

## Earnings - First Nine Months 2020

### General insurance and African operations continue as growth drivers

#### Press Release

13 November 2020

MUA Ltd (**MUA**) today released its financial results for the period ended 30 September 2020. Some of the **key highlights** include:

- Gross premium earned **up 15% to Rs 3,818m** (compared to Rs 3,325m as at September 2019)
- Net assets per share **up 4% to Rs 65.58** as at 30 September 2020 (compared to Rs 62.97 as at 31 December 2019)
- East African subsidiaries gross premium earned **increased by 37%**
- MUA Life Ltd gross premium earned **grew by 16% to Rs 989m** (Rs 855m as at September 2019)
- Profit after Tax **down 24% to Rs 203.6m** (versus Rs 266.8m as at September 2019)
- Earnings per Share **down to Rs 3.78** (compared to Rs 5.10 in September 2019)

MUA reported **strong revenue growth of 15%**, driven by positive performance from the East African subsidiaries of **+37%** (Rs 1,187m compared to Rs 865m for the same period in 2019), a portion of which can be attributed to **Saham Kenya**. **MUA Life insurance premiums grew by 16% and general insurance operations in Mauritius reported growth in premiums and operating profit of 4% and 226% respectively, with claims remaining under control.**

Group profit (down 24% for the period) **was impacted by non-operational, one-off transaction costs** (Rs 24m) related to the Saham Kenya acquisition and lower investment income attributable to volatile equity markets. **Despite the challenging context, operational results were strong across all subsidiaries including MUA Life and general insurance in Mauritius and East Africa.**



“As the **largest insurance company in Mauritius by market capitalisation**, MUA is **well diversified** in terms of **geographical** and **business line exposure**, with **29% of gross premiums** now coming from **East Africa**, up from 24% as at September 2019”, said **Bertrand Casteres**, MUA Group CEO. This diversification has **enabled MUA to stay resilient** during a year fraught with significant challenges for all sectors, and we remain confident in our ability to **meet the evolving needs of our clients, navigate the current financial volatility and deliver solid shareholder returns** over the medium term”.

MUA proceeded with a **Rights Issue** (“Issue”) in September, whereby existing MUA shareholders were given the opportunity to purchase new shares in the proportion of 1 new ordinary share for every 9 ordinary shares held, at a price of Rs 83.00 per share. The **Issue was fully subscribed with a total of Rs 415.8m raised**, the proceeds of which will be used to **refinance the acquisition** of Saham Assurance Kenya Limited. **The strong demand for the MUA Rights Issue is testament to investor confidence in the group** and represents a significant achievement for MUA, especially in a persistently volatile and uncertain financial environment as a result of the Covid-19 pandemic. The new ordinary shares started trading on the Stock Exchange of Mauritius on 13 November 2020.

Details of the results for the nine months ended 30 September 2020 will be available for download at [mua.mu](http://mua.mu) on **Monday 16 November 2020**.