

# Selected South African insurance sector data March 2023



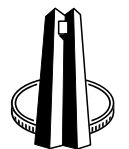
SOUTH AFRICAN RESERVE BANK  
Prudential Authority

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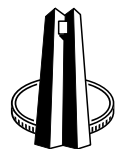


# Introduction

This report provides a high-level overview of insurers' financial and risk information, compiled by means of the aggregation of data submitted quarterly by individual South African-registered insurers.

The following should be noted with regards to the data contained in this document:

- data is based on reporting by insurance entities and the prudential standard issued in terms of the Insurance Act 18 of 2017 as implemented in South Africa on 1 July 2018;
- the information is subject to change without notice;
- the calculation of ratios and annual growth is based on actual data and not the rounded figures as indicated in this report;
- the data in this report is as at the end of March 2023.



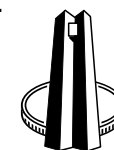
# Registered insurance entities in South Africa

|                                | March 2022 | March 2023 |
|--------------------------------|------------|------------|
| <b>Total</b>                   | <b>157</b> | <b>157</b> |
| Life primary insurers          | 60         | 60         |
| Life cell captives             | 5          | 5          |
| Life microinsurers             | 7          | 10         |
| Non-life primary insurers      | 61         | 56         |
| Non-life cell captives         | 6          | 7          |
| Non-life captives              | 4          | 4          |
| Non-life microinsurers         | 1          | 0          |
| Composite microinsurers        | 2          | 4          |
| Professional reinsurers        | 9          | 9          |
| Composite reinsurers           | 4          | 4          |
| Life reinsurers                | 1          | 1          |
| Non-life reinsurers            | 2          | 2          |
| Branches of foreign reinsurers | 2          | 2          |
| Other                          | 2          | 2          |

*Notes:*

*The total number of entities as stated in this report includes insurers in “run-off”.*

*No aggregated data published in respect of micro insurers, life reinsurers and branches of foreign reinsurers.*



## Life insurance: Primary insurers

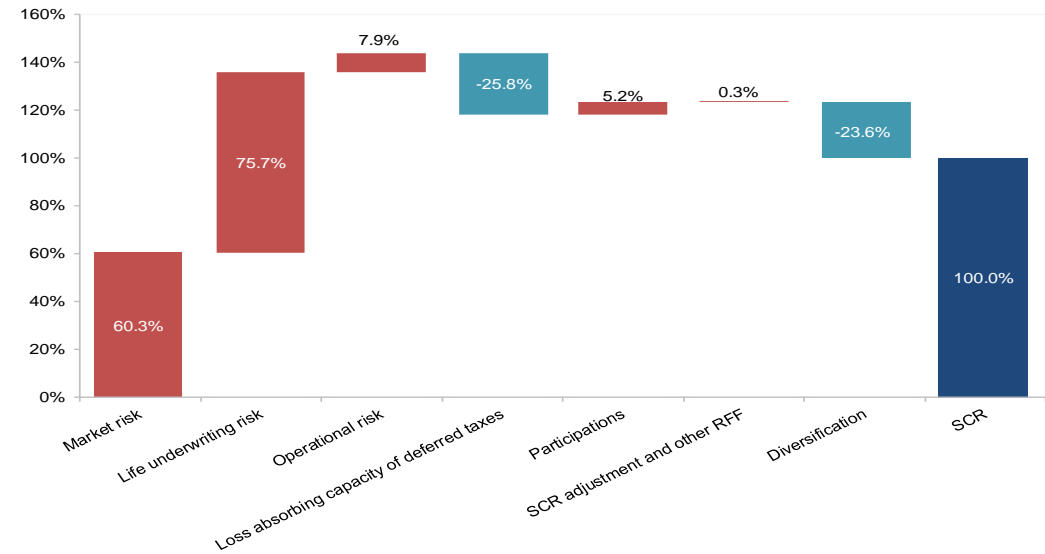
| Balance sheet                           | Mar 2022<br>R'mil | Mar 2023<br>R'mil | 12 Monthly<br>% growth |
|---|-------------------|-------------------|------------------------|
| <b>Total assets</b>                     | <b>3,633,143</b>  | <b>3,799,638</b>  | <b>4.6</b>             |
| <i>Of which:</i>                        |                   |                   |                        |
| Total investments                       | 3,441,839         | 3,605,651         | 4.8                    |
| Government bonds                        | 342,412           | 332,376           | -2.9                   |
| Corporate bonds                         | 214,643           | 242,797           | 13.1                   |
| Equity                                  | 592,142           | 540,443           | -8.7                   |
| Investment funds                        | 1,893,831         | 2,091,249         | 10.4                   |
| Structured notes                        | 62,053            | 42,563            | -31.4                  |
| Collateralised securities               | 12,360            | 14,955            | 21.0                   |
| Cash and deposits                       | 201,363           | 215,159           | 6.9                    |
| Mortgages and loans                     | 90,216            | 93,957            | 4.1                    |
| Property                                | 32,818            | 32,151            | -2.0                   |
| Total reinsurance recoverables          | -932              | -1,702            | 82.6                   |
| Derivatives                             | 4,774             | 4,847             | 1.5                    |
| Owner occupied property                 | 6,301             | 5,515             | -12.5                  |
| Other assets                            | 181,161           | 185,326           | 2.3                    |
| <b>Total liabilities</b>                | <b>3,292,061</b>  | <b>3,449,426</b>  | <b>4.8</b>             |
| <i>Of which:</i>                        |                   |                   |                        |
| Gross technical provisions              | 3,080,221         | 3,247,280         | 5.4                    |
| <b>Basic own funds</b>                  | <b>341,082</b>    | <b>350,212</b>    | <b>2.7</b>             |
| Eligible own funds to meet SCR          | 335,935           | 349,247           | 4.0                    |
| Eligible own funds to meet MCR          | 320,743           | 333,325           | 3.9                    |
| <b>Profitability</b>                    |                   |                   |                        |
| Gross premium                           | 136,444           | 140,499           | 3.0                    |
| Reinsurance                             | 5,151             | 4,555             | -11.6                  |
| Net premiums                            | 131,293           | 135,944           | 3.5                    |
| Net claims paid                         | 125,075           | 125,811           | 0.6                    |
| Investment income <sup>3</sup>          | -41,214           | 144,514           | 450.6                  |
| Management expenses                     | 14,071            | 14,723            | 4.6                    |
| Commission paid/ (received)             | 5,315             | 4,967             | -6.6                   |
| Other expenses                          | 3,428             | 2,619             | -23.6                  |
| Net profit before tax and dividends     | 1,884             | 26,673            | 1316.1                 |
| <b>Other</b>                            |                   |                   |                        |
| Number of policies at the end of period | 50,628,753        | 49,019,304        | -3.2                   |
| Number of schemes at the end of period  | 80,114            | 84,462            | 5.4                    |

| Performance indicators                          | Mar 2022 | Mar 2023 |
|---|----------|----------|
| Claims ratio <sup>1</sup>                       | 95.3     | 92.5     |
| Commission ratio <sup>1</sup>                   | 4.0      | 3.7      |
| Management expenses ratio <sup>1</sup>          | 10.7     | 10.8     |
| Individual lapse ratio <sup>2</sup>             | 83.8     | 90.4     |
| Individual contractual termination <sup>2</sup> | 10.2     | 11.4     |
| Individual expiry <sup>2,4</sup>                | 3.7      | 6.5      |
| Surrenders <sup>2</sup>                         | 5.1      | 4.7      |
| Surrenders (in-force policies)                  | 0.4      | 0.4      |
| Individual lapse ratio (in-force policies)      | 6.2      | 6.9      |

### Solvency and capital

|                          |     |     |
|--------------------------|-----|-----|
| SCR cover ratio (Median) | 1.7 | 1.7 |
| MCR cover ratio (Median) | 4.7 | 4.3 |

### SCR risk components

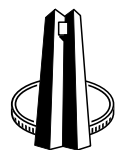


<sup>1</sup> Expressed as a percentage of net written premium during the period.

<sup>2</sup> Expressed as a percentage of the number of new policies issued during the period.

<sup>3</sup> The increase in investment income was mainly due to higher unrealised gains and fair value of adjustments.

<sup>4</sup> Higher than normal expired policies were as a result of one insurer.



# Life insurance: Cell Captive insurers

| Balance sheet  | Mar 2022<br>R'mil | Mar 2023<br>R'mil | 12 Monthly<br>% growth |
|--|-------------------|-------------------|------------------------|
| <b>Total assets</b>                                  | <b>21,671</b>     | <b>28,078</b>     | <b>29.6</b>            |
| <i>Of which:</i>                                     |                   |                   |                        |
| Total investments                                    | 25,254            | 31,495            | 24.7                   |
| Government bonds                                     | 1,970             | 1,670             | -15.2                  |
| Corporate bonds                                      | 10,517            | 14,429            | 37.2                   |
| Equity   | 418               | 422               | 0.9                    |
| Investment funds                                     | 8,889             | 10,475            | 17.8                   |
| Structured notes                                     | 64                | 91                | 41.3                   |
| Collateralised securities                            | 158               | 128               | -19.2                  |
| Cash and deposits                                    | 3,237             | 4,280             | 32.2                   |
| Mortgages and loans                                  | -                 | -                 | 0.0                    |
| Total reinsurance recoverables/ (payable)            | -4,997            | -5,063            | 1.3                    |
| Derivatives  | -0                | 0                 | 439.7                  |
| Other assets   | 1,415             | 1,645             | 16.3                   |
| <b>Total liabilities</b>                             | <b>10,007</b>     | <b>12,598</b>     | <b>25.9</b>            |
| <i>Of which:</i>                                     |                   |                   |                        |
| Gross technical provisions                           | 5,553             | 7,141             | 28.6                   |
| Deferred tax liabilities                             | 2,747             | 3,278             | 19.3                   |
| <b>Basic own funds</b>                               | <b>11,664</b>     | <b>15,480</b>     | <b>32.7</b>            |
| Eligible own funds to meet SCR                       | 7,980             | 8,822             | 10.6                   |
| Eligible own funds to meet MCR                       | 7,980             | 8,822             | 10.6                   |
| <b>Profitability</b>                                 |                   |                   |                        |
| Gross premium  | 5,260             | 7,399             | 40.7                   |
| Reinsurance  | 1,514             | 3,202             | 111.5                  |
| Net premiums   | 3,746             | 4,196             | 12.0                   |
| Net claims paid                                      | 1,147             | 1,317             | 14.8                   |
| Investment income <sup>4</sup>                       | 19                | 727               | 3770.8                 |
| Management expenses                                  | 539               | 593               | 10.0                   |
| Commission paid/ (received)                          | 389               | 421               | 8.2                    |
| Other expenses                                       | 0                 | -1                | -363.6                 |
| Net profit before tax and dividends                  | 1,801             | 2,480             | 37.7                   |
| <b>Other</b>   |                   |                   |                        |
| Number of policies at the end of period <sup>3</sup> | 7,745,616         | 11,155,462        | 44.0                   |
| Number of schemes at the end of period               | 79,281            | 98,607            | 24.4                   |

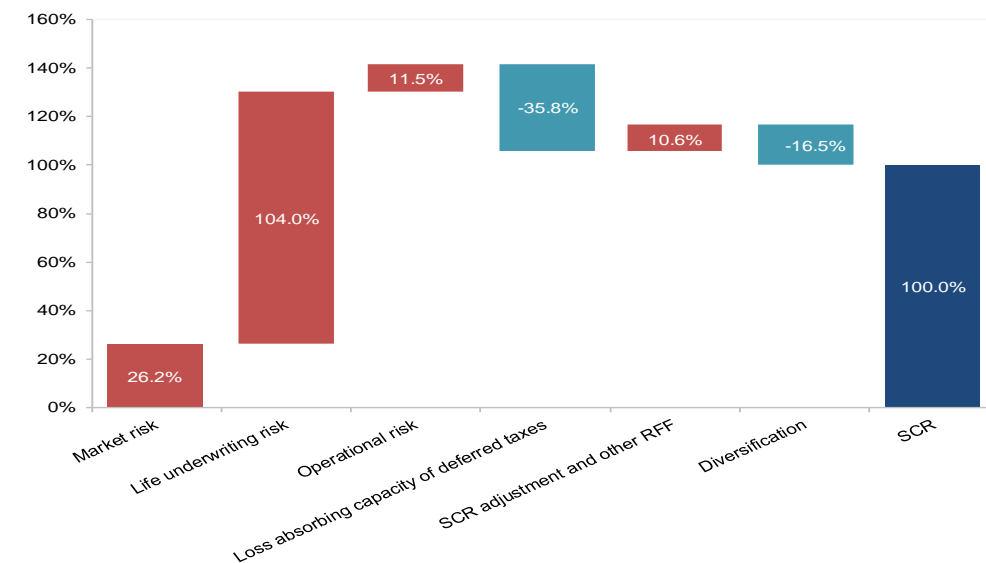
## Performance indicators

|   | Mar 2022 | Mar 2023 |
|---|----------|----------|
| Claims ratio <sup>1</sup>                               | 30.6     | 31.4     |
| Commission ratio <sup>1</sup>                           | 10.4     | 10.0     |
| Management expenses ratio <sup>1</sup>                  | 14.4     | 14.1     |
| Individual lapse ratio <sup>2 3</sup>                   | 24.2     | 29.6     |
| Individual contractual termination <sup>2</sup>         | 2.9      | 1.7      |
| Individual expiry <sup>2 3</sup>                        | 54.9     | 55.7     |
| Surrenders <sup>2</sup>                                 | 8.6      | 0.0      |
| Surrenders (in-force policies)                          | 1.6      | 0.0      |
| Individual lapse ratio (in-force policies) <sup>3</sup> | 4.4      | 5.5      |

## Solvency and capital

|                          | Mar 2022 | Mar 2023 |
|--------------------------|----------|----------|
| SCR cover ratio (Median) | 1.1      | 1.2      |
| MCR cover ratio (Median) | 4.2      | 4.1      |

## SCR risk components

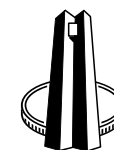


<sup>1</sup> Expressed as a percentage of net written premiums.

<sup>2</sup> Expressed as a percentage of the number of new policies issued during the period.

<sup>3</sup> Policy movements in respect of 2022 were restated.

<sup>4</sup> The increase in investment income was as a result of higher unrealised gains and fair value of adjustments.



# Non-Life insurance: Primary insurers

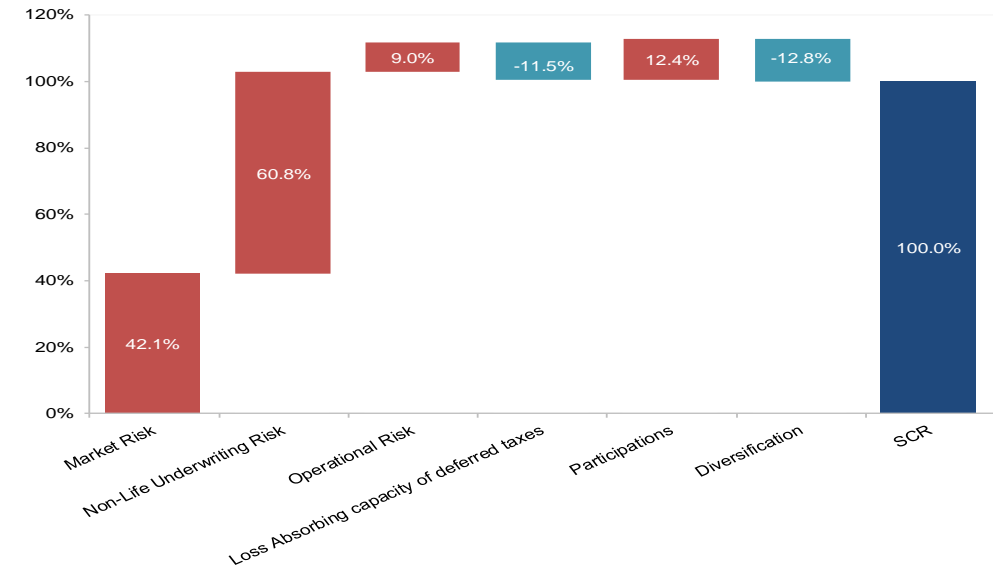
| Balance sheet                             | Mar 2022<br>R'mil | Mar 2023<br>R'mil | 12 Monthly<br>% growth |
|---|-------------------|-------------------|------------------------|
| <b>Total assets</b>                       | <b>212,462</b>    | <b>214,024</b>    | <b>0.7</b>             |
| <i>Of which:</i>                          |                   |                   |                        |
| Total investments                         | 137,280           | 133,467           | -2.8                   |
| Government bonds                          | 28,310            | 26,904            | -5.0                   |
| Corporate bonds                           | 27,037            | 34,092            | 26.1                   |
| Equity                                    | 20,979            | 18,460            | -12.0                  |
| Investment funds                          | 13,994            | 16,839            | 20.3                   |
| Structured notes                          | 140               | 281               | 101.2                  |
| Collateralised securities                 | 600               | 766               | 27.6                   |
| Cash and deposits                         | 44,409            | 34,296            | -22.8                  |
| Mortgages and loans                       | 1,789             | 1,789             | -0.1                   |
| Property                                  | 22                | 41                | 89.0                   |
| Total reinsurance recoverables/ (payable) | 33,517            | 34,970            | 4.3                    |
| Derivatives                               | 371               | 24                | -93.6                  |
| Owner occupied property                   | 1,542             | 1,281             | -16.9                  |
| Other assets                              | 39,753            | 44,282            | 11.4                   |
| <b>Total liabilities</b>                  | <b>133,121</b>    | <b>125,120</b>    | <b>-6.0</b>            |
| <i>Of which:</i>                          |                   |                   |                        |
| Gross technical provisions                | 100,084           | 90,443            | -9.6                   |
| Accounts payable                          | 9,297             | 11,646            | 25.3                   |
| Payables (trade, not insurance)           | 8,990             | 7,665             | -14.7                  |
| <b>Basic own funds</b>                    | <b>79,342</b>     | <b>88,904</b>     | <b>12.1</b>            |
| Eligible own funds to meet SCR            | 54,772            | 88,615            | 61.8                   |
| Eligible own funds to meet MCR            | 48,795            | 84,274            | 72.7                   |
| <b>Profitability</b>                      |                   |                   |                        |
| Gross written premium                     | 35,100            | 39,846            | 13.5                   |
| Reinsurance                               | 10,373            | 12,970            | 25.0                   |
| Net premiums                              | 24,727            | 26,876            | 8.7                    |
| Net earned premium                        | 22,560            | 25,734            | 14.1                   |
| Investment income <sup>4</sup>            | 291               | 3,917             | 1245.8                 |
| Net claims paid                           | 16,073            | 13,908            | -13.5                  |
| Management expenses                       | 6,168             | 7,145             | 15.8                   |
| Commission paid/ (received)               | 1,547             | 1,519             | -1.8                   |
| Underwriting profit <sup>5</sup>          | -921              | 1,783             | 293.5                  |
| Underwriting and investment income        | -630              | 5,699             | 1004.2                 |
| Net profit before tax and dividends       | -434              | 5,248             | 1309.9                 |

| Performance indicators                          | Mar 2022 | Mar 2023 |
|---|----------|----------|
| Claims ratio <sup>1</sup>                       | 65.0     | 54.0     |
| Management expenses ratio <sup>1</sup>          | 24.9     | 27.8     |
| Commission ratio <sup>1</sup>                   | 6.3      | 5.7      |
| Combined ratio <sup>2</sup>                     | 105.4    | 87.7     |
| Underwriting profit/(loss) ratio <sup>3,5</sup> | -4.1     | 6.9      |
| Underwriting and investment income ratio        | -2.8     | 22.1     |

## Solvency and capital

|                          |     |     |
|--------------------------|-----|-----|
| SCR cover ratio (Median) | 1.6 | 1.5 |
| MCR cover ratio (Median) | 3.6 | 3.4 |

## SCR risk components



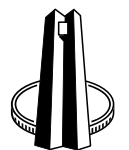
<sup>1</sup> Expressed as a percentage of net written premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premium.

<sup>3</sup> Expressed as a percentage of net earned premium during the period.

<sup>4</sup> The increase in investment income was as a result of improvement in unrealised gains; interest, dividends and rentals; and fair value adjustment of investments.

<sup>5</sup> The increase in underwriting profit was mainly as a result of an improvement experienced by one insurer previously impacted by the 2021 social unrests.



# Non-Life insurance: Reinsurers

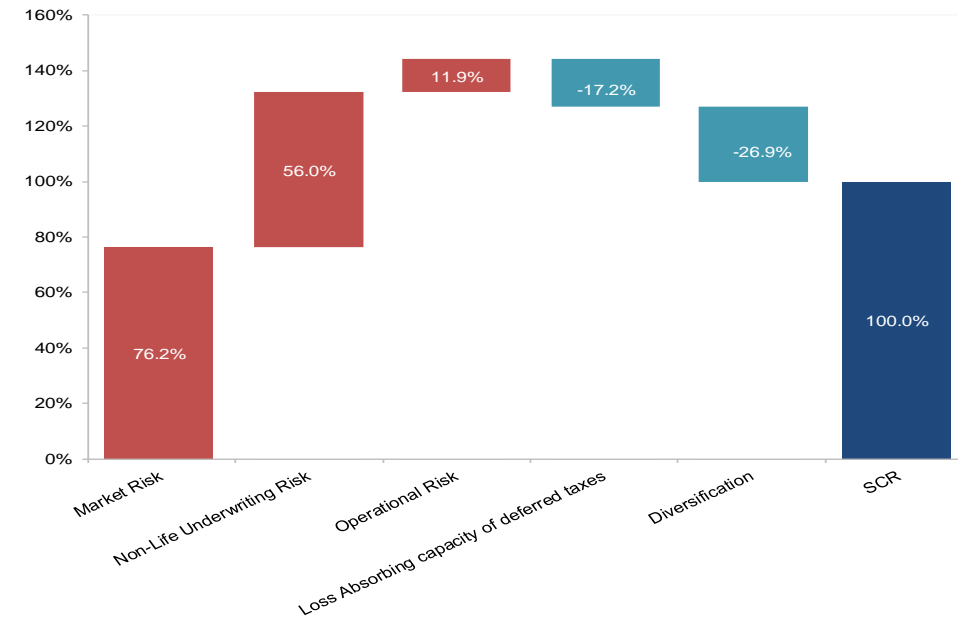
| Balance sheet                                   | Mar-22<br>R'mil | Mar 2023<br>R'mil | 12 Monthly<br>% growth |
|---|-----------------|-------------------|------------------------|
| <b>Total assets</b>                             | <b>9,664</b>    | <b>9,863</b>      | <b>2.1</b>             |
| <i>Of which:</i>                                |                 |                   |                        |
| Total investments                               | 6,260           | 6,164             | -1.5                   |
| Total reinsurance recoverables/ (payable)       | 2,708           | 2,743             | 1.3                    |
| <b>Total liabilities</b>                        | <b>7,086</b>    | <b>7,043</b>      | <b>-0.6</b>            |
| <i>Of which :</i>                               |                 |                   |                        |
| Gross technical provisions                      | 3,389           | 3,610             | 6.5                    |
| Accounts payable                                | 3               | 239               | 9285.3                 |
| Reinsurance deposits                            | 3,377           | 2,779             | -17.7                  |
| <b>Basic own funds</b>                          | <b>2,578</b>    | <b>2,821</b>      | <b>9.4</b>             |
| Eligible own funds to meet SCR                  | 2,578           | 2,821             | 9.4                    |
| Eligible own funds to meet MCR                  | 2,558           | 2,761             | 7.9                    |
| <b>Profitability</b>                            |                 |                   |                        |
| Gross premium                                   | 922             | 842               | -8.7                   |
| Reinsurance                                     | 661             | 606               | -8.3                   |
| Net premiums                                    | 261             | 236               | -9.7                   |
| Net earned premiums                             | 229             | 146               | -36.1                  |
| Investment income                               | 78              | 129               | 64.8                   |
| Net claims paid <sup>5</sup>                    | 121             | 68                | -43.7                  |
| Management expenses                             | 42              | 46                | 10.9                   |
| Commission paid/ (received)                     | 74              | 72                | -2.9                   |
| Other expenses                                  | -22             | 32                | 249.5                  |
| Underwriting profit <sup>4</sup>                | 80              | 11                | -86.2                  |
| Underwriting and investment income <sup>4</sup> | 159             | 140               | -11.6                  |
| Net profit before tax and dividends             | 147             | 141               | -3.7                   |

| Performance indicators                                | Mar 2022 | Mar 2023 |
|---|----------|----------|
| Claims ratio <sup>1</sup>                             | 46.5     | 46.8     |
| Commission ratio <sup>1</sup>                         | 28.3     | 49.2     |
| Management expenses ratio <sup>1</sup>                | 16.0     | 19.6     |
| Combined ratio <sup>2</sup>                           | 103.8    | 127.7    |
| Underwriting profit/(loss) ratio <sup>3</sup>         | 35.2     | 7.6      |
| Underwriting and investment income ratio <sup>3</sup> | 69.4     | 96.0     |

## Solvency and capital

|                          |     |      |
|--------------------------|-----|------|
| SCR cover ratio (Median) | 2.5 | 2.6  |
| MCR cover ratio (Median) | 9.9 | 10.1 |

## SCR risk components



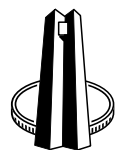
<sup>1</sup> Expressed as a percentage of net earned premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premium.

<sup>3</sup> Expressed as a percentage of net earned premium during the period.

<sup>4</sup> A decline in profitability items was as a result of higher than normal losses experienced by reinsurers.

<sup>5</sup> During the review period one reinsurer experienced negative claims.





# Non-Life insurance: Cell Captive insurers

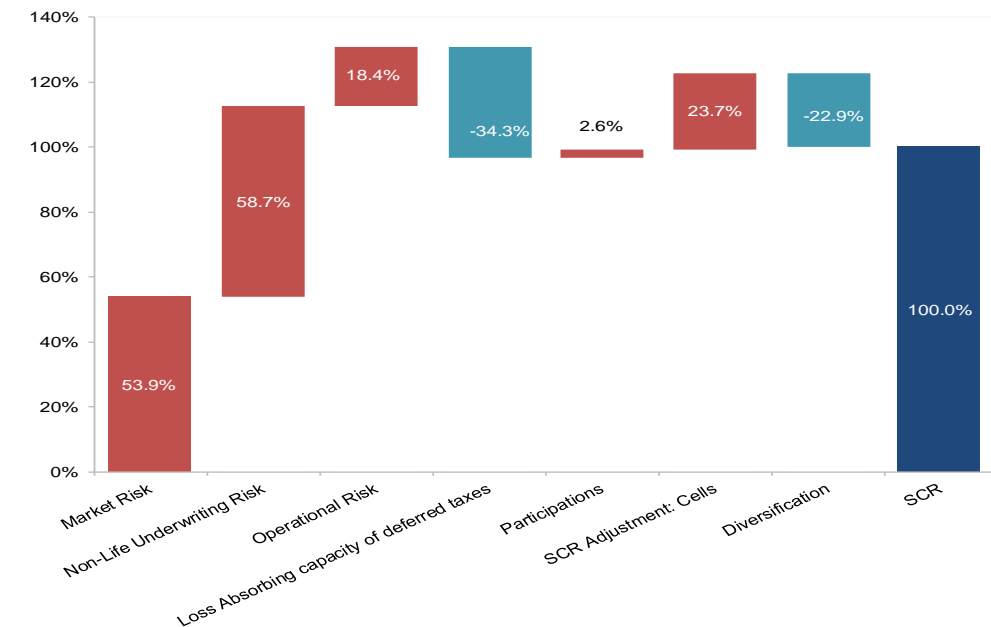
| Balance sheet                             | Mar 2022<br>R'mil | Mar 2023<br>R'mil | 12 Monthly<br>% growth |
|---|-------------------|-------------------|------------------------|
| <b>Total assets</b>                       | <b>37,098</b>     | <b>45,436</b>     | <b>22.5</b>            |
| <i>Of which:</i>                          |                   |                   |                        |
| <i>Total investments</i>                  | 30,121            | 34,618            | 14.9                   |
| Government bonds                          | 1,472             | 1,070             | -27.3                  |
| Corporate bonds                           | 11,830            | 13,200            | 11.6                   |
| Equity                                    | 455               | 757               | 66.3                   |
| Investment funds                          | 6,459             | 10,673            | 65.2                   |
| Structured notes                          | 152               | 182               | 19.4                   |
| Collateralised securities                 | 317               | 423               | 33.4                   |
| Cash and deposits                         | 9,423             | 8,303             | -11.9                  |
| Mortgages and loans                       | 13                | 11                | -15.7                  |
| Total reinsurance recoverables/ (payable) | 4,152             | 7,495             | 80.5                   |
| Derivatives                               | -0                | -0                | -74.3                  |
| Other assets                              | 2,825             | 3,324             | 17.7                   |
| <b>Total liabilities</b>                  | <b>26,730</b>     | <b>32,570</b>     | <b>21.8</b>            |
| <i>Of which:</i>                          |                   |                   |                        |
| Gross technical provisions                | 22,239            | 28,749            | 29.3                   |
| <b>Basic own funds</b>                    | <b>10,368</b>     | <b>12,866</b>     | <b>24.1</b>            |
| Eligible own funds to meet SCR            | 5,742             | 6,539             | 13.9                   |
| Eligible own funds to meet MCR            | 5,661             | 6,466             | 14.2                   |
| <b>Profitability</b>                      |                   |                   |                        |
| Gross written premium                     | 7,830             | 6,412             | -18.1                  |
| Reinsurance                               | 2,261             | 2,470             | 9.3                    |
| Net premiums                              | 5,569             | 3,942             | -29.2                  |
| Net earned premium                        | 3,370             | 4,471             | 32.7                   |
| Investment income                         | 286               | 693               | 142.5                  |
| Net claims paid                           | 1,535             | 1,827             | 19.0                   |
| Management expenses                       | 639               | 784               | 22.7                   |
| Commission paid/ (received)               | 154               | 33                | -78.9                  |
| Underwriting profit                       | 503               | 276               | -45.0                  |
| Underwriting and investment income        | 788               | 969               | 22.9                   |
| Net profit before tax and dividends       | 793               | 958               | 20.8                   |

| Performance indicators                                | Mar 2022 | Mar 2023 |
|---|----------|----------|
| Claims ratio <sup>1</sup>                             | 27.6     | 40.9     |
| Management expenses ratio <sup>1</sup>                | 11.5     | 17.5     |
| Commission ratio <sup>1</sup>                         | 2.8      | 0.7      |
| Combined ratio <sup>2</sup>                           | 69.1     | 59.1     |
| Underwriting profit/(loss) ratio <sup>3</sup>         | 14.9     | 6.2      |
| Underwriting and investment income ratio <sup>3</sup> | 23.4     | 21.7     |

## Solvency and capital

|                          |     |     |
|--------------------------|-----|-----|
| SCR cover ratio (Median) | 1.2 | 1.3 |
| MCR cover ratio (Median) | 2.6 | 2.8 |

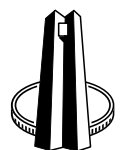
## SCR risk components



<sup>1</sup> Expressed as a percentage of net earned premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premium.

<sup>3</sup> Expressed as a percentage of net earned premium during the period.



# Non-Life insurance: Captive insurers

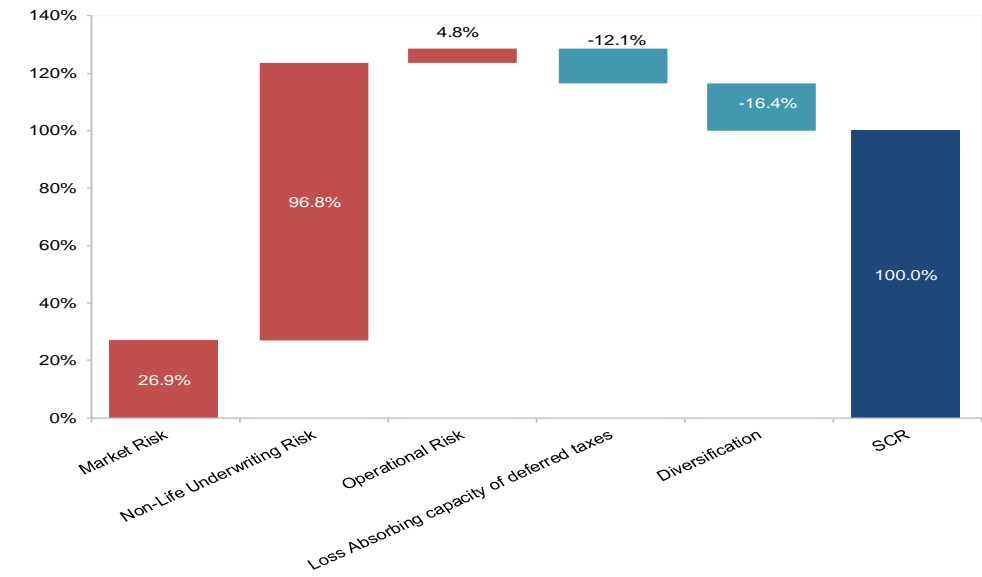
| Balance sheet                             | Mar 2022      | Mar 2023      | 12 Monthly   |
|---|---------------|---------------|--------------|
|   | R'mil         | R'mil         | % growth     |
| <b>Total assets</b>                       | <b>26,356</b> | <b>28,101</b> | <b>6.6</b>   |
| <i>Of which:</i>                          |               |               |              |
| <i>Total investments</i>                  | 22,707        | 24,491        | 7.9          |
| Government bonds                          | 501           | 2,009         | 301.3        |
| Corporate bonds                           | 2,732         | 5,365         | 96.4         |
| Equity                                    | 3             | 1             | -73.1        |
| Investment funds                          | 2,246         | 1,632         | -27.3        |
| Structured notes                          | 11            | 13            | 17.2         |
| Collateralised securities                 | 4             | 3             | -13.7        |
| Cash and deposits                         | 17,212        | 15,468        | -10.1        |
| Total reinsurance recoverables/ (payable) | 3,372         | 2,467         | -26.8        |
| Derivatives                               | -             | -             | 0.0          |
| Other assets                              | 276           | 1,142         | 313.3        |
| <b>Total Liabilities</b>                  | <b>14,500</b> | <b>12,004</b> | <b>-17.2</b> |
| <i>Of which:</i>                          |               |               |              |
| Gross technical provisions                | 14,174        | 11,210        | -20.9        |
| <b>Basic own funds</b>                    | <b>11,857</b> | <b>16,097</b> | <b>35.8</b>  |
| Eligible own funds to meet SCR            | 12,001        | 16,097        | 34.1         |
| Eligible own funds to meet MCR            | 11,985        | 16,079        | 34.2         |
| <b>Profitability</b>                      |               |               |              |
| Gross written premium <sup>5</sup>        | 97            | 1             | -99.5        |
| Reinsurance                               | 50            | -70           | -239.0       |
| Net premiums                              | 47            | 70            | 51.3         |
| Net earned premium                        | 622           | 772           | 24.0         |
| Investment income                         | 335           | 629           | 87.8         |
| Net claims paid <sup>4</sup>              | 285           | -143          | -150.1       |
| Management expenses                       | 28            | 126           | 346.6        |
| Commission paid/ (received)               | -12           | -125          | 939.6        |
| Underwriting profit <sup>4</sup>          | 282           | 710           | 151.8        |
| Underwriting and investment income        | 617           | 1,339         | 117.1        |
| Net profit before tax and dividends       | 585           | 1,341         | 129.3        |

| Performance indicators                                | Mar 2022 | Mar 2023 |
|---|----------|----------|
| Claims ratio <sup>1</sup>                             | 45.8     | -18.5    |
| Management expenses ratio <sup>1</sup>                | 60.8     | 16.4     |
| Commission ratio <sup>1</sup>                         | -25.9    | -16.2    |
| Combined ratio <sup>2</sup>                           | 48.4     | -18.3    |
| Underwriting profit/(loss) ratio <sup>3 4</sup>       | 45.3     | 92.0     |
| Underwriting and investment income ratio <sup>3</sup> | 99.1     | 173.5    |

## Solvency and capital

|                          |     |     |
|--------------------------|-----|-----|
| SCR cover ratio (Median) | 1.9 | 2.1 |
| MCR cover ratio (Median) | 6.7 | 8.3 |

## SCR risk components



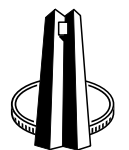
<sup>1</sup> Expressed as a percentage of net earned premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premium.

<sup>3</sup> Expressed as a percentage of net earned premium during the period.

<sup>4</sup> One captive insurer experienced higher profitability due to a refund on claims from the reinsurer.

<sup>5</sup> Most captives insurers did not receive premiums during the review period, due to the nature of captive business.



## Composite reinsurers

| Balance sheet                         | Mar 2022      | Mar 2023      | 12 Monthly  |
|---------------------------------------|---------------|---------------|-------------|
|                                       | R'mil         | R'mil         | % growth    |
| <b>Total assets</b>                   | <b>47,996</b> | <b>47,413</b> | <b>-1.2</b> |
| Total investments                     | 20,687        | 19,499        | -5.7        |
| Total reinsurance recoverables        | 17,200        | 17,983        | 4.6         |
| Current assets                        | 8,029         | 7,996         | -0.4        |
| <b>Total liabilities</b>              | <b>37,069</b> | <b>37,288</b> | <b>0.6</b>  |
| <i>Of which :</i>                     |               |               |             |
| Gross technical provisions (Life)     | 9,699         | 7,188         | -25.9       |
| Gross technical provisions (Non-Life) | 16,491        | 18,258        | 10.7        |
| Reinsurance accounts payable          | 5,946         | 5,511         | -7.3        |
| Reinsurance deposits                  | 5             | 1             | -83.5       |
| <b>Basic own funds</b>                | <b>10,927</b> | <b>10,125</b> | <b>-7.3</b> |
| Eligible own funds to meet SCR        | 12,472        | 12,701        | 1.8         |
| Eligible own funds to meet MCR        | 9,726         | 9,818         | 1.0         |

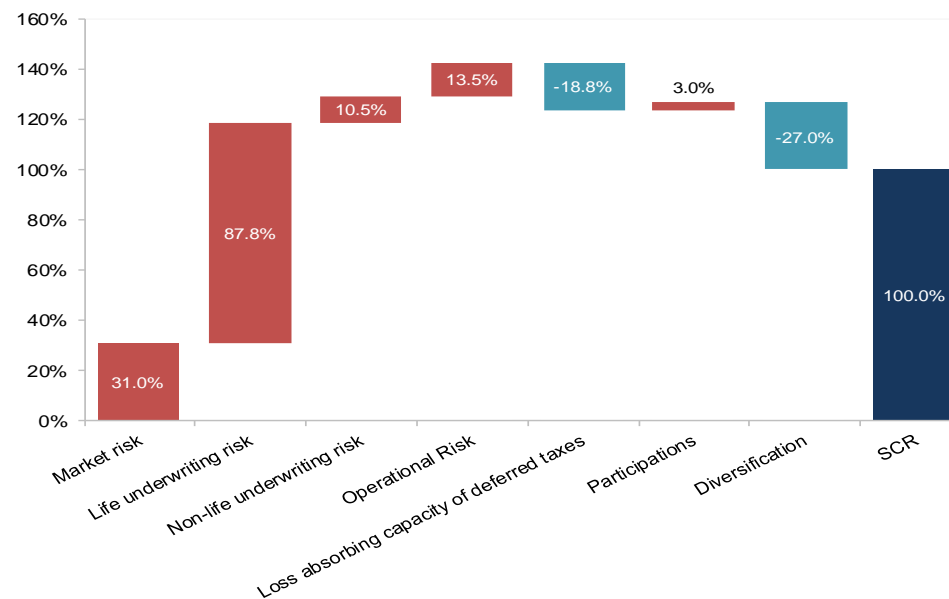
| Profitability                       | Mar 2022 | Mar 2022 | Mar 2023 | Mar 2023 |
|-------------------------------------|----------|----------|----------|----------|
|                                     | Life     | Non-life | Life     | Non-life |
| Gross premium                       | 4,107    | 5,028    | 4,304    | 4,534    |
| Reinsurance                         | 1,099    | 3,930    | 1,330    | 3,758    |
| Net premiums                        | 3,008    | 1,098    | 2,973    | 776      |
| Net earned premiums                 |          | 646      |          | 1,094    |
| Investment Income                   | 266      | 63       | 572      | 139      |
| Net claims paid                     | 3,591    | 641      | 2,679    | 526      |
| Management expenses                 | 167      | 2        | 157      | 21       |
| Commission paid/ (received)         | 168      | 215      | 245      | 183      |
| Other expenses                      | 24       | 53       | 73       | 83       |
| Underwriting profit <sup>4</sup>    |          | -108     |          | 519      |
| Underwriting and investment income  |          | -45      |          | 658      |
| Net profit before tax and dividends | 912      | -98      | 564      | 577      |

| Performance indicators                                | Mar 2022 | Mar 2023     | Mar 2023 | Mar 2023     |
|---|----------|--------------|----------|--------------|
|   | Life (%) | Non-life (%) | Life (%) | Non-life (%) |
| Claims ratio <sup>1</sup>                             | 119.4    | 99.3         | 90.1     | 48.1         |
| Management Expenses ratio <sup>1</sup>                | 5.5      | 0.3          | 5.3      | 1.9          |
| Commission ratio <sup>1</sup>                         | 5.6      | 33.3         | 8.2      | 16.7         |
| Combined ratio <sup>2</sup>                           |          | 133.0        |          | 66.7         |
| Underwriting profit/(loss) ratio <sup>3</sup>         |          | -16.7        |          | 47.4         |
| Underwriting and investment income ratio <sup>3</sup> |          | -7.0         |          | 60.2         |

### Solvency and capital

|                          |     |     |     |     |
|--------------------------|-----|-----|-----|-----|
| SCR cover ratio (Median) | 1.3 | 1.3 | 1.4 | 1.4 |
| MCR cover ratio (Median) | 2.7 | 2.7 | 2.9 | 2.9 |

### SCR risk components



<sup>1</sup> Expressed as a percentage of net written premium during the period.

<sup>2</sup> Claims + commission + expenses as a percentage of net earned premiums.

<sup>3</sup> Expressed as a percentage of net earned premium during the period.

<sup>4</sup> One major reinsurer experienced higher than usual profit during the review period.

