

Earnings – Financial Year 2023 and First Nine months 2024

Legacy issues in 2023 fully digested, reflected in strong improvement in 9-month results to September 2024 across the group

Press Release

15 April 2025

MUA Ltd (MUA), today reported results for the year ended 31 December 2023, following extension for full year 2023 results granted to all insurance companies by the Financial Services Commission and the transition to IFRS17 from IFRS4. As of 31 December 2023, the group's Gross Written Premium stood at Rs 7,481m compared to Rs 7,890m as at 31 December 2022, a decline of 5%. By the end of September 2024, Gross Written Premium for the first nine months of the year were Rs 6,640m, up 11% compared to Rs 5,993m as at 30 September 2023. The group reported a loss for the full year ended 31 December 2023 of Rs 237m compared to group Profit After Tax of Rs 500m as at year end 2022, reflecting a negative impact of Rs 253m from strengthening legacy reserves in Kenya as well as a property impairment impact of Rs 89m on the results of Tanzania. During the first 9 months of 2024, Group Profit After Tax (PAT) then significantly improved, reaching Rs 189m as at 30 September 2024, up 48% versus 30 September 2023. Net Assets per Share stood at Rs 74.37 as at 31 December 2023, and reached Rs 77.77 as at 30 September 2024.

General Insurance: Gross Written Premium growth of 24% in Mauritius for the 9-month period to 30 September 2024 compared to the first 9 months of 2023.

In Mauritius, General Insurance premium volume increased 11% in 2023, and again 24% for the first 9 months of 2024, compared to the same period in 2023. While the actions taken to manage the negative impacts of claims inflation began to show effect in 2023 already, they were overcompensated then by late registered claims from the accident year 2022. However, the improvement became fully visible in the course of 2024, when our Mauritian General Insurance business reported a Profit After Tax in the first 9 months amounting to Rs 47m, up 161% from a loss of Rs 78m for the 9 month period ended September 2023.



At the end of 2023, MUA Kenya had discovered significant legacy issues that required strengthening of reserves, writing down of reinsurance receivables and a goodwill write down amounting to a total of Rs 311m. An internal review of net reinsurance receivables revealed that these had been significantly overstated in 2017 to 2020. Further reviews of previous years' case reserves and IBNR across all lines then revealed the need to also strengthen several of these liability positions. The legacy nature of the discovered issues meant that part of the impact of the review findings was re-stated to prior years, however, Rs 253m still strained the 2023 Profit After Tax of the group. The group has fully reserved all discovered legacy issues and has taken multiple measures to avoid similar developments going forward. After a loss of Rs 381m during the 12 month 2023 period, MUA Kenya has reduced its loss to Rs 31m for the 9 month period ended September 2024. This year, the business written by the company is profitable, but the radical portfolio cleaning that the company needed to undergo means that its business volume is currently not yet large enough to fully cover its fixed cost.

Overall, our East African entities reported a loss after tax of Rs 302m for the full year 2023, where the strong profitability of MUA Rwanda could only offset the legacy liability strengthening in MUA Kenya to a limited extent. In the first 9 months of 2024, across the other East African entities, the after-tax result was back in positive territory, with a Profit After Tax of Rs 35m.

Life Insurance: Whilst IFRS17 is expected to bring some volatility in results going forward, the portfolio remains resilient and MUA Life continues to generate solid results, with top line growing by 8% to Rs 1,107m as at September 2024. IFRS17 Profit After Tax was Rs 134m in 2023, showing that our Mauritian Life business continues to be a very strong profit generator for the group.

Commenting on the results, Joerg Weber, MUA's Group CEO said "2023 was a very turbulent year for MUA group. While we made very good progress on turning around the underlying profitability of our business after the inflationary shock of 2022, this progress was not yet visible in our financial profit due to the need to cater for the legacy issues in Kenya and the late registered claims in our Mauritian General Insurance business. Therefore, I am even more pleased to report the good results of the group during the first 9 months of 2024, which reveal the strong improvement across all lines of business. We have fully provisioned the legacy issues in Kenya and already achieved good underwriting profitability in all our Mauritian lines of business, providing us with the necessary foundations for further profitable growth going forward. We remain committed to continuously improving our service for customers in Mauritius and overseas, to strengthening our position in the region, and to providing value for clients and shareholders. The YTD 2024 results reflect the success of our 4X+1 Transformation Programme, which is bringing excellence across four main pillars of the group, namely Operational & Sales, Customer, Technical and Human Resources.



The goal of this transformation remains to provide our customers with an insurance partner that is not only a local leader, but on par with international best practice. As measures such as portfolio optimization, pricing and claims excellence gradually take effect, these changes will continue to improve our bottom line. Group solvency remains strong, and management continues to focus on delivering sustainable results in our core lines of business."

Details of the results for the financial year ended 31 December 2023 are available for download at mua.mu.