

NEWS RELEASE

AM Best Affirms Credit Ratings and Assigns National Scale Rating to Misr Life Insurance Company

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LONDON--(BUSINESS WIRE)-- **AM Best** has affirmed the Financial Strength Rating of B++ (Good) and the Long-Term Issuer Credit Rating of "bbb" (Good) of Misr Life Insurance Company (MLIC) (Egypt). Additionally, AM Best has assigned the Egypt National Scale Rating (NSR) of aaa.EG (Exceptional) to MLIC. The outlook of these Credit Ratings (ratings) is stable. MLIC is the life insurance subsidiary of Misr Insurance Holding Company.

The ratings reflect MLIC's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management.

MLIC's balance sheet strength assessment is underpinned by its risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio (BCAR). The company's risk-adjusted capitalisation is supported by a considerable amount of soft capital, including equity credit in available capital for discretionary bonus reserves and unrealised gains on real estate assets. Despite the company's conservative investment allocation by asset class, AM Best considers the quality of MLIC's assets to be weak given their concentration in Egypt. The balance sheet strength assessment also factors in Egypt's high economic risk and political risks, and very high financial system risk.

MLIC has a track record of strong operating performance, as demonstrated by a five-year (2018-2022) weighted average return-on-equity of 17.2%. The company's underwriting performance continues to contribute positively to its overall profitability.

MLIC has a market-leading position in its domestic market with a market share of approximately 30% of total 2022 life gross written premium.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's **Recent Rating Activity** web page. For additional information regarding the use and limitations of Credit Rating opinions, please view **Guide to Best's Credit Ratings**. For information on the proper use of Best's Credit Ratings, Best's Performance Assessments, Best's Preliminary Credit Assessments and AM Best press releases, please view **Guide to Proper Use of Best's Ratings & Assessments**.

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