2023 (Note 22)	(28,718)	-	-	-	-	-	-	-	-	**(28,718)**
Corporate social responsibility fund	(2,659)	-	-	-	-	-	-	-	-	**(2,659)**
Transfer to reserves	(67,471)	-	66,471	-	-	1,000	67,471	-	-	-
	(98,848)	**-**	**66,471**	**-**	**-**	**1,000**	**67,471**	**-**	**-**	**(31,377)**
At 31 December 2024	**272,059**	**(248,123)**	**543,710**	**3,969**	**6,294**	**61,600**	**367,450**	**225,640**	**293,680**	**1,158,829**
At 1 January 2023	**201,162**	**(193,198)**	**413,762**	**7,835**	**6,294**	**59,600**	**294,293**	**217,170**	**286,361**	**998,986**
Profit for the period	126,955	-	-	-	-	-	-	-	-	126,955
Other comprehensive income	-	(35,033)	-	(1,230)	-	-	(36,263)	-	-	(36,263)
	126,955	**(35,033)**	**-**	**(1,230)**	**-**	**-**	**(36,263)**	**-**	**-**	**90,692**
Issue of Ordinary shares								867	820	1,687
Dividend declared for 2022 (Note 22)	(25,200)	-	-	-	-	-	-	-	-	(25,200)
Corporate social responsibility fund	(475)	-	-	-	-	-	-	-	-	(475)
Transfer to reserves	(64,477)	-	63,477	-	-	1,000	64,477	-	-	-
	(90,152)	**-**	**63,477**	**-**	**-**	**1,000**	**64,477**	**-**	**-**	**(25,675)**
At 31 December 2023	**237,965**	**(228,231)**	**477,239**	**6,605**	**6,294**	**60,600**	**322,507**	**218,037**	**287,181**	**1,065,691**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows for the Year ended 31 December 2024

	Notes	2024 US$'000	2023 US$'000
Cash flows from operating activities			
Cash generated from operations	23	121,158	151,210
Income tax paid	21	(1,609)	(2,262)
Net cash from operating activities		119,549	148,948
Cash flows from investing activities			
Purchase of property and equipment	11	(1,937)	(2,396)
Purchase of investments		(111,437)	(98,935)
Interest received net of management fees		73,489	47,389
Dividend received		3,795	4,658
Proceeds of disposal of property and equipment		35	35
Net cash (used) in/generated from investing activities		(36,055)	(49,249)
Cash flows from financing activities			
Proceeds from share subscription		14,102	1,688
Dividends	22	(30,993)	(26,877)
Receipt of buy back of shares		15,169	
Net cash used in financing activities		**(1,722)**	**(25,189)**
Net increase in cash and cash equivalents		**81,772**	**74,509**
Movement in cash and cash equivalents			
At start of year		437,033	378,950
Net increase in cash and cash equivalents		81,772	74,509
Net exchange losses on cash and cash equivalents		(28,038)	(15,871)
At end of year	23(b)	**490,767**	**437,033**

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

1. General information

The African Reinsurance Corporation was established in 1976 by member States of the African Union (formerly Organisation of African Unity) and the African Development Bank as an inter-governmental institution to:

a) mobilise financial resources from insurance and reinsurance operations;

b) invest such funds in Africa to help accelerate economic development; and

c) foster the development of the insurance and reinsurance industry in Africa by promoting the growth of national, regional and sub-regional underwriting and retention capabilities.

The Corporation is domiciled in Lagos, Nigeria at the following address:

Plot 1679, Karimu Kotun Street
Victoria Island
PMB 12765
Lagos, Nigeria

The Corporation carries out reinsurance business through its constituent offices in Abidjan, Cairo, Casablanca, Lagos, Nairobi and Ebene as well as an underwriting agency in Dubai (DIFC). The Corporation is also licensed as a local reinsurer in South Africa through its wholly owned subsidiary, African Reinsurance Corporation (South Africa) Limited, a company incorporated in the Republic of South Africa. The Corporation also writes Islamic Takaful business through its wholly owned subsidiary, Africa Retakaful Company in Egypt.

2. Accounting policies

Adoption of new and revised International Financial Reporting Standards (IFRS)

i) New standards and amendments to published standards effective for the year ended 31 December 2024

The following amendments to IFRSs were effective in the current year and their material impact on the amounts reported in these financial statements are discussed below.

Standards/ Amendments	Effective date	Changes or Amendments
IAS 1 (Amendment) - Classification of Liabilities as Current or Non-current	1 January 2024	The amendment clarifies the classification of liabilities as current and non-current. This amendment stipulates that an entity can only classify a liability as non-current if it has the right to defer payments for at least one year after the reporting date. If the entity intends to settle the liability within twelve months after the reporting date, then it will be classified as a current liability. The aim of the amendment is to provide users of the financial information more insight into the financial and liquidity position of the entity.
IFRS 16 (Amendment) – Lease liability in a sale and leaseback	1 January 2024	This amendment clarifies how a seller-lessee should measure the lease liabilities in a transaction that involves sale and leaseback. It requires the seller-lessee to subsequently measure the liabilities in such transactions in a way that it does not recognise any amount of the gain or loss relating to right of use it has retained although it does not prevent the seller-lessee to recognise a gain or a loss resulting from early termination of the lease or a modification of the lease terms.

ii) Impact of new and amended standards and interpretations on the financial statements for the year commencing 1st January 2025 and future annual periods

New standards and Amendments to standards	Effective for annual periods beginning on or after
Amendment to IAS 21: Lack of Exchangeability	1 January 2025
Amendment to IFRS 9 – Classification and measurement of financial instruments	1 January 2026
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027

Amendment to IAS 21: Lack of Exchangeability

This amendment clarifies how an entity should assess if a currency is exchangeable and how it should determine a spot exchange rate in such a scenario. A currency is exchangeable if the entity is able to obtain the other currency within a certain time period that takes into account administrative, holidays and market delays.

Where a currency is unexchangeable to other currencies whether it is due to legal or other exchange restrictions, an entity is required to estimate the spot rate at the measurement date. The amendment does not specify how an entity should estimate the spot rate, however, it notes that an entity can use observable exchange rates without adjustments or other techniques.

The amendments are not expected to have any material impact on the financial position of the Corporation.

Amendment to IFRS 9 – Classification and measurement of financial instruments

The amendment introduces an additional SPPI test for financial assets with conditions not directly tied to changes in lending risks and costs. Previously, only these fundamental factors were considered in determining whether a cash flow met the SPPI test, which in turn influenced its classification. Under the amendment, certain financial assets, including those with ESG-linked features, may now qualify under the SPPI criterion—provided their cash flows are not materially different from comparable assets without ESG-linked features.

The amendment is not expected to have any material impact on the financial position of the Corporation.

IFRS 18 Presentation and Disclosures in Financial Statements

This new standard impacts how companies present their financial performance. While the calculation of net profit remains unchanged, the presentation and disclosure of results on the income statement will be revised. Notably, certain management performance measures will now be included in the audited financial statements, enhancing transparency and helping users gain a clearer understanding of the company's performance.

The amendments are not expected to have any material impact on the financial position of the Corporation

iii) Early adoption of standards

The Corporation did not early-adopt any new or amended standards in 2024.

3. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below:

A. Basis of preparation

Statement of compliance

These consolidated financial statements are prepared in accordance with International Financial Reporting Standard (IFRS) and its interpretations issued by the International Accounting Standard Board (IASB).

The financial statements are presented in United States dollars (US$'000). They have been prepared under the historical cost convention, as modified by the carrying of certain investments at fair value. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise judgement in the process of applying the Corporation's accounting policies. Although estimates are determined on the basis of historical information, actuarial analyses and the directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis to take account of new and available information. Revisions to accounting estimates are recognised in the year in which the estimate is revised.

B. Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The corporation applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

The consolidated financial statements incorporate the financial statements of the company and its subsidiaries African Reinsurance Corporation (South Africa) Limited, Africa Retakaful (Egypt) and Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiaries

When the group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Investments in subsidiary companies in the corporation's books are carried at cost less provision for impairment.

C. Use of estimates and judgements in the preparation of financial statements

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Africa Re based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of Africa Re. Such changes are reflected in the assumptions when they occur. Africa Re disaggregates information to disclose major product lines and liability retrocession issued. This disaggregation has been determined based on how Africa Re is managed.

Africa Re has made a number of key accounting policy choices which have been applied in the implementation of the IFRS 17 standard and below is a summary of these accounting policy choices.

Classification
IFRS 17 establishes specific principles for the recognition and measurement of reinsurance contracts issued and retrocession contracts held. The adoption of IFRS 17 did not change the classification of Africa Re's reinsurance contracts.

The Company issues reinsurance contracts under which it accepts significant insurance risks from ceding companies. All reinsurance contracts written by Africa Re are protection contracts with coverage only provided in cases where an insured event exists, hence the insurance risk is significant.

The reinsurance contracts held transfer also significant insurance risks.

The reinsurance contracts issued and reinsurance contracts held include fire, engineering, motor, accident, energy, aviation, marine, agriculture, life, medical, liability, miscellaneous, bonds & guarantees and political violence & terrorism.

The Company does not issue any contract with direct participation features.

Presentation
Africa Re has netted off, in the statement of financial position, the carrying amount of portfolios of reinsurance contracts issued that are assets against portfolios of reinsurance contracts issued that are liabilities. Also, portfolios of reinsurance contracts held that are liabilities against portfolios of reinsurance contracts held that are assets.

The Company disaggregates the total amount recognised in the statement of profit or loss and other comprehensive income into an insurance service result, comprising insurance revenue and insurance service expense, and insurance finance income or expenses.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion and includes the entire change as part of the insurance service result.

The Company has chosen to present separately the amounts recovered from reinsurance contracts held and an allocation of the premiums paid, as required by IFRS 17. 86.

The company has chosen not to disaggregate part of the movement in LIC and LFRC resulting from changes in discount rates from profit or loss and present this in OCI. Africa Re include insurance finance income or expenses for the period in profit or loss only.

Insurance revenue
The insurance revenue for the period is the amount of expected premium receipts allocated to the period. The Company recognises insurance revenue based on the passage of time over the expected period of service.

Separation of non-insurance components
The Company assessed its reinsurance products to determine whether they contain distinct components which must be accounted for under another IFRS instead of under IFRS 17. Currently, the Company's products do not include any distinct components that require separation.

Level of aggregation
The process of defining the level of aggregation under IFRS17 can be split into three phases:

- **Portfolios:** Contracts which have similar risks and are managed together need to be allocated to the same IFRS 17 portfolio. IFRS 17 portfolios are created by splitting each line of business into three portfolios, i.e., proportional treaties, non-proportional treaties and facultative.
- **Groups:** Portfolios of insurance contracts should be segmented, based on the level of profitability at initial recognition, into a minimum of three groups of contracts: (1) onerous contracts, (2) contracts which do not have a significant possibility of becoming onerous ("resilient" contracts) and (3) "other" profitable contracts. For contracts measured using the PAA, it is assumed that no groups of contracts in a portfolio are onerous at initial recognition, unless facts and circumstances indicate otherwise. Considering that PAA apply to all reinsurance contracts issued and retrocession contracts held, portfolios would not be classified into onerous group at initial recognition except where facts indicate otherwise. At subsequent recognition, loss components is constituted on groups of contracts which are found to be loss making. Only the portfolios adjudged to be of financial reinsurance type (with no significant risk of becoming onerous), if any, would be grouped into the resilient group, all other portfolios measured under the PAA would be grouped into others. If changes in facts and circumstances indicate that a profitable group at initial recognition has become onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group measured under GMM and over the carrying amount of the liability for remaining coverage measured under PAA
- **Cohorts**: contracts which were issued more than a year apart cannot be grouped together. Annual cohorts are constituted, based on the underwriting years of the underlying contracts.

The aggregation of retrocession contracts follows the same considerations applied to reinsurance contracts issued for setting up portfolios, groups and cohorts.

Under IFRS 4, the Company uses specific segmentations for management reporting to reflect the internal methods used to administer and manage the business. These segments comprise of reinsurance lines of business such as Engineering, Fire, Marine, Life, Agriculture, Motor, Medical, Bonds & Guarantees, Aviation, Miscellaneous, Energy, Oil & Gas, Liability, Accident, etc. Each line of business is further split into portfolios based on the type of reinsurance contract namely Proportional treaty, non-Proportional treaty and Facultative.

Under IFRS 17, The Company has decided to create IFRS 17 portfolios in line with the existing segmentation explained above.

In line with paragraph 95 and 96 of IFRS 17, the Company disaggregates information presented about reinsurance contracts issued by grouping the reinsurance lines of business into two main categories: life and non-life.

For reinsurance contracts held, disaggregation is presented into above two categories

Contract boundary
The Company includes in the measurement of a group of insurance contracts all the future cash flows within the boundary of each contract in the group. Cash flows are within the boundary of an insurance contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums, or in which the Company has a substantive obligation to provide the policyholder with insurance contract services.

An assessment was done to determine the contract boundary for the different types of contracts written.

- Africa Re contracts typically have a period of cover of 12 months, without an option to cancel the contracts during the cover period for both the reinsurer and the cedant.
- About 65% of treaty reinsurance contracts are written on a loss-occurring basis, meaning a coverage period of 1 year or less.
- The rest of treaty reinsurance contracts (35%) are written on a twelve-month risk-attaching basis, hence will have a coverage period of up to 2 years.
- Facultative reinsurance contracts have for the greater part a coverage period of 1 year or less. The few remaining, mainly engineering contracts, have period of cover of more than one year.

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Measurement
IFRS 17 includes a simplified measurement approach for the valuation of insurance contracts, the Premium Allocation Approach (PAA), which is similar to the unearned premium reserve approach used under IFRS 4.

An entity has the option to apply the PAA for a group of reinsurance contracts, if at the inception of the group:

- The coverage period at initial recognition is 1 year or less
- For contracts which have a coverage period greater than 1 year, the PAA is expected to produce a measurement of the liability for remaining coverage that would not differ materially from that produced using the GMM (default approach). A PAA eligibility test is therefore required to determine whether the PAA produces a reasonable approximation to the GMM.

Africa Re has applied PAA for all portfolios. The PAA eligibility testing was performed on reinsurance contracts and retrocession contracts which have a coverage period greater than 1 year and there was no material difference in the measurement of the liability for remaining coverage between the PAA and the GMM, hence these qualify for PAA. The contract classification test is performed at the inception of each contract to determine the applicable accounting model

Approach to best estimate cashflows
Best estimate cashflows represent the current estimates of the future cash flows within the contract boundary of a group of contracts that Africa Re expects to collect from premiums and pay out for claims, benefits, and expenses, adjusted to reflect the timing and the uncertainty of those amounts.

The estimates of future cash flows are based on a probability weighted mean of the full range of possible outcomes and are determined from the perspective of the Africa Re, provided the estimates are consistent with observable market prices for the market variables and reflect conditions existing at the measurement date.

- **Liability for remaining coverage (LRC) – Measurement at initial recognition**

  On initial recognition, the carrying amount of the LRC is:
  - The premium received
  - Minus acquisition cash flows paid at that date, unless the insurer chooses to recognize the payments as an expense
  - Plus or minus any amount arising from the derecognition of prepaid acquisition cash flow asset (unless expensed)
  - Plus or minus any amount arising from the derecognition of other asset or liability previously recognized for cash flows related to the group of contracts

- **Liability for remaining coverage (LRC) – Measurement subsequent reporting period**

  The LRC at subsequent measurement is:
  - LRC at the beginning of the period
  - Plus premiums received in the period
  - Minus acquisition cash flows paid in the period, unless recognized as an expense
  - Plus amortization of any acquisition cash flows, unless expensed
  - Plus any adjustment to a financing component
  - Minus the amount recognized as insurance revenue for services provided in that period
  - Minus any investment component paid or transferred to the liability for incurred claims

- **Liability for incurred claims (LIC)**

  The ultimate cost of outstanding claims is estimated by using a range of standard actuarial claims projection techniques, such as Chain Ladder and Bornheutter-Ferguson methods.

  The main assumption underlying these techniques is that Africa Re's past claims development experience can be used to project future claims development and hence ultimate claims costs. These methods extrapolate the development of paid and incurred losses, average costs per claim (including claims handling costs), and claim numbers based on the observed development of earlier years and expected loss ratios. Historical claims development is mainly analysed by accident years, but can also be further analysed by geographical area, as well as by significant business lines and claim types. Large claims are usually separately addressed, either by being reserved at the face value of loss adjuster estimates or separately projected in order to reflect their future development. In most cases, no explicit assumptions are made regarding future rates of claims inflation or loss ratios. Instead, the assumptions used are those implicit in the historical claims development data on which the projections are based. Additional qualitative judgement is used to assess the extent to which past trends may not apply in future, (e.g., to reflect one-off occurrences, changes in external or market factors such as public attitudes to claiming, economic conditions, levels of claims inflation, judicial decisions and legislation, as well as internal factors such as portfolio mix, policy features and claims handling procedures) in order to arrive at the estimated ultimate cost of claims that present the probability weighted expected value outcome from the range of possible outcomes, taking account of all the uncertainties involved.

- **Direct attributable expenses and acquisition costs**

  The measurement of fulfilment cash flows includes a systematic and rational allocation of directly attributable costs of fulfilling contracts, including especially insurance acquisition cash flows.

  Insurance acquisition cash flows are allocated as a portion of premium to profit or loss (through insurance revenue) over the period of the contract on a straight-line basis.

  Similar methods are consistently applied to allocate direct attributable expenses to groups of contracts based on the proportionate share of each contract to the total premium of the group of contracts.

  Claims related expenses are allocated based on the number of claims expected for all groups.

- **Risk of non-performance of retrocessionaires**

  The Corporation enters into retrocession arrangements with reputable retrocessionaires, rated A- at least.

  Since the start of operations in 1978, Africa Re has never experienced a default of any of its retrocessionaires.

  While Africa Re recognize that IFRS 17 standard requires an adjustment for non-performance risk, our past experience of more than 45 years without any default of retrocessionaires gives confidence that the risk is very remote, hence it was not considered.

Discounting
IFRS 17 is principle-based and does not explicitly describe a methodology for calculation of appropriate discount rates. However, it does outline several conceptual principles to which the discount rates used should align.

Africa Re have chosen to use a bottom-up approach, where the discount rate has been determined as the risk-free yield curve with similar characteristics (e.g., duration, currency). Africa Re writes business in multi-regions and multi-currencies, some of which do not have available risk-free yield curves. However, the bulk of liabilities are denominated in USD. USD curves are readily available but there are likely challenges with deriving risk-free rates for a large number of the other currencies in which Africa Re's liabilities are denominated. Given these limitations, country/currency specific risk-free rates could be derived from base USD risk-free curves and an allowance for country risk premiums.

The illiquidity premium is assumed to be the relative equity market volatility. It is after that added to the country's Credit Default Spread to have the adjusted country risk premium".

The discounting was applied to the Liability for Incurred Claims (LIC) using current discount rates. The liability for remaining coverage (LRC) was not discounted.

Discount rates applied for discounting of future cash flows are listed below:

Duration

	1 year		3 year		5 year		10 year		20 year	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Retrocession Contracts Held	8.41%	9.43%	8.57%	9.04%	8.66%	8.86%	8.83%	8.72%	9.12%	8.73%
Reinsurance Contracts Issued	8.41%	9.43%	8.57%	9.04%	8.66%	8.86%	8.83%	8.72%	9.12%	8.73%

Insurance finance income and expenses
Africa Re has chosen not to disaggregate part of the movement in LIC and LFRC resulting from changes in discount rates from profit or loss and present this in OCI. Africa Re will include insurance finance income or expenses for the period in profit or loss only.

Risk adjustment for non-financial risk
Africa Re has considered a number of different techniques for calculating the risk adjustment for non-financial risk. The Company currently employs a stochastic reserving technique, bootstrapping and Mack method, in the calculation of IFRS4 risk margin which is determined at entity level.

Africa Re has elected to adopt a value-at-risk (e.g., bootstrapping) / confidence level approach as the calculations underlying this approach will always be needed due to the fact that IFRS 17 requires companies to disclose the confidence level at which the risk adjustment is calibrated.

The confidence level approach used involves the Bootstrapping/Mack Model being applied to paid and/or incurred triangles containing claim data emanating from direct contracts (i.e., gross basis). This approach will determine the risk adjustment at the required confidence level, similar to the current reserving exercise. The LIC constitutes expected future claim payments and directly attributable claims handling costs.

The confidence level of the risk adjustment was set at 60%.

For groups of proportional retrocession contracts held, Africa Re use the same risk adjustment factor as derived for the underlying reinsurance contracts issued. This is justified since the risk transferred to retrocessionaires is simply a proportion of the compensation required by Africa Re for bearing the uncertainty about the amount and timing of the cash flows relating to insurance issued.

For groups of non-proportional retrocession contracts held, it may be expected that the risk transferred to retrocessionaires would be a greater proportion of the best estimate recoveries relative to the proportion of the risk adjustment to best estimate claims for the underlying policies. This is due to the structure of these contracts which provide greater protection in the event of large losses. However, for operational simplicity reasons, it is proposed that the same risk adjustment factors used for the underlying reinsurance contracts be used for the retrocession risk adjustment.

Loss Component
Africa Re has recognised a loss component within the liability for remaining coverage for onerous groups of insurance contracts. Africa re has determined loss component to represent losses or expected losses in the liabilities for liabilities for remaining coverage. If the losses actualise, they will be recognised as part of the LIC in subsequent periods, otherwise, they are treated as reversal of the losses in the previous year.

Retrocession Contracts Held
Africa Re has measured its retrocession assets on the same basis as its reinsurance contract liabilities, albeit as an expense rather than as income under the PAA approach.

Derecognition and Contract Modification
The Company derecognises a contract when it is extinguished—that is, when its specified obligations expire, are discharged, or are cancelled. Additionally, a contract is derecognised if its terms are modified in a manner that would have significantly altered its accounting treatment had the new terms always been in place. In such cases, a new contract reflecting the modified terms is recognised. If a modification does not result in derecognition, the Company treats the resulting changes in cash flows as revisions to estimates of fulfilment cash flows.

For insurance contracts accounted for under the Premium Allocation Approach (PAA), derecognition involves adjusting fulfilment cash flows to eliminate related rights and obligations.

D. Property and equipment

Property and equipment are stated at historical cost less depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other expenses are treated as other repairs and maintenance costs and charged to the income statement during the financial period in which they are incurred.

Assets under construction are stated at costs. They represent costs incurred to date on on-going building projects.

Freehold land is not depreciated. Depreciation is calculated on other property and equipment from the date an asset is available for use on the straight-line basis to write down the cost of each asset to its residual value over its estimated useful life as follows:

- **Buildings:** 2% or over the lease period if less than 50 years
- **Furniture, fittings and equipment:** between 6.67% and 33.33%
- **Motor vehicles:** 25%

Asset residual values and their estimated useful lives are reviewed at each reporting date and adjusted if appropriate.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Property and equipment are derecognised when damaged, obsolete, disposed or when no future economic benefits are expected from its use.

Gains and losses on disposal of property and equipment are determined by comparing proceeds with their carrying amounts.

E. Intangible assets

(i) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful life (4 years) of the software.

Computer software development costs that are directly associated with the production of identifiable software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Computer software development costs recognized as assets are amortised from the date, they are available for use on a straight-line method over their estimated useful lives, not exceeding a period of four years.

After initial recognition, software acquired is carried at its cost less any accumulated amortization and any accumulated impairment losses. Maintenance costs are expensed when incurred.

(ii) Deferred acquisition costs and deferred retrocession commission

Acquisition costs comprise insurance commissions, brokerage and other related expenses arising from the conclusion of insurance contracts. The proportion of acquisition costs and commission income that correspond to the unearned premiums are deferred and amortised on a pro rata basis over the contract term.

F. Investment property

Property held for long-term rental yields that is not occupied by any component of the Group is classified as investment property.

Investment property comprises freehold l and and buildings.

Investment property is initially measured at cost and subsequently at historical cost less depreciation and any accumulated impairment losses.

The carrying amount of investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Gains or losses on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Most of the Corporation's office buildings were built partly for its own use and for generating income. Allocation between Property and Investment is solely based on use.

Transfers to and from Investment Property take place only when there is a change in use.

Change in use occurs when there is commencement of or end of owner-occupation and inception of an operating lease to another party.

Rental income from investment property is recognised as other revenue on a straight-line basis over the term of the lease.

G. Financial assets and liabilities

a. Initial recognition

Financial assets and financial liabilities are recognised when the corporation becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on settlement date basis.

At initial recognition, Africa Re measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

b. Classification and measurement

i. financial assets

Classification and measurement of financial instruments are based on the Africa Re's business model for managing the asset and the cash flow characteristics of the asset.

Business model: The business model reflects how the corporation manages the assets in order to generate cash flows. That is, whether the objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

Solely Payments of Principal and Interest: Where the business model is to collect contractual cash flows, Africa Re assesses whether the financial instruments' cash flows represent solely payments of principal and interest. In making this assessment, Africa Re considers whether the contractual cashflows are consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks, and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Based on these factors, Africa Re classifies its debt instruments into one of the following measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in investment income using the effective interest rate method. These financial assets include cash and bank balances, investments at amortised cost, trade and other receivables.

Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

ii. financial liabilities

Financial liabilities of Africa Re are classified and subsequently measured at amortised cost net of directly attributable transaction costs.

Fair value gains or losses for financial liabilities designated at fair value through profit or loss are accounted for in profit or loss except for the amount of change that is attributable to changes in the Africa Re's own credit risk which is presented in other comprehensive income. The remaining amount of change in the fair value of the liability is presented in profit or loss. Africa Re's financial liabilities include trade and other payables.

c. Impairment of financial assets

Recognition of impairment provisions under IFRS 9 is based on the expected credit loss (ECL) model. The ECL model is applicable to financial assets classified at amortised cost under IFRS 9: Financial instruments; cash and bank and balances; and investments at amortised cost. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date, about past events, current conditions and forecasts of future economic conditions. The ECL model is dependent on the availability of relevant and accurate data to determine whether a significant increase in credit risk occurred since initial recognition, the probability of default (PD), the loss given default (LGD) and the possible exposure at default (EAD)

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial assets.

Africa Re measures the loss allowance at an amount equal to the lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, then the loss allowance for that financial asset is measured at 12 month expected credit losses (12-month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial asset. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial asset that are possible within 12 months after the reporting date. In order to assess whether to apply lifetime ECL or 12-month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, Africa Re considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than the evidence of a financial asset being credit impaired at the reporting date or of an actual default occurring.

The measurement of ECL is a function of the PD, LGD (i.e. the magnitude of the loss if there is a default) and the EAD. The assessment of the PD and LGD is based on historical data adjusted by forward-looking information as described below. The EAD is the gross carrying amount of the financial asset at the reporting date. An impairment gain or loss is recognised for all financial assets in profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account.

d. Significant increase in credit risk and definition of default

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, Africa Re compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring as at the date of initial recognition.

Africa RE considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a financial asset is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless Africa Re has reasonable and supportable information that demonstrates otherwise. By contrast, if a financial asset is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the financial asset has not increased significantly since initial recognition. Africa Re monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increases in credit risk before the amount becomes past due.

For purposes of internal credit risk management purposes, Africa Re consider that a default event has occurred if there is internal or external information indicating that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Furthermore, financial assets are defined as being in default when contractual payments are more than 90 days past due or when there are clear indications that the imposition of financial or legal penalties and/or sanctions will make the full recovery of amounts due highly improbable. These assets are regarded as non-performing and grouped under stage 3 financial assets.

Africa Re writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

e. Derecognition

i. financial assets

Africa Re derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when it transfers the financial asset and the transfer qualifies for derecognition. Gains or losses on derecognition of financial assets are recognised as finance income/cost.

ii. financial liabilities

Africa Re derecognises a financial liability when it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised immediately in the statement of profit or loss.

f. Modification

When the contractual cash flows of a financial instrument are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial instrument, Africa Re recalculates the gross carrying amount of the financial instrument and recognises a modification gain or loss immediately within finance income/(cost)-net at the date of the modification. The gross carrying amount of the financial instrument is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial instrument's original effective interest rate.

g. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position. Offsetting can be applied when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The legally enforceable right is not contingent on future events and is enforceable in the normal course of business, and in the event of default, insolvency or bankruptcy of Africa Re or the counterparty.

H. Reinsurance receivables

All amounts receivable are initially recognised at fair value.

Amounts recoverable under the retrocession contracts are recognised in the same year as the related claims and are disclosed in the income statement and statement of financial position on a gross basis.

Amounts recoverable under reinsurance and retrocession contracts are assessed for impairment losses at each reporting date. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition that the Group may not recover all amounts due and that the event has a reliably measurable impact on the amounts that the company will receive from the debtors.

The carrying amounts of the assets are reduced by the expected credit loss recognised in the profit or loss account for the period.

I. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents, comprise short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

J. Impairment of non-financial assets

Impairment exists when there is objective evidence that the carrying amount of an asset exceeds the higher of its fair value or its value in use. The Corporation carries out an assessment of its non-financial assets periodically.

Land and buildings are valued by external Consultants triennially.

To maintain their expected levels of performance and estimated useful life, significant pieces of plant and equipment are subject to service and maintenance contracts with the Original Equipment Manufacturers or their authorized agents. Other non-financial assets are assessed internally on annual basis for continuous performance and usefulness. A financial assessment of impaired assets is carried out to determine whether they should be refurbished or replaced. Costs of refurbishment are capitalised if there is objective evidence that such refurbishment will result in an increase in the useful life of the asset, otherwise, it will be treated as expense in the statement of profit or loss. Others are derecognised through disposal and replaced.

Impairment assessment on computer software is carried out through a review of the cost incurred to date and outstanding cost to completion for those under development or maintenance costs for those in use. These costs are compared with the original budget.

K. Other receivables and prepayments

Other receivables are measured at amortised cost and stated after deductions of amount considered impaired. When a debt is deemed not collectible, it is written-off against the related provision or directly to the profit and loss account to the extent not previously provided for. Any subsequent recovery of written-off debts is credited to the profit and loss account. Other receivables are primarily loans to staff, sundry debtors and accrued income

Prepayments are carried at cost less accumulated impairment losses and are amortised on a straight-line basis to the profit and loss account.

L. Foreign currency translation

(i) Functional and presentation currencies

The Group's constituent offices are geographically dispersed within Africa, and it conducts its operations in several currencies.

The primary economic environment in which an entity operates is normally the one in which it primarily generates and expends cash. An entity considers the following factors in determining its functional currency:

a. the currency:
- that mainly influences sales prices for goods and services; and
- of the country whose competitive forces and regulations mainly determine the sales prices of its goods and services.

b. the currency that mainly influences labour, material and other costs of providing goods or services.

The functional currencies of the group's constituent offices have been determined as currencies of countries in which they are established.

In line with IAS 21 revised, the group has selected, United States dollars, as its presentation currency.

(ii) Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in profit or loss in the period in which they arise. When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

At the end of each reporting period:

a. foreign currency monetary items shall be translated using the closing rate,

b. non monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction, and

c. non monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) are translated into the presentation currency as follows:

a. assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

b. income and expenses for each profit and loss account are translated at average exchange rates prevailing over the reporting period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions);

c. all resulting exchange differences are recognised in the translation reserve in equity.

In line with IAS 21 revised, the group's constituent offices are considered as foreign operations and are consolidated as such.

M. Leases

The Corporation assesses every contract at inception to determine whether it contains a lease. Contracts in which the right to control the use of an identified assets for a period in exchange for consideration by an entity within the group are classified as leases.

The Corporation as a lessee applies a single recognition and measurement approach for all leases.

Payments made under short-term leases and low-value leases are charged to profit or loss on the straight-line basis over the period of the lease.

Right-of-use assets are recognised at cost at the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation. Right-of-use assets are depreciated over the shorter of lease term and the average useful lives of the underlying assets (building).

N. Employee benefits

Short-term employee benefits

Employee entitlements to service pay and annual leave are recognised when they accrue to employees. The cost of short-term employee benefits are recognised in the period in which the service is rendered and are not discounted.

Retirement benefit obligations

The Corporation operates a defined contribution retirement benefit scheme and an unfunded defined benefit service gratuity scheme for its employees. Under the defined contribution scheme, the Corporation pays fixed contributions into a separate entity.

Once the contributions have been paid, the Group retains no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to finance benefits accruing under the retirement benefit plan.

The employee's entitlements to retirement benefits under the gratuity scheme depend on the individual's years of service and terminal salary.

The Group's contributions to the defined contribution schemes are charged to the statement of profit or loss in the year to which they relate.

The liability recognised in the statement of financial position in respect of the unfunded defined service gratuity scheme is the present value of the defined benefit obligation at the reporting date. The liability is computed internally using the guidelines on qualification. Qualifying staff are those that have been in service of the Corporation for 6 to 24 years. Annual incremental costs are charged to the statement of profit or loss.

In 2023 the corporation introduced an employee share option program in which interested staff are granted shares through the provident fund. The liability at the end of the year has been accounted for under sundry payables

Other employee benefits

The estimated monetary liability for employees' accrued annual leave entitlement at the reporting date is recognised as an expense and classified under staff costs. The related liabilities are included in current liabilities in the statement of financial position.

Other employee benefits are recognised when they accrue to employees.

O. Income tax

In accordance with Article 51 of the Agreement Establishing the African Reinsurance Corporation, the Corporation is not subject to tax in member States. Tax expense/(income) therefore comprises current and deferred taxes arising only in South Africa in respect of the South Africa subsidiary and is computed in accordance with South African tax laws.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Corporation's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences are utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates that have been enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Corporation expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current and deferred tax for the year

Current and deferred taxes are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred taxes are also recognised in other comprehensive income.

P. Dividends

Dividends payable are recognised as a liability in the period in which they are approved by the shareholders.

Q. Share Capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Shares are issued at par value; any amount received over and above the par value is classified as share premium in equity.

R. Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

S. Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

4 Investments

i) Investments by category

	2024 US$'000	2023 US$'000
Amortized Cost		
Bank deposits	389,395	317,848
Fixed rate securities held to maturity	356,062	351,957
Floating rate securities at cost	66,715	60,470
	812,172	**730,275**
Fair value through profit or loss		
Fixed rate securities at fair value through profit or loss	133,959	118,602
Floating rate securities at fair value through profit or loss	54,369	42,001
Quoted equity investments at fair value through profit or loss	66,639	47,978
	254,967	**208,581**
Fair Value Through OCI	44,907	61,753
Unquoted equity investments at fair value	44,907	61,753
	1,112,046	**1,000,609**
Comprising:		
Current portion	493,160	404,292
Non-current portion	618,886	596,317
	1,112,046	**1,000,609**

Fixed rate securities held to maturity are presented in the group's statement of financial position at their amortized costs as at 31 December 2024 of US$356,441,236 (2023:US$351,957,071).

The fair value of the bonds held at amortised cost at 31 December 2024 was US$335,911,522 (2023: US$329,069,310)

ii) Impairment (Reversal) / Charge

	Group 2024 US$'000	Group 2023 US$'000
Cash & cash Equivalents		
Stage 1 - 12 Months ECL	812	585
Stage 2 - Lifetime ECL Not Credit Impaired		
Stage 3 - Lifetime ECL Credit Impaired		
Bank deposits		
Stage 1 - 12 Months ECL	1,026	773
Stage 2 - Lifetime ECL Not Credit Impaired		
Stage 3 - Lifetime ECL Credit Impaired		
Bonds Held at Amortized Cost		
Stage 1 - 12 Months ECL	318	215
Stage 2 - Lifetime ECL Not Credit Impaired	1	5
Stage 3 - Lifetime ECL Credit Impaired	60	561
Total	**2,216**	**2,139**

iii) Weighted average effective interest rates

Fair value through profit or loss	2024 %	2023 %
Interest-bearing investments denominated in:		
US Dollars	4.22	4.70
Euro	2.27	1.53
South African Rand	7.39	6.11

iv) Fair value measurements recognised in the statement of financial position

The tables that follow below provide an analysis of the Corporation's financial assets that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	31/12/2024			
	Level 1	Level 2	Level 3	Total
	US$'000	US$'000	US$'000	**US$'000**
Financial assets at fair value through profit or loss				
Non-derivative financial assets held for trading	254,967	-	-	**254,967**
Available-for-sale financial assets				
Unquoted shares	-	-	44,907	**44,907**
Total	**254,967**	**-**	**44,907**	**299,874**

This represents fixed rate securities at fair value through profit or loss and quoted equity investments at fair value through profit or loss.

	31/12/2023			
	Level 1	Level 2	Level 3	Total
	US$'000	US$'000	US$'000	**US$'000**
Financial assets at fair value through profit or loss				
Non-derivative financial assets held for trading	208,581	-	-	**208,581**
Available-for-sale financial assets				
Unquoted shares	-	-	61,753	**61,753**
Total	**208,581**	**-**	**61,753**	**270,334**

5. Reinsurance revenue

The breakdown of the reinsurance revenue is shown in the table below

	2024					
Class of business In US$'000	**Accident & Motor**	**Marine & Aviation**	**Energy**	**Fire & Engineering**	**Life**	**Total**
Contracts measured under PAA	294,514	57,410	204,650	533,483	110,289	1,200,346
Reinsurance Revenue	**294,514**	**57,410**	**204,650**	**533,483**	**110,289**	**1,200,346**

	2023					
Class of business In US$'000	**Accident & Motor**	**Marine & Aviation**	**Energy**	**Fire & Engineering**	**Life**	**Total**
Contracts measured under PAA	271,918	61,989	169,573	438,233	103,803	1,045,516
Reinsurance Revenue	**271,918**	**61,989**	**169,573**	**438,233**	**103,803**	**1,045,516**

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6. Reinsurance service expense

The breakdown of the reinsurance service expense is shown in the table

Class of business In US$'000	Accident & Motor	Marine & Aviation	Energy	Fire & Engineering	Life	Total
			2024			
Incurred claims and other expenses	107,711	19,076	31,234	177,942	27,158	363,121
Changes to liabilities for incurred claims	66,026	4,540	2,237	82,388	23,492	178,683
Losses on onerous contracts and reversals of those losses	485	(253)	1,030	(2,845)	(16)	(1,599)
Amortisation of insurance acquisition cash flows	73,331	16,283	33,113	147,442	31,261	301,430
impact of exchange rates	486	107	-	1,562	15	2,170
Total Service Expense	**248,039**	**39,753**	**67,614**	**406,489**	**81,910**	**843,805**
In US$ '000			**2023**			
Incurred claims and other expenses	88,133	15,929	48,732	179,012	24,550	356,356
Changes to liabilities for incurred claims	77,804	8,586	(12,240)	66,412	20,400	160,962
Losses on onerous contracts and reversals of those losses	98	601	136	(423)	(55)	357
Amortisation of insurance acquisition cash flows	69,038	17,997	28,250	122,373	24,763	262,421
impact of exchange rates	1,670	374	-	3,913	-	5,957
Total Service Expense	**236,743**	**43,487**	**64,878**	**371,287**	**69,658**	**786,053**

7. Net expenses from retrocession contract held

Class of business In US$'000	Accident & Motor	Marine & Aviation	Energy	Fire & Engineering	Life	Total
			2024			
Allocation of Retrocession premiums	11,850	7,298	136,963	40,914	7,476	204,501
Amounts recoverable for incurred claims and other expenses	(2,493)	(234)	(6,413)	(22,072)	(663)	(31,875)
Changes to amounts recoverable for incurred claims	227	(582)	3,019	1,594	(2,945)	1,313
Loss-recovery on onerous underlying contracts and adjustments	(79)	(120)	(1,744)	126	-	(1,817)
Net Expense from Retrocession	**9,505**	**6,362**	**131,825**	**20,562**	**3,868**	**171,122**
In US$ '000			**2023**			
Allocation of Retrocession premiums	8,478	6,383	107,157	35,932	8,015	165,965
Amounts recoverable for incurred claims and other expenses	(179)	(216)	(24,849)	(11,315)	(1,573)	(38,132)
Changes to amounts recoverable for incurred claims	(1,439)	(362)	7,300	2,456	(1,416)	6,539
Loss-recovery on onerous underlying contracts and adjustments	(11)	-	(38)	(238)	-	(287)
Net Expense from Retrocession	**6,849**	**5,805**	**89,570**	**26,835**	**5,026**	**134,085**

8. Rollforward of net assets for retrocession contracts held

	2024				
	Assets for Remaining Coverage		Amounts recoverable on Incurred Claims		
In US$'000	Excluding LRC	Loss recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total
Net retrocession contract assets at start	**14,050**	**325**	**90,925**	**2,350**	**107,650**
Allocation of Retrocession premiums	**(204,513)**	**-**	**-**	**-**	**(204,513)**
Amounts recoverable for incurred claims and other expenses	-	-	29,805	11,107	40,912
Loss-recovery on onerous underlying contracts and adjustments	-	1,817	-	-	1,817
Changes to amounts recoverable for incurred claims	-	-	616	(10,093)	(9,477)
Amounts recoverable from retrocessionaires for incurred claims	**-**	**1,817**	**30,421**	**1,014**	**33,252**
Net income or expense from Retrocession contracts held	**(204,513)**	**1,817**	**30,421**	**1,014**	**(171,261)**
Retrocession finance income	-	-	13,691	-	13,691
Total changes in the statement of profit and loss and other comprehensive income	**(204,513)**	**1,817**	**44,112**	**1,014**	**(157,570)**
Cash flows*					
Premium paid	257,534	-	-	-	257,534
Amounts received	-	-	(37,676)	-	(37,676)
Total cash flows	257,534	-	(37,676)	-	219,858
Net Retrocession contract assets at the End	**67,071**	**2,142**	**97,361**	**3,364**	**169,938**

*This figure includes a net-off of retrocession liabilities of US$ 65,401,094

Rollforward of net assets for retrocession contracts held (Total)

	2023				
	Assets for Remaining Coverage		Amounts recoverable on Incurred Claims		
In US$'000	Excluding LRC	Loss recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total
Net retrocession contract assets at start	**(7,418)**	**38**	**74,760**	**3,900**	**71,280**
Allocation of Retrocession premiums	**(165,965)**	**-**	**-**	**-**	**(165,965)**
Amounts recoverable for incurred claims and other expenses	-	-	36,202	1,930	38,132
Loss-recovery on onerous underlying contracts and adjustments	-	287	-	-	287
Changes to amounts recoverable for incurred claims	-	-	(3,059)	(3,480)	(6,539)
Amounts recoverable from retrocessionaires for incurred claims	**-**	**287**	**33,143**	**(1,550)**	**31,880**
Net income or expense from Retrocession contracts held	**(165,965)**	**287**	**33,143**	**(1,550)**	**(134,085)**
Retrocession finance income	-	-	9,399	-	9,399
Effect of movement in exchange rates	(40)	-	(848)	-	(888)
Total changes in the statement of profit and loss and other comprehensive income	**(166,005)**	**287**	**41,694**	**(1,550)**	**(125,574)**
Cash flows					
Premium paid	187,473	-	-	-	187,473
Amounts received *	-	-	(25,529)	-	(25,529)
Total cash flows	187,473	-	(25,529)	-	161,944
Net Retrocession contract assets at the End	**14,050**	**325**	**90,925**	**2,350**	**107,650**

*This figure includes a net-off of retrocession liabilities of US$ 1,566,162

9. Rollforward of net liabilities for reinsurance contracts liabilities (Total)

In US$'000	2024				
	Liabilities for Remaining Coverage		Liabilities for Incurred Claims		
	Excluding LRC	Loss recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total
Reinsurance contract liabilities at the beginning	**93,912**	**6,526**	**429,886**	**18,443**	**548,767**
Reinsurance Revenue	**(1,200,847)**	**-**	**-**	**-**	**(1,200,847)**
Incurred claims and other expenses	-	-	345,478	69,075	414,553
Amortisation of Reinsurance acquisition cash flows	301,431	-	-	-	301,431
Losses on onerous contracts and reversals of those losses	-	(1,599)	-	-	(1,599)
Changes to liabilities for incurred claims	-	-	192,933	(65,684)	127,249
Reinsurance service expenses	**301,431**	**(1,599)**	**538,411**	**3,391**	**841,634**
Reinsurance service result	**(899,416)**	**(1,599)**	**538,411**	**3,391**	**(359,213)**
Reinsurance finance expenses	-	-	84,099	-	84,099
Total changes in the statement of profit and loss and other comprehensive income	**(899,416)**	**(1,599)**	**622,510**	**3,391**	**(275,114)**
Cash flows					
Premiums received *	1,262,096	-	-	-	1,262,096
Claims and other expenses paid	-	-	(539,707)	-	(539,707)
Reinsurance acquisition cash flows	(305,355)	-	-	-	(305,355)
Total cash flows	956,741	-	(539,707)	-	417,034
Net Reinsurance contract liabilities as at End	**151,237**	**4,927**	**512,689**	**21,834**	**690,687**

*This figure includes a net-off of net reinsurance assets of US$ 48,001,591

Rollforward of net liabilities for reinsurance contracts liabilities (Total)

In US$'000	2023				
	Liabilities for Remaining Coverage		Liabilities for Incurred Claims		
	Excluding LRC	Loss recovery component	Estimates of present value of future cashflows	Risk Adjustment	Total
Reinsurance contract liabilities at the beginning	**82,176**	**6,169**	**358,996**	**17,271**	**464,612**
Reinsurance Revenue	**(1,045,516)**	**-**	**-**	**-**	**(1,045,516)**
Incurred claims and other expenses	-	-	347,934	14,379	362,313
Amortisation of Reinsurance acquisition cash flows	262,421	-	-	-	262,421
Losses on onerous contracts and reversals of those losses	-	357	-	-	357
Changes to liabilities for incurred claims	-	-	174,169	(13,207)	160,962
Reinsurance service expenses	**262,421**	**357**	**522,103**	**1,172**	**786,053**
Reinsurance service result	**(783,095)**	**357**	**522,103**	**1,172**	**(259,463)**
Reinsurance finance expenses	**-**	**-**	**59,523**	**-**	**59,523**
Effect of movements in exchange rates	(910)	-	(5,957)	-	(6,867)
Total changes in the statement of profit and loss and other comprehensive income	**(784,005)**	**357**	**575,669**	**1,172**	**(206,807)**
Cash flows					
Premiums received *	1,068,487	-	-	-	1,068,487
Claims and other expenses paid	-	-	(504,780)	-	(504,780)
Reinsurance acquisition cash flows	(272,745)	-	-	-	(272,745)
Total cash flows	795,742	-	(504,780)	-	290,962
Net Reinsurance contract liabilities as at End	**93,913**	**6,526**	**429,885**	**18,443**	**548,767**

*This figure includes a net-off of net reinsurance assets of US$ 37,998,854

10 Investment properties

	2024 US$'000	2023 US$'000
Cost		
At 1 January	22,395	22,395
Addition	-	
At 31 December	22,395	22,395
Depreciation		
At 1 January	4,499	4,017
Charge for the year	448	482
At 31 December	4,947	4,499
Net book value	**17,448**	**17,896**

The following amounts have been recognised in statement of profit or loss and other comprehensive income in respect of investment properties:

	2024 US$'000	2023 US$'000
Net rental income (Note 19)	**1,340**	**1,635**

Investment properties represent the lettable portion of the Corporation's headquarters building, two Residential buildings in Lagos, as well as regional office buildings in Nairobi, Casablanca, Abidjan, Cairo, and Mauritius.

At 20 March 2020, the market value of the headquarters building was estimated at US$ 38.25 million (net book value at Dec. 2024: US$ 5.21 million) based on a valuation by Knight Frank (FRC/2013/0000000000584), a firm of Estate Surveyors.

At 7 August 2020, the market value of the two residential buildings in Lagos was estimated at US$14.23 million (net book value at 31 Dec. 2023: US$ 7.63 million) based on a valuation by Knight Frank, a firm of Estate Surveyors.

At 31 December 2024, the market value of the Casablanca regional office building was estimated at US$ 6.23 million (net book value at 31 Dec. 2023: US$ 3.01 million) based on a valuation by Ceinture Immo, a firm of Estate Surveyors.

At 31 December 2024, the market value of the Nairobi regional office building was estimated at US$ 5.28 million (net book value at 31 Dec. 2023: US$ 1.9 million) based on a valuation by Knight Frank, a firm of Estate Surveyors.

Mauritius office building was completed in October 2020. The total cost of the Corporation's share was US$5.51 million and at 31 December 2024 had a market value of US$ 7.71 million.

At 31 December 2022, the market value of the Abidjan regional office building was estimated at US$ 5.13 million based on a valuation by Knight Frank, a firm of Estate Surveyors.

10. Investment properties (Continued)

Details of the group's investment properties and information about the fair value hierarchy as at 31 December 2024 as follows:

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Fair value as at 31/12/2024 US$'000
Headquarters building	-	38,249	-	38,249
Residential Buildings in Lagos	-	14,232	-	14,232
Casablanca regional office building	-	6,225	-	6,225
Nairobi regional office building	-	5,281	-	5,281
Mauritius regional office building	-	7,172	-	7,172
Abidjan Regional Office	-	5,131	-	5,131
Cairo Regional Office	-	3,930	-	3,930

There were no transfers between levels 1 and 2 during the year.

	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Fair value as at 31/12/2023 US$'000
Headquarters building	-	38,249	-	38,249
Residential Buildings in Lagos	-	14,232	-	14,232
Casablanca regional office building	-	10,362	-	10,362
Nairobi regional office building	-	8,481	-	8,481
Mauritius regional office building	-	6,166	-	6,166
Abidjan Regional Office	-	5,131	-	5,131
Cairo Regional Office	-	3,930	-	3,930

There were no transfers between levels 1 and 2 during the year.

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11 Property and equipment

	Assets under construction US$'000	Buildings & freehold Land US$'000	Fittings & Equipment US$'000	Motor vehicles US$'000	Total US$'000
Year ended 31 December 2024:					
Cost					
At 1 January	5,243	34,144	18,596	2,278	60,261
Additions	-	996	748	193	**1,937**
Disposals			(189)	(259)	**(448)**
At 31 December	**5,243**	**35,140**	**19,155**	**2,212**	**61,750**
Depreciation					
At 1 January	**-**	**5,824**	**17,581**	**1,518**	**24,923**
Depreciation charge	-	223	1,236	306	**1,765**
Disposals	-	-	(189)	(259)	**(448)**
At 31 December	**-**	**6,047**	**18,628**	**1,565**	**26,240**
Net Book Value	**5,243**	**29,093**	**527**	**647**	**35,510**
Year ended 31 December 2023:					
Cost					
At 1 January	5,243	33,559	17,358	1,678	57,838
Additions	-	585	1,210	600	**2,395**
Disposals		-	(6)	-	**(6)**
Reclassifications/Transfer	-	-	33	-	**33**
At 31 December	**5,243**	**34,144**	**18,596**	**2,278**	**60,261**
Depreciation					
At 1 January	**-**	**5,506**	**15,920**	**1,254**	**22,680**
Depreciation charge	-	318	1,651	249	**2,218**
Reclassifications/Transfer	-	-	13	14	**27**
Disposals	-	-	(3)	-	**(3)**
At 31 December	**-**	**5,824**	**17,581**	**1,518**	**24,923**
Net Book Value	**5,243**	**28,320**	**1,015**	**761**	**35,339**

Included in buildings and freehold land is a total amount of US$6,002,687.32 (2023: US$6,038,210.17) representing the carrying amount of the owner-occupied proportion of the Corporation's headquarters building in Lagos and regional office buildings in Nairobi, Casablanca, Cairo, Abidjan and Mauritius. The assets under construction represent fixed assets in progress.

12 Intangible Assets

	Computer Software US$'000	Computer Software in progress US$'000	Total US$'000
Year ended 31 December 2024:			
Cost			
At 1 January	**11,897**	**1,964**	**13,861**
Additions	-	-	**-**
At 31 December	**11,897**	**1,964**	**13,861**
Amortisation			
At 1 January	**8,686**		**8,686**
Charge for the year	1,568		**1,568**
At 31 December	**10,254**		**10,254**
Net book value	**1,643**	**1,964**	**3,607**
Year ended 31 December 2023:			
Cost			
At 1 January	**11,897**	**1,964**	**13,861**
Additions	-	-	**-**
At 31 December	**11,897**	**1,964**	**13,861**
Amortisation			
At 1 January	**7,371**	**-**	**7,371**
Charge for the year	1,315	-	**1,315**
At 31 December	**8,686**	**-**	**8,686**
Net book value	**3,211**	**1,964**	**5,175**

13 Reinsurance Finance (expense)/income

	2024 US$'000	2023 US$'000
Interest accreted to reinsurance contracts using current financial assumptions	(16,414)	(53,334)
Due to changes in interest rates and other financial assumptions	(67,685)	(6,189)
Total reinsurance finance (expense)/income	**(84,099)**	**(59,523)**
Retrocession Finance Income and Expense		
Interest accreted to retrocession contracts using current financial assumptions	2,540	8,517
Due to changes in interest rates and other financial assumptions	11,151	882
Total reinsurance finance income/(expense)	**13,691**	**9,399**
Net reinsurance finance (expense)/income	**(70,408)**	**(50,124)**

14 Deferred tax

Deferred tax relates only to a subsidiary company, African Reinsurance Corporation South Africa (ARCSA) and is calculated in full using the liability method and applying a principal tax rate of 28%. The movement on the deferred tax account is as follows:

	2024 US$'000	2023 US$'000
At 1 January	412	650
Exchange rate impact on opening balance	(18)	(31)
Charge to profit or loss (Note 21)	468	(207)
At 31 December	**862**	**412**

Deferred tax assets, liabilities and deferred tax charge/(credit) in the financial statements are attributable to the following items:

	01/01/2024 US$'000	Charged to P/L US$'000	31/12/2024 US$'000	31/12/2023 US$'000
Excess depreciation over capital allowances	(75)	-	(75)	(75)
Unrealised gain on revaluation of investments	612	468	1,062	612
Accumulated losses	(94)	-	(94)	(94)
Exchange rate impact on opening balance	(31)	-	(31)	(31)
Net deferred tax liability	**412**	**468**	**862**	**412**

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15. Reinsurance Assets and Liabilities Position

2024	Assets US$'000	Liabilities US$'000	Net US$'000
Reinsurance contracts issued		(690,687)	(690,687)
Retrocession contracts held	169,938		169,938

2023	Assets US$'000	Liabilities US$'000	Net US$'000
Reinsurance contracts issued		(548,767)	(548,767)
Retrocession contracts held	107,650		107,650

Maturity Analysis for Liabilities by Contracts (LIC component is discounted)

2024

US$ '000	Up to 1 year	1–2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Reinsurance contract liabilities	151,485	233,149	92,332	41,934	11,989	159,798	690,687
Total	**151,485**	**233,149**	**92,332**	**41,934**	**11,989**	**159,798**	**690,687**

2023

US$ '000	Up to 1 year	1–2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Reinsurance contract liabilities	206,951	151,349	72,219	26,214	89,586	2,448	548,767
Total	**206,951**	**151,349**	**72,219**	**26,214**	**89,586**	**2,448**	**548,767**

Maturity Analysis for Assets by Contracts

US$ '000	Up to 1 year	1–2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
2024							
Reinsurance contract liabilities	59,093	67,941	9,201	6,513	5,537	21,653	169,938
Total	**59,093**	**67,941**	**9,201**	**6,513**	**5,537**	**21,653**	**169,938**
2023							
Reinsurance contract liabilities	62,611	17,669	(14,662)	42,032	-	-	107,650
Total	**62,611**	**17,669**	**(14,662)**	**42,032**	**-**	**-**	**107,650**

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16 Other reserves

	2024 US$'000	2023 US$'000
General reserve	543,710	477,239
Reserve for exchange fluctuation	6,294	6,294
Reserve for loss fluctuation	61,600	60,600
Reserve for market value adjustment	3,969	6,605
Translation reserve	(248,123)	(228,231)
	367,450	**322,507**

(i) General reserve
An amount equivalent to 50% of the net profit for each year is set aside as a general reserve in accordance with General Assembly resolution number 4/1992.

(ii) Reserve for exchange fluctuation
The reserve for exchange fluctuation represents an amount set aside by the Directors from the profits for each year to cushion the effects of adverse movements in exchange rates in the countries of operation.

(iii) Reserve for loss fluctuation
The reserve for loss fluctuation represents an amount over and above the outstanding claims provision set aside by the directors from the profits of each year to moderate the effects of possible fluctuation in losses in future years.

(iv) Translation reserve
The translation reserve represents the unrealised exchange gains or losses arising from translation of the corporation's assets and liabilities from the various functional currencies to the corporation's presentation currency at each reporting date.

(v) Reserve for market value adjustment
The reserve for market value adjustment represents the unrealised gain or loss arising from the changes in the fair value of the financial assets classified as available for sale.

Movements in the other reserves are shown in the statement of changes in equity on page 70.

17 Share capital

	2024 Number	2023 Number
Authorised share capital	**5,000,000**	**5,000,000**
Issued and fully paid	**2,936,795**	**2,871,815**

	US$'000	US$'000
Issued and fully paid at 31 December	293,680	287,181
Par value per share	**$100**	**$100**

The movement in issued and fully paid share capital is as below:

	US$'000	US$'000
At 1 January	287,181	286,361
Issue of ordinary shares	6,499	820
At 31 December	**293,680**	**287,181**

18 Administrative Expenses

	2024 US$'000	2023 US$'000
Staff costs	37,624	28,602
Auditors' remuneration	556	485
Depreciation on property and equipment	1,765	2,218
Depreciation on investment property	448	482
Amortisation of intangible assets	1,568	1,315
Impairment charge on reinsurance receivables	6,747	6,885
Short term lease rentals	220	308
Repairs and maintenance expenditure	827	924
Consultancy fees	4,759	3,187
Travel costs and allowances	1,552	1,151
General Assembly and Board of Directors' meetings	2,342	2,286
Electricity and water	388	395
Insurance	694	695
Communication expenses	256	216
Advertisement and entertainment	1,080	920
Training and subscriptions	673	333
Technical assistance	176	232
Medical expenses	524	477
Computer and word processing	2,511	3,028
Transport and maintenance	146	139
Bank charges and other fees	651	599
Office expenses	520	73
Legal expenses	227	138
Donations	153	97
	66,407	**55,185**
Comprising		
Attributable	39,396	32,853
Non-attributable	27,011	22,332

Staff costs include retirement benefit costs amounting to US$1,864,767 (2023: US$740,116).

19a Investment income

Amortized Cost	2024 US$'000	2023 US$'000
Interest income from bank deposits	42,651	27,604
Interest income from fixed rate securities at amortised cost	10,518	9,793
Interest income from Floating rate Notes	5,716	4,895
	58,885	**42,292**
Fair value through profit or loss		
Interest income from fixed rate securities at fair value through profit or loss	12,487	9,455
Dividend from quoted equity investments at fair value through profit or loss	1,459	1,203
Fair value gains from quoted equity investments	4,291	7,818
Fair value gains from listed bonds	1,720	3,138
	19,957	**21,614**
Fair Value Through OCI		
Dividend from unquoted equity investments	3,080	4,040
Rental Income	1,340	1,635
Realized gains on equity portfolios	3,989	3,341
Realized losses on bond portfolios	(2,311)	(2,765)
Management fees from equity portfolio	(435)	(387)
Management fees from bond portfolios	(1,113)	(516)
	4,550	**5,348**
Total	**83,392**	**69,254**

b. Other operating income

	2024 US$'000	2023 US$'000
Fee income	1,690	1,744
Gain on disposal of property and equipment	35	19
Sundry income	100	272
	1,825	**2,035**
Total investment and Other Income	**85,217**	**71,289**

c. Interest on deposits retained by ceding companies

	2024 US$'000	2023 US$'000
Interest on deposits retained by ceding companies	**4,031**	**2,277**

Fee income relates to fees received from management of the Aviation and Oil & Energy Pools. The pools are special purpose vehicles established by a consortium of insurance and reinsurance companies in Africa.

20 Net foreign exchange gain /(loss)

These comprise of currency translation losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies.

	2024 US$'000	2023 US$'000
Net foreign exchange gain/(loss)	(41,726)	1,358

21 Taxation

In accordance with Article 51 of the Agreement Establishing the African Reinsurance Corporation, the Corporation is not subject to tax in member States. The tax charged in the financial statements relates to a subsidiary company's profit, which is computed in accordance with the income tax rules applicable in the subsidiary company's jurisdiction, the Republic of South Africa.

Tax charged in the financial statements is made up of:

	2024 US$'000	2023 US$'000
Current income tax charge	2,112	685
Deferred income tax charge (Note 14)	468	207
	2,580	**892**

The movement in the tax recoverable account is as follows:

At 1 January	1,370	
Current tax charge for the year	(2,580)	(892)
Tax paid	1,609	2,262
At December	**399**	**1,370**

Tax rate reconciliation	**%**	**%**
Effective tax rate	25	25
Exempt income	1	4
Disallowed expenses	(1)	(2)
Capital gains tax	2	4
Other	-	4
South African standard corporate tax rate	**27**	**27**

22 Dividends

At the Annual General Meeting (AGM) to be held on 27th June 2025, a final dividend in respect of the year ended 31 December 2024 of US$ 10.00 per share on 2,936,795 (2023: 2,871,815) existing shares amounting to a total of US$ 29,367,950 (2023: US$ 28,718,150) is to be proposed. The dividend declared at the AGM held on 28th June 2024 was charged to shareholders' equity in these financial statements. The liability for the dividend payable on the 2024 results shall be treated as an appropriation of profit in the financial statements for the year ending 31 December 2024.

The movement in the dividends payable account is as follows:

	2024 US$'000	2023 US$'000
At 1 January	13,828	15,505
Final dividends declared	28,718	25,200
Dividends paid	(30,993)	(26,877)
At 31 December	**11,553**	**13,828**

23 Notes to the statement of cash flows

a. Reconciliation of profit before tax to cash generated from operations:

	Notes	2024 US$'000	2023 US$'000
Profit before income tax		135,522	127,846
Adjustments for:			
Investment income net of management fees		(89,213)	(71,269)
Depreciation on investment property	10	448	482
Depreciation on property and equipment	11	1,765	2,218
Amortisation of intangible assets	12	1,570	1,315
Gain on disposal of property and equipment	19	(35)	(19)
Movement in ECL		78	392
Working capital changes;			
Retro Contract Assets		(62,288)	(36,370)
Sundry receivables		(10,047)	5,195
Sundry payables		1,456	1,227
Exchange difference on deferred tax opening balance	14	(18)	(31)
Reinsurance Contract Liabilities		141,920	120,225
Cash generated from operations		**121,158**	**151,210**

b) Cash and cash equivalents

Cash and bank balances	250,750	255,213
Bank deposits with financial institutions maturing within 90 days	240,017	181,820
Cash and cash equivalents	**490,767**	**437,033**

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24 Sundry Payable

	Notes	2024 US$'000	2023 US$'000
Short term employee benefits		4,866	3,620
Accrued Expenses		4,659	6,357
Deferred rental income		117	185
Other payable		3,172	2,552
Long term employee benefits		9,487	8,131
		22,301	**20,845**
Comprising:			
- current portion		10,201	6,429
- non-current portion		12,100	14,416
		22,301	**20,845**

25 Related party transactions and balances

Transactions between African Reinsurance Corporation and subsidiaries that are to be deemed related parties have been eliminated in consolidation and are not disclosed in the notes.

African Reinsurance Corporation has established a Staff Provident Fund to provide a long-term savings plan for its employees. The Staff provident fund is considered a related party in accordance with IAS 24. Contributions to the Fund are recognized as expenses.

African Reinsurance Corporation established a Corporate Social Responsibility Foundation to engage in corporate social responsibility projects and initiatives aimed at fostering the development of the insurance and reinsurance industry in Africa.

The Foundation is considered a related party in accordance with IAS 24. Each year, the Corporation allocates an amount up to a maximum of 2% from its yearly net profit after tax to this special fund.

i) Transactions with related parties - Shareholders

No individual shareholder has a controlling interest in the Corporation.

ii) Administration of Staff Provident fund	2024 US$ '000	2023 US$ '000
	1,951	1,954

iii) Remuneration for key management personnel

Key management personnel are defined as members of the board of directors of the Corporation, including their close members of family and any entity over which they exercise control. Close members of the family are those who may be expected to influence or be influenced by that individual in dealings with African Reinsurance Corporation.

The Group's key management personnel and persons connected with them are also considered to be related parties for disclosure purposes.

	2024 US$'000	2023 US$'000
Directors' fees (non-executive directors)	972	1,029
Other remuneration (elected members of management)		
- Salaries and other short-term benefits	3,307	1,797
- Terminal benefits	393	33

iv) Administration of Foundation

Funds allocated to the Foundation	1,270	475

26 Management of Insurance Risks

Insurance risk

The Corporation reinsures all classes of insurance business including Accident and Health, Engineering, Guarantee, Liability, Motor, Fire, Marine, Energy, Aviation, Disability and Life. The bulk of the business written is short tail in nature.

The risk under any one insurance contract is two-fold: underwriting – the possibility that the insured event occurs and reserving – the uncertainty of the amount of the resulting claim.

The Corporation has developed a detailed underwriting manual covering risk acceptance criteria, pricing, accumulation control, authority levels, and reinsurance protection, among others. It guides the underwriters in their acceptances, on the principles of prudence and professionalism within the overall objective of diversifying the type of insurance risks accepted and within each of these categories to achieve a sufficiently large population of risks to reduce the variability of the expected outcome. The priority is to ensure adherence to criteria for risk selection by maintaining high levels of experience and expertise among the underwriting staff. In addition, the Corporation has put in place a business review structure that ensures control of risk quality and conservative use of policy limits, terms and conditions. An independent department, Technical Inspection, ensures adherence to these guidelines through periodic review of each production centre's operations. The reports of the review are submitted to Management and the Audit & Risks Committee of the Board. If the attritional claims incurred were 5% higher, the comprehensive income for the year would be lower by USD 22.58 million (2023: USD 19.87 million).

The Corporation enters into retrocession arrangements with reputable retrocessionnaires to diversify its risks and reduce the risk of catastrophic loss on reinsurance assumed. The retrocession does not relieve the Corporation of its obligations to the ceding companies. As part of its annual renewals, the financial condition of retrocessionnaires is reviewed. As a result, retrocession is placed with a select group of financially secure and experienced companies in the industry. The retrocession arrangements existing are as follows:

31 December 2024

Class of business	**Gross exposure US$' 000**	**Net exposure US$' 000**
Property risk excess of loss	100,000	10,000
Property catastrophe excess of loss	175,000	17,500
Marine & energy excess of loss	60,000	10,000
Aviation excess of loss	12,000	3,000
Middle East and Asia catastrophe excess of loss	35,000	10,000
Political Violence and Terrorism excess of loss	40,000	10,000
	Annual Aggregate Deductible	**Annual aggregate Limit**
Non-Marine Aggregate	17,500	25,000
Marine & Energy Aggregate	5,000	10,000

31 December 2023

Class of business	**Gross exposure US$' 000**	**Net exposure US$' 000**
Property risk excess of loss	100,000	10,000
Property catastrophe excess of loss	175,000	17,500
Marine & Energy excess of loss	60,000	10,000
Aviation excess of loss	12,000	3,000
	Annual Aggregate Deductible	**Annual aggregate Limit**
Non-Marine Aggregate	17,500	25,000
Marine & Energy Aggregate	5,000	10,000

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Gross technical provision	**377,451**	**316,840**	**308,777**	**362,044**	**361,175**	**378,240**	**332,706**	**332,337**	**374,176**	**470,083**	**474,356**
Gross paid (Cumulative):											
1 year later	137,782	119,797	139,091	180,724	160,703	139,180	121,206	170,115	153,156	166,119	133,634
2 years later	185,366	192,806	246,051	258,467	232,975	195,761	187,604	249,477	247,662		
3 years later	202,682	222,112	284,952	301,437	267,770	225,153	215,265	289,738			
4 years later	214,525	255,789	327,833	313,342	278,711	243,135	231,008				
5 years later	222,364	263,542	338,850	324,210	290,902	264,262					
6 years later	226,689	274,627	343,020	329,083	296,065						
7 years later	233,309	281,926	349,320	332,657							
8 years later	235,729	284,581	351,904								
9 years later	236,517	288,614									
10 years later	237,410										
Re-estimated as of: UW YEAR	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Closed year	**377,451**	**316,840**	**308,777**	**362,044**	**361,175**	**378,240**	**332,706**	**332,337**	**374,176**	**470,083**	**474,356**
1 year later	209,562	207,895	220,330	266,126	358,229	320,999	271,320	323,050	302,487	365,668	
2 years later	205,796	210,040	218,945	352,974	307,021	306,650	273,274	329,556	363,435		
3 years later	204,066	228,995	284,336	363,798	320,081	311,523	281,567	338,032			
4 years later	203,567	223,315	360,119	364,508	327,591	312,551	288,406				
5 years later	229,479	287,911	364,793	361,937	327,958	316,238					
6 years later	239,858	296,975	366,652	359,923	329,413						
7 years later	245,420	298,557	364,493	356,312							
8 years later	245,560	299,371	363,177								
9 years later	244,235	300,308									
10 years later	242,191										
	135,260	**16,532**	**(54,400)**	**5,732**	**31,762**	**62,001**	**44,300**	**(5,695)**	**10,741**	**104,415**	**-**

UW YR	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Gross technical provision	**377,451**	**316,840**	**308,777**	**362,044**	**361,175**	**378,240**	**332,706**	**332,337**	**374,176**	**470,083**	**474,356**
Gross paid (Cumulative):											
1 year later	132,486	116,592	133,297	171,619	150,851	132,545	118,398	137,927	148,566	161,015	
2 years later	179,001	181,272	231,148	235,272	218,729	182,300	182,360	214,376	236,152		
3 years later	194,841	205,765	263,644	263,176	252,467	206,514	206,504	247,016			
4 years later	205,930	228,450	292,883	271,377	262,878	220,177	218,596				
5 years later	213,314	234,903	303,775	280,599	274,272	236,295					
6 years later	217,211	244,320	307,695	285,248	279,212						
7 years later	221,796	251,473	313,897	288,502							
8 years later	223,569	254,101	316,020								
9 years later	224,303	258,137									
10 years later	225,093										
Incurred as of:	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Closed year	**350,901**	**295,710**	**285,929**	**322,379**	**327,261**	**325,761**	**286,709**	**270,342**	**319,162**	**379,134**	**418,078**
1 year later	201,421	185,194	198,564	237,070	334,739	280,922	253,313	244,863	270,625	277,368	
2 years later	197,377	183,493	186,215	288,305	284,693	273,559	256,444	260,026	315,632		
3 years later	194,810	203,465	241,733	308,017	298,294	270,215	262,944	278,333			
4 years later	193,440	192,715	322,005	312,947	305,791	270,890	270,482				
5 years later	218,642	256,692	328,348	312,170	307,647	276,815					
6 years later	229,005	264,908	330,218	311,260	309,156						
7 years later	232,803	266,411	327,891	309,790							
8 years later	232,662	267,566	326,590								
9 years later	231,408	268,752									
10 years later	229,395										
	121,506	**26,958**	**(40,661)**	**12,588**	**18,105**	**48,946**	**16,227**	**(7,991)**	**3,530**	**101,765**	**-**

27 Financial risk management

In the normal course of business, the Corporation uses primary financial instruments such as cash and cash equivalents, bonds, equities and receivables and as a result is exposed to potential losses due to various market risks including changes in interest rates, equity prices and foreign currency exchange rates. The Corporation's financial management activities are guided by the financial regulations as well as the investment policy document. Detailed guidelines are provided in the accounting and administrative procedures manuals. They provide the framework for the investing activities and set specific limits and benchmarks for the acceptable levels of counter party exposure, concentration, credit risk, currency risk, liquidity risk and interest rate risk, among others.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation is exposed to credit risk through its financial assets, which include short-term bank deposits, fixed income securities and receivables.

Short-term bank deposits are placed with financial institutions of very high credit rating and are spread over several of them to avoid undue concentration. The Corporation's financial regulations prescribe minimum acceptable credit rating and maximum allowable exposure to any single counterparty.

The Corporation's fixed income portfolio is managed through use of prudent standards of diversification and rating quality of issues and issuers. Specific provisions limit the allowable holdings of a single issue and issuer and industry or sector. This is to minimise significant concentration risk associated with the fixed income portfolio.

Credit risk relating to receivables is mitigated by the large number of cedants and their dispersion across the continent. A significant number of the companies from whom receivables are due are equally shareholders of the Group. In addition, the liability for outstanding claims is in respect of insurance contracts with the same counter parties. Receivables are presented at present value net of impairment provision. A periodic evaluation of cedants and retrocessionaires is carried out to minimise exposure to significant losses from insolvencies. Transaction terms are also strictly monitored to keep balances as current as possible.

Maximum exposure to credit risk before collateral held or other credit enhancements:

	Maximum exposure	
	2024 US$'000	**2023 US$'000**
Cash and cash equivalents	490,767	437,033
Investments	1,112,046	1,000,609
Sundry receivables	54,517	44,470
Retrocession Contract Assets	169,938	107,650
Total assets bearing credit risk	**1,827,268**	**1,589,762**

	Cash & Cash equivalents US$'000	**Investments US$'000**	**Reinsurance receivables US$'000**	**Sundry receivables US$'000**
Neither past due nor impaired	490,767	1,113,040	169,938	54,517
Past due but not impaired				
Impaired		411		
Gross	**490,767**	**1,113,040**	**169,938**	**54,517**
Impairment allowance - collective	-	1,405		
Net	**490,767**	**1,112,046**	**169,938**	**54,517**

	Cash & Cash equivalents US$'000	**Investments US$'000**	**Reinsurance receivables US$'000**	**Sundry receivables US$'000**
Neither past due nor impaired	437,618	1,001,357	107,650	44,470
Past due but not impaired				
Past due and impaired		806		
Gross	**437,618**	**1,002,163**	**107,650**	**44,470**
Impairment allowance - collective	585	1,554		
Net	**437,033**	**1,000,609**	**107,650**	**44,470**

The credit quality of the portfolio of insurance receivables, investments and other financial asset exposed to credit risk that were neither past due nor impaired can be assessed by reference to the capacity of the business to pay on written businesses.

The assets above are analysed in the table below using Standard & Poor's (S&P) rating (or equivalent when not available from S&P)

At 31 December 2024:

	AAA	AA	A	BBB	Below BBB	Not rated
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Cash & cash equivalents	-	3,772	228,567	9,467	225,219	23,742
Investments	23,790	145,749	346,686	155,376	385,207	55,238
Sundry Receivables	-	-	-	-	-	54,517
Retro Contracts Held	-	-	169,938	-	-	-
Net	**23,790**	**149,521**	**745,191**	**164,843**	**610,426**	**133,497**

At 31 December 2023:

	AAA	AA	A	BBB	Below BBB	Not rated
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Cash & cash equivalents	-	-	201,213	30,128	148,691	57,001
Investments	21,319	134,032	299,861	136,978	336,980	71,439
Sundry Receivables	-	-	-	-	-	44,470
Retrocession Contracts Held	-	-	107,650	-	-	-
Net	**21,319**	**134,032**	**608,724**	**167,106**	**485,671**	**172,909**

b) Liquidity risk

Liquidity risk is the risk that the Corporation will encounter difficulty in raising funds to meet commitments associated with reinsurance contracts and other obligations as and when due. The Corporation's investment guidelines prescribe minimum levels of financial assets to be held in cash and cash instruments. Cash instruments include bank deposits with maturities of less than 90 days. In addition, the actively managed portfolios are traded on highly liquid markets and as such can easily supplement the Corporation's liquidity requirement in the event of any shortfall.

The table below analyses the Corporation's key financial assets and liabilities into relevant maturity groupings based on the remaining period at 31 December 2024 to the earlier of the repricing or contractual maturity date.

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At 31 December 2024 (IN US$'000)	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
FINANCIAL ASSETS							
Cash and cash equivalents	490,767	-	-	-	-	-	**490,767**
Retrocession Contract Assets	59,093	67,941	9,201	6,513	5,537	21,653	**169,938**
	549,860	**67,941**	**9,201**	**6,513**	**5,537**	**21,653**	**660,705**
Investments							
Bank deposits	389,395	-	-	-	-	-	**389,395**
Fixed rate securities at fair value	16,222	14,047	6,993	9,339	15,912	71,446	**133,959**
Floating rate securities at fair value through profit or loss	6,454	17,964	18,170	7,072	4,004	705	**54,369**
Fixed rate securities at amortized cost	19,450	50,483	36,927	18,896	25,048	205,258	**356,062**
Floating rate securities at cost	-	4,940	8,050	12,855	15,270	25,600	**66,715**
Equity investments at fair value	66,639	-	-	-	-	-	**66,639**
Unquoted equity investments at fair value	-	-	-	-	-	44,907	**44,907**
Total investments	**498,160**	**87,434**	**70,140**	**48,162**	**60,234**	**347,916**	**1,112,046**
Total assets	**1,048,020**	**155,375**	**79,341**	**54,675**	**65,771**	**369,571**	**1,772,751**
FINANCIAL LIABILITIES							
Sundry payables	10,201	6,308	3,150	360	2,282	-	**22,301**
Dividend payable	4,167	1,812	1,285	1,431	827	2,031	**11,553**
Reinsurance Contract Liabilities	151,485	233,149	92,332	41,934	11,989	159,798	**690,687**
Total liabilities	**165,853**	**241,269**	**96,767**	**43,725**	**15,098**	**161,829**	**724,541**

At 31 December 2023 (IN US$'000)	Up to 1 year	1-2 years	2-3 years	3-4 years	4-5 years	Over 5 years	Total
FINANCIAL ASSETS							
Cash and cash equivalents	437,033	-	-	-	-	-	**437,033**
Retrocession Contract Assets	62,611	17,669	(14,662)	42,032	-	-	**107,650**
	499,644	**17,669**	**(14,662)**	**42,032**			**544,683**
Investments							
Bank deposits	317,848	-	-	-	-	-	**317,848**
Fixed rate securities at fair value	18,121	11,271	12,230	6,378	11,120	59,482	**118,602**
Floating rate securities at fair value through profit or loss	7,724	12,886	13,072	4,875	1,965	1,478	**42,000**
Fixed rate securities at amortized cost	12,620	24,369	54,207	51,233	24,517	185,011	**351,957**
Floating rate securities at cost	-	-	11,370	2,460	5,900	40,740	**60,470**
Equity investments at fair value	47,978	-	-	-	-	-	**47,978**
Unquoted equity investments at fair value	-	-	-	-	-	61,754	**61,754**
Total investments	**404,291**	**48,526**	**90,879**	**64,946**	**43,502**	**348,465**	**1,000,609**
Total assets	**903,935**	**66,195**	**76,217**	**106,978**	**43,502**	**348,465**	**1,545,292**
FINANCIAL LIABILITIES							
Sundry payables	6,430	6,118	6,566	1,731	-	-	**20,845**
Dividend payable	5,118	1,929	2,543	1,298	456	2,484	**13,828**
Reinsurance Contract Liabilities	206,951	151,349	72,219	26,214	89,586	2,448	**548,767**
Total liabilities	**218,499**	**159,396**	**81,328**	**29,243**	**90,042**	**4,932**	**583,440**

c) Market risk

i) Interest rate risk

The Corporation's exposure to interest rate changes is primarily concentrated in the actively managed fixed income portfolio, which is reported at fair value. Changes in interest rate will have an immediate impact on the Corporation's reported net income and consequently the shareholders' funds. The main objective of the fixed income portfolio is current income and price appreciation and therefore to mitigate the effect of price volatility, the portfolio has been positioned with an average duration of less than 5 years.

Note 4 discloses the weighted average interest rate on principal interest-bearing investments:

	US$000	US$000
Interest rate sensitivity	100 bps parallel increase	100 bps parallel decrease
2024	(7,345)	7,345
2023	(6,264)	6,264

The sensitivity table above is presented to show the impact of changes in interest rates on profit or loss.

ii) Equity price risk

Equity price risk refers to the potential loss in fair value resulting from adverse changes in the fair value of stocks that the Corporation has invested in. The Corporation maintains an actively managed equity portfolio and as such is exposed to stock market price fluctuations. The Corporation does not use any derivatives to manage this risk but rather uses the mechanism of diversification in all forms, including limits on single stock, industry and sector allocation and geographical distribution among others. The investment guidelines provide a cap on the total financial assets to be held in equities.

Sensitivity analysis of level 3 equity instruments is provided below:

	US$000	US$000
Equity sensitivity analysis	10% market drop against the US$	10% market appreciation against the US$
2024	(4,991)	4,991
2023	(6,175)	6,175

iii) Currency risk

The Corporation maintains assets and liabilities in several currencies and thus is exposed to the risk of exchange rate movements associated with assets and liabilities matching. The Corporation does not apply hedging techniques to mitigate its currency risk but ensures the net exposure to this risk is within acceptable levels by constantly reviewing the level of mismatch. The Corporation has offices in seven locations whose currencies, in addition to its unit of account, represent approximately 95% of its business volumes. The assets and liabilities in these currencies are matched to the level desired by the group.

The Corporation transacts business with counterparties in a number of countries and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the euro, Central Africa Republic CFA, South African rand, Kenyan shilling and Nigerian naira. The Corporation's primary exposure are to the South African rand, Central Africa Republic CFA and the euro. Foreign exchange risk arises from reinsurance transactions recorded in local currencies, investments in non-reporting currencies and recognised assets and liabilities in foreign operations.

The tables on pages 121 and 122 show the various currencies in which the group's assets and liabilities were denominated as at 31 December 2024 and 2023. The non-US dollar balances reflect the significant foreign currency exposures.

Currency sensitivity analysis	10% depreciation against the **US$000**	10% appreciation against the **US$000**
Impact on Equity		
2024	(32,949)	32,949
2023	(4,114)	4,114

27 Financial risk management (Continued)

Currency risk (continued)

At 31 December 2024: (in US$'000)	**USD**	**ZAR**	**GBP**	**CFA/EUR**	**MAD**	**EGP**	**NGN**	**KES**	**MUR**	**OTHERS**	**TOTAL**
ASSETS											
Cash and cash equivalents	244,183	59,380	4,668	44,326	21,621	6,966	11,187	59,808	279	38,349	**490,767**
Retrocession Contract Assets	137,214	5,145	289	16,532	1,191	(6)	1,907	2,950	217	4,499	**169,938**
	381,397	**64,525**	**4,957**	**60,858**	**22,812**	**6,960**	**13,094**	**62,758**	**496**	**42,848**	**660,705**
Investments:											
Bank deposits	236,853	62,482	2,789	55,010	-	3,563	-	22,136	-	6,562	**389,395**
Fixed rate securities at fair value	84,401	39,961	-	-	-	-	-	9,597	-	-	**133,959**
Floating rate securities at fair value through profit or loss	54,369	-	-	-	-	-	-	-	-	-	**54,369**
Fixed rate securities at amortised cost	274,326	34,108	7,732	39,896	-	-	-	-	-	-	**356,062**
Floating rate securities at cost	66,715	-	-	-	-	-	-	-	-	-	**66,715**
Equity investments at fair value	55,792	9,205	-	-	-	-	2	1,640	-	-	**66,639**
Unquoted Equity investments at fair value through OCI	44,197	-	-	638	-	-	72	-	-	-	**44,907**
Total Investments	**816,653**	**145,756**	**10,521**	**95,544**	**-**	**3,563**	**74**	**33,373**	**-**	**6,562**	**1,112,046**
Total Assets	**1,198,050**	**210,281**	**15,478**	**156,402**	**22,812**	**10,523**	**13,168**	**96,131**	**496**	**49,410**	**1,772,751**
LIABILITIES											
Sundry payables	19,340	1,667	(19)	(216)	403	270	889	(623)	318	272	**22,301**
Dividend payable	11,553										**11,553**
Insurance Contract Liabilities	513,527	102,532	3,058	57,781	(18,519)	7,629	20,670	57,016	14,522	(67,529)	**690,687**
Total liabilities	**544,420**	**104,199**	**3,039**	**57,565**	**(18,116)**	**7,899**	**21,559**	**56,393**	**14,840**	**(67,257)**	**724,541**
NET POSITION	**653,630**	**106,082**	**12,439**	**98,837**	**40,928**	**2,624**	**(8,391)**	**39,738**	**(14,344)**	**116,667**	**1,048,210**

Key to currency abbreviations;
USD - United States Dollar; ZAR - South African Rand; UK Pounds - United Kingdom Pound; CFA - CFA Franc; EUR – Euro;
MAD - Moroccan Dirham; EGP - Egyptian Pound; NGN - Nigerian Naira; KES - Kenyan Shilling; MUR - Mauritius Rupee

At 31 December 2023: (in US$'000)	USD	ZAR	GBP	CFA/EUR	MAD	EGP	NGN	KES	MUR	OTHERS	TOTAL
ASSETS											
Cash and cash equivalents	224,830	24,369	7,779	33,773	15,333	7,839	11,214	46,277	2,412	63,207	437,033
Retrocession Contract Assets	158,343	2,650	4,234	(15,906)	5,705	(143)	(3,828)	(2,438)	29	(40,996)	107,650
	383,173	**27,019**	**12,013**	**17,867**	**21,038**	**7,696**	**7,386**	**43,839**	**2,441**	**22,211**	**544,683**
Investments:											
Bank deposits	213,362	51,690	-	36,337	4,570	4,239	432	3,772	1,289	2,157	317,848
Fixed rate securities at fair value	76,827	37,695	-	-	-	-	-	4,080	-	-	118,602
Floating rate securities at fair value through profit or loss	42,000	-	-	-	-	-	-	-	-	-	42,000
Fixed rate securities at amortised cost	258,941	33,828	7,705	51,483	-	-	-	-	-	-	351,957
Floating rate securities at cost	60,470	-	-	-	-	-	-	-	-	-	60,470
Equity investments at fair value	40,334	6,650	-	-	-	-	2	992	-	-	47,978
Unquoted Equity investments at fair value through OCI	60,453	-	-	530	-	-	771	-	-	-	61,754
Total Investments	**752,387**	**129,863**	**7,705**	**88,350**	**4,570**	**4,239**	**1,205**	**8,844**	**1,289**	**2,157**	**1,000,609**
Total Assets	**1,135,560**	**156,882**	**19,718**	**106,217**	**25,608**	**11,935**	**8,591**	**52,683**	**3,730**	**24,368**	**1,545,292**
LIABILITIES											
Sundry payables	36,760	(3,304)	304	(8,176)	(4,971)	189	235	(1,170)	213	765	20,845
Dividend payable	13,828										13,828
Insurance Contract Liabilities	164,266	88,913	11,088	(35,156)	(9,829)	8,517	20,622	45,792	11,309	243,245	548,767
Total liabilities	**214,854**	**85,609**	**11,392**	**(43,332)**	**(14,800)**	**8,706**	**20,857**	**44,622**	**11,522**	**244,010**	**583,440**
NET POSITION	**920,706**	**71,273**	**8,326**	**149,549**	**40,408**	**3,229**	**(12,267)**	**8,061**	**(7,792)**	**(219,642)**	**961,852**

Key to currency abbreviations;
USD - United States Dollar; ZAR - South African Rand; UK Pounds - United Kingdom Pound; CFA - CFA Franc; EUR – Euro;
MAD - Moroccan Dirham; EGP - Egyptian Pound; NGN - Nigerian Naira; KES - Kenyan Shilling; MUR - Mauritius Rupee

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28 Investments in subsidiary companies

Details of the Group's material subsidiaries at the end of the reporting period are as follows.

	Principal Activity	Share capital US$ '000	Holding	2024 US$ '000	2023 US$ '000
African Reinsurance Corporation (South Africa) Limited	Reinsurance services	*	100%	*	*
African Retakaful Company	Reinsurance services	30,000	100%	30,000	30,000
Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited	Property holding	*	100%	*	*
Africa Re Underwriting Agency Dubai (United Arab Emirates) Limited	Reinsurance services	500	100%	500	500

** Less than US$ 1,000 (African Reinsurance Corporation (South Africa) limited – 7 ordinary shares of 0.01 rand; Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited – 40,000 ordinary shares of 0.10 Rand)*

African Reinsurance Corporation (South Africa) Limited has its financial year end on 31 December, African Retakaful Company on 30 June and Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited on 31 August.

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African Reinsurance Corporation (South Africa) Limited

African Reinsurance Corporation (South Africa) Limited was incorporated on 9 January 2004. The principal activity of the company is provision of reinsurance services to the countries of the rand zone as well as Botswana. It made a profit of US $7,606,902 during the year ended 31 December 2024 (2023: US $ 4,645,978). The relevant activities of African Reinsurance Corporation (South Africa) Limited are determined by its board of directors based on simple majority votes where each share carries one vote.

Therefore, the conclusion of the directors of the Group is that the Group has control over African Reinsurance Corporation (South Africa) Limited and the financial information of African Reinsurance Corporation (South Africa) Limited is consolidated in these financial statements

Set out below is the summarised financial information of the subsidiary

African Reinsurance Corporation (South Africa) Limited Summarised statement of financial position	**2024 US$'000**	**2023 US$'000**
Total assets	291,731	280,583
Total liabilities	(224,039)	(218,834)
Net assets	**67,693**	**61,749**
Summarised statement of profit or loss and other comprehensive income		
Gross Insurance Service Result	24,369	13,081
Profit before income tax	10,170	6,160
Income tax expense	(2,563)	(1,513)
Profit for the year	**7,607**	**4,647**
Summarised statement of cash flows		
Net cash flow from / (used in) operating activities	14,266	21,722
Net cash (used in)/generated from investing activities	(14,226)	(18,777)
Net increase / (decrease) in cash and cash equivalents	40	2,945
Cash and cash equivalents at beginning of year	3,677	732
Cash and cash equivalents at end of year	**3,717**	**3,677**

African Retakaful Company

African Retakaful Company was incorporated on 1 September 2010. The principal activity of the company is provision of reinsurance products which are fully sharia compliant. The company made a profit of US$2.029 million during the year ended 31 December 2024 (December 2023: US$5.263 Million loss). The relevant activities of African Retakaful Company are determined by its board of directors based on simple majority votes where each share carries one vote.

Therefore, the conclusion of directors of the Group is that the Group has control over African Retakaful Company and the financial information of African Retakaful Company is consolidated in these financial statements.

Set out below is the summarised financial information of the subsidiary.

African Retakaful Company Limited

Summarised statement of financial position	**2024 US$'000**	**2023 US$'000**
Total assets	175,868	148,419
Total liabilities	(76,933)	(63,273)
Net liabilities	**98,935**	**(89,028)**
Summarised statement of profit or loss and other comprehensive income		
Net earned premium	16,446	13,960
(Loss)/Profit before income tax	2,029	(5,263)
Other comprehensive income	-	-
Total comprehensive income	**2,029**	**(5,263)**
Summarised statement of cash flows		
Net cash generated from/(used in) operating activities	13,107	7,043
Net cash from investing activities	(12,615)	(4,782)
Net increase in cash and cash equivalents	492	2,261
Cash and cash equivalents at beginning of year	10,778	8,517
Cash and cash equivalents at end of year	**11,270**	**10,778**

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Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited

Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited was purchased by African Reinsurance Corporation in October 2012. The principal activity of the company is property holding. The company reported a profit of US$ 66,000 during the year ended 31 December 2024 (2023: US$ 61,000). The relevant activities of Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited are determined by its board of directors based on simple majority votes where each share carries one vote.

Therefore, the conclusion of the directors of the Group is that the Group has control over Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited and therefore, the financial information of Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited is consolidated in these financial statements.

Set out below is the summarised financial information of the subsidiary.

Sherborne Number Ten Parktown Investments Proprietary (South Africa) Limited

Summarised statement of financial position	**2024 US$'000**	**2023 US$'000**
Total assets	1,570	1,575
Total liabilities	(524)	(571)
Net assets	**1,046**	**1,004**
Summarised statement of profit or loss and other comprehensive income		
Net Income	110	112
Profit before income tax	90	120
Income tax expense	(24)	(29)
Other comprehensive income	-	-
Total comprehensive income/(loss)	**66**	**61**
Summarised statement of cash flows		
Net cash generated from operating activities	-	-
Net cash used in from investing activities	-	-
Net cash generated from financing activities	-	-
Net increase in cash and cash equivalents	-	-
Net (loss)/gain on liquid assets	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	**-**	**-**

Africa Re Underwriting Agency Dubai (United Arab Emirates) Limited

African Re Underwriting Agency Dubai (United Arab Emirates) Limited was incorporated on 28th April 2020. The principal activity of the company is Insurance Management. It commenced operation on 1st of January 2021.

Therefore, the conclusion of directors of the Group is that the Group has control over African Re Underwriting Agency and the financial information of African Retakaful Company is consolidated in these financial statements.

Set out below is the summarised financial information of the subsidiary.

Summarised statement of financial position	**2024 US$'000**	**2023 US$'000**
Total assets	1,137	1,196
Total liabilities	(637)	(696)
Net assets	**500**	**500**
Summarised statement of profit or loss and other comprehensive income		
Net Income		
Profit before income tax	-	-
Income tax expense	-	-
Other comprehensive income	-	-
Total comprehensive income	**-**	**-**
Summarised statement of cash flows		
Net cash generated from operating activities	104	304
Net cash used in from investing activities	6	(91)
Net cash generated from financing activities	(79)	(79)
Net increase in cash and cash equivalents	31	134
Cash and cash equivalents at beginning of year	271	137
Cash and cash equivalents at end of year	**302**	**271**

29 Contingent liabilities

There are no material contingent liabilities in respect of pending litigations involving the Corporation for which no provisions have been made in these financial statements..

30 Leases

The Corporation as a lessee

The Corporation has right-of-use assets in respect of some of the land used in constructing office and residential buildings. These right-of-use assets are classified together with the other similar assets owned by the Corporation under Property and Equipment in Note 11.

The Corporation also hold leases of offices for its Sudan, Uganda, Ethiopia, Kinshasa and United Arab Emirates Offices. The future minimum lease payments leases are as follows:

	2024 US$'000	2023 US$'000
Not later than 1 year	247	82
Later than 1 year and not later than 3 years	339	361
Net assets	**586**	**443**

The Corporation's total assets was considered in concluding that the above leases are not material to the overall financial statements and will continue to be expensed on straight line basis in line with the relief from capitalising granted in IFRS 16.

The Corporation as a lessor

At the end of the reporting period, the lettable portion of the Corporation's headquarters building in Lagos as well as regional office buildings in Nairobi, Ebene, Cairo, Abidjan and Casablanca had been contracted with tenants for the following future lease receivables:

	2024 US$'000	2023 US$'000
Not later than 1 year	939	804
Later than 1 year and not later than 3 years	1,067	1,720
Later than 3 year and not later than 7 years	132	202
Net assets	**2,138**	**2,726**

31 Capital management

The Corporation is not subject to any externally imposed capital requirements. However, the Corporation will continue to actively grow its available capital to meet rating agencies' requirements for its target rating as well as achieve a comfortable internally determined capital adequacy ratio (available capital divided by required risk adjusted capital).

The Corporation's objectives in managing its capital are:

- To match the profile of its assets and liabilities, taking account of the risks inherent in the business;
- To maintain financial strength to support new business growth;
- To satisfy the requirements of its reinsured and rating agencies;
- To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets;
- To safeguard the corporation's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing insurance contracts commensurately with the level of risk.

The Corporation has several of sources of capital available to it and seeks to optimise its retention capacity to ensure that it can consistently maximise returns to shareholders. The Corporation considers not only the traditional sources of capital funding but the alternative sources of capital including retrocession, as appropriate, when assessing its deployment and usage of capital. The Corporation manages as capital all items that are eligible to be treated as capital.

The constitution of capital managed by the corporation is as shown below:

	2024 US$'000	2023 US$'000
Share capital	293,680	287,181
Share premium	225,640	218,037
Other reserves	367,450	322,508
Retained earnings	272,059	237,964
Total capital – equity	**1,158,529**	**1,065,690**

32 Events after the reporting date

There was no event subsequent to the date of the financial statements which require adjustment or disclosure in these financial statements.

Appendix

Consolidated Statement of Profit or Loss by Class of Business

US$'000	Accident & Motor	Marine and aviation	Energy	Fire & Engineering	Life	Total
Reinsurance Service revenue	294,514	57,410	204,650	533,483	110,289	**1,200,346**
Reinsurance service expense	(248,039)	(39,753)	(67,614)	(406,489)	(81,910)	**(843,805)**
Reinsurance service result before retrocession contracts held	**46,475**	**17,657**	**137,036**	**126,994**	**28,379**	**356,541**
Net expense from retrocession contracts held	**(9,505)**	**(6,362)**	**(131,824)**	**(19,563)**	**(3,868)**	**(171,122)**
Reinsurance service result	**36,970**	**11,295**	**5,212**	**107,431**	**24,511**	**185,419**
Reinsurance finance expenses for reinsurance contracts issued	(20,751)	(4,422)	(18,357)	(37,914)	(2,655)	**(84,099)**
Retrocession finance income for retrocession contracts held	372	315	11,217	1,626	161	**13,691**
Net reinsurance financial result	**(20,379)**	**(4,107)**	**(7,140)**	**(36,288)**	**(2,494)**	**(70,408)**
Insurance Service Result	**16,591**	**7,188**	**(1,928**	**71,143**	**22,017**	**115,011**
Interest on Reinsurance Deposits						**4,031**
Non-Attributable Expense						**(27,011)**
Net Insurance Result						**92,031**
Investment and Other Income						**85,217**
Exchange Gain / (Loss)						**(41,726)**
Profit Before Tax						**135,522**
Income Tax						**(2,580)**
Profit for the year						**132,942**

Africa Re Management and Staff during the 45th Management Consultative Committee (MCC) Meeting in Lagos, Nigeria

Notes