

## PRESS RELEASE

### **Britam's half-year profit before tax grows to Kshs. 1.04 billion**

Nairobi, 30 August 2022...Financial services firm, Britam Holdings Plc, has today posted a profit before tax of Kshs. 1.04 billion for the half-year period ending June 30, 2022. This is a significant improvement compared to a profit before tax of Kshs. 0.65 billion recorded over the same six-month period of 2021.

The Group reported Gross Earned Premiums and Fund Management fees of Kshs 15.8 billion, a 6 percent growth from Kshs 14.9 billion recorded in the same six-month period in the previous financial year. In line with Britam's diversification strategy, regional general insurance businesses continued to support both revenue growth and profitability. The regional insurance businesses contributed an impressive 23 percent of the Group's total gross earned premiums.

The Group's investment income in the period was Kshs 6.2 billion, representing a significant 26.0 percent growth compared to Kshs 4.9 billion recorded in the previous financial year. The growth in investment income was driven mainly by the continuing shift of the Group's investment strategy that has seen the listed financial services firm continue to pursue a re-allocation of its investments portfolio that favors stabilization and growth of yields.

Britam additionally made progress on its 2021-25 Strategic Plan. This customer centered strategy seeks to enhance customer value and experience; expand its customer base to drive growth; and improve the efficiencies for better returns. Additionally, it will gear the organisation for enhanced digital innovation in its solutions, product development and service delivery.

Commenting on the financial performance, Britam's Group Chairman, Kuria Muchiru said. "We managed to grow revenues by focus on improving customer experience while leveraging on strategic partnerships across different sectors including banks and telcos to drive scale and grow our customer base. We are confident that this strategy will be key in delivering profitable growth across all markets,"

Adding, "The strategy also entailed prudent cost management initiatives which are bearing fruit as seen by the drop in operating expenses."

With continued low insurance penetration in the region, increasing financial literacy and digitalization present emerging opportunities. Britam's underlying financial strength, strong talent pool and expertise, as well as diversified integrated financial services business model, positions it well to increase access to insurance services across its footprint and ensure growth in shareholder value.

### **Summary of key highlights:**

In the six-month period under review, the Group has recorded:

- A sustained growth in revenue with Gross earned premiums and fund management fees up 6.0 percent to Kshs 15.8 billion.
- Strong growth in investment income which was up 26.0 percent to Kshs 6.2 billion.
- Regional general insurance businesses contribution of 23.0 percent to the Group's gross earned premiums.
- The Group's total operating costs were down 22.0 percent to Kshs 3.8 billion.
- Profit before tax was Kshs 1.04 billion up 61 percent from a profit before tax of Kshs 0.65 billion posted in the same period in 2021.

### **Outlook**

The implementation of some of the key aspects of our transformative 2021-2025 strategy such as organizing the business around the customer, turning around key cost drivers and a review of investment strategy have been successful. These have provided a strong foundation for our business growth. The focus has now shifted to creating value for our customers by offering an enhanced customer experience and solutions that meet their needs.

The improved financial performance under the new strategic cycle is encouraging and a significant advancement towards delivering value to our stakeholders. We are optimistic of a sustained financial performance across the Group's local and regional businesses.

### **Dividend**

The Board of Directors did not recommend the payment of a dividend for the six-month period ended 30 June 2022.

**-ENDS-**

## **About Britam Holdings Plc**

Britam is a leading diversified financial services group and is listed on the Nairobi Securities Exchange. The group has presence in seven Africa countries in Kenya, Uganda, Tanzania, Rwanda, South Sudan, Mozambique, and Malawi. Britam offers a wide range of financial products and services which include: Asset Management, Life Assurance, Retirement Planning, General Insurance, Health Insurance, Banking, and Property. These financial solutions enable our customers to create and protect their wealth and lives every step of the way. For more information, please visit <http://www.britam.com>