

Press Release

CIC Insurance Group Plc 2021 Full-year performance

CIC Insurance Group Plc is pleased to report a **Profit Before Tax of Kshs. 960 Million** for the year 2021 compared to a **loss before tax of Kshs. 80 Million** recorded in 2020. This is a strong performance despite the devastating effects of the Covid- 19 pandemic. The positive results are attributed to the implementation of key transformational initiatives during the year, key among them: performance management, functional structures to support our Corporate Strategic Plan, operational efficiency, cost optimization, digitization, research and innovation among others.

Focus on our regional businesses has yielded good results contributing 11% of the Group's gross written premium.

Key Highlights

- 1) The Group's gross written premium excluding pension contributions increased by 16% to Kshs 19.6 billion compared to Ksh16.9 billion at the end of 2020.
- 2) Investment income grew significantly by 64% from Kshs. 1.4 Billion in 2020 to Kshs. 2.3 Billion in 2021 driven by increased investments in various instruments.
- 3) Operating and other expenses for the year was Kshs 4.7 billion whereas in the previous year the company incurred Kshs 4 billion.
- 4) Total assets increased by 7% to Kshs 41.5 billion compared to Kshs 38.8 billion at the end of 2020.
- 5) Management fees grew by 35% owing to a growth of 17% growth in assets under management in our CIC Asset Management business from Kshs. 80 Billion to Kshs.94 Billion as customers continued to increase investments for good returns and in a trusted brand.

Kenya Subsidiaries

- **General Insurance Business.** Gross Written Premium was up 12% to Kshs. 11.4 Billion compared to Kshs. 10.1 Billion in 2020. Profit Before Tax increased by 152% from Kshs. 256 Million to Kshs. 644 Million owing to growth in business, improved systems and processes leading to operational efficiency and improved customer experience.

CIC INSURANCE GROUP PLC.

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P. Nyigei, G. Owuor, M. Wambia, R. Githaiga.

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- **CIC Life Assurance.** Gross Written Premium grew by 24% from Kshs. 4.9 Billion to Kshs. 6.1 Billion driven by Group and ordinary life. Owing to the increased claims driven by Covid- 19 pandemic, the company recorded a loss before tax of Kshs. 79 Million.
- **CIC Asset Management.** Assets under management grew to Kshs. 94.5 Billion compared to Kshs. 80.6 Billion in 2020 representing a 17% increase. The Company made a Profit Before Tax of Kshs. 523 Million compared to 361 Million the previous year, an increase of 45%. The company continues to be a market leader in Unit trust business with a 42% market share.

Regional Subsidiaries

The regional subsidiaries continued to grow and improve performance contributing to 11% of the Group gross written premium. CIC Malawi grew gross written premium by 43% while CIC Uganda grew by 44%.

The regional subsidiaries were profitable with exception of CIC Uganda. The regional subsidiaries contributed significantly to the Group's bottom line.

Outlook

CIC Group will continue with the transformation initiatives aimed at growth and improving the business performance. The key focus is to significantly improve the Underwriting profit for all our businesses in Kenya and the region.

The group continues to review and implement a functional structure to support the achievement of the overall objectives as contained in our Corporate Strategic Plan. The Group's focus on balance sheet re-organization is on course and aims at optimal utilization of the available resources including disposal of non-core assets mainly land and focusing on the core business of the Group.

The focus on research and development will be key as well as innovation ensuring capacity to expand our product offering and thus enhance product performance and customer experience. Additionally, group-wide operational efficiency focusing on cost optimization, systems uptime and process re-engineering is of critical importance and a focus area by the Group.

Digitization is a key priority with optimizing investment in digital technology, mainly self-service channels, portals, and upgrading our systems with modern technology to support group objectives for faster and accurate reporting, decision-making as well as superior customer experience.

Conclusion

CIC Insurance Group Plc will continue to be resilient and confident of growth and profitability, in the medium to long term as the economy fully re-opens, and as the group transformation initiatives' full impact is achieved.

A handwritten signature in black ink, appearing to read 'Patrick Nyaga', with a stylized flourish at the end.

PATRICK NYAGA
GROUP CHIEF EXECUTIVE OFFICER

16th March 2022