

23 May 2024

Comminique 112

## To Sasria Agents and Intermediaries

Following the successful 'Sasria, Road Ahead' broker roadshow in Johannesburg and Durban, we extend our heartfelt thanks to all participants. This roadshow provided a valuable platform for engaging with Sasria, sharing feedback, and discussing concerns. We appreciate your input and are committed to continuing these regular engagements.

We want to highlight our improved financial position, showcasing significant recovery and growth since the biggest unrest the organisation underwent three years ago:

- **Gross Written Premiums:** R5.4 billion as of March 2024 (unaudited), up from R3.2 billion in March 2022.
- **Net Claims Incurred:** 20% loss ratio as of March 2024 (unaudited), a substantial decrease from 1068% in March 2022.
- **Assets Under Management:** R13.3 billion (unaudited), up from R9.5 billion in March 2021, just before the July 2021 events.

These figures demonstrate Sasria's strong financial health, surpassing our position before the July 2021 events. As we approach the upcoming elections, we are well-prepared to manage any potential risks. Sasria has a proven track record of resilience and effective risk management, ensuring we can continue to provide reliable coverage and support. Rest assured, our commitment to safeguarding our clients' interests remains unwavering.

## Experienced Management Team

Sasria's leadership team has proven its strength and resilience during challenging times. Our team has been further enhanced with the addition of a new Chief Financial Officer, Chief Information Officer, and Chief Actuary. These experienced professionals bring a wealth of expertise, ensuring Sasria remains stable and sustainable for the future. Their leadership reinforces our ability to fulfill our mandate and build a robust organization.

## **Shareholder Support**

The July 2021 unrest underscored the critical support from our shareholder, the government. For the first time in our history, Sasria received recapitalization from the National Treasury, enabling the organisation to meet all policyholder obligations.

Through ongoing engagements with the shareholder, Sasria is confident it would receive the necessary support in the unlikely event of an unfavourable occurrence. This support underscores the government's commitment to our mission and our vital role in the economy.

## **Confidence in the Criminal Justice System**

Since the July 2021 unrest, the security cluster has significantly strengthened its preparedness. We are highly confident in their capabilities. Their effectiveness was demonstrated during last year's national shutdown, where they managed the situation seamlessly and without incident. The National Joint Operational and Intelligence Structure has shown it can effectively implement measures to prevent unrest.

## **Community Participation**

Sasria's leadership emphasizes the vital role of communities in safeguarding the country's population, assets, and infrastructure. This infrastructure is essential for community benefit and is costly to replace. Destruction during riots and protests cannot be an option.

Communities have shown their commitment to protecting public and business assets, as evidenced during the 2021 riots when they banded together to defend their infrastructure. Currently, Sasria is running a communications campaign advocating for responsible protest action, encouraging the South African public to understand the importance of preserving their resources.

## **As we approach the elections**

At this moment, as a nation, we are commemorating an important milestone in our democracy—30 years of progress. The journey of the next 30 years will be brighter through our collective efforts. Ensuring stability and a brighter future for all is the shared responsibility of both the state and the private sector, especially the insurance sector, which plays a crucial role in maintaining financial stability in the country. We request your support in raising awareness of the "Do Not Destroy Property and Infrastructure" campaign to promote positive change.

While our nation faces many challenges today, including high unemployment, lack of economic growth, and concerns about clean governance and basic service delivery, there have been breakthroughs in other areas. For instance, the country has not experienced any load shedding in more than fifty days, and the Minister of Electricity is actively addressing concerns about the stability of the grid.

Sasria is confident in the independence of the electoral system to ensure a peaceful, free, and fair election. With the support of the National Joint Operational and Intelligence Structures, stability and law enforcement will be maintained.

You can be assured of Sasria's robust plans and risk management activities to address any scenarios that may arise, ensuring we continue to protect our clients' interests effectively. Together, we will maintain stability and support a prosperous future for all.

Kind regards

**Mpumi Tyikwe**  
CEO  
Sasria SOC Limited