

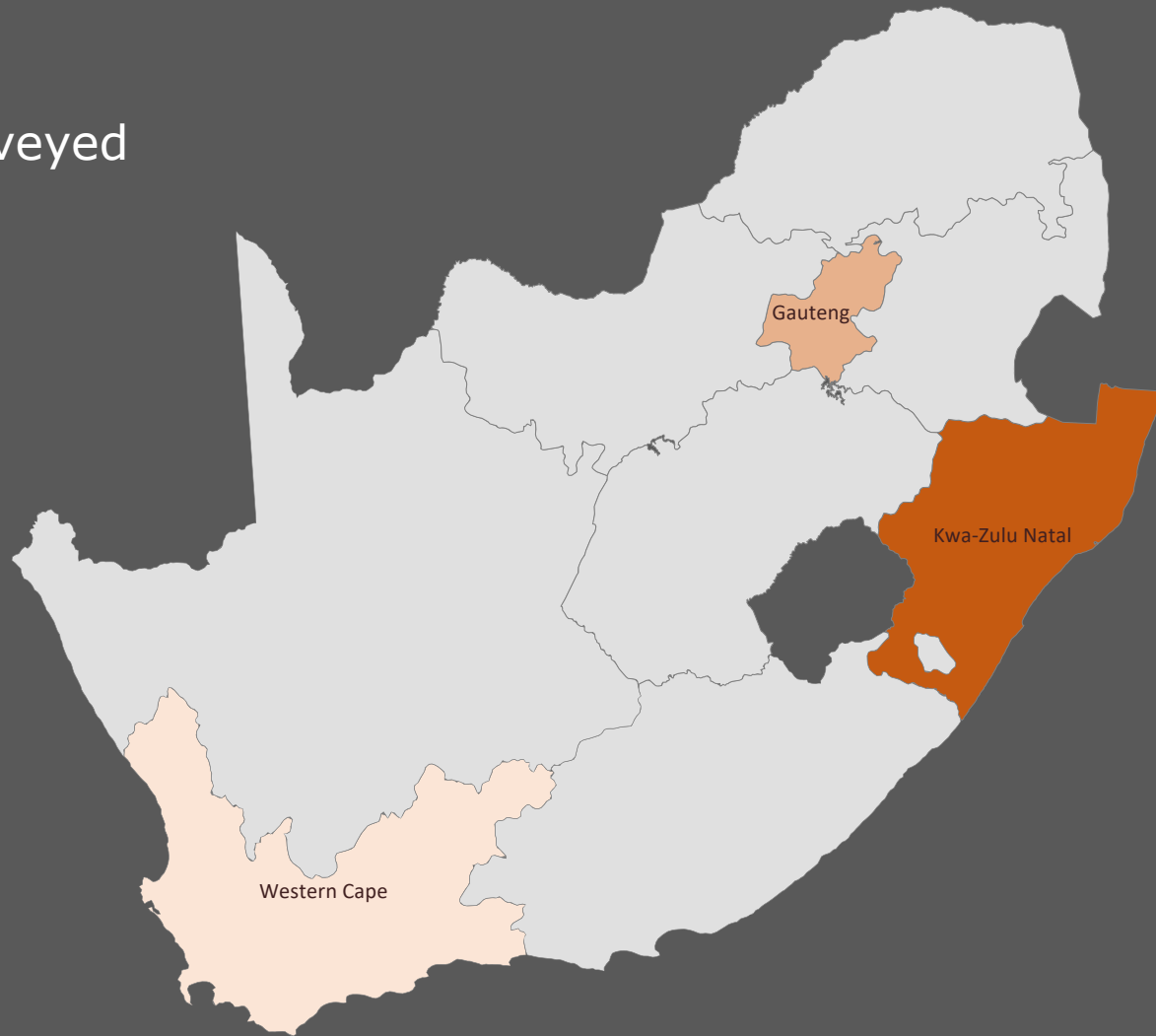


Impact of riots and looting on Small Businesses: REPORT

Objectives of the study

- ✦ Understand what the impact of riots/looting has been on small businesses
- ✦ Assess the needs emanating from the riots/looting
- ✦ Position ourselves well to be able cater for the needs of the businesses

Regions surveyed

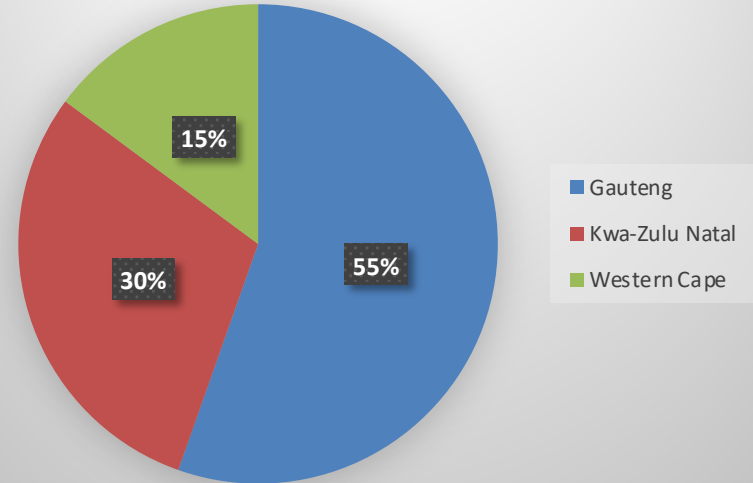


Surveyed regions

Out of all the respondents on the survey, **55%** said that they reside in Gauteng whereas **30%** said that they reside in Kwa-Zulu Natal and with just **15%** said that they reside in the Western Cape.

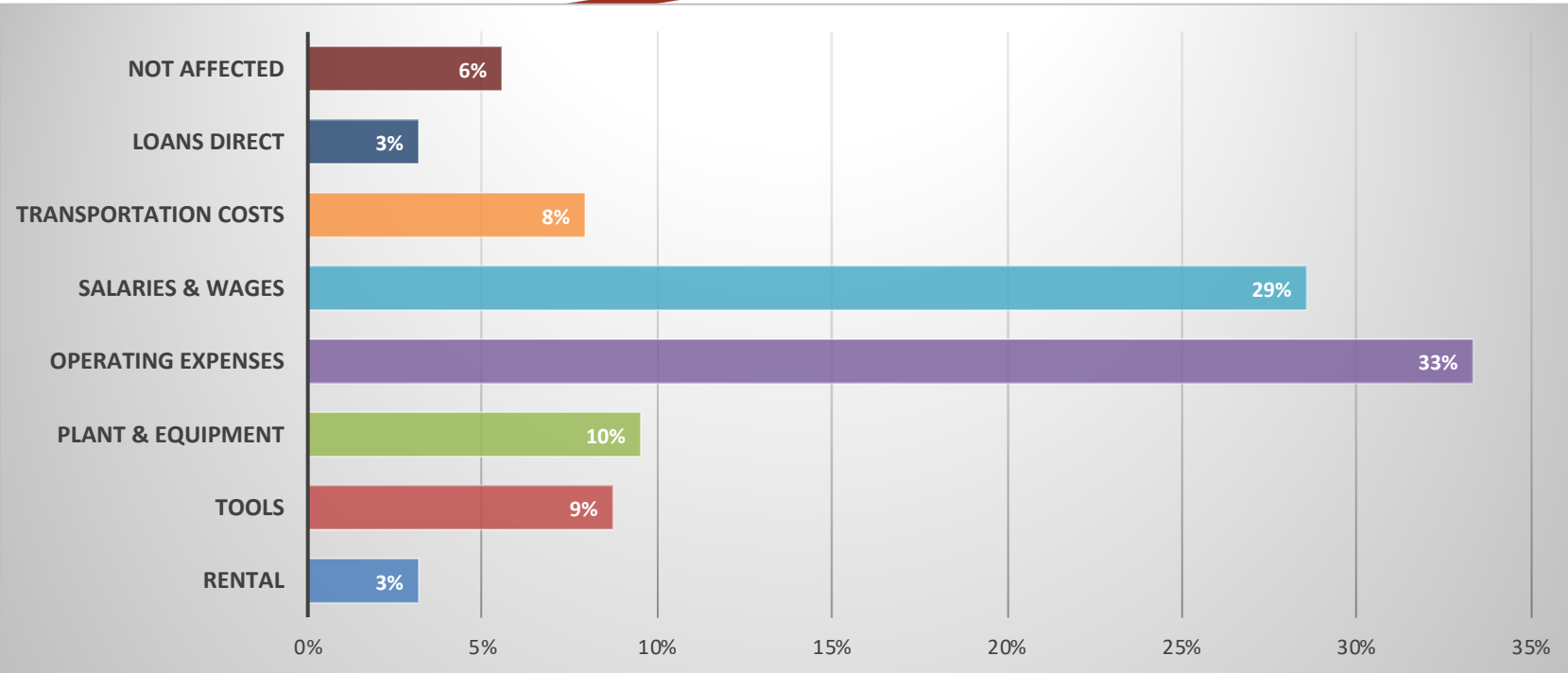
Majority of our participants reside in Gauteng as well as Kwa-Zulu Natal.

Percentage Share of Respondents by Region





Business aspects affected by the riots/looting



Affected business aspects interpreted

- ❖ Out of all our participants **3%** said that their rental was affected by the riots/lootings whereas **9%** said that their tools were affected. In addition, **10%** said that their plant and equipment was affected whereas **33%** said that their operating expenses was affected.
- ❖ Furthermore **29%** said that their salaries and wages was affected by the riots/lootings whereas **8%** said that their transportation costs was affected, **3%** said that their loans direct was affected and with just 6% saying that they were not affected.
- ❖ We can depict that the riots negatively impacted the businesses' operating expenses and salaries the most.

Businesses experiencing adverse effects by region

GP KZN WC

NOT AFFECTED



LOANS DIRECT



TRANSPORTATION COSTS



SALARIES & WAGES



OPERATING EXPENSES



PLANT & EQUIPMENT



TOOLS



RENTAL



Business aspect per region

In our findings, it is evident that the most negatively impacted business aspects across all regions are expenses as well as salaries and wages. In the depiction above we can depict that operating expenses are negative impacted in the Gauteng region the most at **21%**, whereas at KZN is at **9%** and at Western Cape with just **3%**. Furthermore, we can deduce that salaries and wages are negatively impacted at **19%** whereas at KZN **7%** of salaries and wages are impacted and with just **2%** at Western Cape negatively impacted

Additional comments

Damage to property

Our Service vehicle was scratched on the left-hand side when the driver was trying to flee the scene/ mob of people who were destroying properties and looting. They broke both the left-hand side door and the back door when they were opening the Caddy at the stop sign, some of the stock fell and some were offloaded, However the driver still managed to save some of the stock. All services were put on hold and that has affected the employees' wages and their wellbeing.

Additional comments

Delays in production and delivery

Delivery to Transnet was affected. Therefore, unable to make delivery on time, and monies borrowed at an interest will not be payable for the next three months as manufacturing has to start all over again. Each month's interest is R25,500.00 (total R76,500.00). The overall loaned amount was R255,000.00. We are requesting assistance with either the full loaned amount with one month's interest (R280,500.00) or at the least the interest for the three months of the planned re-manufacturing process before invoicing can take place. Fortunately, the client has been informed of the delay and they are understanding of the situation. Our company had loss in production for the 1 week of rioting/unrest which would lead to the loss in profit. Value is still being assessed by our teams on site.



Additional comments

Loss of equipment

5 x brush cutters 1 x leaf blower 4 x ppe 1 x chainsaw

New contracts cancelled

The ATM projects were cancelled due to riots

Projects had come to halt

Multiple businesses had to pause projects due to the riots and looting. This to some extent has led to some businesses forgoing certain opportunities that were meant to be unlocked by the businesses. Here is some feedback from the businesses attesting to that. Our business was affected by closing earlier than a normal business day, thus negatively impacting production which in construction heavily impacts our business financially.

Unable to do business, unable to move around, loss of income due to this. There was no business transactions

Additional comments

Damage to property

Unfortunately, some businesses were victims of the riots, this left some without their equipment and their premises burnt down. Below are some of the feedbacks.

Financial loss, physical loss and personal loss, no work as property equipment and premises were all burnt down.

Emotional wellbeing

In one way or the other, the rest of us were affected by what took place. However, some people were experiencing it at first hand and some businesses attested to this in their feedback.

I personally was mentally affected by the exposure to trauma as protesters was rioting, I got stuck in a car park against my will for my own safety which lead to my mental health spiraling out of control.

Loss in revenue

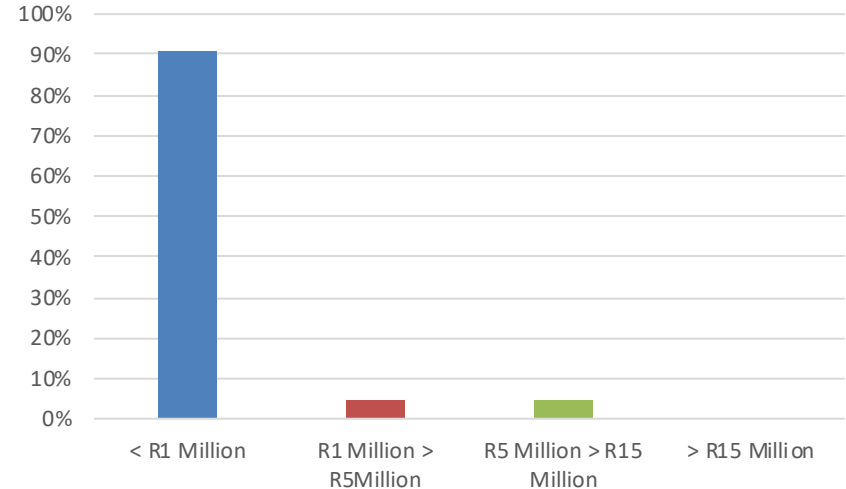
Total loss in revenue
R19,124,680



Loss in revenue

Majority of the businesses at **91%** say that the value of the loss in revenue was **under R1 million** whereas **5%** say that the loss was **R1 Million > R5 Million** and similarly **5%** said that they have lost **5 Million > R15 Million** in revenue.

Percentage Breakdown of Monetary Loss Interval

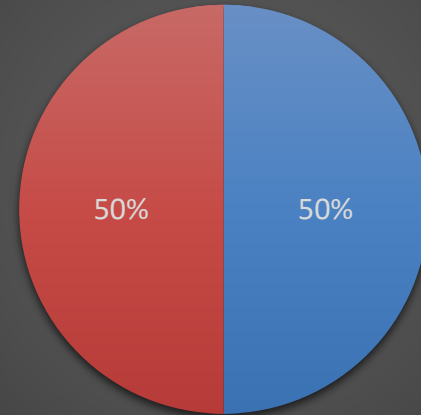


Employees laid off due to the riots/looting

Out of all the participants **50%** said that they have had to lay off some employees due to riots/lootings, similarly **50%** said that they did not lay off any employees during this time.

Therefor there is a balance between those that are have laid off employees and those that have not.

Percentage of Businesses that Laid of Employees



■ Yes ■ No

Number of employees

A total number of 68 employees have lost their jobs due to the riots/looting. Considering the state of our economy, this adds another burden to it as household income for 68 employees is affected

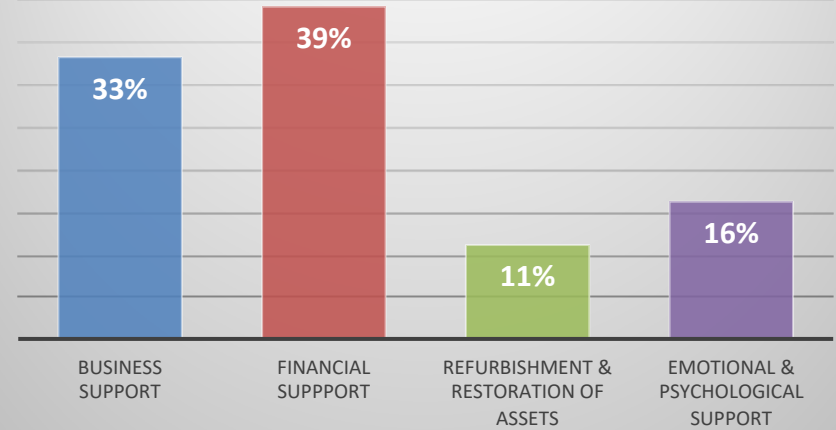


The type of support the businesses need during this time

According to the results, **33%** need business support, while **39%** need financial support, in addition **11%** need refurbishment and restoration of assets and with **16%** saying that they need emotional & psychological support.

We can deduce that financial assistance and business support are the immediate needs of the business during this time.

Type of Support by % of Businesses

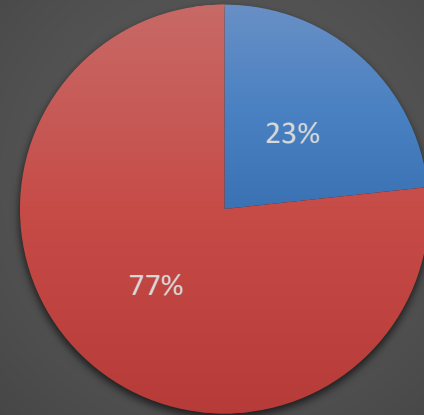


Business insurance

Out of all the participants of the survey, majority at **77%** said that they do not have business insurance to cover for riots/lootings and with just **23%** saying that they have business insurance to cover for riots/lootings.

We can deduce that most businesses do not have insurance to cover riots/lootings

Percentage of Businesses with Insurance which Covers Lootings

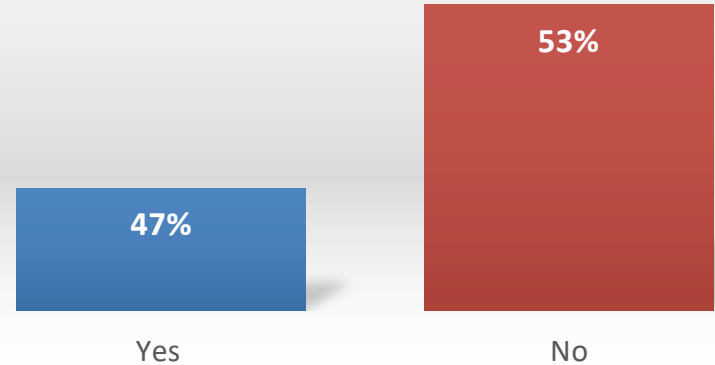


■ Yes ■ No

Necessary documentation

According to the survey **47%** of the businesses do have the necessary documentation to support loss incurred due to the looting whereas **53%** do not have the supporting documents. This could result in a major risk of a business not getting the necessary support during this time.

Percentage of Businesses with Supporting Documents to Loss Incurred From Looting





THANK YOU

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