



MUA 2017 RESULTS

Investor Meeting – 18 April 2018

● **2017** – a special year for MUA

The end of **AMBITION 2017**
Our 2015 – 2017 Strategic Plan



Objectives Achieved!

Our East African Subsidiaries
Integration Plan implemented in phases



Significant Upward Trend

The start of **AMBITION 2020**
Our 2018 – 2020 Strategic Plan



Ambitious Goals Ahead



1

Results of AMBITION 2017
2015 - 2017

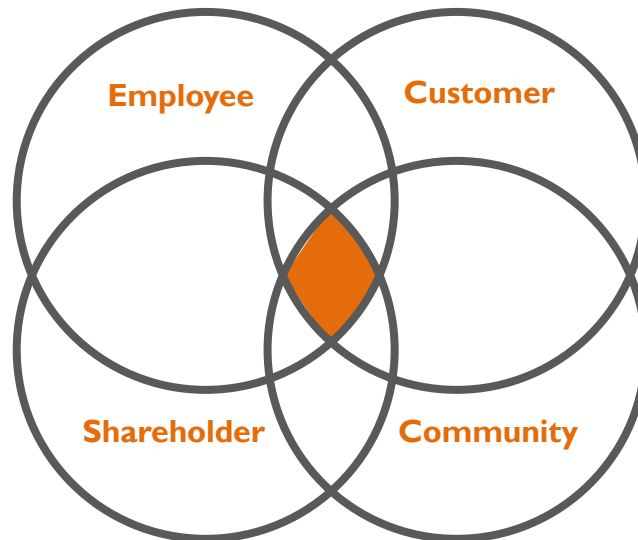
1 Looking back on **AMBITION 2017 :The Vision**

L'Assurance de référence pour tous les mauriciens

1. **Empowerment of our People** for a greater workforce engagement

All this, concluding to a sustainable increase of:

4. **Shareholder Value**



2. Increase **Customer value** meeting his expectations (quality, of relationship & advices, delivery, solutions)

3. Reinforce Insurance core mission delivering value to the **Community**

1 Looking back on **AMBITION 2017** : **The Strategic Pillars**

Our Four Main Development Areas

Emphasis on
**Internal Efficiency
& Cost Control**

1

Developing
**Strategic
Partnerships**

4

Maintaining
the focus on
Motor Insurance,
while diversifying in
other retail businesses

2

3

Leading the way to
**Innovation &
Digitalisation**



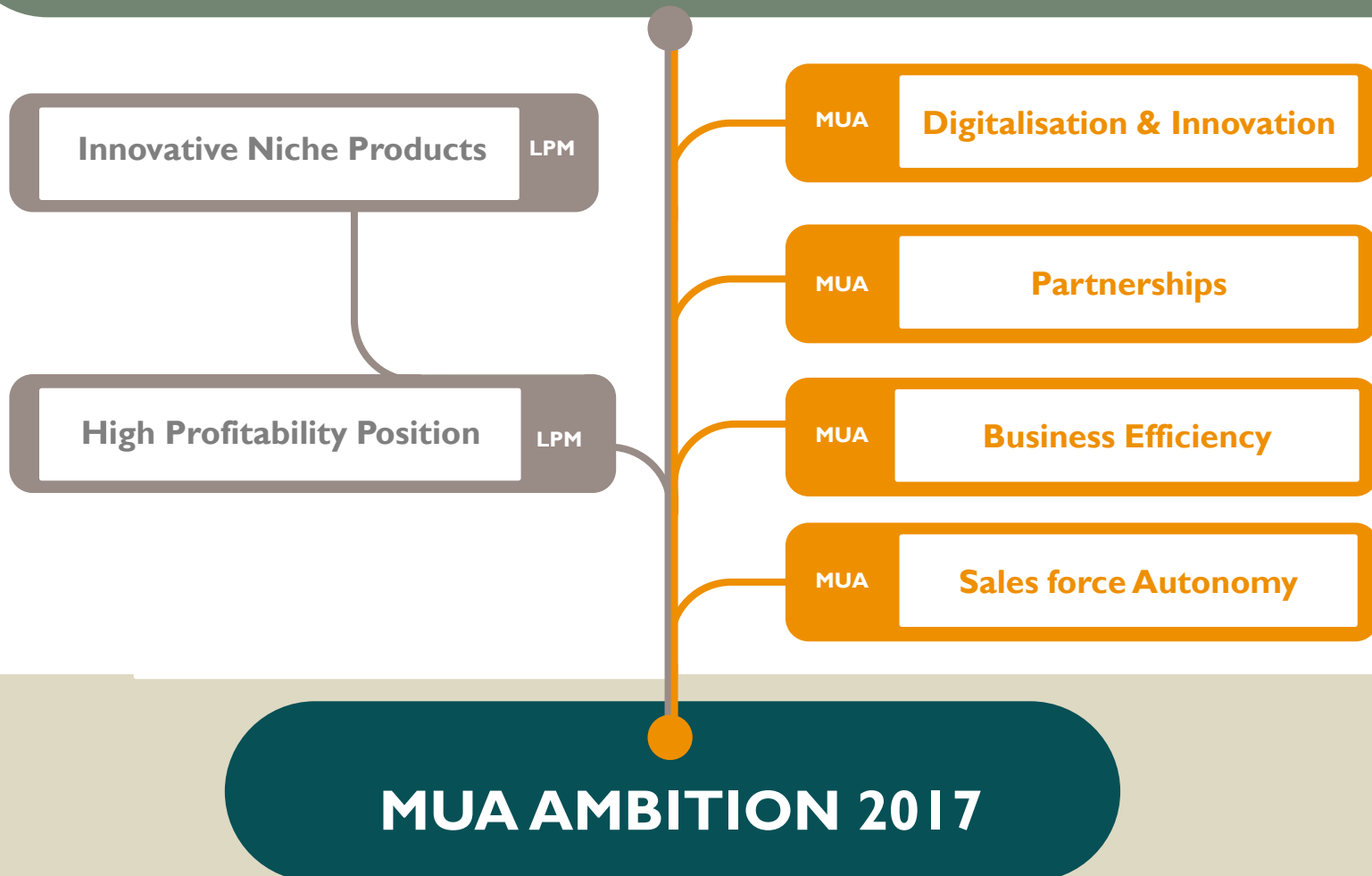
customer



MUA AMBITION 2017 :
Focus on MUA & LPM

1 Looking back on **AMBITION 2017** : **Strong Foundations**

Group Vision , Strategy Follow-up, Comitology, Organisational Structure & Local Market Visibility



1 Looking back on **AMBITION 2017** : **Reinsurance**

Strong Reinsurance Capabilities

MUR 530 Million

Premiums Ceded to Reinsurers

110,500

Number of Active policies containing an element of Reinsurance

+ MUR 125 Million

Average Annual Claims recovered from Reinsurers

OUR TREATY REINSURERS:

Swiss Re
35% (SNP rating AA-)

Africa Re
20% (SNP rating A-)

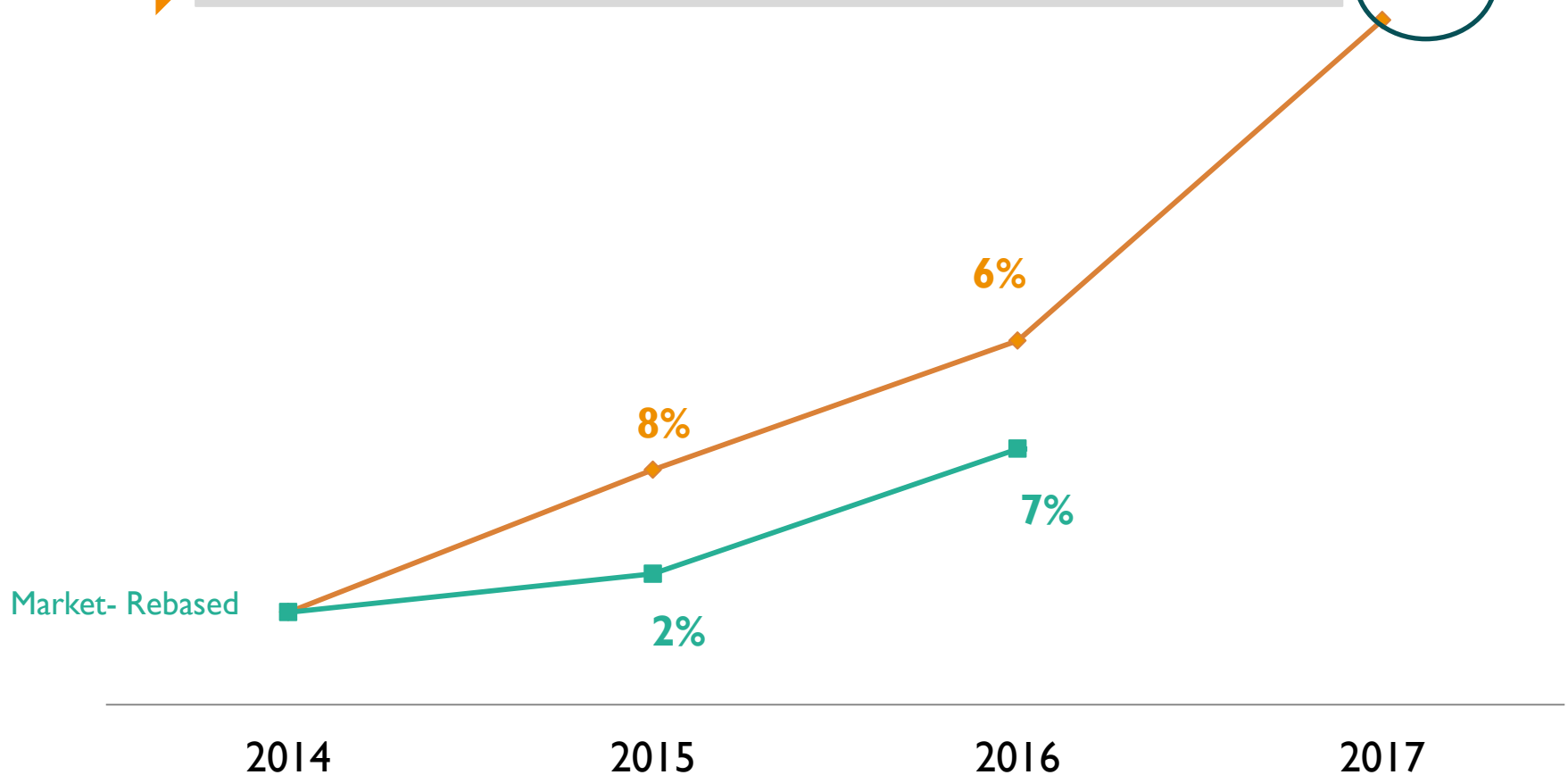
Munich Re
15% (SNP rating AA-)

We work with **96** reinsurers from **33** countries

1 Looking back on **AMBITION 2017** : **Market Overview**

Stagnant Market but Strong MUA Performance

15%



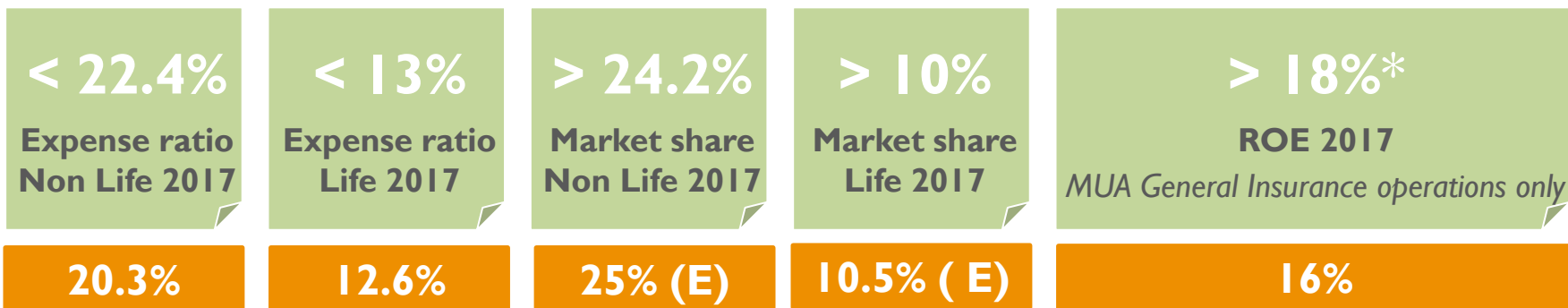
GROSS WRITTEN PREMIUM

—◆— MUA (Company) - Rebased —■— Market- Rebased

1 Looking back on **AMBITION 2017** : General Ins. Results

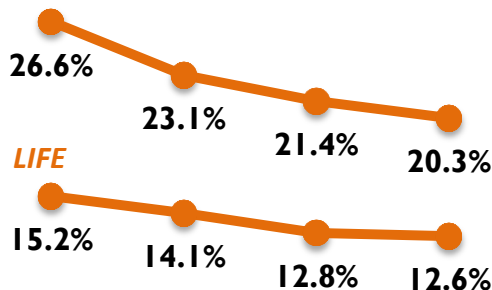
Delivering on Key KPIs & Targets

Results KPI



Expense ratios excluding depreciation & Africa Ops
Expense ratio for Life insurance is a % of Net Earned Premium.

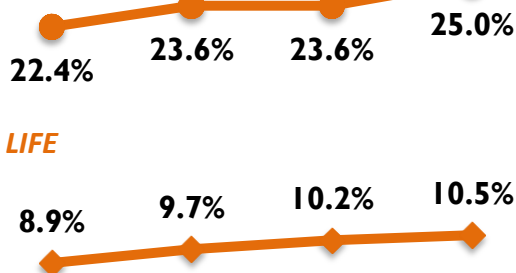
NON-LIFE



LIFE



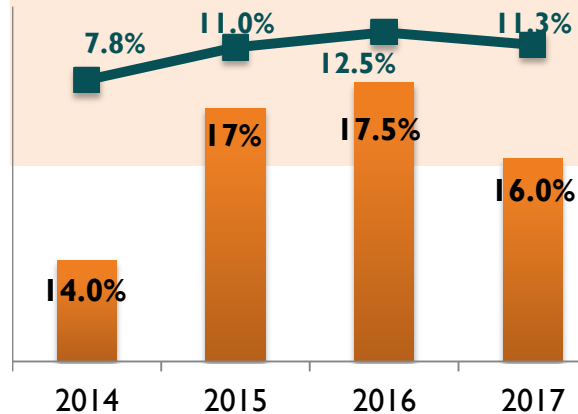
NON-LIFE



LIFE



Margin over Risk-free Return



10-Yr Government Bond Yields

| 31 st Dec 2014 | 31 st Dec 2015 | 31 st Dec 2016 | 31 st Dec 2017 |
|---------------------------|---------------------------|---------------------------|---------------------------|
| 6.24% | 6.03% | 5.04% | 4.75% |

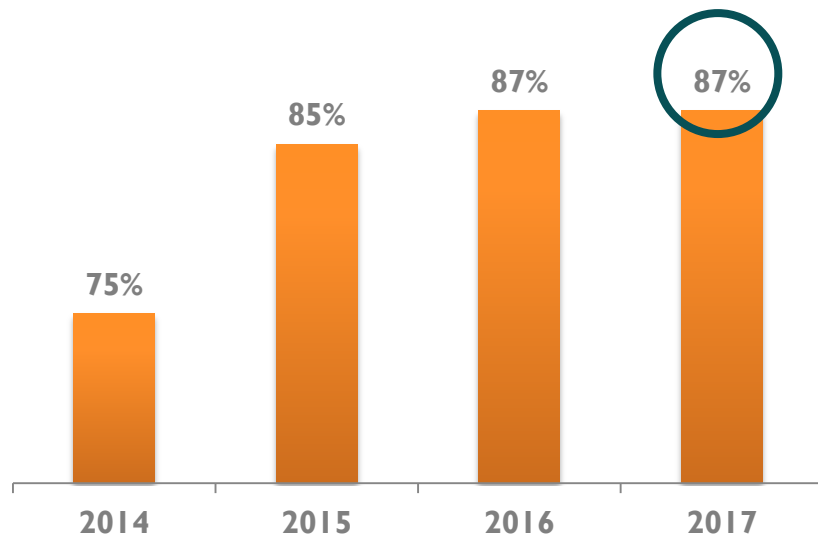
*MUA market share has been estimated based on the premium growth of the top 3 insurers as at Sept 2017 (was 11%). Growth rate for overall market is derived after applying a correlation factor (between top 3 growth and overall market). Estimated a growth rate of 12% for 2017 - forecasting overall market premium of Rs 9.03 Bn (2016: 8.07Bn). MUA share = 219319033=24.3%.

1 Looking back on **AMBITION 2017** : **Qualitative Results**

Delivering on **Key KPIs & Targets**

> 80 %

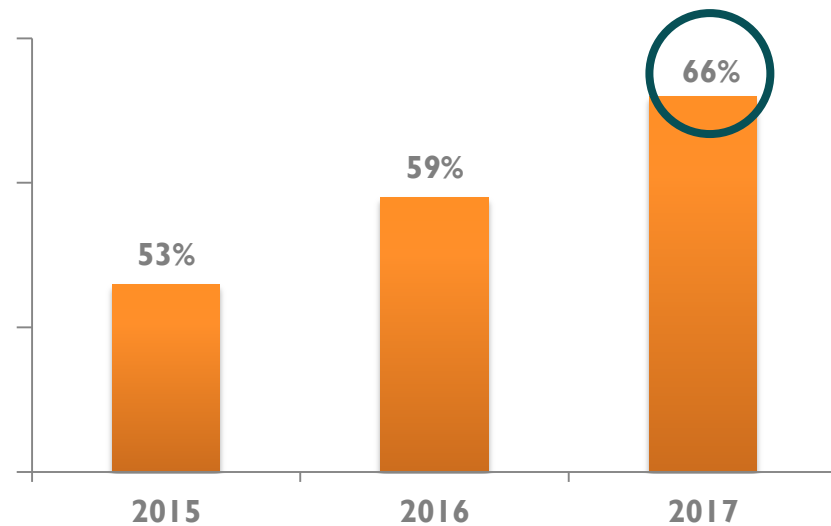
CUSTOMER SATISFACTION KPI



**GI Results*

> 60 %

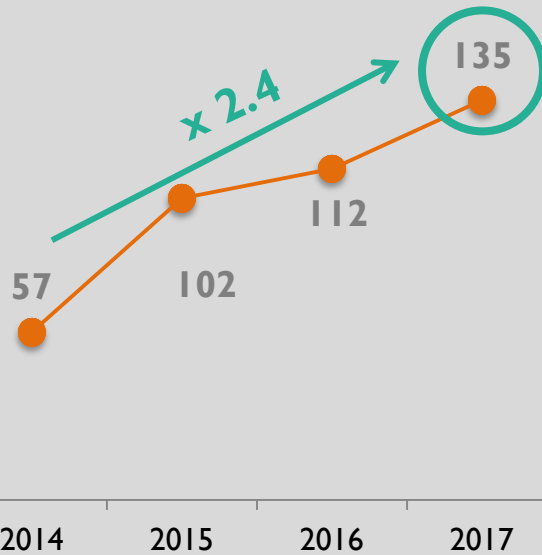
EMPLOYEES ENGAGEMENT KPI



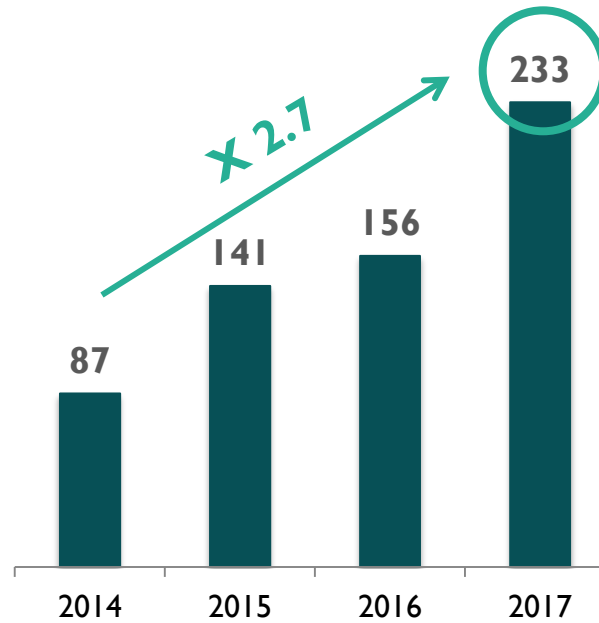
Qualitative KPI

1 Looking back on **AMBITION 2017** : **Life Ins. Results**

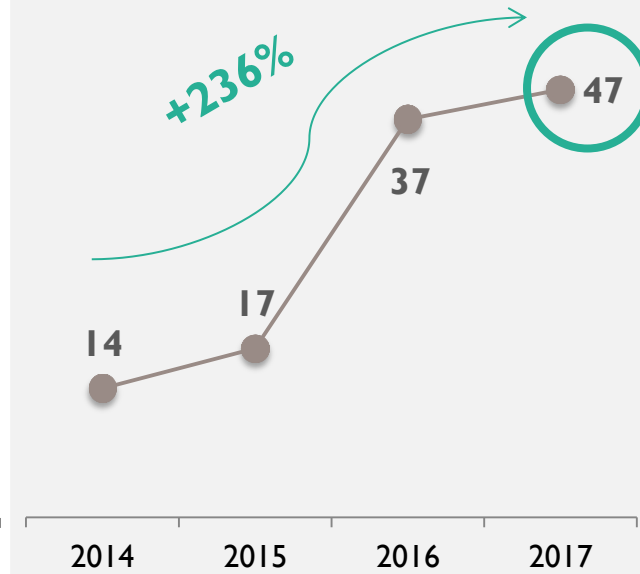
Delivering on **Key KPIs & Targets**



PAT
From 57M to 135M



UNIT LINKED BUS.
+530M NB

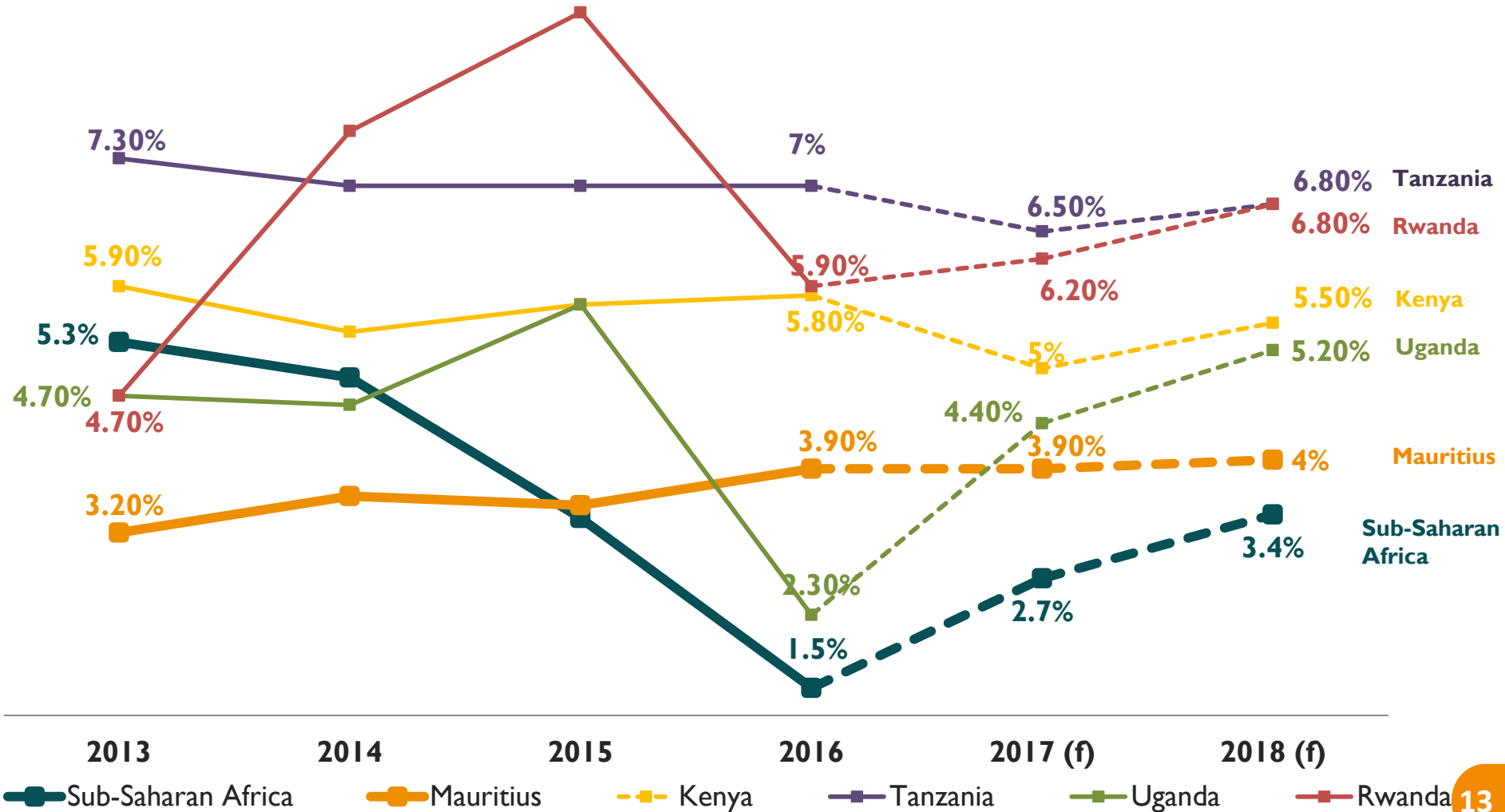


PROTECTION BUS.
+101 M NB

● **2** Our East African Subsidiaries
Successful Integration Plan

2 East African Subsidiaries : Growth Prospects

Attractive Growth Rates in Kenya, Tanzania, Uganda and Rwanda !



2 East African Subsidiaries : Geographical Presence

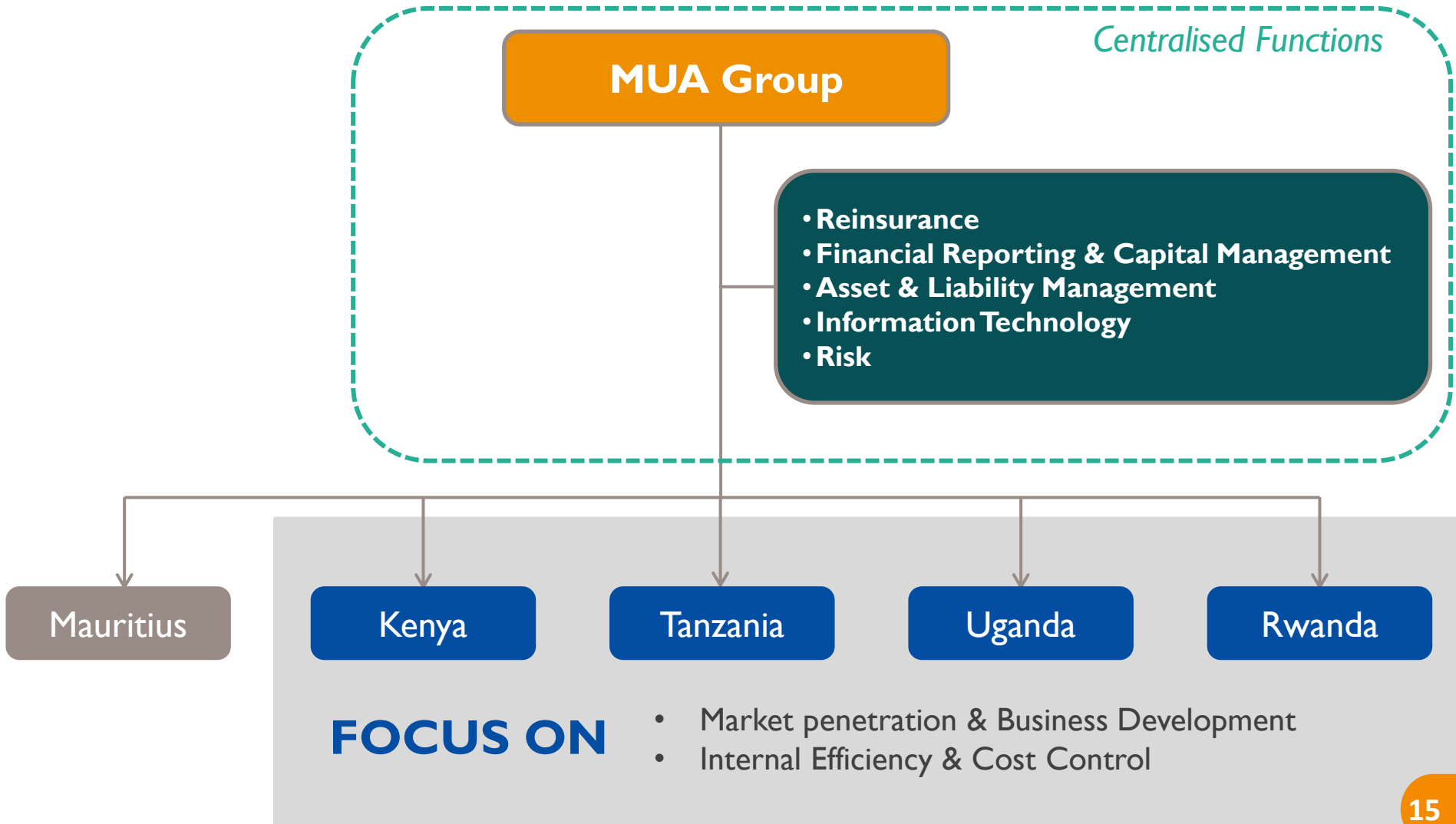
Mostly concentrated on Mauritius for now...



Income Turnover
split per Market

2 East African Subsidiaries : Group Structure

Successful Integration Plan with strong support functions



2 East African Subsidiaries : Foreign Exchange

Impact of FX and Decreasing Rates

| Exchange Rate (100) vs USD | | | |
|----------------------------|----------|----------|-------|
| CURRENCY | Dec 2016 | Dec 2017 | Perf |
| KES 100 | 0.98 | 0.97 | -0.7% |
| TZS 100 | 0.05 | 0.04 | -2.3% |
| UGX 100 | 0.03 | 0.03 | -0.4% |
| RWF 100 | 0.12 | 0.12 | -3.4% |
| EUR 100 | 105.28 | 119.79 | 13.7% |
| MUR 100 | 2.77 | 2.97 | 7.2% |

| Exchange Rate (100) vs MUR | | | |
|----------------------------|----------|----------|-------|
| CURRENCY | Dec 2016 | Dec 2017 | Perf |
| KES 100 | 35.05 | 32.52 | -7.2% |
| TZS 100 | 1.64 | 1.50 | -8.8% |
| UGX 100 | 0.99 | 0.93 | -5.9% |
| RWF 100 | 4.40 | 4.04 | -8.4% |
| EUR 100 | 3,807.31 | 4,034.00 | 6.0% |
| USD 100 | 3,616.54 | 3,377.50 | -6.6% |

| 5-Yr Treasury Bond Rate | | | |
|-------------------------|----------|----------|----------|
| COUNTRY | Dec 2016 | Dec 2017 | Var |
| Kenya | 13.1% | 12.5% | -0.6 pts |
| Tanzania | 18.0% | 13.6% | -4.3 pts |
| Uganda | 16.9% | 12.5% | -4.4 pts |
| Rwanda | 12.3% | 12.2% | -0.1 pts |

| 10-Yr Treasury Bond Rate | | | |
|--------------------------|----------|----------|----------|
| COUNTRY | Dec 2016 | Dec 2017 | Var |
| Kenya | 15.0% | 13.1% | -2.0 pts |
| Tanzania | 17.6% | 15.9% | -1.7 pts |
| Uganda | 16.9% | 14.1% | -2.8 pts |
| Rwanda | 13.0% | 13.0% | -0.0 pts |

2 East African Subsidiaries : Strategic Focus

Profits After Tax (in Rs m)



Our Focus :

Is on the rapid **GROWTH** of the East African Operations & on profitable **REINVESTMENT OPPORTUNITIES** for their retained earnings.

3 **Ambition 2020**
Our Plans for the Future...

3 AMBITION 2020 : **New & Different Priorities**

MUA AMBITION 2020

Focus on : **Group Identity & Alignment with
Africa + International Visibility**



MUA AMBITION 2017 :
Focus on MUA & LPM

3 AMBITION 2020 :The Strategic Axes



3 AMBITION 2020 : The Strategic Axes

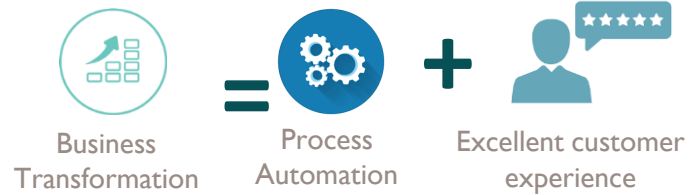
4

CAPITAL & RISK MANAGEMENT



3

BUSINESS TRANSFORMATION



2

BUSINESS GROWTH



1

REGIONAL GROUP CULTURE

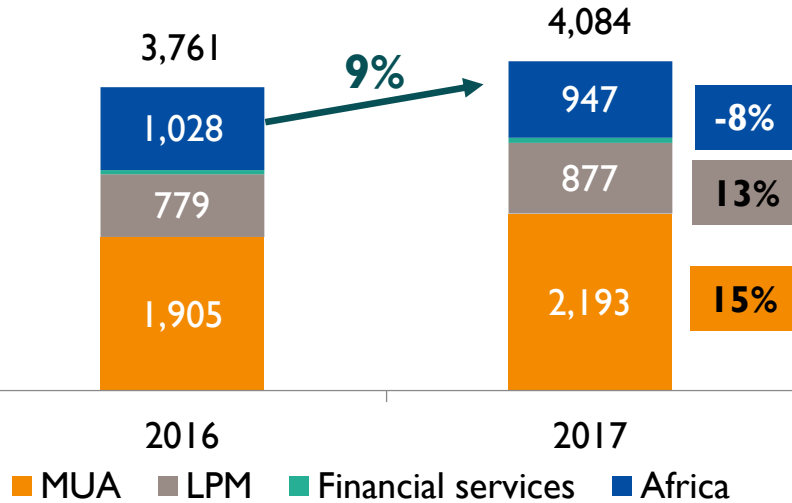




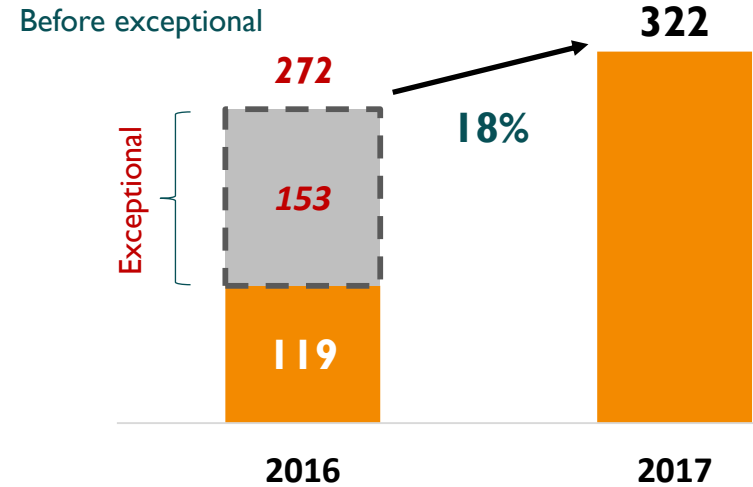
4 Financial Review 2017 **Group Results**

4 2017 Review: Group Figures

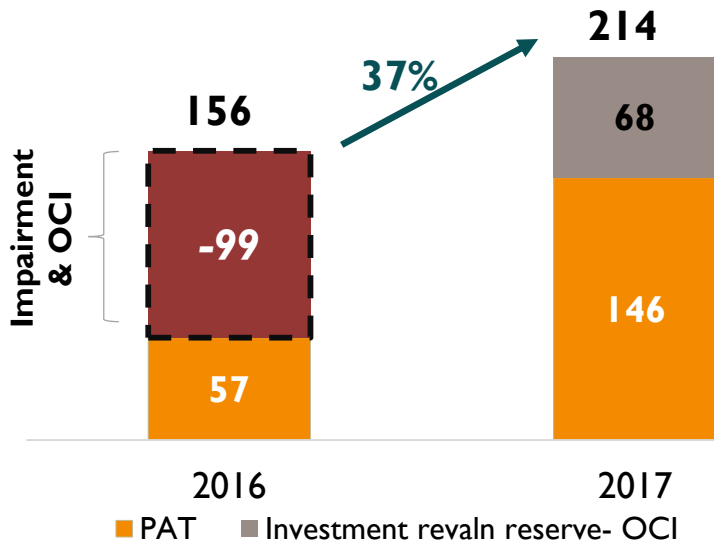
Group Revenue



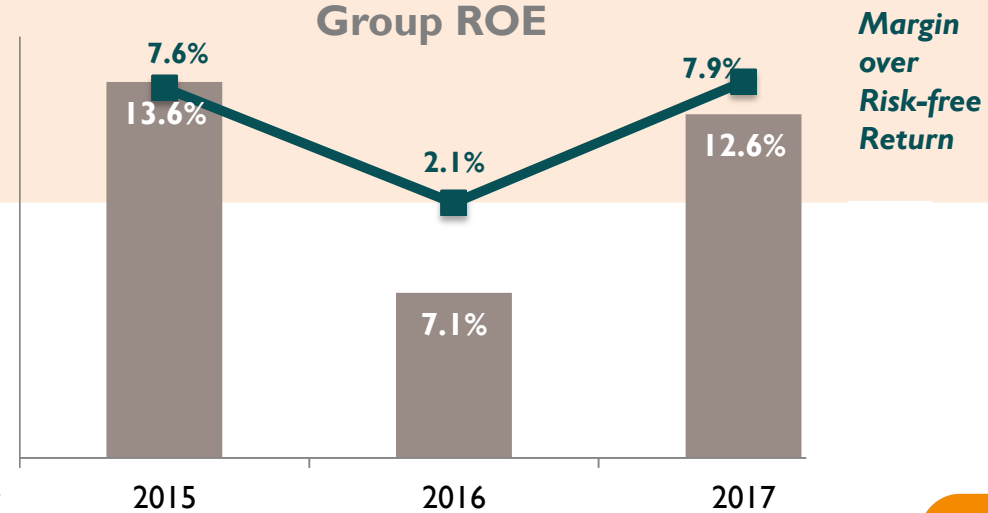
Group PAT



MUA CY- Comprehensive Income



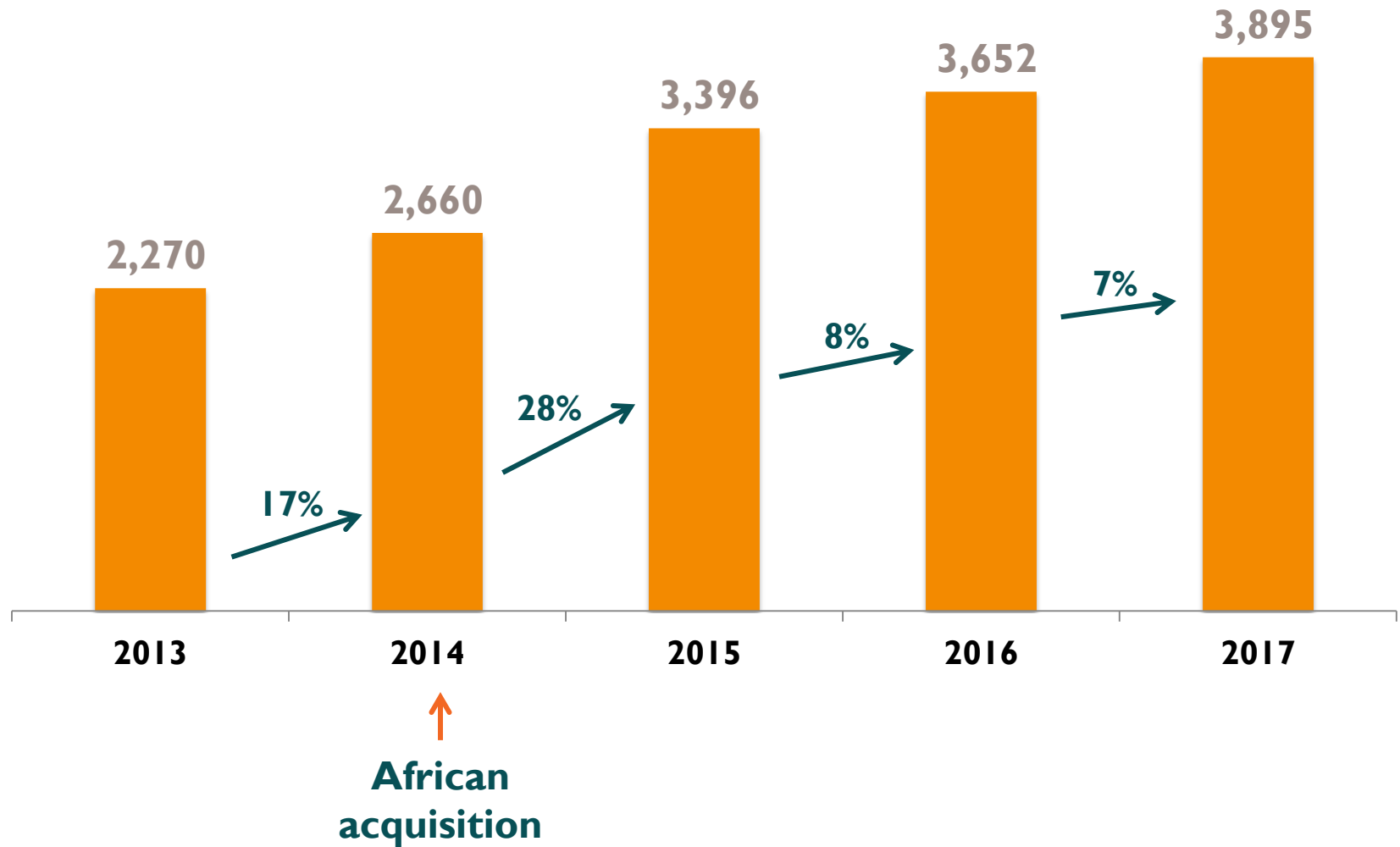
Group ROE



Group ROE is based on earnings and equity attributable to parent.

4 2017 Review: Group Figures

Consistent Increases in Gross Earned Premium (in Rs m)

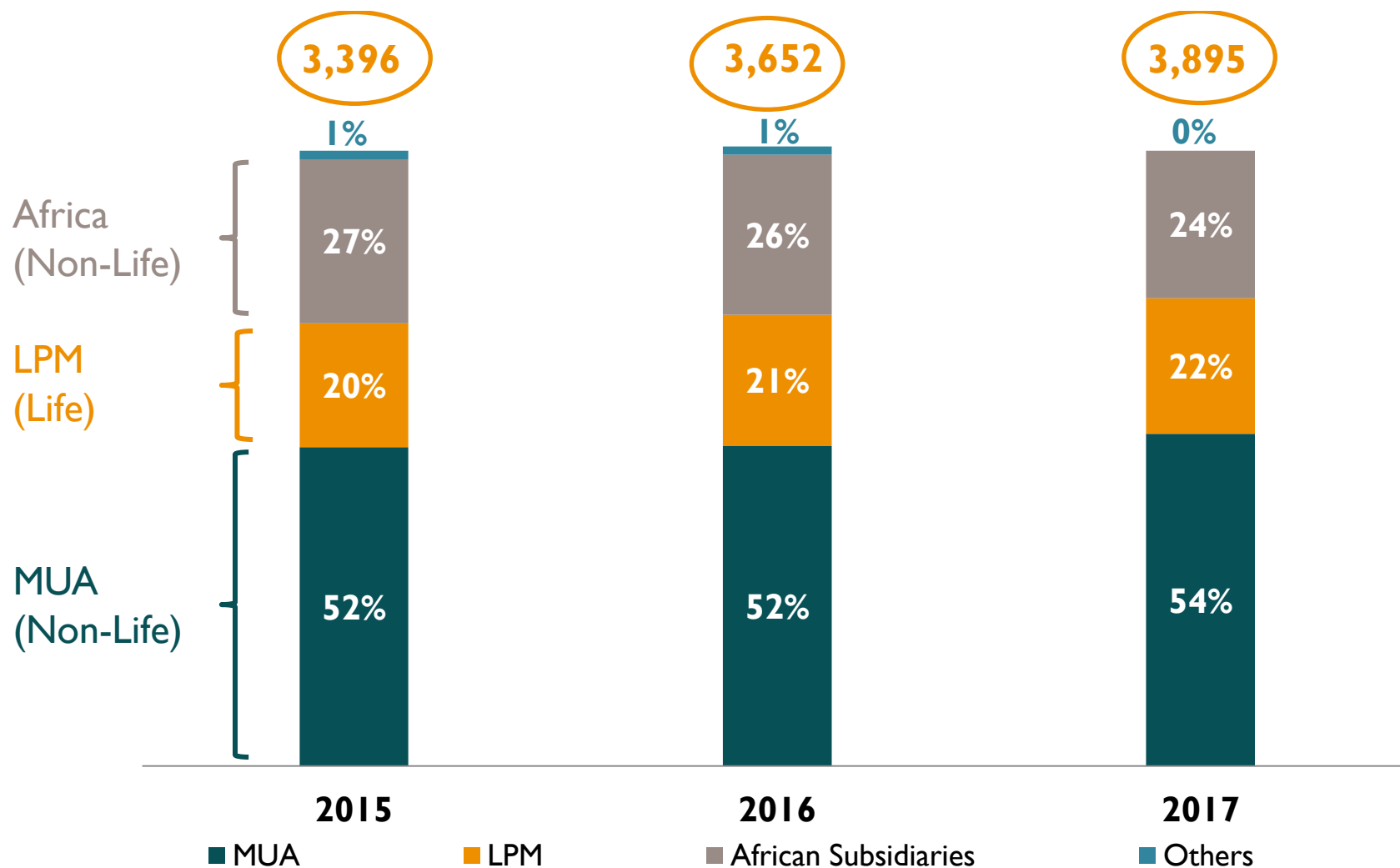


African acquisition

NOTE : Cumulative Annual Growth Rate since 2014 is around 13.4% per annum

4 2017 Review: Group Figures

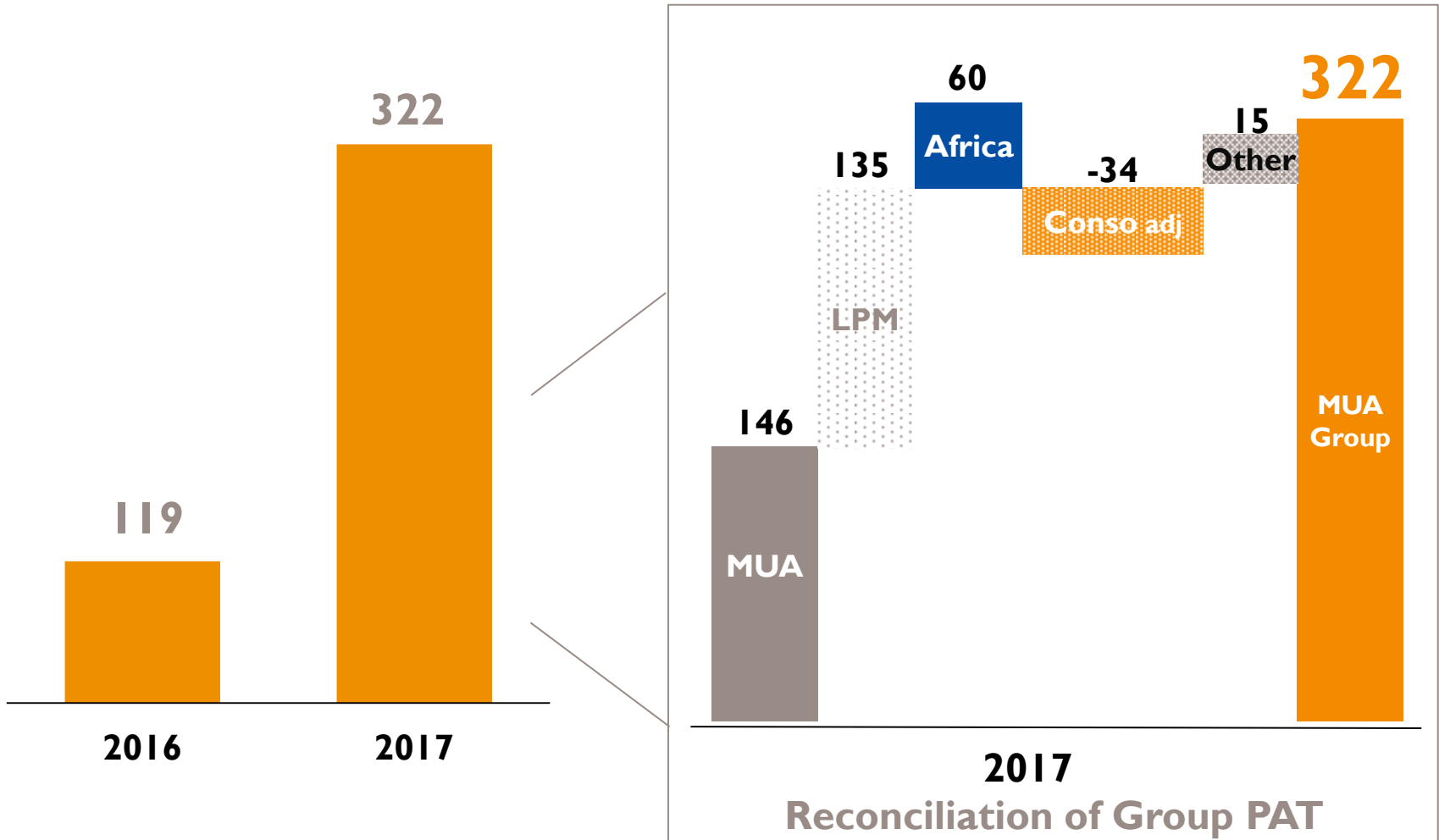
Gross Earned Premium (in Rs m) : Importance of Diversification



4 2017 Review: Group Figures

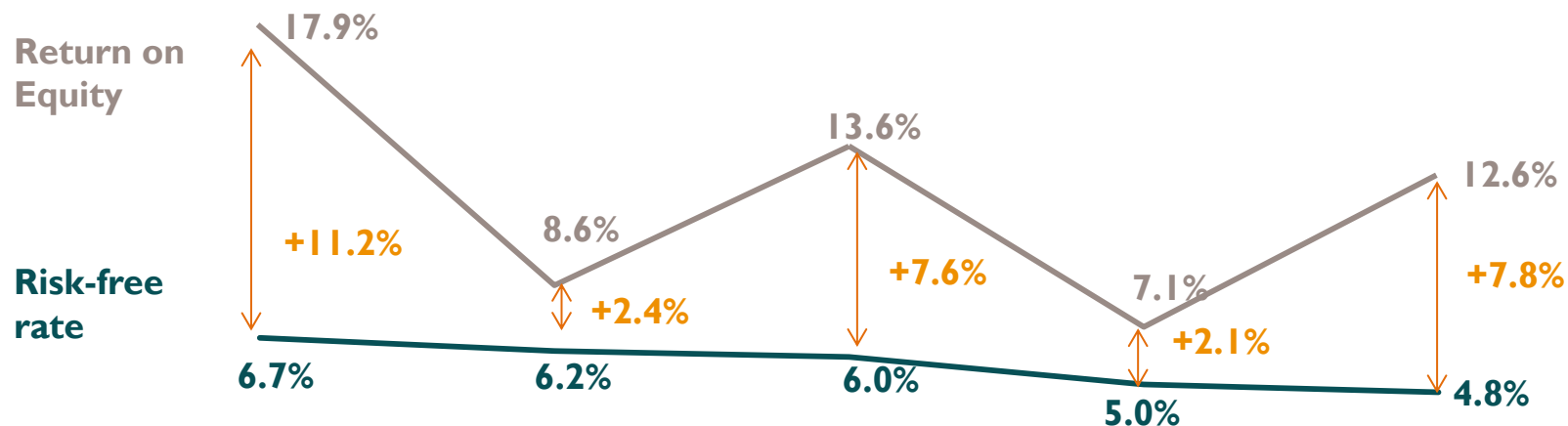
+ 203M of Group Profit after Tax (in Rs m)

in Rs m

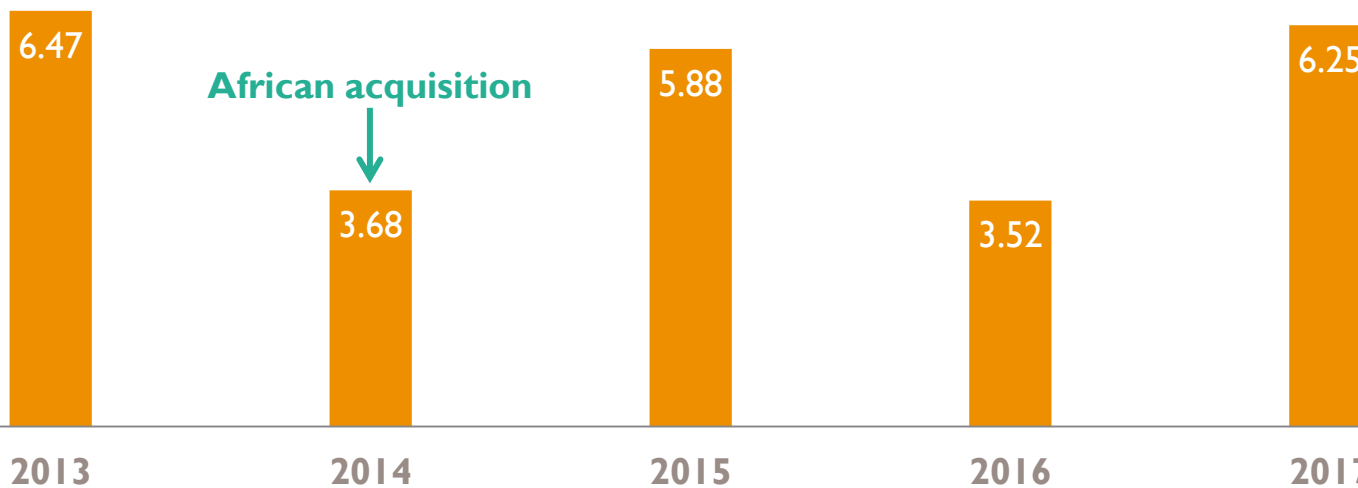


4 2017 Review: Group Figures

Profitability : Reflects Group's integration since 2014

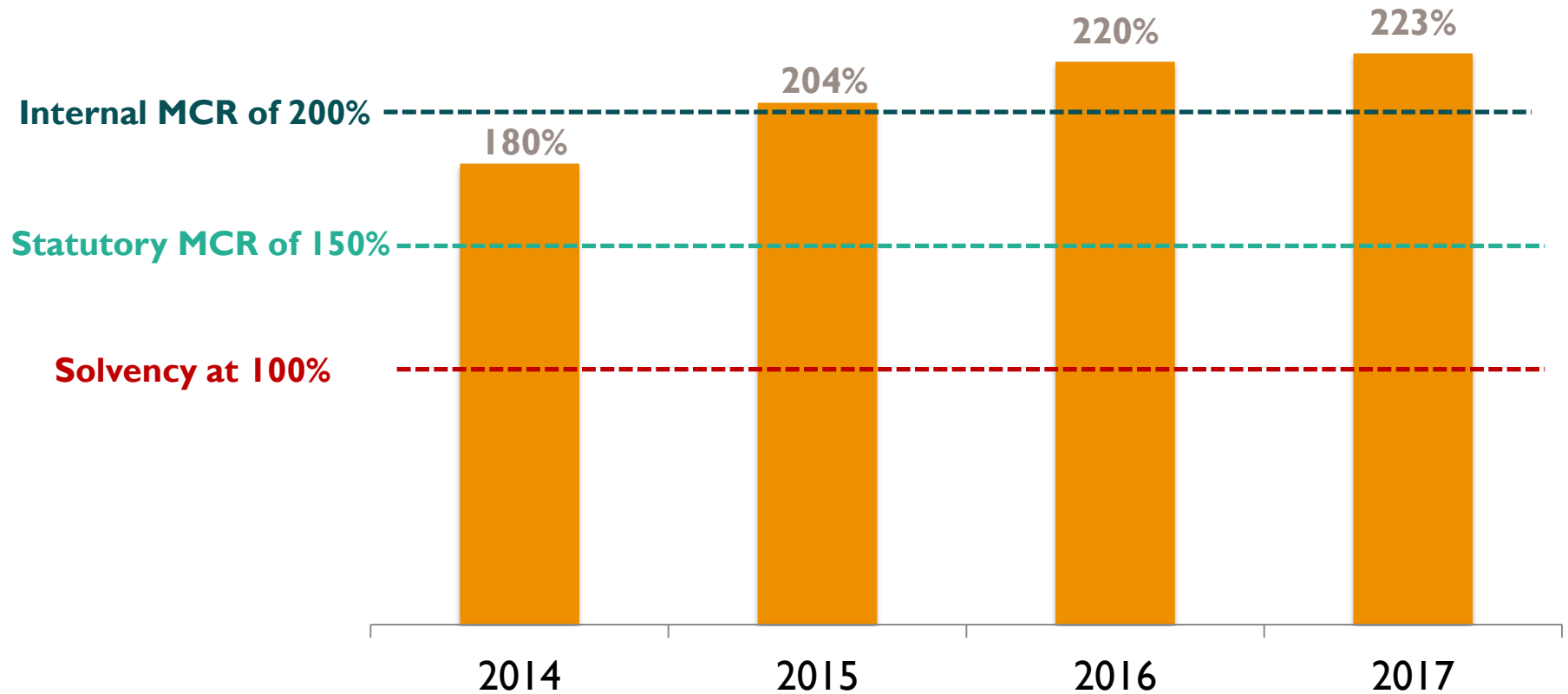


Earnings per share
In Rs



4 2017 Review: Group Figures

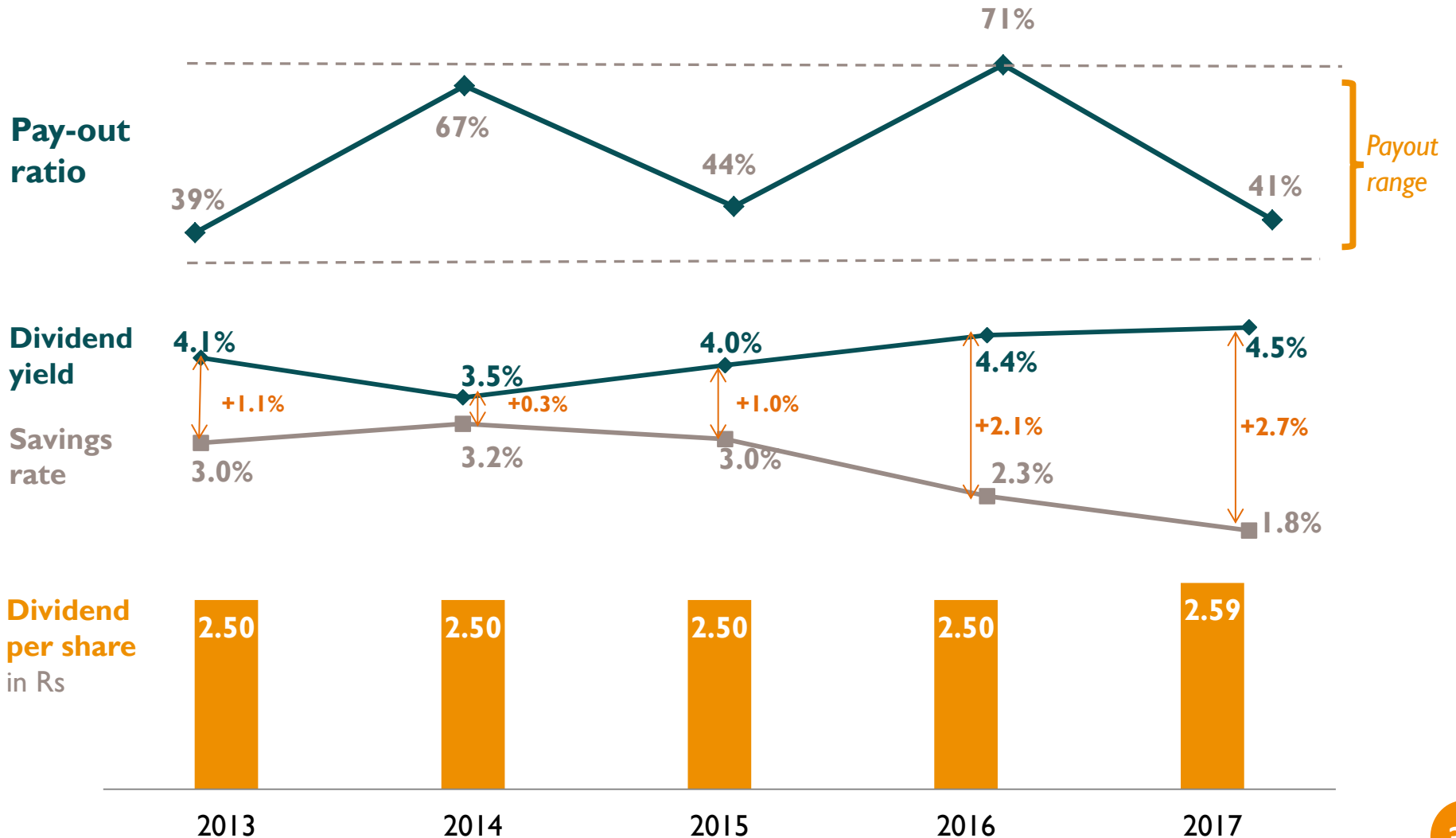
Consistent Increase in Group Solvency since 2014



● **5** Investors' Figures

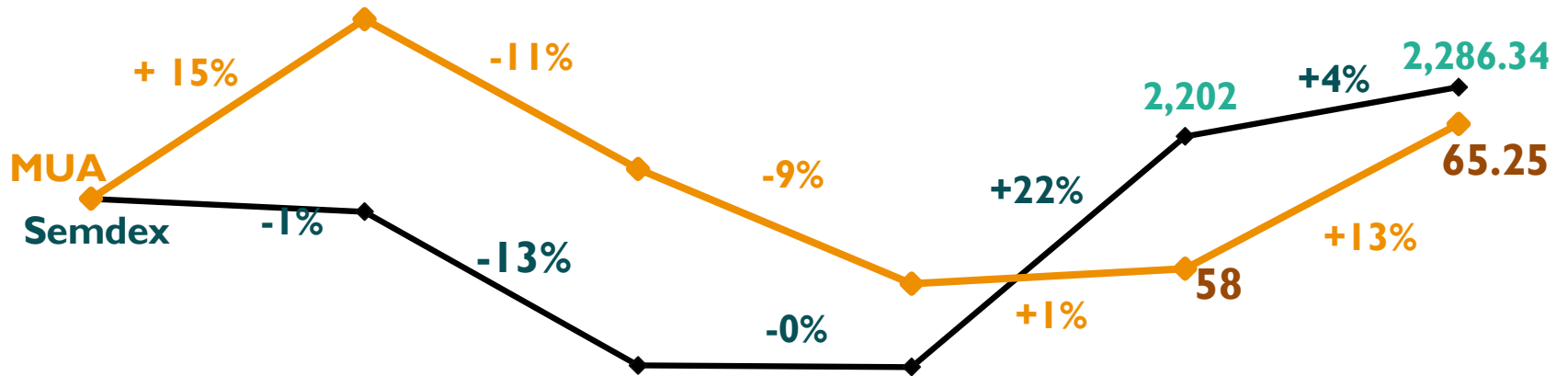
5 Investors' Figures: Dividend Policy

Slight increase of dividend to reach a payout > 40% +

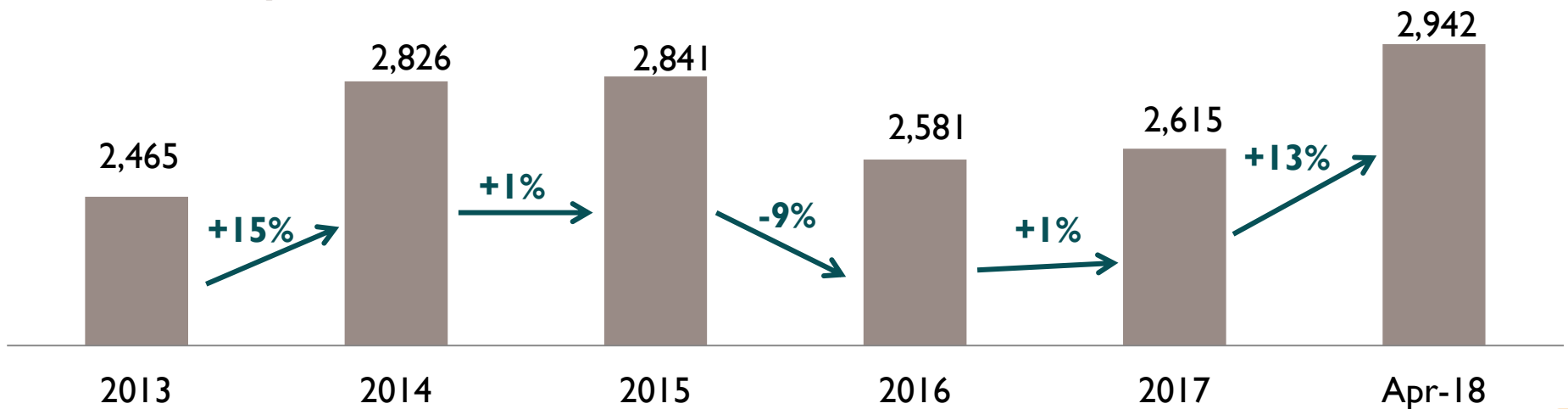


5 Investors' Figures: Share Price & Market Capitalisation

A value company profile with less volatility than the market



Market Cap in Rs m

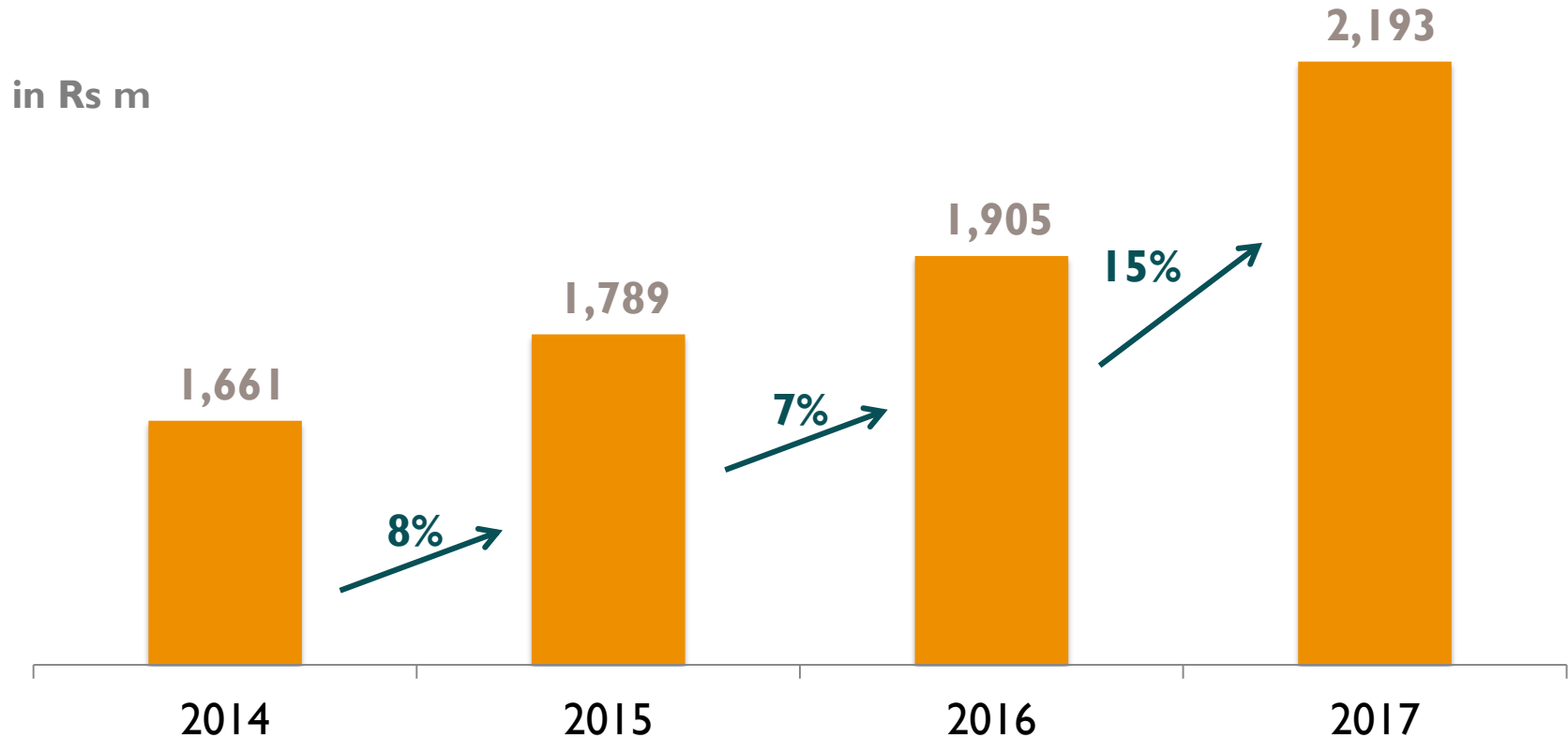




5 Financial Review 2017 Mauritian Operations

5 Mauritian Operations : General Insurance

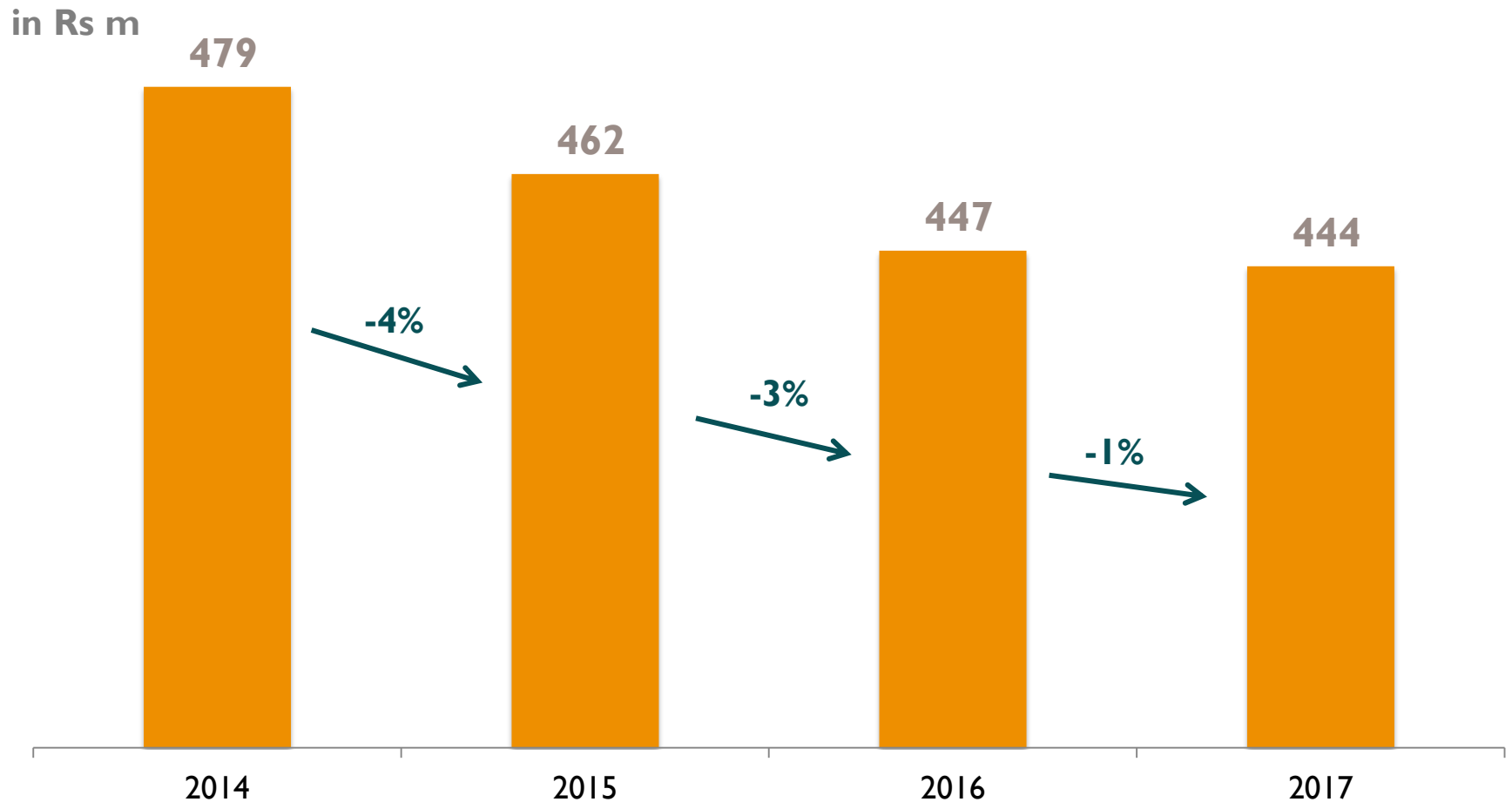
Gross Written Premium : Increased volume and better business mix



NOTE : Cumulative Annual Growth Rate since 2014 is around 10% per annum

5 Mauritian Operations : General Insurance

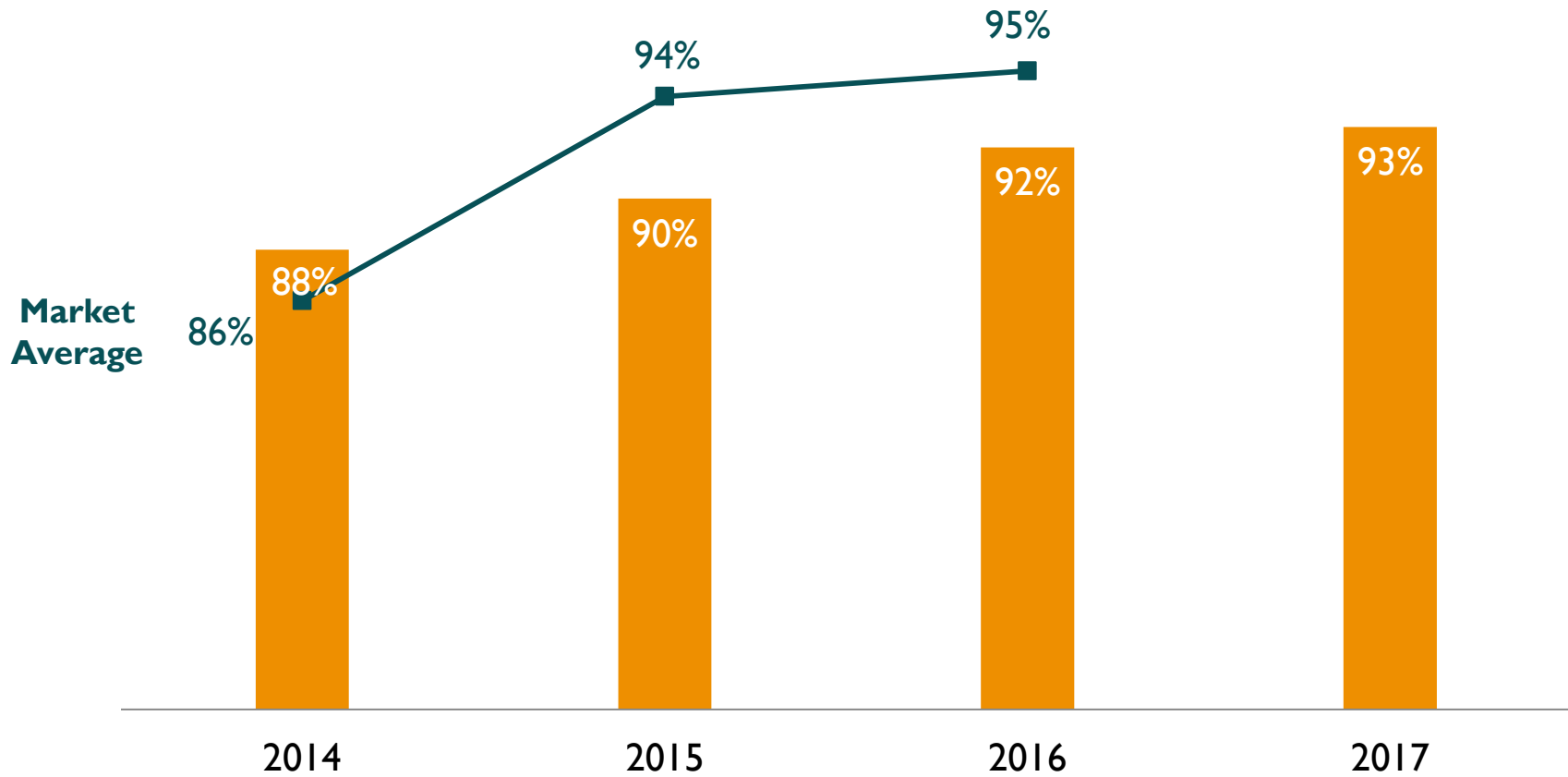
Underwriting Profits : Impact of higher claims and strong competition



5 Mauritian Operations : General Insurance

Combined Ratio : Better performance than the market

! 100%



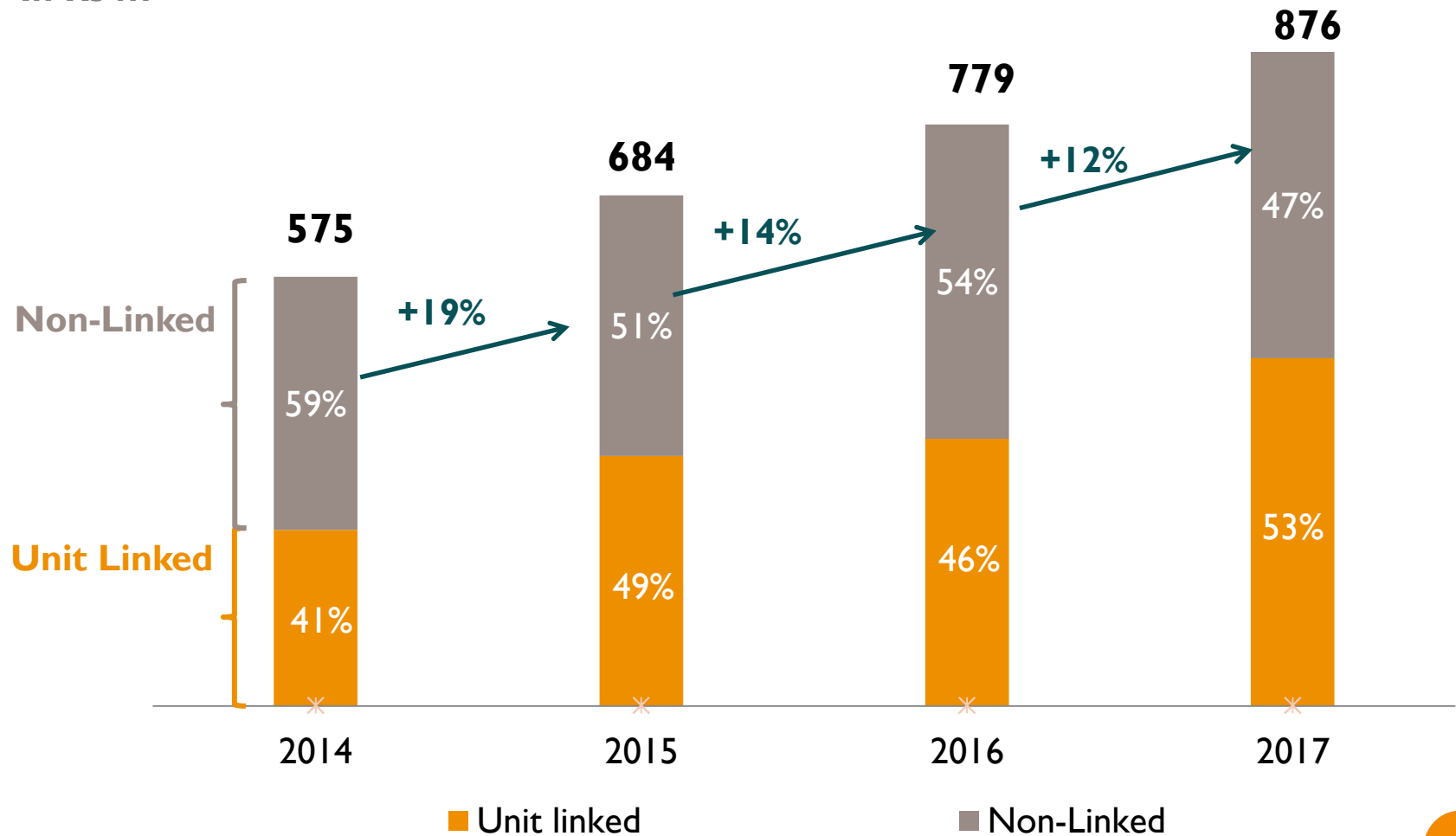
Combined Ratio = Loss Ratio + Expense Ratio + Commission Ratio

*MUA Combined Ratio excludes African Subsidiaries' costs.

5 Mauritian Operations : Life Insurance

Gross Written Premium : Sustained growth throughout the period

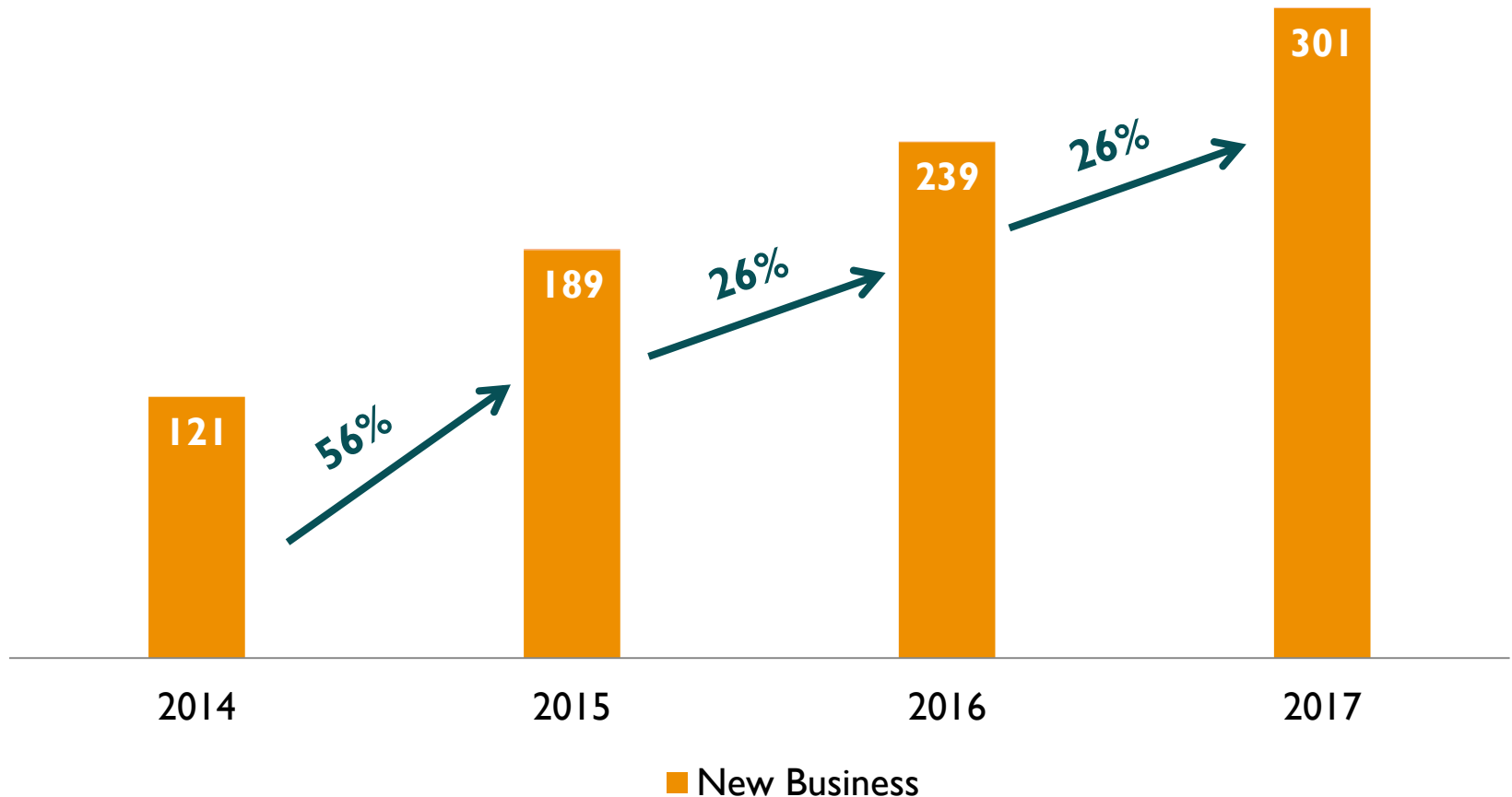
In Rs m



5 Mauritian Operations : Life Insurance

Gross Written Premium-New Business : Substantial increases

In Rs m



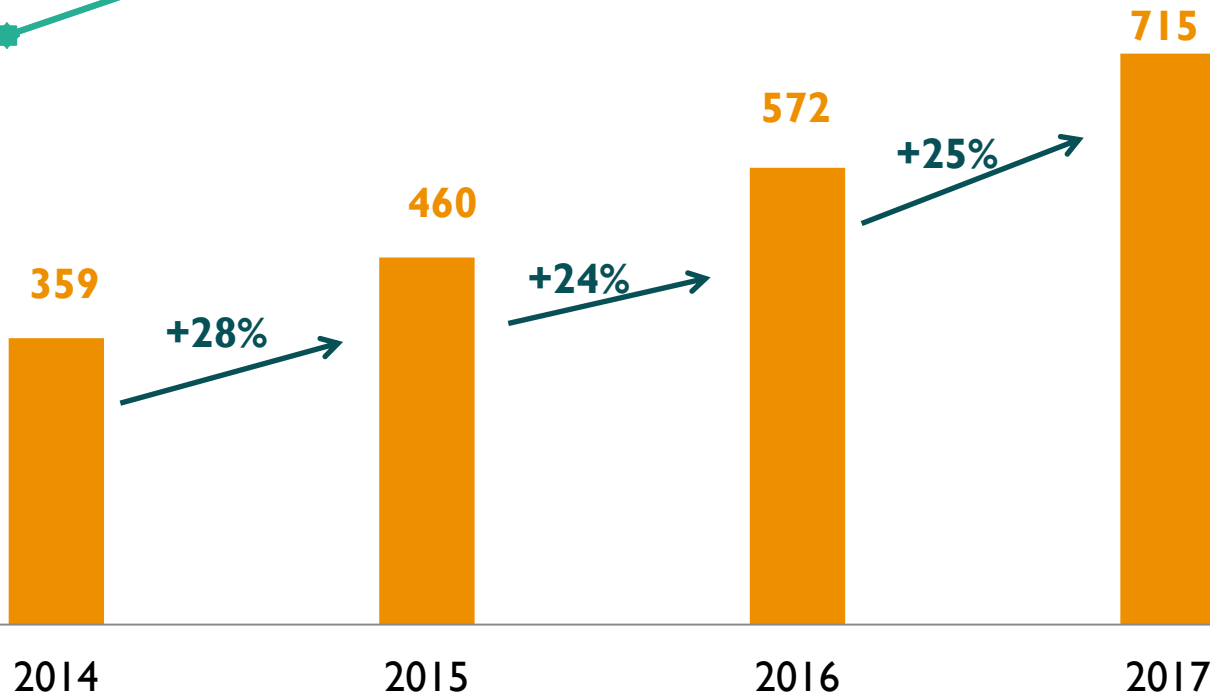
5 Mauritian Operations : Life Insurance

Shareholders' Fund : Focus on High Margin Businesses

PAT
In Rs m



Shareholder
Fund
in Rs m





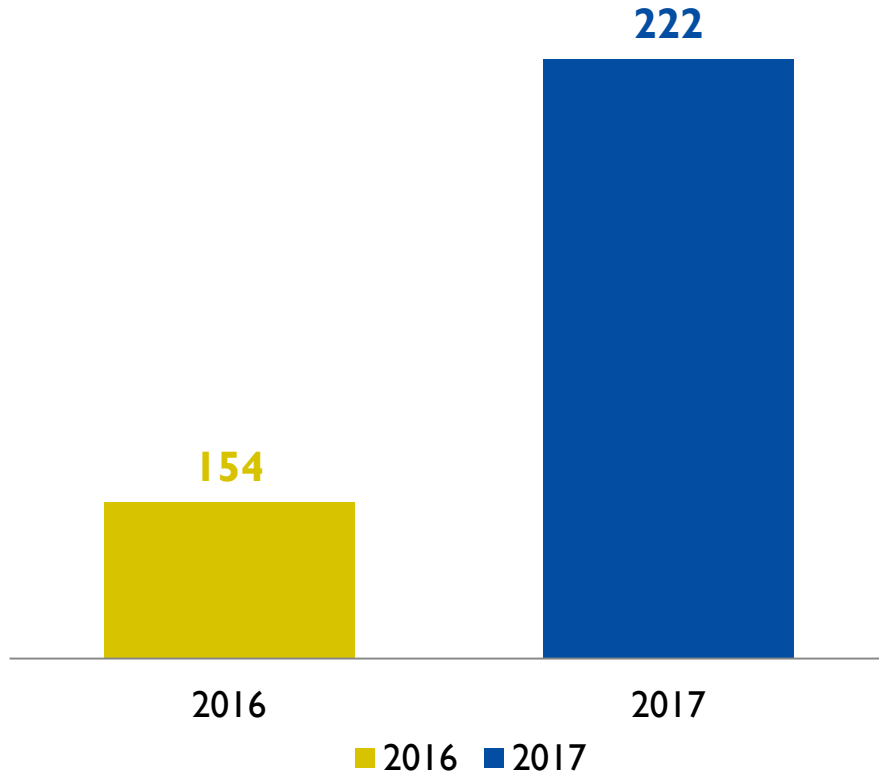
6 Financial Review 2017 **African Operations**

6 African Operations : General Ins. Results

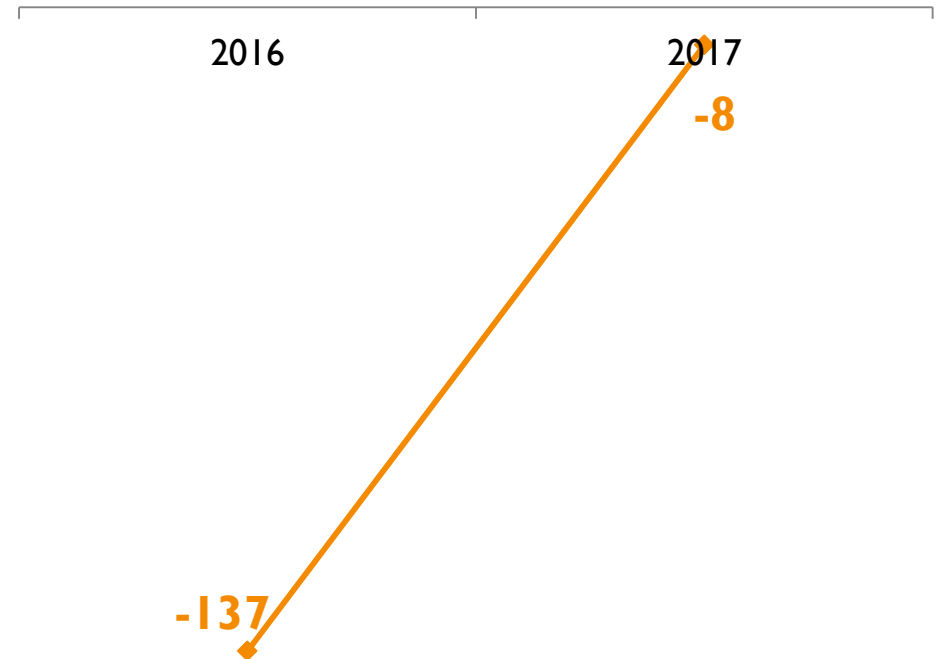


KENYA : Effective Turnaround Strategy

Revenue (in Rs m)



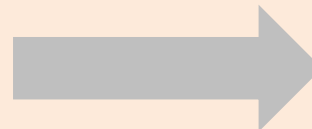
Profits After Tax (in Rs m)



Market Share :

0.3%

In 2016



0.5%
(E)

In 2017

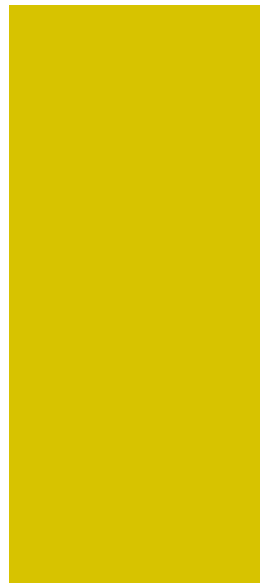
6 African Operations : General Ins. Results



TANZANIA : Decreased Revenue but significant increase in Profitability

Revenue (in Rs m)

511



333*



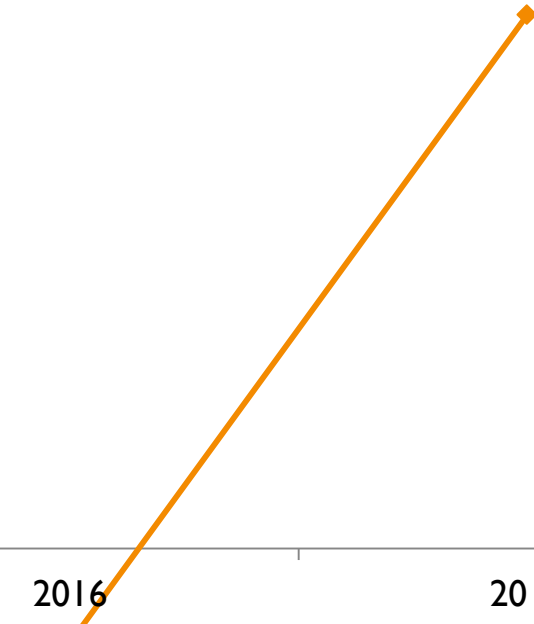
2016

2017

■ 2016 ■ 2017

Profits After Tax (in Rs m)

34



2016

2017

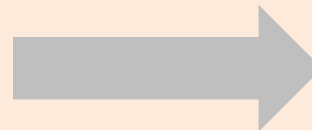
-6

**Tanzania's premiums were adversely affected in 2017 by the loss of a major contract of a national institution.*

Market Share :

5%

In 2016



4%

(E)

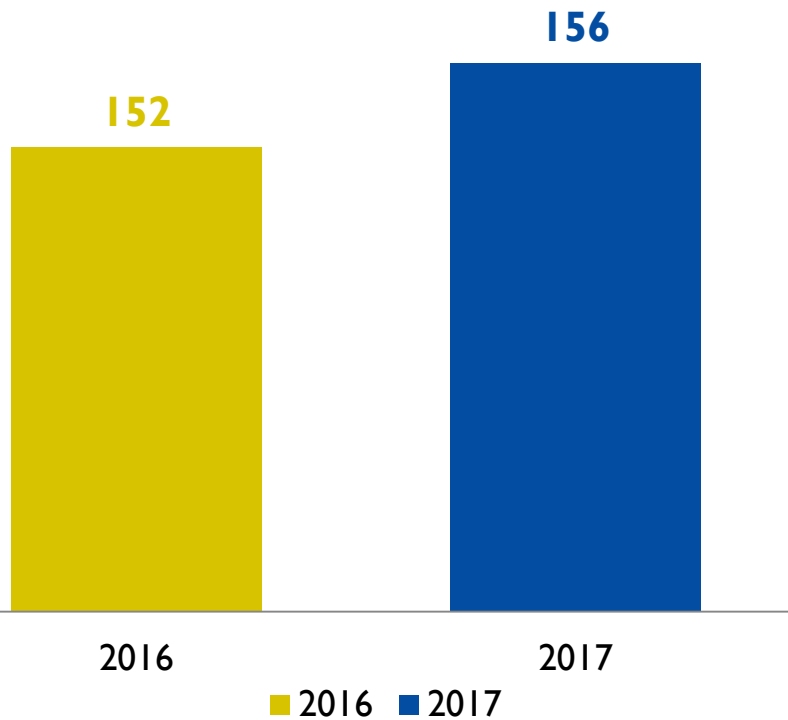
In 2017

6 African Operations : General Ins. Results

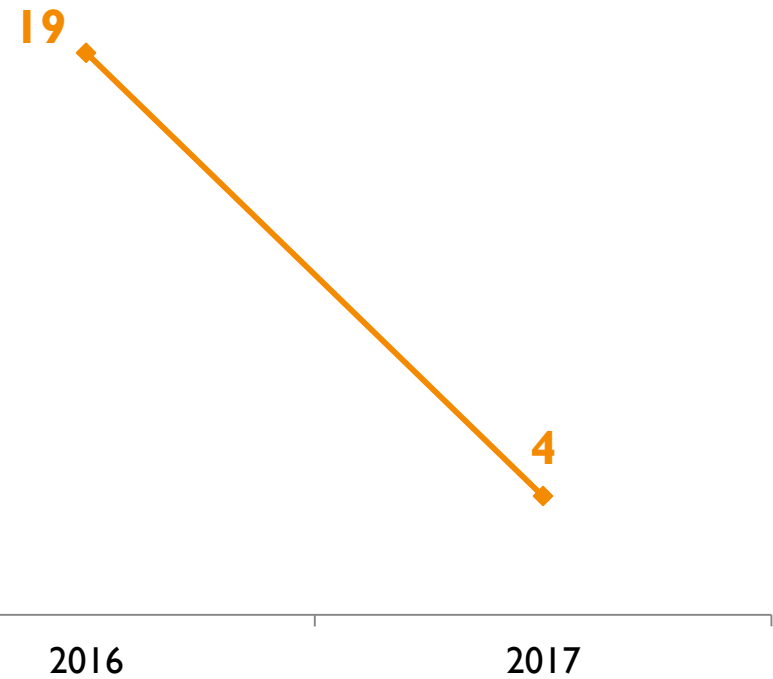


UGANDA : Stable Revenue but a decrease in Profitability noted

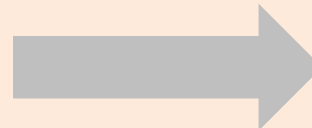
Revenue (in Rs m)



Profits After Tax (in Rs m)



Market Share : **3%** In 2016



4%
(E)

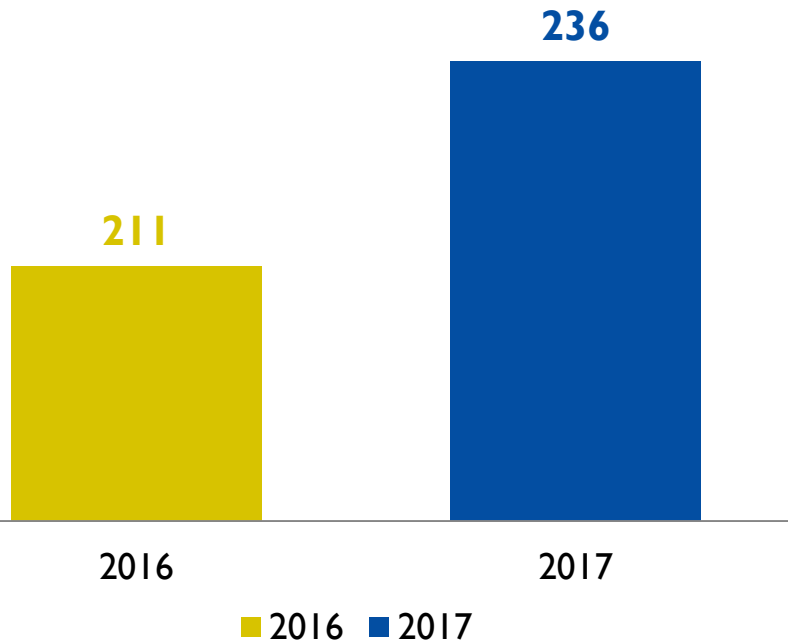
In 2017

6 African Operations : General Ins. Results

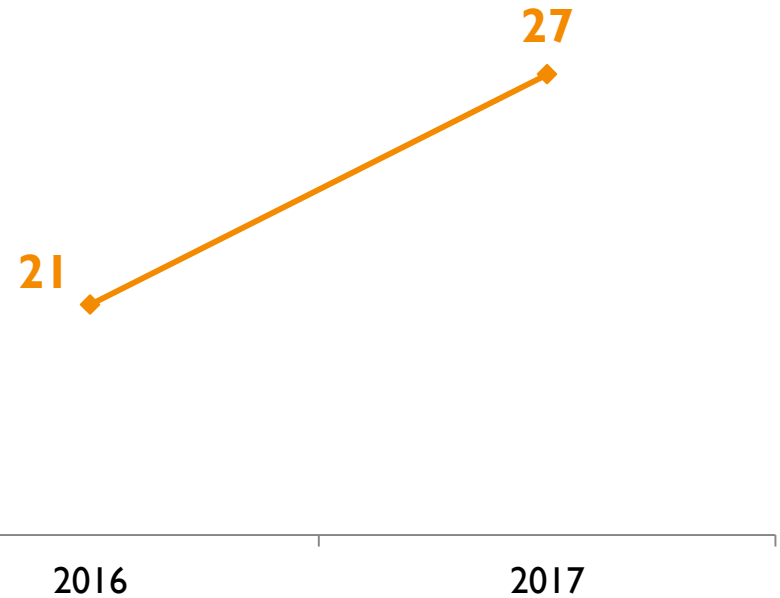


RWANDA : Enhanced Turnover & Profitability

Revenue (in Rs m)



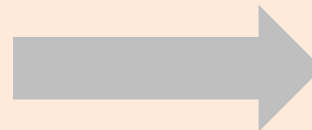
Profits After Tax (in Rs m)



Market Share :

14%

In 2016



15%
(E)

In 2017



INVESTOR MEETING 2018

THANK YOU !



INVESTOR MEETING 2018

For further information, please contact:

Vincent Noël

Marketing & Communication Manager

207 5504

vnoel@mauritiusunion.com