



**INVESTOR MEETING**

# **MUA 2018 RESULTS**

**18 April 2019**



# AGENDA

- 1 INTRODUCTION & HIGHLIGHTS**
- 2 KEY PERFORMANCE DRIVERS**
- 3 GROUP FINANCIAL REVIEW**
- 4 BUSINESS PERFORMANCE**



# **INTRODUCTION AND HIGHLIGHTS**

# INTRODUCTION AND HIGHLIGHTS

## WHO WE ARE

MUA is a **dynamic** and **ambitious** Mauritius-born financial services company that is committed to providing **innovative financial** and **insurance solutions** for its communities across Africa.



> **650** Staff  
Members

Years of Experience:

**70** in Mauritius

> **100** in East Africa



**6**  
Countries

# INTRODUCTION AND HIGHLIGHTS



## WHO WE ARE

A dynamic team backed by 70 years of experience extending beyond local frontiers



↓  
**Largest Insurance Company**<sup>1</sup>

Listed on the Stock Exchange of Mauritius



↓  
**Top 10 Performing Stock**  
On the Stock Exchange of Mauritius since listing<sup>2</sup>



↓  
**+9%**  
Gross Written Premium in 2018



↓  
**+10%**  
Profits after Tax in 2018

## 2018 Results



**23.6%**  
Total Return<sup>3</sup>

**12.6%**  
Return on Equity

**3.9%**  
Dividend Yield

**2.2x**  
ROE Outperformance of Risk Free Rate<sup>4</sup>

1. Based on market capitalisation of Rs 3.2 billion as at 17<sup>th</sup> April 2019; 2. Listed on the Stock Exchange of Mauritius in 1993; 3. Holding period yield to shareholders; 4. 10 year Government of Mauritius Bonds, outperformance over 3 year period

# INTRODUCTION AND HIGHLIGHTS

## WHO WE ARE

2018 – A pivotal year in the Group's strategy



Revised holding structure

**RESTRUCTURING**

One MUA

**REBRANDING**

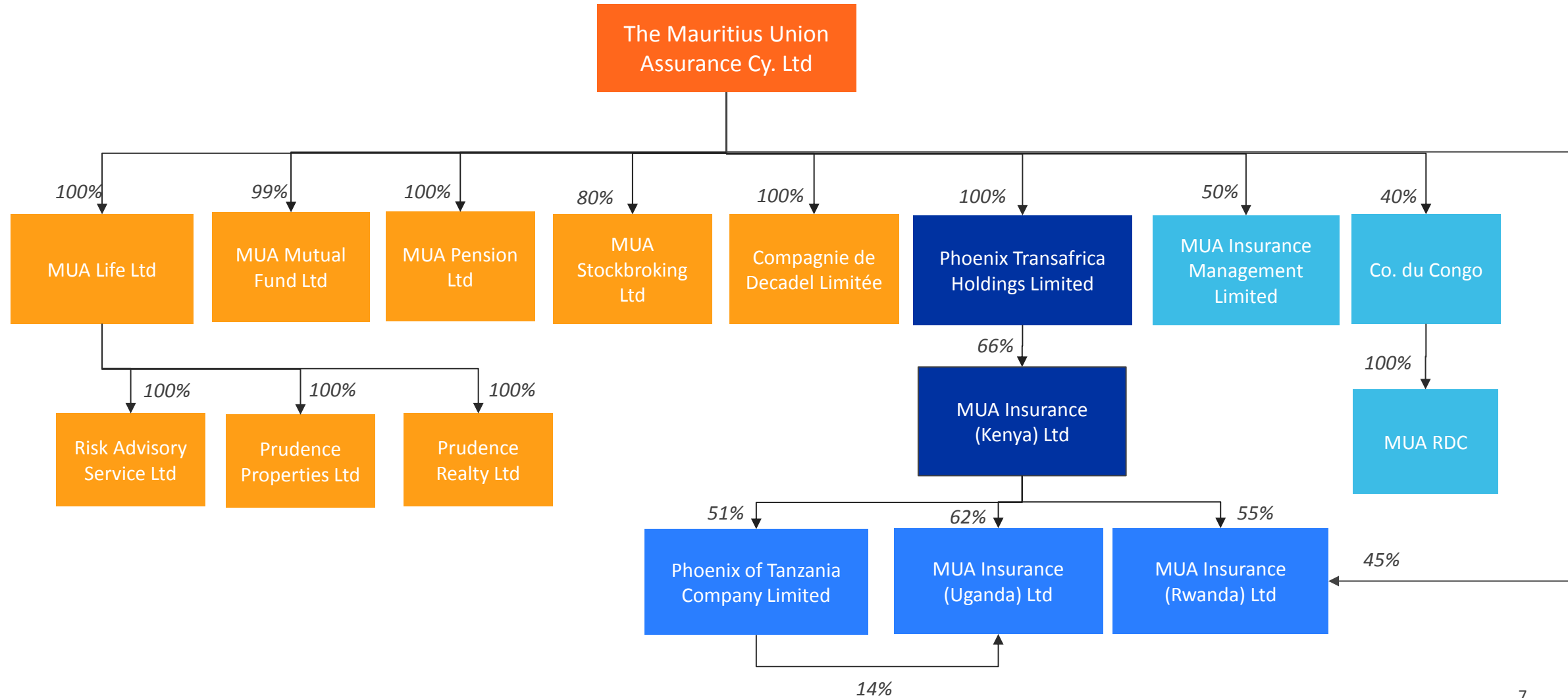
Launch of 3 year Strategic Plan

**AMBITION 2020**

# INTRODUCTION AND HIGHLIGHTS

## WHO WE ARE

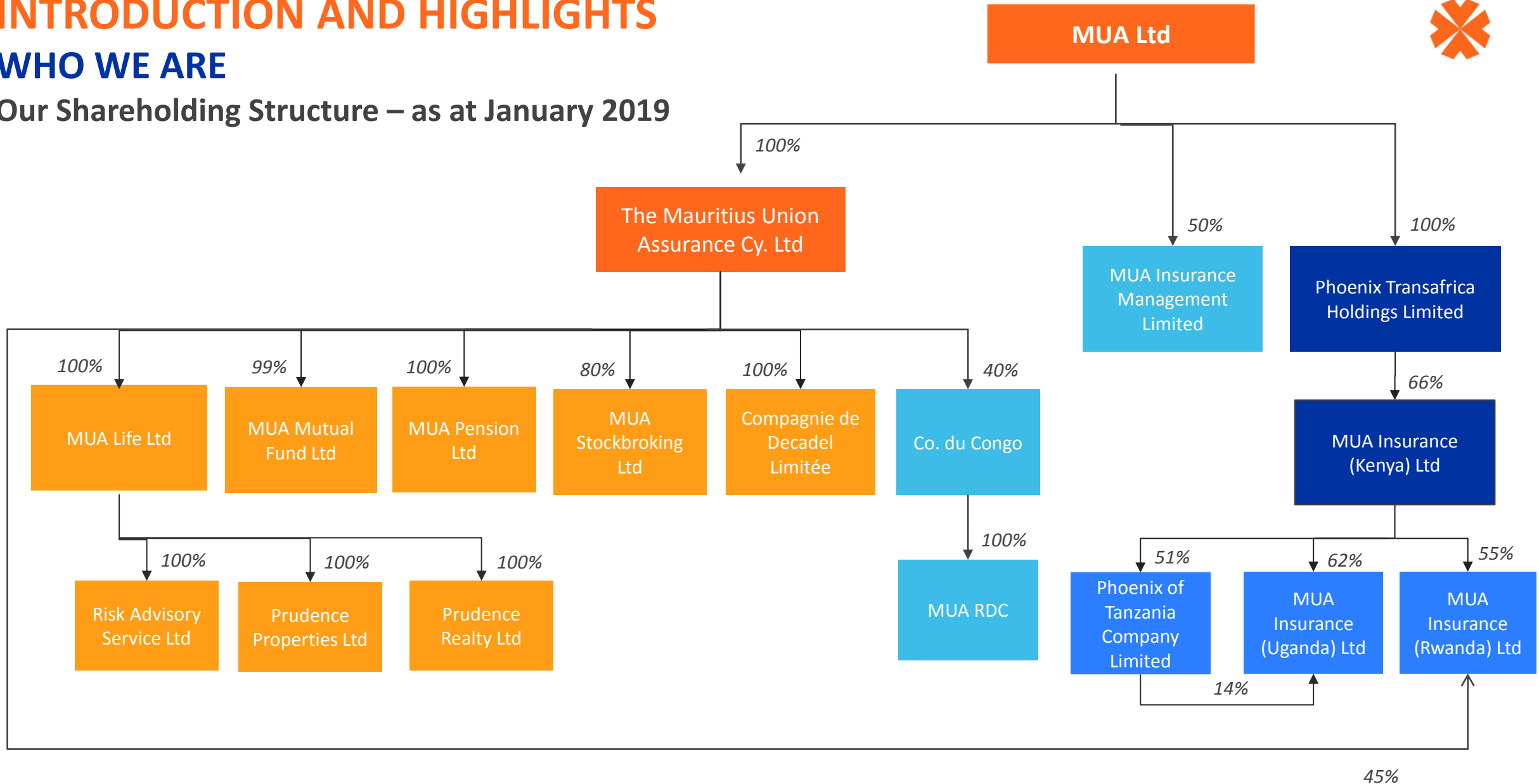
### Our Shareholding Structure – Pre restructuring



# INTRODUCTION AND HIGHLIGHTS

## WHO WE ARE

Our Shareholding Structure – as at January 2019





# INTRODUCTION AND HIGHLIGHTS

## OUR OPERATIONS - MAURITIUS



### General Insurance

**25% Market Share**  
**> MUR 2,253m** in GWP

2<sup>nd</sup> in GWP  
1<sup>st</sup> in NEP  
1<sup>st</sup> in Motor Insurance  
1<sup>st</sup> in Liability Insurance  
2<sup>nd</sup> in Accident & Health

### Life Insurance

**10% Market Share**  
**18% Growth Rate**

**> MUR 8,979m**  
funds under management

### Corporate Pension

Pioneer in Pension Fund Administration  
**Top 3** Market Player  
**> 400** Corporate pension schemes

### Mutual Fund

Pioneer in Mutual Fund Investment  
2 exclusive & well-performing funds  
**> MUR 680m** asset value of funds

### Stockbroking

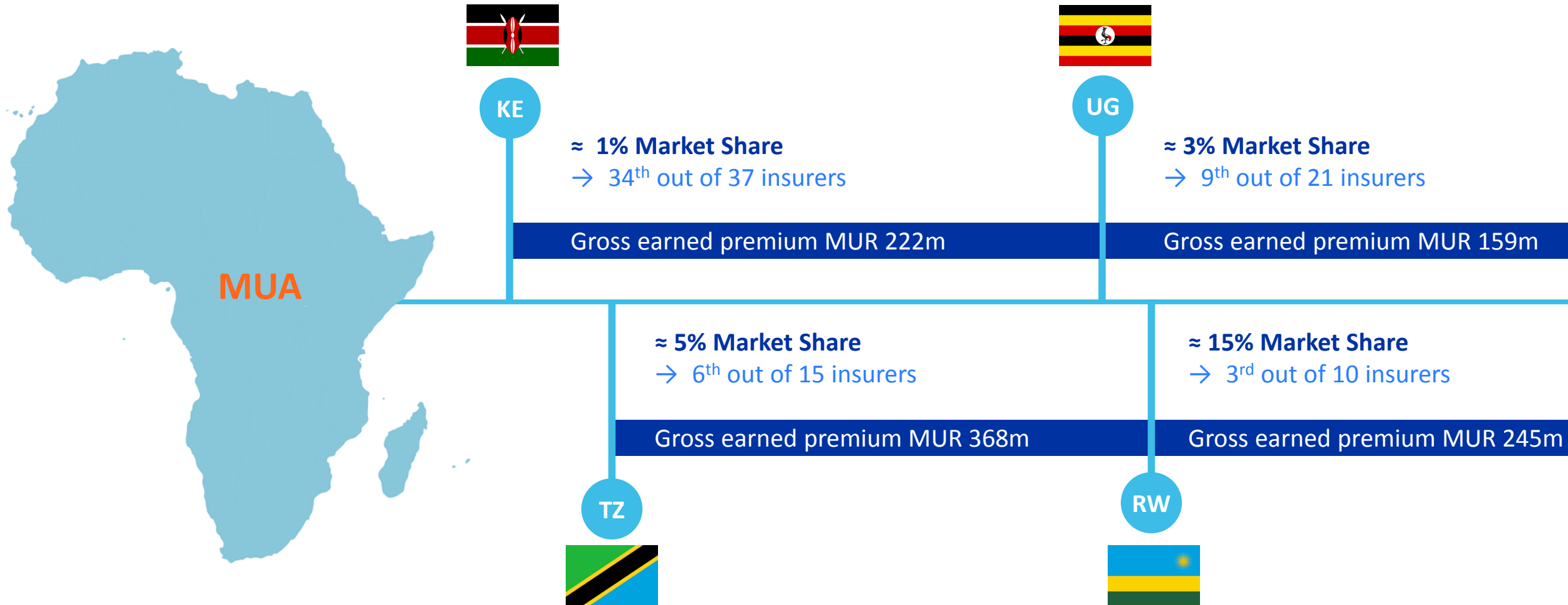
Investment Dealer  
Member of the Stock Exchange of Mauritius

# INTRODUCTION AND HIGHLIGHTS

## OUR EXPANSION INTO EAST AFRICA



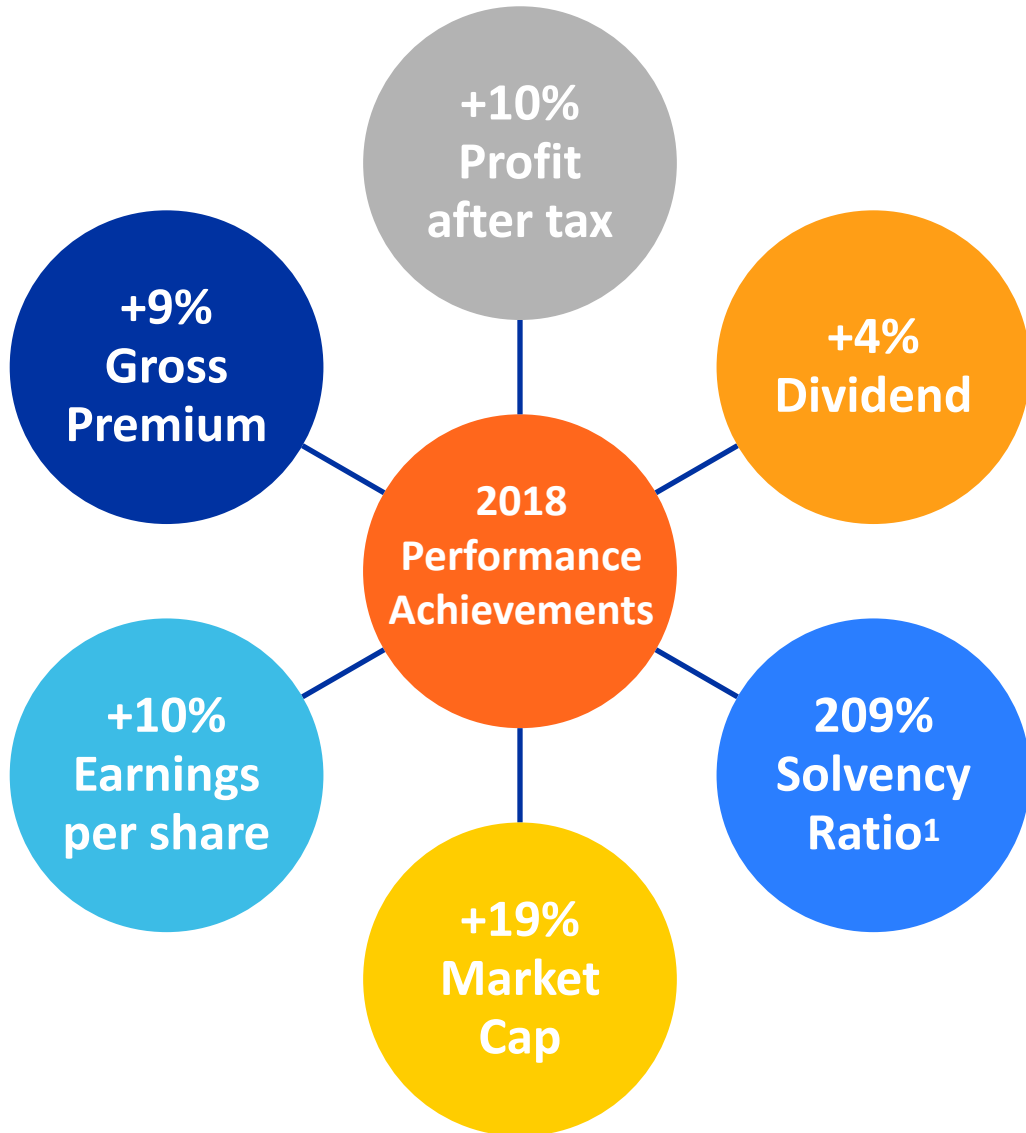
**2014** - Expansion into East Africa through the acquisition of a controlling interest in Phoenix Assurance



Note: Market share based on latest available figures (2017), in terms of GWP

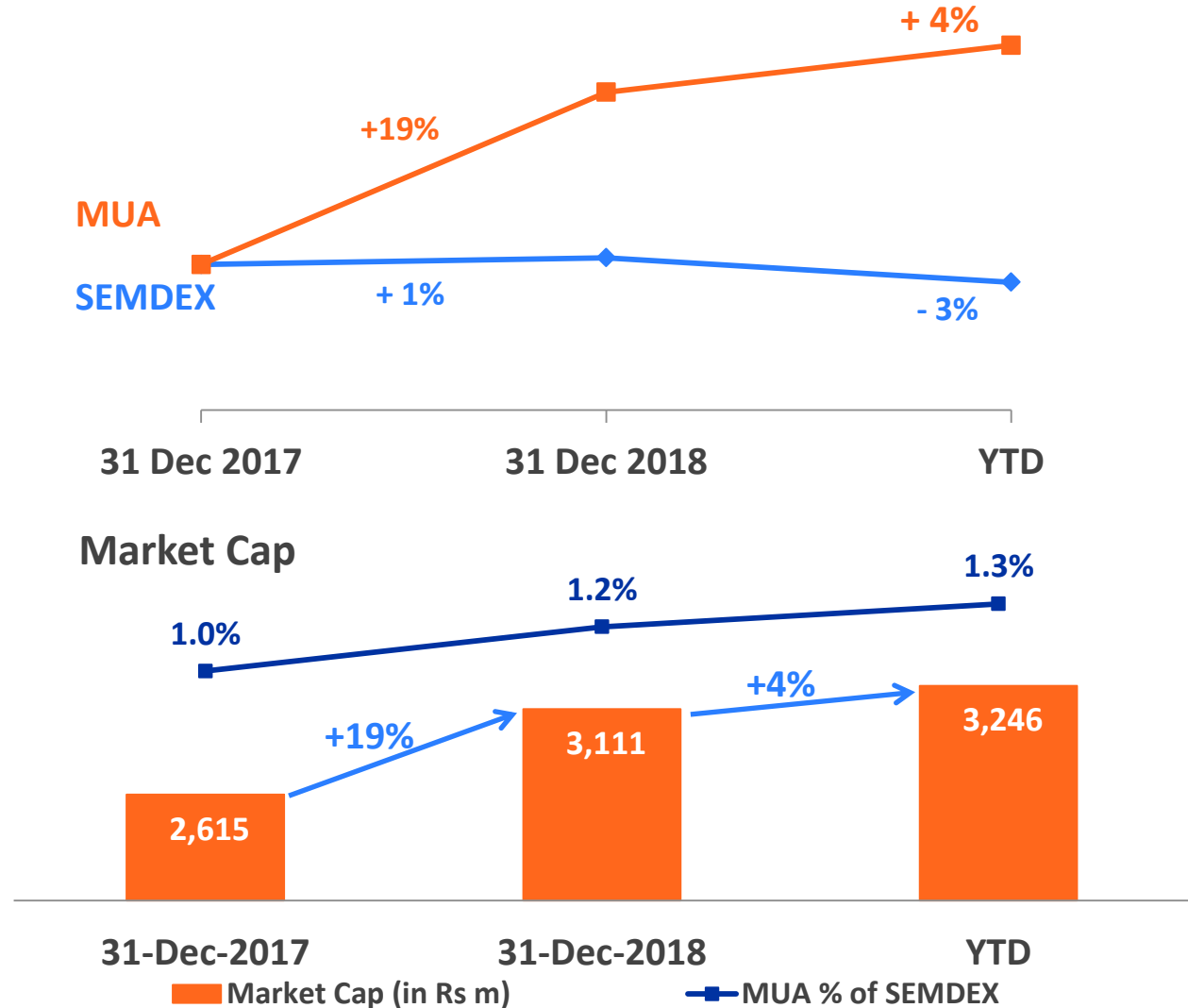
# INTRODUCTION AND HIGHLIGHTS

## STRONG GROUP PERFORMANCE



## SHARE PRICE & MARKET CAP

Exceptional performance in 2018



1. For the company as at 1 January 2019. All other figures as at year end 2018

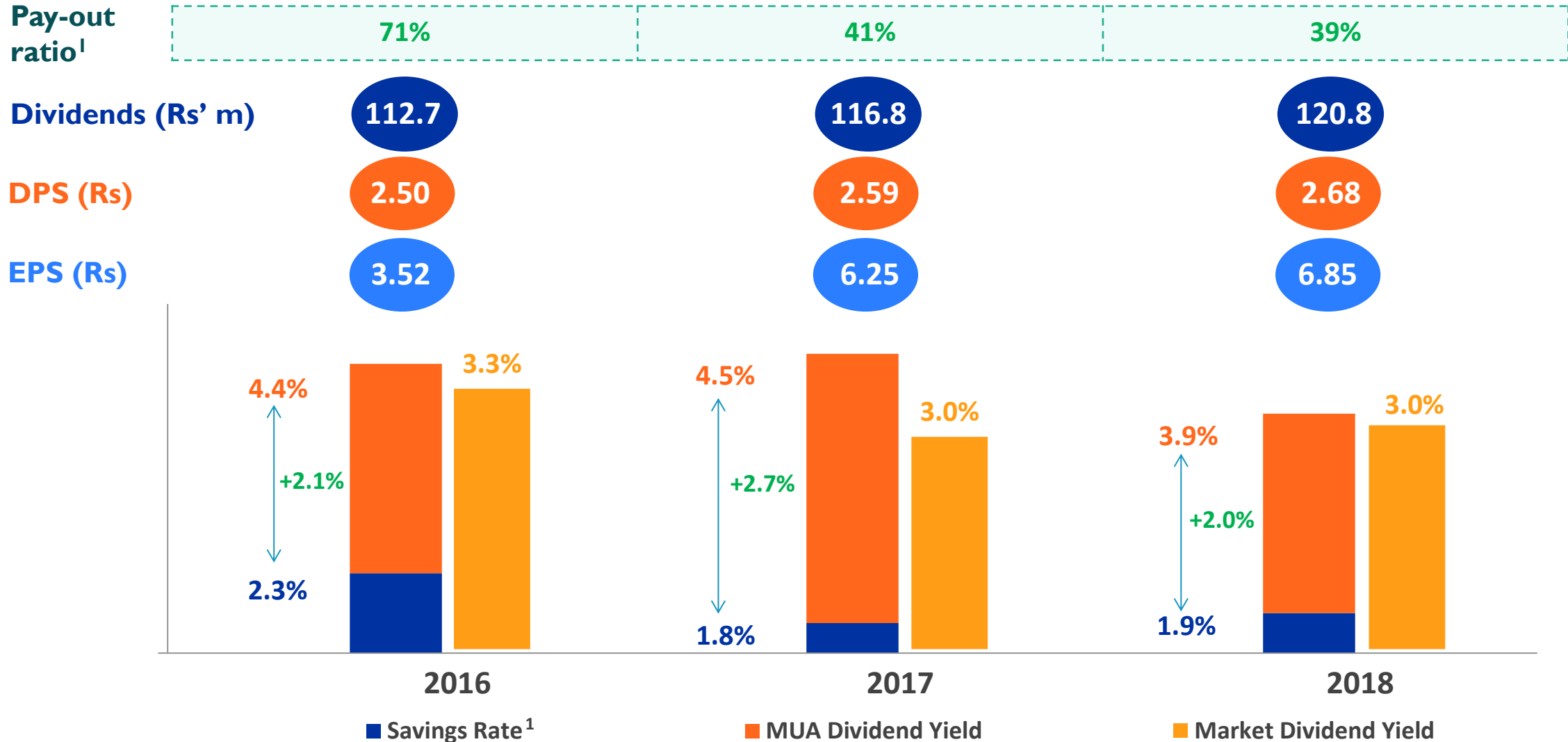
Note: YTD market quotes are as at 17<sup>th</sup> April 2019

# INTRODUCTION AND HIGHLIGHTS



## INVESTORS FIGURES

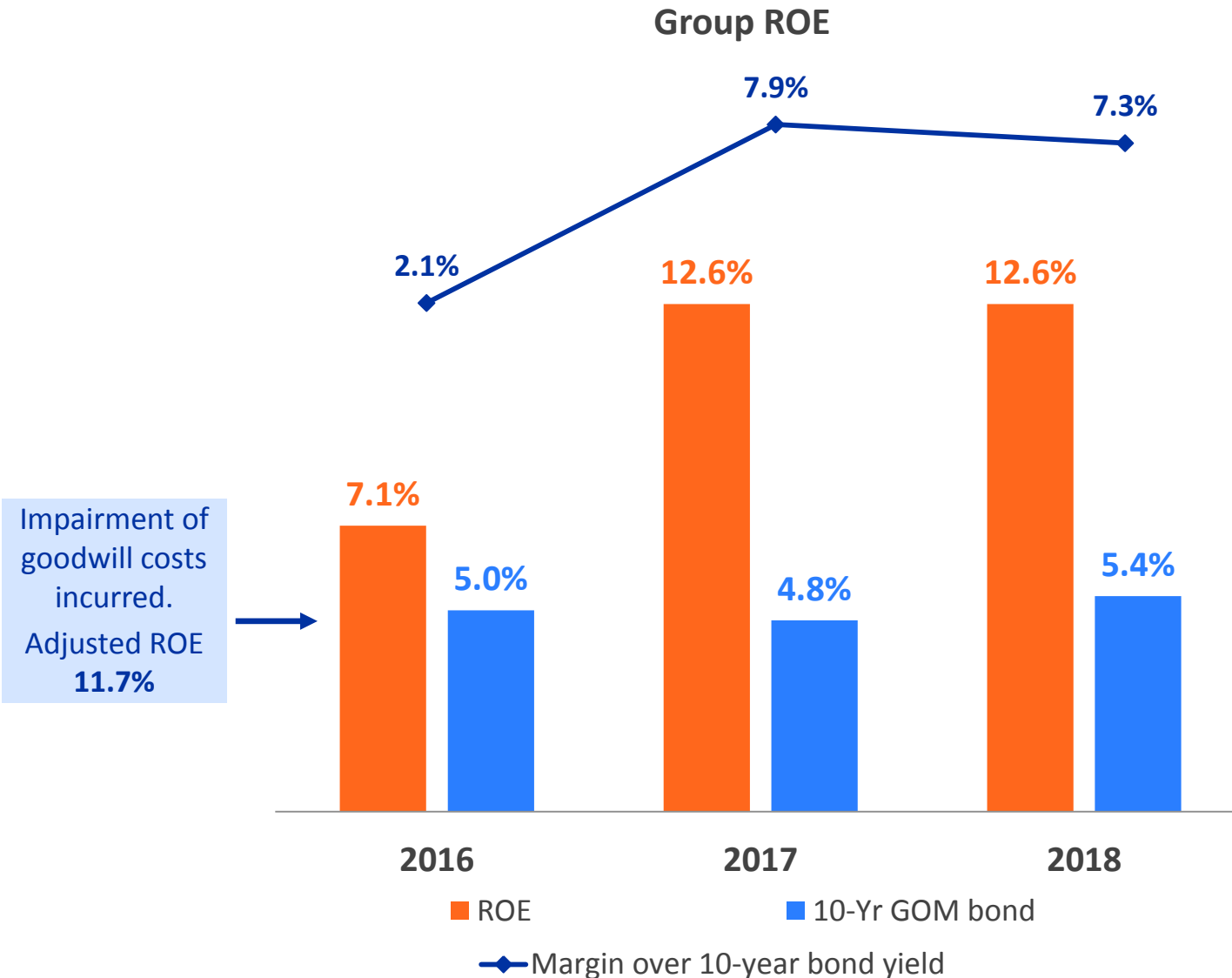
MUA share yielding an average 227 bps above savings rate over the last 3 years



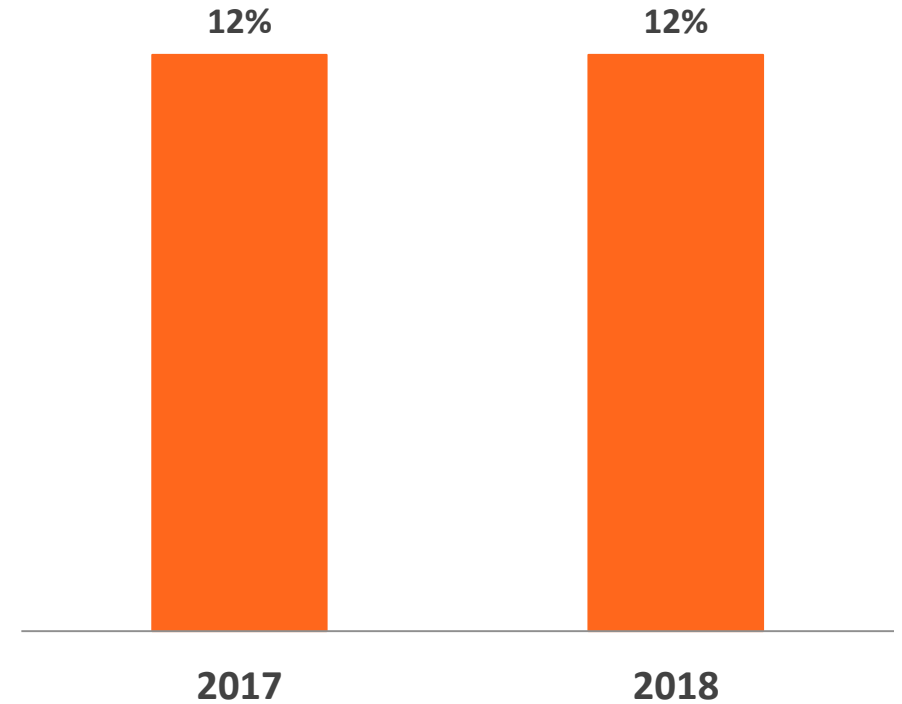
1. Group pay-out ratio (dividend per share / earnings per share). 2. Average SBM and MCB interest rates on banks' savings account.

# INTRODUCTION AND HIGHLIGHTS

## Strong Return on Equity – Outperforming the market



### Debt Gearing<sup>1</sup> Stable group gearing



1. Group debt gearing: (Preference share capital + Subordinated Bonds)/Equity.

The background is a solid blue color with several thick orange lines forming a geometric pattern of triangles and polygons. The lines are positioned on the left side of the frame, creating a dynamic, abstract design.

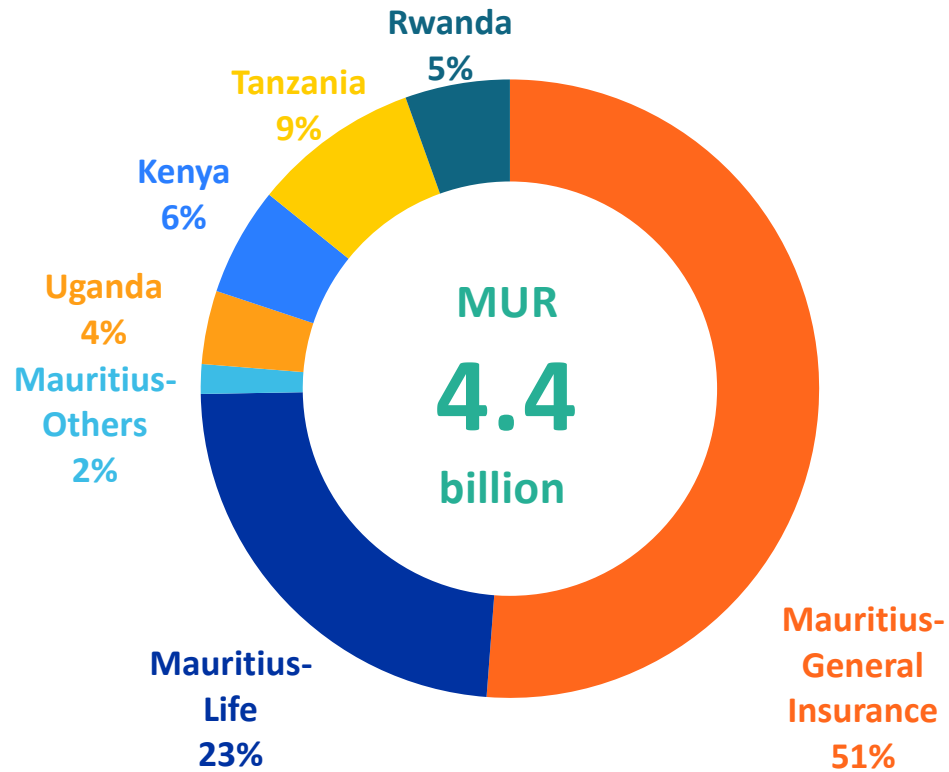
# **GROUP FINANCIAL REVIEW**

# INTRODUCTION AND HIGHLIGHTS

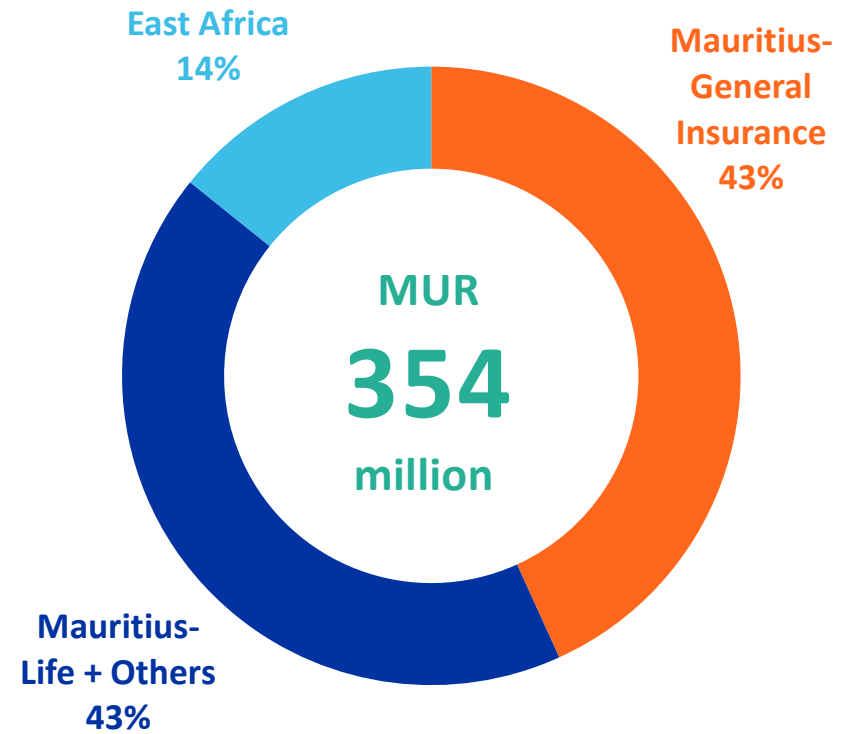
## KEY PERFORMANCE DRIVERS



### Revenue by Country



### PAT by Region



Note: Mauritius-Others includes pension, mutual fund and stockbroking

# GROUP FINANCIAL REVIEW



## ROBUST EARNINGS

Key geographies delivering stable profit after tax (PAT) growth

Earnings  
MUR **304** Million  
**MAURITIUS**

**+12%**

Earnings  
MUR **4** Million  
**UGANDA**

**+7%**



Earnings  
MUR **64** Million  
**TANZANIA**

**+87%**

Earnings  
MUR **(32)** Million  
**KENYA**

**(20)%**

Earnings  
MUR **20** Million  
**RWANDA**

**(26)%**

- Scale
- Limited premium growth vs. operating expenses.

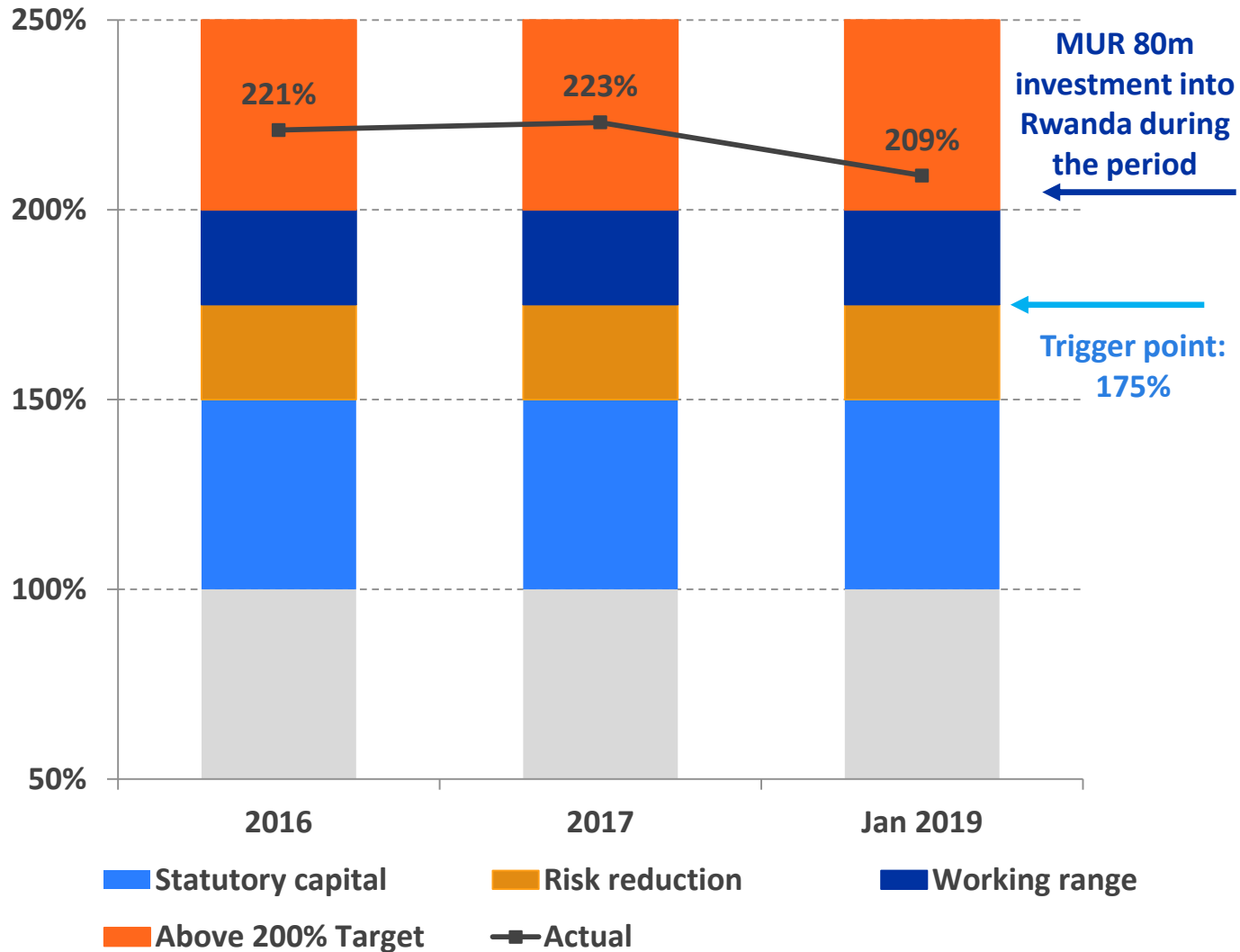
- Upwards revision in IBNR reserves
- Accounting treatment correction



# GROUP FINANCIAL REVIEW

## SOLVENCY

Above target solvency cover

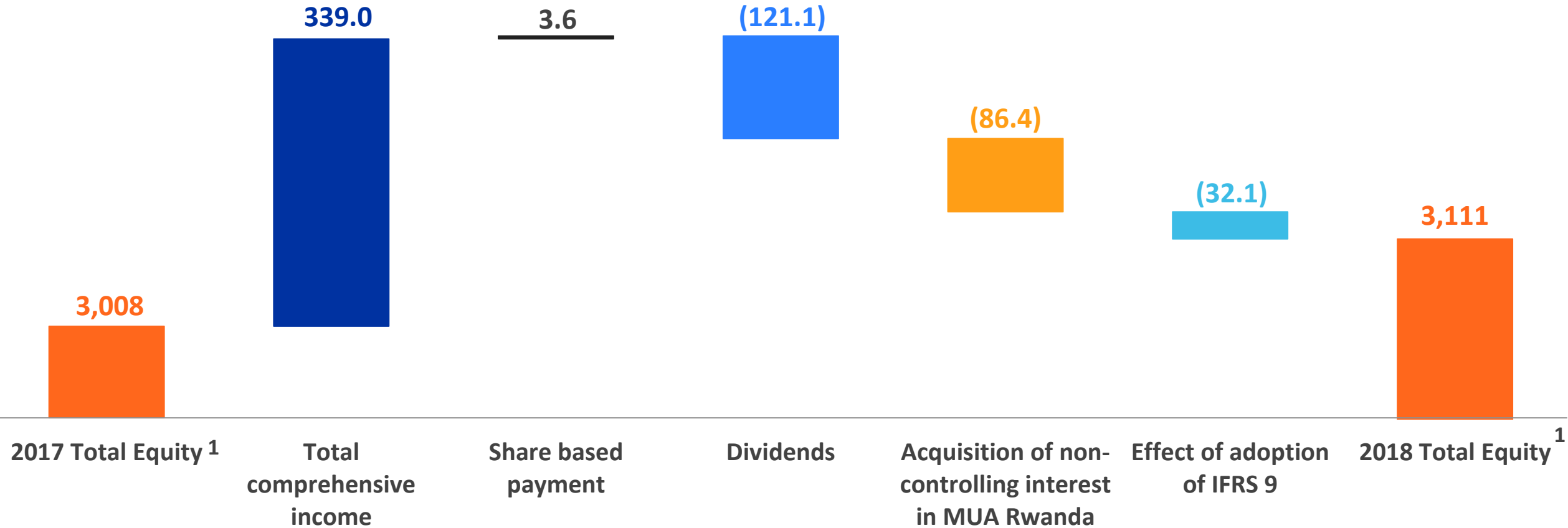


# GROUP FINANCIAL REVIEW

## BALANCE SHEET – SHAREHOLDER’S EQUITY



Rs' m

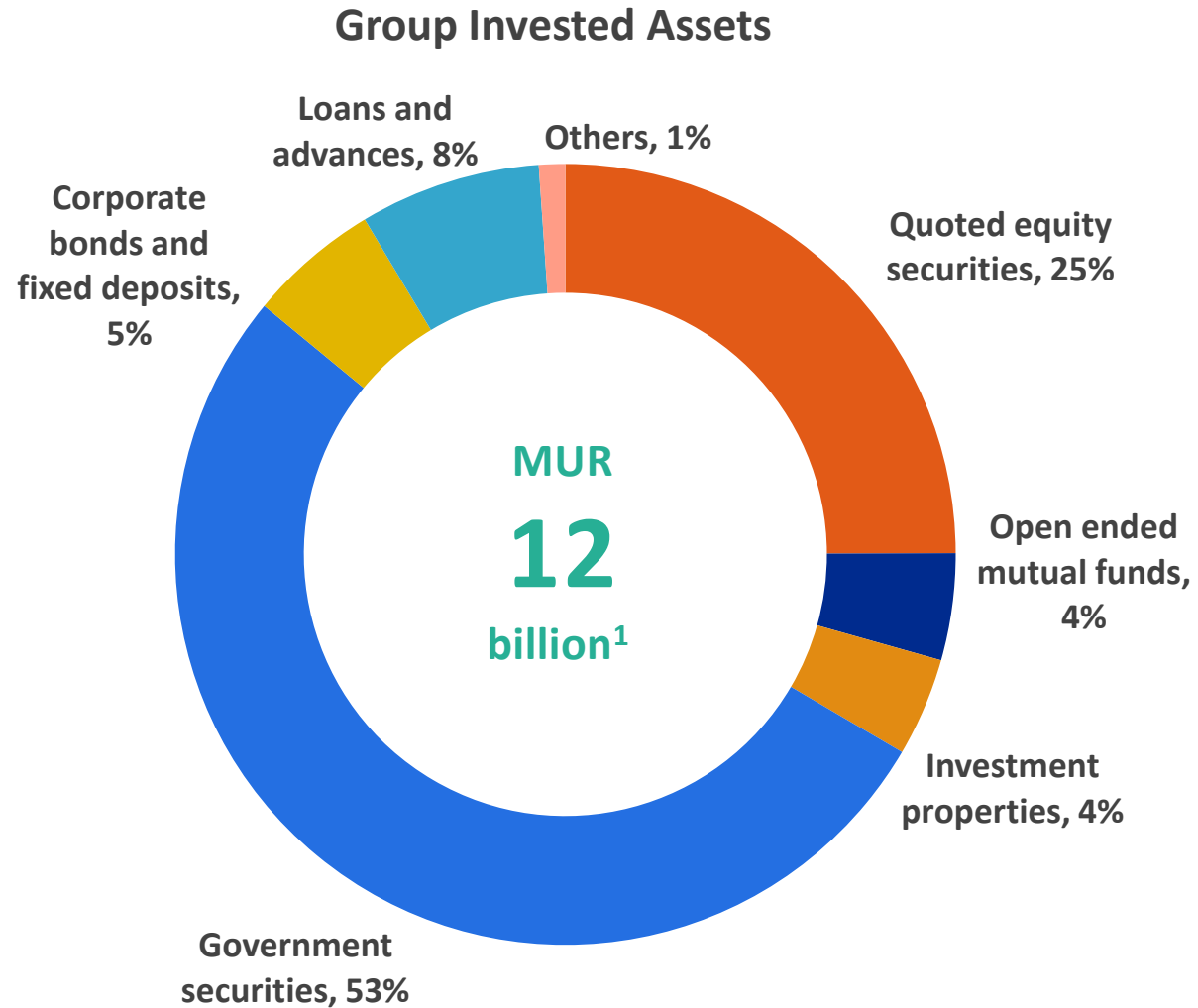


1. Includes non controlling interests.

Note: All figures based on MUA Group

# GROUP FINANCIAL REVIEW

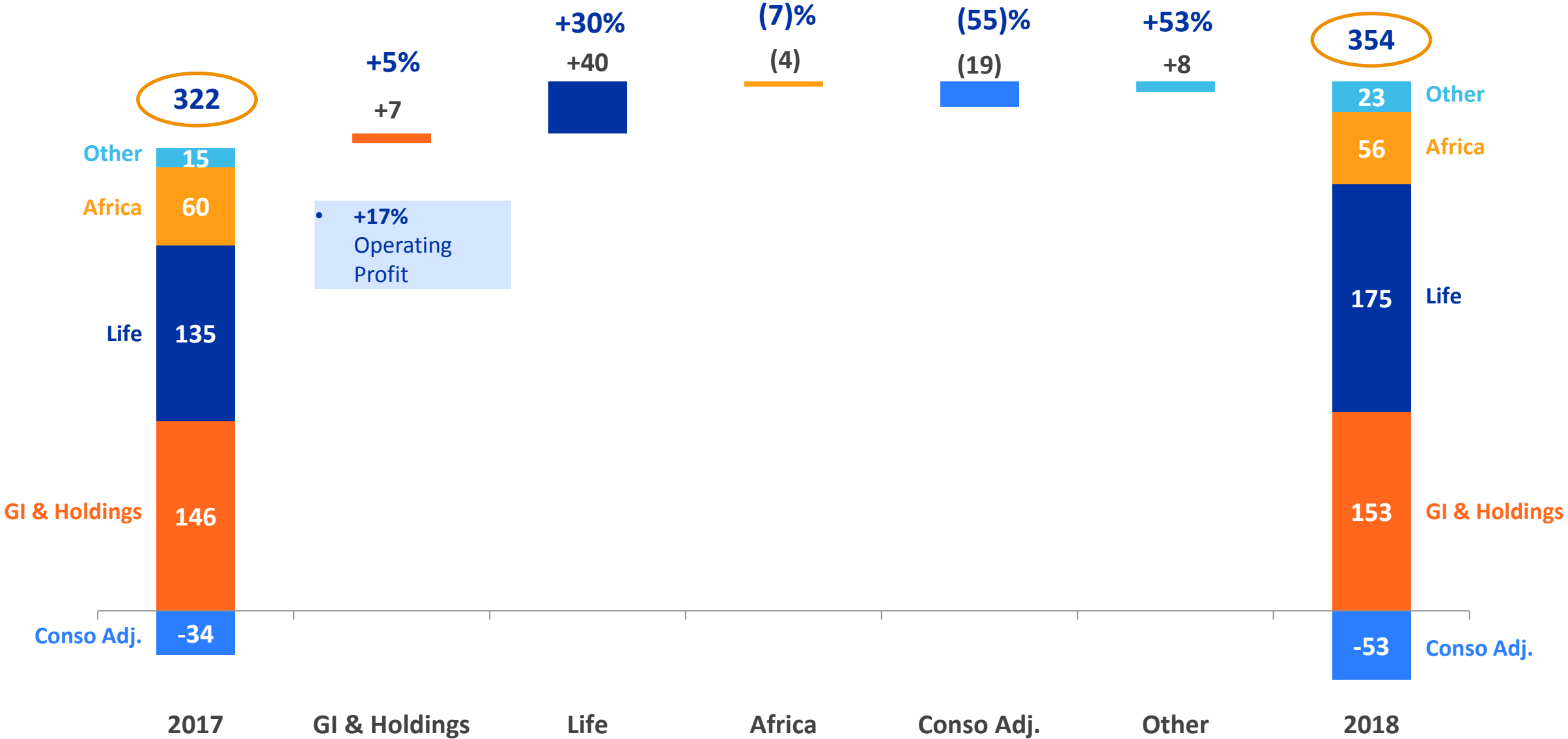
## BALANCE SHEET - ASSET QUALITY



1. Income generating assets

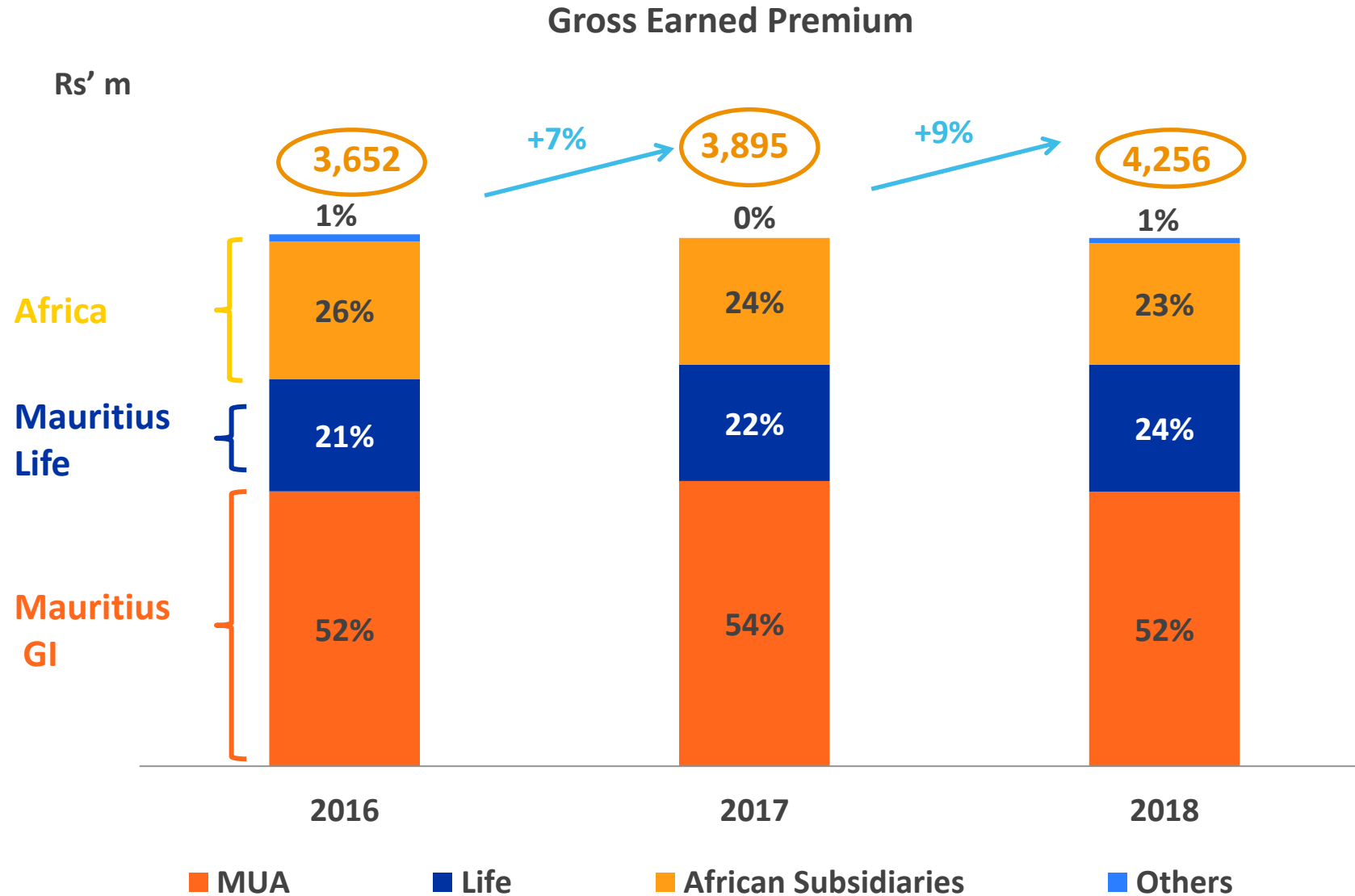
# GROUP FINANCIAL REVIEW

## GROUP PROFIT AFTER TAX



# GROUP FINANCIAL REVIEW

## GROSS EARNED PREMIUM – IMPORTANCE OF DIVERSIFICATION





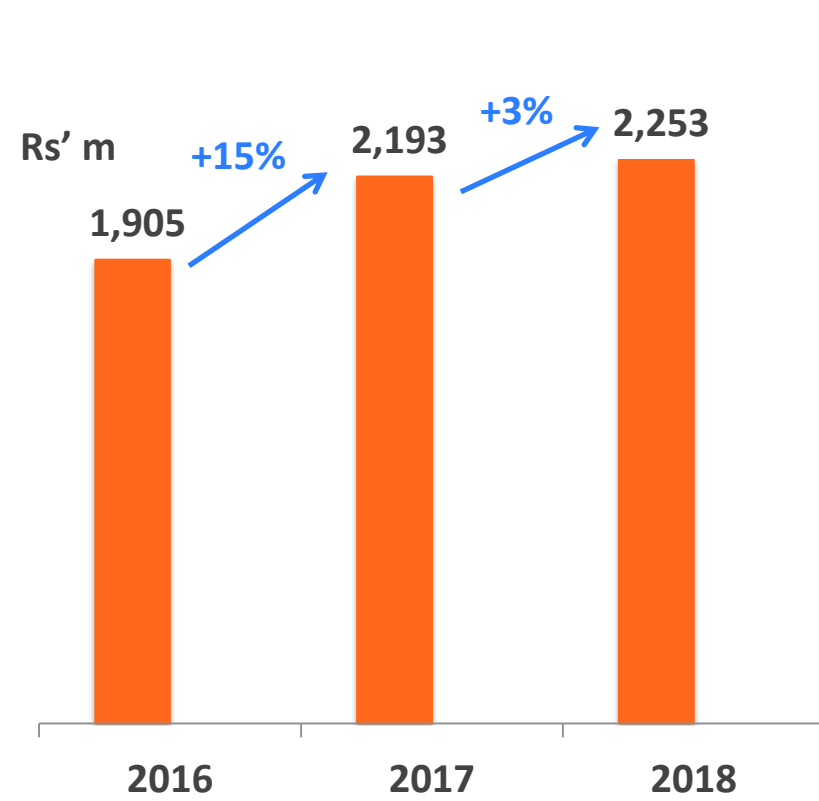
# **BUSINESS PERFORMANCE**

# BUSINESS PERFORMANCE

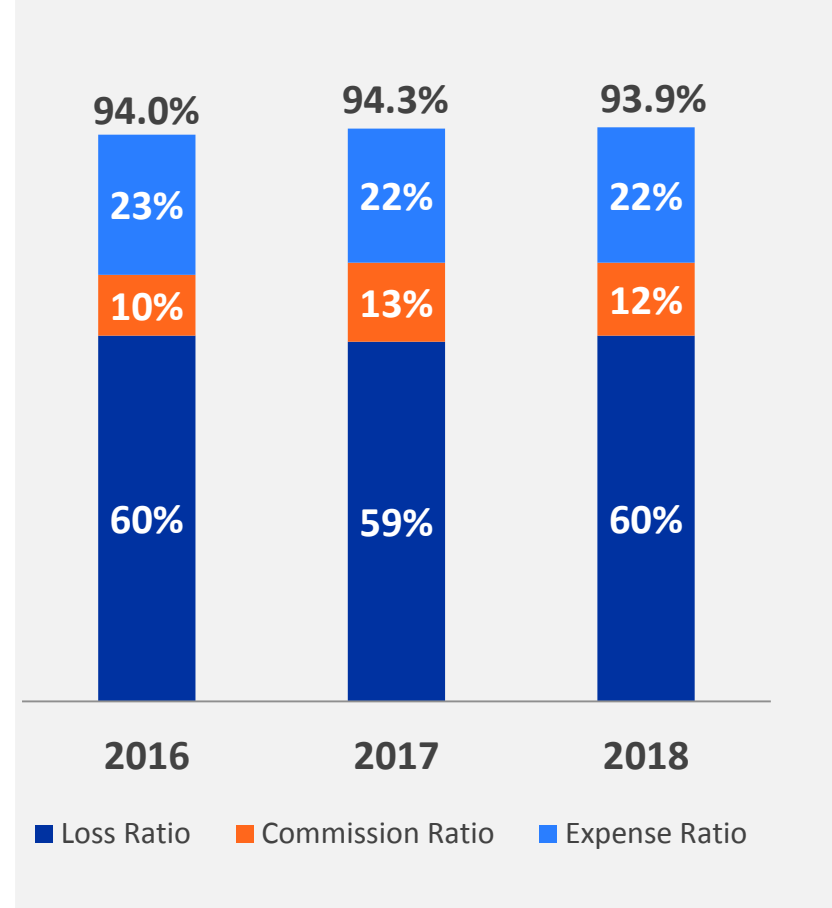
## MAURITIAN OPERATIONS - GENERAL INS: Strong Overall Performance



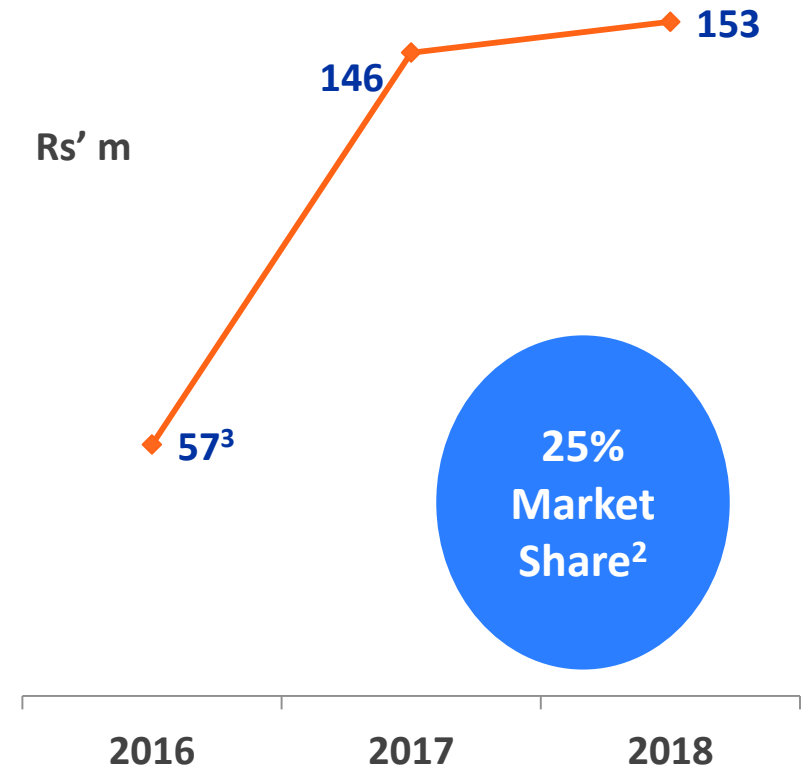
Gross Written Premium



Combined Ratio<sup>1</sup>



Profits after Tax



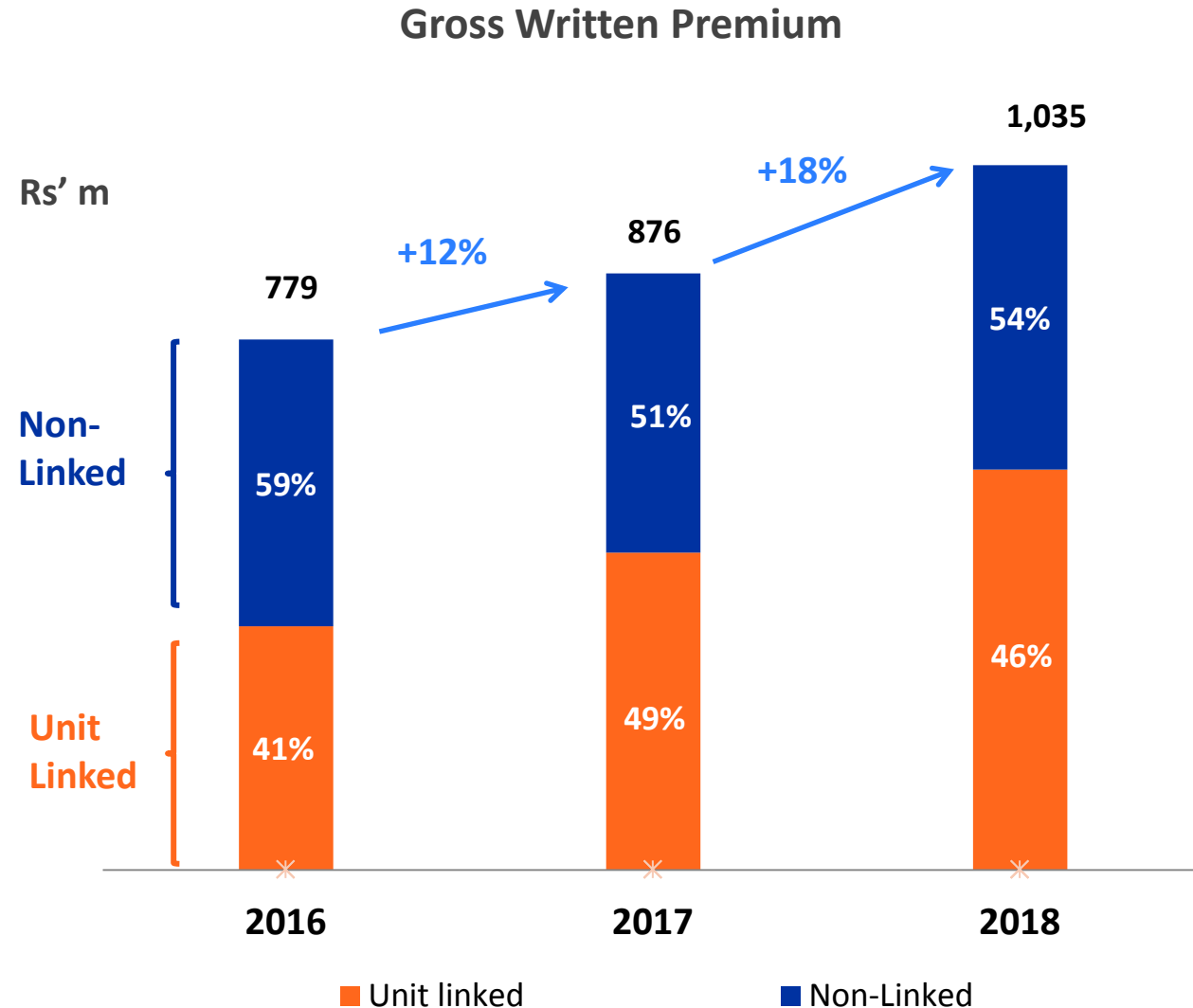
1. MUA Combined Ratio excludes African Subsidiaries' costs.  
 2. Based on latest available market share figures (2017). Market share based on GWP.  
 3. PAT for 2016 is net of impairment of African subsidiaries (Rs104m).

# BUSINESS PERFORMANCE

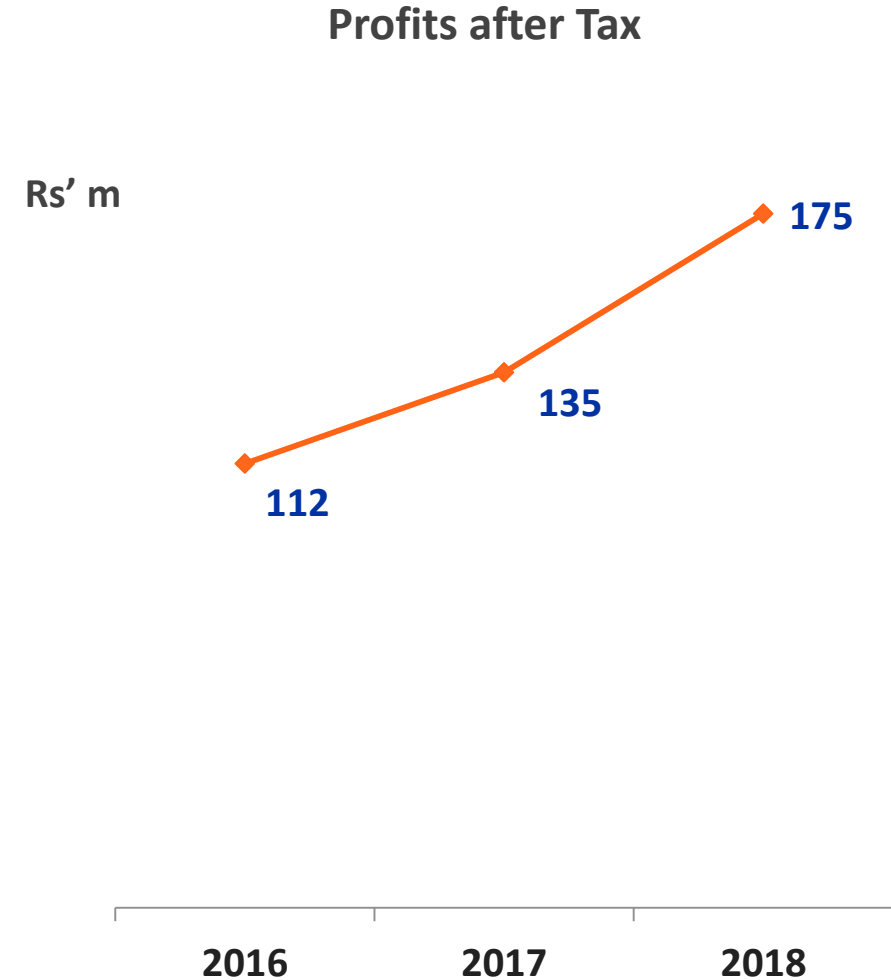
## MAURITIAN OPERATIONS - LIFE INS: Strong Consistent Growth Fuelled by New Business Capture



### Gross Written Premium



### Profits after Tax



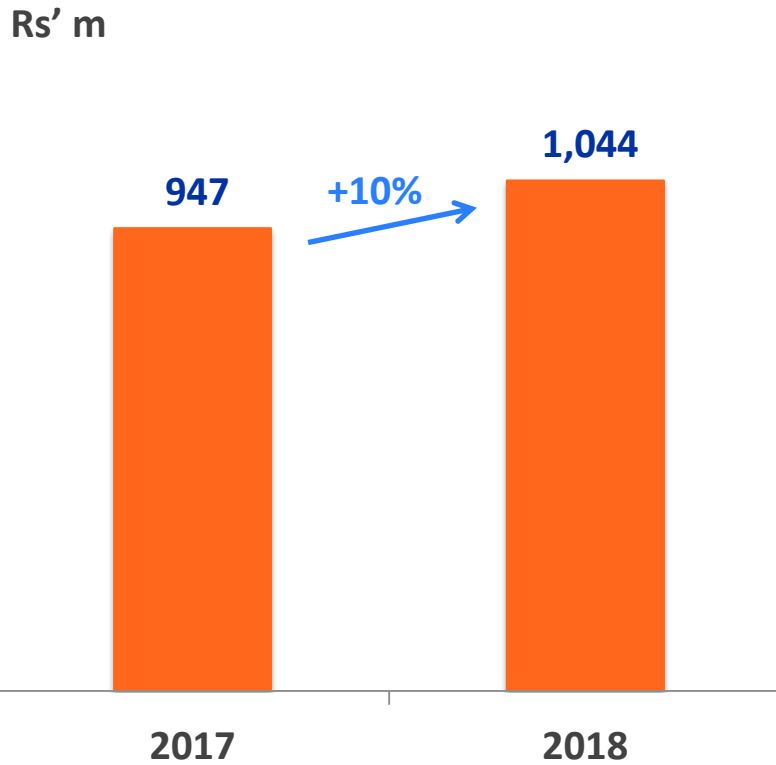


# BUSINESS PERFORMANCE

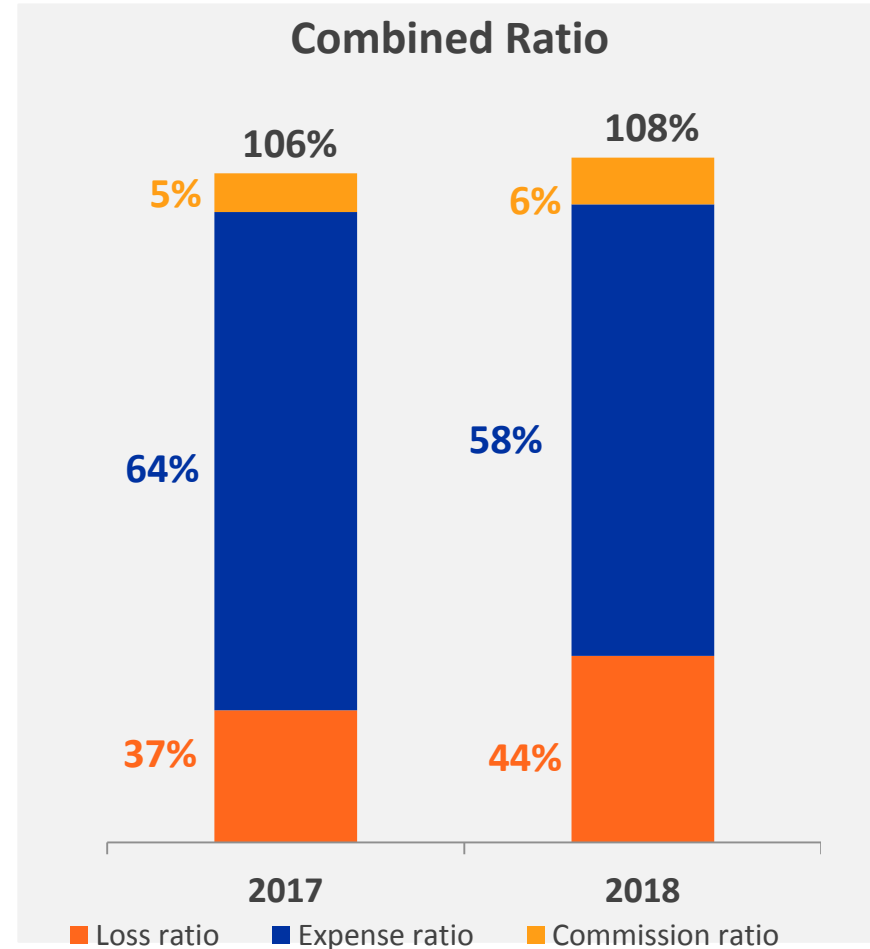
## EAST AFRICAN OPERATIONS: Stable Profitability in 2018



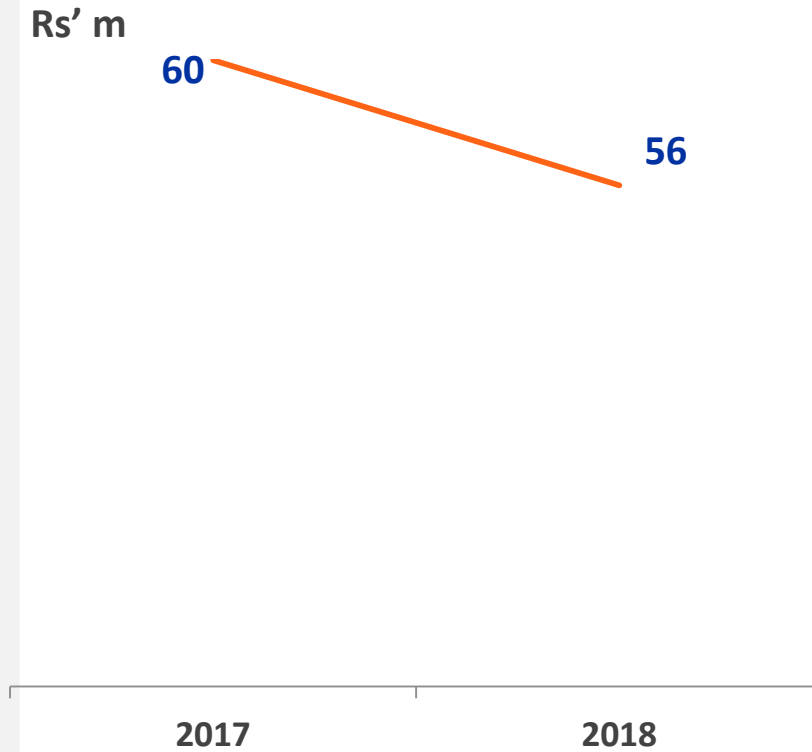
### Gross Written Premium



### Combined Ratio



### Profits after Tax



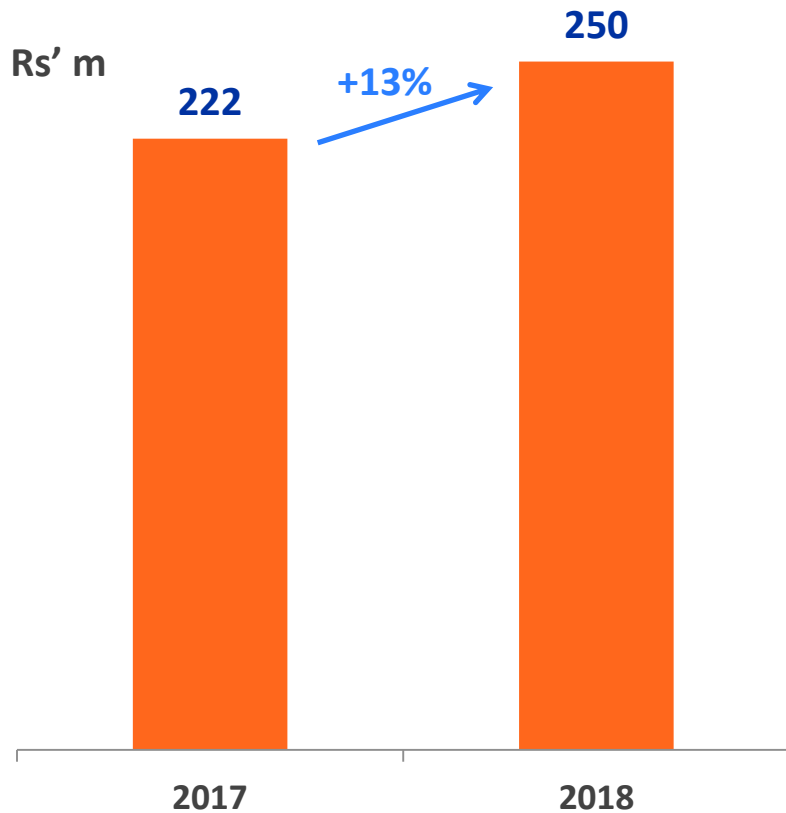


# BUSINESS PERFORMANCE

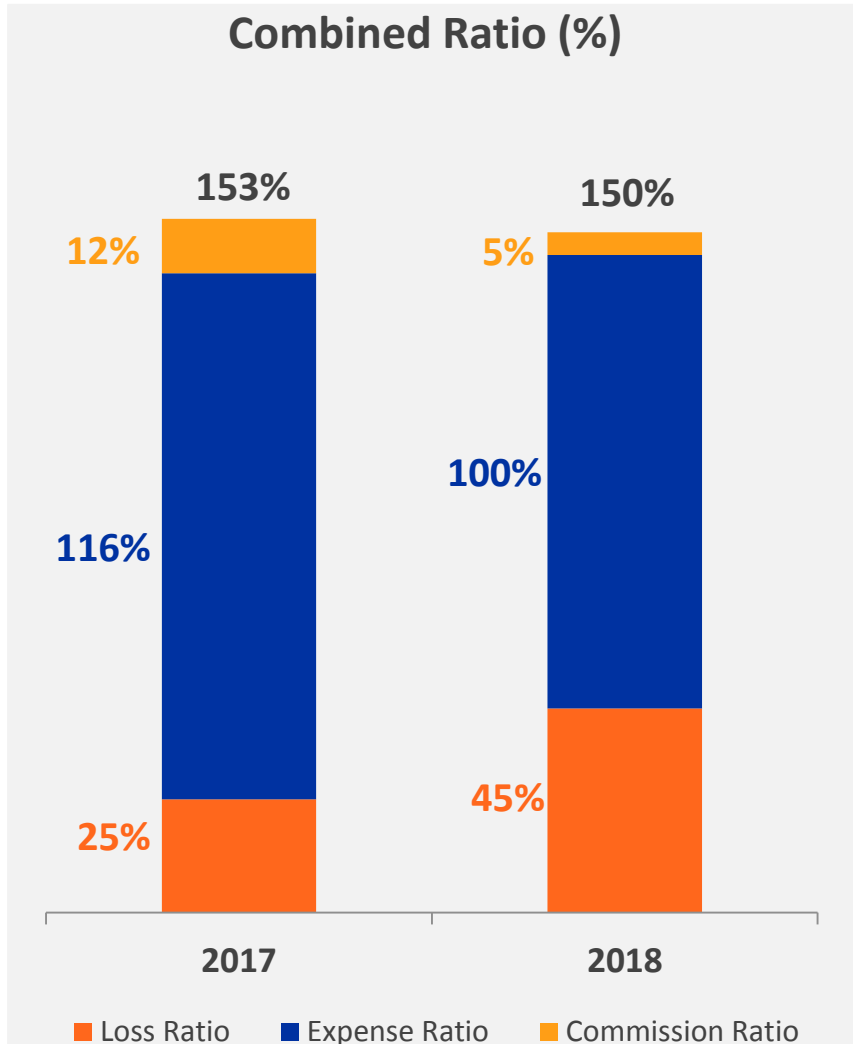
## MUA Kenya: Challenging Market Conditions



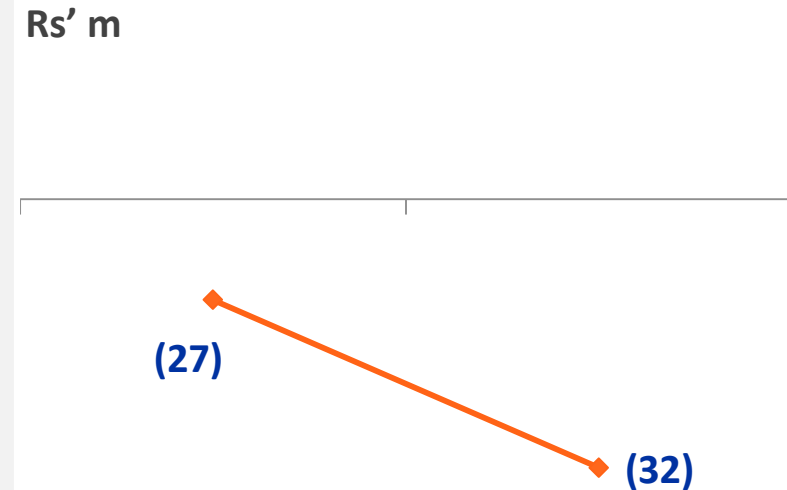
### Gross Written Premium



### Combined Ratio (%)



### Profits after Tax



≈ 1%  
Market Share<sup>1</sup>

1. Based on latest available market share figures (2017). Market share in terms of GWP



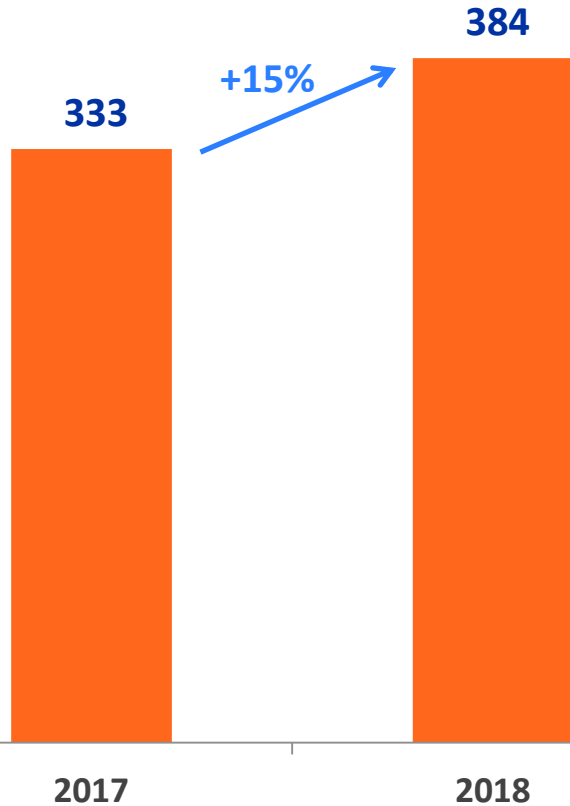
# BUSINESS PERFORMANCE

## Tanzania: Improving Performance despite the Market Conditions

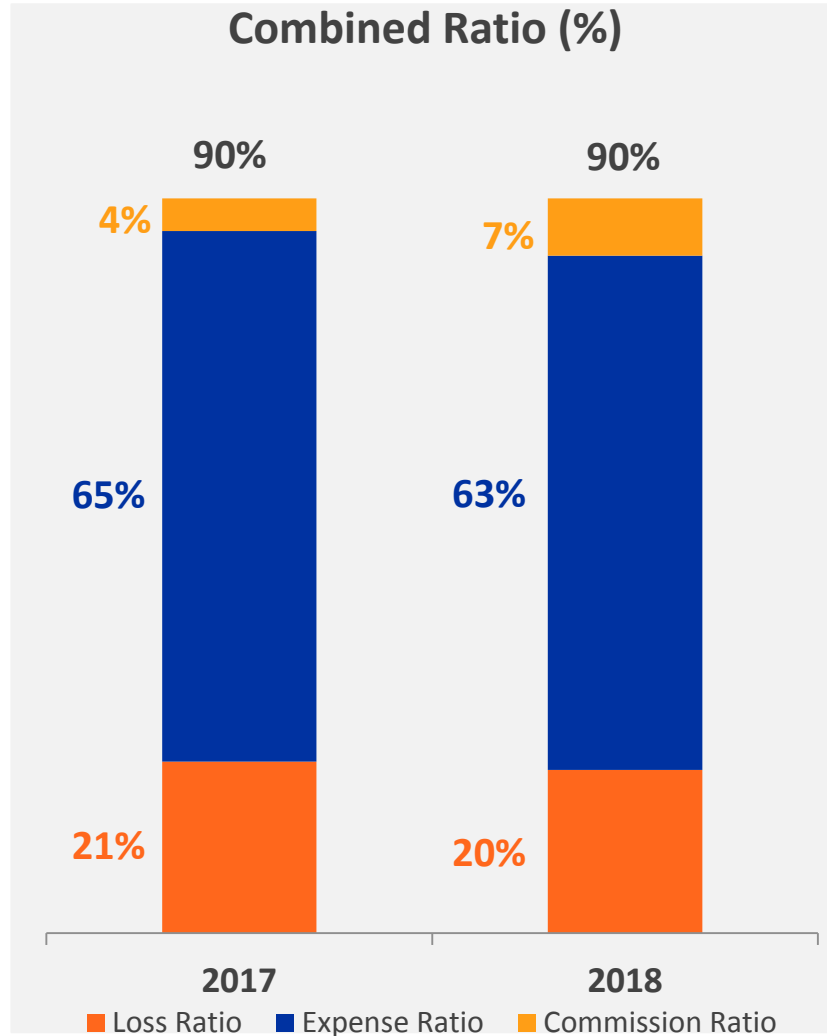


### Gross Written Premium

Rs' m

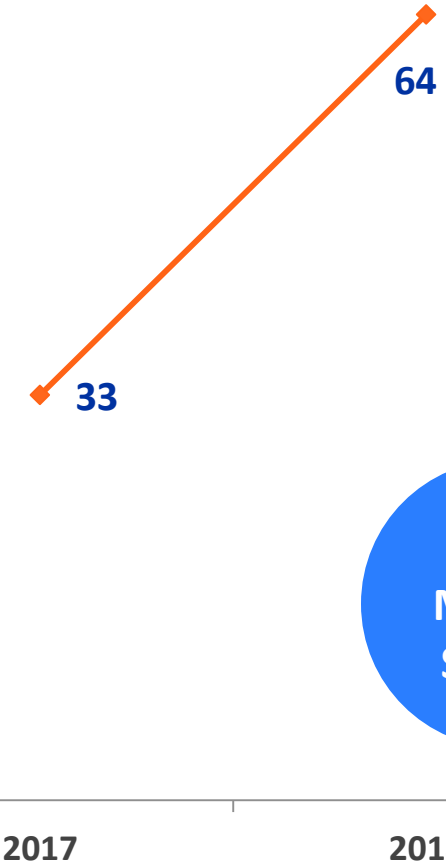


### Combined Ratio (%)



### Profits after Tax

Rs' m



1. Based on latest available market share figures (2017). Market share in terms of GWP



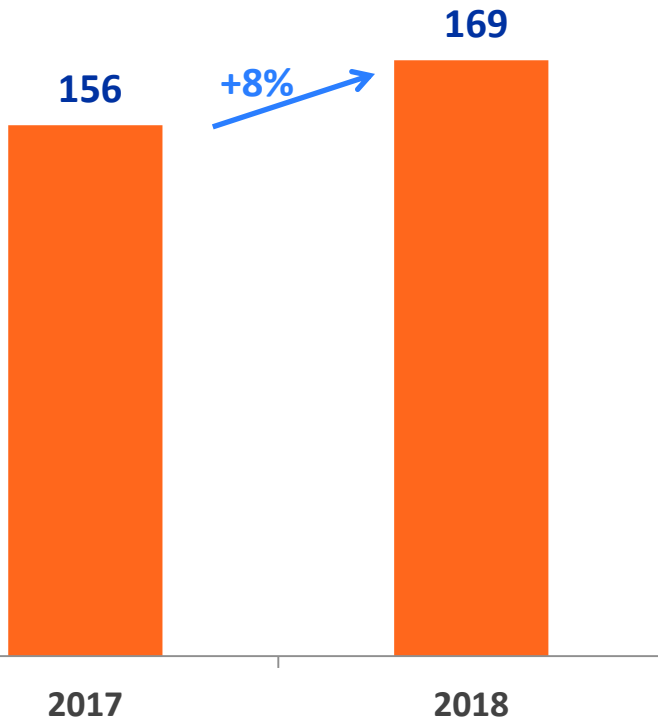
# BUSINESS PERFORMANCE

## MUA Uganda: Increase in PAT by 25%

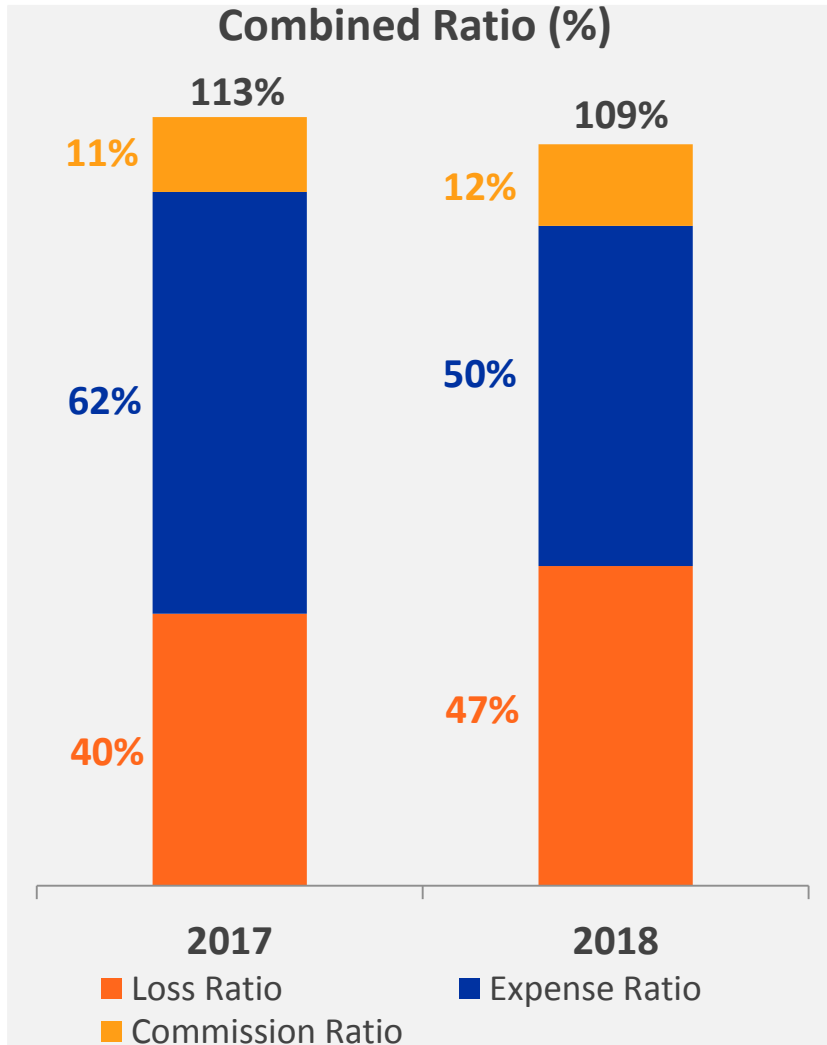


### Gross Written Premium

Rs' m

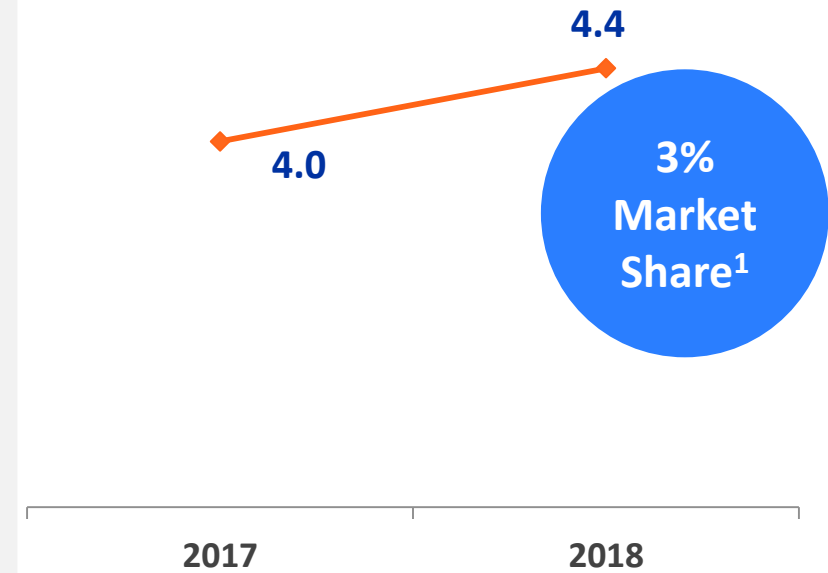


### Combined Ratio (%)



### Profits after Tax

Rs' m



1. Based on latest available market share figures (2017). Market share in terms of GWP

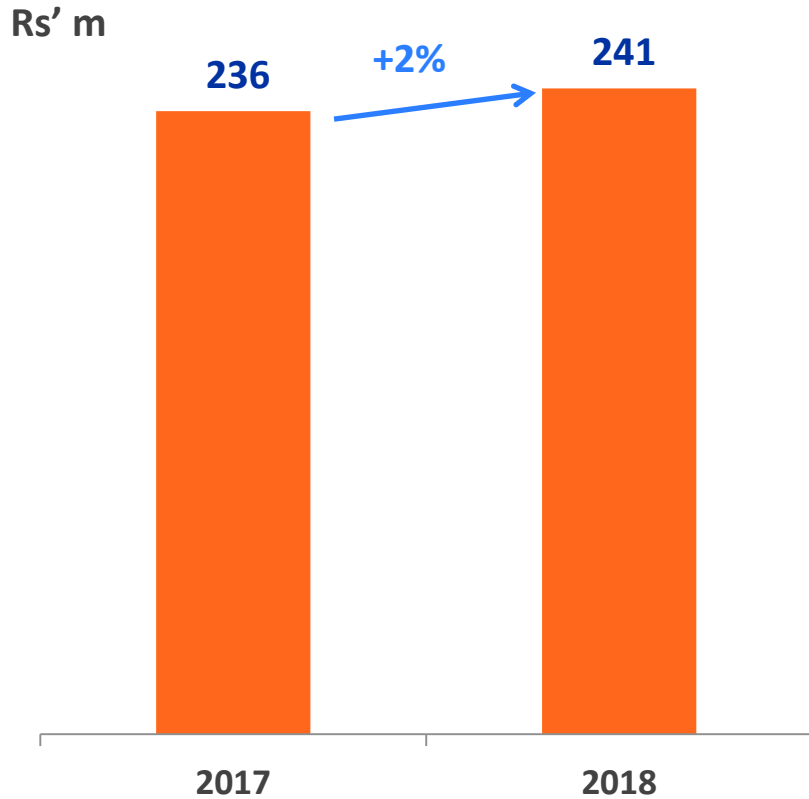


# BUSINESS PERFORMANCE

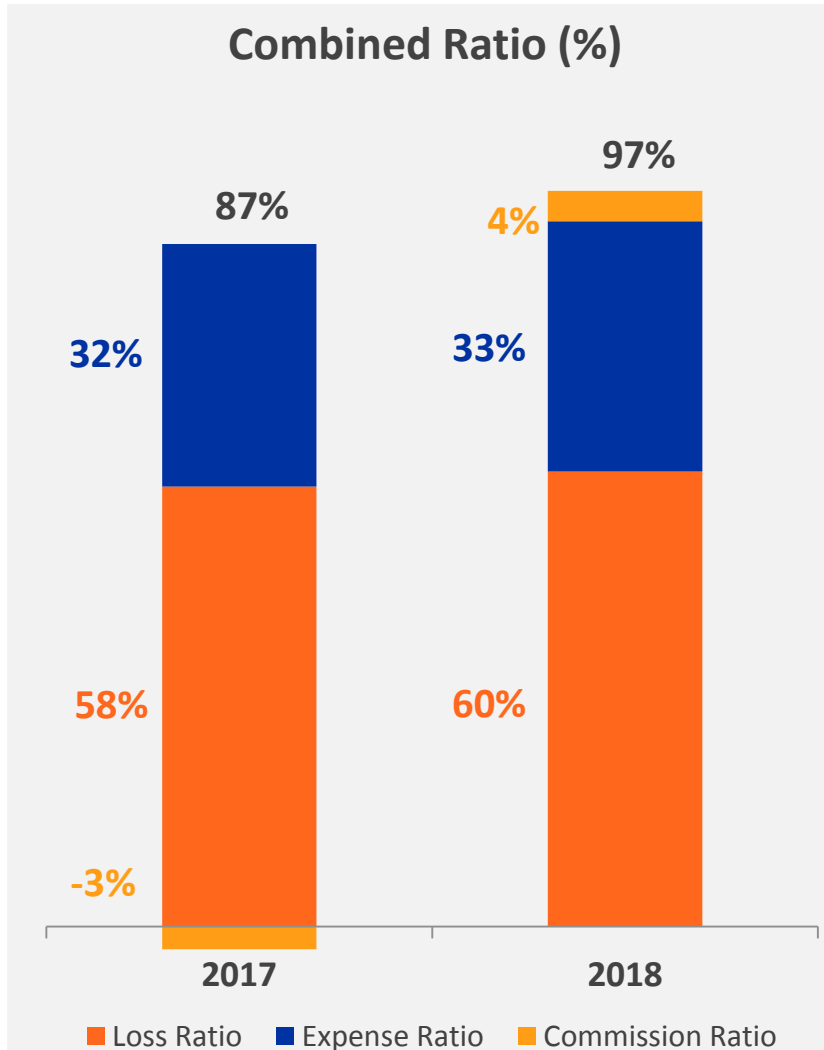


## MUA Rwanda: Increase in investment income by 26% partially mitigated the drop in operating profit

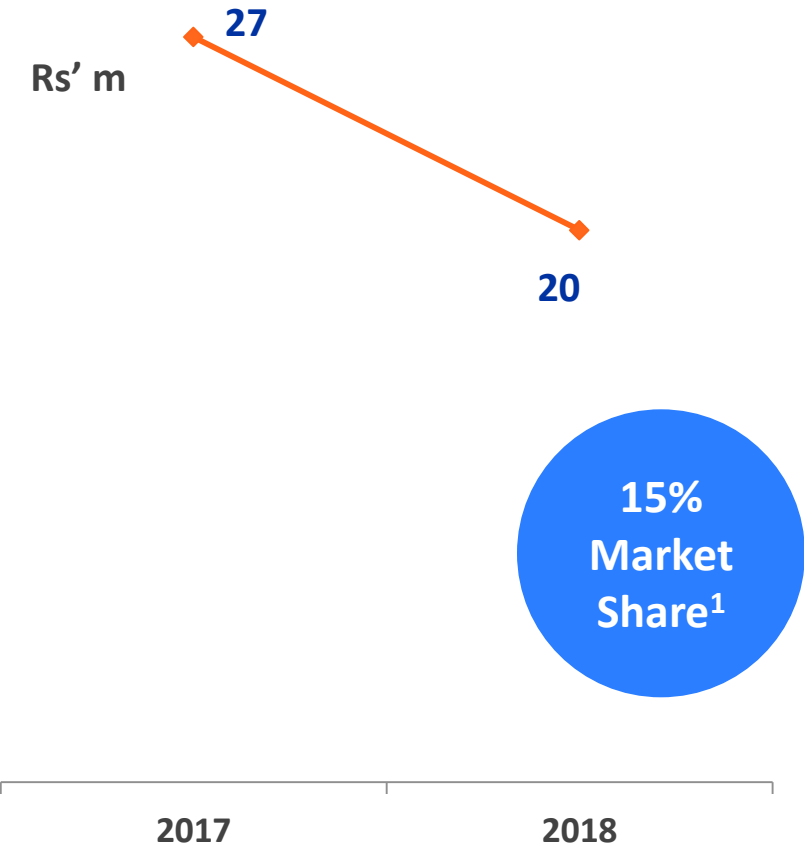
### Gross Written Premium



### Combined Ratio (%)



### Profits after Tax



1. Based on latest available market share figures (2017). Market share in terms of GWP. Excludes medical insurance.



## Investor Relations



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