



Press Release

Jubilee Holdings resilient amidst COVID-19 to post higher profit

Nairobi, Thursday 15th April 2021 - East Africa's largest insurance group, Jubilee Holdings Limited (JHL) demonstrated resilience by absorbing the shocks of the global COVID-19 pandemic during 2020 to earn a profit before tax of Kes. 5.08 billion for the financial period ended 31st December 2020, an increase of 1.4% compared to the prior year. This success is attributed to the confidence placed in the Group by their clients, continued focus on sound underwriting practices, tightening of controls over claims and expenses, and the prudently diversified investment portfolio held by the Group. During the year, the Group also paid out dividends to its shareholders, retained all of its employees across the region and paid out the regular bonus to these employees.

Total Gross Written Premiums and deposit administration contributions declined slightly to Kes. 37.97 billion compared to Kes. 38.19 billion in 2019. Whilst the Group saw an increase in withdrawal of pension funds and surrender of policies, this was mitigated through efforts to accommodate clients with greater flexibility in payment terms. Profit After Tax stood at Kes. 4.09 billion compared to Kes. 4.02 billion in the prior year, while total comprehensive income after tax for 2020 increased by 48.7% to Kes. 5.76 billion from Kes. 3.90 billion in 2019. A large part of this increase in other comprehensive income is attributed to net gains on the translation to Kenya shillings of the Group's regional subsidiaries and associates.

The Group's total assets increased by 12.1% to Kes. 145.86 billion from Kes. 130.08 billion and total shareholders' equity and reserves increased 15.8% from Kes. 28.25 billion to Kes. 32.72 billion, due to an increase in retained earnings and reserves.

The General business was most impacted by the economic challenges caused by the Covid related lockdowns across the region, resulting in an 11% decline in GWP. However, the Group's medical business grew by 10% and the Life Insurance business maintained volumes with Individual Life business reporting a robust growth of 16%. The insurance underwriting result of Kes 2.57 billion for the Group showed a slight decline from kes 2.63 billion in the prior year.

JHL's overall investment income grew 12.7% reflecting an increase in the total assets of the Group. The Group's share of profit of associates increased 34.5% to kes 1.33 billion from kes 0.99 billion reflecting the increase in the interest held in the Bujagali power project in Uganda with the additional interest in this investment purchased in June 2020.



JHL Group Chairman Mr. Nizar Juma noted that the year 2020 tested the resilience of the group as well the entire insurance industry in the region. "The year 2020 evolved into the year of survival and cast a sharp focus on the ability of businesses to withstand the sudden and extreme changes in the business operating environment. For Jubilee Holdings, we were able to weather this storm through diversification of our product portfolio and our ability to rapidly deploy our business continuity plans to allow the majority of our staff to quickly adapt to the new working needs during the onset of the pandemic and ensuing lockdown, and in turn maintaining our industry leadership position," Mr. Juma said.

Mr. Juma added that 2020 was also a momentous year for the Group as it signed the strategic partnership agreement with Allianz SE in connection with the General insurance business of Jubilee Holdings. "The partnership was approved by the shareholders at the AGM on 15th December 2020 and the process of obtaining the necessary regulatory approvals and completion of the other conditions is progressing well", Mr. Juma noted

Enhanced customer service delivery as well as the safety and welfare of the Group's staff took center stage as the business resisted any staff layoffs or salary reductions, which many other businesses were unfortunately compelled to implement to survive the changes in the economic environment. "As a company, we managed to put in place effective measures that ensured the safety of our staff across the region. They were well facilitated to work remotely by adapting our business operations to the realities of the day. Our performance exemplifies agility and ability to adapt," Mr. Juma added.

On his part, Jubilee Holdings Regional CEO Dr. Julius Kipng'etich noted that the outbreak of the COVID-19 pandemic posed great challenges to the carrying out of insurance in the normal way, and as a result Jubilee put greater emphasis on providing value, strengthening its agency networks and delivering a seamless customer service experience. "As a business, our first focus was on effectively coordinating the pandemic prevention measures for both our staff and clients, a move that saw us significantly optimize our operations to achieve improved performance," Dr. Kipng'etich said.

In 2021, JHL is accelerating its digitisation efforts to further enhance customer services and accessibility as well as continuously improving on the risk prevention and control systems as the world moves towards a post-covid era.

Jubilee Holdings Limited Board has declared a final dividend of kes 9/= per share.

Ends...



About Jubilee Holdings:

Jubilee Holdings is the only ISO certified insurance group listed on the three East Africa stock exchanges – The Nairobi Securities Exchange (NSE), Dar es Salaam Stock Exchange and Uganda Securities Exchange. It has a network of offices in five countries-Kenya, Uganda, Tanzania, Burundi and Mauritius which are highly rated on leadership, quality and risk management and have been awarded an AA in Kenya, AAA in Uganda and an A in Tanzania. Jubilee Insurance is the largest provider of medical insurance in East Africa providing insurance services to over 1,900,000 people in the region.