

# UNAUDITED CONDENSED FINANCIAL STATEMENTS

## PERIOD ENDED 31 MARCH 2020



**+8% GROSS PREMIUM EARNED**  
Rs 1,100m

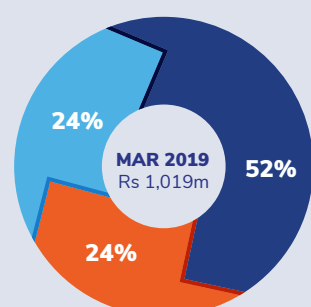
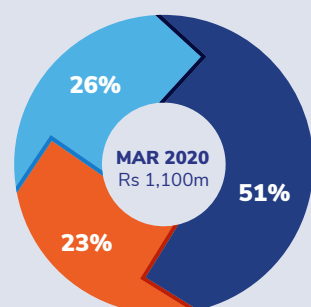
**+11% PROFIT AFTER TAX**  
Rs 56.5m

**+16% EARNINGS PER SHARE**  
Rs 1.02

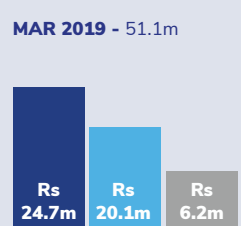
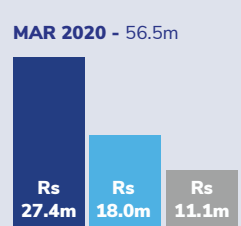
**+9% MARKET CAPITALISATION**  
Rs 3.4bn as at 31 March 2020

**216% SOLVENCY RATIO**  
for The Mauritius Union Assurance Cy. Ltd

### GROUP GROSS PREMIUM EARNED



### NET PROFIT AFTER TAX\*



**THE MAURITIUS UNION ASSURANCE CY. LTD**  
Including general insurance premiums in Mauritius

**MUA LIFE LTD**

**EAST AFRICAN SUBSIDIARIES**

**CONSOLIDATED ADJUSTMENTS & OTHERS**

\* MUA Life Ltd does not recognise any profit during this quarter as the actuarial valuation is carried out at the end of each semester.

### UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION - 31 MARCH 2020

	THE GROUP	
	UNAUDITED 31 MARCH, 2020 Rs'000	AUDITED 31 DECEMBER, 2019 Rs'000
<b>ASSETS</b>		
Non-current assets	12,503,064	13,057,022
Current assets	4,225,900	3,713,291
<b>Total assets</b>	<b>16,728,964</b>	<b>16,770,313</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Owners of Parent	2,859,407	2,839,493
Non-controlling interests	668,167	638,039
<b>Total equity</b>	<b>3,527,574</b>	<b>3,477,532</b>
<b>Insurance contract liabilities</b>	<b>3,081,551</b>	<b>2,824,968</b>
Life Assurance Fund	7,326,941	7,794,209
Investment contract liabilities	953,199	1,002,454
Non-current liabilities	798,765	799,833
Current liabilities	1,040,934	871,317
<b>Total equity and liabilities</b>	<b>16,728,964</b>	<b>16,770,313</b>
Net assets per share (Rs)	63.42	62.97
Number of ordinary shares in issue ('000)	45,090	45,090

### UNAUDITED CONDENSED STATEMENT OF PROFIT AND LOSS - PERIOD ENDED 31 MARCH 2020

	THE GROUP	
	UNAUDITED PERIOD ENDED 31 MARCH, 2020 Rs'000	31 MARCH, 2019 Rs'000
Gross premiums earned	1,099,869	1,018,935
Net earned premiums	803,457	757,527
Profit before tax	67,214	60,581
Income tax	(10,761)	(9,496)
<b>Profit for the period</b>	<b>56,453</b>	<b>51,085</b>
<b>Profit attributable to:</b>		
Owners of the parent	45,836	39,815
Non-controlling interests	10,617	11,270
	56,453	51,085
<b>Earnings per share (Rs)</b>		
Basic	1.02	0.88
Diluted	1.01	0.88

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS PERIOD ENDED 31 MARCH 2020

The Directors are pleased to present the unaudited condensed financial statements of the Group for the period ended 31 March 2020.

#### Basis of Accounting

The unaudited financial statements for the period ended 31 March 2020 have been prepared on the same basis as the accounting policies set out in the statutory financial statements of the Group for the year ended 31 December 2019, except for the adoption of relevant amendments to existing standards, new published standards and interpretations issued which are now effective. Where necessary, comparative figures have been amended to conform to changes in presentation in the current year.

#### Review of Group Results

- The Group's net profit after tax amounted to Rs 56.5m compared to Rs 51.1m for the same period last year.
- Earnings per share amounted to Rs 1.02 compared to Rs 0.88 for the same period last year. Diluted earnings per share amounted to Rs 1.01 (2019: Rs 0.88)
- Net assets per share as at 31 March 2020 amounted to Rs 63.42 compared to Rs 62.97 as at 31 December 2019.

MUA Ltd started the year well with a 7.9% growth in gross premium earned and net profit after tax increasing by 10.6% for the first quarter. Mauritius has been in lockdown since 20 March to contain the spread of COVID-19, severely curtailing the majority of local economic activity.

The current lockdown and the pandemic have had limited impact on the Group's first quarter results, apart from the drop in the value of MUA's financial assets. MUA embarked on a digital strategy over five years ago, and has since constantly invested in Information technology platforms and digital tools. This has allowed our teams to work seamlessly from home, providing operational continuity and service to our clients. The group's Business Continuity Plan, which has been an integral part of our strategic plans, has enabled employees to work from home, address client queries in a timely manner and maintain our commitment to our customers and the communities in which we operate. We remain confident in the strength of our business model and the risk measures already implemented.

#### Outlook

The repercussions of COVID-19 remain uncertain and will likely have an impact on our new business and the renewal of existing policies in the coming months. With a strong balance sheet, MUA remains sufficiently capitalised and well positioned to deal with the current pandemic and its economic consequences. The Company's Solvency Ratio is well above the statutory requirement and is resilient to different stress test scenarios. A well-diversified business portfolio and diversification of assets ensure that MUA is not overly exposed to one particular sector. Strong agreements and long-standing relationships with highly-rated reinsurers and creditors have ensured liquidity and expert insurance risk management during the pandemic. Management remains focused on the wellbeing of its customers and employees.

By order of the Board

ECS Secretaries Ltd  
Secretary  
14 May 2020

### UNAUDITED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME - PERIOD ENDED 31 MARCH 2020

	THE GROUP	
	UNAUDITED PERIOD ENDED 31 MARCH, 2020 Rs'000	31 MARCH, 2019 Rs'000
Profit for the period	56,453	51,085
Other comprehensive income	15,253	3,327
<b>Total comprehensive income</b>	<b>71,706</b>	<b>54,412</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the parent	19,945	35,155
Non-controlling interests	51,761	19,257
	71,706	54,412

### UNAUDITED CONDENSED STATEMENTS OF CHANGES IN EQUITY - PERIOD ENDED 31 MARCH 2020

THE GROUP	ATTRIBUTABLE TO OWNERS OF PARENT									
	SHARE CAPITAL	SHARE PREMIUM	IFRS2 RESERVES	SHARE OPTION RESERVES	OTHER RESERVES	RETAINED EARNINGS	TOTAL RESERVES	NON-DISTRIBUTABLE SHARE OF LIFE SURPLUS	NON-CONTROLLING INTERESTS	TOTAL
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance at 1 January 2020	723,968	-	(4,473)	11,629	5,479	2,098,555	2,111,190	4,335	638,039	3,477,532
Share based payment	-	-	895	-	-	-	895	-	-	895
Total comprehensive income	-	-	-	-	(25,891)	45,836	19,945	-	51,761	71,706
Movement in reserves	-	-	-	-	1,117	(1,117)	-	-	-	-
Acquisition of non-controlling interest	-	-	-	-	-	(926)	(926)	-	(21,633)	(22,559)
Dividends	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2020</b>	<b>723,968</b>	<b>-</b>	<b>(3,578)</b>	<b>11,629</b>	<b>(19,295)</b>	<b>2,142,348</b>	<b>2,131,104</b>	<b>4,335</b>	<b>668,167</b>	<b>3,527,574</b>
Balance at 1 January 2019	450,900	273,068	(8,051)	11,629	(6,792)	1,840,652	1,837,438	12,701	536,833	3,110,940
Share based payment	-	-	895	-	-	-	895	-	-	895
Disposal of financial assets	-	-	-	-	848	(848)	-	-	-	-
Total comprehensive income	-	-	-	-	(4,660)	39,815	35,155	-	19,257	54,412
Movement in reserves	-	-	-	-	889	(889)	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March 2019</b>	<b>450,900</b>	<b>273,068</b>	<b>(7,156)</b>	<b>11,629</b>	<b>(9,715)</b>	<b>1,878,730</b>	<b>1,873,488</b>	<b>12,701</b>	<b>556,090</b>	<b>3,166,247</b>

### UNAUDITED CONDENSED SEGMENTAL REPORT

THE GROUP PERIOD ENDED 31 MARCH 2020	CASUALTY	PROPERTY	TOTAL	LIFE	OTHER	CONSOLIDATED ADJUSTMENTS	TOTAL
	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Segment income	573,074	128,370	701,444	337,858	28,536	(325)	1,067,513
Segment results	45,402	12,022	57,424	-	12,670	(2,880)	67,214
Taxation	-	-	-	-	-	-	(10,761)
<b>Net profit for the period</b>							<b>56,453</b>
PERIOD ENDED 31 MARCH 2019	CASUALTY	PROPERTY	TOTAL	LIFE	OTHER	CONSOLIDATED ADJUSTMENTS	TOTAL
	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000	Rs' 000
Segment income	537,350	122,307	659,657	360,327	17,270	(1,622)	1,035,632
Segment results	38,217	18,578	56,795	-	6,666	(2,880)	60,581
Taxation	-	-	-	-	-	-	(9,496)
<b>Net profit for the period</b>							<b>51,085</b>
Total assets	CASUALTY	PROPERTY	TOTAL	LIFE	OTHER	CONSOLIDATED ADJUSTMENTS	TOTAL
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
31 March 2020	5,379,278	1,723,696	7,102,974	9,444,039	1,033,303	(851,352)	16,728,964
31 December 2019	5,463,295	1,144,338	6,607,633	9,927,545	1,033,049	(797,914)	16,770,313
31 March 2019	5,569,538	1,313,864	6,883,402	9,232,520	99,297	(768,177)	15,447,042

### UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS - PERIOD ENDED 31 MARCH 2020

	THE GROUP	
	UNAUDITED PERIOD ENDED 31 MARCH, 2020 Rs'000	31 MARCH, 2019 Rs'000
Net cash generated from operating activities	293,631	355,792
Net cash used in investing activities	(173,205)	(381,566)
Net cash used in financing activities	(26,597)	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>93,829</b>	<b>(25,774)</b>
Movement in cash and cash equivalents		
At 1 January	611,685	533,155
Increase/(decrease) in cash and cash equivalents	93,829	(25,774)
<b>At 31 March</b>	<b>705,514</b>	<b>507,381</b>

This Communiqué is issued pursuant to Listing Rule 12.20 and published as per the Securities Act 2005.

Copies of the abridged interim report are available free of charge from the Company Secretary at the registered office of the Company or may be viewed on the Company's website: mua.mu.

The statement of direct and indirect interests of officers pursuant to rule 8(2)(m) of the Securities (Disclosure Obligations of Reporting Issuer) 2007 are available free of charge upon request from the Company Secretary at the registered office of the Company.

The Board of Directors of MUA Ltd accepts full responsibility for the accuracy of the information contained in this report.