



# INVESTOR MEETING



# AGENDA

- 1 INTRODUCTION & HIGHLIGHTS**
- 2 GROUP FINANCIAL REVIEW**
- 3 BUSINESS PERFORMANCE**
- 4 STRATEGIC PLAN UPDATE – TRANSFORM TO EMERGE STRONGER**



# **INTRODUCTION AND HIGHLIGHTS**



## Who we are

### Our hosts



**Joerg Weber**  
Group Chief Executive Officer



**Mehtab Aly**  
Group Chief Finance Officer



**Jérôme Katz**  
Head of Group Strategy &  
Investment

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### Access the presentation

The presentation will be available on our website following the webinar



[mua.mu](https://mua.mu)





## 2022 has been a year marked with challenges and uncertainty impacting profitability

### Group Highlights 2022

Leading  
Insurance  
Company



Largest Insurance  
Company <sup>1</sup>

Listed on the Stock Exchange of  
Mauritius

Share  
Price



**-18%**

Decline in share  
price in 2022



**+17%**

Gross Written Premiums  
in 2022



**-19%**

Profits after Tax  
in 2022

### 2022 Results



**-15.4%**

Total Return<sup>2</sup>

**8.0%**

Group Return on  
Equity

**2.6%**

Dividend Yield

**2.8x**

ROE Outperformance  
of Risk Free Rate<sup>3</sup>

1. Based on market capitalisation of Rs 6.3 billion as at 31 Dec 2022; 2. Holding period yield to shareholders; 3. Average 10-year Government of Mauritius Bond



# Strong growth in 2022, Kenya back on track but short-term inflation headwinds

## Introduction and Highlights 2022

### Short-term headwinds



- Unexpectedly **high inflation**
  - Sudden pressure on claims
- Sudden **rise in interest rates**
  - Decrease in value of shares and existing bond portfolio
  - Write-downs

### ...but structural, long-term tailwinds



- Business Volume
  - Mauritius **+20%**
  - EA **+12%** (despite portfolio cleaning in Kenya)
- Life with continued **high profitability** (MUR 269m)
- Turn around Kenya works (**loss cut in half** despite legacy reserve strengthening – already profitable without)
- **21% growth in EA** excluding KE (where turnaround required portfolio cleaning)



## MUA in Mauritius has maintained its position as an insurance leader despite challenging market conditions

### General Insurance

**23% Market Share**  
**> MUR 3,200m** in GWP

2<sup>nd</sup> in GWP  
2<sup>nd</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

**15% Market Share**  
**1% Growth Rate**

**> MUR 12,000m**  
funds under management

### Corporate Pension

**Pioneer** in Pension Fund Administration  
**Leader** Market Player  
**> 500** Corporate pension schemes

### Mutual Fund

**2 well diversified mutual funds**  
**> MUR 720m** AUM

### Stockbroking

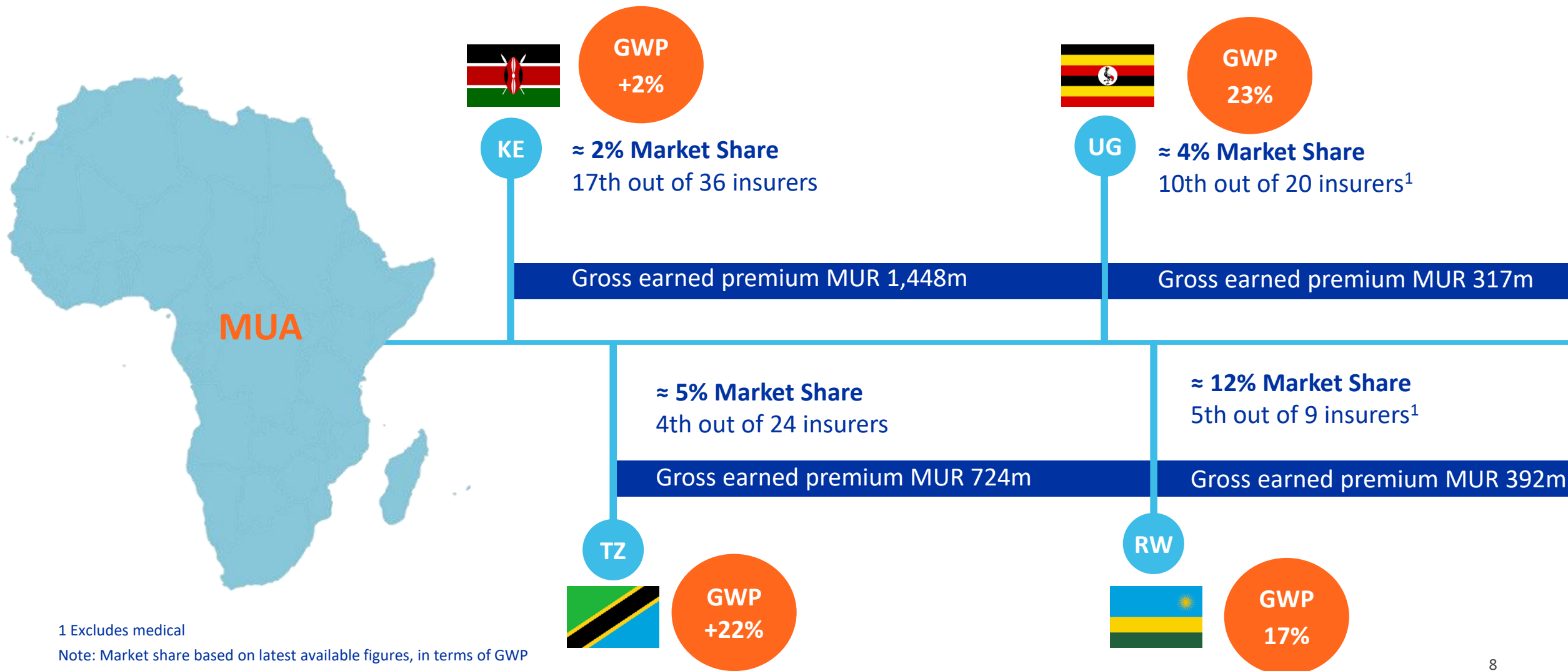
**Investment Dealer**  
Member of the Stock Exchange of Mauritius

Note: Market share based on latest available figures 2021, in terms of GWP (FSC Statistics).



# East Africa is an important pillar of the business with high profitability potential

## Success in East Africa



<sup>1</sup> Excludes medical

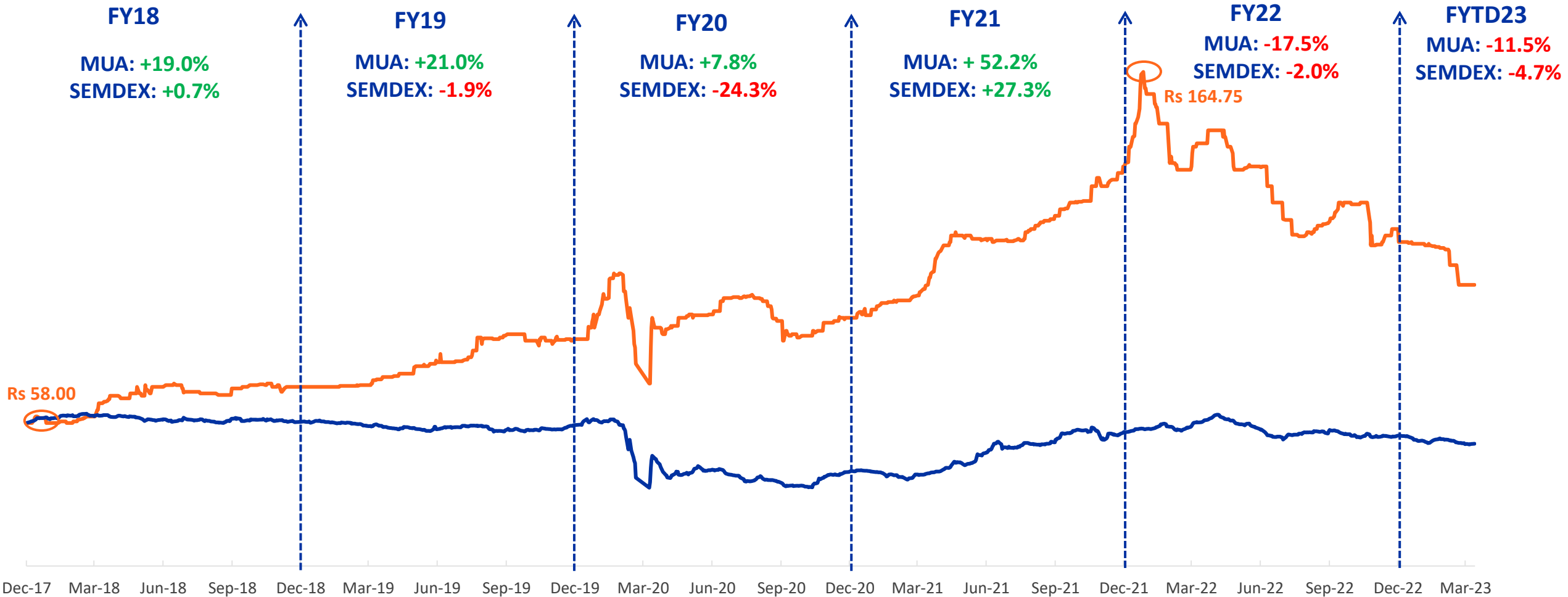
Note: Market share based on latest available figures, in terms of GWP





Since Dec-17 to Dec-22, MUA share price increased by **+94.8%**, SEMDEX: **-6.7%**

MUA share price performance – SEMDEX and highlights

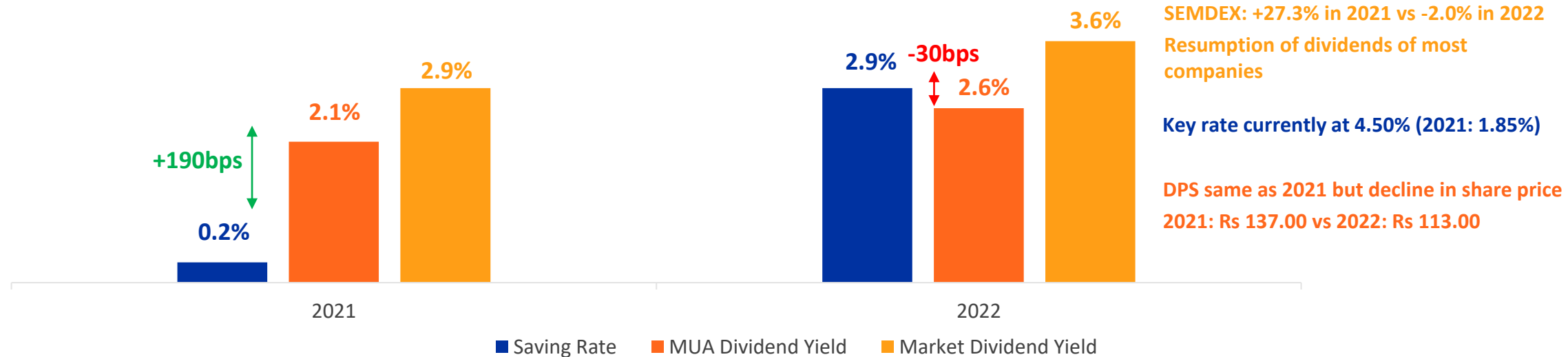
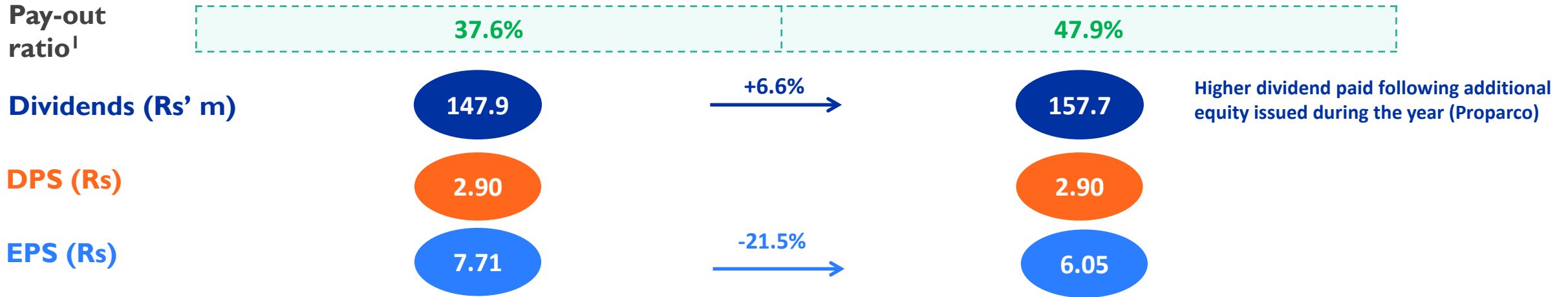


MUA  
SEMDEX

MUA-PUBLIC



# Consistent DPS; lower EPS and higher total dividends paid as a result of new capital issued

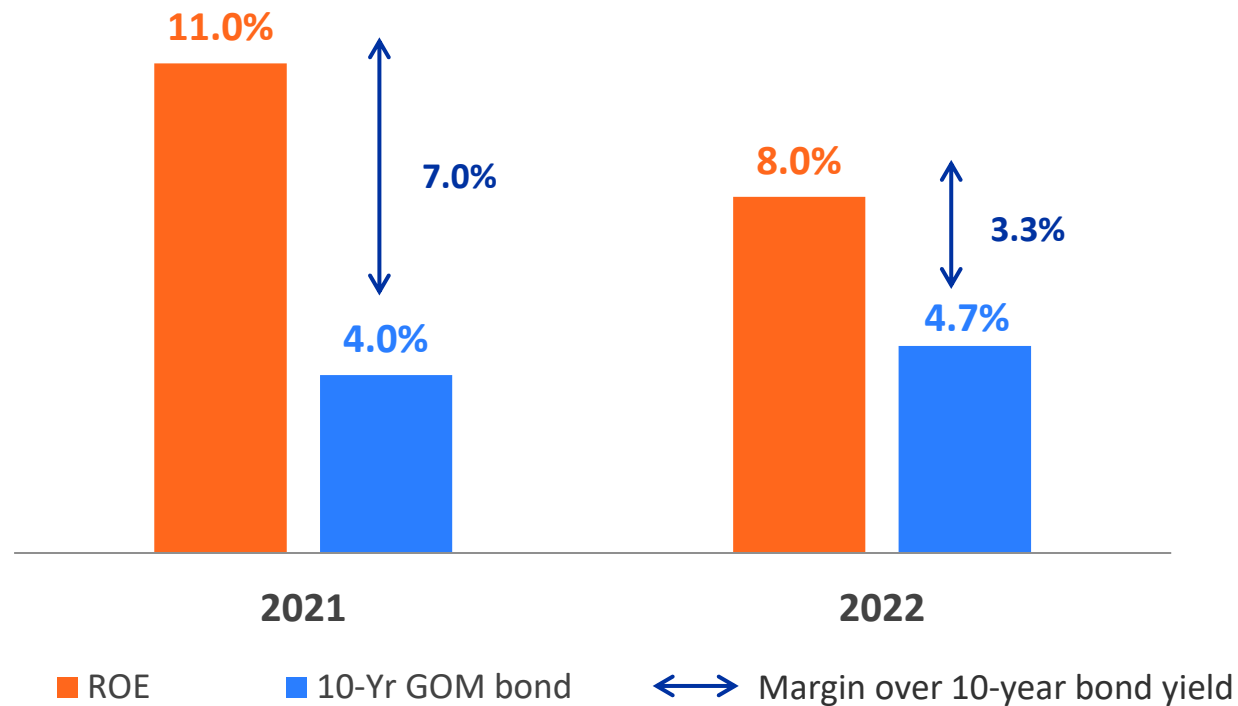


1. Group pay-out ratio (dividend per share / earnings per share). 2. Average SBM and MCB interest rates on banks' savings account.



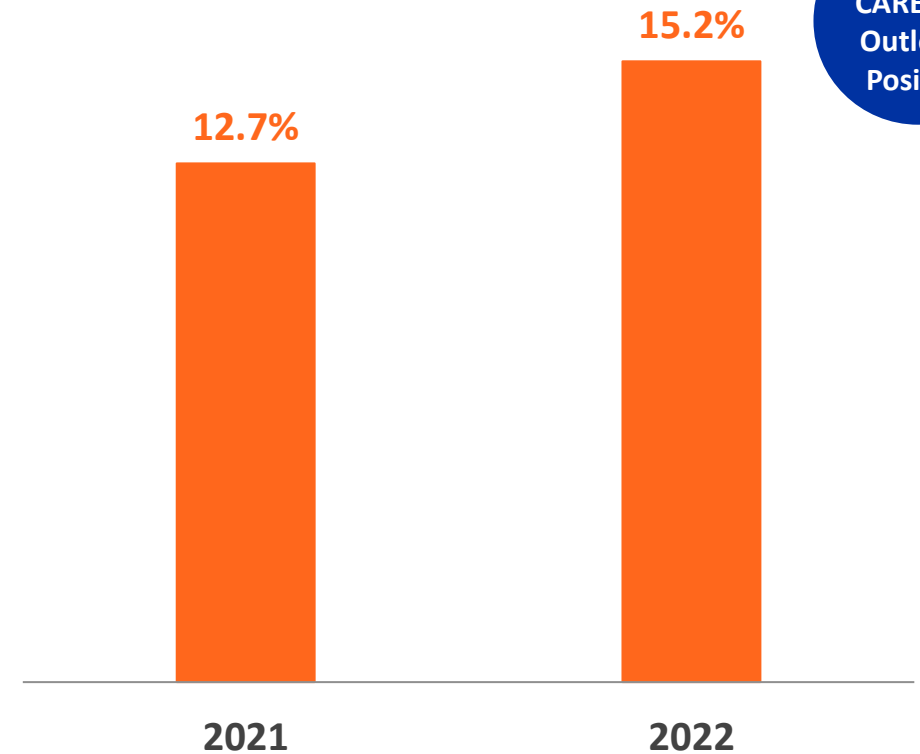
## Declined ROE with a rise in gearing to support business expansion

### Group ROE<sup>2</sup>



### Gearing<sup>1</sup>

Sept 2019: Issuance of floating rate note of Rs 500m  
 June 2021: Issuance of fixed rate note of Rs 100m  
 Dec 2022: Short term fixed rate bank loan of Rs 200m



Debt rated  
 CARE AA-  
 Outlook:  
 Positive

1. Group gearing: Total Debt/Equity + Debt; portion of debt in fixed: 38% vs floating: 62% and all rated

2. Average 10Yr GOM Bond yield on secondary market

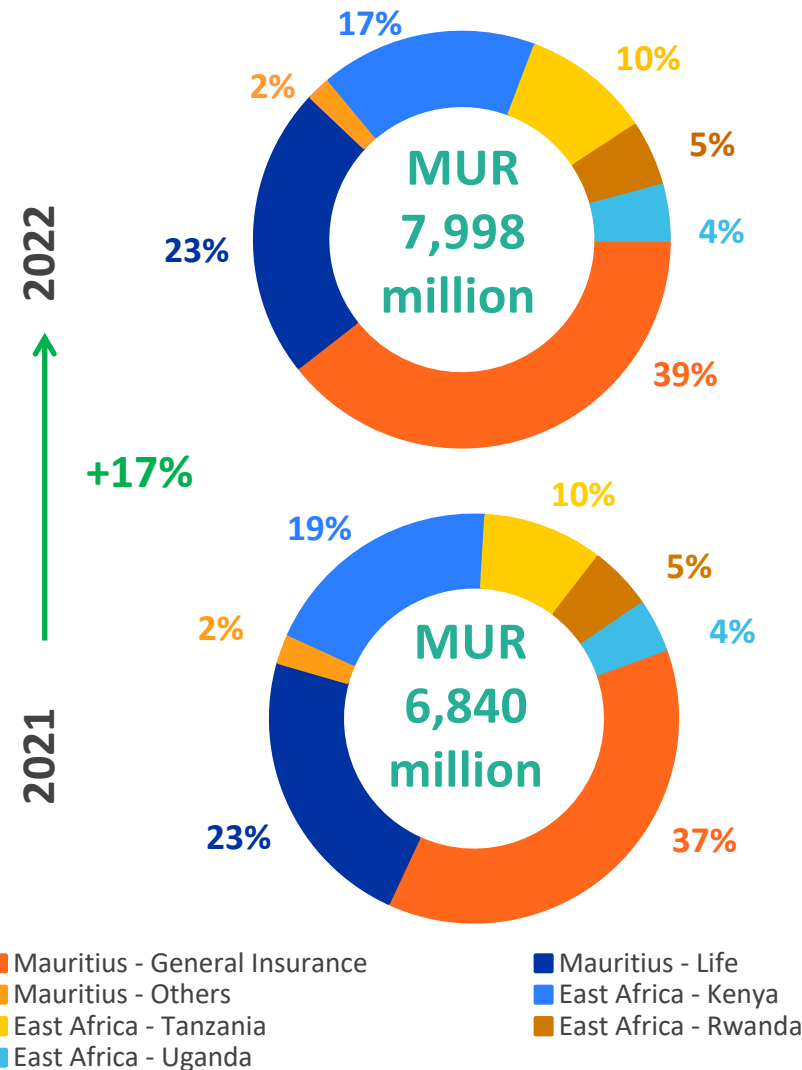
The background is a solid blue color with several thick orange lines forming a geometric pattern of triangles and polygons. The lines intersect to create various shapes, some of which are filled with a darker blue color.

# **GROUP FINANCIAL REVIEW**



# Increase in Group Revenue: premium growth and underwriting surplus

## Group Revenue



**Mauritius** ↑ +20%

### General Insurance

- ✓ 23% premium growth from Rs 2.6Bn to Rs 3.2Bn (new schemes and international partnerships)

### Life

- ✓ 17% premium growth from Rs 1.6M to Rs 1.8M, driven by 23% growth on protection business and 19% growth on Unit linked

### Others

- ✓ Increase in MUA Pension (+19%) – set up of PGRF
- ✓ Slight decline noted on MUA Mutual fund (-9%) and MUA stockbroking (-1%)

**East Africa** ↑ +12%

### Kenya

- ✓ 2% growth in premium

### Tanzania

- ✓ 22% growth in premium
- ✓ Growth from reinsured lines of business (Accident: 44%, Aviation: 58%)

### Uganda

- ✓ 23% growth in premium
- ✓ Growth in Accident (43%), Fire & engineering (20%), Marine (55%)

### Rwanda

- ✓ 17% growth in premium

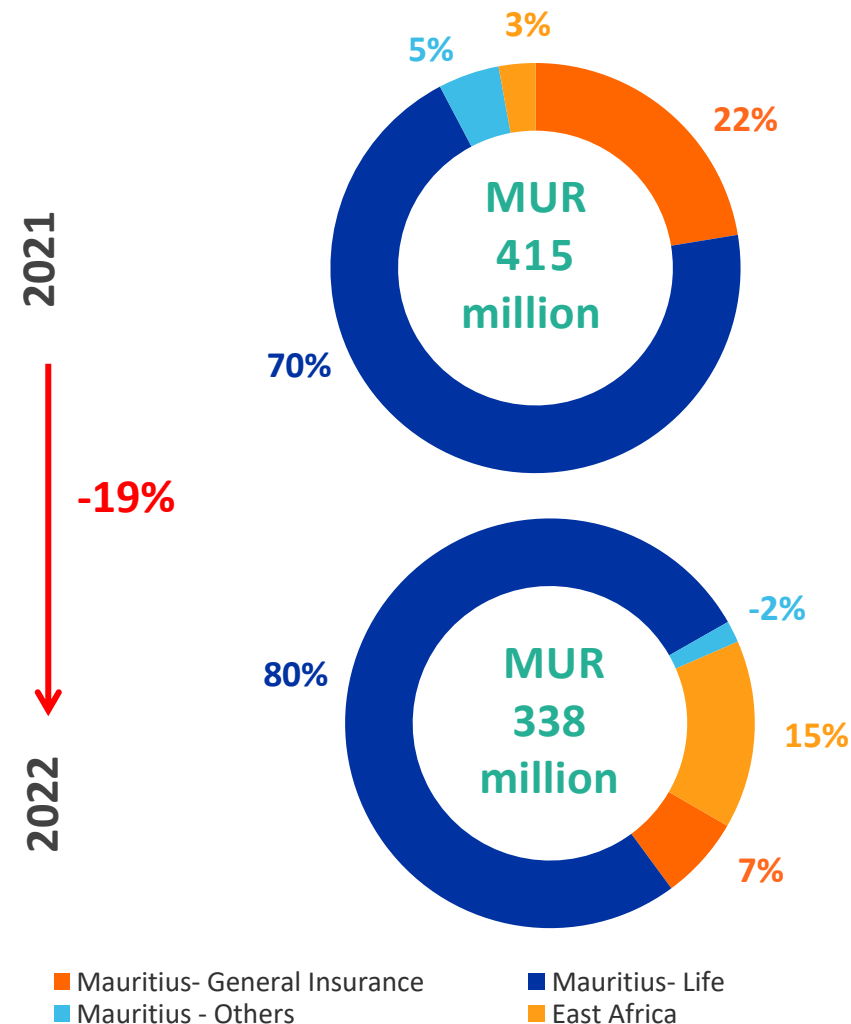
Note: Mauritius-Others includes pension, mutual fund and stockbroking





# Decline in profitability: operational loss on MUA GI and across African entities

## Group Profit After Tax (PAT)



**Mauritius** ↓ -29%

**General Insurance** ↓ -75%

- ✓ Higher loss ratio amid high inflationary pressures
- ✓ Impacted by high manex

**Life** ↓ -7%

- ✓ Exceeded pre covid-level of Rs 185m recorded in 2019
- ✓ Higher tax charge
- ✓ Decline on investment returns (-93%)

**Others** ↓ -130%

- ✓ Supported by MUA Pension (set up of PRGF)

**East Africa** ↑ > +100%

**Kenya** ↑ +49%

- ✓ Marked improvement in performance
- ✓ Nil finance cost as interest payment put on hold
- ✓ FX revaluation loss of Rs 40M

**Tanzania** ↓ -51%

- ✓ Operating loss (increase in Manex)
- ✓ Lower Net Earned Premium (NEP)

**Uganda** ↓ -15%

- ✓ Higher Manex and higher motor loss ratio (from 38% to 54%)

**Rwanda** ↑ +130%

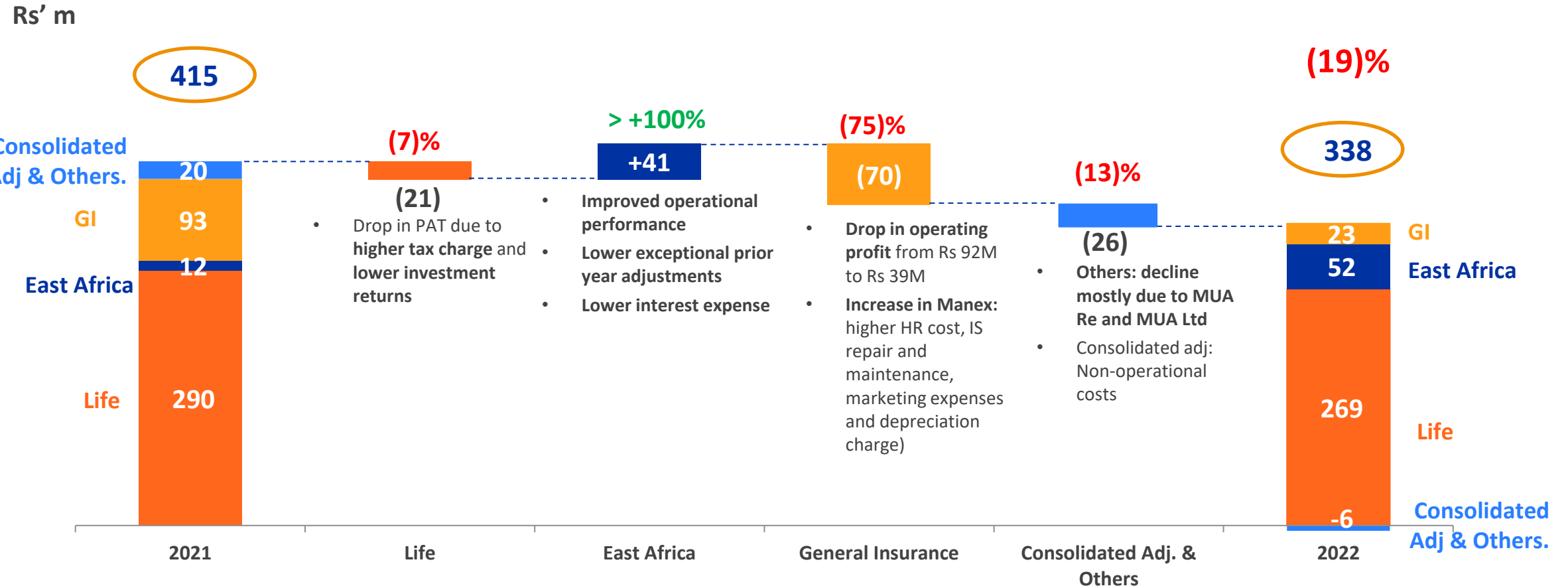
- ✓ Improvement in operating profit (>100%)

Note: Mauritius- Others includes pension, mutual funds, stockbroking, MUA Ltd, MUA Re and MIM and consolidated adjustments (2022: Rs -26M and 2021: Rs 20M)



# PAT supported by the profit noted on EA business operations while dampened by Mauritian's operations (life and general business)

## Group Profit After Tax (PAT)

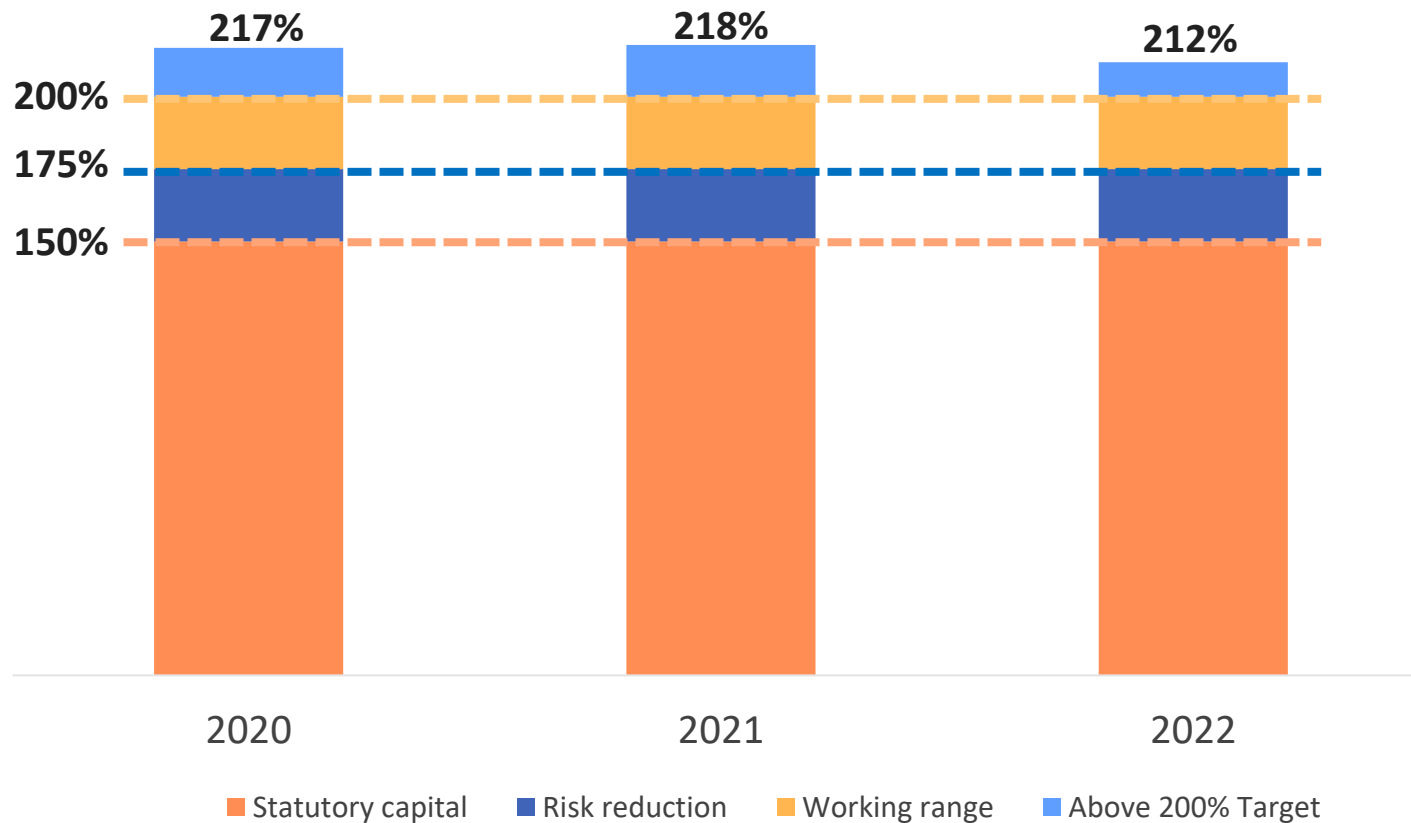


Note: Others includes MUA Pension, MUA Mutual Fund, MUA Stockbroking, MIM, MUA Re and MUA Ltd



## Macroeconomic volatility continued to impede the solvency of the company

### Solvency of MUACL - 212% as at 31 Dec 2022



#### Key Drivers

**2022:** Macroeconomic volatility (high inflationary pressures coupled with hikes in rate) impacted the value of investments

**2021:** Market rebounded boosting the value of investments

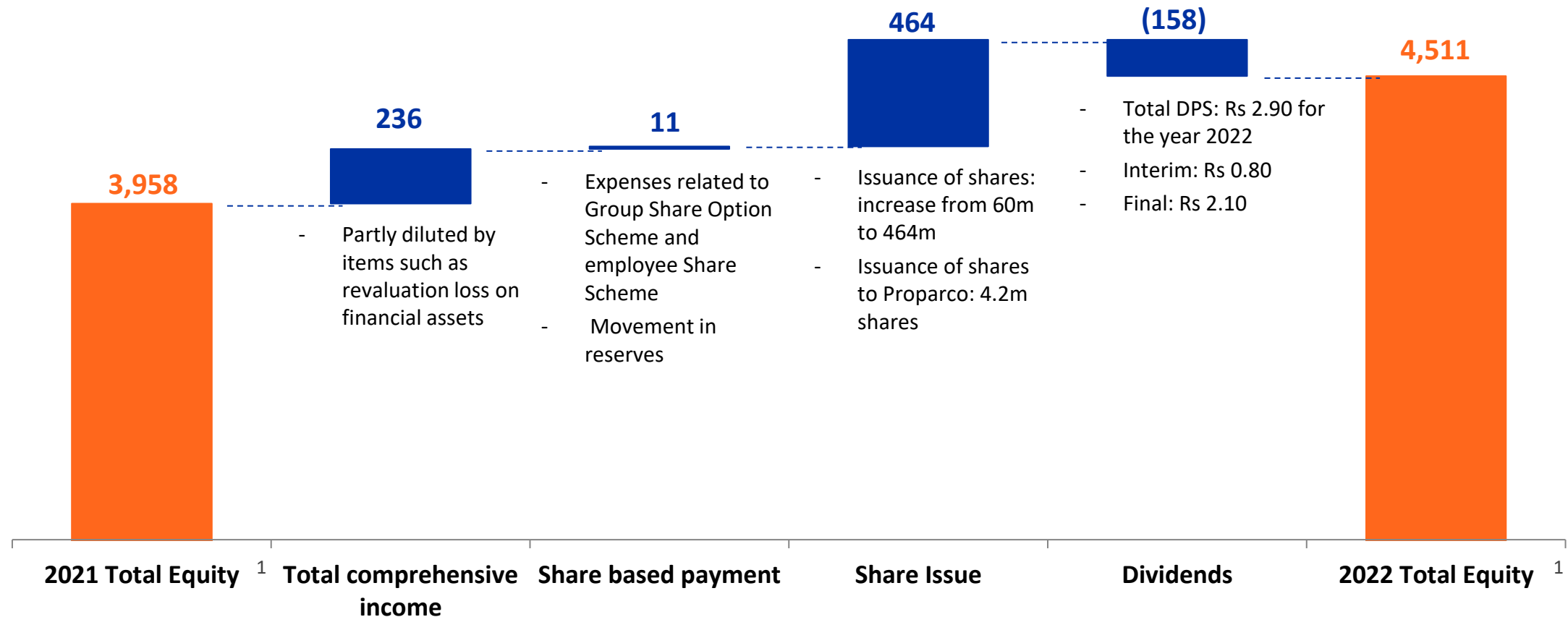
**2020:** Market volatility driven by global pandemic impacting value of investments



## Shareholder equity up +14.0% driven by new share issuance with consistent dividend pay-out

### Balance Sheet – Shareholders Equity

Rs' m



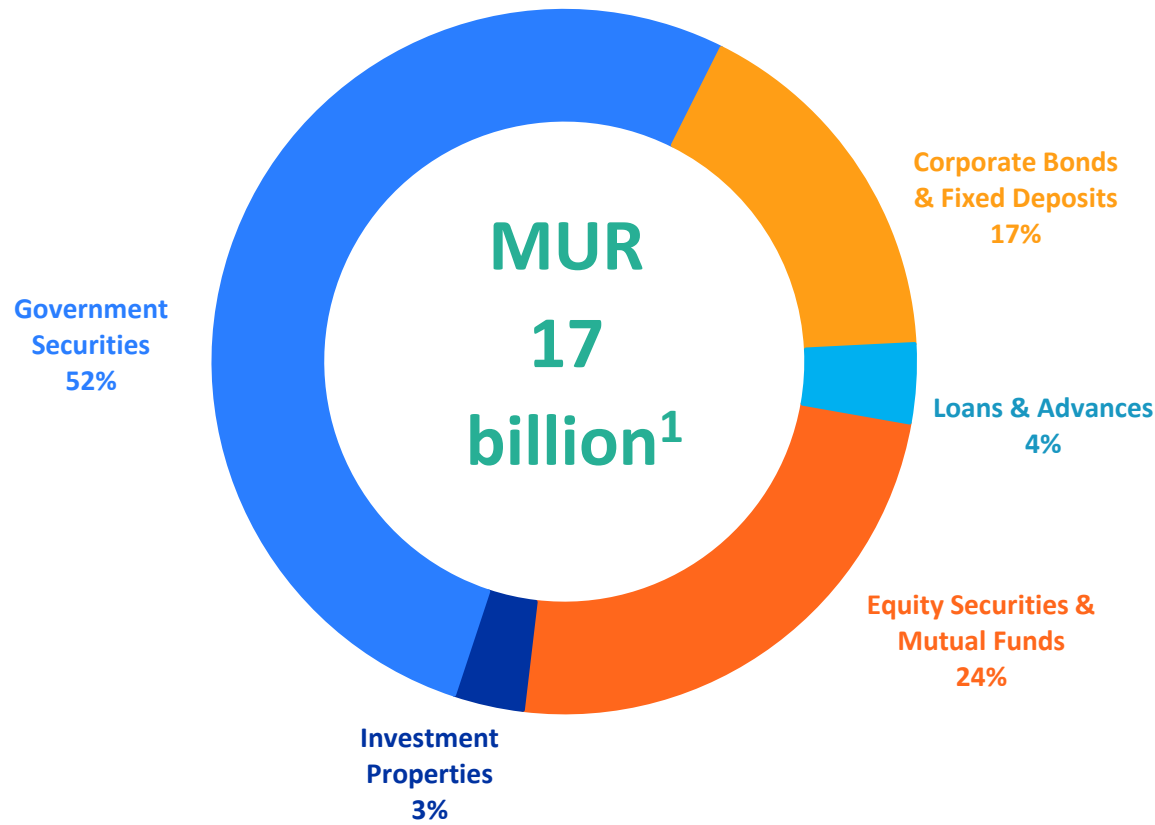
<sup>1</sup>Excludes non controlling interests.



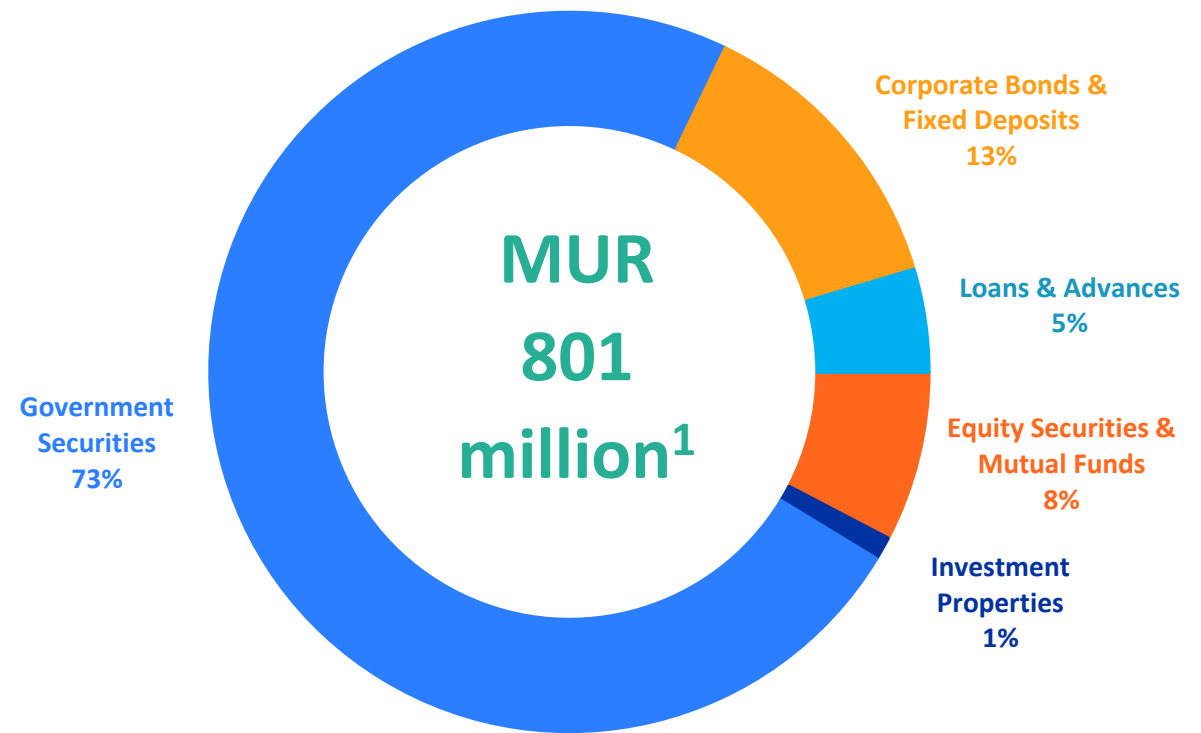
Group earning assets up 4% amid increased investment in investment securities while decline in income (-16%) as a result of a lower yield on earning assets amid losses on equities

Yield on Earning Assets: 4.7%

Group Earning Assets



Income on Earning Assets



- Equity Securities & Mutual Funds
- Investment Properties
- Government Securities
- Corporate Bonds & Fixed Deposits
- Loans & Advances

1. Income generating assets



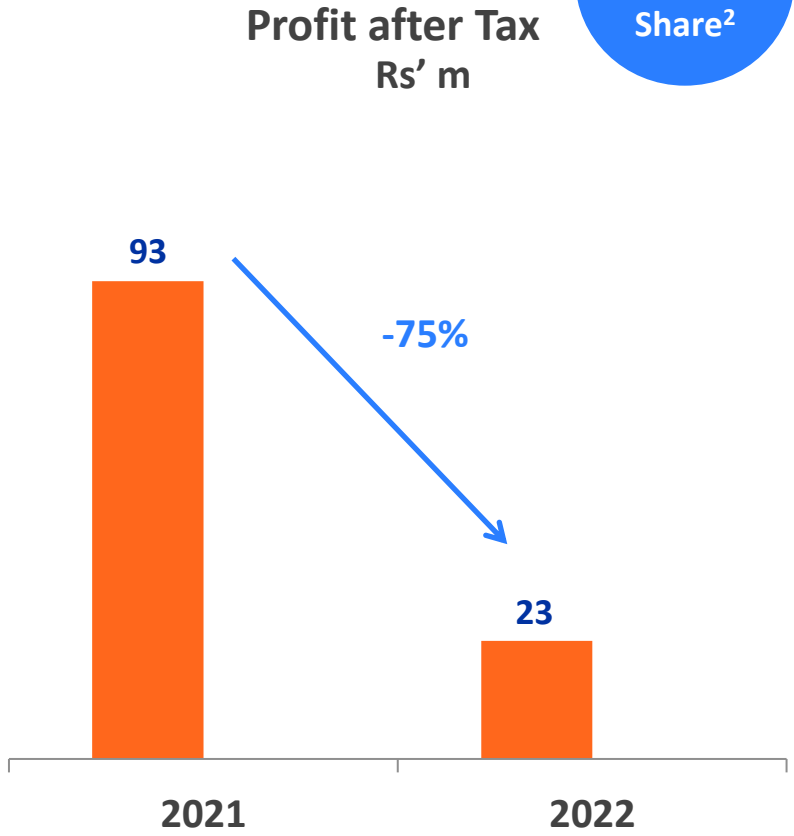
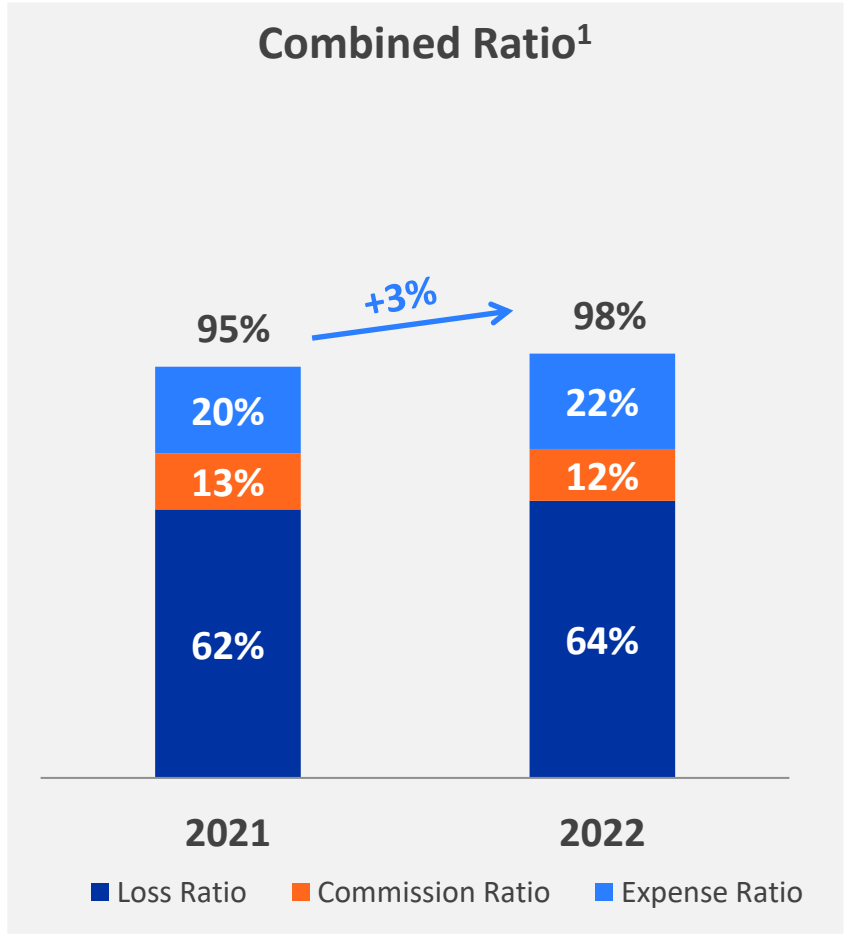
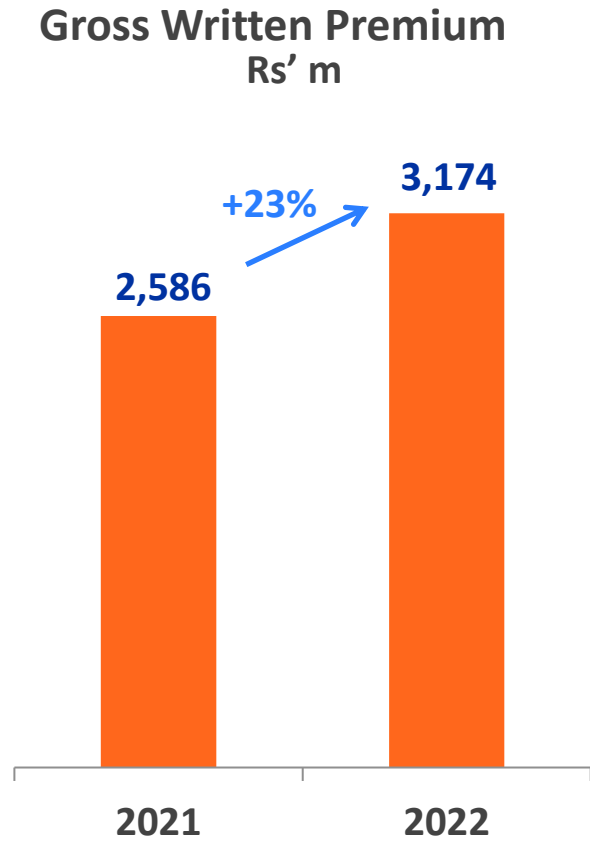


# **BUSINESS PERFORMANCE**



# MAURITIUS – GENERAL INSURANCE Sudden inflation affects cost of claims - expenses further impacted by extraordinary effects

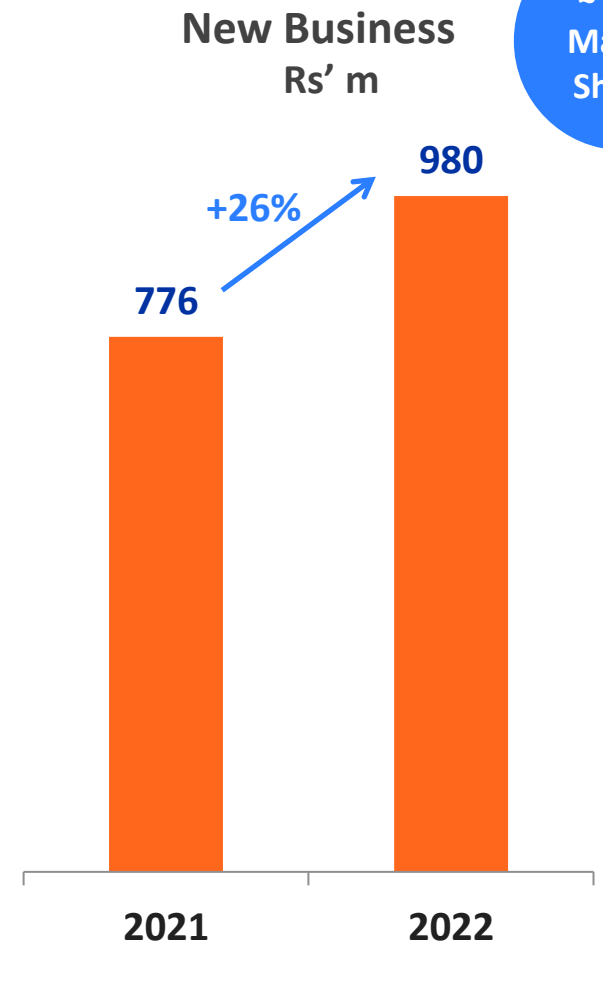
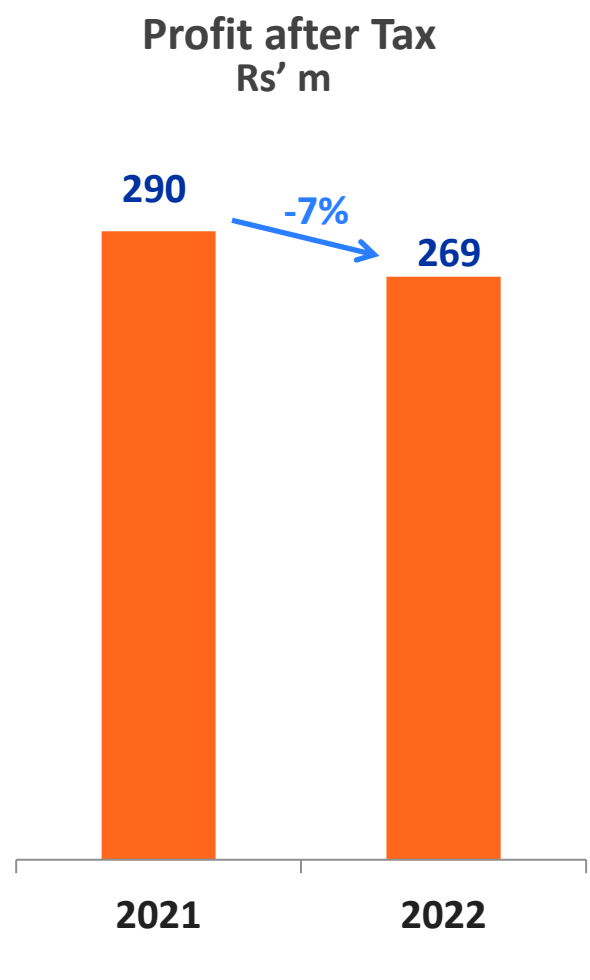
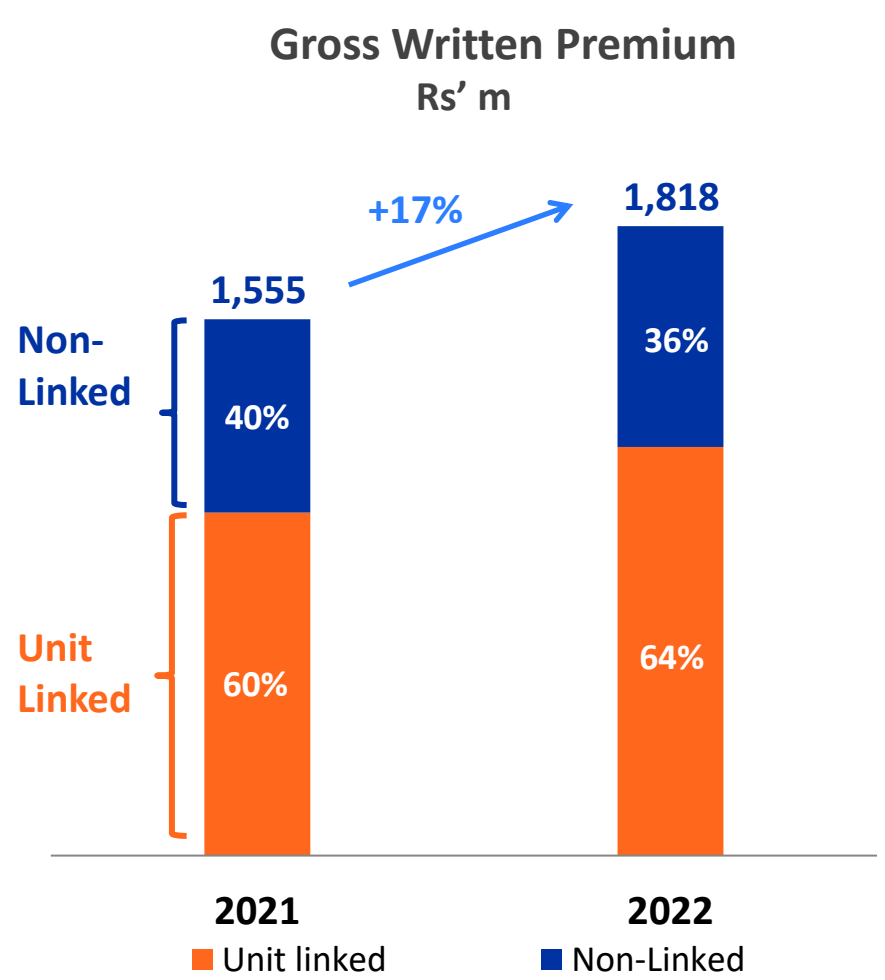
≈ 23%  
Market Share<sup>2</sup>



1. MUA Combined Ratio excludes African Subsidiaries' costs.  
 2. Based on latest available market share figures . Market share based on GWP



**MAURITIUS – LIFE INSURANCE** Decline in PAT, owing to higher tax charge and lower investment returns. New business record: +26% amid increase in Single Premium and Bancassurance Protection



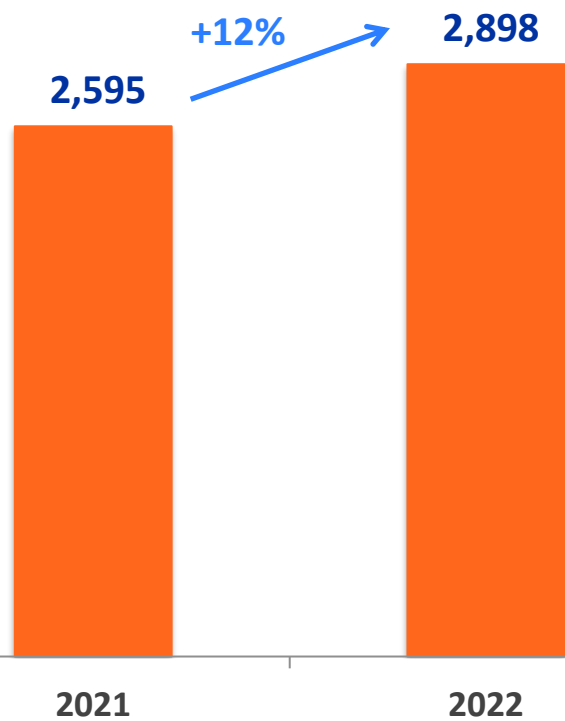
≈ 14%  
Market  
Share<sup>1</sup>

1. Based on latest available market share figures . Market share based on GWP.

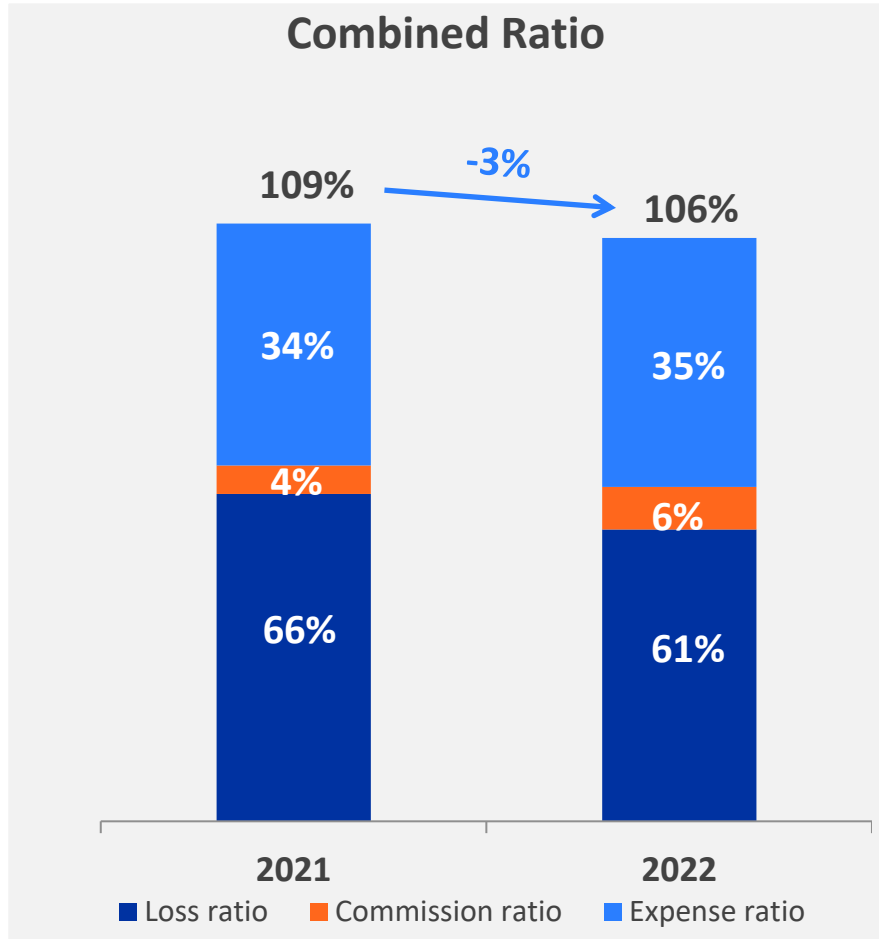


**EAST AFRICA** Increase in PAT, highly attributable to lower exceptional prior year adjustment, lower finance cost, growth in premium and investment income

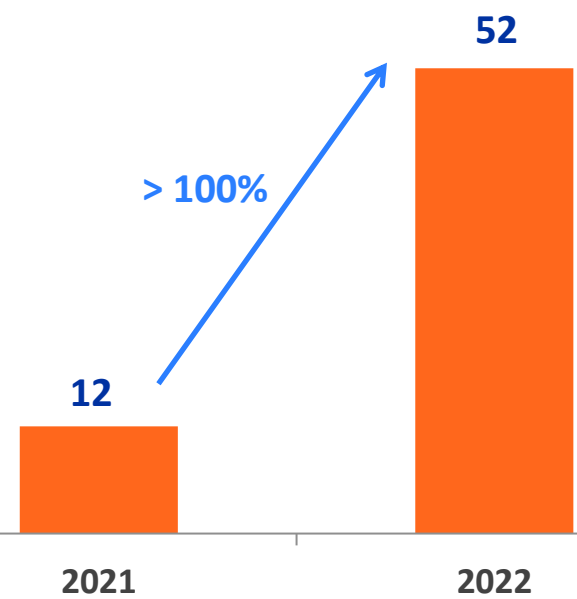
Gross Written Premium  
Rs' m



Combined Ratio



Profit after Tax<sup>1</sup>  
Rs' m

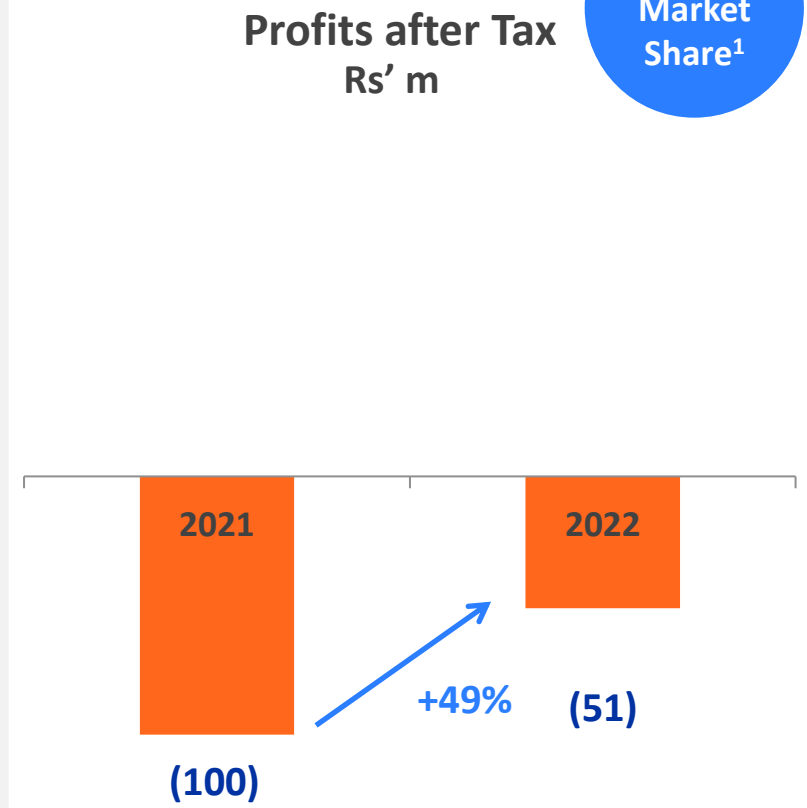
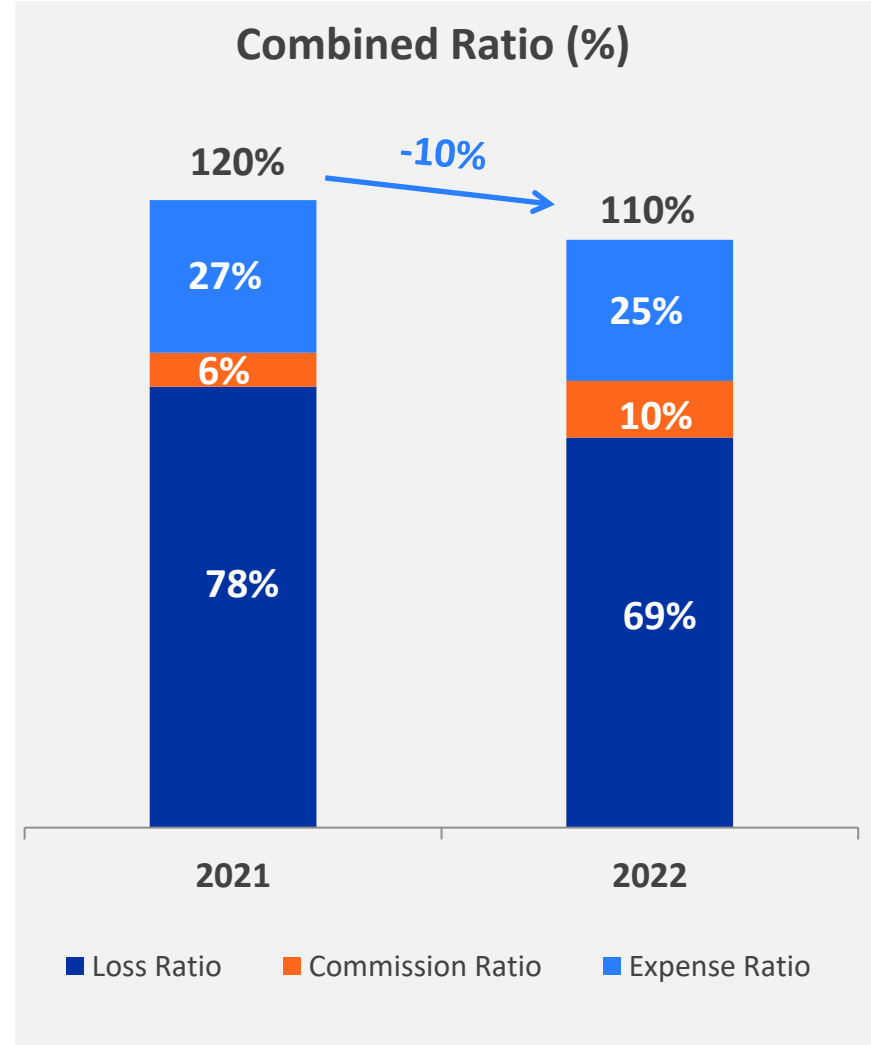
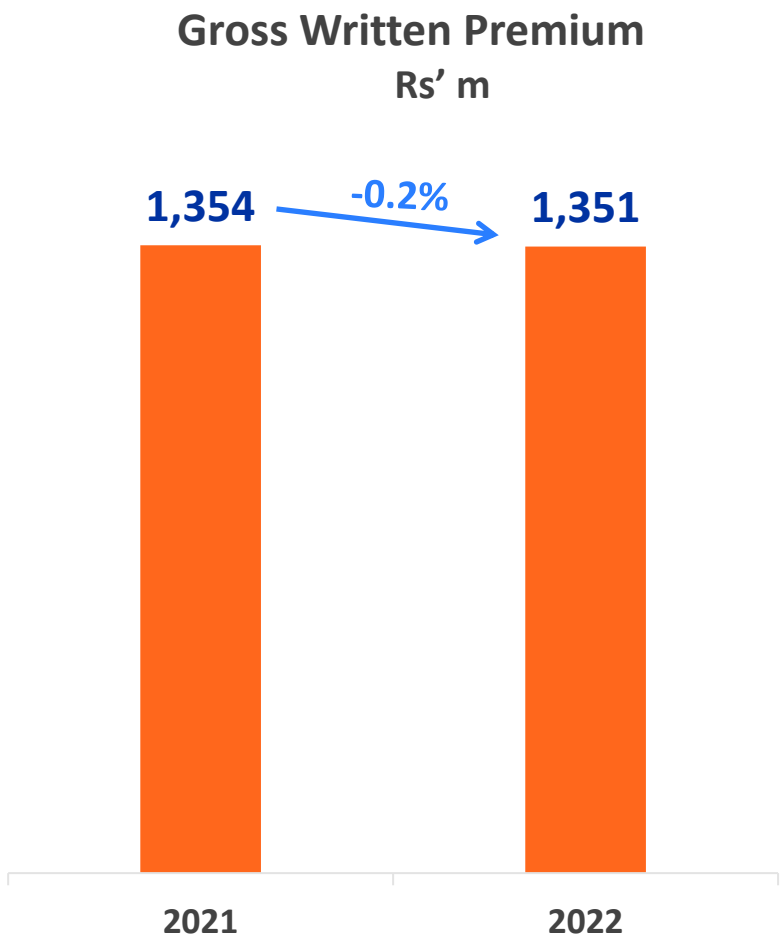


1.PAT before consolidation with MUA Ltd – post consolidation PAT amounts to Rs 42m



# KENYA Decline in loss by 49%, attributable to nil finance cost and lower prior year adjustment but impacted by FX revaluation loss

≈ 2% Market Share<sup>1</sup>



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

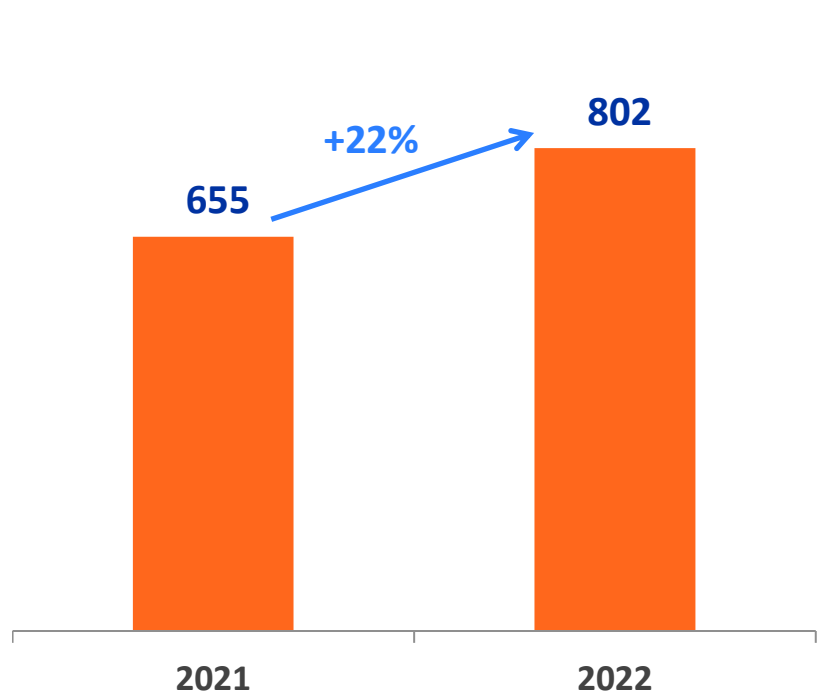




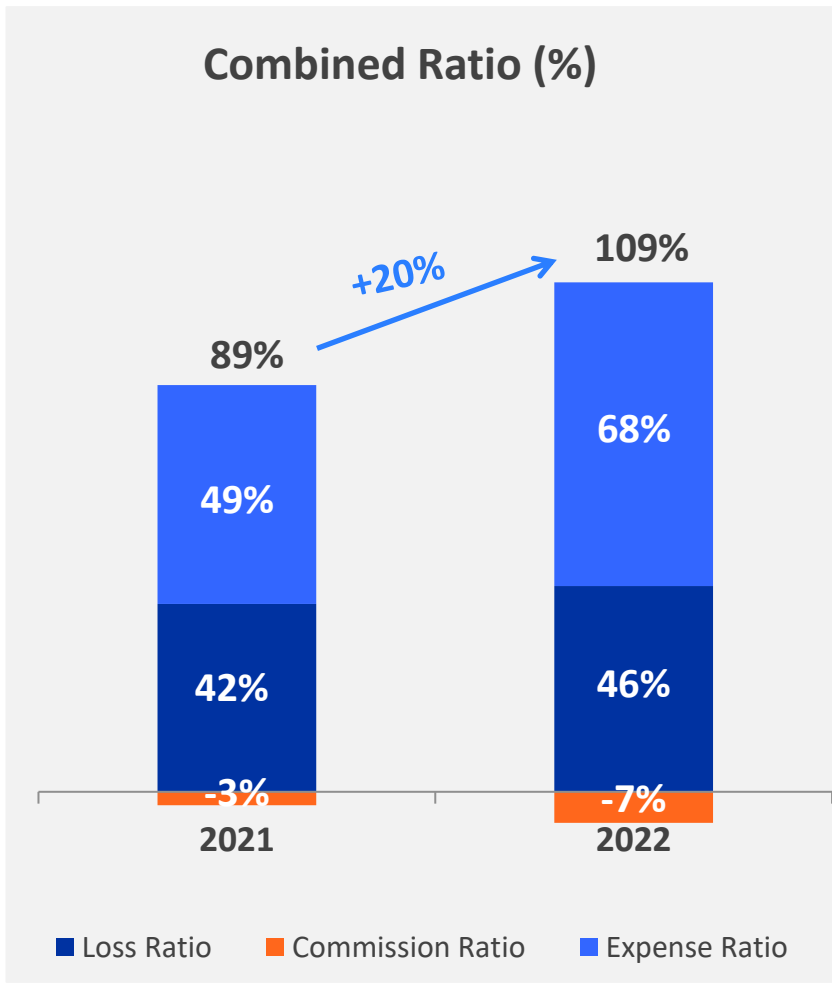
**TANZANIA** Decline in PAT due to an increase in Manex (IFRS 17), lower NEP coupled with one off claims of TZS 520M, impairment of Phoenix buildings and write-off of receivables

≈ 5% Market Share<sup>1</sup>

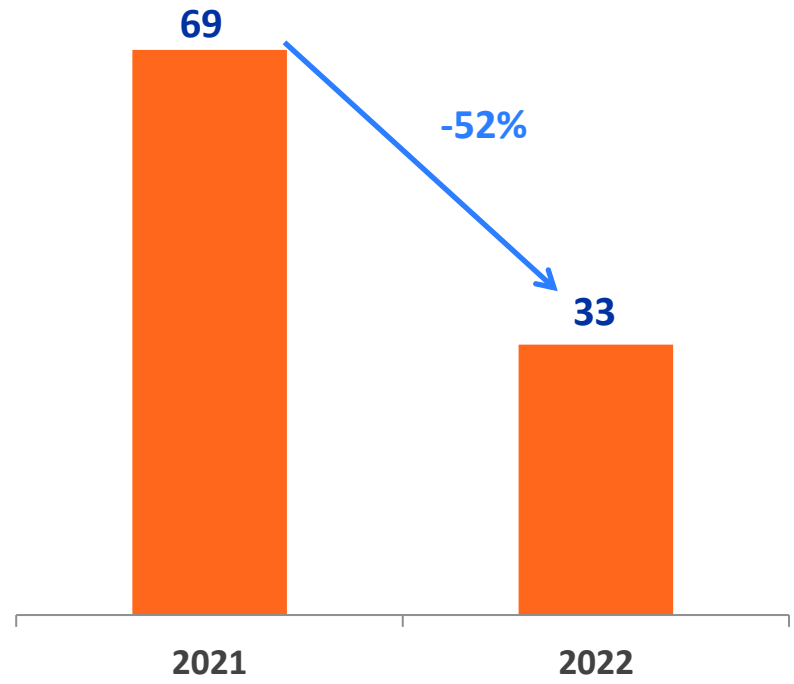
Gross Written Premium  
Rs' m



Combined Ratio (%)



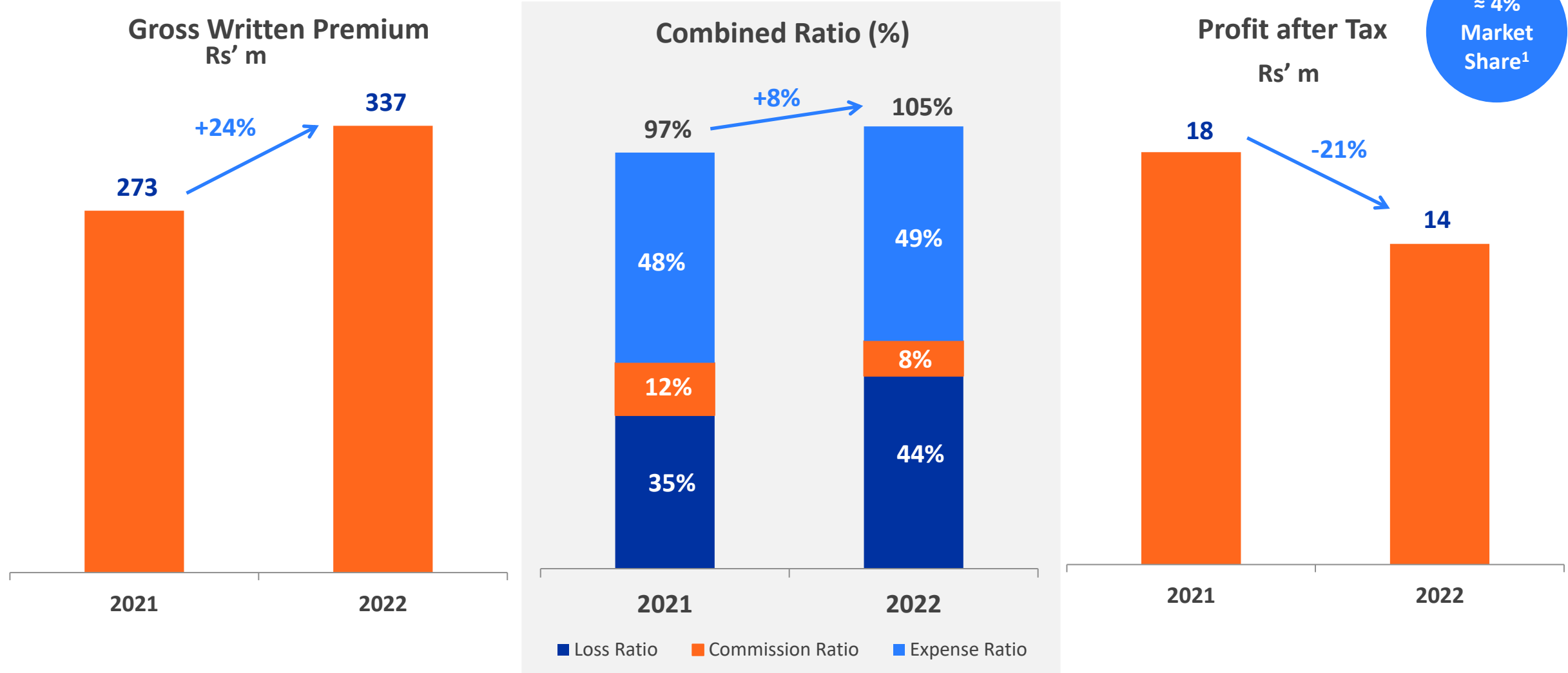
Profit after Tax  
Rs' m



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



# UGANDA Decline in PAT, owing to increase in Manex driven by higher operating costs and professional fees (IFRS 17)

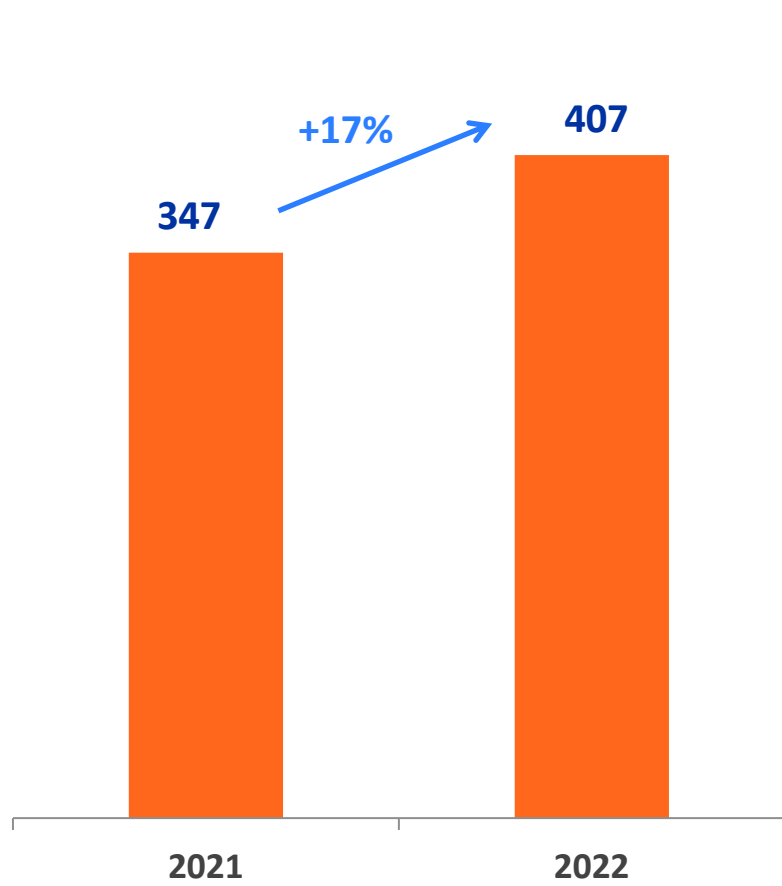


1. Based on latest available market share figures . Market share in terms of GWP

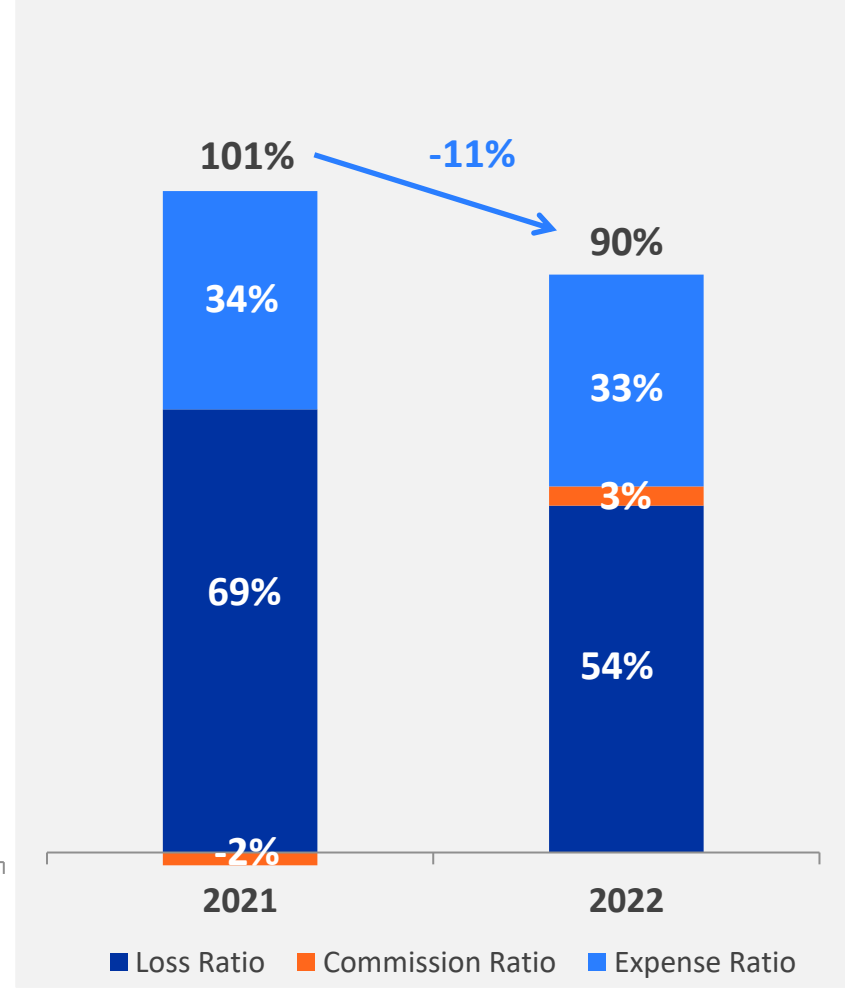


# RWANDA Increase in PAT mainly attributable by higher operating profit and investment income

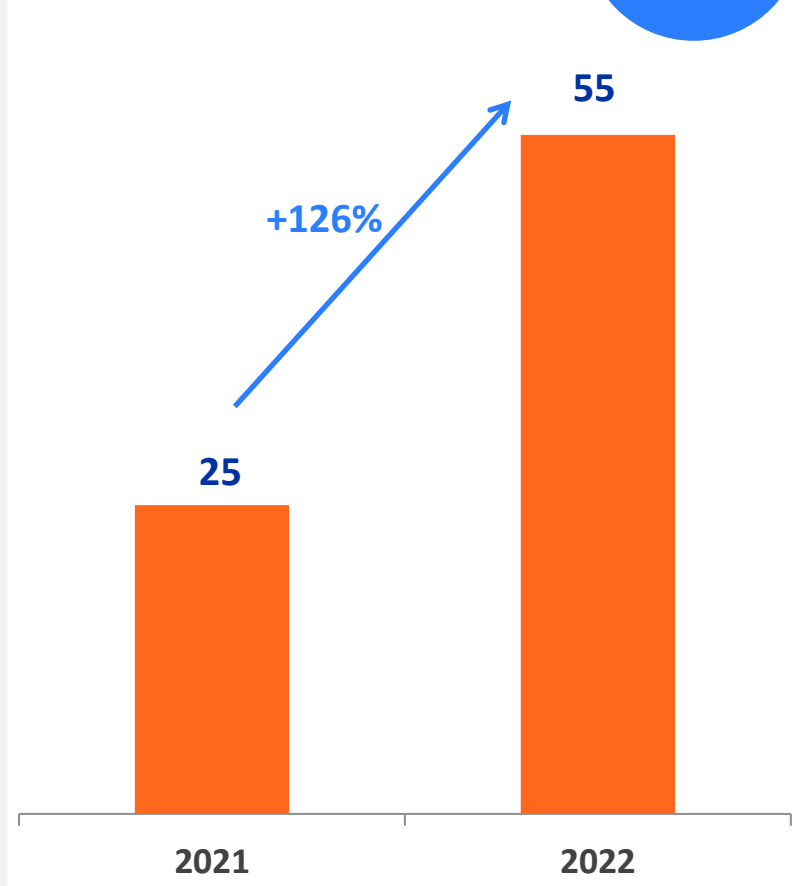
Gross Written Premium  
Rs' m



Combined Ratio (%)



Profit after Tax  
Rs' m



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

The background is a solid blue color with several thick orange lines forming a geometric pattern of triangles and polygons. The lines intersect to create various shapes, some of which are filled with a darker shade of blue.

# **STRATEGIC PLAN UPDATE: TRANSFORM TO EMERGE STRONGER**



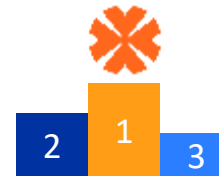
# Our strategy: Be where the ProfitableGrowth is and be better than the locals

Ensuring peace of mind for our clients by providing the best financial protection and solutions, through innovative products & services in our chosen markets

## OUR STRATEGY



**Dynamic ProfitableGrowth:**  
Lever strong Mauritian home base to fully use potential of East Africa



**Excellence** in everything we do: “Import” global best practice



**One MUA:** Make Group set-up count

## OUR ENABLERS

- **Solid starting positions** in all our EA markets
- Cumulative effects of **country demographics** and **increasing penetration rates**
- **Global standards** with “local accents” everywhere

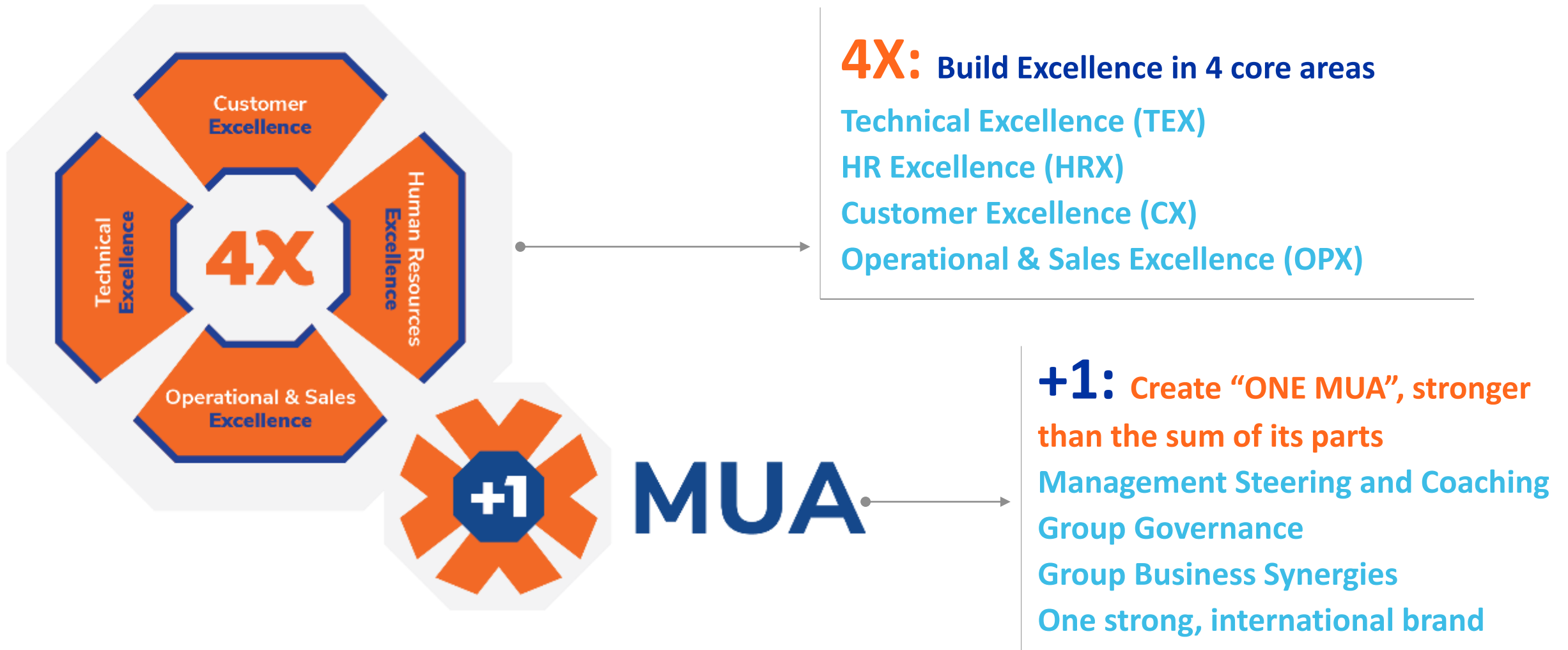
➤ **4X + 1** Transformation Program

- **Shared services** (e.g Pricing, IT, Audit, Account Management...)
- **Common IT platform**
- **Knowledge and Product Exchange**
- **Regional Brand**





**THE 4 X + 1 PROGRAM** aims at building Global Best Practice skills as well as creating stronger Group synergies





# 4X: Creating excellence through transformation and digitalisation to put us on par with international competitors



<p><b>Technical Excellence</b></p>	<p><b>Strengthen insurance techniques &amp; use of data</b></p>	<ul style="list-style-type: none"> <li>➤ Mastery of our data</li> <li>➤ Data-driven decision making (pricing, UW, marketing, etc.)</li> <li>➤ Reengineer claims processes</li> </ul>
<p><b>Human Resource Excellence</b></p>	<p><b>Strengthen ownership, motivation &amp; ability of talent</b></p>	<ul style="list-style-type: none"> <li>➤ Talent management &amp; succession planning</li> <li>➤ Promote and monitor staff engagement</li> <li>➤ Performance culture</li> </ul>
<p><b>Customer Excellence</b></p>	<p><b>Truly make customer satisfaction yardstick for company and employee performance</b></p>	<ul style="list-style-type: none"> <li>➤ Mobilise MUA to care for customer experience</li> <li>➤ Systematically measure customer satisfaction</li> <li>➤ Re-engineer processes to exceed customer expectations</li> </ul>
<p><b>Operational &amp; Sales Excellence</b></p>	<p><b>Agile, efficient and modern setup of internal processes &amp; systems</b></p>	<ul style="list-style-type: none"> <li>➤ Lean, “digital-by-default” processes &amp; output</li> <li>➤ Execution discipline &amp; accountability</li> <li>➤ State-of-the-art IT</li> <li>➤ Highly productive sales organization</li> <li>➤ High efficiency, low unit cost</li> </ul>



## Investor Relations



Candyce Taylor : [ctaylor@mua.mu](mailto:ctaylor@mua.mu)

Vincent Noël : [vnoel@mua.mu](mailto:vnoel@mua.mu)

FOR MORE INFORMATION PLEASE VISIT:



[mua.mu](http://mua.mu)

INSURANCE THAT  
**MOVES YOU  
FORWARD**

The background features a central orange triangle with a yellow triangle above it. Two blue lines cross each other in the upper center, forming an 'X' shape. The lines extend towards the corners of the frame, creating a dynamic geometric pattern.

# APPENDIX



# Enhancing client reach and engagement

## Through strategic partnerships

### GLOBUS & INTERNATIONAL PARTNERS



Continue leveraging on **Globus network**



with key network partners:



Further development of **International Partnerships**

### BANKS



Bancassurance network of **large banks** in Mauritius, including:



Major banks who are our partners in EA include:



### BROKERS



Well-established and diverse network of **brokers in Mauritius.**

In EA, % of GWP from brokers are: 35% (UG), 42% (RW), 36% (KE) and 60% (TZ)

### ACCREDITED AGENTS



Strong relationships with **accredited agents** in Mauritius, with the recent onboarding of:



On average, **30%** of EA entities' GWP are from agents

### DIRECT



Ongoing strategy to improve/implement **e-commerce channels** in MU  
**Cross-selling strategy** with card dealers & hardware shops in MU

Strong physical presence with **branches** in MU & EA

Continuous enhancement of relationships with all partners



## Becoming an ESG champion

### Key achievements of TRANSITION 2023

#### FOCUS ON PREVENTION

- Strongly promoting **Safe Driving**
  - DRIVE by MUA: **+5,000** downloads with **+600** active users.
  - **Road safety** Initiatives:
    - Tips on social media and other marketing initiatives
    - Partnership with Lycée Labourdonnais (financing of bicycle for driving training)
    - Federation du Cyclisme
- Encouraging clients to lead a **healthier lifestyle**
  - By offering free, lifetime access to **DietSensor** app – More than **700** downloads since Nov-21 and **200** active codes.
- Helping individuals & companies **better prepare for the economic risks they face**
  - Participation in various events of the **Risk Management Association**.
  - **Financial Literacy** workshops
- Other **CSR** Initiatives
  - Planting of trees at **La Citadelle**
  - **Mauritius Fody** protection campaign with MWF

#### CLOSE THE PROTECTION GAP

- Providing **adequate & affordable covers** that meet customer needs
  - **MU**: Continued deployment of a value-added client service to optimise motor claims and vehicle repairs process
  - **RW/TZ: Parametric Insurance** to protect farmers
  - **KE: Partnership with ACRE** to protect pastoralists against drought with enhanced access to **financial services**.
- **Tangible short-term benefits**
  - Various awareness and lead generation campaigns for MUA's protection products.

#### INVESTMENT

- **Socially Responsible Investment (SRI)**
  - Setting-up of a Socially Responsible Investment Policy
- **Launch of an ESG Fund**
  - Scheduled for 2023
- **Listing on the Stock Exchange of Mauritius Sustainability Index**





# DISCLAIMER

## IMPORTANT LEGAL INFORMATION AND CAUTIONARY STATEMENTS

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