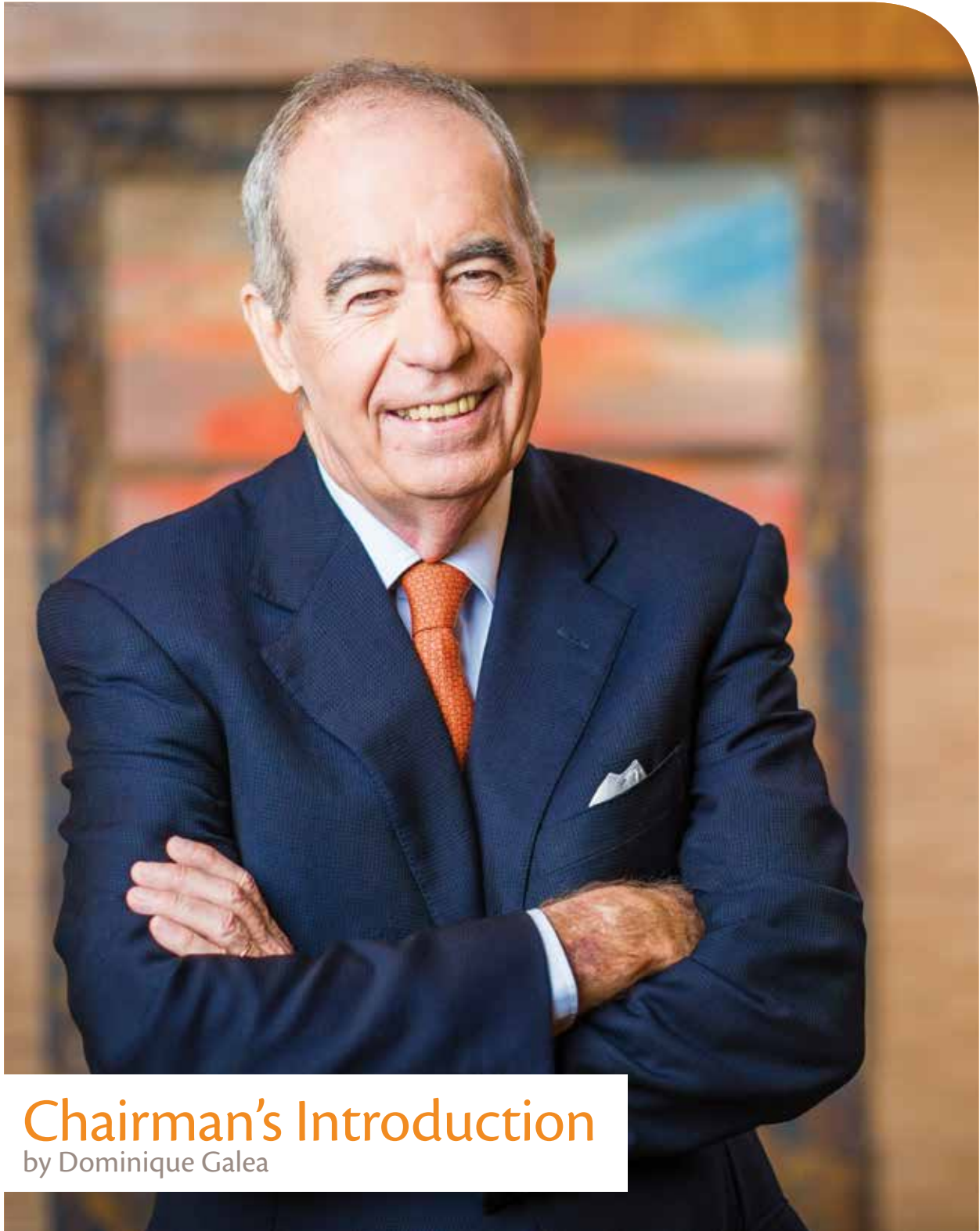




INTRODUCTION



CHAIRMAN'S INTRODUCTION







Chairman's Introduction

by Dominique Galea

It is my privilege to once again present the Annual Report of The Mauritius Union Assurance Cy. Ltd for the financial year ended December 2017. The report that you have today in your hands, or at the click of your mouse, reflects the collective efforts of over 650 employees across six countries and a dynamic team of managers driving their respective business units and support functions. The results speak volumes about the vision and commitment of our senior management team, not only in 2017 but since the start of the company's three year strategic plan in 2015. The entire board and I are satisfied with the company's achievements over this period, bringing greater shared value to all our stakeholders.

RESULTS

Although Bertrand and his management team will present the Group and Company results in more detail, it is important for me to draw attention to some pertinent results across our entities:

<p>Group</p>	 <p>+8% increase in Gross Written Premiums to reach Rs 4Bn</p>	 <p>+169% increase in Profits after Tax to reach Rs 321.6M</p>	 <p>Group Return on Equity at 12.6% compared to 7.1% in 2016</p>
<p>Mauritius: General Insurance</p>	 <p>+15% increase in Gross Written Premiums to reach Rs 2.2Bn</p>	 <p>+157% increase in Profits after Tax to reach Rs 146.5M</p>	 <p>Strong capital position with a 223% solvency cover</p>
<p>Mauritius: Life Insurance</p>	 <p>+13% increase in Life Insurance Gross Written Premiums to reach Rs 876.8M</p>	 <p>+21% increase in Life Insurance Profits after Tax to reach Rs 135.2M</p>	
<p>General Insurance: East Africa</p>	 <p>Return to profitability, with Profits after Tax of Rs 57.8M from the operations in East Africa</p>		

CHAIRMAN'S INTRODUCTION

These commendable results demonstrate the Group's resilience through challenging and changing market conditions, and the rewards of a steadfast strategic approach, both in terms of business development and enhanced efficiency. Each market has its own set of opportunities and challenges, but they each benefit from solid, well-tested and aligned core centralised functions. These strong supports and the inevitable economies of scale set scene for sustained growth.

DIVIDEND

The Board has declared a total dividend of Rs 116.8M, equivalent to a dividend of Rs 2.59 per share. This represents a 3.6% increase on 2016.

ACKNOWLEDGEMENTS

In 2017 we welcomed a new board member, Catherine McIlraith, who brings considerable experience from her years in banking and finance in South Africa and Mauritius. She also has an extensive track record as a director, notably on the board of the MIOD, which she chaired for 2 years. Mrs McIlraith also joins the Audit Committee.

Mr Arjoon Suddhoo resigned from the board in September 2017. We would like to thank him for his seven years of service on the board and his contribution to the Group throughout a key period in our growth and expansion.

I also take this opportunity to thank my fellow board members for the time, expertise, commitment and experience they have contributed to the work of the board and its committees throughout 2017.

In so many ways, 2017 has been an excellent year for the Group. It marks the end of our three year strategic plan Ambition 2017, which has been a success in terms of the stated objectives and the positive consequences to many aspects of the business. Our African Subsidiaries have taken important steps towards aligning core operations, including information technology, finance, reinsurance, risk management and investment. Over and above this alignment, there have been the encouraging and profitable results, borne out of the new reporting structure and strong local management. We have reported a robust performance in a stubbornly competitive and sometimes challenging business environment. The concerted efforts and positive results of the last three years give considerable momentum to the group's next strategic plan – Ambition 2020. The board would like to pay tribute to the energy, dedication and hard work of the teams based in our six markets, who have delivered the results expanded in this Annual Report.



DOMINIQUE GALEA
Chairman

