



# NICO GROUP RESULTS

FINANCIAL PRESENTATION FY2020



General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology





NICO has been providing innovative financial services since 1971.



**NBS Bank**



NICO

**ERZIS**

General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology



• **Mr Vizenge Kumwenda**  
Group Managing Director  
NICO Holdings PLC

• **GROUP MANAGING DIRECTOR'S  
OPENING REMARKS**

“We are proud to have been contributing to the national development of the country for 50 years. Being the first to list on the Malawi Stock Exchange, NICO has played a pivotal role in the development of the capital market. We have been offering comprehensive financial solutions for a range of challenges for the public and private sectors, as well as individuals from all walks of life. With 50 years' experience, we look forward to giving our clients and all stakeholder, exceptional service, packaged to deliver value and convenience.”



General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology







# BACKGROUND



NBS Bank



NICO

ERIS

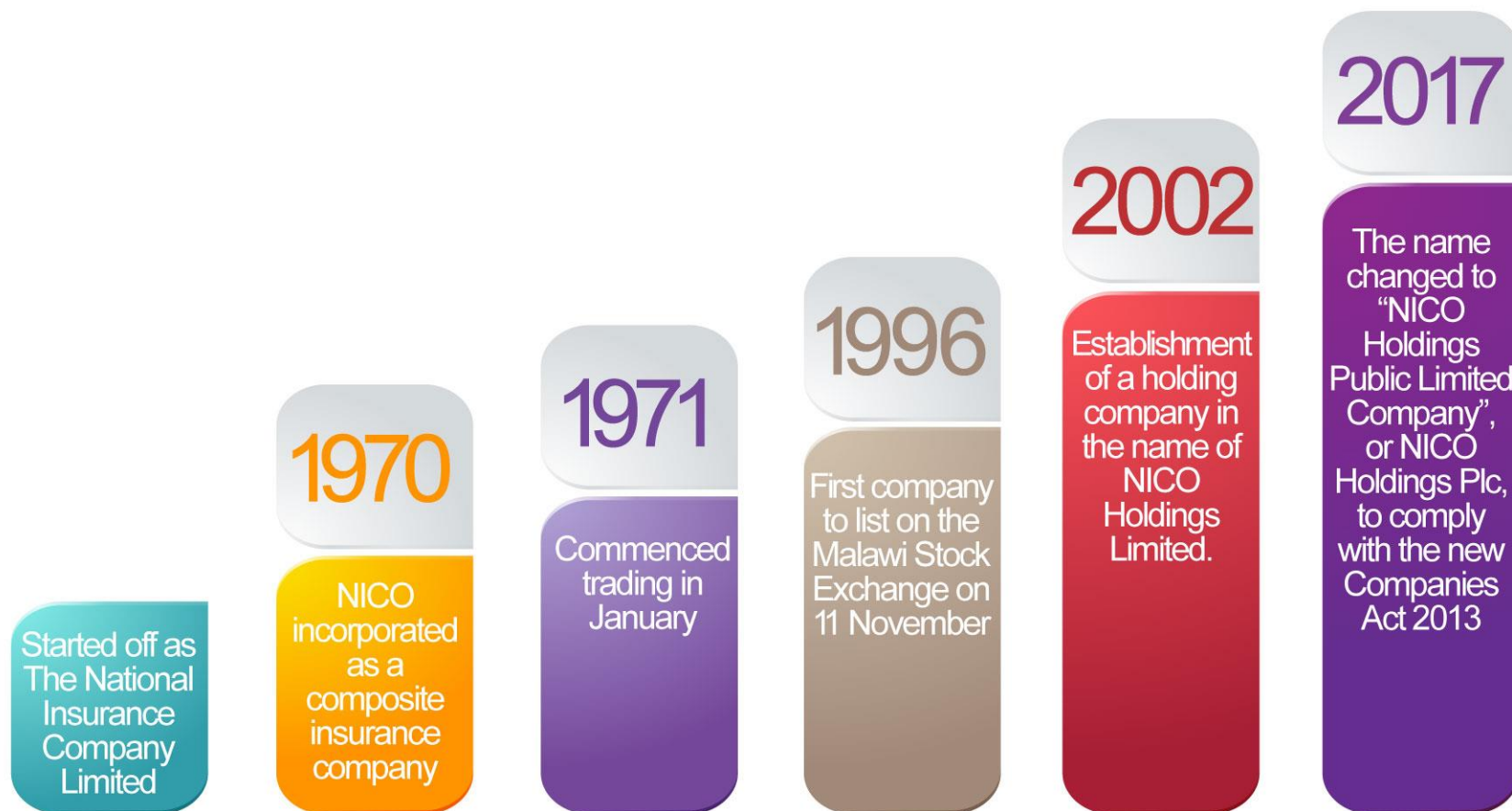
General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology





# BACKGROUND

## OUR TIMELINE



**NBS Bank**



General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology





**ONE  
NICO**



**NICO Group reaches a milestone of 50 years of operations!**  
**50 years of honouring our commitments to clients!**  
**50 years of pioneering various watershed projects in the country!**



**NBS Bank**



**NICO**



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## SOME OF NICO MILESTONES

50 Years of contributing to national and economic development in Malawi.

**1971**

**National Insurance Company opens its doors for operations**

Pioneering the development of the capital market in Malawi.

**1996**

**NICO first to list on the Malawi Stock Exchange**

Stepping beyond borders as Malawi's first multinational company.

**1997**

**NICO extends its operations to Zambia**

Investing in infrastructure to create more business and employment opportunities.

**2000**

**NICO builds Chichiri Mall**

Restructuring for growth.

**2002**

**National Insurance Company restructured to establish:**  
NICO Holdings  
NICO General  
NICO Life  
NICO Technologies

Driving innovation and inclusion in Banking.

**2003**

**NBS Bank established and NICO acquires majority shares**

Leveraging on strong partnerships

**2011**

**Sanlam partners with NICO**

One NICO – Improving the quality of life for Malawians.

**2021**

**NICO is your dependable one-stop financial services partner**



**NBS Bank**



**NICO**

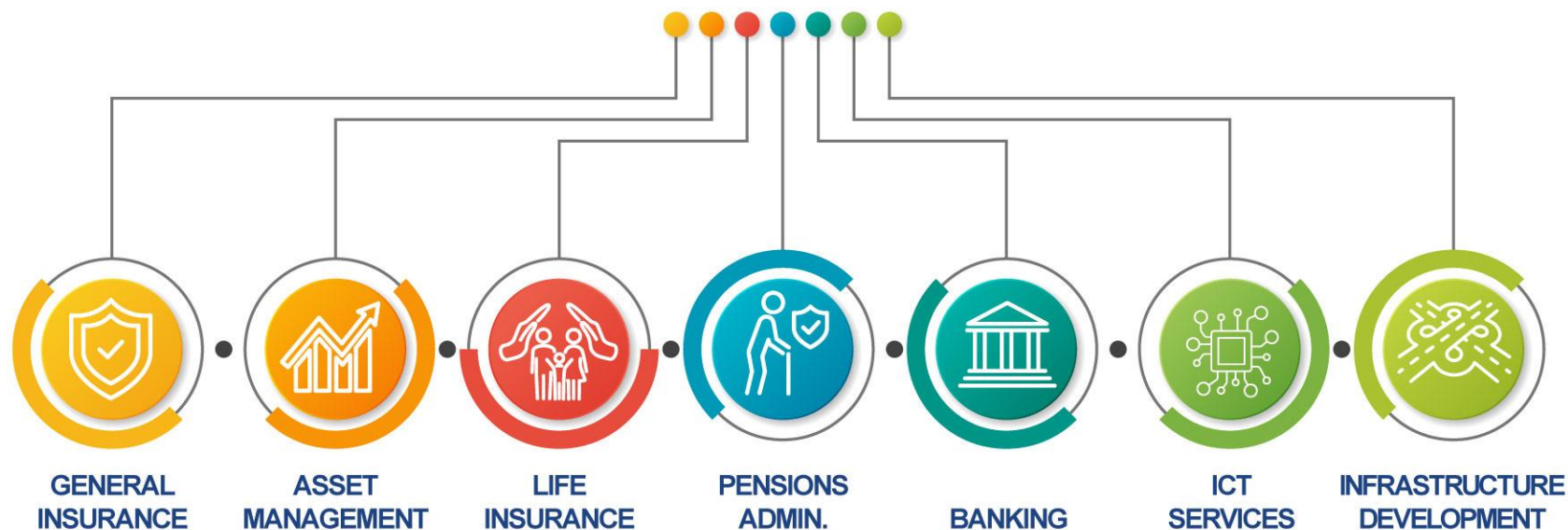


General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology

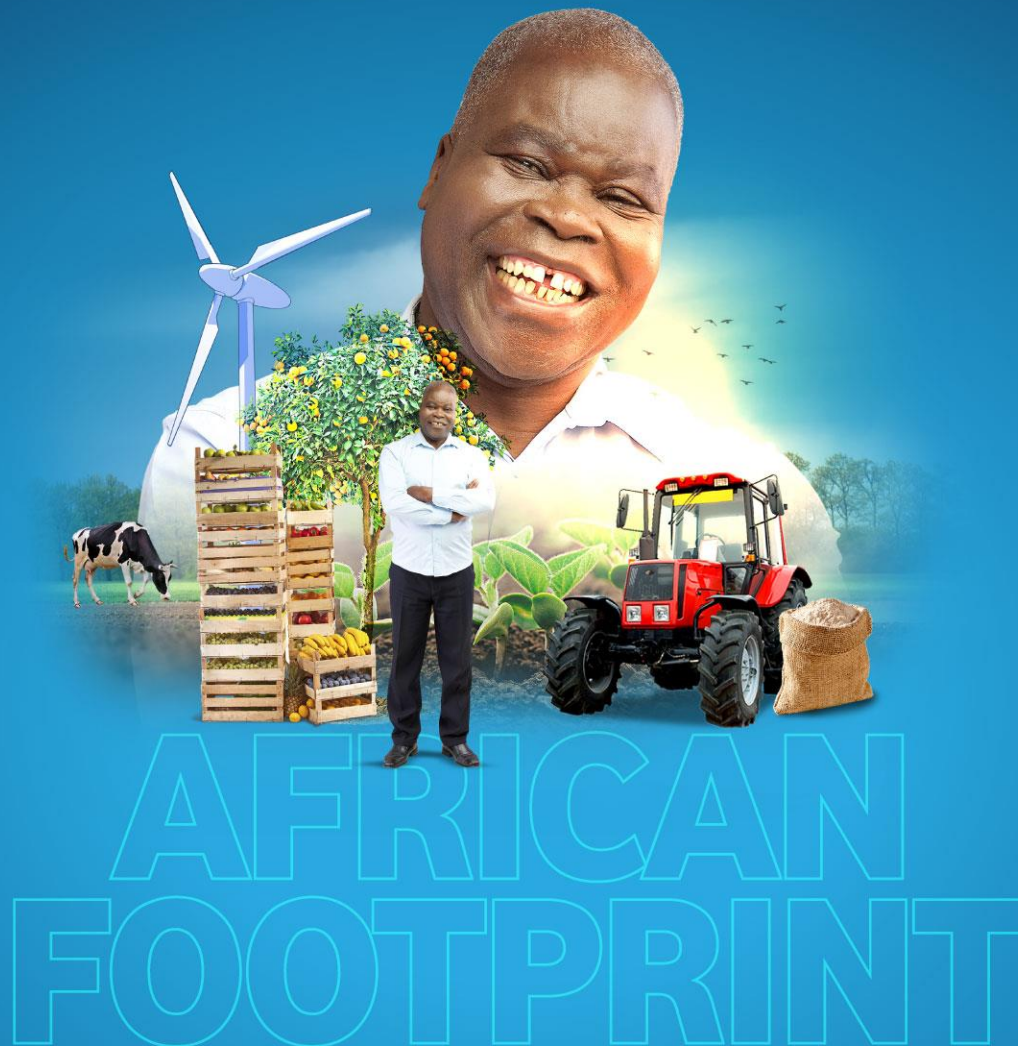


# ONE NICO

NICO GROUP  
COMPREHENSIVE  
FINANCIAL SOLUTIONS







# AFRICAN FOOTPRINT



NBS Bank



NICO

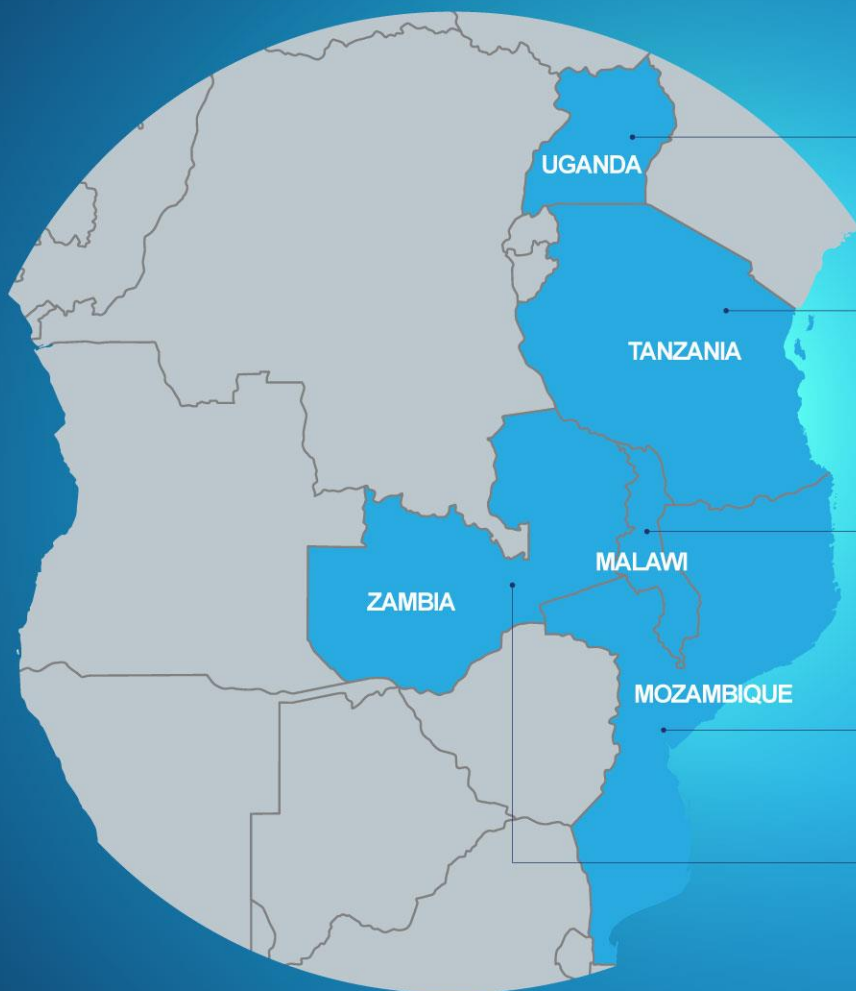
ERIS

General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology





# AFRICAN FOOTPRINT



 **Sanlam**  
UGANDA 5.8%

 **Sanlam**  
TANZANIA 20%

## FOOTPRINT

MALAWI  
ZAMBIA  
MOZAMBIQUE  
UGANDA  
TANZANIA



**NICO**  
Asset Managers

100%



**NICO**  
General

51%



**NICO**  
Life

51%



**NICO**  
Pension

51%



**NICO**  
Technologies

100%



**NBS Bank**  
Your Caring Bank

50.1%



**ERIS**  
PROFESSIONAL SERVICES LIMITED

50%



**Sanlam**  
MOZAMBIQUE VIDA

34.3%



**NICO**  
Insurance

51%





# OTHER INVESTMENTS



NBS Bank



ERIS

General Insurance | Life Insurance | Banking | Asset Management | Pensions | Properties | Technology





# OTHER INVESTMENTS

62.7%



ICON Properties plc

34.3%



Blantyre Hotels plc

17.8%



Mwaiwathu

21.6%



Chibuku

20%



Standard Bank Malawi plc





# CAPITAL MARKET DEVELOPMENTS



NBS Bank



NICO

ERIS

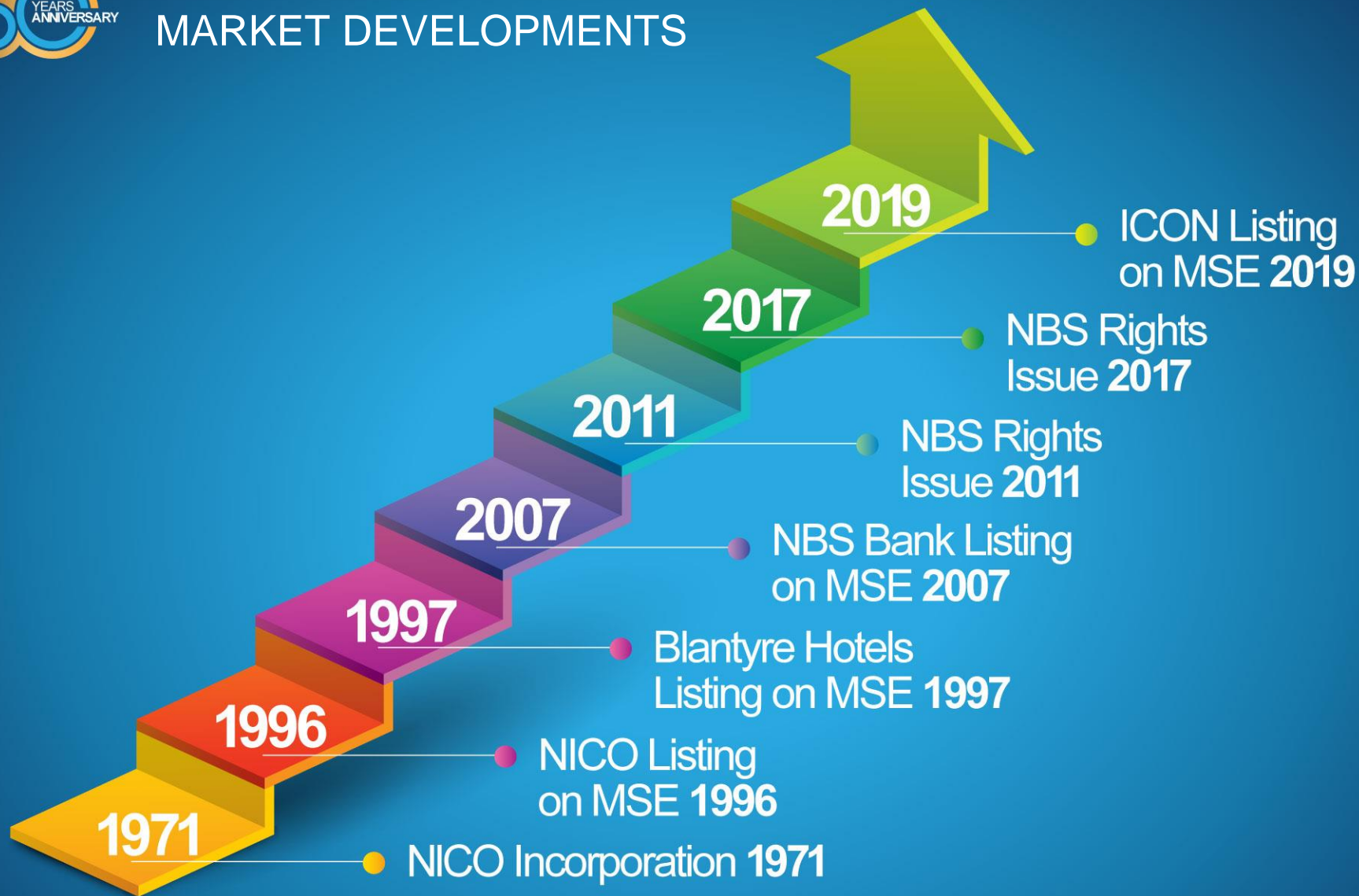
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# CAPITAL

## MARKET DEVELOPMENTS







Sanlam Pan Africa



Botswana Insurance Holdings Limited



Eris Property Group



Rabo Bank





# COVID-19 IMPACT

- Business growth; negative impact on loan book growth, transaction volumes, credit risk, acquisition of new business, collection of premium income, rentals and pension contributions
- **Diversified group structure was resilient; satisfactory results achieved despite effects of the pandemic.**



**NBS Bank**



**NICO**



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# FINANCIAL PERFORMANCE



NBS Bank



NICO

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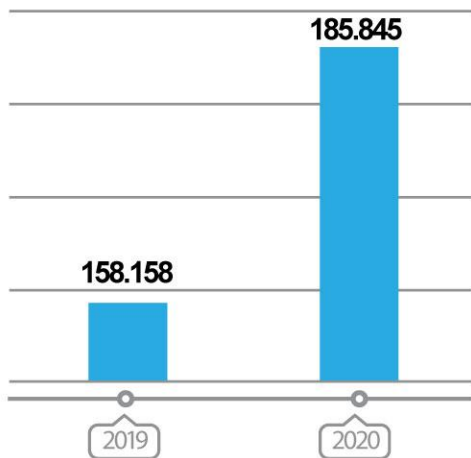






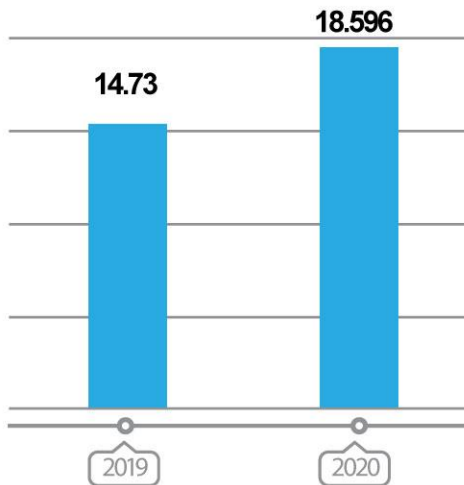
# 2020 PERFORMANCE HIGHLIGHTS

**GROSS REVENUE**  
(MK' BILLION)



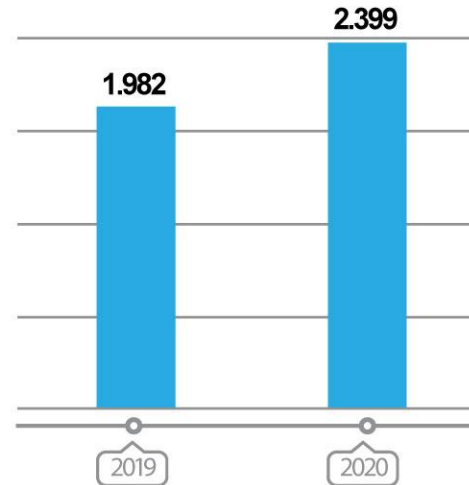
Gross Revenue  
increases of 18% to  
**MK185.85 Billion**

**PROFIT AFTER TAX**  
(MK' BILLION)



Profit After Tax  
increases of 26% to  
**MK18.60 Billion**

**DIVIDENDS**  
(MK' BILLION)



Dividends  
increase of 21% to  
**MK2.399 Billion**



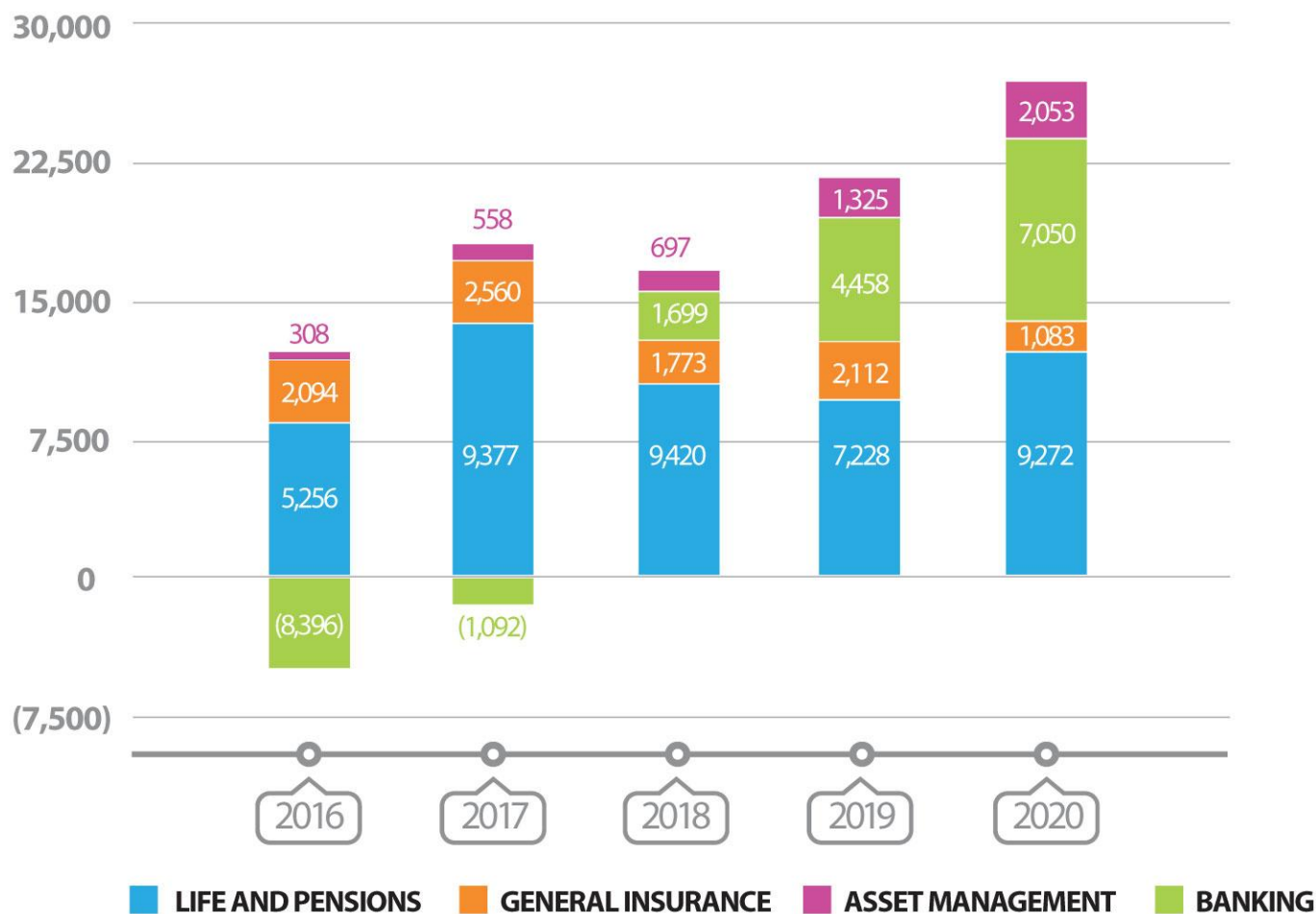


# Statement of Comprehensive Income-2020 (MK'Million)

All in K'million	2020	2019	% Change
Net insurance premiums	84,714	75,959	11.5%
Investment income	47,613	41,402	15.0%
Income from banking	47,041	34,377	36.8%
Fee income	6,396	4,946	29.3%
<b>Total Revenue</b>	<b>185,764</b>	<b>156,683 </b>	<b>18.6%</b>
Operating expenses	(158,458)	(136,046)	(16.5%)
<b>Operating profit</b>	<b>27,306</b>	<b>20,637 </b>	<b>32.3%</b>
Other income	(838)	853	(198.2%)
<b>Profit Before Tax</b>	<b>26,468</b>	<b>21,491 </b>	<b>23.2%</b>
Tax	(7,872)	(6,761)	(16.4%)
<b>Profit After Tax</b>	<b>18,596</b>	<b>14,730 </b>	<b>26.2%</b>
Other Comprehensive Income Net of Tax	(69)	256	(127.0%)
<b>Total comprehensive income for the year</b>	<b>18,527</b>	<b>14,986 </b>	<b>23.6%</b>
Total comprehensive income for the year attributable to: Non-controlling interest	8,339	6,826	22.2%
Owners of the parent company	10,188	8,160	24.9%
<b>Total</b>	<b>18,527</b>	<b>14,986 </b>	<b>23.6%</b>



# PERFORMANCE OF CORE BUSINESSES: PROFIT AFTER TAX (MK'MILLION)



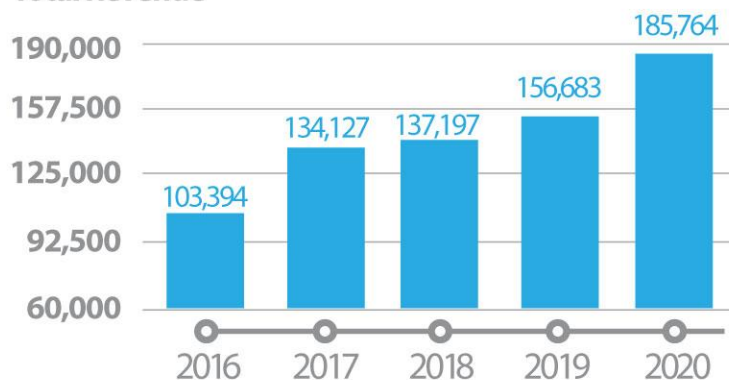




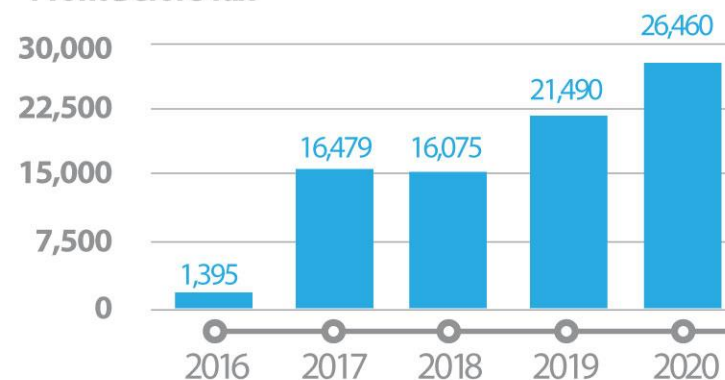
# Group Financial Performance

(MK'Million)

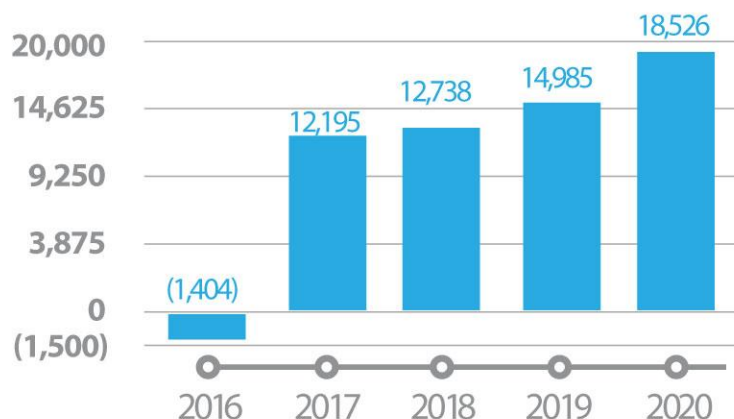
Total Revenue



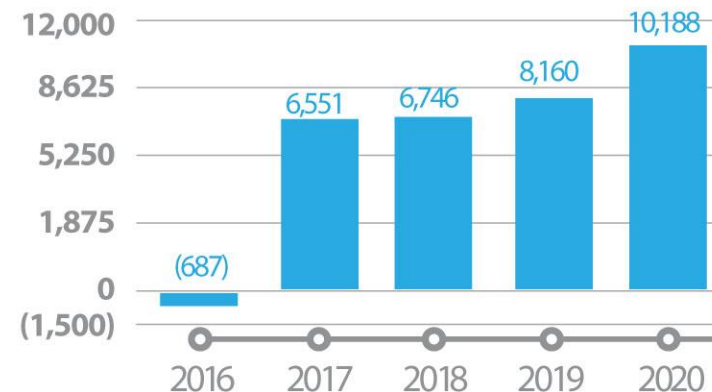
Profit Before Tax



Total Profit and Other Comprehensive Income



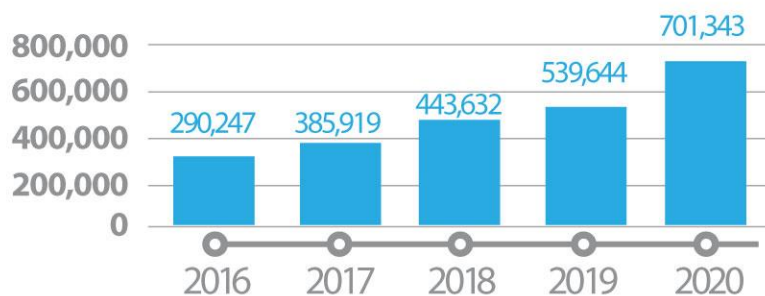
Profit After Tax and Other Comprehensive Income Attributable to Owners of the Parent Company



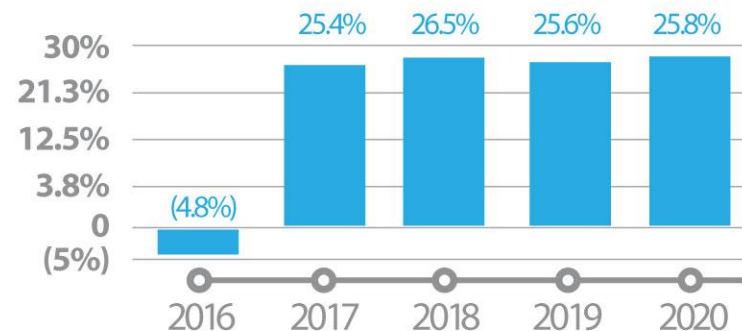
# Statement of Financial Position

(MK'Million)

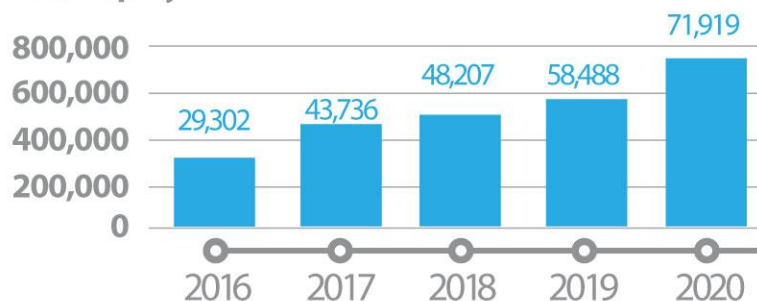
**Total Assets**



**Return on Equity**

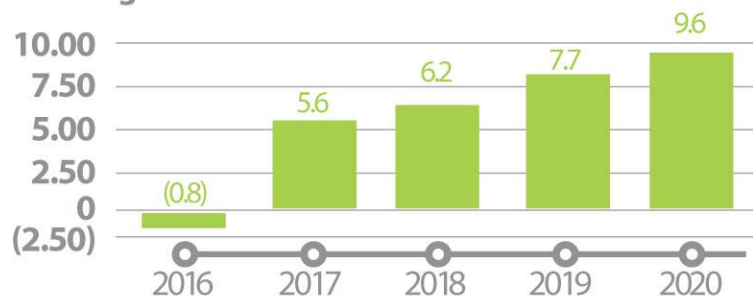


**Total Equity**

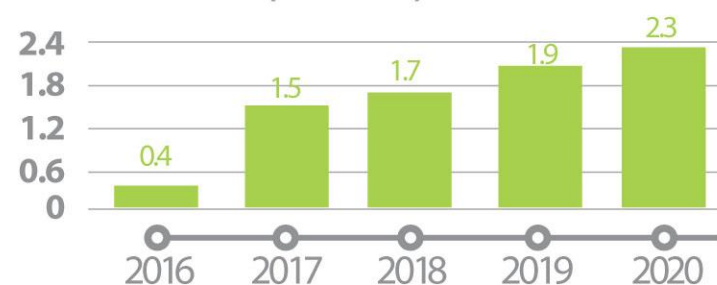


# Shareholder Value (MK)

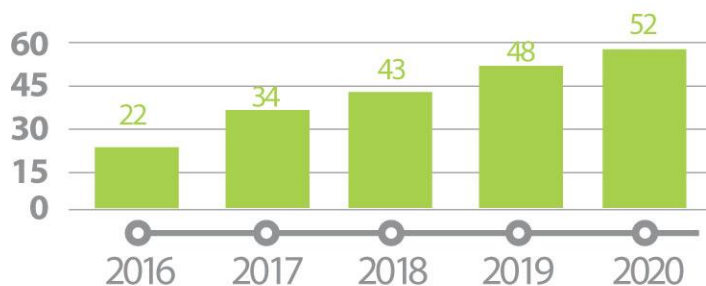
Earnings Per Share



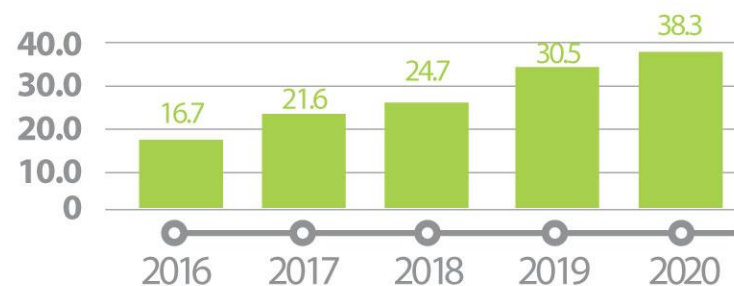
Dividend Per Share(Net of tax)



Share Price



Net Book Value Per Share







# KEY PROJECTS

## IN THE GROUP

### ☐ Completed Projects

- Investment in core systems at NICO Life Insurance and NICO Pension Services.
- Investment in Disaster Recovery Infrastructure.
- Refurbishment of NICO House; now with improved facilities and ambience for better customer experience.

### ☐ Projects in Progress

- Hotel project in Lilongwe.
- NICO Capital; new company being incorporated to facilitate growth of portfolio investments and investment of pension funds.
- Expansion of digital platforms and channels





## WHY NICO IS A GOOD INVESTMENT

- ❑ NICO subsidiaries have significant market share in their respective industries.
- ❑ NICO has diversified portfolio of investments in the financial services sector.
- ❑ NICO Subsidiaries leverage on synergies available in the group.
- ❑ NICO consistently pays dividends.
- ❑ NICO dividend has no tax deduction.
- ❑ NICO has Investments in the region which will provide a hedge and diversity of earnings.



# THANK YOU!



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