

The background features a complex digital pattern of blue and white lines, resembling a network or data flow. A large, stylized circular graphic is composed of several overlapping segments in shades of blue and orange. The central part of this graphic is a circular inset showing a hand holding a pen over a document with a candlestick chart and stacks of coins. The NBFIRA logo is positioned in the upper right quadrant of the circular graphic.

NBFIRA
Non-Bank Financial
Institutions Regulatory
Authority

STATISTICAL
BULLETIN

2022

Mandate

The Regulatory Authority derives its mandate to regulate and supervise Non-Bank Financial Institutions (NBFIs) from Section 4 of the NBFIRA Act, (2016). The principal objective of *the Regulatory Authority* is to foster the following: -

- Safety and soundness of the NBFIs.
- The highest standards of conduct of business by the NBFIs.
- Fairness, efficiency, and orderliness of the NBFIs.
- Stability of the financial system; and
- Reduction and deterrence of financial crime.

Vision, Mission, and Values

To support its fundamental and principal objective, *the Regulatory Authority* subscribes to the following vision, mission, and values to embrace a culture of a high-performance organisation.

Vision:

To be an efficient and effective regulatory and supervisory authority in line with international best practices.

Mission:

To regulate and supervise the Non-Bank Financial Institutions for the purpose of contributing towards financial stability.

Values



Integrity

Adherence to the highest ethical standards.



Fairness

Consistent promotion of equal treatment in dealings with all stakeholders.



Diligence

Thoroughness and persistence in the execution of duties.



Transparency

Openness and frankness in operations.



Accountability

Responsibility to stakeholders.

FOREWORD

The Statistical Bulletin of the Non-Bank Financial Institutions Regulatory Authority (NBFIRA), also known as *the Regulatory Authority*, aims to disseminate information on the financial performance of regulated non-bank financial sector entities for use by the wider public, in particular, policy makers, regulated entities, regulators and researchers. The report provides industry aggregates for financial performance, financial position, capital adequacy and other key financial stability ratios of the Non-Bank Financial Institutions (NBFIs). The published data were based primarily on audited financial information as submitted to *the Regulatory Authority* by regulated entities. In addition, other information on the financial sector and / or the global macro-economic statistics deemed to be relevant is included.

The information disclosure is done in accordance with the provisions of Section 17 of the NBFIRA Act, CAP 46:08 which, inter alia, provides that NBFIRA may (Section 17(3)):

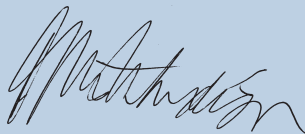
- (a) Disclose a summary or collection of information that is prepared so that information relating to any particular person cannot be found from it;
- (b) Disclose the name of a licensed financial institution;
- (c) Disclose the address where a financial institution carry-on business;
- (d) Disclose any other information reasonably necessary to enable members of the public to contact nonbank financial institutions.

Furthermore, other disclosures are authorised by Section 17 (4), such as those required by financial services law.

The 2022 Statistical Bulletin is the ninth edition since the inaugural document published in year 2014. The Bulletin presents audited financial information submitted by regulated NBFIs during the year ended December 31, 2021. The 2022 Statistical Bulletin is published online in *the Regulatory Authority's* website (www.nbfira.org.bw). It is envisaged that future Bulletins will be published for each industry and hence provide more detailed and insightful information on the performance of the business sectors. In addition, quarterly Statistical Bulletins will be published in the future to provide updates on recent developments.

The Regulatory Authority welcomes comments on the content of the publication from all stakeholders to better serve their information needs. On behalf of the Board, Management and Staff of *the Regulatory Authority*, I convey our gratitude and appreciation to all stakeholders for their support and co-operation during the data collection and compilation processes. These include regulated NBFIs, Government agencies, as well as other regulatory authorities and institutions.

Equally important, I also wish to thank *the Regulatory Authority's* staff for their contribution and commitment to the successful production of this Bulletin.



Oduetse A. Motshidisi
CHIEF EXECUTIVE OFFICER



Disclaimer

While all care has been taken in the preparation of this Statistical Bulletin, the Non-Bank Financial Institutions Regulatory Authority (NBFIRA) does not, in any way, whatsoever, warrant expressly the accuracy and completeness of the contents of this document and shall not be liable for any loss or damage (including, without limitation, damages for loss of business or loss of profits) arising in contract, tort or otherwise suffered by any person/entity relying on the information contained in this Statistical Bulletin or arising from any shortcoming, defect or inaccuracy, through inadvertence or otherwise.

The contents of this Statistical Bulletin are meant for information purposes only. The statistics collected through Statutory Returns and other submissions have been prepared as a general overview. The Non-Bank Financial Institutions Regulatory Authority is in no way whatsoever providing financial or other professional advice through this Statistical Bulletin and none of its contents should be interpreted or relied on as such.

Any discrepancy may be brought to the notice of *the Regulatory Authority* through email: info@nbfira.org.bw.

The Non-Bank Financial Institutions Regulatory Authority reserves the right to revise/amend any information published in this Statistical Bulletin.

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10 Introduction

1. Introduction

1.1 About the NBFIRA Statistical Bulletin

1.1.1 Sources of Data

The NBFIRA Statistical Bulletin presents information sourced from Audited Financial Statements and other returns submitted to *the Regulatory Authority*. Where feasible, the document includes results of thematic surveys conducted by *the Regulatory Authority*.

1.1.2 Reporting Period

The 2022 NBFIRA Statistical Bulletin presents data submitted for the year-ending December 31, 2021 and is compared to the preceding five-year period.

1.1.3 Reporting Currency

All figures are in the Botswana Pula (BWP).

1.2 Selected Economic Indicators

1.2.1 Economic Growth

Economies world-wide are increasingly showing signs of stagflation (a combination of sluggish growth and high inflation) since 2020 because of the dual shocks of COVID-19 and Russia-Ukraine war. The effects of the shocks are evidenced by supply chain disruptions, increased commodity and energy prices, elevated poverty levels, geopolitical tensions and growing food insecurities. These resulted in monetary tightening, increased borrowing costs and high inflation which may lead to financial instability and policy uncertainty¹. In the circumstances, to ensure macroeconomic and financial stability domestically, a more robust and non-distortionary national policy response is necessary to promote sustainable growth.

Overall, real GDP growth was positive globally from 2020 to 2021 as depicted in Table 1. World GDP growth increased from 3.1 percent in 2020 to 6.1 percent in 2021. That, notwithstanding, global GDP growth is forecasted to fall from 6.1 percent in 2021 to 3.2 percent in 2022². Advanced economies recorded a contraction of 4.5 percent and an expansion of 5.2 percent in 2020 and 2021, respectively and are expected to record a low of 2.5 percent growth in 2022. Developing and emerging markets also transitioned from a negative growth of 2.0 percent in 2020 to a positive growth of 6.8 percent in 2021 and are projected to record a lower growth of 3.6 percent in 2022. Sub-Saharan Africa growth rebounded from a negative 1.6 percent in 2020 to a positive 4.6 percent in 2021. The regional growth is forecasted at 3.8 percent in 2022.

Botswana's economy also experienced a rebound from a negative growth rate of 8.7 percent in 2020 to a positive 11.4 percent growth rate in 2021 (Table 2). Such resilience is largely attributable to the country's deliberate policy interventions and strategies to stimulate economic growth like the Economic Recovery and Transformation Plan, National Development Plan 11 Mid-Term Review, COVID-19 vaccine rollout and the RESET Agenda. Sectoral wise, mining was the main contributor to annual percentage change to real GDP at 30 percent in 2021 compared to a contraction of 27 percent in 2020³. This is despite the fact that the mining sector was hard hit by COVID-19 travel restrictions.

Botswana is currently faced with some socio-economic challenges of trend budget deficit, increased poverty, inequality and unemployment rates amidst COVID-19 and geopolitical negative impacts experienced globally. Balance of payments deficit stood at P20.1 billion in 2020 compared to P2.9 billion in 2021. Unemployment rate remained high at about 24 percent between 2020 and 2021⁴. Foreign exchange reserves recovered from P53 billion in 2020 to P56 billion in 2021.

1 World Bank, Global Economic Prospects, June 2022

2 International Monetary Fund, World Economic Outlook, July 2022

3 Statistics Botswana Gross Domestic Product Q4 2021

4 Statistics Botswana Quarterly Multi-Topic Survey Labour Force Module Report 2020 and 2021

1. Introduction (Continued)

1.2.2 Prices and Inflation

Most countries in both advanced and emerging economies have been experiencing inflation rates which are above targeted Central Bank ranges especially in 2021 into 2022. Table 1 depicts that average global inflation increased from 3.2 percent in 2020 to 4.7 percent in 2021. Advanced economies recorded a higher inflation growth from 0.7 percent to 3.1 percent in 2020 and 2021, respectively. Emerging and developing economies recorded an inflation growth from 5.2 percent in 2020 to 5.9 percent in 2021⁵. Sub-Saharan Africa on the other hand, experienced the highest inflation rates of 10.2 percent in 2020 and 11 percent in 2021. Worse still, global inflation is forecasted to peak in 2022 and, thereafter, decline gradually assuming stable macroeconomic environment characterized by less geopolitical tensions, moderate growth rates, abated supply chain bottlenecks, normal commodity and energy prices among others⁶.

Domestic average inflation increased significantly from 1.9 percent in 2020 to 6.7 percent in 2021, exceeding the Bank's medium-term objective range of 3-6 percent. The increase is mainly attributable to supply side constraints and price increase expectations emanating from COVID-19 and geopolitical effects. As a result, prices for basic commodities like fuel and food increased significantly and negatively affecting households, public and private sector. Despite the increase in inflation, the Bank rate remained unchanged at 3.75 percent in both 2020 and 2021⁷.

Table 1: Global Economic Overview (Percent)

Indicator	Region	2017	2018	2019	2020	2021
Real GDP	Emerging Markets and Developing Economies	4.8	4.5	3.7	(2.0)	6.8
	Sub Saharan Africa	2.8	3.0	3.1	(1.6)	4.6
	Advanced Economies	2.3	2.2	1.7	(4.6)	5.2
	World Output	3.8	3.6	2.9	(3.1)	6.1
Inflation	Emerging Markets and Developing Economies	4.2	4.8	5.5	5.2	5.9
	Sub Saharan Africa	10.3	7.8	9.4	10.2	11.0
	Advanced Economies	1.7	1.6	1.5	0.7	3.1
	World Inflation	3.2	3.6	3.8	3.2	4.7

Source: IMF WEO, April 2022

Table 2: Selected Economic Indicators for Botswana (Percent)

ECONOMIC INDICATORS	2017	2018	2019	2020	2021
Real GDP Growth Rate	2.4	4.6	2.9	(8.7)	11.4
Inflation	3.2	3.5	2.9	1.9	6.7
Bank Rate	5.0	5.0	4.8	3.8	3.8

Source: BoB

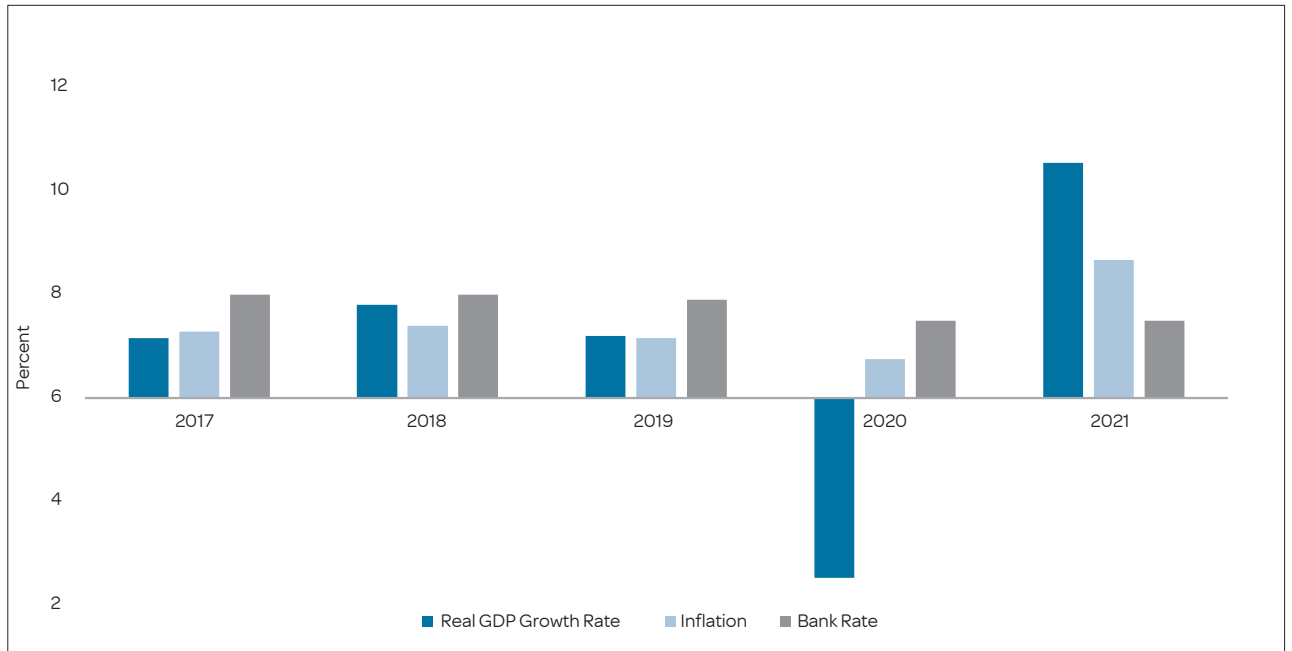
5 International Monetary Fund, World Economic Outlook, April 2022

6 World Bank, Global Economic Prospects, 2022

7 Bank of Botswana (BoB) Financial Statistics, 2022

1. Introduction (Continued)

Figure 1: Botswana’s Real GDP Growth, Inflation and Bank Rate (Percent)



Source: BoB

1. Introduction (Continued)

1.3 Types of Regulated Non-Bank Financial Institutions (NBFIs)

Table 3: NBFIs Regulated under the Provisions of the NBFIRA Act, CAP 46:08

Serial No.	Regulated NBFIS/Activities	Section 2(1)
	INSURANCE	
1	Insurance Agent	(i)
2	Insurance Broker	(j)
3	An Insurer	(k)
4	International Insurance Firm	(l)
5	A medical aid fund	(v)
	RETIREMENT FUNDS	
6	An Administrator of a Retirement fund	(b)
7	A friendly Society	(h)
8	A Retirement fund	(a)
	CAPITAL MARKETS	
9	An Asset Manager	(a)
10	A central counterparty	(c)
11	A central securities depository	(d)
12	A Custodian	(f)
13	Investment Advisor	(m)
14	A Management Company for a Collective Investment Under-taking	(n)
15	A market maker	(o)
16	A Securities Dealer / Broker	(r)
17	A Securities Exchange	(s)
18	A transfer agent or transfer secretary	(t)
19	A participant in the central securities depository of Botswana	NA
20	A Collective Investment Undertaking (CIU)	(e)
21	Buying and Selling of Securities	NA
22	Virtual Asset Providers	NA
	NON-BANK LENDING COMPANIES	
23	A pawnshop	(bb)
24	Finance or Leasing Companies	(g)
25	A Micro Lender	(p)
26	A pawnbroker	(u)
27	A micro lending agent	(z)
	OTHER NBFIs	
28	A participant	(aa)
29	A trustee	(cc)
30	A person declared by the Minister to be a non- bank financial institution by notice in the Gazette.	(dd)
31	A trustee of a collective investment undertaking or a retirement fund	(w)
32	A financial group	(y)

Source: NBFIRA Act, 2016

NA: The activities are not yet included in the NBFIRA Act, 2016

1. Introduction (Continued)

1.4 NBFIs for Year ending March 31

Table 4: Number of NBFIs as at March 31

NBFIs by Categories	2018	2019	2020	2021	2022
Insurance	2,716	2,510	3,248	3,241	3,177
Reinsurance Companies	3	3	3	4	5
General Insurance Companies	12	12	12	12	12
Life Insurance Companies	9	8	8	9	9
Medical Aid Funds (MAFs)	10	5	5	5	5
Insurance Brokers	51	56	57	57	59
Corporate Insurance Agents	161	150	139	157	160
Insurance Agents and Sub - Agents	2,470	2,276	3,024	2,997	2,927
Medical Aid Funds	10	5	5	5	5
Retirement Funds	88	85	86	92	92
Stand Alone Funds	81	75	76	80	80
Umbrella Funds	5	6	6	7	7
Fund Administrators	2	4	4	5	5
Capital Markets	82	84	101	112	115
Stock Exchange	1	1	1	1	1
Central Securities Depository	1	1	1	1	1
Securities Brokers / Securities Dealers	4	5	4	3	3
IFSC Accredited Global Businesses	5	4	2	1	1
Asset Managers	22	21	19	21	22
Management Companies for CIUs	7	7	8	10	9
CIUs / Funds	19	19	39	41	42
Investment Company with Variable Capital	2	2	2	1	2
Trustees for CIUs	3	3	3	3	3
Custodians	3	3	3	3	3
Investment Advisers	15	18	19	21	21
Nominated Transfer Secretaries	0	0	0	4	4
Buying and Selling of Securities	0	0	0	1	1
Market Maker	0	0	0	1	2
Externally Licensed Funds ¹	81	81	81	83	87
Lending Activities	310	342	376	358	347
Micro-lenders	214	216	230	233	233
Pawn shops	76	82	87	59	53
Finance or Leasing Companies	20	44	59	64	59
IFSC Accredited Companies	0	0	0	2	2

Source: NBFIRA

NOTES:

1. The Externally Licensed Funds are not counted as local NBFIs.



2 Financial Performance Overview

2. Financial Performance Overview

2.1. Overview of Financial Performance of the Regulated NBFIs during the Year Ended December 31, 2021

2.1.1 Tables 5 and 6 present the key indicators of the statements of financial position and comprehensive income for the regulated non-bank financial institutions during the year ended December 31st, 2021, compared to the prior year. The NBFIs sector reported total assets of roughly P129 billion in 2020 and P153 billion in 2021, representing a growth of 18.4 percent as depicted in Table 5. The growth in total sector assets is largely attributable to the retirement funds industry which continued to dominate the NBFIs sector, accounting for 72 percent in 2021. The retirement funds assets stood at about P92 billion in 2020 compared to approximately P110 billion in 2021 (20 percent growth). While lending activities, capital markets and insurance assets increased by 19 percent, 45 percent and 4 percent, respectively.

2.1.2 Within each NBFIs sector, the total assets of all subsectors either remained constant or grew except in the capital markets. For this sector, asset management entities recorded the largest reduction of 22.5 percent from the previous P524 billion, followed by management companies for CIUs with a downward shock of 6.7 percent from P45 billion.

2.2 Capital Management of the NBFIs Sector Balance Sheet

2.2.1 Overall, the NBFIs sector's capital reserves increased by 8 percent from P8.1 billion in 2020 to P8.8 billion in 2021 and liabilities grew by 6 percent from P21.9 billion to P23.1 billion in 2020 and 2021, respectively. The changes were mainly driven by Lending Activities and Insurance (Refer to Table 5). Capital Markets recorded a decline in liabilities due to restructuring of one of the big asset managers during the reporting period.

2. Financial Performance Overview (Continued)

Table 5: Financial Performance of the NBFIs for the Year-ending December 31: Statement of Financial position (BWP Million)

NBFIs	Total Assets					Capital & Reserves					Liabilities				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Insurance Industry	18,850	20,074	21,556	22,878	23,699	4,364	4,461	4,813	5,295	5,470	14,479	15,618	16,744	17,583	18,229
Capital Markets***	14,772	14,353	10,483	8,076	11,742	479	490	448	410	405	5,902	5,830	1,177	320	217
Lending Activities*	4,342	4,757	5,431	6,418	7,607	2,035	1,836	2,216	2,459	2,943	2,258	3,049	3,211	3,959	4,664
Retirement Funds**	78,855	81,818	88,573	91,823	109,977	-	-	-	-	-	-	-	-	-	-
Grand Total	116,819	121,002	126,043	129,195	153,025	6,878	6,787	7,477	8,164	8,818	22,639	24,047	21,132	21,862	23,110

Source: NBFIRA

NOTES:

- * Figures have been reinstated to reflect data for 97 reporting Micro-lenders.
- ** Retirement Funds Assets based on Management accounts as at December 31, 2021 are P105,175 million.
- *** Capital Market Assets include Assets Under Management.

Table 6: Financial Performance of the NBFIs for the Year-ending December 31: Income Statement (BWP Million)

NBFIs By Categories	Gross Income					Total Expenditure					Profit/Loss before Tax				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Insurance Industry	7,204	7,817	8,038	8,589	9,118	6,320	7,199	6,502	6,850	7,842	895	766	845	1,288	559
Capital Markets	1,051	770	970	444	526	714	606	884	325	350	337	166	86	101	178
Lending Activities	1,313	1,323	1,700	1,710	1,800	801	968	1,013	1,190	1,220	512	493	687	735	734
Pension Funds	8,436	6,995	11,800	6,225	23,577	3,528	4,521	3,747	4,485	5,032	-	-	-	-	-
Grand Total	18,004	16,905	22,508	16,968	35,021	11,363	13,294	12,146	12,850	14,444	1,744	1,425	1,618	2,124	1,471

Source: NBFIRA



3

Five Year Period
NBFI Sector
Overview
(2017-2021)

3. Five Year Period NBFISector Overview (2017-2021) Continued

3.1. Insurance

3.1.1 Performance of Life Insurance Business

Table 7: Financial Performance of Life Insurance Business (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Gross Premium Written	3,729,751	4,083,944	3,856,053	4,132,867	4,415,597	6.8
Premiums Ceded	106,804	105,316	124,007	113,349	136,320	20.3
Net Premiums Written	3,622,947	3,979,681	3,742,817	3,997,637	4,279,277	7
Investment Income	1,149,049	646,054	752,884	865,490	913,912	5.6
Reinsurance Recoveries	-	37,525	69,028	68,763	229,098	233.2
Reinsurance Commission and Rebates	4,008	3,545	3,639	5,310	5,373	1.2
Other Income	130,281	140,370	98,133	23,123	342,069	1379.3
Total Revenue	4,906,285	4,807,174	4,666,502	4,960,323	5,769,728	16.3
Gross Benefits Paid	-	2,019,461	2,147,502	2,174,549	3,240,942	49.0
Change in net policyholder liabilities	-	1,058,660	616,471	367,628	(81,706)	(122.2)
Gross Acquisition Costs	622,518	669,927	771,110	753,025	811,007	7.7
Operating Expenses	797,779	467,614	534,611	544,583	507,145	(6.9)
Reinsurance Commission Paid	4,008	-	-	(1,079)	-	
Other Costs	-	127,609	26,839	465,947	1,023	(99.8)
Net incurred claims	1,757,542	1,981,936	2,078,474	2,105,785	3,011,844	43.0
Net acquisition costs	618,510	666,382	768,561	747,716	810,109	8.3
Total Expenses	1,424,306	4,343,271	4,096,533	4,304,654	5,500,850	27.8
Net Profit Before Taxes	702,542	463,903	569,969	655,669	268,877	(59.0)
Tax	120,905	121,458	118,864	122,480	62,930	(48.6)
Net Income After Tax	581,637	342,445	451,105	533,189	230,105	(56.8)
Risk retention ratio (Net premium written/GWP)	0.97	0.97	0.97	0.97	0.97	0.97

Source: NBFIRA

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

Table 8: Financial Position of Life Insurance Business (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Cash and Equivalents	988,080	824,939	2,069,187	1,142,574	1,135,419	(0.6)
Non-Current Assets	12,100,393	12,503,135	989,637	13,263,672	12,801,867	(3.5)
Other Current Assets	8,336,295	2,894,165	14,123,967	3,634,334	4,467,419	22.9
Total Assets	21,424,768	16,222,240	17,182,791	18,040,580	18,404,705	2.0
Insurance Liabilities	17,387,159	12,705,181	13,363,534	13,779,885	14,211,155	3.1
Long-term Liabilities	106,196	185,865	250,561	310,179	13,931	(95.5)
Other Current Liabilities	990,366	753,071	815,068	1,056,592	1,148,759	8.7
Total Liabilities	18,483,720	13,644,116	14,429,163	15,146,655	15,373,846	1.5
Share Capital	322,597	276,161	311,161	286,161	368,961	28.9
Reserves	1,110,038	1,183,583	1,025,934	1,058,258	1,049,263	(0.8)
Retained Earnings	1,508,412	1,118,379	1,416,532	1,554,375	1,612,635	3.7
Total Capital	2,941,047	2,578,123	2,753,628	2,893,924	3,030,859	4.7
Total Liabilities & Equity	21,424,768	16,222,240	17,182,791	18,040,580	18,404,705	2.0
Capital Ratio (Total Capital/ Average Assets)	14.45	13.70	16.49	16.43	16.63	
Concentration Ratio (Top 3 Life insurers/ Total Life assets*100)	66.39	21.07	7.46	14.64	90.74	
Penetration Ratio (Assets/Nominal GDP)	12.86	9.34	9.57	10.55	9.42	
Liquidity Ratio (Current Assets/ Current Liabilities)	0.51	0.28	1.14	0.32	0.36	
Return on Equity (Net profit after Tax/ Average Capital)	0.13	0.08	0.11	0.12	7.77	
Return on Assets (Net profit after Tax/ Avg. Assets)	0.02	0.01	0.02	0.02	1.26	

Source: NBFIRA

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

3.1.2 Performance of General Insurance Business

Table 9: Financial Performance of General Insurance Business (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Percentage Annual Change (2020-2021)
Gross Premium Written	1,261,692	1,365,826	1,502,201	1,469,289	1,618,982	10.2
Premium Ceded	445,697	505,061	551,081	581,845	727,644	25.1
Net Premium Written	815,995	860,765	951,120	887,444	891,338	0.4
Change in UPR	4,462	52,524	(70,044)	15,728	(769,982)	(4995.6)
Net Premiums Earned	812,381	835,157	881,076	903,172	890,568	(1.4)
Gross Incurred Claims	631,227	548,772	755,683	698,958	730,924	4.6
less Reinsurance share of claims	150,268	125,913	270,170	257,849	234,695	(9.0)
Claims Recovered and Claims Expenses	-	-	-	1,768		(100.0)
Net Incurred Claims	480,959	422,859	485,419	439,340	496,738	13.1
Gross Acquisition Costs	184,146	209,669	210,187	227,441	247,442	8.8
less Reinsurance commission	57,209	89,755	114,088	114,403	150,541	31.6
Net acquisition costs	121,185	119,914	96,099	113,037	96,901	(14.3)
Operating Expenses	241,406	247,792	266,542	271,318	261,551	(3.6)
Underwriting Expenses	843,549	790,747	848,189	823,801	855,190	3.8
Total Underwriting Income	(31,168)	44,410	32,887	79,371	35,377	(55.4)
Investments Income	30,141	37,231	39,189	41,209	45,049	9.3
Other Income	37,053	28,871	26,156	41,783	64,279	53.8
Net Profit Before Taxes	36,026	110,512	98,232	162,364	144,705	(10.9)
Tax	17,252	16,672	31,430	40,081	43,863	9.4
Net Income After Tax	23,589	98,587	66,802	122,282	96,620	(21.0)
Penetration Ratio (GWP/Nominal GDP)	0.76	0.79	0.84	0.86	0.83	
Risk retention ratio (Net premium written/GWP)	1.55	1.59	1.58	1.66	0.55	

Source: NBFIRA

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

Table 10: Financial Position of General Insurance Business (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Percentage Annual Change (2020-2021)
Cash and Equivalents	559,340	736,950	830,270	921,619	945,581	2.6
Fixed Assets	111,180	89,281	93,866	112,469	324,431	188.5
Other Current Assets	1,203,275	1,153,338	1,345,954	1,382,698	1,344,981	(2.7)
Total Assets	1,873,795	1,979,569	2,270,090	2,416,786	2,614,994	8.2
Insurance Liabilities	838,458	1,055,900	1,157,168	1,184,477	1,472,855	24.3
Long-term Liabilities	25,620	1,801	2,766	18,056	42,811	137.1
Other Current Liabilities	278,774	187,279	337,625	365,942	315,868	(13.7)
Total Liabilities	1,142,852	1,244,981	1,497,559	1,568,474	1,831,535	16.8
Share Capital	307,376	295,440	315,023	320,923	315,123	(1.8)
Reserves	316,418	353,730	376,809	397,984	172,359	(56.7)
Retained Earnings	107,148	85,419	81,549	129,406	295,977	128.7
Total Capital	730,943	734,589	773,382	848,312	783,459	(7.6)
Total Liabilities & Equity	1,873,795	1,979,569	2,270,941	2,416,786	2,614,994	8.2
Capital Ratios (Total Capital/Average Assets (Percent))	38.45	38.13	36.40	36.20	31.14	
Concentration Ratio (Top 3 SIEs/Total General insurers assets)	47.02	64.28	70.72	69.74	63.53	
Liquidity Ratio (Current Assets/ Current Liabilities)	1.58	1.52	1.46	1.49	1.28	
Return on Equity (Net profit after Tax/ Average Capital)	0.03	0.13	0.09	0.15	0.12	
Return on Assets (Net profit after Tax/ Average Total Assets)	0.01	0.05	0.03	0.05	0.04	

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

3.1.3 Performance of Reinsurance Business

Table 11: Financial Performance of Re-Insurance Business (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Gross Premium Written	189,969	262,497	405,074	452,550	466,217	3.0
Premiums Ceded	57,351	99,032	167,321	166,460	228,269	37.1
Net Premiums Written	132,619	163,465	237,753	286,091	237,948	(16.8)
Change in UPR	2,396	27,777	(6,561)	(33,014)	(974,143)	2,850.7
Net Premiums Earned	130,223	121,582	231,191	253,076	236,974	(6.4)
Gross Incurred Claims	69,375	45,173	143,217	120,768	146,234	21.1
Less Reinsurance share of claims	(937)	6,006	64,416	36,629	62,332	70.2
Net claims	70,311	51,215	85,649	84,139	83,902	(0.3)
Gross Acquisition Costs	49,652	53,385	70,073	104,124	83,681	(19.6)
Less Reinsurance commission	6,086	12,395	23,725	30,385	29,696	(2.3)
Net acquisition costs	43,565	40,990	56,612	73,740	53,985	(26.8)
Operating Expenses	35,536	43,297	59,450	30,550	56,092	83.6
Underwriting Expenses	149,413	84,287	201,711	188,428	193,978	2.9
Total Underwriting Income	(19,190)	(13,919)	29,480	64,648	42,996	(33.5)
Investments Income	2,355	4,153	(2,202)	6,491	7,880	21.4
Other Income	(1,691)	36,792	5,613	(2,411)	4,409	(282.9)
Net Profit Before Taxes	(18,526)	27,026	32,891	68,728	55,284	(19.6)
Tax	1,445	4,242	6,696	16,061	12,601	(21.5)
Net Income After Tax	(19,971)	22,783	26,195	52,666	42,684	(19.0)
Penetration Ratio (GWP/Nominal GDP)	0.11	0.15	0.23	0.26	0.24	
Risk retention ratio (Net premium written/ GWP)	0.70	0.62	0.59	0.63	0.51	

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

Table 12: Financial Position of Re-Insurance Business (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Percentage Annual Change (2020-2021)
Cash and Equivalents	97,201	171,813	209,729	174,651	247,306	41.6
Fixed Assets	3,825	2,858	10,718	4,403	4,076	(7.4)
Other Current Assets	153,168	219,461	284,333	357,314	432,545	21.1
Total Assets	254,194	394,131	504,781	536,368	683,927	27.5
Insurance Liabilities	131,724	183,439	255,366	312,088	352,404	12.9
Long-term Liabilities	335	1,019	18	189	70	(63.0)
Other Current Liabilities	25,461	45,309	60,030	33,492	62,230	85.8
Total Liabilities	157,520	229,766	315,414	345,769	414,704	19.9
Share Capital	93,383	95,630	146,366	95,630	135,630	41.8
Reserves	14,285	66,316	26,319	31,420	27,249	(13.3)
Retained Earnings	(10,995)	2,419	16,682	63,549	106,344	67.3
Total Capital	96,673	164,365	189,367	190,599	269,222	41.3
Total Liabilities and Equity	254,193	394,131	504,781	536,368	683,927	27.5
Capital Ratios (Total Capital/Average Assets)	38.43	50.70	42.13	36.61	44.12	
Liquidity Ratio (Current Assets/ Current Liabilities)	9.83	8.64	8.23	15.88	1.64	
Return on Equity (Net profit after Tax/ Capital)	(0.21)	0.14	0.14	0.28	0.19	
Return on Assets (Net profit after Tax/ Total Assets)	(0.08)	0.06	0.05	0.10	0.07	

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

3.1.4 Performance of Insurance Brokers

Table 13: Financial Performance of Insurance Brokers (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Commission Earned	257,701	304,358	361,258	409,563	336,688	(17.8)
Other Revenue	107,483	76,861	77,424	86,603	153,753	77.5
Total Revenue	365,184	381,219	438,681	496,166	490,441	(1.2)
Operating expenses	266,825	307,735	337,525	393,690	368,708	(6.3)
Other Expenses	23,652	14,696	25,773	9,769	18,099	85.3
Related party expenses	12,960	415	1,505	629	106	(83.1)
Total Expenses	303,437	322,846	363,876	404,088	386,912	(4.3)
Net Income Before tax	60,950	58,373	73,879	91,135	103,529	13.6
Tax	17,441	14,961	22,140	24,181	25,196	4.2
Net Income After Tax	44,399	43,412	51,739	68,342	78,333	14.6

Source: NBFIRA

Table 14: Financial Position of Insurance Brokers (BWP Thousand)

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Current Assets	250,641	297,688	350,124	326,427	344,099	5.4
Related Party Loans and assets	49,655	21,997	15,627	23,993	48,303	101.3
Non- Current Assets	87,612	93,681	99,804	112,897	118,805	5.2
Total Assets	387,909	413,367	465,555	463,317	511,206	10.3
Trade Payables	150,501	192,217	209,299	181,401	135,873	(25.1)
Shareholders Loans / Related party payables	15,724	14,941	12,520	5,688	12,930	127.3
Other Liabilities	65,420	44,535	58,668	63,413	119,488	88.4
Total Liabilities	231,644	251,692	281,120	250,501	268,291	7.1
Capital	28,775	37,623	41,559	53,316	57,941	8.7
Reserves and Retained Earnings	127,490	124,052	146,976	159,500	184,969	16.0
Total Capital	156,264	161,675	188,535	212,816	242,910	14.1
Total Capital and Liabilities	387,909	413,367	469,655	463,317	511,201	10.3
Capital Ratios (Total Capital/Average Assets)	40.02	40.35	42.90	45.82	49.85	
Liquidity Ratio (Current Assets/ Current Liabilities)	1.51	1.44	1.58	1.74	2.31	
Return on Equity (Net profit after Tax/ Average Capital)	0.18	0.18	0.19	0.22	1.41	
Return on Assets (Net profit after Tax/ Average Assets)	0.08	0.07	0.08	0.10	0.16	

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

Table 15: Financial Performance of Medical Aid Funds (BWP Million)

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Gross Contributions	1,657	1,722	1,836	2,038	2,127	4.4
Total Claims	1,360	1,441	1,583	1,588	1,914	20.5
Non-Health Expenditure	208	212	132	251	278	10.8
Net Surplus	122	107	67	245	(18)	(107.3)
Total Capital	723	822	908	1,149	1,144	(0.4)
Total Liabilities	220	243	221	272	340	25.0
Total Assets	943	1,065	1,129	1,421	1,484	4.4

Source: NBFIRA

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

3.2. Retirement Funds

3.2.1 Financial Performance of Retirement Funds

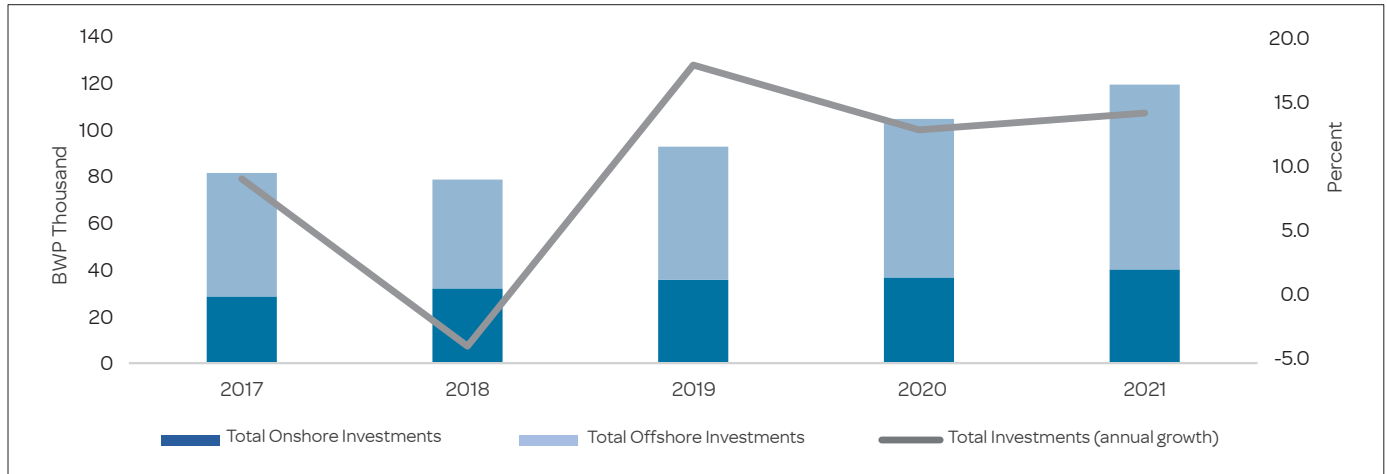
Table 16: Financial Performance of Retirement Funds

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
No. of Retirement Funds	86	85	86	87	87	0.0
Defined Benefits (DB) Only	2	3	3	3	3	0.0
Defined Contributions (DC) Only	78	81	81	82	82	0.0
Mixed DC and DB (Hybrid)	6	2	2	2	2	0.0
No. of Active Members	230,006	232,439	230,588	246,541	293,015	18.9
No. of Deferred Members	17,326	18,607	21,310	18,078	51,806	186.6
Pensioners	11,969	12,051	12,693	15,639	13,187	(15.7)
Member Contributions (BWP Thousand)	1,066,000	1,130,000	1,489,754	1,602,000	1,736,000	8.4
Employer Contributions (BWP Thousand)	2,918,563	3,152,000	3,072,207	3,632,000	3,913,000	7.7
Investment Income (BWP Thousand)	4,108,000	2,500,000	6,967,748	777,000	17,031,000	2,091.9
Income from life insurance (BWP Thousand)	14,000	12,000	18,631	34,000	9,000	(73.5)
Other Income (BWP Thousand)	323,000	201,000	240,487	180,000	887,000	392.8
Total Income (BWP Thousand)	8,436,000	6,995,000	11,800,000	6,225,000	23,576,000	278.7
Benefit payments (BWP Thousand)	2,816,000	3,794,000	2,962,000	3,704,000	3,681,000	(0.6)
Insurance Premiums (BWP Thousand)	178,000	17,000	18,000	19,000	23,000	21.1
Administration, Management Expenses and Fees and Other expenses (BWP Thousand)	695,000	710,000	767,000	762,000	1,328,000	74.3
Total Expenditure (BWP Thousand)	3,528,000	4,521,000	3,747,000	4,485,000	5,032,000	12.2
Botswana Equities (BWP Thousand)	14,189,000	13,034,000	13,155,000	12,814,000	15,895,000	24.0
Exchange Traded Funds (BWP Thousand)	411,000	580,000	737,000	1,002,000	811,000	(19.1)
Pula Bonds (BWP Thousand)	8,021,000	8,432,000	8,987,000	9,674,000	10,221,000	5.7
Pula Cash/ Near Cash (BWP Thousand)	3,596,000	6,619,000	8,988,000	7,993,000	6,579,000	(17.7)
Botswana Property (BWP Thousand)	370,000	1,494,000	1,802,000	3,160,000	4,223,000	33.6
Botswana Unlisted Equities (BWP Thousand)	2,070,000	2,114,000	2,348,000	2,349,000	2,535,000	7.9
Total Botswana Investments (BWP Thousand)	28,657,000	32,273,000	36,017,000	36,992,000	40,264,000	8.8
Offshore Equities (BWP Thousand)	39,418,000	36,610,000	42,939,000	52,041,000	60,872,000	17.0
Offshore Bonds (BWP Thousand)	9,934,000	5,846,000	6,087,000	6,398,000	6,293,000	(1.6)
Offshore Cash/Near Cash (BWP Thousand)	1,874,000	1,137,000	1,083,000	1,059,000	1,019,000	(3.8)
Dual Listed Equities (BWP Thousand)	1,527,000	1,333,000	1,382,000	1,361,000	1,454,000	6.8
Alternative Investment (BWP Thousand)	594,000	1,773,000	5,626,000	7,323,000	10,239,000	39.8
Total Offshore Investments (BWP Thousand)	53,346,000	46,699,000	57,117,000	68,184,000	79,879,000	17.2
Total Investments (BWP Thousand)	82,004,000	78,972,000	93,134,000	105,176,000	120,142,000	14.2
Offshore/Onshore Asset Split	65/35	59/41	61/39	65/35	67/33	

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

Figure 2: Pension Fund Asset Allocation and Growth from 2017 to 2021



Source: NBFIRA

3.3. Capital Markets

3.3.1 Primary Market Activities

Table 17: Financial Performance of Botswana Stock Exchange (BWP Thousand)

Botswana Stock Exchange	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Total Revenue	32,815	31,754	32,661	35,947	41,205	14.6
Total Expenses	25,969	31,411	25,362	25,011	30,629	22.5
Profit Before Tax	6,845	7,284	7,028	10,936	10,576	(3.3)
Tax	-	-	-	-	-	
Profit after tax	6,845	7,181	7,028	10,936	10,576	(3.3)
Total Assets	71,553	76,472	87,505	90,372	102,158	13.0
Capital and Reserves	64,116	57,634	64,663	75,598	88,065	16.5
Total Liabilities	7,437	18,837	22,843	14,774	14,094	(4.6)
Total liabilities and Equity	71,553	76,472	87,505	90,372	102,158	13.0

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

Table 18: Financial Performance of Central Securities Depository (BWP Thousand)

Central Securities Depository	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Total Revenue	7,870	6,941	6,766	4,159	8,348	100.7
Total Expenses	6,271	6,838	7,072	7,000	7,781	11.2
Profit Before Tax	1,600	102	(306)	(2,841)	568	(120.0)
Tax	-	-	-	-	-	
Profit after tax	1,600	102	(306)	(2,841)	568	(120.0)
Total Assets	30,766	30,955	31,505	33,055	33,575	1.6
Capital and Reserves	29,917	26,519	25,895	23,054	23,622	2.5
Total Liabilities	849	4,436	5,611	10,001	9,953	(0.5)
Total Liabilities and Equity	30,766	30,955	31,505	33,055	33,575	1.6

Source: NBFIRA

Table 19: Financial Performance of Securities Brokers/Dealers (BWP Thousand)

Securities Brokers/Dealers	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Total Revenue	34,794	32,691	30,494	14,984	20,096	34.1
Total Expenses	29,901	33,268	28,634	21,077	19,124	(8.9)
Profit Before Tax	12,423	(577)	1,860	(6,065)	971	(116.2)
Tax	9,306	2,431	590,213	(590,213)	(151,330)	(74.4)
Profit after tax	3,117	(1,043)	4,571	(5,943)	1,072	(118.0)
Total Assets	59,173	39,653	4,645	38,219	38,253	0.1
Capital and Reserves	26,858	21,247	20,142	13,786	8,570	(37.8)
Total Liabilities	32,315	18,406	24,503	24,433	29,682	21.5
Total liabilities and Equity	59,173	39,653	44,645	38,219	38,253	0.1

Source: NBFIRA

Table 20: Financial Performance of Asset Managers (BWP Thousand)

Asset Managers Financials	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Total Revenue	715,497	657,697	862,818	369,131	439,106	19.0
Total Expenses	(472,047)	(513,002)	(788,977)	274,115	277,758	1.3
Profit Before Tax	243,450	144,695	73,841	95,016	161,348	69.8
Tax	(25,333)	(33,264)	(7,104)	21,405	36,141	68.8
Profit After Tax	213,076	111,431	62,345	73,627	125,434	70.4
Total Assets	6,142,409	6,072,372	1,212,600	523,596	405,094	(22.6)
Capital	332,435	352,316	305,211	262,028	256,450	(2.1)
Total Liabilities	5,809,974	5,720,415	913,343	260,568	147,513	(43.4)
Total Liabilities (Includes capital)	6,142,409	6,072,372	1,212,600	522,596	405,094	(22.5)

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

Table 21: Financial Performance of Management Companies (BWP Thousand)

Management Companies	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Total Revenue	40,214	41,153	37,357	19,815	18,367	(7.3)
Total Expenses	(36,739)	(28,382)	(33,093)	(2,033)	13,568	(767.4)
Profit Before Tax	3,475	12,771	4,263	4,358	4,243	(2.6)
Tax	(720)	(3,222)	1,098	1,216	1,299	6.8
Profit After Tax	3,378	9,548	5,362	3,003	3,077	2.5
Total Assets	78,324	94,833	238,788	45,498	41,648	(8.5)
Capital	25,941	32,805	32,354	34,636	27,874	(19.5)
Total Liabilities	52,383	62,028	206,435	10,862	15,036	38.4
Total Liabilities (Includes capital)	78,324	94,833	238,788	45,498	42,910	(5.7)

Source: NBFIRA

3.3.2 Secondary Market Activities

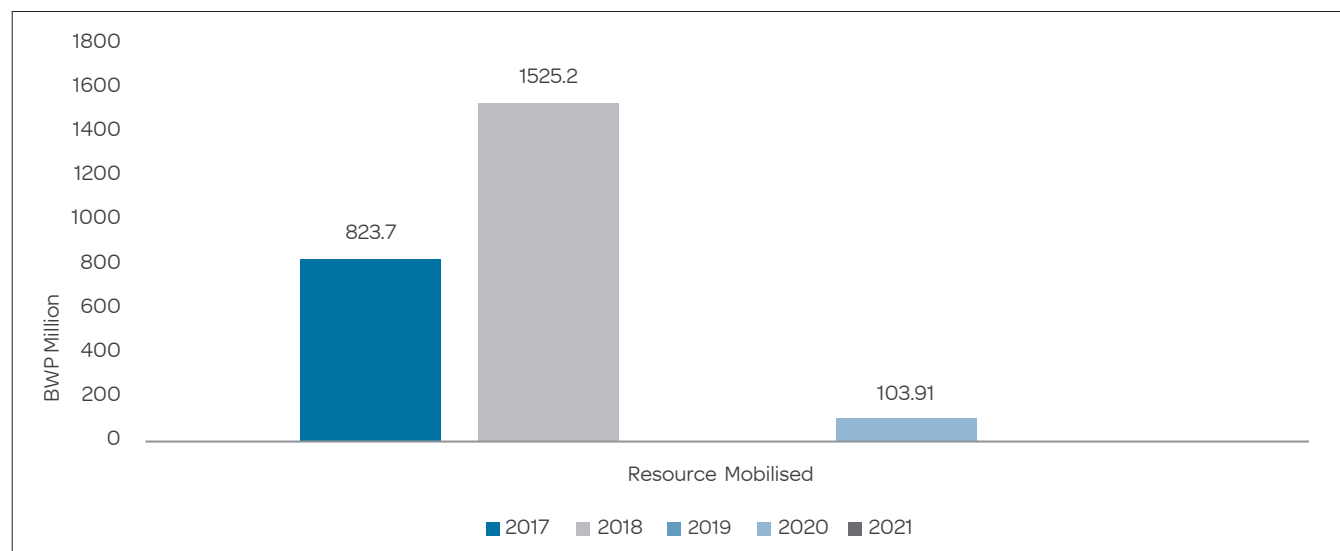
Table 22: Capital Raised Through the Equity Market (BWP Million)

Indicator	2017	2018	2019	2020	2021
Rights Issues	200.8	-	-	59.5	8.7
Issues for Cash	-	53.6	-	42.8	0.98
Share Incentive Scheme	81.2	467.6	15.9	1.6	0.9
IPO's	51.9	289.2	-	-	-
Private placement	522.6	7.6	539.8	-	406.1
Share Purchase Plan	-	-	290.1	-	-
Acquisition	-	355.7	-	-	-
Resource Mobilised	823.7	1,525.2	-	103.9	-

Source: Botswana Stock Exchange

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

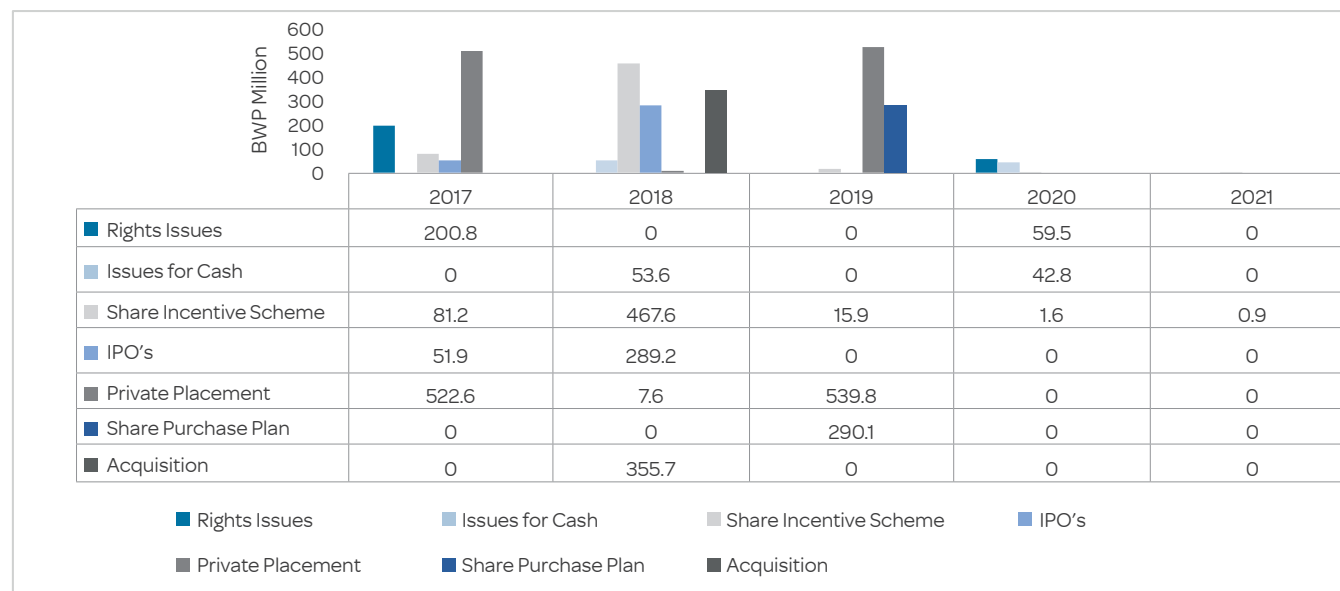
Figure 3: Capital Raised Through Equity Market: 2017 to 2021 (BWP Million)



Source: Botswana Stock Exchange

Note: There were no resources mobilised in 2019 and 2021.

Figure 4: Capital Raised Through Equity Market By Issue Type: 2017 to 2021 (BWP Million)



Source: Botswana Stock Exchange

Table 23: Number of Listed Companies

Listing Status	2017	2018	2019	2020	2021
No. of New Listings	3	2	0	0	0
No. of De-listings	2	2	3	0	2
Foreign Listings	11	9	8	8	7
Domestic Listings	24	26	24	25	24
Total Listings	35	35	32	32	31

Source: Botswana Stock Exchange

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

Table 24: BSE Market Capitalization as at year ended December 31

Indicator	2017	2018	2019	2020	2021
Domestic Market Capitalisation (BWP Million)	44,408	42,421	38,709	35,630	37,209
Percentage Change in Domestic Market Capitalisation	(4.7)	(4.5)	(8.8)	(8.0)	4.4
Foreign Market Capitalisation (BWP Million)	373,736	370,747	369,165	355,592	353,156
Percentage Change in Foreign Market Capitalisation	(0.3)	(0.80)	(0.43)	(3.7)	(0.7)
Total Market Capitalisation (BWP Million)	418,144	413,168	407,874	391,222	390,366
Percentage Change in total Equity Market Capitalisation	(0.8)	(1.2)	(1.3)	(4.1)	(0.2)
Total Equity Market Capitalisation / GDP (Percent)	232.2	217.0	206.8	216.4	199.9
Domestic Equity Market Capitalisation/GDP (Percent)	26.4	23.8	21.2	20.8	19.1
Total Equity Turnover / Domestic Equity Market Capitalisation (Percent)	5.4	4.4	4.6	2.0	4.9
Total Equity Turnover / Total Equity Market Capitalisation (Percent)	0.6	0.5	0.4	0.2	0.5

Source: Botswana Stock Exchange

Table 25: Market Capitalization by Sector as at Year Ended December 31 (BWP Million)

Indicator	2017	2018	2019	2020	2021
Banking	12,705	13,264	13,899	12,049	12,333
Financial Services & Insurance	28,773	25,755	23,791	23,792	25,058
Retailing & Wholesaling	10,002	7,346	7,286	7,106	6,699
Property & Property Trust	7,010	6,655	6,752	6,550	7,089
Mining & Materials	353,375	352,393	350,829	337,162	334,592
Security Services	319	291	280	272	239
Information Technology	1,932	998	998	861	788
Funeral Services	0	0	0	0	0
Energy	1,693	1,661	1,656	1,642	1,653
Tourism	2,335	2,719	1,240	1,083	851
Agriculture	0	2,086	1,142	706	1,063

Source: Botswana Stock Exchange database

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

Table 26: Equity Trading Statistics

Equity Trading	2017	2018	2019	2020	2021
Volume Traded	775	583	628	430	0
Value Traded	2,477	1,862	1,811	699	1.30
No. of Deals	13,707	9,198	7,880	5,346	5,346
Liquidity Ratio	5.4	4.4	4.5	1.9	1.9

Source: Botswana Stock Exchange

Table 27: BSE Indices as at year ended December 31

Listing Status	2017	2018	2019	2020	2021
DCI	8,860	7,852	7,495	6,879	7,010
FCI	1,575	1,570	1,562	1,547	1,550
LASI	785	804	844	842	960
DFSI	1,078	1,058	1,055	1,013	1,233
FRSI	730	744	778	780	897
DCFFI	2,874	Discontinued	Discontinued	Discontinued	Discontinued
DFSFFI	3,544	Discontinued	Discontinued	Discontinued	Discontinued
LASFFI	2,623	Discontinued	Discontinued	Discontinued	Discontinued

Source: Botswana Stock Exchange

Table 28: Equity Turnover Activity at the BSE

Indicator	2017	2018	2019	2020	2021
Value of Domestic shares traded (BWP Million)	2,435	1,666	1,771	683	1,809
Value of Foreign shares traded (BWP Million)	42	196	39	16	7
Total Value Shares Traded (BWP Million)	2,477	1,862	1,810	699	1,816
Domestic Turnover (Percent)	98.3	89.5	97.8	97.7	99.6
Foreign Turnover (Percent)	1.7	10.5	2.2	2.3	0.4
Total Domestic Turnover (Percent)	100	100	100	100	100
Domestic Companies Turnover (BWP Million)	1,444	990	1,027	356	1,066
Domestic Individuals Turnover (BWP Million)	141	84	179	63	45
Domestic Companies Turnover (Percent)	58.3	53.2	56.7	50.9	58.7
Domestic Individuals Turnover (Percent)	5.7	4.5	9.9	9.5	2.5
Foreign Companies Turnover (BWP Million)	852	756	582	246	668
Foreign Individuals Turnover (BWP Million)	32	24	22	31	37
Foreign Companies Turnover (Percent)	34.4	40.6	32.1	35.0	36.8
Foreign Individuals Turnover (Percent)	1.3	1.3	1.2	4.4	2.0

Source: Botswana Stock Exchange

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

Table 29: Statistics on Shares issued at the BSE

Shares Issued	2017	2018	2019	2020	2021
Domestic shares issued (BWP Million)	13,302	13,705	13,608	13,671	13,922
Foreign shares issued (BWP Million)	13,581	5,436	4,811	4,930	4,261
Total shares issued (BWP Million)	26,884	19,141	18,419	18,601	18,183
Domestic shares issued (Percent)	49.5	71.6	73.9	73.5	76.6
Foreign shares issued (Percent)	50.5	28.4	26.1	26.5	23.4
Total percentage shares issued	100	100	100	100	100
Domestic shares traded (BWP Million)	761	530	617	425.9	995.2
Foreign shares traded (BWP Million)	14	53	11	4.5	2.0
Total shares traded (BWP Million)	775	583	628	430	997
Domestic share traded over domestic shares issued (Percent)	5.7	3.9	4.5	3.1	7.1
Foreign share traded over foreign shares issued (Percent)	0.1	1	0.2	0.1	0.05
Overall percentage shares traded/shares issued	2.9	3	3.4	2.3	5.5
Average Daily Equity Turnover (BWP Million)	10	7.5	7.3	2.8	7.3
Total Equity Turnover / Market Cap	0.6	0.5	0.4	0.2	0.5

Source: Botswana Stock Exchange

Table 30: Secondary Market Bond Trades at the BSE (BWP Million)

Issuer Type	Amounts	2017	2018	2019	2020	2021
Government	Turnover	485	2,177	782	2,503	2,110
	Outstanding amount	9,083	9,588	11,859	14,957.0	17,685
Quasi	Turnover	0.1	0	0.025	28	4.5
	Outstanding amount	190	190	90	90	90
Parastatal	Turnover	14	14	5.6	173.1	139.9
	Outstanding amount	1,265	1,189	1,114	1,173	1,338
Corporate	Turnover	37	32	28.7	23	296.5
	Outstanding amount	3,469	3,811	3,124	4,323	3,947

Source: Botswana Stock Exchange database

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

Table 31: Bond Market Indicators - Selected Ratios

Bond Market Selected Indicators	2017	2018	2019	2020	2021
Total Debt Turnover (BWP Million)	536	2,222	817	2,727	2,551
Total debt Market Capitalisation (BWP Million)	14,267	15,038	17,288	20,293	23,059
Total debt Turnover/debt Market Capitalisation (Percent)	3.8	14.8	4.7	13.4	11.1
Debt Turnover /GDP (Percent)	0.3	1.2	0.4	1.5	1.4
Debt Market Capitalisation/GDP (Percent)	7.9	8	8.8	11.4	12.3

Source: Botswana Stock Exchange

3.3.3 Assets Under Management ("AUM")

Table 32: Total Assets Under Management by Structure

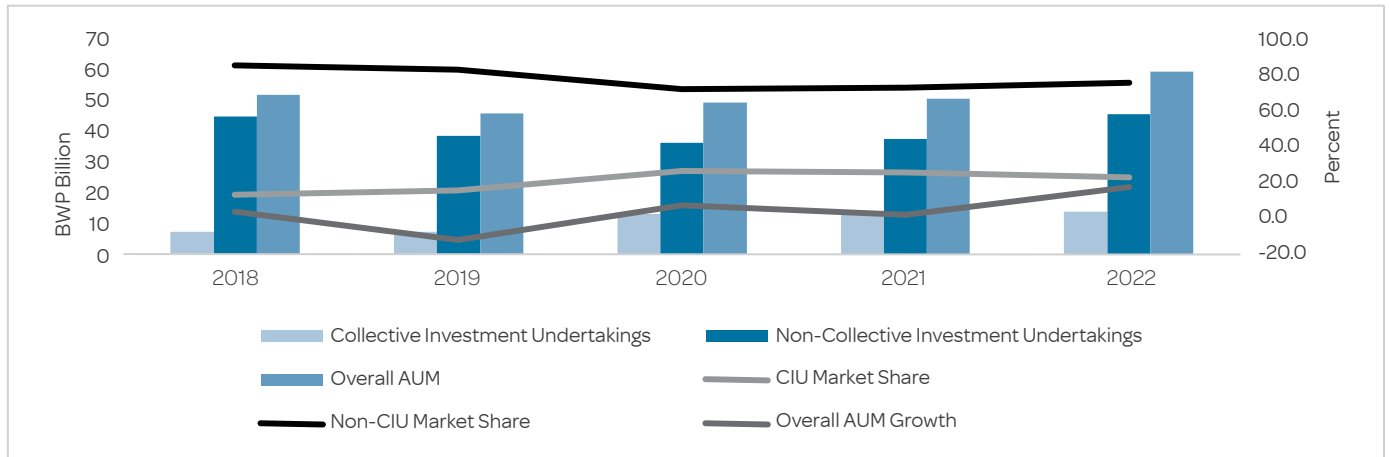
Total Assets Under Management	2017	2018	2019	2020	2021
Collective Investment Undertakings (CIU) (BWP Thousand)	7,293,981	7,435,542	13,257,172	13,218,056	13,891,339
Percent market share (CIU)	13.9	16.0	26.6	25.9	23.1
Discretionary (Non-CIU) (BWP Thousand)	45,179,290	38,968,313	36,597,027	37,860,523	46,138,380
Percent market share (Non-CIU)	86.1	84.0	73.4	74.1	76.9
Overall AUM (BWP Thousand)	52,473,271	46,403,855	49,854,199	51,078,579	60,029,719
Retirement Fund investments (Local Managers) (BWP Thousand)	40,073	34,500	38,512	41,138	45,164
Other Institutions and retail (BWP Thousand)	12,400	11,719	11,342	9,941	14,866

Source: NBFIRA

Note: CIU- Collective Investment undertaking, assets are managed on a pooled basis

3. Five Year Period NBFISector Overview (2017-2021) Continued

Figure 5: Total Assets Under Management by Structure



Source: NBFIRA

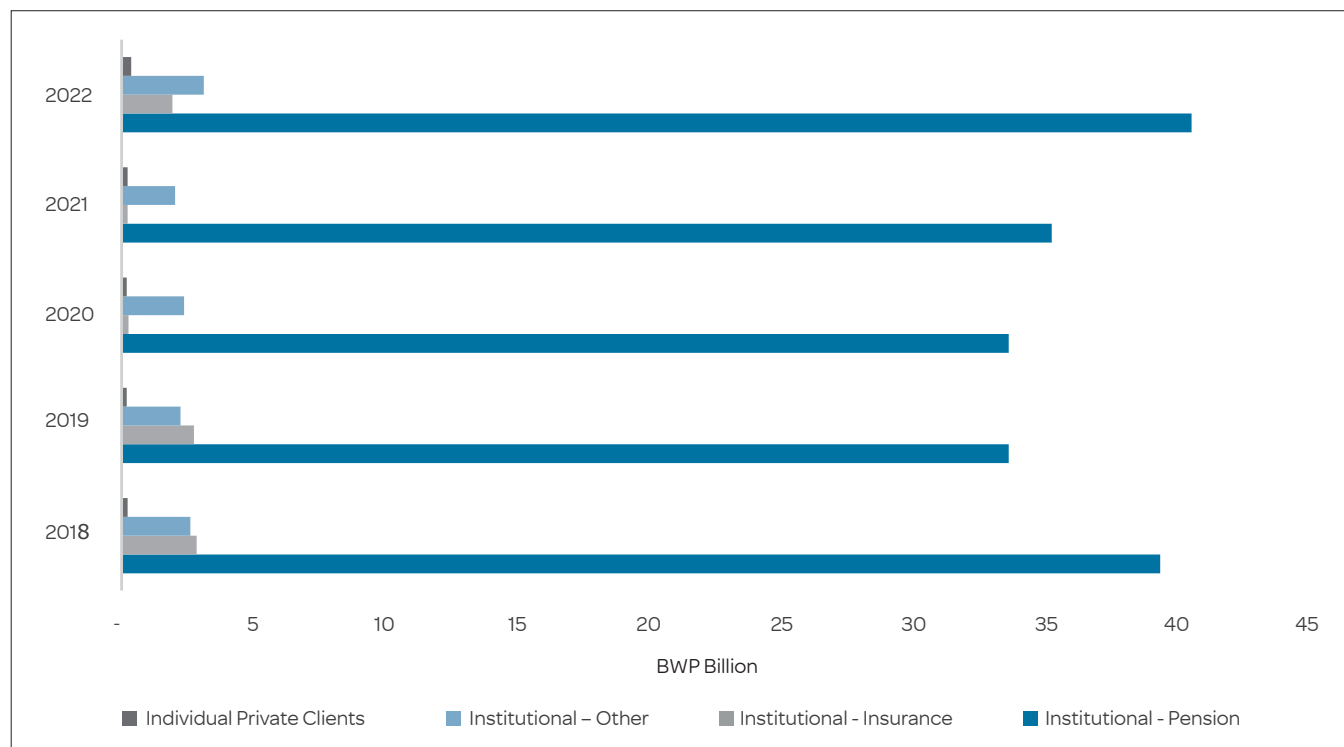
Table 33: Non-CIU Assets breakdown by Type of Clients

Non-CIU Client Type	2018	2019	2020	2021	2022
Institutional- Pension (BWP Thousand)	39,518,239	33,759,460	33,747,786	35,375,471	40,714,907
Market share Institutional- Pension (Percent)	87.5	86.6	92.2	93.4	88.2
Institutional- Insurance (BWP Thousand)	2,841,389	2,757,079	267,148	234,631	1,934,168
Market share Institutional- Insurance (Percent)	6.3	7.1	0.7	0.6	4.2
Institutional – Other (BWP Thousand)	2,608,346	2,243,399	2,376,534	2,032,975	3,132,189
Market share Institutional - Other (Percent)	5.8	5.8	6.5	5.4	6.8
Individual Private Clients (BWP Thousand)	211,316	208,375	205,559	217,446	357,114
Market share Individuals / Private Clients (Percent)	0.5	0.5	0.6	0.6	0.8

Source: NBFIRA

3. Five Year Period NBFI Sector Overview (2017-2021) Continued

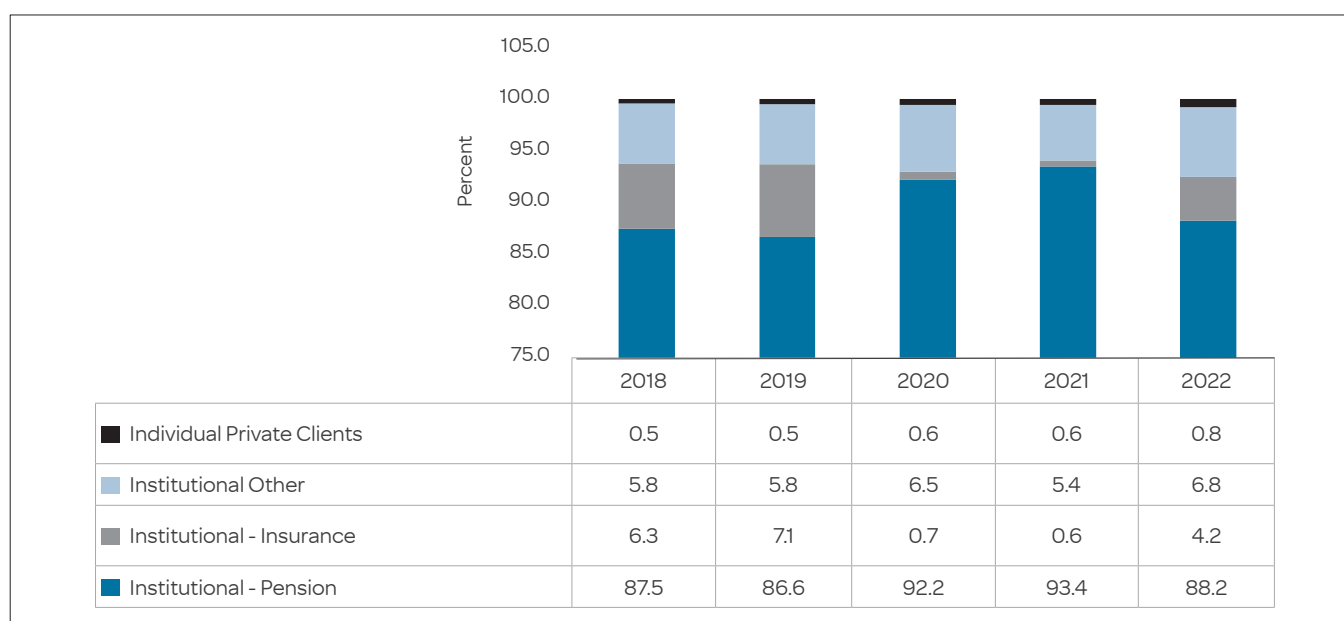
Figure 6: Non CIU AUM by Type of Clients (BWP Billion)



Source: NBFIRA

Note: Other Institutional clients mean corporate clients apart from Insurance Funds and Pension Funds.

Figure 7: Non CIU AUM Market share by Type of Clients (Percent)



Source: NBFIRA

Note: Other Institutional clients mean corporate clients apart from Insurance Funds and Pension Funds.

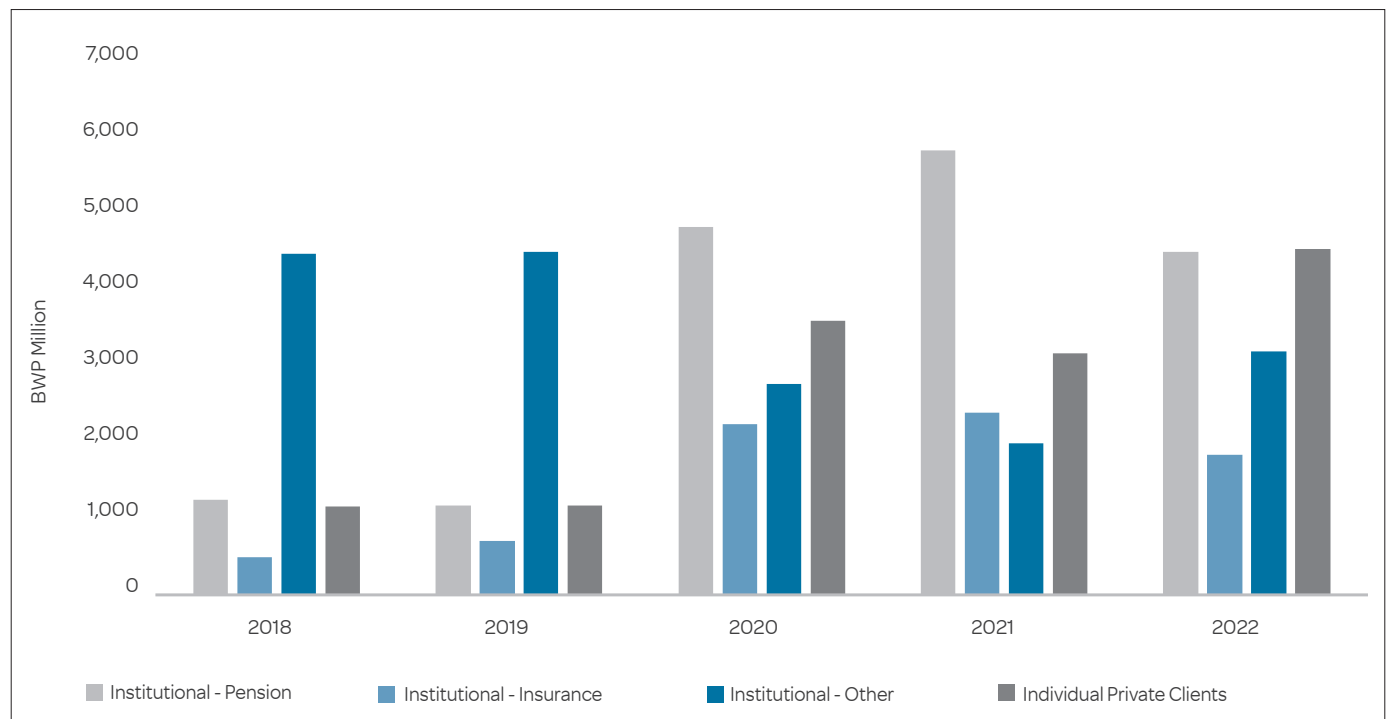
3. Five Year Period NBFISector Overview (2017-2021) Continued

Table 34: CIU Assets breakdown by Type of Clients

CIU Client Type	2018	2019	2020	2021	2022
Institutional- Pension (BWP Thousand)	1,235,600	1,157,383	4,764,216	5,762,077	4,448,976
Market share Institutional- Pension (Percent)	16.9	15.5	35.9	43.6	32.0
Institutional- Insurance (BWP Thousand)	488,266	695,652	2,211,796	2,360,158	1,811,822
Market share Institutional- Insurance (Percent)	6.7	9.3	16.7	17.9	13.0
Institutional – Other (BWP Thousand)	4,426,378	4,450,877	2,731,848	1,969,956	3,152,424
Market share Institutional - Other (Percent)	60.7	59.7	20.6	14.9	22.7
Individual Private Clients (BWP Thousand)	1,143,738	1,155,428	3,549,313	3,125,864	4,478,038
Market share Individuals / Private Clients (Percent)	15.7	15.5	26.8	23.6	32.2

Source: NBFIRA

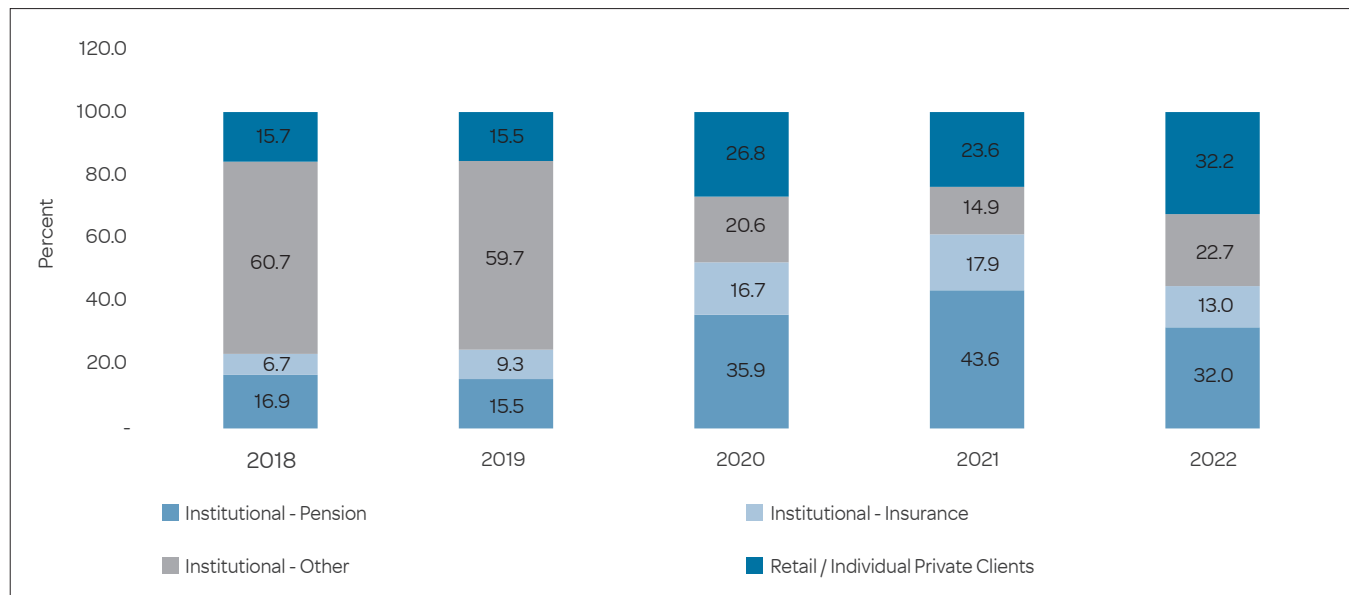
Figure 8: CIU AUM Market share by Type of Client (BWP Million)



Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

Figure 9: CIU AUM Market share by Type of Client (Percent)



Source: NBFIRA

Notes:

1. Retail means individual/ public investors.
2. Other Institutional clients means corporate clients apart from Insurance Funds and Pension Funds.

3. Five Year Period NBFIs Sector Overview (2017-2021) Continued

3.4. Lending Activities

3.4.1 Financial Performance of Selected Micro lenders

Table 35: Financial Performance of Selected Micro lenders (BWP Thousand)

Select Micro-Lenders Financials	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Interest Income	1,126,569	1,188,302	1,432,023	1,519,043	1,570,302	3.4
Other Income	186,349	203,211	312,990	411,244	381,327	(7.3)
Total Income	1,312,918	1,391,513	1,745,013	1,930,287	1,951,630	1.1
Interest Expenses	220,059	250,979	308,335	338,480	360,604	6.5
Other Expenses	580,938	813,086	701,079	848,326	857,477	1.1
Total Expense	800,997	1,064,064	1,009,414	1,198,443	1,220	(99.9)
Net Income Before Tax	511,921	507,640	735,599	734,727	733,549	(0.2)
Tax	128,434	123,603	173,343	158,705	164,829	3.9
Net Income After Tax	384,258	386,553	568,038	579,161	570,760	(1.5)
Loan Book Values	3,537,989	3,891,992	4,551,067	5,102,055	5,555,184	8.9
Other Assets	694,300	865,269,935	993,352,843	1,316,120	2,199,587	67.1
Total Assets	4,232,290	4,757,262	5,544,411	6,418,174	7,607,363	18.5
Capital & Reserves	2,020,508	1,866,755	2,237,191	2,459,005	2,943,055	19.7
Total Liabilities	2,211,782	1,030,569	3,307,291	3,959,170	4,664,308	17.8
Total Capital and Liabilities	4,232,290	2,897,324	5,544,482	6,418,174	7,607,363	18.5

Source: NBFIRA

Table 36: Micro-Lenders Ratios (Percent)

Ratios	2017	2018	2019	2020	2021
Portfolio Yield- Percent	n/a	33.0	34.0	33.0	32.0
Portfolio value as a Percentage of Total Assets	n/a	82.00	83.00	79.00	73.00
Debt to Equity	n/a	1.6	1.5	1.6	1.6
Capital Adequacy	n/a	-	-	-	34.8
Liquidity	n/a	-	-	-	31.5

Source: NBFIRA

3. Five Year Period NBFISector Overview (2017-2021) Continued

3.4.2 Financial Performance of IFSC Accredited Companies

Table 37: Financial Performance of IFSC Accredited Companies (BWP Million)

Indicator	2017	2018	2019	2020	2021	Annual Percentage Change (2020-2021)
Total revenue	n/a	n/a	n/a	3,130	3,620	15.7
Total Expenses	n/a	n/a	n/a	1,050	1,190	13.3
Profit Before Tax	n/a	n/a	n/a	2,650	3,150	18.9
Total Assets	n/a	n/a	n/a	6,170	7,040	14.1
Total Liabilities	n/a	n/a	n/a	7,940	11,120	40.1
Total Equity	n/a	n/a	n/a	14,120	18,160	28.6

Source: NBFIRA

The logo for NBFIRA features a stylized 'N' composed of two overlapping shapes: a blue one on the left and an orange one on the right, with a white diagonal line cutting through them. The text 'NBFIRA' is positioned to the left of this graphic.

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