



SBC Limited and Subsidiaries

Group Results

for the year ended 31 December 2022

(Incorporated in the Kingdom of Eswatini
Reg. No. 473 of 2011)
ISIN Code: SZE00031031 Share Code: SBC
Listed on the Eswatini Stock Exchange

HIGHLIGHTS OVER THE YEAR

Loan book growth of
10.9%

Group revenue growth of
13.3%

Earnings per share increase of
26.8%

Residential Occupancy
26.7%

Figures in Emalangeni	12 months to 31 December 2022 Audited	12 months to 31 December 2021 Audited
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		
Revenue	381,091,524	333,285,534
Operating expenses	(154,961,737)	(129,308,194)
Impairment loss on loan and advances	(20,968,220)	(10,991,169)
OPERATING PROFIT	205,161,567	192,986,171
Other income	78,697,674	64,887,622
Finance costs	(226,207,673)	(205,419,807)
PROFIT BEFORE TAXATION	57,651,568	52,453,986
Taxation	(7,045,886)	(12,582,620)
PROFIT FOR THE YEAR	50,605,682	39,871,366
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME	50,605,682	39,871,366

Figures in Emalangeni	12 months to 31 December 2022 Audited	12 months to 31 December 2021 Audited
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION		
ASSETS		
NON-CURRENT ASSETS		
Investment property	344,961,861	331,591,494
Property, plant and equipment	3,738,376	2,870,541
Goodwill	209,448,253	209,448,253
Intangible assets	4,519,043	4,161,485
Amounts owing by related parties	231,366,492	199,265,078
Deferred tax asset	32,273,638	14,265,243
Loans and advances	958,232,848	854,638,250
Right of use assets	4,988,047	2,081,434
TOTAL ASSETS	1,789,528,558	1,618,321,778
CURRENT ASSETS		
Amounts owing by related parties	421,771,770	277,238,586
Current tax receivable	1,795,114	3,486,660
Prepayments to contractor	169,203	4,854,108
Loans and advances	296,244,847	276,890,745
Trade and other receivables	43,383,600	34,713,033
Cash and cash equivalents	159,080,937	171,257,949
TOTAL ASSETS	2,711,974,029	2,386,762,859
EQUITY AND LIABILITIES		
EQUITY		
Share capital	348,329,629	348,329,629
Retained earnings	143,587,013	123,007,916
TOTAL EQUITY	491,916,642	471,337,545
Non-controlling interest	40,485	35,476
TOTAL EQUITY	491,957,127	471,373,021
NON-CURRENT LIABILITIES		
Amount owing to related parties	155,574,339	-
Other financial liabilities	973,385,324	1,088,154,284
Trade and other payables	11,423,734	-
Lease liabilities	3,584,976	561,147
TOTAL LIABILITIES	1,143,968,373	1,088,715,431
CURRENT LIABILITIES		
Amounts owing to related parties	31,990,255	146,848,908
Other financial liabilities	1,023,370,685	671,611,637
Current tax payable	3,548,196	945,335
Trade and other payables	15,424,587	5,689,289
Lease liabilities	1,714,806	1,579,238
TOTAL LIABILITIES	1,076,048,529	826,674,407
TOTAL EQUITY AND LIABILITIES	2,220,016,902	1,915,389,838

Figures in Emalangeni	12 months to 31 December 2022 Audited	12 months to 31 December 2021 Audited
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY		
SHARE CAPITAL		
Balance at the beginning of the year	9,649	9,649
SHARE PREMIUM	348,319,980	348,319,980
Balance at the beginning of the year	348,319,980	348,319,980
RETAINED EARNINGS	143,587,013	123,007,916
Balance at the beginning of the year	123,007,916	113,078,252
Dividends declared	(30,000,000)	(30,000,000)
Profit for the year	50,597,568	39,864,138
Derecognition of subsidiary	-	65,526
Other movement	(18,471)	-
NON-CONTROLLING INTEREST	40,485	35,476
Balance at the beginning of the year	35,476	31,352
Movement for the year	5,009	4,124
TOTAL EQUITY	491,957,127	471,373,021

Figures in Emalangeni	12 months to 31 December 2022 Audited	12 months to 31 December 2021 Audited
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from/used in operations	(83,511,446)	137,369,377
Interest income	76,007,752	60,813,595
Interest paid	(213,292,335)	(185,412,760)
Tax paid	(20,604,944)	(28,794,166)
NET CASH USED IN OPERATING ACTIVITIES	(241,400,973)	(16,023,954)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,259,793)	(1,194,877)
Proceeds on sale of property, plant and equipment	58,810	76,930
Expenditure incurred for investment property	(13,370,367)	(26,696,299)
Purchase of other intangible assets	(2,648,594)	(2,392,758)
NET CASH USED IN INVESTING ACTIVITIES	(18,219,944)	(30,207,004)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from other financial liabilities	328,573,687	550,231,791
Repayment of other financial liabilities	(64,783,599)	(412,793,818)
Repayment of lease liabilities	3,159,397	(784,504)
Dividends paid	(19,505,580)	(27,497,525)
NET CASH GENERATED BY FINANCING ACTIVITIES	247,443,905	109,155,944
TOTAL CASH MOVEMENT FOR THE YEAR	(12,177,012)	62,924,986
Cash at the beginning of the year	171,257,949	108,332,963
TOTAL CASH AT END OF THE YEAR	159,080,937	171,257,949

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9. SEGMENTAL ANALYSIS

Segmental reporting	Consumer lending split by geographic region				Segmental reporting by product group					
	Eswatini Consumer Lending	Lesotho Consumer Lending	Total Consumer Lending	Eswatini Property	Elimination	Group				
Revenue	214.4	205.0	419.4	366.4	324.6	14.7	8.7	-	381.1	333.3
Profit before taxation	55.1	50.5	105.6	100.4	86.2	(42.8)	(33.7)	-	57.7	52.5
Taxation	(15.4)	(12.6)	(28.0)	(20.1)	(21.7)	13.1	9.1	-	(7.0)	(12.6)
Profit for the period	39.6	37.9	77.5	80.3	64.5	(29.7)	(24.6)	-	50.6	39.9
Gross loans	729.0	728.2	1,457.2	1,293.0	1,164.3	-	-	-	1,293.0	1,164.3
Impairment provisions	(25.0)	(23.5)	(48.5)	(38.5)	(32.8)	-	-	-	(38.5)	(32.8)
Net advances	704.0	704.6	1,408.6	1,254.5	1,131.5	-	-	-	1,254.5	1,131.5
Total segment assets	2,163.4	1,926.4	4,089.8	2,730.5	2,374.9	382.4	358.4	(400.9)	3,712.0	2,386.8
Borrowings	1,795.7	1,590.9	3,386.6	2,163.7	1,885.6	421.6	367.6	(400.9)	2,184.3	1,906.6
Total segment liabilities	1,820.7	1,593.3	3,414.0	2,197.7	1,892.3	423.3	369.6	(400.9)	2,220.0	1,915.4
Equity	342.7	333.0	675.7	532.9	482.6	-40.9	-11.2	-	492.0	471.4

NOTES

1. STATEMENT OF COMPLIANCE
The financial results have been prepared in accordance with International Financial Reporting Standards (IFRS), in the manner required by the Companies Act of Eswatini. The accounting policies and methods of compilation applied in these financial results are consistent with those applied in the preparation of the annual financial statements for the year ended 31 December 2022 other than in relation to the following accounting policy changes which became mandatory in the current year.
During the year, the Group and the Company have adopted the following standards, amendments and interpretations:
• Amendments to IFRS 3 - Reference to the Conceptual Framework
• Amendments to IAS 16 - Property, Plant and Equipment- Proceeds before Intended Use
• Amendments to IAS 37 - Onerous Contracts- Cost of Fulfilling a Contract
• Amendments to IFRS 1, IFRS 9 and IFRS 16 - Annual Improvements
The accounting policy changes did not have a significant impact on the Group Results.
The financial results have been prepared under the supervision of the Select Group Chief Financial Officer, Mr S Leas CA (SA).

2. HEADLINE EARNINGS

2.1 EARNINGS PER SHARE (CENTS)	12 months to 31 December 2022 Audited	12 months to 31 December 2021 Audited
Earnings per share (cents)	52	41
Headline earnings per share (cents)	52	39

2.2 RECONCILIATION BETWEEN BASIC AND HEADLINE EARNINGS

	12 months to 31 December 2022 Audited	12 months to 31 December 2021 Audited
Basic earnings	50,597,568	39,864,138
Fair value gain on investment property	-	(1,788,998)
Headline earnings	50,597,568	38,075,140

2.3 NUMBER OF ORDINARY SHARES OF E0.0001 EACH IN ISSUE

	12 months to 31 December 2022 Audited	12 months to 31 December 2021 Audited
Actual	96,490,000	96,490,000
Weighted average	96,490,000	96,490,000
Diluted	96,490,000	96,490,000

3. OTHER MOVEMENT IN THE STATEMENT OF CHANGES IN EQUITY - PRIOR YEAR

The other movement relates to the realisation of a gain on disposal by an outside shareholder of its interest in Select Limited arising in 2017 in a share swap transaction with the Company's shareholder which should have resulted in an equivalent adjustment to owner's retained income.

4. LOANS AND ADVANCES

	12 months to 31 December 2022 Audited	1
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