



# PRESS RELEASE

African Reinsurance Corporation  
Société Africaine de Réassurance

Lagos, Nigeria, 28 June 2019

## **THE 41<sup>st</sup> ANNUAL ORDINARY MEETING OF THE GENERAL ASSEMBLY OF AFRICA RE**

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

Africa Re held its 41<sup>st</sup> Annual Ordinary Meeting of the General Assembly on 17 June 2019 in Tunis, Republic of Tunisia.

### **1. Opening Ceremony**

The opening ceremony was placed under the distinguished patronage of Mr Mohamed RIDHA CHALGHOUM, Honourable Minister of Finance of the Republic of Tunisia. Three speeches were made by the following personalities: Mr Habib BEN HASSINE, Chairman of the Tunisian Federation of Insurance and Reinsurance Companies (FTUSA); Mr Hassan BOUBRIK, Chairman of the Board of Directors and the General Assembly of Africa Re; and Mr Abderrahmen KHOCHTALI, representative of Mr Mohamed RIDHA CHALGHOUM, Honourable Minister of Finance of the Republic of Tunisia.

In his welcome address, Mr Habib BEN HASSINE, the Chairman of the Tunisian Federation of Insurance and Reinsurance Companies, expressed great pleasure in meeting Africa Re shareholders in Tunis, many of whom are his colleagues and have excellent relations with him and his institution. He gave an overview of the positive developments in the insurance market of Tunisia over the past few years and expressed the fervent wish for enhanced cooperation between the insurance markets of the entire African continent.

Mr Hasan BOUBRIK, Chairman of the Board of Directors and General Assembly, took the floor and welcomed the win-win relationship between Africa Re, a pan-African reinsurer and the Tunisian insurance market. He stated that, for several decades, Africa Re has been a major reinsurance player in the market by contributing to the building of the human capital of the Tunisian insurance and reinsurance companies through the transfer of expertise and sharing of knowledge.

Mr Hasan BOUBRIK stated that Africa Re intends to sustain its market leadership of the African reinsurance industry by growing at an annual growth of 6.2% to a gross written premium of US\$1.05 billion whilst maintaining an average target combined ratio of 91%, a management expense ratio of 7.1%, an investment return of 3.6% and a return on equity of 9.4%. Financial strength and credit ratings with A.M. Best and S&P will be maintained at A and A- respectively.

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In his opening speech, the Representative of the Minister of Finance stressed the importance of joint African action, of which Africa Re is one of the most successful models, and a strategic option to develop the insurance sector in the continent. This explains the unwavering support of the Tunisian insurance market. Indeed, in addition to the participation of the Government of Tunisia and two local insurance companies in its capital, Africa Re reinsures 3.58% of the insurance and reinsurance business of the companies in the Tunisian market.

## **2. Deliberations of the General Assembly**

The shareholders considered and adopted the summary record of the 40<sup>th</sup> Meeting, which was held in June 2018 in Conakry, Guinea, as well as the report on the implementation of the resolutions of the 40<sup>th</sup> Meeting and previous meetings.

They approved especially, the annual report & accounts as at 31 December 2018, which confirm the Corporation's strength, reliability, resilience in this difficult period for the insurance industry as well as ability to fulfil its obligations to cedants.

The General Assembly also approved the New Dividend Distribution Policy and Appropriation of Net Profit.

Shareholders considered the implementation of the Agreement establishing Africa Re and appealed to some member States to restore the full diplomatic status that the Corporation has enjoyed for several years.

They appointed a new external auditor, PricewaterhouseCoopers (PWC) Nigeria, which replaces Deloitte Côte d'Ivoire.

The General Assembly finally approved the Review of the Corporate Governance and Board Composition, increasing the number of Directors from 12 to 14.

### **2.1 Appropriation of Results**

The General Assembly decided to distribute the 2018 net profit amounting to US\$ 31,268,836 as follows:

- US\$ 15,634,418 to the general reserve in accordance with Resolution No. 3/2019 which stipulates that 50% of the net profit after tax of each year is set aside as general reserve;
- US\$ 800,000 to be transferred to the reserve for loss fluctuation in accordance with Resolution No. 3/2019 to set aside an amount over and above the outstanding claims provision, to moderate the effects of possible fluctuation in losses in future;
- US\$ 312,688 to be transferred to the Africa Re foundation;
- US\$ 22,811,240 to be paid as dividend at the rate of US\$ 8.0 (2017: US\$ 8.0) per subscribed and paid-up share of US\$ 100 par value. This amount is broken down as follows:
  - Part of the 2018 net profit amounting to US\$ 14,521,730, as regular dividend; and
  - Retained earnings brought forward amounting to US\$ 8,289,510 as special dividend.

## **2.2 Date and Venue of the 42nd Annual Ordinary Meeting**

The 42<sup>nd</sup> Annual Ordinary Meeting of the General Assembly of the African Reinsurance Corporation will be held in June 2020 in Dar Es Salam, United Republic of Tanzania at a date to be advised later.

Done in Tunis, on 17 June 2019



**Roger BONG BEKONDO**  
**Ag. Corporate Secretary**

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