

# Sanlam looking to invest in Africa, South-East Asia

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Sanlam says it has R3bn in discretionary capital that is earmarked for growth opportunities mainly in Africa and South-East Asia.



Johan van Zyl blamed Sanlam Sky's poor performance on the strike among platinum miners.  
Image: [Financial Results](#)

"We have a pipeline of opportunities that are currently being investigated," Chief Executive Johan van Zyl said after the release of the firm's four-month operational update to April.

Van Zyl said the idea was also to deepen and strengthen relationships with partners.

The company has already indicated it is looking to bed down one or two more acquisitions before the end of this year after announcing that it had bought a 63% stake in Rwanda's largest insurer, Soras Group, for R254m.

Some analysts believe that the acquisitions made by Sanlam over the past two years allow for more earnings to be generated by the group, which reported an increase of 21% in new business volumes to R59bn.

Van Zyl said Sanlam's diversification across markets enabled it to achieve strong growth.

## Sky is currently limiting Sanlam

"Sanlam Sky, had a difficult start in the year," said Van Zyl, adding that the strikes in the platinum region affected that division.

The company said the Sanlam Sky's new business volumes were slightly lower than last year.

Sanlam's Personal Finance business reported a 26% rise in new business sales. The Sanlam emerging markets business, which has been in acquisition mode, posted a 58% rise in new business growth. It said all regions had contributed growth of more than 40%. Excluding the maiden contribution from Malaysia's Pacific & Orient, new business volumes increased 47%.

The investment cluster grew new business volumes 29%, boosted by solid growth in wealth management and international operations. Sanlam said the South African asset management business delivered growth of 12%.

However, it posted net business flows of R2.1bn, which were lower than the R3.6bn in the previous corresponding period.

Sanlam said there had been an improvement in Santam's underwriting margin compared with the first four months of last year.

Santam last year was heavily hit by claims related to adverse weather but so far this year there have been fewer adverse weather-related claims.



Platinum miners remain on strike, demanding a minimum wage of R12,500 per worker. Image: [Socialist Organizer](#)

The short-term insurer has also selectively increased premiums and turned around its crop business.

"It's a strong update with very good sales numbers," a Johannesburg-based analyst said of the group's operational update.

However, another analyst said he suspected that the numbers in the first quarter might have been boosted by acquisitions.

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