

# **Cytonn H1'2025 Kenya Listed Insurance Sector Report**

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# 1. Introduction to Cytonn

# About Us

Cytonn Investments is an alternative investment manager, with real estate development capability, and a primary focus on private equity and real estate investments in the high growth Kenyan Region. Cytonn has a unique strategy of coupling two compelling demand areas - the lack of high yielding investment products and the lack of institutional grade real estate. We provide high yielding investment instruments to attract funding from investors, and we deploy that funding to largely pre-sold investment grade real estate. With offices in Kenya and Washington, DC - USA, we are primarily focused on offering alternative investment solutions to global and local institutional investors, individual high net-worth investors, and diaspora investors interested in the East-African region. Real estate investments are made through our development affiliate, Cytonn Real Estate, where we currently have over Kshs. 82 billion (USD 820 mn) of projects under mandate across ten projects. In private equity, we invest in banking, education, and hospitality.

**82**

Over Kshs. 82 billion worth of projects under mandate

**3**

Three offices across 2 continents

**500**

Over 500 staff members, including Cytonn Distribution

**10**

10 investment ready projects in real estate

## A unique franchise differentiated by:

### Independence & Investor Focus

Focused on serving the interest of clients, which is best done on an independent platform to minimize conflicts of interest

### Alternative Investments

Specialized focus on alternative assets - Real Estate, Private Equity, and Structured Solutions

### Strong Alignment

Every staff member is an owner in the firm. When clients do well, the firm does well; and when the firm does well, staff do well

### Committed Partners

Strong global and local partnerships in financing, land and Cytonn Real Estate, our development affiliate

# Why We Exist

Africa presents an attractive investment opportunity for investors seeking attractive and long-term returns. Despite the alternative markets in Africa having high and stable returns, only a few institutional players serve the market. Cytonn is focused on delivering higher returns in the alternative markets, while providing the best client service and always protecting our clients' interests.

## WE SERVE THREE MAIN CLIENT SEGMENTS:

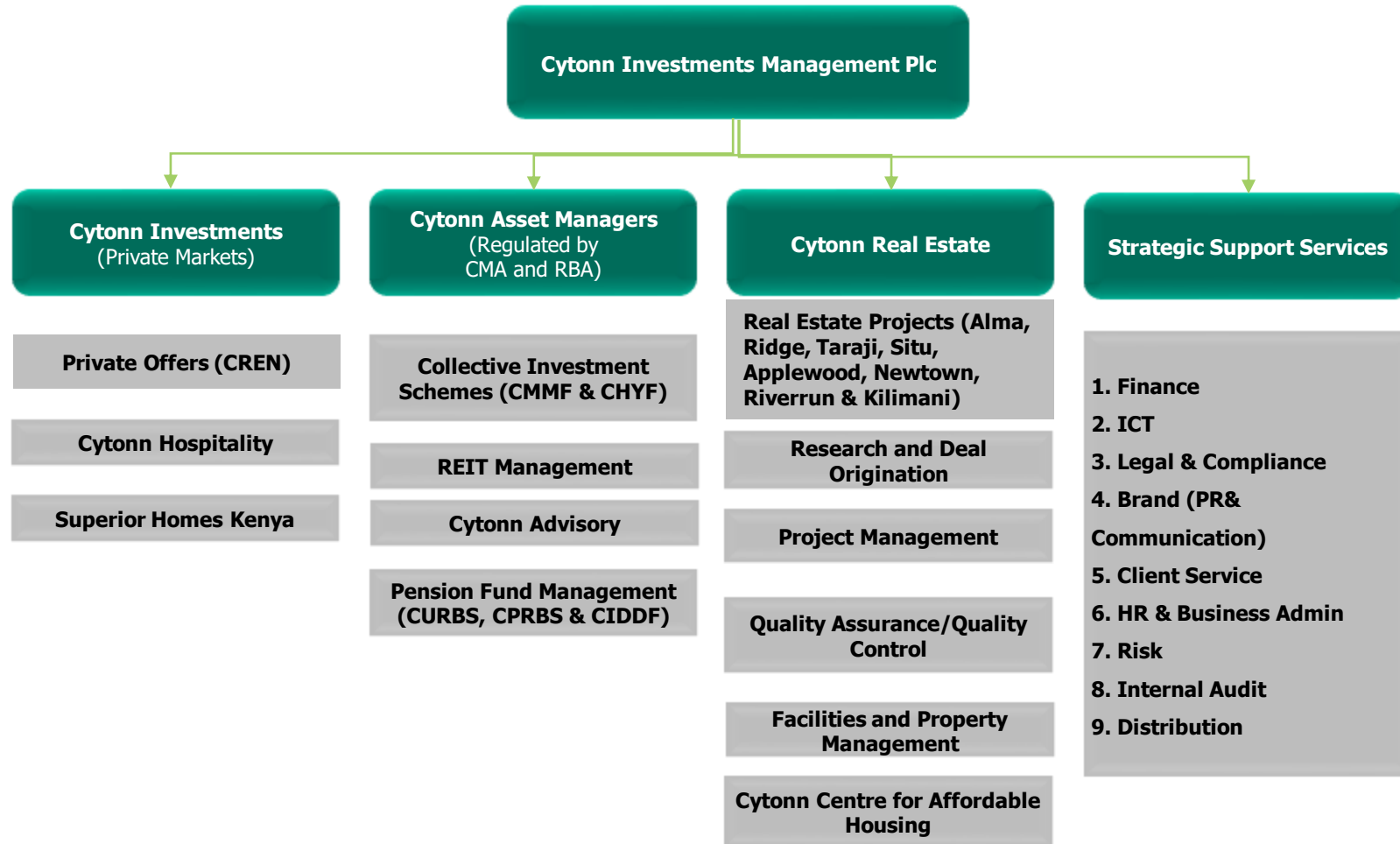
- High Net-worth Individuals through Cytonn Private Wealth. This is done through our captive Distribution Network
- East Africans in the Diaspora through Cytonn Diaspora
- Global and Local Institutional Clients. These clients are served from our Investment & Fundraising Team

## WE INVEST OUR CLIENT FUNDS IN:

- Real Estate, and Real Estate Related Businesses
- Private Equity
- Fixed Income Structured Solutions
- Equities Structured Solutions



# Cytonn Business Structure

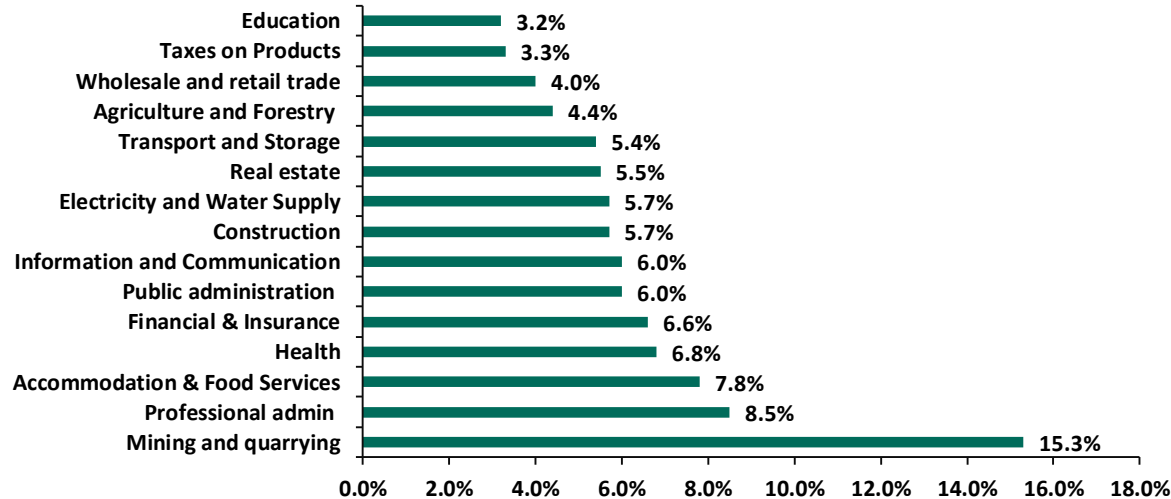


## 2. Kenya Economic Review and Outlook

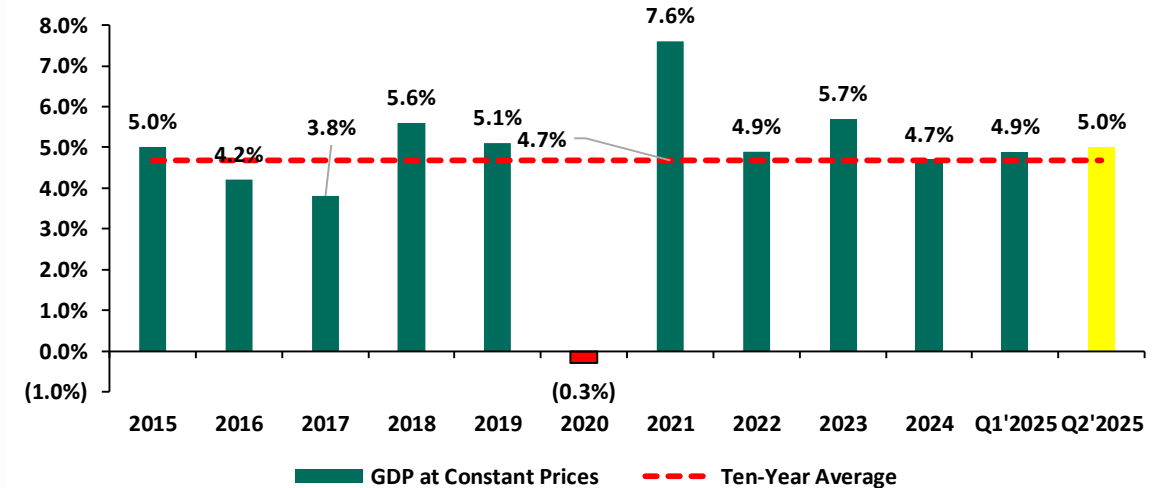
# Economic Growth

The Kenyan economy grew by 5.0% in Q2'2025, higher than the 4.6% growth recorded in Q2'2024.

Cytonn Report: Q2'2025 GDP Contribution by Sector



GDP Growth Rates



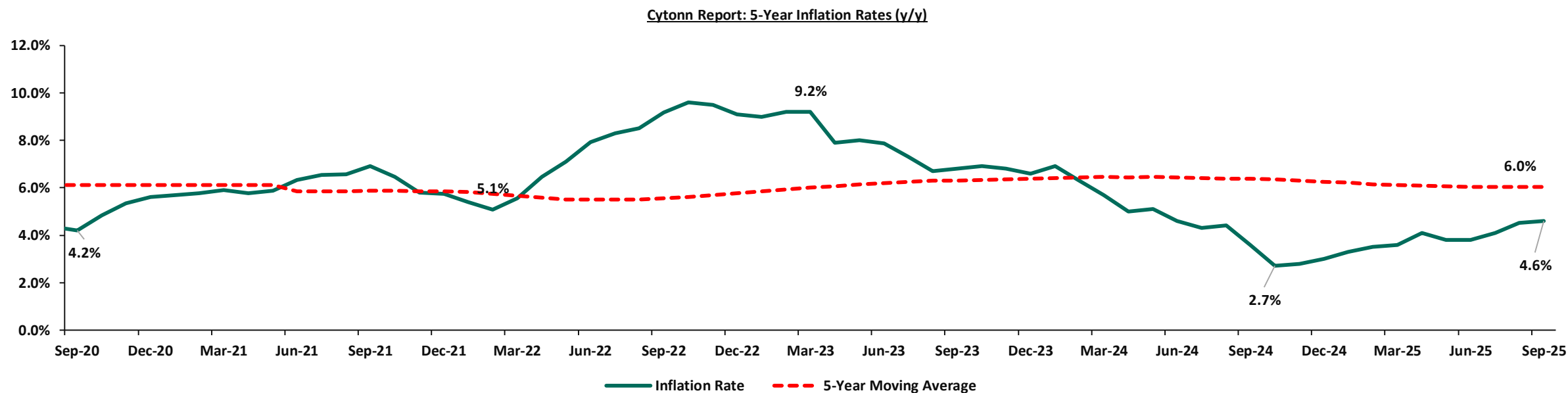
\*Source: KNBS

- The Kenyan economy recorded a 5.0% growth in Q2'2025, higher than the 4.6% growth recorded in Q2'2024. The main contributor to Kenyan GDP remains to be the Agriculture, forestry and fishing sector which grew by 4.4% in Q2'2025, lower than the 4.5% expansion recorded in Q2'2024. All sectors in Q2'2025 recorded positive growths, with varying magnitudes across activities.
- We expect the reduced borrowing costs and the stronger Shilling to continue reducing production costs, leading to lower food prices in the country. However, growth is likely to be weighed down by increased taxation by the government thereby decreasing the purchasing power of consumers, coupled with increasing fuel prices.



# Inflation

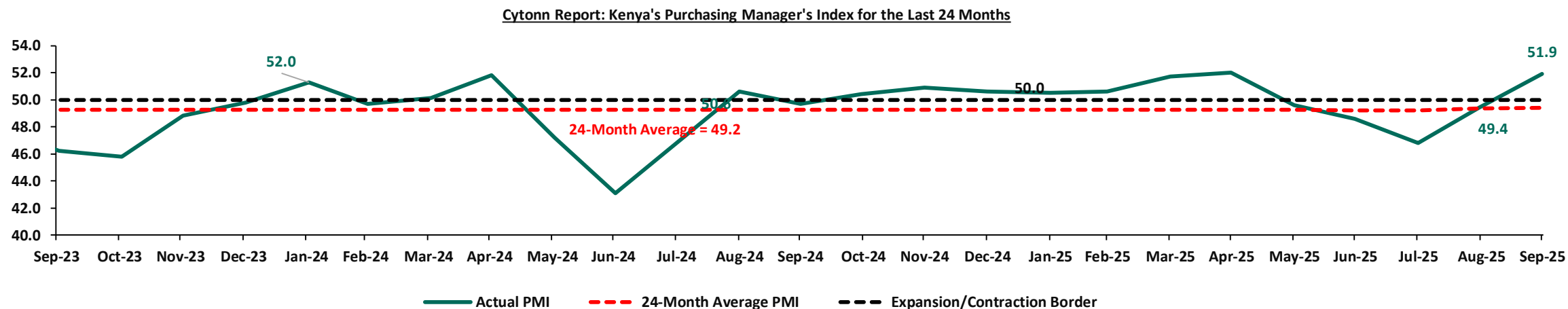
The y/y inflation in H1'2025 decreased by 1.9% points to 3.7%, from the 5.6% recorded in H1'2024.



- The average inflation rate decreased to 3.7% in H1'2025, compared to 5.6% in H1'2024, attributable to a stronger and stable Shilling, and lower fuel prices.
- The inflation in September 2025 rose slightly to 4.6%, up from 4.5% recorded in August 2025. The headline inflation was primarily driven by price increases in the following categories: Food & Non-Alcoholic Beverages at 8.4%, Transport at 4.0%, and Housing, Water, Electricity, Gas and Other Fuels at 1.4%.
- Going forward, we expect the inflationary pressures to remain within the CBK's preferred target, mainly on the back of a stable shilling. However, the loosening monetary policy, high fuel prices, and the increasing electricity prices remain a risk for the inflation rate.

# Stanbic PMI Index

The PMI averaged at 50.5 in H1'2025, compared to 50.0 in H1'2024

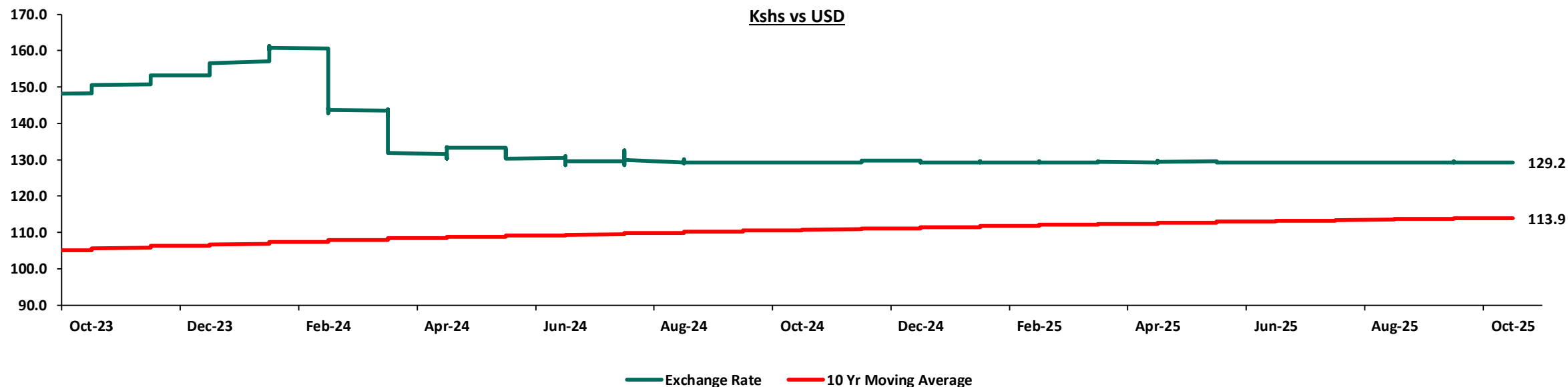


\*Source: Market Economics, Stanbic PMI

- The Stanbic Purchasing Managers Index (PMI) for the month of September 2025 increased to 51.9, up from 49.4 in August 2025 signaling a stronger recovery of the business environment for month of September. Similarly, on a y/y basis, the index recorded a 4.4% points improvement from the 49.7 recorded in September 2024. The improvement was largely driven by a slower pace of decline in output and new orders, as some firms reported gains from new marketing strategies and client acquisition efforts.
- Key to note, a PMI reading of above 50 indicates improvements in the business environment, while a reading below 50 indicates a worsening outlook. Going forward we project the business environment in Kenya will improve in the short term, primarily due to the eased inflationary pressures and the strengthening and stability of the Kenya Shilling.

# Currency

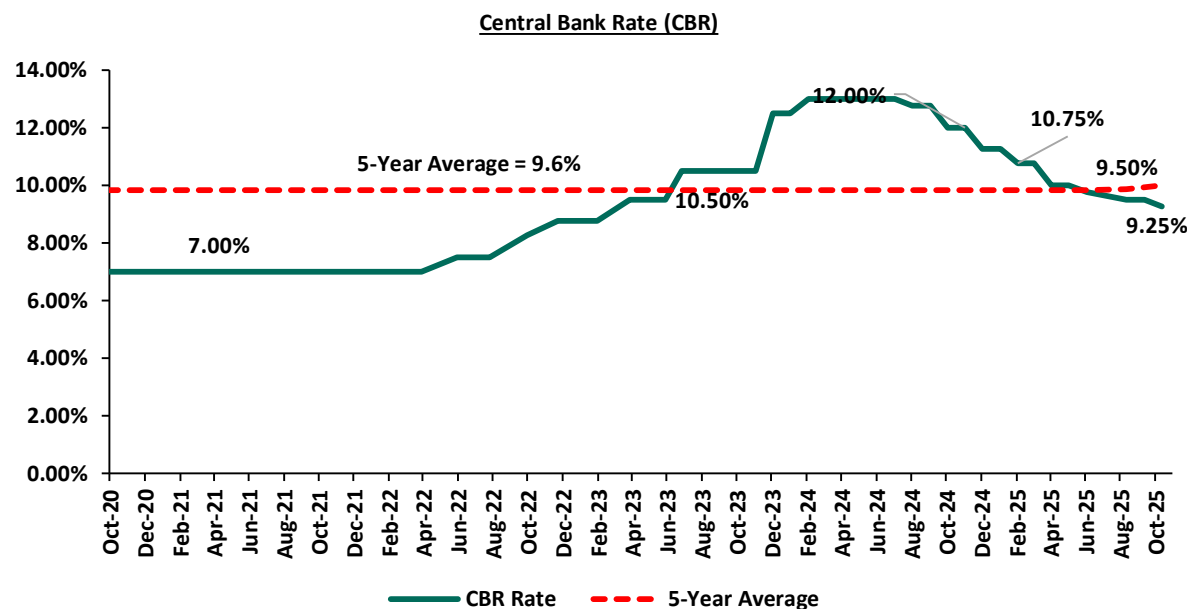
**The Kenya Shilling appreciated slightly by 5.5 bps against the US Dollar in H1'2025 compared to the 17.2% appreciation recorded in H1'2024.**



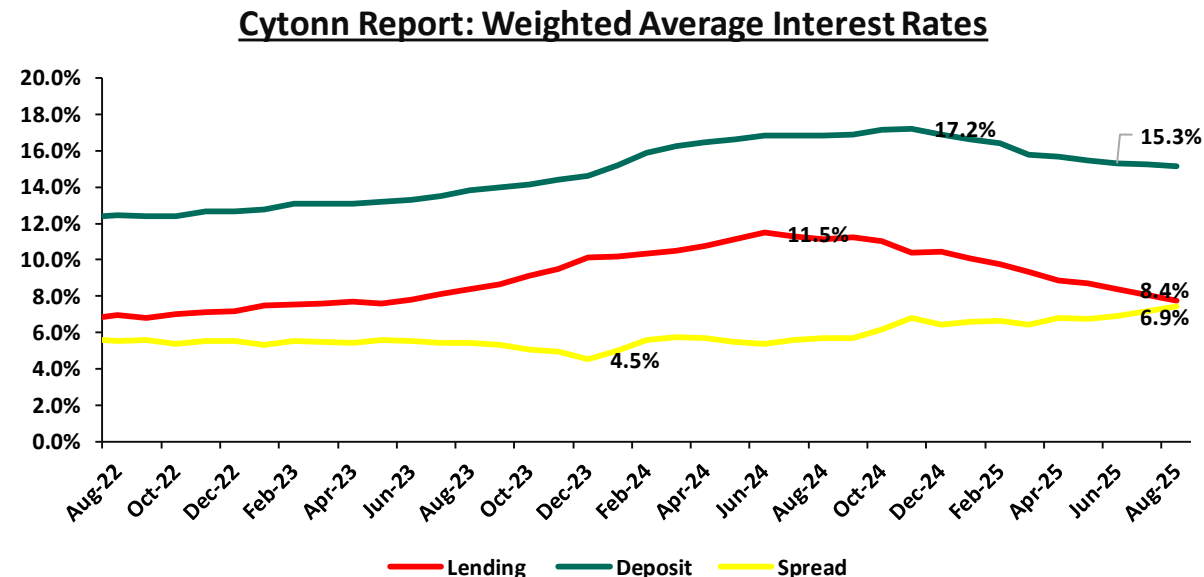
*\*Source: Central Bank of Kenya*

- The Kenyan Shilling remained stable appreciating slightly against the US Dollar by 5.5 bps in H1'2025, to close at Kshs 129.2, from Kshs 129.3 as at the beginning of the year, attributable to stable and adequate foreign inflows during the period.
- In our view, the shilling will be supported by diaspora remittances standing at a cumulative USD 5,078.8 mn in the twelve months to August 2025, 9.4% higher than the USD 4,644.5 mn recorded over the same period in 2024. These has continued to cushion the shilling against further depreciation.
- We however expect the shilling to remain under pressure as a result of an ever- present current account deficit which came in at 2.1% of GDP in the twelve months to August 2025, as well as the need for government debt servicing.

# Interest Rates and Monetary Policy

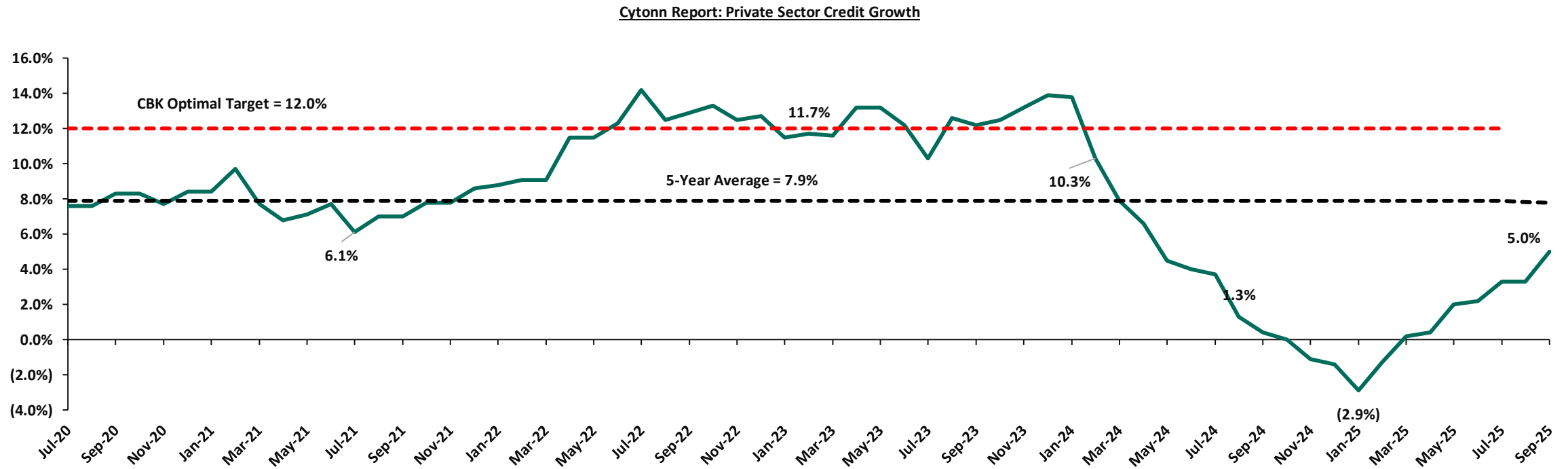


\*Source: CBK



- In the last sitting in October 2025, the Monetary Policy Committee cut the CBR rate by 25.0 basis points, to 9.25% from 9.5% in August 2025, against a backdrop of elevated uncertainties to the global outlook for growth, lower but sticky inflation in advanced economies heightened trade tensions as well as persistent geopolitical tensions.
- The decision was on the back of a stable exchange rate, anchored inflationary pressures, some major economies starting to cut on their interest rates and the need to support the economy by adopting a more accommodative interest rate policy.
- The committee noted that there was scope for gradual easing of the monetary policy stance, while ensuring a stable exchange rate.

# Private Sector Credit growth



\*Source: KNBS

- Growth in private sector grew by 5.0% in September 2025 compared to growth 3.3% in August 2025, mainly attributed to the dissipation of exchange rate valuation effects on foreign currency-denominated loans due to the appreciation of the Shilling and increased demand attributable to declining lending interest rates. Additionally, the number of loan applications and approvals remained strong, reflecting resilience in economic activities.

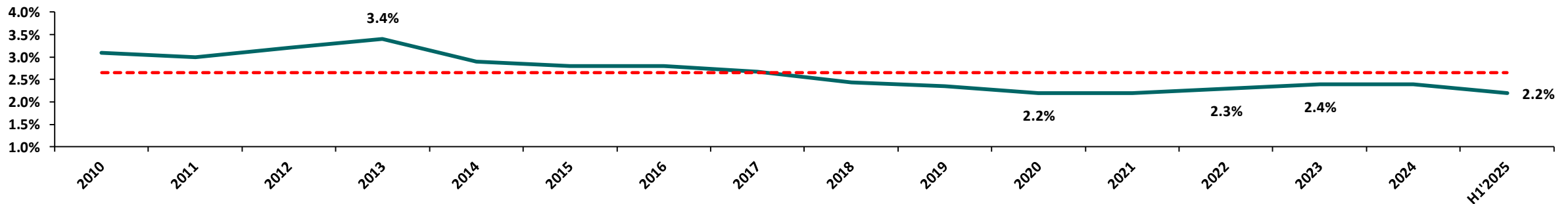
# 3. Kenya Insurance Sector Overview

# Kenyan Insurance Sector Overview

## The Insurance penetration in Kenya stood at 2.2% as at the end of H1'2025

- The industry is regulated by Insurance Regulatory Authority which is responsible for licensing, regulating and developing the insurance sector
- In the last five years, the life insurance market in Kenya has experienced growth in both the level of direct premiums as well as in the equity held by the industry constituents
- In H1'2025, Kenya had 58 insurance companies, 5 reinsurance companies, 191 insurance brokers and 13,914 insurance agents (which includes 17 Bancassurance agents)
- Insurance penetration (Gross Premiums as a % Gross Domestic Product (GDP)) in Kenya stood at 2.2% of in H1'2025. The low penetration rate, which is below the global average of 7.4%, according to Swiss RE institute, is attributable to the fact that insurance uptake is still seen as a luxury and mostly taken when it is necessary or a regulatory requirement.

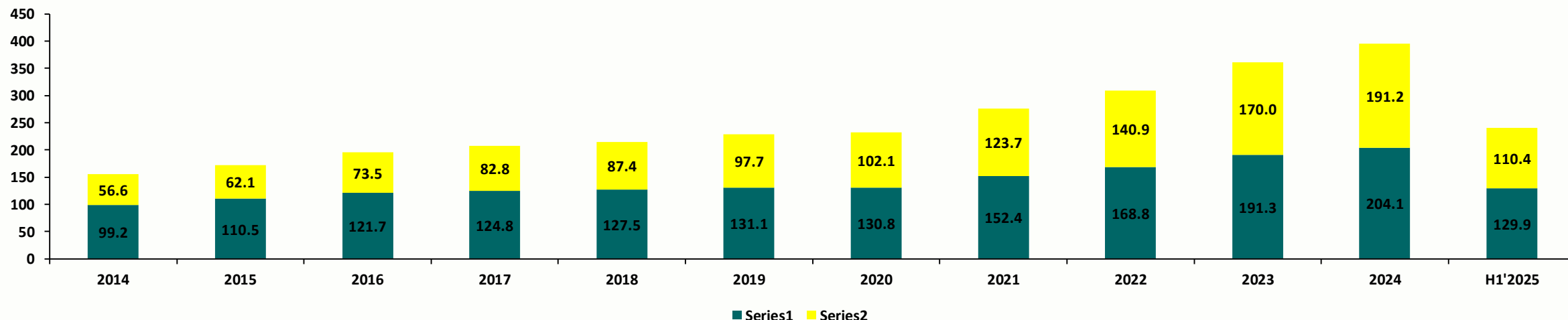
Cytonn Report: Insurance Penetration in Kenya



# Kenyan Insurance Sector Overview

General insurance business remains the largest contributor to industry insurance activity at 54.1%

Cytonn Report: Gross Direct Premium Income (Kshs. bn)



- Industry gross written premium stood at Kshs 241.3 bn as of H1'2025, representing an increase of 13.4% from Kshs 212.8 bn in H1'2024. Long term insurance segment grew by 17.7%, while General Insurance recorded a growth of 10.4%
- General insurance business remained the largest contributor to industry insurance activity contributing 54.1% of the total premium. Motor insurance and medical insurance classes of business account for 67.6% of the gross premium income under the general insurance business
- In the long term insurance segment, deposit administration and life assurance classes remained the biggest contributors to the long term gross premium income, accounting for 54.8% in H1'2025, compared to the 54.6% contribution by the two classes in H1'2024.



# Insurance Sector Growth Drivers

**Alternative channels for both premium distribution and claims verification and disbursement is driving the sector**

The drivers of growth in the insurance sector in H1'2025 include;

- a) Partnerships and alternative distribution channels:** We anticipate that underwriters will continue to form alliances and offer additional distribution channels in the future. This can be accomplished by collaborating with other financial services providers, such as fund managers who have moved into delivering insurance-linked products, in addition to the present bancassurance connection with banks. The insurance business can also use the penetration of bank products to promote its own products. Integration of mobile money payments to allow for policy payments is also predicted to continue due to the ease it provides, as well as the country's high mobile phone penetration; thus, insurance companies would wish to exploit this to improve penetration
- b) Innovation:** To aid portfolio expansion and growth, insurers must harness the digital insurance solutions at their disposal in order to improve internal efficiency and accelerate time to market. As such, we anticipate cooperation between insurers and InsurTechs

# Insurance Sector Growth Drivers

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## New regulations and the use of block chain have also contributed to growth in the insurance sector

- d) Regulation:** The introduced regulations in the insurance sector have helped most companies improve their capital management systems. The compliance requirements as stipulated in IFRS 17 come at a high implementation cost but they also assist companies manage their risks and capital in a better way
- e) Adoption of Alternative Distribution Channels:** Insurance companies have been dynamic and fast in adopting new alternative channels for both distribution and premium collection with financial sector deepening leading to an improved method of distribution of insurance products, collection and payment of premiums like bank assurance, online and mobile payment
- f) Redirection in Core Operations-** With the limited growth of the insurance industry, insurers are moving their focus to growing investment income which involves and increase in the assets under management segments and investments in property. Most insurance companies are now moving into asset management to boost their group revenues

# Recent Developments in the Kenyan Insurance Sector

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The following are the most recent developments witnessed in the Insurance sector;

- 1. Portfolio Optimization:** Insurance firms are re-evaluating their products and services to sustain the sector's recovery and realize profitability by focusing on core and profitable offerings and dispose non-core offerings. As insurers focus more on profitable goods, portfolio optimization will eventually include reducing holdings in unprofitable subsidiaries and affiliates and impact underwriters' products
- 2. IFRS 17 Implementation:** The standard, having replaced IFRS 4, is expected to give better information on profitability by providing more insights into the current and future profitability of insurance contracts. Separation of financial and insurance results in the income statement will allow for better analysis of core performance for the entities and allow for better comparability of insurance companies
- 3. High Market Competition:** Despite low insurance penetration in the country, the sector is served by 58 insurance companies offering the same products. Some insurers have resorted to shady tactics in the fight for market dominance, such as premium undercutting, which involves offering clients implausibly low premiums in order to gain a competitive advantage and protect their market share. This is a significant factor in the industry's underwriting losses

# Recent Developments in the Kenyan Insurance Sector

**The insurance sector has seen mergers and acquisitions mainly with companies trying to protect their market share in a competitive environment**

- 3. Merger & Acquisition activity:** The insurance sector is booming with mergers and acquisitions mainly with companies trying to protect their market share in a competitive environment and meet the capital requirements. In July 2024, NCBA Group completed its 100% acquisition of AIG Kenya Insurance Company Limited. NCBA had held a minority shareholding in AIG Kenya for over 18 years, bringing NCBA an over 50-year old insurance business with a heralded market reputation for offering general insurance propositions to corporates, SMEs and individuals.
- 4. Investment Diversification** - There has been need for diversification necessitated by the slow growth in premiums against an increase in underwriting expenses, leading to insurers pursuing non-traditional asset classes. An example is Jubilee Holdings investment in associates such as Bujagali hydropower plant in Uganda, PDM Holdings Ltd and IPS Cable Systems Ltd whose share of profits has been boosting its bottom-line,
- 5. Capital Raising and Share Purchase:** The move to a risk-based capital adequacy framework presented opportunities for capital raising initiatives mostly by the small players in the sector to shore up their capital and meet compliance measures. A recent example is [Sanlam Kenya](#), which undertook a rights issue offering 500.0 million new shares at an offer price of Kshs 5.00 per share. The capital raised is to directed towards key strategic areas, primarily aimed at reducing the Group's long-term debt exposure and supporting its return to profitability.

# Insurance Sector Market Share

**CIC General Insurance leads in General Insurance business, while Britam Life Assurance dominates in Long term Insurance business**

Insurer	General Insurance Business	Insurer	Long-Term Insurance Business
	Market Share		Market Share
CIC General Insurance	9.3%	Britam Life Assurance	18.9%
APA Insurance Limited	8.6%	ICEA Lion Life Assurance	13.8%
Old Mutual General Insurance	8.4%	Jubilee Insurance Company	13.2%
GA Insurance Company	8.6%	CIC Life Insurance Company	7.0%
Jubilee Health Insurance	8.3%	GA Life Insurance Company	7.0%
Others	56.8%	Others	40.1%
<b>Total</b>	<b>100.0%</b>		<b>100.00%</b>

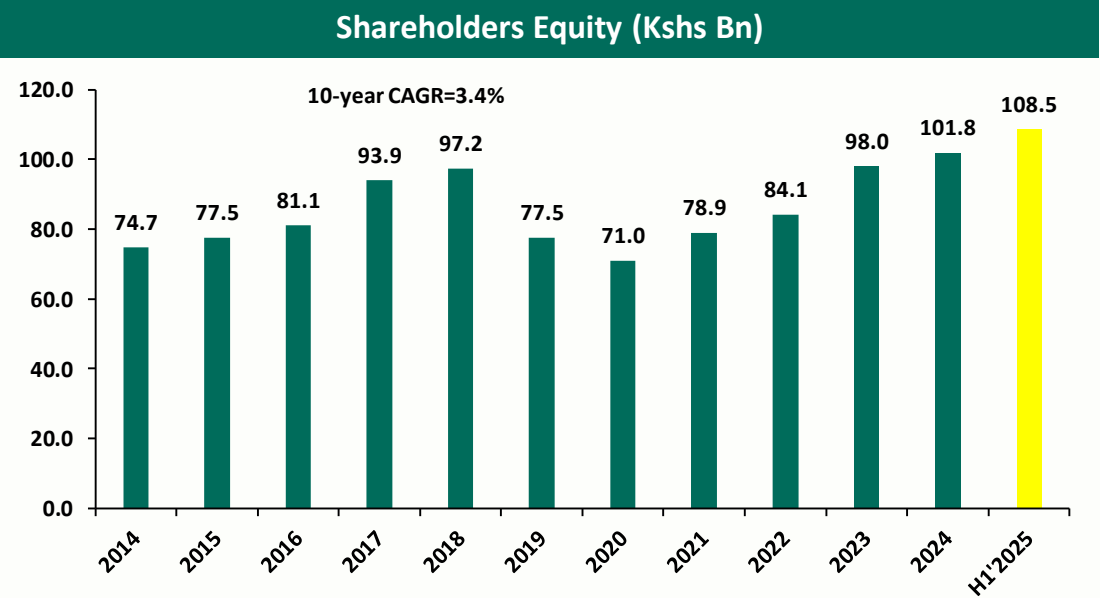
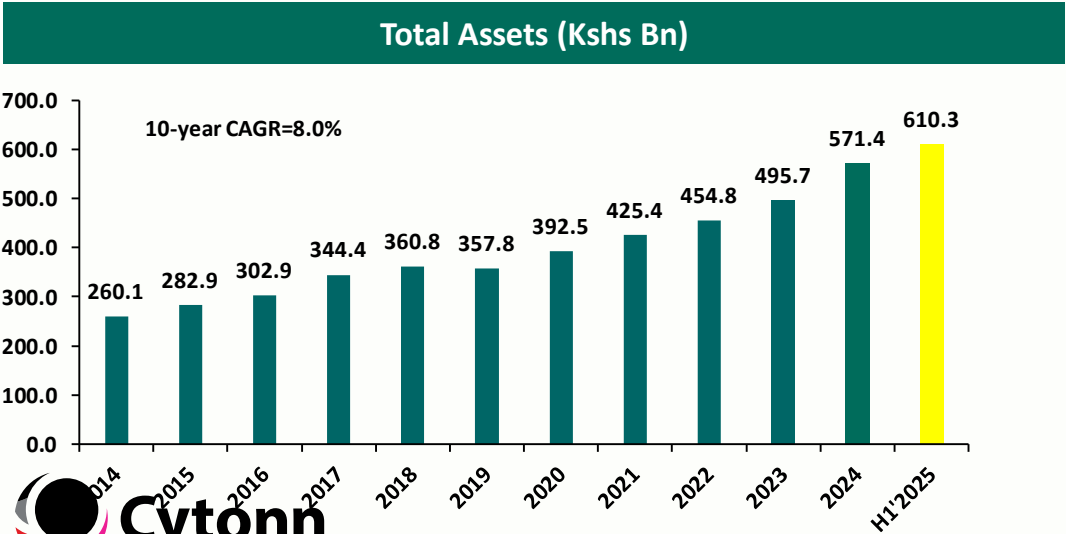
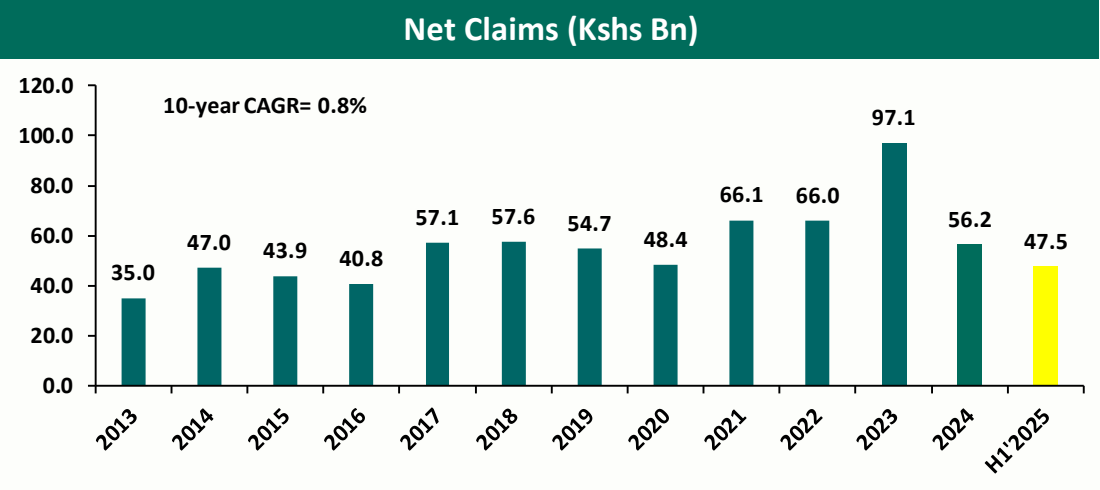
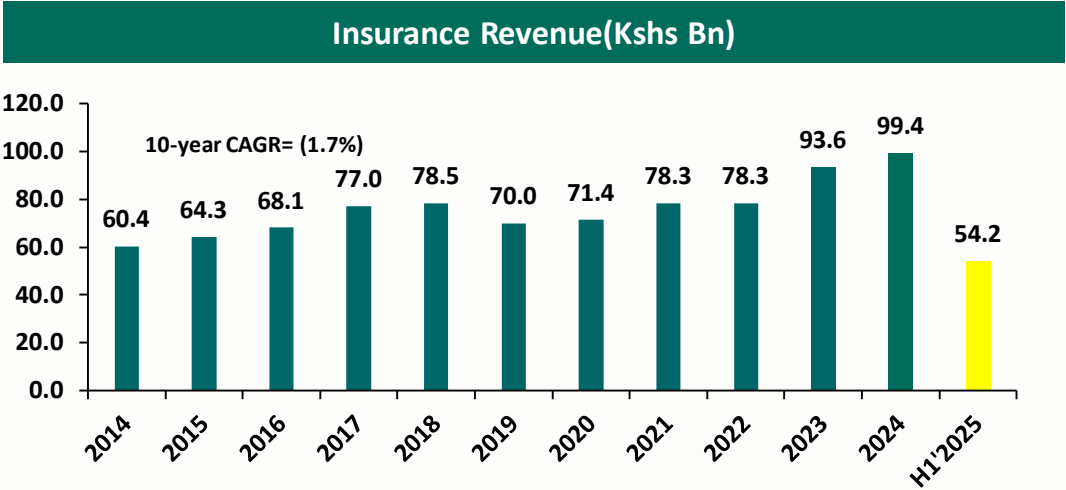
*Source: IRA Q2'2025 report*

- The top 5 insurance companies control 43.2% of the General Insurance market share
- In terms of long term insurance, the top 5 insurers control 59.9% of the market share

## 4. Listed Insurance Sector Metrics

# Listed Insurance Sector Metrics

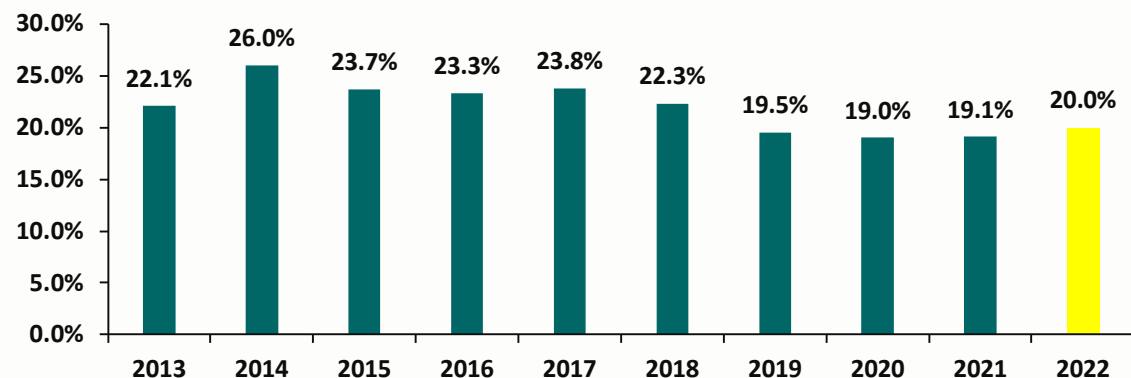
Total Assets have recorded a steady growth over the years



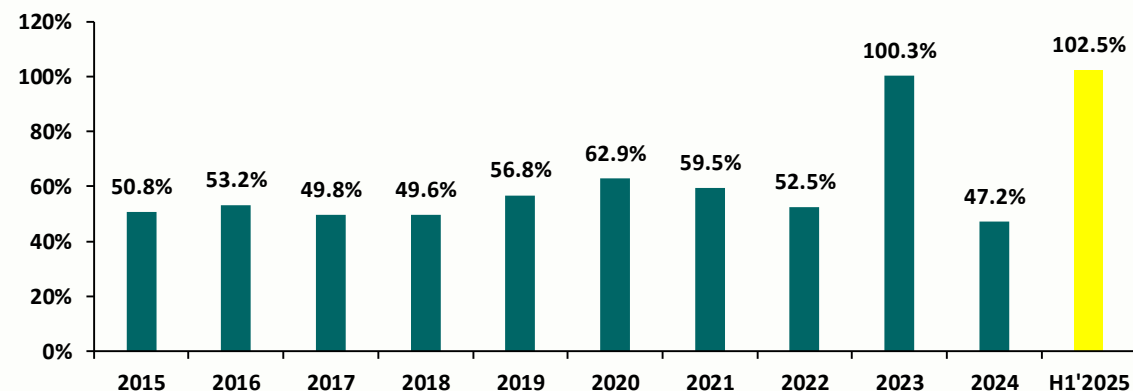
# Listed Insurance Sector Metrics

## Loss ratio and Expense ratio remains elevated

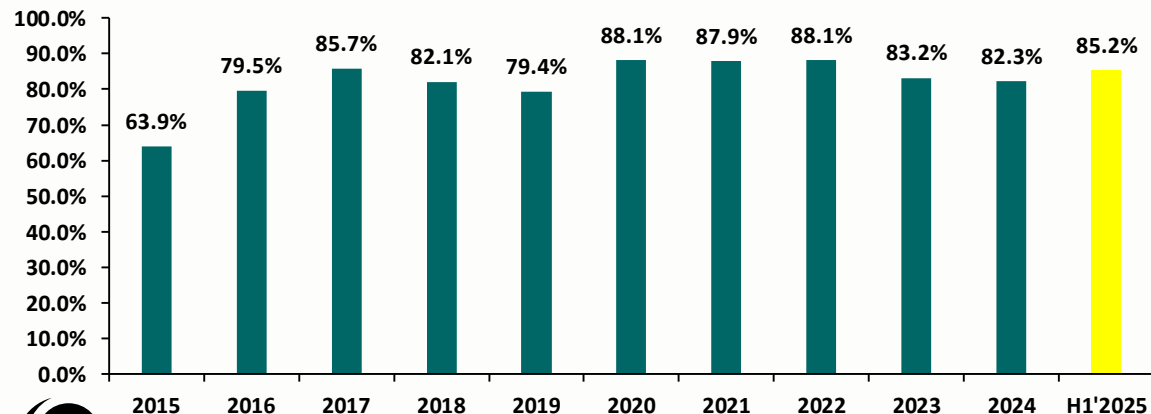
### Solvency Ratio



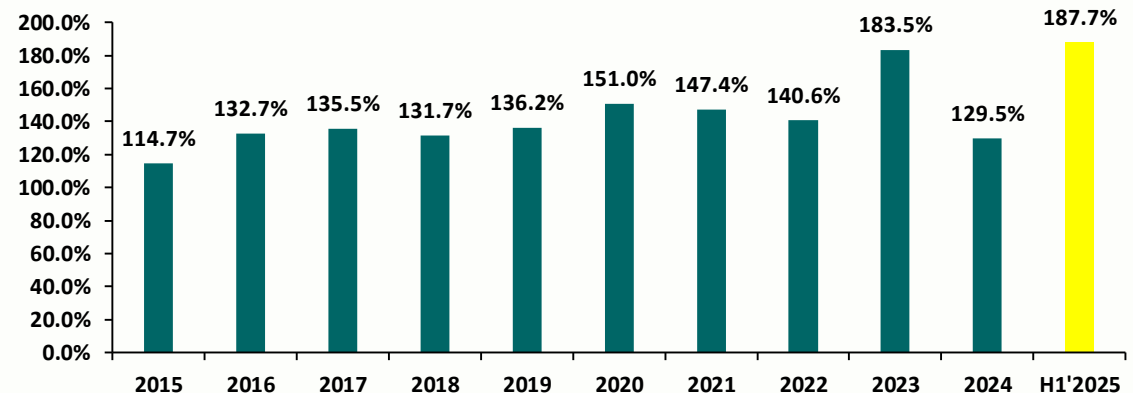
### Expense Ratio



### Loss Ratio



### Combined Ratio





# Listed Insurance Earnings and Growth Metrics

The Expense ratio and Loss ratio increased across the sector

Listed Insurance Companies H1'2025 Earnings and Growth Metrics								
Insurance	Core EPS Growth	Insurance revenue growth	Claims growth	Loss Ratio	Expense Ratio	Combined Ratio	ROaE	ROaA
Sanlam	(94.7%)	6.1%	5.3%	89.1%	60.0%	149.1%	1.2%	0.1%
Liberty	(29.8%)	(37.4%)	(20.0%)	73.6%	80.0%	153.6%	4.4%	0.9%
Jubilee Insurance	20.4%	32.6%	36.6%	92.2%	108.4%	200.7%	5.5%	1.4%
Britam	(15.0%)	10.6%	11.4%	76.8%	96.4%	173.2%	6.0%	1.2%
CIC	(23.3%)	8.4%	23.4%	92.2%	117.2%	209.4%	6.0%	1.3%
<b>*H1'2025 Weighted Average</b>	<b>(6.6%)</b>	<b>13.7%</b>	<b>19.8%</b>	<b>85.2%</b>	<b>102.5%</b>	<b>187.7%</b>	<b>5.6%</b>	<b>1.3%</b>
<b>**H1'2024 Weighted Average</b>	<b>39.6%</b>	<b>51.7%</b>	<b>(18.2%)</b>	<b>81.1%</b>	<b>68.2%</b>	<b>149.4%</b>	<b>7.3%</b>	<b>1.6%</b>
*Market cap weighted as at 09/10/2025								
**Market cap weighted as at 18/10/2024								

# Listed Insurance Sector Trading Metrics

Kenya's Insurance sector is trading at an average P/TBV of 0.7x and a P/E of 4.5x

Insurance Company	Share Price*	No of Shares	Market Cap	P/TBV	P/E
Jubilee Holdings	320.00	0.1	23.2	0.5x	4.4x
Sanlam Kenya	8.74	0.1	1.3	0.4x	1.6x
Liberty Holdings	10.85	0.5	5.8	0.7x	4.8x
Britam Holdings	8.50	2.5	21.4	0.7x	4.7x
CIC Group	4.56	2.6	11.9	1.1x	4.3x
Median				0.7x	4.4x
Weighted Average H1'2025***				0.7x	4.5x

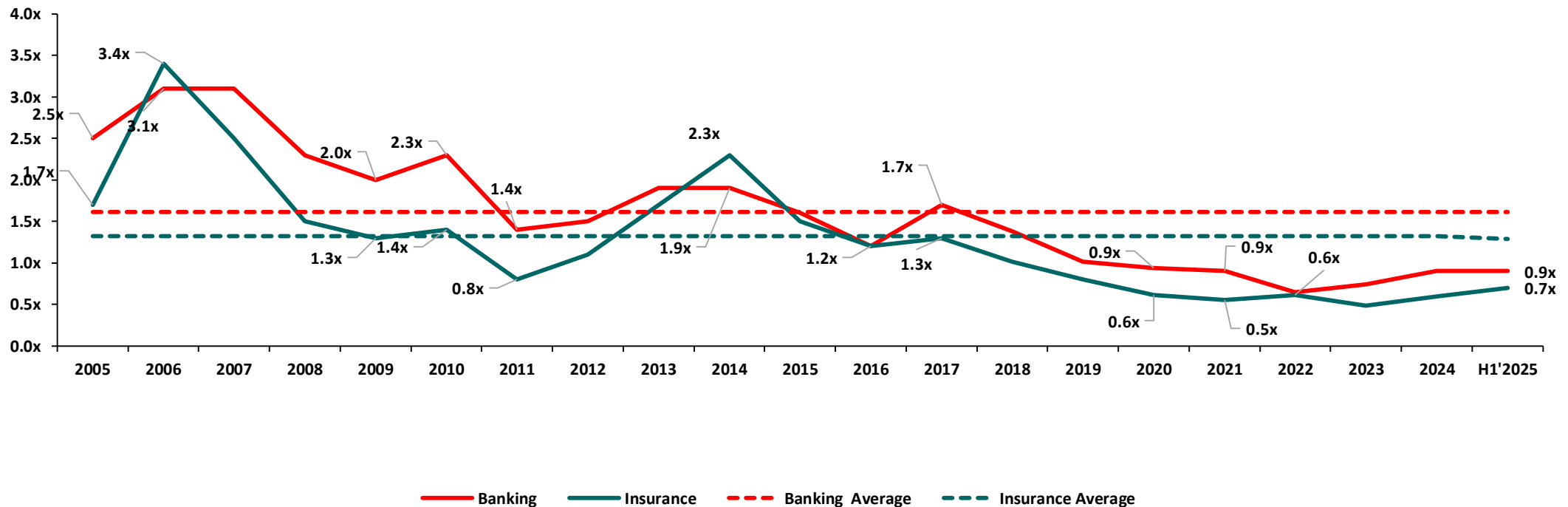
\*Share Price as at 9<sup>th</sup> October 2025

\*\*\* The weighted average is based on Market Cap as at 9<sup>th</sup> October 2025

# Listed Insurance and Banks Trading Metrics

The listed Insurance sector is trading at an average P/B of 0.7x, lower than the banking sector which is priced at 0.9x. Both sectors are trading below their 16-year averages of 1.3x and 1.6x, respectively

Cytonn Report: Price to Book Comparison - Listed Banking vs Insurance Sectors



On a price to book valuation, listed Insurance companies are currently priced at a PBV of 0.7x, lower than listed banks 0.9x, with both lower than their historical averages of 1.3x for the insurance sector and 1.6x for the banking sector

# 5. Cytonn's Insurance Sector Report

# Executive Summary

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- All listed insurance companies in the Kenyan market were analyzed by the Cytonn Investment Team
- The analysis was brought about by a need to be able to offer our investors, especially global investors, which insurance companies in our view are the most stable from a franchise value and from a future growth opportunity perspective
- The analysis covers the health and future expected performance of the financial institution, by highlighting their performance using metrics to measure Profitability, efficiency, diversification, risk appetite and solvency
- For insurance companies which are part of a group structure, the financials of the group were utilized to take into consideration the listed counter which an investor will purchase
- Ranking based on a weighted average ranking of Franchise value (40.0%) and Intrinsic value (60.0%)
- All the listed insurance companies are composite insurance companies, offering both life and general business

# Regulation and Consolidation to Drive Attractiveness

Focus Area	Summary	Effect on Insurance Sector
Regulation	<ul style="list-style-type: none"> <li>• <b>Risk Based-Supervision:</b> The IRA is implementing risk-based supervision which looks at the risk exposure of a company</li> <li>• <b>IFRS 17:</b> Effected on January 2023 encompass separation of financial and insurance results in the income statement</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory changes are foreseen to impact the sector positively in line with international best practices, thus buoying investor confidence in the capitalization and future position of the Insurance sector</li> <li>• IFRS 17 will affect the volatility of profits, net assets and equity in the Insurance sector</li> </ul>
Digital Innovations	<ul style="list-style-type: none"> <li>• <b>Digital Innovations:</b> High mobile phone penetration rates in Kenya have aided in the digitization of distribution channels, shifting focus to the customer. Insuretechs and Bancassurance partnerships to continue to disrupt competition in the industry</li> </ul>	<ul style="list-style-type: none"> <li>• Leveraging more on technology will transform how the insurance business is conducted. The use of Blockchain technology, AI and Big Data will also help prevent fraudulent claims by enabling early detection and audit trails</li> </ul>
Consolidation	<ul style="list-style-type: none"> <li>• <b>Increase in Mergers &amp; Acquisitions:</b> Most of the smaller players in the insurance industry are lacking adequate capital to finance operations and meet regulatory requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Will be driven by capital adequacy requirements coupled by erosion of capital buffer erosion following the tough pandemic year FY'2020. We expect the more M &amp; A activity as smaller players look to strengthen their capital and market positions</li> </ul>
Insurance Fraud	<ul style="list-style-type: none"> <li>• <b>Fraudulent claims:</b> In Q2'2025, the number of fraud cases reported to the Insurance Fraud Investigation Unit (IFIU) increased by 11.1% to 50 cases, from 45 cases reported in Q2'2024.</li> </ul>	<ul style="list-style-type: none"> <li>• Fraudulent claims have had the effect of hurting the profitability, translating into high premium rates and huge claim reserve ratios. As a result, verification of claims has resulted in the slowing down of the settlement pace</li> </ul>

**Regulatory trends in the Insurance sector will very much determine growth and investments prospects. Newer minimum capital requirements are expected to set off mergers and acquisitions in the sector, with many insurers failing to meet the minimum. The regulatory reforms also present an opportunity to international firms to enter into the Kenyan market, given it has strong economic growth prospects**

# Rankings by Franchise Value

Sanlam Kenya presents the most attractive insurance franchise, with a Score of 15

Insurance Company	Loss Ratio	Expense Ratio	Combined Ratio	Net Premium Growth	PEG ratio	ROaA	Total	Rank
Sanlam Kenya	3	1	1	4	1	5	15	1
Britam Holdings	2	3	3	2	2	3	15	2
Jubilee Holdings	5	4	4	1	3	1	18	3
Liberty Holdings	1	2	2	5	5	4	19	4
CIC Group	4	5	5	3	4	2	23	5

# Valuation Summary of Listed Insurers

Liberty Kenya presents the highest upside with an expected total return of 15.1%

Insurance Company	Current Price	Target Price	Upside/ (Downside)	Dividend Yield	Total Potential Return
Liberty Holdings	10.9	12.5	15.1%	0.0%	15.1%
Britam Holdings	8.5	9.5	12.0%	0.0%	12.0%
Sanlam Kenya	8.7	9.5	8.7%	0.0%	8.7%
Jubilee Holdings	320.0	312.9	(2.2%)	0.6%	(1.6%)
CIC Group	4.6	4.0	(11.6%)	0.0%	(11.6%)



# Cytonn Insurance Report – Comprehensive Rankings

## Sanlam Kenya emerged top of the rankings, leading in Franchise and Intrinsic Valuation

Listed Insurance Companies H1'2025 Comprehensive Ranking					
Bank	Franchise Value Score	Intrinsic Value Score	Weighted Score	H1'2025 Ranking	H1'2024 Ranking
Sanlam Kenya	1	3	1.6	1	4
CIC Group	5	5	2.2	2	1
Britam Holdings	1	2	2.2	3	5
Liberty Holdings	4	1	3.6	4	3
Jubilee Holdings	3	4	5.0	5	2

- Sanlam Kenya improved to position 1 in H1'2025 driven by strong intrinsic and franchise score, attributable to the low combined ratio of 149.1%,
- CIC Group declined to position 2 in H1'2025 driven by declined franchise score, attributable to the increase in the claims growth to 23.4%, from a 6.9% decline recorded in H1'2025.
- Liberty Holdings declined to position 4 in H1'2025 mainly due to weakened intrinsic score in H1'2025,
- Britam Holdings improved to position 3 in H1'2025, mainly due to increase in franchise scores in H1'2025, driven by the decrease in claims growth to 11.4%, from the 14.6% growth recorded in H1'2024, and,

## **6. Appendix – Valuation Summaries**

# Valuation Summary – Jubilee Holdings

Jubilee Holdings is overvalued with a downside of 1.6%

Valuation Summary:	Implied Price	Weighting	Weighted Value
Residual Income	49.0	40%	29.6
Dividend Discount Model	456.8	35%	182.6
PBV Multiple	307.6	20%	71.5
PE Multiple	386.1	5%	29.3
<b>Fair Value</b>			<b>312.9</b>
<b>Current Price</b>			<b>320.0</b>
<b>Upside/(Downside)</b>			<b>(2.2%)</b>
Dividend Yield			0.6%
<b>Total Upside/(Downside)</b>			<b>(1.6%)</b>

# Valuation Summary – CIC Group

CIC Group is overvalued with a downside of 11.6%

Valuation Summary:	Implied Price	Weighting	Weighted Value
Dividend Discount	3.9	40%	1.6
Residual Income	4.4	35%	1.5
PBV Multiple	3.0	15%	0.5
PE Multiple	4.8	10%	0.5
<b>Fair Value</b>		<b>100%</b>	<b>4.0</b>
<b>Current Price</b>			<b>4.6</b>
Upside/(Downside)			(11.6%)
Dividend Yield			0.0%
<b>Total Return</b>			<b>(11.6%)</b>

# Valuation Summary – Liberty Holdings

Liberty Holdings is Undervalued with an upside of 15.1%

Valuation Summary:	Implied Price	Weighting	Weighted Value
Residual Income	13.9	40%	5.6
Dividend Discount	10.8	40%	4.3
PBV Multiple	12.0	10%	1.2
PE Multiple	14.0	10%	1.4
Fair Value			12.5
Current Price			10.9
Upside/(Downside)			15.1%
Dividend Yield			0.0%
Total Return			15.1%

# Valuation Summary – Sanlam Insurance

Sanlam Insurance is Undervalued with an upside of 8.7%

Valuation Summary	Implied Price	Weighting	Weighted Value
Residual Income	10.6	60%	5.7
PBV Multiple	6.9	20%	1.4
PE Multiple	12.2	20%	2.4
<b>Fair Value</b>			<b>9.5</b>
<b>Current Price</b>			<b>8.7</b>
Upside/(Downside)			<b>8.7%</b>
Dividend Yield			0.0%
<b>Total Return</b>			<b>8.7%</b>

# Valuation Summary – Britam Holdings

Britam Holdings is undervalued with an upside of 15.1%

Valuation Methodology	Implied Price	Weighting	Weighted Value
Dividend Discount	10.7	40%	4.3
Residual Income	11.0	35%	3.8
PBV	5.2	15%	0.8
PE	5.9	10%	0.6
<b>Fair Value</b>		<b>100%</b>	<b>9.5</b>
<b>Current Price</b>			<b>8.5</b>
Upside/(Downside)			<b>15.1%</b>
Dividend Yield			0.0%
<b>Total Return</b>			<b>15.1%</b>

# Thank You!

## **For More Information**

- **Free Market Research:** [www.cytonnreport.com](http://www.cytonnreport.com)
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For more information or any further clarification required, kindly contact the research team at [investment@cytonn.com](mailto:investment@cytonn.com)

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