



ASISA

ENTERPRISE AND
SUPPLIER DEVELOPMENT



2024

ANNUAL
OVERVIEW

Mar 2023 - Feb 2024

www.asisa.org.za/esd



We invest in the growth of SMEs with the potential to create far-reaching impact through an innovative combination of tailored business acceleration and investment support.

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ACRONYMS

AFD	Agence Française de Développement
AUM	Assets Under Management
B-BBEE	Broad-Based Black Economic Empowerment
BDS	Business Development Support
CPD	Continuing Professional Development
ED	Enterprise Development
ERP	Enterprise Resource Planning
ESD	Enterprise and Supplier Development
FPI	Financial Planning Institute
FSP	Financial Services Provider
GDP	Gross Domestic Product
IFA	Independent Financial Advisor
IC	Investment Committee
ICT	Information and Communications Technology
INSETA	Insurance Sector Education and Training Authority
IRR	Internal Rate of Return
MBR	Motor Body Repairer
MG	Momentum Group
NPC	Non-Profit Company
SA	South Africa
SD	Supplier Development
SDGs	Sustainable Development Goals
SEFA	Small Enterprise Finance Agency
SMEs	Small and Medium Enterprises
SOE	State-Owned Enterprise
UN	United Nations

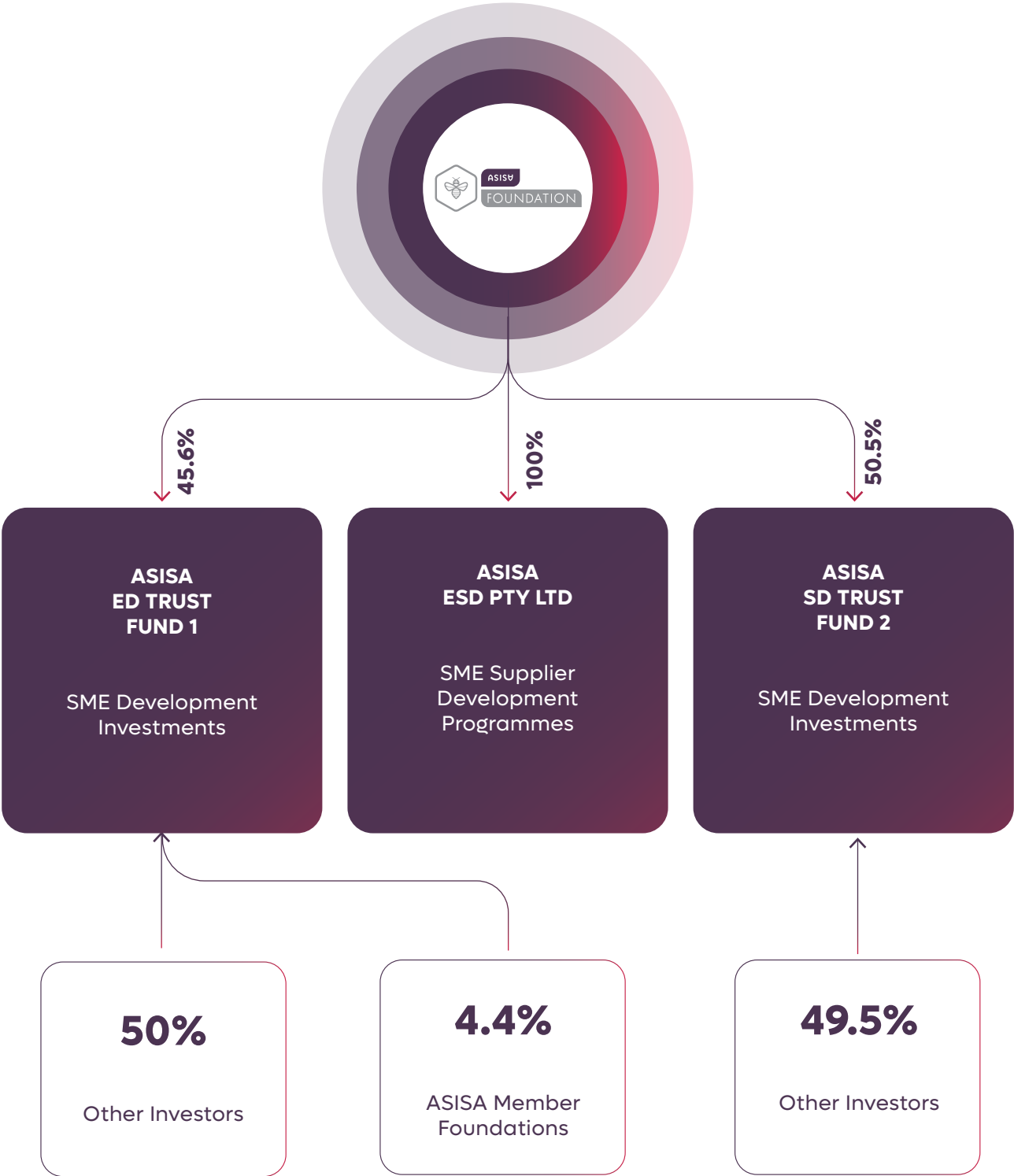
01

ABOUT US

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The Initiative's vision is to create meaningful and sustainable shared value for its funders, enterprises and the nation through the black-owned SMEs it grows and supports.

OWNERSHIP



STRUCTURE & GOVERNANCE

The Funds

The Funds consist of the ASISA Enterprise Development Trust and the ASISA Supplier Development Trust, with units in each Trust held by both the ASISA Foundation and various funders. Funders can make contributions to the Funds in three ways, being through unit investment (when contributing R10m or more), loan investment or non-recoverable grant investment. The Funds are set-up as an evergreen structure, meaning that they have no finite term. They are similar in that they have the same investment mandate and board of Trustees however, differ through their funders and investment portfolio (although synergies do exist through co-investments).

All investments go through an investment committee, for recommendation to the Trustees as the final decision-making body. The IC is constituted by the Fund Manager, with the Trustees having a veto right over appointments.

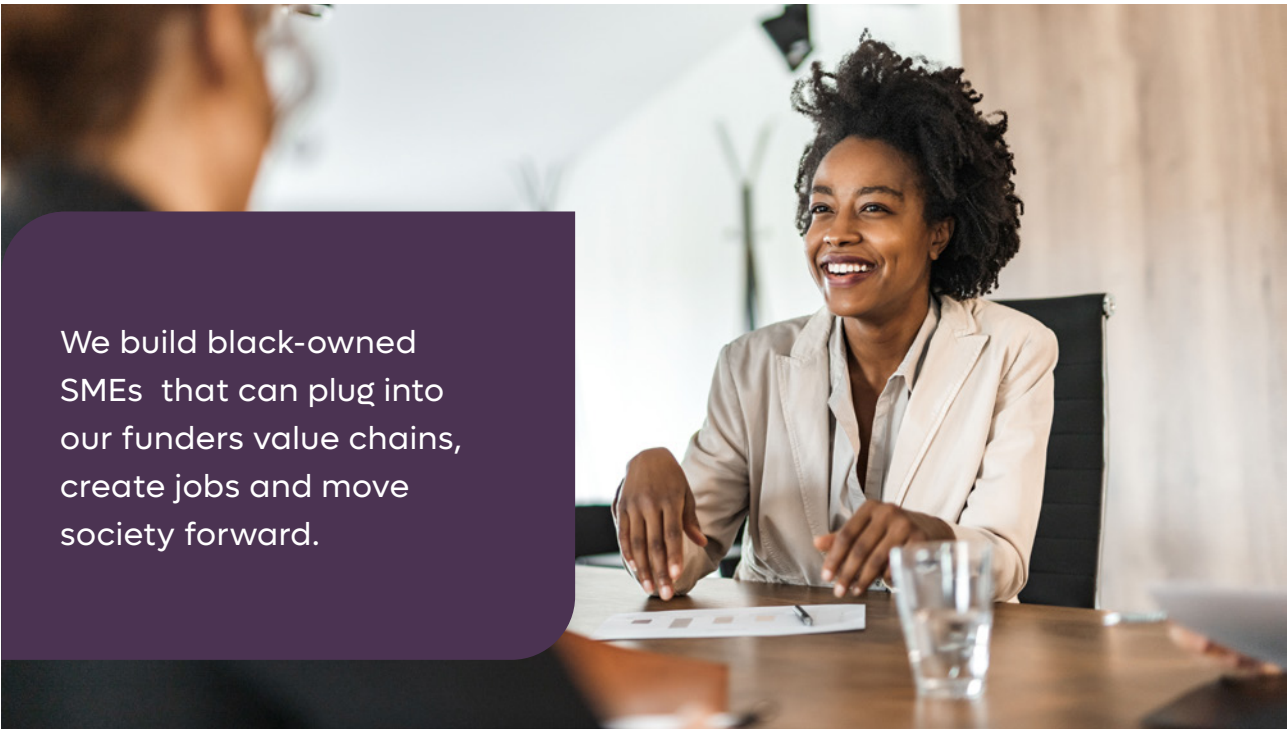
The Fund Manager for both Funds is Edge Growth Ventures, a specialist ESD and Impact Fund Manager and a registered Financial Services Provider.

The Company

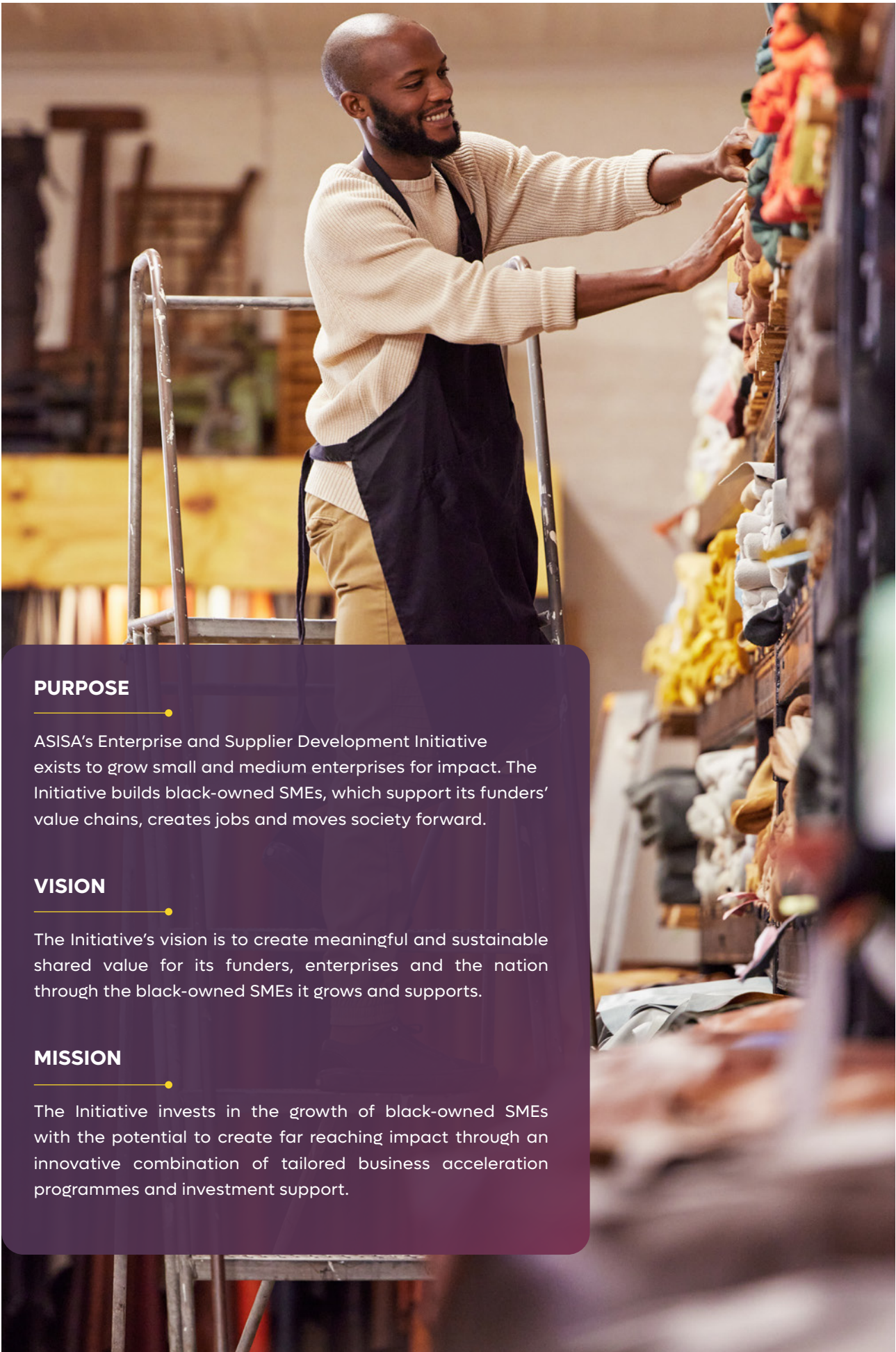
The Company, ASISA Enterprise and Supplier Development (Pty) Ltd, is wholly owned by the ASISA Foundation and was set-up to support Acceleration Programmes for Enterprise Development and Supplier Development (collectively ESD) suppliers in 2017. The Company is governed by a Board of Directors, constituted by nominations from ASISA Foundation, the top seven funders of the Funds, and independent persons. ASISA NPC Members provide grant funding to the Company, which is then used across the various programmes that are currently being run. Each programme has a Steering Committee, which consists of nominated members from the applicable funder and the Programme Manager. This committee oversees the delivery of programmes and ensures good programme governance.

The Programme Manager is Edge Growth Solutions, a specialist in programme management and SME business development support.

The Company has a governance oversight responsibility for the Funds.



We build black-owned SMEs that can plug into our funders value chains, create jobs and move society forward.



PURPOSE

ASISA's Enterprise and Supplier Development Initiative exists to grow small and medium enterprises for impact. The Initiative builds black-owned SMEs, which support its funders' value chains, creates jobs and moves society forward.

VISION

The Initiative's vision is to create meaningful and sustainable shared value for its funders, enterprises and the nation through the black-owned SMEs it grows and supports.

MISSION

The Initiative invests in the growth of black-owned SMEs with the potential to create far reaching impact through an innovative combination of tailored business acceleration programmes and investment support.

OUR IMPACT TO DATE

IMPACT SINCE 2013

INVESTMENT



R1,132m

Investment Raised



R705m

SME Investment

R427m

Acceleration

R940m

Committed



R540m

SME Investment

R400m

Acceleration

47

Total SME investees

53

ESD programmes run since inception



SMEs

1,447

SME Developed

144,700

hours of business support

50%

SME revenue increased on average



JOBS

7,635

Supported

3,591

created

11,636

Indirectly created*
*Artisans and small contractors

100%

majority black owned SMEs

71

Funders provided capital to the ASISA ESD Initiative

R351m

Spent in industry procurement from our supported SMEs



Growing businesses for impact.

02

OUR TEAM

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The growth of both employment and the economy in any country heavily relies on the development of SMEs. The Fund has an important role to play in trying to leverage this outcome and promoting diversity in the ASISA member supply chain ecosystem.

Paul Boynton

Investment Committee Chairperson

BOARD OVERVIEW

Message from the **Board Chairperson**



The ASISA ESD Initiatives seek to advance economic development and transformation by upskilling, financing, and providing markets for black-owned small businesses.

The ASISA ESD Initiatives seek to advance economic development and transformation by upskilling, financing, and providing markets for black-owned small businesses. The ASISA ESD Initiatives have had a positive impact, namely through:

- Access to finance through committed long-term risk capital of R540 million
- Access to skills by means of acceleration programmes of R400 million
- Access to markets in the form of procurement spend of conservatively R351 million
- Impacting over 1447 small businesses, with revenue growth of 43% per annum
- Creating 3 591 jobs, and supporting 7 635 jobs.

In addition to these stellar impact results, the ASISA ESD Fund has achieved a gross internal rate return of 3.5% in excess of the capital preservation benchmark.

However, we expect more from the ASISA ESD Initiatives. To lead them into the future, we welcome our new independent chairperson, Fay Mukaddam. Fay is an Advocate of the High Court of South Africa and also a Chartered Director (SA). She has extensive strategic and governance leadership experience. In addition Fay has a strong ethical stance, pragmatism and common sense. She is an exceptional chair and ideal to take the ASISA ESD Initiatives forward.

As my tenure as chairperson ends, I want to express my gratitude to all of you. To our investors and funders for their generous support of and commitment to the ASISA ESD Initiatives. To the ASISA and Edge Growth teams for their invaluable contribution and the ongoing professionalism and passion they bring to their work each day. And finally to my fellow board members for their wisdom, leadership, and support.

Ingrid Goodspeed
Board Chairperson

“

ASISA ESD Fund has achieved a gross internal rate return of

3.5%

in excess of the capital preservation benchmark.

BOARD OF DIRECTORS

As at February 2024

TRUSTEES



Ingrid Goodspeed
Non-Executive Director



Ruth Benjamin-Swales
CEO
ASISA Foundation



Francois Adriaan
Senior Policy Advisor
ASISA



Rodger Walters
Chief Financial Officer
ASISA

INDEPENDENT BOARD MEMBERS



Keneiloe Selamolela
Chief Transformation
Officer
OUTsurance



Thapelo Makatonayne
Head of Empowerment and
Transformation
Old Mutual



Lehlohonolo Mokomela
Group Transformation Head
Momentum Group Ltd



Fariyal Mukaddam
Non-Executive Director



Niraj Gudka
Chief Operating Officer
PSG Konsult



Schalk Fourie
Non-Executive Director



Aslam Higgins
Head of Group
Procurement
Santam & Sanlam



Riaz Gardee
Head of Corporate Finance
Liberty



Themba Palangangwe
General Manager,
Governance and
Transformation
The South African
Insurance Association



Godfrey Vilakazi
Chief Marketing Officer
Engen

Investment Committee Overview

Message from the **Investment Committee Chairperson**



The ASISA ESD Investment Committee identifies black-owned SMEs from the ASISA member supply chains to include in the ASISA ESD Funds.

The ASISA ESD Investment Committee identifies black-owned SMEs from the ASISA member supply chains to include in the ASISA Enterprise Development Trust or the ASISA Supplier Development Trust (the ASISA ESD Funds). This committee approves the deployment of loan and equity capital to enterprises selected for funding. During the period under review, R30m in investment capital was committed to new SME investments and R40m was contributed to existing investments. As at the year end the Funds in aggregate had R540m of committed capital of which R490m had been deployed.

The growth of both employment and the economy in any country heavily relies on the development of SMEs. The Fund has an important role to play in trying to leverage this outcome and promoting diversity in the ASISA member supply chain ecosystem. This should represent a risk mitigated investment strategy and indeed we have seen this to be the case where ASISA members have provided support to Investee companies either as partners/suppliers, or indeed customers, and in some cases acquiring entities that have developed to a stage that they become attractive acquisitions.

Investing in smaller businesses, however, is not without risk and requires judicious selection and strong post-investment support. While the portfolio contains several very successful positions, we have

experienced difficulty with some of the businesses we have invested in. The team has dedicated a great deal of time to ensuring that challenging situations are managed to achieve the best possible outcomes given the circumstances.

I would like to thank my fellow committee members for the time and effort they have dedicated to this worthwhile Initiative over the past year. I would also like to commend the Edge Growth Investment team for their professional and dedicated support to the Investment Committee and for their conscientious management of the Funds.

I am proud of the impact achieved so far and confident that the ASISA ESD Initiative will continue to grow the black-owned SME segment, contributing significantly to inclusive economic growth.

In closing we must extend a heartfelt thanks to Leon Campher, who stepped down as the Investment Committee Chair during the past year. He has been instrumental in developing the Fund and mobilising investors to this critical Initiative. We wish him all the best in a well-earned retirement, although it is difficult to imagine Leon taking things easy!

Paul Boynton
Investment Committee Chairperson

Investment Committee

As at February 2024



Paul Boynton
IC Chairperson
Independent



James Howard
Independent



Riaz Gardee
Head Of Corporate Finance
Liberty



Taskeen Ismail
Head of Corporate Finance
Old Mutual



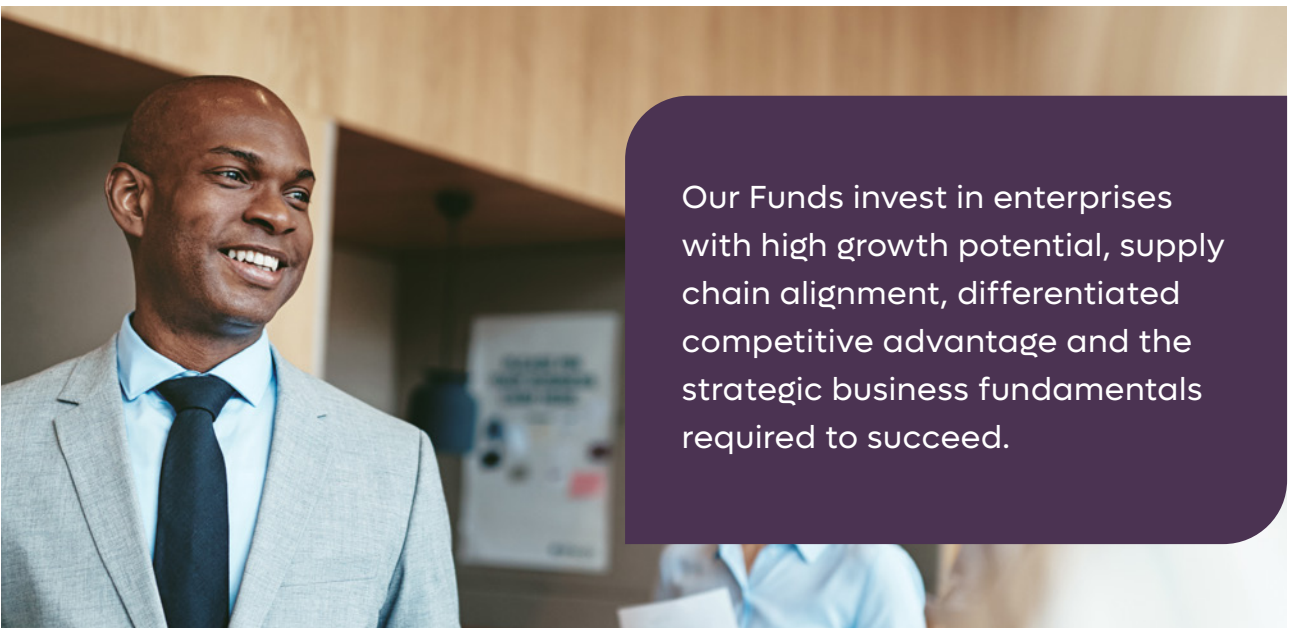
Thabiso Rulashe
Executive Head of Strategy
and Investor Relations
Santam



Grant Cloete
Independent



Lwanda Zingitwa
Independent



Our Funds invest in enterprises with high growth potential, supply chain alignment, differentiated competitive advantage and the strategic business fundamentals required to succeed.



We invest capital while complementing management with support and specialist expertise to unlock accelerated growth.

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INVESTMENTS

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With R700 million in assets under management (AUM) and approximately 70 funders providing participation, loan and grant capital, the ASISA ESD Initiative stands as one of the nation's largest and most enduring ESD Initiatives of its kind.

Janice Johnston

CEO, Edge Growth Ventures Fund Management

Investment Overview

Message from the **Fund Representative, CEO of Edge Growth Ventures**



The ASISA Enterprise and Supplier Development Fund celebrates its 11th year since inception as an ESD Initiative.

With R700 million in assets under management (AUM) and approximately 70 funders providing participation, loan and grant capital, the ASISA ESD Initiative stands as one of the nation's largest and most enduring ESD Initiatives of its kind.

During the year, the Initiative commissioned an independent Fund review to evaluate the Fund's financial performance, impact realisation and the effectiveness of the fund manager in fulfilling the fund's mandate, and a comparison against similar Initiatives. The review findings were overwhelmingly positive, emphasising successful mandate execution, sustainable fund practices, fair fund manager compensation, tangible impact on transformation and social goals, capital preservation, and adherence to essential governance standards. These findings underscore the Fund's commitment to transforming the financial services sector through the Initiative, positioning it as a benchmark ESD Fund in South Africa.

To date, the Initiative has committed approximately R540 million in funding to 47 SMEs, facilitating the creation of 2,395 jobs and supporting the sustenance of 2,758 jobs that pre-date the Fund's investment. Additionally, an estimated 11,636 artisans have been impacted through indirect job creation. Collectively, the revenue of investee portfolio companies has grown by 42% annually.

We are grateful to all partners, collaborators and

stakeholders who continue to support and shape the Initiative's success and hope to continue this trajectory as the Initiative grows and evolves. The Initiative is strategically positioned to build upon the platform established over the past decade, enabling achievement of impact at scale.

Janice Johnston
CEO Edge Growth Ventures
Fund Management



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R540 million

in funding to **47 SMEs**, facilitating the creation of **2,395 jobs**.

INVESTMENTS OVERVIEW

Building resilient portfolios in a tough economic period

Despite the escalation of several geopolitical conflicts and increased economic uncertainty, the global economy proved resilient in the past year. Locally, Gross Domestic Product growth remained subdued at approximately 0.8%. Electricity generation hit its lowest annual levels in two decades, resulting in inflationary cost increases that put pressure on the operating costs of businesses and the discretionary income of consumers.

Against the backdrop of this tough economic climate, the Fund achieved a portfolio Gross IRR of 3.5% (exclusive of strategic portfolio-enhancing partnerships and Initiatives).

This represents a blended money multiple of 1.3x as of February 2024, which bodes well for the Fund's capital preservation mandate. The Fund demonstrated its commitment to empowering growth in the South African economy by deploying R70 million in new and follow-on investments.

INVESTMENTS HIGHLIGHTS



EMPOWERING GROWTH

With a range of tailored finance solutions, portfolio management and technical support assistance, the Initiative empowers the growth of SMEs that otherwise find it challenging to access traditional funding from larger institutions. The Initiative supports these entrepreneurs to consider and implement environmentally-friendly operational practices, facilitate job creation and sustenance and effective governance structures. As a result, various stakeholders benefit, and the Initiative contributes to economic growth.

Benguela Global Fund Managers, a new investee in the portfolio, is poised to become an influential black-owned mainstream player setting a benchmark for ethical and transformational investing. With around R6 billion in AUM, Benguela commits to deliver above-average financial returns (c.13.8% return on its Prescient Global Equity Fund as at February 2024) through a global specialist approach to asset management. Benguela personifies diversity and transformation in wealth creation and wealth distribution with c. 70% of shares held directly by key personnel and through its various employee share schemes. Included in this is a 10% direct purchase scheme reserved for its female employees.

Lula Loop, a tech-enabled ride-sharing solution, is also a new entrant in the portfolio. A key offering is staff transport for retail and corporate clients, which enables staff who often live in peri-urban areas a safe and reliable way to access economic opportunities, paid for by their employer organisations. For the year ended February 2024, Lula delivered over 20,000 trips to various clients which translates to above 510 million grams of CO₂ in carbon emissions avoided.

Against the backdrop of South Africa's load-shedding challenges, is **I-G3N**, a black female-owned lithium-ion battery manufacturer which is focused on clean energy solutions. I-G3N exemplifies the transformative power of innovation and sustainability in shaping South Africa's renewable energy sector for African homes and businesses. Their technology reduces the carbon footprint of energy generation and storage, while follow-on funding from the Fund enabled I-G3N to sustain a team headcount of 34 during the year and contribute to the production of 632.7KWH of clean energy.

Lastly, **Kandua**, an investment which exited the Fund during the year, empowered artisans and modernised home property-related services delivery through its convenient and innovative online platform. This underscores the transformative potential of SMEs to contribute to the achievement of United Nations Sustainable Development Goals (SDG) 8: Decent Work and Economic Growth and SDG 10: Reduced Inequalities. The Kandua platform created 65 jobs and achieved over 78 000 artisans registering on their platform during the Fund's investment period.

PORTFOLIO OVERVIEW

Throughout the lifespan of the Fund, investment themes are periodically updated to align with the evolving needs of the financial services sector. In the past year, adjustments to the deployment strategy resulted in the retention of specific themes, selective pursuit of others, and opportunistic consideration of others. Presented below are the Fund's investment themes, each subject to various predefined limits.

Black Fund Managers

Emerging fund managers with distinctive value propositions continue to be a priority, as they navigate the challenge of establishing a track record to attract capital. The Fund has deployed close to R50 million to date in catalytic funding to black fund managers, primarily to cover operational expenses as they establish their presence and scale in the market, facilitating their ability to attract further investment.

Black Financial Intermediaries

Finding suitable financial intermediaries to fund is challenging due to market fragmentation and varying sizes and stages of maturity. The Fund prioritises support for emerging financial intermediaries, particularly under the independent financial advisors theme. Leveraging the Initiative's ESD Programmes, the Fund can tap into a pipeline of black-owned financial intermediaries that demonstrate funding-readiness; fostering inclusive growth and addressing disparities in capital access and financial services.

Black Stockbrokers

The capital adequacy requirements of the Johannesburg Stock Exchange (JSE) present a hurdle to scalability for smaller stockbrokers. Collaborating with the JSE, the Fund successfully addressed this challenge by introducing an innovative funding solution: the pre-funded settlement guarantee. To date, this Initiative has allocated R90 million in funding to five emerging stockbrokers, enhancing their market presence and enabling them to attract larger clients. Currently, two of these stockbrokers remain in the portfolio. One former participant leveraged the initial support to secure more competitive traditional funding, demonstrating the catalytic impact of the Fund's innovative funding mechanism.

Motor Body Repairers

Motor body repairers are a key investment focus within the Fund, as they command a substantial share of wallet expenditure in the short-term insurance sector. The Fund addresses the funding gap in this underserved and undercapitalised sector, enhancing these businesses' capabilities and broadening their market access. This thematic approach underscores the Fund's dedication to fostering economic empowerment that extends to peri-urban areas. Funding in this sector remains challenging yet transformative.



To date, the Black Stockbrokers Initiative has allocated **R90 million** in funding to five emerging stockbrokers, enhancing their market presence and enabling them to attract larger clients.



Property Services

Property services and similar ancillary services is another value-chain aligned investment theme, which includes tech-enabled products to reduce claims and resultant damage.

Inclusive Innovation

The inclusive innovation investment theme empowers innovative SMEs owned by black entrepreneurs. The innovations of these SMEs have impacted stakeholder communities by using technology to tackle social and economic inequalities.

Sustainable Development Goals

Through a strategic partnership with the French Development Bank (Agence Française de Développement), the Fund has enhanced its “impact theme” to align closely with the United Nations Sustainable Development Goals.

Green Outcomes

Partnering with the Green Outcomes Fund, a collaboration between GreenCape and The Jobs Fund, in the capacity of catalytic finance partner, this theme backs the sustainable growth of eco-friendly enterprises. This partnership promotes responsible stewardship of a healthier planet, aligns with the evolving priorities of ESD stakeholders and yields positive outcomes such as the creation of green jobs, reduction of carbon emissions, and the advancement of clean energy generation. The Fund’s approach effectively balances its mandate for capital preservation with a commitment to environmentally sustainable practices.

In addition to the aforementioned investment themes, several of which leverage strategic partnerships, the Fund has obtained the Khula Credit Guarantee in collaboration with The Small Enterprise Finance Agency. This guarantee will provide risk mitigation for selected investment debt instruments.

Looking ahead, the upcoming year presents an opportunity for the Initiative to continuously improve on and fully embrace the potential unlocked by the mission to “empower growth,” irrespective of external challenges.



PORTFOLIO BREAKDOWN

As at February 2024

TOTAL INVESTMENT PORTFOLIO

R540 million



Manufacturing

R239 million

44%



ICT

R99 million

17%



Marketing Services

R58 million

10%



Recycling

R55 million

10%



Construction & Materials

R26 million

5%



Financial Services

R20 million

4%



Healthcare

R17 million

3%



Automotive

R13 million

2%



Electronic & Electrical Equipment

R10 million

2%



Transport

R3 million

1%



Our Funds invest in enterprises with high growth potential, supply chain alignment, differentiated competitive advantage and the strategic business fundamentals required to succeed.

04

ACCELERATION

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Through our programmes we continued to work with over 25 sponsors from the financial services sector having run 11 programmes over the last year supporting over 32 SMEs, 708 Brokers and 32 interns and supporting over 1000 jobs during the period. An achievement we are very proud of.

Amanda Urban

Head of Programmes

ACCELERATION OVERVIEW

Message from **The Head Of Programmes**



The period from March 2023 to February 2024 was considered a year of change for the ASISA ESD Initiative, marked by shifts in programme directions, stakeholders, and appointing a new Chairperson.

ASISA ESD Pty Ltd (“The Company”) has remained dedicated to working with SMEs across various sectors to ensure growth, stability, and job creation in a competitive landscape. The key objectives for Programmes in FY24 were:

- Stakeholder relationships (from the CEO to Procurement and Transformation teams)
- Strategy reviews
- Growing the teams on the ground
- Innovative business development solutions
- Programme reporting

Economic growth and impact

Programmes continued to work with over 25 sponsors from the financial services sector having run 11 programmes over the last year supporting over 32 SMEs, 708 Brokers and 32 interns and supporting over 1000 jobs during the period. An achievement we are very proud of.

Programmes are tailored to meet the business needs of both the corporate sponsors and the SMEs. The team works with an extensive network of mentors and service providers to ensure best practice engagements and learnings. Some of the components are:

- Mentorship,
- Specialist projects,
- Bootcamps, and
- Entrepreneurial Council sessions

These interventions allow for group discussions, sharing of knowledge and learnings, structured content delivery and continuous engagement to allow for growth and business building. Based on the completed programmes in the year, 58 new

jobs were created, and 21 temporary jobs were created. Three of the programmes also provided grant funding to the SMEs, specifically to be used as business building levers. These grants create massive impact to the SMEs as they can invest in projects that were being put off due to financial constraints – resulting in mutual benefits.

While challenges are tackled head-on with active Programme Management, it takes the full team to align and create the impact. A significant factor throughout the year was dealing with loadshedding (both on the business operations and while attending online sessions), making time, and being committed. It has been shown year on year that commitment (whether from the sponsor or the entrepreneur) makes all the difference to how successful the SME is and thus the programme overall.

Amanda Urban
Head of Programmes



When we invest time, energy and funds into SMEs, we ignite a ripple effect that strengthens the economy.

PROGRAMMES REPORT

The following programmes ran during the financial period (more details on their impact can be found in the next section). In summary, this is what they entailed:

Sanlam ESD and Broker Programme 2023

Sponsored by the Sanlam Foundation and Sanlam investments, this was the 11th year of the programme. The programme focuses on 3 streams – Elevate, Migrate and Acceleration which allows for the development of both the distribution network and supply chain business.

IFA Programme 2023

The 8th year of the programme focused on 2 streams: IFAs and Internships. Anchor sponsors include Allan Gray, Coronation, Ninety-One and M&G Investments, with additional contributions from African Infrastructure Investment Managers, Argon Asset managers, ASISA, Camissa, Colourfield, Curo, Foord Asset Managers, FutureGrowth, JustSA, Marriott Asset Management, Old Mutual Alternative Investments, Old Mutual Customised Solutions, Old Mutual Investment Group, Perpetua Standard Bank, SwissRe and Sygnia. This was the second year in which mentorship and specialist projects were also introduced to support the classroom style learning as well. The programme consisted of 19 IFAs and 32 interns.

Stockbroker Programme 2023

Sponsored by FutureGrowth Asset Management, Intembeko Investment Administrators, Mentenova, Standard Bank Securities, SA Homeloans and Taquanta Asset Managers, the aim of the Programme is to enhance the sustainability of the industry by developing black owned stockbrokers and through this address resource constraints, concentration risks and service delivery challenges faced in the industry.

Santam Programme 2023

Sponsored by Santam Limited, the programme was focused on working with over 80 Brokers in the short-term insurance space.

Momentum Group Ltd 2020, 2022 and 2023 Programmes

Sponsored by the Momentum Metropolitan Foundation Trust, the 2020 Programme is a comprehensive development programme that brings together practice management support and financial coaching to impact the intermediary space. This support programme caters for Tied agents and Independent Financial Advisors (IFAs), providing them with necessary, but specific support. The 2022 Programme, consisted of 6 unique programme streams focused on 3 business units within MG working with 136 advisors. The newly launched MG 2023 programme focuses on 110 advisors across the 3 business units within MG.



Influencing sustainable change in behaviour, so that vulnerable citizens can manage their financial affairs more appropriately.



IFA Programme: conclusion of the 2023 ASISA Independent Financial Advisor (IFA) Programme at a closing event held in Cape Town on 22 February 2024.

Liberty Intermediary Programme 2021

The Programme aims to support the growth and development of black owned brokerages of the insurance sector and related sub-sectors in order to expand the pool of scarce and critical skills. This programme is sponsored by the Liberty Group. A second stream was initiated in the year to grow the pool and the programme continued until October 2023.

Inseta Broker Development Programme 2023

An industry wide IFA programme in partnership with ASISA, Inseta, Argon Asset Management, Sanlam Investments, Standard Bank Securities, Sygnia and Western National Insure split into 2 streams – Magnify and Multiply. The programme focused on the advancement of black- owned advisors in the insurance sector.

OUTsurance Kwande Futhi Programme 2023

A strong focus on Motor Body Repair businesses, the program had two distinct streams focused on QSE MBRs (with a turnover of greater than R10m

and less than R50m, who are current suppliers to OUTsurance) and Township MBRs (with a turnover of <R5m, not current suppliers, and located within a 20km radius from a township). This was a first-of-its-kind program targeting the township sector.

Goals for the 2025 Financial Year

The Company would like to remain adaptable and cater to the sponsors needs as business requirements change. We continue to support collaborative approaches to designing programmes and consider ourselves to be partners in creating impact. The key focus will be on creating more in depth reporting and measurements across programmes and sharing the learnings we have gathered over the years. Technology remains key in how we digitise and make content more easily available. Another key focus will remain in strengthening relationships with our sponsors and delivery partners.

With the continued backing of our sponsors, delivery partners, the SMEs and Brokers on the programmes, we are committed to driving further positive change in our sector and economy. When we invest time, energy and funds into SMEs, we ignite a ripple effect that strengthens the economy.

CASE STUDIES

INSETA Broker Development Programme



Becoming a Micro-Insurer with support from INSETA Broker Development Programme

Scarlet Capital is a financial brokerage company based in Daveyton, Gauteng, founded by Xolani Buthelezi in 2017. After matriculating in the late '90s, he became intrigued by the insurance industry and its transformative impact.

This interest deepened in 2004 when he faced the challenge of burying his uncle at his own expense, having to take out a personal loan to cover the funeral costs, as few of his family members had employment or funeral cover. These harsh realities motivated Buthelezi to learn more about the insurance industry, with the aim to help others avoid similar situations.

Background and motivation to start the firm

In 2006, Buthelezi was given the opportunity to work as a financial advisor at Old Mutual, where he gained valuable experience in short-term insurance, accumulating over 16 years of work experience to date. Scarlet Capital specializes in providing funeral cover for individuals, as well as group cover and insurance schemes for clients in Gauteng. Establishing a sustainable brokerage was crucial for Buthelezi. The catalyst for Scarlet Capital came in 2020 when they obtained an underwriting license to distribute long-term insurance products such as funeral cover, retirement products, and life insurance. This development required them to hire additional staff to fill resource gaps.

Building a brand and expanding through the INSETA Broker Development Programme

In 2023, Buthelezi was selected to participate in the INSETA program, which aims to foster the growth and advancement of black-owned small and medium-sized enterprises operating in the



Xolani Buthelezi
Founder, Scarlet Capital

CASE STUDIES

INSETA Broker Development Programme

insurance sector and its related sub-sectors. Buthelezi found the mentorship element of the program, as well as the business diagnostic conducted on his company, to be invaluable.

This rigorous process identified key areas for improvement that could lead to better growth outcomes. Rebranding the business and building a website became top priorities, leading to new leads from areas outside Gauteng. The business also experienced significant growth, with monthly premium income increasing from approximately R37,000 before the program to R700,000 per month within 25 months of enrolment.

Buthelezi believes the program provided him with insights into the key skills that needed to be integrated into his business for the benefit of his staff. 'The practical experience, industry qualifications, and knowledge they gained—from business etiquette to product expertise—have played a significant role in the business's growth,' said Buthelezi. Scarlet Capital also moved into larger premises, which improved their visibility to

both existing and prospective clients. Providing financial education is important to Scarlet Capital, as Buthelezi witnessed the unintended consequences of COVID-19, where many consumers lacked adequate funeral cover to bury loved ones. The company leverages the workshops they offer to generate new business leads while also educating participants about investment solutions.

Looking to future prospects to build a credible micro-insurance business

Buthelezi has a strong vision to become the micro-insurer of choice for large distribution channels, such as funeral parlours. Scarlet Capital also recognises a gap in the market for providing administration services and employee benefits to small businesses. Many of these ventures do not offer retirement funds or medical aid to their staff, and Scarlet Capital believes that providing these services could significantly enhance their employee value propositions.

AREAS OF IMPACT BY THE INSETA BROKER DEVELOPMENT PROGRAMME FOR SCARLET CAPITAL



Access to skills

Gaining insight into the business's financial metrics through mentorship.



Unlocking growth potential

Access to a website and appropriate marketing materials.



Operational improvement

Through a business diagnosis, identifying skills gaps in the business and employing a claims admin person.



Financial stability

Investing in the five salespeople they hired by moving to better premises and providing laptops for remote work.



Job creation

Employing 13 people in peri-urban areas to impact local economies.



Revenue growth

Increasing annual premium income collected from **R4 million to R6.7 million** between 2023 and 2024.

CASE STUDIES

Enterprise and Supplier Development Programme



A journey of growth and transformation through the SANLAM ESD PROGRAMME

The beginning: A vision to fill a market gap

Vuso Technology, a 100% black-owned ERP (Enterprise Resource Planning) solution provider, was founded in 2019 by Siphon Mavuso and Sifiso Mavuso. Their vision was clear—to fill a critical gap in the market for black-owned ERP resellers.

This sector is lucrative, with opportunities to become distribution partners for major software providers like Microsoft, Sage, and Oracle, serving both private-sector clients and state-owned enterprises.

Siphon Mavuso, an experienced accountant, was inspired by the transformative power of technology in the accounting profession. His exposure to ERP systems during a previous role led him to obtain Sage certification in 2018, equipping him with the knowledge and confidence to venture into entrepreneurship. In 2019, Sifiso, bringing a strong technical background, joined the business, solidifying Vuso Technology's credibility in the ERP market.

Overcoming early challenges with Sanlam ESD Support

The early days were tough. Siphon initially believed that leveraging his network within the accounting profession would quickly secure clients. However, he soon realized that the market was too limited to sustain growth. Efforts to secure government tenders also proved frustrating, and Vuso Technology struggled with brand recognition.

The turning point came in January 2023, when Vuso Technology joined the Sanlam Group's Enterprise and Supplier Development programme. This Initiative provided the structure and guidance the company needed to sharpen its strategy, clarify its mission, and define its key service offerings. The programme was instrumental in helping Vuso Technology establish a strong brand identity, including the development of a new logo and



Siphon Mavuso
Founder, Vuso Technology

CASE STUDIES

Enterprise and Supplier Development Programme

website, and streamlining operational processes. “The programme gave us the chance to step back and rethink how we operate. We streamlined our processes to be more efficient, which has been transformative,” says Sipho.

The benefits of the ESD programme extended beyond strategy and branding. A crucial R25,000 subsidy enabled Vuso Technology to purchase a R65,000 inverter during a period of severe load shedding in South Africa, ensuring business continuity. This was vital for a company that relies heavily on providing online support, training, and onboarding sessions for its clients.

Additionally, the mentorship provided through the programme helped Vuso Technology secure a significant three-year contract with a private sector client. The guidance received in developing a compelling marketing and brand story was key to winning this contract, marking a significant milestone in the company’s growth.

The Future of ERP and Vuso Technology’s Ambitions

Looking ahead, Vuso Technology is focused on becoming Oracle-certified, a critical step that will open doors to substantial opportunities,

particularly with large corporations and financial institutions where Oracle platforms are prevalent. This certification will position Vuso Technology to tap into a market that demands compliance with mandates requiring a portion of business to be allocated to black-owned SMEs.

The company is also committed to building a skilled workforce. Vuso Technology plans to train at least five certified professionals in the next two years, with two graduates already undergoing training in data analysis. This investment in talent is part of a broader strategy to expand their team from five to ten full-time employees, ensuring they can meet future demands.

While the cost of maintaining Oracle certification is significant, at R100,000 per year, the potential rewards are substantial. Sipho and Sifiso are determined to manage these challenges effectively, seeing them as investments in the company’s long-term success.

Vuso Technology’s journey is a testament to the power of strategic support and the resilience of entrepreneurs committed to their vision. With continued focus on innovation and certification, the company is well-positioned to play a leading role in the evolving ERP market.

AREAS OF IMPACT OF THE SANLAM ESD PROGRAMME ON VUSO TECHNOLOGY



Access to funding

R25,000 subsidy provided to purchase an inverter for energy security during periods of load shedding.



Access to skills

The programme guided Vuso Technology in defining a clear vision and mission, setting the stage for future growth.



Unlocking growth potential

Funding for marketing and website development enhanced the company’s credibility and visibility.



Operational improvement

Streamlined processes have made the company more efficient and effective.



Financial stability

Assisted in securing a three-year contract by developing a technical marketing strategy for the tender.



Job creation

Hired two full-time consultants to assist with project implementation.



Revenue growth

Revenue increased from R5.5 million in 2023 to R7.1 million, with expectations for consistent growth over the next three years.

PROGRAMMES



Sanlam ESD and Broker Programme 2023

Start date: 1 January 2023

End date: 31 December 2023

YEAR 10 SINCE INCEPTION

Through the collaboration between The Company, Sanlam Foundation and Sanlam Investments, the intent of the Sanlam Foundation ESD and Broker Programme was to transform, develop and grow Sanlam's distribution network and supply chain. This was achieved through the creation and support of an environment fostering financial resilience and sustainability for high-potential businesses.

Sanlam Enterprise and Supplier Development Stream

The ESD Programme was designed to develop and transform Sanlam's supply chain by providing leading business development support to 13 SMEs within Sanlam's network.

Through its implementation, the programme offered tailored support to address specific business challenges, ensuring that these enterprises could overcome obstacles impeding their growth. Dedicated mentors assisted the SMEs with business development support, enabling them to focus on Access to Markets, Access to Funding, and Access to Skills according to their business requirements.

Programme Impact



13

Programme SMEs impacted



5

Black Female-Owned SMEs supported



33%

Average SME revenue growth



8

Classroom-based boot camp modules facilitated by Industry Specialists



40

Specialist interventions completed



1680

Total number of BDS (mentorship) hours extended to programme beneficiaries



PROGRAMMES

Sanlam Broker Project Stream

PROJECT ELEVATE

Start date: 1 March 2023

End date: 31 January 2024

YEAR 10 SINCE INCEPTION

PROJECT MIGRATE

Start date: 1 July 2023

End date: 31 May 2024

The Sanlam Broker Programme was specifically designed to enhance and transform Sanlam's distribution capabilities by providing specialist practice management training to 35 financial planning practices. Throughout the programme, the businesses were supported in marketing their own services independently from Sanlam's products.

To achieve this, clearly differentiated service offerings were developed. Additionally, processes were implemented to ensure the delivery and reliability of these professional services. Practices were also guided in developing recruitment plans to clearly comprehend the future resources needed. As businesses typically experience some revenue downturn during transitional periods, this was mitigated in most cases by improvements in client retention.

Programme Impact



35

Programme SMEs (Brokers) impacted



20

Black Female-Owned SMEs supported



42% (Elevate)

24.3% (Migrate)

Average SME revenue growth



8

Classroom-based boot camp modules facilitated by Industry Specialists



2503

Total number of BDS (mentorship) hours extended to programme beneficiaries



PROGRAMMES

Independent Financial Advisor Programme 2023

Start date: 1 April 2023

End date: 31 March 2024

YEAR 8 SINCE INCEPTION

The Independent Financial Advisors Programme was designed to enable the sustainable development of financial planning practices, thereby creating meaningful shared value for the industry, enterprises, and South Africa.

Through the collaborative efforts of The Company, Allan Gray, Coronation, M&G Investments, and Ninety-One, the programme aims to foster strategic growth and development of selected Independent Financial Advisors by equipping their businesses with practical practice management toolkits, skills, and knowledge to enhance industry distribution capabilities. Additionally, in partnership with the ASISA Academy, the programme focuses on skills development by offering high-potential individuals internships at top selected IFA practices. This structured programme combines theoretical knowledge with practical work experience to cultivate future financial planners. Further contributions have been made by Camissa, Colourfield, FutureGrowth, JustSA, Old Mutual, Perpetua, and Swiss Re.

The business development support Initiatives implemented on the programme included:

- **Mentoring:** Customised one-on-one mentoring from industry specialists provided sustainable support and solutions to entrepreneurial challenges. Weekly sessions offered guidance and advice, helping to unpack content, checklists, and templates from group-based workshops.

The focus was on practical growth Initiatives tailored to the specific needs of the business owner or employee. Positive feedback and encouragement from mentors facilitated both individual and business growth.

- **Special Projects:** Mini-projects or interventions in niche disciplines that the Practice needs to implement with a specialist's assistance.

Programme impact LIFE-TO-DATE (Year 8):



167

Programme SMEs (IFAs) impacted



123

Interns completed the programme

Programme Impact



19

Programme SMEs impacted



5

Black Female-Owned SMEs supported



6

Classroom-based boot camp modules facilitated by Industry Specialists



32

Interns completed the programme



787

Total number of BDS (mentorship) hours extended to programme beneficiaries



Babalwa Nankenge
IFA Alumni

Host of the Epokothweni Podcast. A financial podcast delivered in Xhosa.



Paleas Dube
IFA Alumni

Financial Planner of the Year.

PROGRAMMES

Stockbroker Programme 2023

Start date: 1 July 2023

End date: 22 Dec 2024

YEAR 7 SINCE INCEPTION

Funded by SA Homeloans and Standard Bank Securities, the programme aims to enhance the sustainability of the industry by developing black-owned stockbrokers. It addresses resource constraints, concentration risks, and service delivery challenges within the industry by implementing best practices. These efforts aim to strengthen the competitive edge of stockbrokers and empower the entire industry ecosystem. The programme support pillars consist of:

Learning and Development


- Bootcamps
- CEO Coaching
- Support for development programmes

Business Building


- Assessments
- Workshops
- Specialist Projects


The programme is still in execution, having been extended for an additional five months to further support and ensure the developmental success of its beneficiaries.


Programme Impact

 **8** brokers developed

High levels of participation and engagement in the programme

 The programme has facilitated the development and growth of numerous SME employees, enabling them to advance to roles with greater responsibility.

 The programme has supported and promoted internship programmes that have directly resulted in individuals being hired into brokerages.

 Five of the businesses received Pre-Funded Settlement Guarantees, allowing them to access bigger deals.



PROGRAMMES



Momentum Group Ltd Intermediary Development Programme

The Company in collaboration with Momentum Group Ltd launched the Intermediary Development Programme which is a comprehensive development programme that brings together practice management support and financial coaching to impact the intermediary space. This support programme caters for Tied agents and Independent Financial Advisors, providing them with necessary, but specific support.

This programme's primary aim is to transform both tied agents and IFAs through offering a complete holistic, best practice ESD Solution. Moreover, having the programme seamlessly integrating into the broader structure of Momentum Group Ltd and the support extending to internal roles to create long term sustainability in skills/knowledge transfer.

The Programme intends to achieve this outcome by investing in the strategic growth and development of black intermediaries to ultimately enhance industry competitiveness and create sustainable value.

The programme follows an innovative model where the ESD implementation partner (Edge Growth) is differentiated from the BDS learning partner/s (Local and/or international service providers). The ESD implementation partner primarily carries out project management and support functions whereas the BDS learning partner/s will deliver the actual content of the programme.

The Programme has significantly impacted intermediary development, showcasing achievements in improved key performance indicators, including significant growth in average monthly revenue and profit, along with positive shifts in customer retention rates, enhanced technological capabilities, and successful marketing efforts.

Momentum Group Ltd 2020

Start date: 31 March 2022

End date: 31 July 2023

YEAR 3 SINCE INCEPTION

Programme Impact



110 programme beneficiaries impacted

	Pre-Programme	Post Programme	%
Ave. Monthly Revenue	13 684 237	14 321 730	+5%
Ave. Monthly Profit	1 987 860	2 743 715	+38%
Ave. number of customers monthly	77	62	-19%
Ave. Customer retention rate	57,5%	63,7%	+6,3%
Ave. number of monthly leads	14	25	+78,6%
Ave. number of employees	9	11	+22%
% of employees that are black, Indian and coloured	87%	88%	+1%

Momentum Group Ltd 2022

Start date: 4 July 2022

End date: 22 December 2023

YEAR 4 SINCE INCEPTION

Programme Impact



136 programme beneficiaries impacted

Momentum Group Ltd Intermediary Development Programme 2022



22

Total number of jobs created across programme beneficiaries



Between 6-10%

Average increase in revenue across programme beneficiaries

★★★★★

4.68

Programme Sessions

★★★★★

4.69

Programme Facilitators

★★★★★

4.66

Overall Programmes Rating

★★★★★

4.59

Overall Programmes Recommendation

The 2023 programme has recently kick-off off its business development support phase after undergoing a rigours programme setup phase which also paved the way for the sourcing and selection of programme beneficiaries but most importantly learning partner selection.

The learning partners are instrumental in co-creating the programme to enable fit for purpose development based the outcomes of our programme beneficiary diagnostic/gap analysis outputs.

The execution of this programme focuses on Momentum Group Ltd's distribution channels and is accompanied by nuance delivery for each of the channels and beneficiary needs within the channel.

Momentum Distribution Services

- Provision of appropriate, tier-based coaching and mentorship, funding and platform to access new and growth markets to meet specifically identified adviser and FSP needs.

Metropolitan Life

- Provision of examination preparation support to enable identified and selected intermediaries act as representative or key individual in the financial services industry as well as mentorship and coaching to enhance technical and industry knowledge & skills.

Momentum Financial Planning

- Provision of mentorship and coaching to enhance technical and industry knowledge & skills and provision of grant funding for operational expenditure to assist in business growth.

Momentum Group Ltd 2023

Start date: 4 March 2023

End date: 28 February 2025

YEAR 4 SINCE INCEPTION

Programme Impact



110

programme beneficiaries impacted



The programme is really awesome in engaging with clients on a first-time basis and ongoing, subsequent meetings with a view to understanding what the client wants, as opposed what we wished to sell.

PROGRAMMES



LIBERTY INTERMEDIARY 2021 PROGRAMME

Start date: 15 November 2021

End date: 30 November 2023

YEAR 8 SINCE INCEPTION

Established in 2021 by The Company and Liberty, the Intermediary Development Programme supports the growth and development of black-owned SME brokerages in the insurance sector and related sub-sectors. It aims to expand the pool of scarce and critical skills and address sustainability challenges within the sub-sector.

The programme provides practical and proactive assistance to financial advisers to sustain and expand their businesses through the following means:

- To provides financial advisers with access to valuable and trustworthy resources to enhance their expertise and understanding.
- Assisting financial advisers in recognizing areas where they may lack knowledge or expertise, enabling them to seek appropriate guidance and fill those gaps.
- Encouraging financial advisers to engage with their peers, fostering a community where they can exchange ideas, support one another, and hold each other accountable.
- Offering guidance on leveraging technology and business tools to facilitate growth and efficiency within their practices.
- Supporting financial advisers in staying up to date with regulatory changes, such as Continuing Professional Development .

The programme comprised three cohorts, each consisting of approximately 30 SMEs. The cohorts ran consecutively, with some overlap in their start and end dates.

The concluded programme, was one of many firsts:

- First-ever IFA-centric, focused business development diagnostic. Endorsed by the FPI
- New multiply model for IFAs
- Introduction of tribes/councils
- Introduction of mentor hotlines
- Introduction of Sundowners & Coffee chats
- Incorporated wellness as a theme
- First programme to run on the newly built Edge Portal platform
- Access to global financial planning conferences (with CPD points)

Programme Impact



103

Programme SMEs impacted



24%

Drop off rate



32

SMEs received a grant funding from the programme sponsor to the value of R9 500 each



70%

Average bootcamp attendance



96%

Average bootcamp score



24

Bootcamps done



70%

Average hotline session attendance



672

Hotline hours



18

Number of coffee chat/sundowners



65%

Average Entrepreneurial Councils attendance

PROGRAMMES



Inseta Broker Development 2022 Programme

Start date: December 2022

End date: December 2023

YEAR 3 SINCE INCEPTION

The INSETA Intermediary Development Programme – funded by Argon Asset Management, ASISA, INSETA, Sanlam Investments, Standard Bank Securities, Sygnia, Western National Insure, is divided into two distinct streams. The first stream, called “Magnify,” consisted of 10 Independent Financial Advisors who successfully graduated from the pilot programme conducted in 2021. These individuals demonstrated their potential for growth and development within the insurance sector.

The second stream of the programme comprised 40 delegates from the Multiply platform. These delegates were carefully selected based on their qualifications, expertise, and potential for making a significant impact in the industry. By including these delegates, we aimed to foster a diverse and inclusive environment that nurtures the growth and sustainability of brokerages.

Together, these two cohorts formed an integral part of the INSETA Intermediary Development Programme, reinforcing our commitment to supporting the advancement of black-owned SMEs in the insurance sector while addressing the critical challenges faced by the sub-sector.

The primary objective of the INSETA Intermediary Development Programme was to foster the growth and advancement of black-owned small and medium-sized enterprises (SMEs) operating in the insurance sector and its related sub-sectors. By doing so, we aimed to enhance the pool of scarce and vital skills while also addressing the challenges of sustainability that affect this particular sub-sector. Through this programme, we reiterated INSETA’s commitment to facilitating meaningful transformation by nurturing high-growth potential brokerages capable of creating a lasting impact.

Programme Impact



50

Programme SMEs impacted



12

Programme SMEs (IFA) contracted as a result of the co-funded model



32

SMEs received a grant funding from the programme sponsor to the value of R9 500 each



70%

Average bootcamp attendance



96%

Average bootcamp score



24

Bootcamps done



70%

Average hotline session attendance



672

Hotline hours



18

Number of coffee chat/sundowners



65%

Average Entrepreneurial Councils attendance

PROGRAMMES



OUTsurance 2023/4 Kwande Step 2

Start date: 27 October 2023

End date: 3 July 2024

YEAR 7 SINCE INCEPTION

The OUTsurance 2023/4 Kwande programme is a Motor Body Repairer Initiative designed with a broad and long-term vision from its inception.

The strategic approach for Kwande 2023/4 involves guiding two key cohorts—QSE MBRs and eKasi MBRs—through multiple stages, or ‘steps,’ towards sustained success. The specific parameters and objectives for each cohort are outlined below.

COHORT 1, “QSE MBRS”

Details

- MBRs with a turnover of not less than R10mil and not greater than R50mil
- Current suppliers to OUTsurance

Objectives

- Step 2 (current)
 1. Grow the MBR from greater than R50mil turnover to become Generic Companies (i.e. over R50mil turnover), whilst
 2. Ensuring that their customer service to OUTsurance improves or at least stays the same
- Step 3 (August 2024 to July 2025)
 3. Obtain funding to enable significant growth (aiming for greater than R50mil revenue, or likely a maximum of 200% increase in revenue as a stretch target for those with a current turnover of approximately R20mil)
 4. Ensure sustained and improved levels of customer service to OUTsurance and their customers

COHORT 2, “EKASI MBRS”

Details

- MBRs that are in the region of not greater than R5mil turnover

Programme Impact



19

Programme SMEs impacted



125

SMEs impacted LIFE-TO-DATE over the 7 years



20

Full time jobs created



21% Cohort 1 – QSE MBR

Average SME Revenue growth

10% Cohort 2 - eKasi



1020

Total number of BDS/mentorship hours extended to programme beneficiaries (...and counting)



4.05%

Percentage point improvement on their SPAAS scores for OUTsurance

-10.2%

Percentage points improvement on Cost Ratio

Cohort 1 – QSE MBR



- Not current suppliers to OUTsurance,
- are within 20kms of a township in South Africa

Objectives

- Step 2
 1. To help the MBRs establish what is needed to be able to be a supplier to OUTsurance
 2. The assist in strengthening the foundations of the MBRs (implementing financial systems, ensuring operations are profitable, growing diverse revenue and developing branding and marketing collateral etc.)
 3. Understand what funding is needed to close the gaps to getting onto the panel
- Step 3 (from August 2024 to July 2025)
 1. To obtain funding to close the gap to being on the panel
 2. To successfully get onto the panel, whilst being
 3. Supported through their growth

The programme is designed as follows:

- Step 2 (Current) – Started in October 2023 and will end in July 2024.
- Step 3 (Future) – Starting in August 2024 and ending in July 2025, with a key focus on funding for SMEs.
- Step 4 (Future – Starting in August 2025 and ending in July 2026, the key focus will be on enabling SMEs to scale up successfully while accessing additional funding.

Programme highlights to date (as of c.6 months into BDS):

COHORT 1 – QSE MBR

- Lord Dent purchased a new property, and Truck and Carbody are looking for property to assist with expansion opportunities
- G&T Autobody have implemented a “Right First Time” campaign to cut down on re-work that is eating into their profits, and Tekton have done a campaign called #Fabulous to continue to grow a great culture in their steadily expanding business
- Safana have implemented a new cone system to enhance their operations

COHORT 2 – EKASI SMES

- Unique Auto received a financial intervention that helped reduce their SARS debt from R600k to R150k, and SARS has accepted this new assessment.
- DC Trading, Greys Autobody, and Refinish Auto have all signed leases for additional land due to the growth of their businesses.
- Lanseria Autobody signed Lexus as a client, and now derives 30% of its revenue from them.
- Zombodze and Greys have seen significant increases in revenue while being on the programme
- Elite Autobody moved from being a cash business to installing card systems, whilst German Auto and several other MBRs have installed off-the-shelf financial systems (e.g. SAGE) for the first time.
- Elite Autobody was added to the MiWay and Telesure panels after joining this programme.
- A project is underway to integrate the MBRs’ operational systems (Dr Smash and TMS) with their financial systems, enabling SMEs to make better business decisions.

PROGRAMMES



SANTAM BROKER PROGRAMME 2023

Start date: October 2022

End date: December 2023

YEAR 3 SINCE INCEPTION

The Company, in collaboration with Santam, has continued their partnership in broker development through the design and execution of the 24-month Santam Broker Development Programme. This high-touch business development support programme currently supports 84 black-owned financial practices (brokers) that have the potential to scale and possess dedicated teams to support the Santam's product offering and help Santam expand their distribution network nationally.

To achieve this, the programme aims to assist financial brokerages in establishing themselves in their respective business and market segments by providing holistic business development support. This support enhances efficiency in business management, operational management, and client management.

The programme employs a modular implementation approach consisting of eight modules, which includes module attendance, check-in sessions, video messaging, and tools designed to ensure knowledge acquisition and practical implementation.

A mid-programme reflection has been conducted to review the execution of four modules that the programme beneficiaries have completed to date, ensuring alignment with the programme's objectives and implementation approach.

The modules and related module tools focused on:

1. Value propositions that resonate
2. Financial management
3. Reaching back and securing my base
4. Process development and management

Programme Impact

74% Indicated that the module and module have met their expectations a great deal

94% Indicated that they strongly agree that programme facilitators were knowledgeable about the on the module

78% Indicated that they strongly agree that the content presented across the modules was relevant and applicable to their businesses.

83% Indicated that that as a result of the modules delivery, they have gained knowledge that is applicable to their businesses a great deal.

81% Indicated that the modules and module delivery were extremely well organised.

72% Indicated that the practical tools and results of the tools, the shift in thinking and the value of knowledge gained were the most usable success strategies gained across the modules.

90% Indicated that they would strongly agree to recommending the modules and module delivery to other entrepreneurs.

85% Indicated that they would rate the modules and module delivery as excellent in the programme thus far.



We enable funders to strategically optimise their enterprise and supplier development contributions in terms of the B-BBEE scorecard, while achieving meaningful and measurable commercial and social impact outcomes.

05

CLOSING

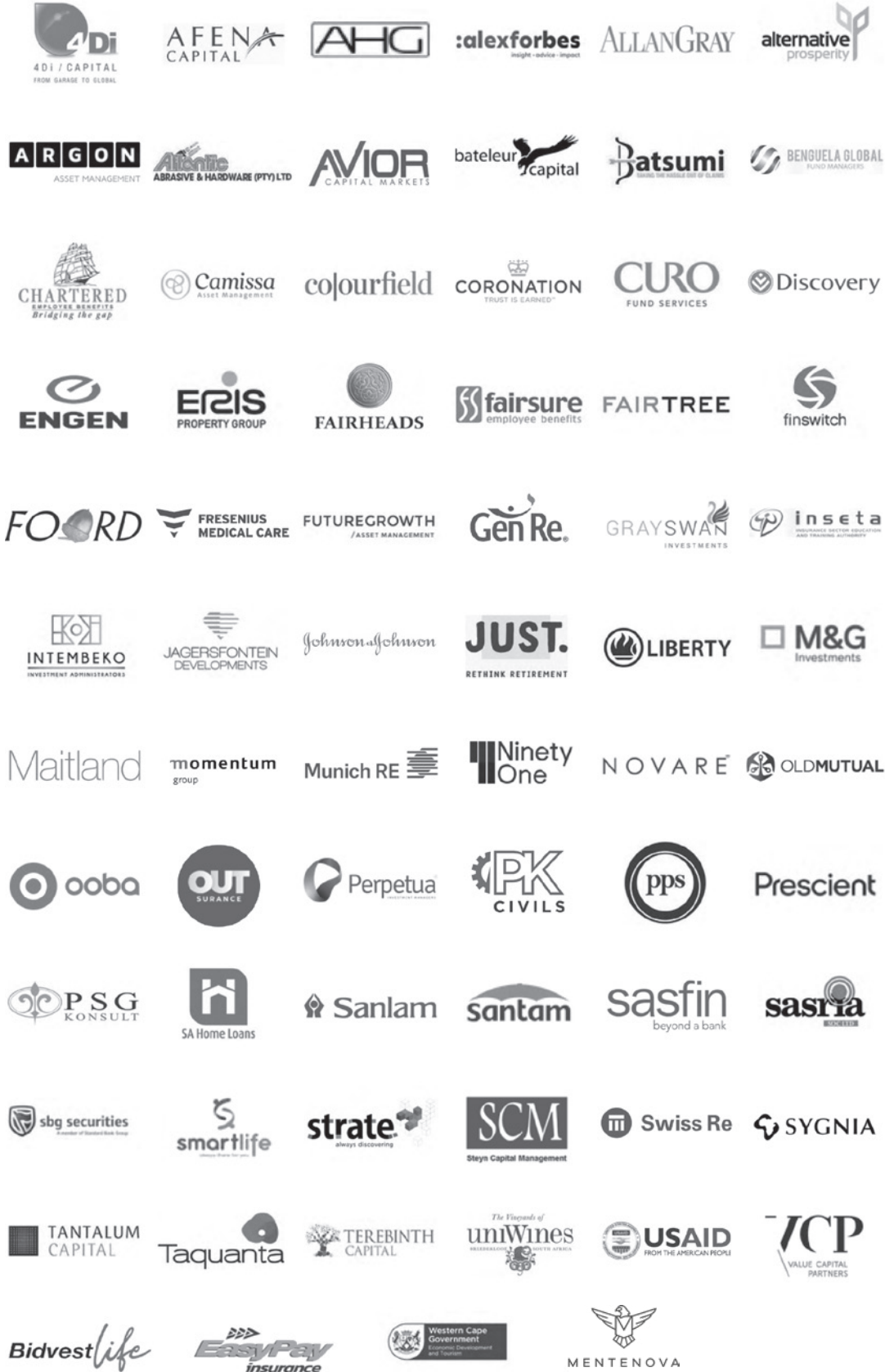
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Looking ahead, the upcoming year presents an opportunity for the Initiative to continuously improve on and fully embrace the potential unlocked by the mission to “empower growth,” irrespective of external challenges.

OUR FUNDERS

The Fund helps funders strategically optimise their enterprise and supplier development contributions to maximise their B-BBEE scorecard, while also achieving meaningful commercial and ESD.



STATEMENT OF COMPREHENSIVE INCOME*

SOCI for the year dated 29 February 2024

	ASISA ED Fund	ASISA SD Fund	ASISA ESD (Pty) Ltd
Revenue	360 000	230 000	2 692 174
Other Income	21 032 169	8 629 753	-
Operating Costs	(75 960 600)	(22 214 635)	(4 042 160)
Loss from Operating Activities	(54 568 431)	(13 354 882)	(1 349 986)
Finance Income	18 366 270	10 822 756	2 299 448
(Loss)/Profit before tax	(36 202 161)	(2 532 126)	949 462
Income tax expense	-	-	(307 622)
Net (Loss)/Profit	(36 202 161)	(2 532 126)	641 840

*Condensed summary of financial statement. Contact info@asisa.org.za to request detailed AFS.



STATEMENT OF FINANCIAL POSITION

Financial year as at 29 February 2024

	ASISA ED Fund	ASISA SD Fund	ASISA ESD (Pty) Ltd
ASSETS			
NON CURRENT ASSETS			
Financial asset at cost - other financial assets	8 116 400	2 077 600	
Financial assets at fair value through profit or loss	152 628 912	35 930 592	
Investments in medium term liquid instruments	177 443 217	89 291 211	
Loans receivable	54 317 323	11 345 509	
Deferred Tax Assets			293 489
Total Non Current Assets	392 505 852	138 644 912	293 489
CURRENT ASSETS			
Cash and cash equivalents	53 917 536	31 467 596	31 830 003
Financial asset at cost - other financial assets	-	-	-
Financial assets at fair value through profit or loss	3 163 010	-	-
Current tax receivable	-	-	488 888
Loans receivable	10 600 302	6 914 483	-
Trade and other receivables - Other Financial Assets	275 907	101 901	1 416 853
Total Current Assets	67 956 755	38 483 980	33 735 744
TOTAL ASSETS	460 462 607	177 128 892	34 029 233
EQUITY AND LIABILITIES			
EQUITY (TRUST FUNDS)			
Accumulated profit or loss	(47 544 849)	(18 793 227)	4 360 964
Grant Capital	18 566 777	6 138 044	-
Investment Capital	454 190 571	93 473 170	-
Trust or share capital	1 000	1 000	870 000
Total Equity	425 213 499	80 818 987	5 230 964
LIABILITIES			
Non-Current Liabilities			
Borrowings (Loan Contributions)	24 799 351	94 519 055	-
Recontributed Loan Capital		318 837	-
Total Current Liabilities	24 799 351	94 837 892	-
Current Liabilities			
Borrowings (Loan Contributions)	3 093 581	1 277 537	-
Recontributed loan capital	6 981 845	-	-
Trade and other payables	374 331	194 476	1 977
Programme Payables	-	-	27 749 605
Deferred Revenue	-	-	1 046 687
Total Current Liabilities	10 449 757	1 472 013	28 798 269
Total Liabilities	35 249 108	96 309 905	28 798 269
TOTAL EQUITY AND LIABILITIES	460 462 607	177 128 892	34 029 233

2025 VISION AND BEYOND



CAPACITY BUILDING

Ensure the continued growth and sustainability of the SMEs we support by providing best-practice business development support.



DEPLOYMENT

Continue to invest in the growth of black-owned SMEs through financial support and developmental programmes to create further shared value for our funders, investees and society.



CAPITAL RAISING

Raise additional funding for the continued support of SME development Initiatives in support of our industry and nation.



EMPOWERMENT

Continue our commitment to optimally align our Initiatives to regulatory, compliance and transformation outcomes that marry the spirit and intent of the B-BBEE codes.



IMPACT METRICS

Alignment to global Sustainable Development Goals and our National Development Plan - to provide funders with insightful data to report on the impact achieved



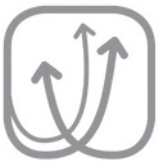
LEADING PRACTICE

Align to broader stakeholder priorities about leading practice in enterprise and supplier development.



IMPROVED COMMUNICATIONS

Ensure we are actively engaging with Stakeholders on the business needs and requirements and build relationships for growth and continuity, while we continue to share impact stories of the SMEs we work with.



ASISA

ENTERPRISE AND

SUPPLIER DEVELOPMENT

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