

Old Mutual Limited

09:15 24 May 2019

Old Mutual suspends chief executive following "material breakdown in trust and confidence"

Old Mutual Ltd (OMU) shares fell on Friday after news it has suspended its chief executive, Peter Moyo with immediate effect following a "material breakdown in trust and confidence between him and the board."

In a brief statement, the South Africa-based insurance group said that its chief operating officer Iain Williamson would assume the role of acting CEO.

READ: Old Mutual reintroduces final dividend as costs savings lift 2018 profits despite difficult economic conditions

Investors will be hoping that the group will provide more details on the abrupt move at its Annual General Meeting on Friday afternoon to be held in Sandton, near Johannesburg in South Africa.

In afternoon trading, Old Mutual shares were down 2.8% at 115.48p.

In 2018, the former blue-chip company was broken up into four separate entities - Old Mutual Wealth (OMW), Old Mutual Emerging Markets (OMEM), South African lender Nedbank and US firm Old Mutual Asset Management (OMAM).

As part of the plan, the group spun off the wealth arm - which was renamed Quilter PLC (LON:QLT) - and created Old Mutual Limited as a holding company which included OMEM, Nedbank and the residual parts of Old Mutual PLC.

Moyo, who has held senior executive or board positions in a variety of big and state-owned firms, rejoined the group in June 2017, initially as head of its emerging markets division prior to the break-up and his promotion to CEO of Old Mutual Limited.

He had previously served as deputy managing director of Old Mutual, before leaving in 2005 to head up financial services group Alexander Forbes.

According to reporters at Reuters, Moyo told them by phone that his suspension related to how different parties thought Old Mutual should engage with NMT Capital, which he founded and in which an Old Mutual subsidiary is an investor.

"That relationship has always been there from the day I started and it was properly disclosed," Moyo told Reuters, which said he emphasised that the suspension was the result of differences on the approach to engagement rather than the relationship itself.

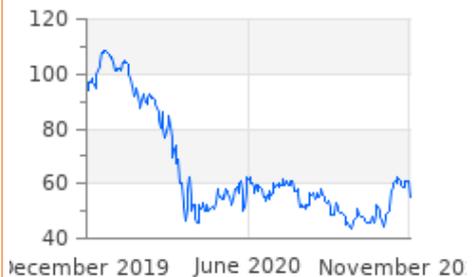
The suspended CEO said: "There is actually absolutely no wrongdoing on my part."

Reuters added that spokesperson from Old Mutual did not respond to its requests for immediate comment on how the relationship between NMT Capital and Old Mutual Life Assurance Company.

Price: 55.38

Market Cap: £2.61 billion

1 Year Share Price Graph



Share Information

Code: OMU

Listing: LSE

52 week High Low
110.2 42.76

Sector: Insurance

Website: www.oldmutual.com

Company Synopsis:

Old Mutual Limited (OML) is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets in 17 countries.

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-- Adds Moyo comment from reuters report, updates share price --

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