SBC Limited and Subsidiaries Group

Unaudited Results for the six-month period ended 30 June 2023

(Incorporated in the Kingdom of Eswatini
Reg. No. 473 of 2011)
ISIN Code: SZE000331031 Share Code: SBC
Listed on the Eswatini Stock Exchange

HIGHLIGHTS OVER THE PERIOD *(June 2023 compared to June 2022)*

Group revenue growth ▲13.9% | **Group earnings per share ▼40%** | **Consumer lending revenue ▲14.4%** | **Loan book growth ▲17.1%**

Management remains optimistic that the SBC Group, after the investments made in the necessary human resources and other processes as well as the dedicated focus on liquidity management, is well positioned to navigate the ever-challenging environment as well as capitalise on new opportunities that may present itself. Management is confident that SBC will continue to deliver favourable, above inflationary returns to its shareholders for the foreseeable future.

Figures in Emalangeni	6 months to 30 June 2023 Reviewed	12 months to 31 December 2022 Audited	6 months to 30 June 2022 Reviewed
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Revenue	209 789 801	381 091 524	184 216 490
Operating expenses	(85 419 116)	(154 961 737)	(68 222 911)
Impairment loss on loan and advances	(7 935 603)	(20 968 220)	(6 395 023)
OPERATING PROFIT	**116 435 082**	**205 161 567**	**109 598 556**
Other income	45 663 589	78 697 674	36 988 170
Finance costs	(130 943 388)	(226 207 673)	(107 590 447)
PROFIT BEFORE TAXATION	**31 155 283**	**57 651 568**	**38 996 279**
Taxation	(14 174 225)	(7 045 886)	(9 587 099)
PROFIT FOR THE PERIOD/YEAR	**16 981 058**	**50 605 682**	**29 409 180**
Other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME	**16 981 058**	**50 605 682**	**29 409 180**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the parent	16 982 685	50 597 568	29 405 447
Non-controlling interest	(1 627)	8 114	3 733
	16 981 058	**50 605 682**	**29 409 180**
Earnings per share (cents)	18	52	30
Headline earnings per share (cents)	18	52	30
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
ASSETS			
NON-CURRENT ASSETS			
Investment property	345 302 763	344 961 861	337 729 827
Property, plant and equipment	4 257 307	3 738 376	7 867 740
Goodwill	209 448 253	209 448 253	209 448 253
Intangible assets	4 690 615	4 519 043	-
Amounts owing by related parties	105 016 376	231 366 492	190 878 099
Other financial assets	105 354 270	-	-
Deferred tax asset	35 309 108	32 273 638	22 564 622
Loans and advances	1 058 218 041	958 232 848	893 737 665
Right of use assets	4 697 901	4 988 047	4 516 650
	1 872 294 634	**1 789 528 558**	**1 666 742 856**
CURRENT ASSETS			
Amounts owing by related parties	512 947 226	421 771 770	402 214 048
Other financial assets	10 111 854	-	-
Current tax receivable	1 589 601	1 795 114	-
Work in progress	766 076	169 203	4 854 108
Loans and advances	322 612 267	296 244 847	285 085 732
Trade and other receivables	53 077 747	43 383 600	39 352 582
Cash and cash equivalents	94 648 036	159 080 937	53 630 649
	995 752 807	**922 445 471**	**785 137 119**
TOTAL ASSETS	**2 868 047 441**	**2 711 974 029**	**2 451 879 975**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	348 329 629	348 329 629	348 329 629
Retained earnings	130 569 698	143 587 013	122 397 114
	478 899 327	**491 916 642**	**470 726 743**
Non-controlling interest	38 858	40 485	36 105
	478 938 185	**491 957 127**	**470 762 848**
NON-CURRENT LIABILITIES			
Amount owing to related parties	246 772 301	155 574 339	-
Other financial liabilities	987 544 140	973 385 324	1 143 582 946
Trade and other payables	11 423 734	11 423 734	-
Lease liabilities	3 142 452	3 584 976	3 052 087
	1 248 882 627	**1 143 968 373**	**1 146 635 033**
CURRENT LIABILITIES			
Amounts owing to related parties	284 100 804	31 990 255	4 440 948
Other financial liabilities	836 537 396	1 023 370 685	808 937 194
Current tax payable	3 233 255	3 548 196	8 712 052
Trade and other payables	14 513 114	15 424 587	10 715 780
Lease liabilities	1 842 060	1 714 806	1 676 120
	1 140 226 629	**1 076 048 529**	**834 482 094**
TOTAL LIABILITIES	**2 389 109 256**	**2 220 016 902**	**1 981 117 127**
TOTAL EQUITY AND LIABILITIES	**2 868 047 441**	**2 711 974 029**	**2 451 879 975**
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY			
SHARE CAPITAL	**9 649**	**9 649**	**9 649**
Balance at the beginning of the year	9 649	9 649	9 649
SHARE PREMIUM	**348 319 980**	**348 319 980**	**348 319 980**
Balance at the beginning of the year	348 319 980	348 319 980	348 319 980
RETAINED EARNINGS	**130 569 698**	**143 587 013**	**122 397 114**
Balance at the beginning of the year	143 587 013	123 007 916	123 007 916
Dividends declared	(30 000 000)	(30 000 000)	(30 000 000)
Profit for the year	16 982 685	50 597 568	29 405 447
Other movement	-	(18 471)	-
Share option charge	-	-	(16 249)
NON-CONTROLLING INTEREST	**38 858**	**40 485**	**36 105**
Balance at the beginning of the year	40 485	35 476	35 476
Movement for the year	(1 627)	5 009	629
TOTAL EQUITY	**478 938 185**	**491 957 127**	**470 762 848**
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from/(used in) operations	284 834 827	(83 511 446)	(191 640 627)
Interest income	40 683 240	76 007 752	34 449 821
Interest paid	(130 943 388)	(213 292 335)	(107 590 447)
Tax paid	(11 820 342)	(20 604 944)	(6 633 101)
NET CASH USED IN OPERATING ACTIVITIES	**182 754 337**	**(241 400 973)**	**(271 414 354)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(1 205 150)	(2 259 793)	(5 494 151)
Proceeds on sale of property, plant and equipment	21 461	58 810	80 601
Expenditure incurred for investment property	(340 902)	(13 370 367)	(6 138 333)
Purchase of other intangible assets	(1 417 068)	(2 648 594)	-
NET CASH USED IN INVESTING ACTIVITIES	**(2 941 659)**	**(18 219 944)**	**(11 551 883)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from other financial liabilities	49 775 000	328 573 687	864 365 856
Repayment of other financial liabilities	(263 705 309)	(64 783 599)	(671 611 637)
Repayment of lease liabilities	(315 270)	3 159 397	2 587 822
Dividends paid	(30 000 000)	(19 505 580)	(30 003 104)
NET CASH GENERATED BY FINANCING ACTIVITIES	**(244 245 579)**	**247 443 905**	**165 338 937**
TOTAL CASH MOVEMENT FOR THE YEAR	**(64 432 901)**	**(12 177 012)**	**(117 627 300)**
Cash at the beginning of the period/year	159 080 937	171 257 949	171 257 949
TOTAL CASH AT END OF THE PERIOD/YEAR	**94 648 036**	**159 080 937**	**53 630 649**

NOTES

1. STATEMENT OF COMPLIANCE

The interim financial results have been prepared in accordance with International Financial Reporting Standards (IFRS) and IAS 34, 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.

The financial results have been prepared under the supervision of the Group Chief Financial Officer, Mr S. Leas CA (SA).

Figures in Emalangeni	6 months to 30 June 2023 Reviewed	12 months to 31 December 2022 Audited	6 months to 30 June 2022 Reviewed
2. HEADLINE EARNINGS			
2.1 EARNINGS PER SHARE (CENTS)			
Earnings per share (cents)	18	52	30
Headline earnings per share (cents)	18	52	30
2.2. RECONCILIATION BETWEEN BASIC AND HEADLINE EARNINGS			
Basic earnings	16 982 685	50 597 568	29 405 447
Fair value gain on investment property	-	-	-
Headline earnings	**16 982 685**	**50 597 568**	**29 405 447**
2.3. NUMBER OF ORDINARY SHARES OF E0.0001 EACH IN ISSUE			
Actual	98 490 000	96 490 000	98 490 000
Weighted average	98 490 000	96 490 000	98 490 000
Diluted	**98 490 000**	**96 490 000**	**98 490 000**
3. LOANS AND ADVANCES			
Advances	1 421 201 540	1 292 990 228	1 214 840 449
Impairment for credit losses of loans and advances	(40 371 232)	(38 512 533)	(36 017 052)
	1 380 830 308	**1 254 477 695**	**1 178 823 397**
4. CASH AND CASH EQUIVALENTS	**94 648 036**	**159 080 937**	**53 630 649**
5. OTHER FINANCIAL LIABILITIES			
5.1 HELD AT AMORTISED COST			
Medium term notes	940 686 224	1 129 154 383	1 155 305 541
Term loans	310 031 925	313 801 592	336 747 886
Promissory notes	573 363 387	553 800 034	460 466 713
	1 824 081 536	**1 996 756 009**	**1 952 520 140**

5.2 MEDIUM TERM NOTE PROGRAMME

The Group raises funds through Promissory Notes and Medium Term Note Programmes (MTNs). The MTNs are listed on the ESE in the name of SBC Limited, and had available capacity of E353 703 464 as at 30 June 2023 (June 2022: E445 285 204). The Group subsidiary, Select Limited also has a listed MTN on the ESE, and had available capacity of E 41 619 769 as at 30 June 2023 (June 2022: E 299 411 077). In addition to this, Lesana Lesotho had an unlisted MTN Programme and had an available capacity of E 49 100 000 as at 30 June 2023 (June 2022: E 81 600 000).

6. RELATED PARTY TRANSACTIONS

Transactions with holding company and fellow subsidiaries:

Administration and management fees	(29 261 081)	(47 264 767)	(22 301 996)
IT infrastructure	(1 488 530)	(3 427 165)	(1 622 214)
Net interest income	15 450 002	50 444 041	24 856 002
Cost of guarantee recovered	-	2 536 901	2 536 901
Rental income	2 130 858	3 928 957	2 834 274

There have been no guarantees provided or received for any related party receivables or payables. The Group has not recorded any impairment of receivables relating to amounts owed by related parties during the period.

7. CASH GENERATED FROM OPERATIONS

Profit before tax	31 155 283	57 651 568	38 996 279
Adjustments for:			
Depreciation	2 993 741	5 800 764	2 972 674
Write offs	6 066 604	15 226 956	3 158 252
Interest income	(45 654 592)	(76 007 752)	(34 449 821)
Finance costs	130 943 388	226 207 673	107 590 447
Assets recognised under new lease	-	-	(3 542 025)
(Profit)/loss on disposal of assets	(21 461)	(58 545)	51 715
Other non-cash items	-	(16 249)	(16 249)
Provision for/(reversal of) impairment for credit losses of loans and advances	1 868 999	5 241 264	-
Changes in working capital:			
(Increase)/decrease in trade and other receivables	(9 694 148)	(8 670 567)	(4 639 549)
(Decrease)/increase in trade and other payables	(911 473)	21 159 032	5 026 492
Increase in work in progress	(596 873)	-	-
Increase in loans and advances	(134 288 213)	(143 916 920)	(47 792 398)
Amount received from related parties	338 148 232	241 978 051	-
Amount paid to related parties	(35 174 660)	(428 106 721)	(258 996 444)
	284 834 827	**(83 511 446)**	**(191 640 627)**

COMMENTARY

INTRODUCTION

The SBC Limited Group ("SBC" or "Group") continues to provide financial solutions to our customer base in both Lesotho, under Lesana Ltd, and in Eswatini trading as Select Ltd. The value proposition targets potential customers, on a salary deduction basis that traditionally have not been supported by the local banking industry and are primarily employed by the state; typically, this includes police, nurses and school teachers.

Select and Lesana has been in the consumer lending business for over 20 years and has been at the forefront in providing the financial means to its markets to access credit while contributing to the improvement of local community development.

Housing remains a fundamental area for the Group with substantial medium to long term growth strategies in place to ensure that future value is realized through an underlying property portfolio. The Group's property portfolio is housed in the Pine Acres stable where a bespoke eco-friendly, lifestyle, housing estate, incorporating a retail center was developed. This is the first of its kind in the Kingdom of Eswatini. We have seen a substantial improvement in the current residential rental offering, consisting of 147 units which achieved an occupancy rate of 80% as at 30 June 2023 (June 2022: 70%) resulting in a 14% growth in occupancy since the comparable reporting period.

Complementing our existing 147 completed residential apartments and the 8 Embassy Town Houses will be the next development of affordable 1- and 2-bedroom units, these will be specifically designed and build for:

- Conventional straight sale (under the sectional title act).
- Additional investment property as rental stock.
- "Rent to Own" which will be provided by the Select Group to successful applicants. This offering will be another first in Eswatini and will provide opportunities for home ownership to a sector of the market that has traditionally not qualified, due to restrictions in traditional bank finance.

As a result of the success of our initial retail offering, management has initiated the development of Retail 2. This new development is planned for quarter one of 2024 which will incorporate approximately 5,500 sqm of lettable space and will complement our current retail development. Retail 2 is planned on a feasibility of approximately 3 times the existing retail offering's monthly rental income.

COMMENTARY CONT.

CORPORATE ACQUISITIONS

During the period under review, SBC Company acquired the 100% shareholding in Lesana Ltd previously held by Select Ltd. A purchase consideration of E286 000 000, after a fair value was determined by an independent valuator, became payable by SBC Ltd to Select Ltd. The sale resulted in Select Ltd recognising a profit out of the sale of its investment of E260 140 951. Select Ltd then utilised these profits to declare a dividend of E260 140 951 to SBC Ltd, partially offsetting the E286 000 000 purchase consideration.

As at reporting date SBC Ltd owed E25 859 049 to Select Ltd resulting from this corporate transaction.

Subsequent to the signature date of these financial statements, this outstanding amount of E25 859 049 will be settled by SBC Ltd.

OPERATIONAL REVIEW

The SBC's results for the six-month period ending 30 June 2023 continued to reflect the execution of our strategy to gain market share in all the trading environments we operate in. The success of this strategy has taken a great deal of resilience, hard work and dedication from our people. This strategy ensued in strong favourable growth of 14.4%, for its shareholders with its consumer lending business, on E202.3m (June 2022: 176.7m), this growth was partially offset by higher cost of debt as a result of the higher interest rate cycle the market is currently finding itself in, resulting in a profit after tax performance of E33.1m (June 2022: E42.0m), which was still a credible result in challenging trading conditions. The growth in revenue was mainly driven by material growth in the Group's Lesotho business achieving 28%, while its Eswatini business trading in a more mature market, which ended on inflationary growth.

In Eswatini, during the period under review Select Ltd operated in a more political stable environment compared to the previous periods, although the lack of market related increases in the civil service pay, continues to impact this market segment. The Gross Domestic Product grew by a slower 1.1% year on year in the first quarter of 2023, down from a revised growth of 6.7% in the fourth quarter of 2022.

In Lesotho, the economy according to the IMF is projected to have only grown by 2.2% in 2023, while our Lesotho business has grown by 12.6% on a profit before tax line compared to 30 June 2022. The latter further emphasizes the strong performance achieved in this business during the 2023 period under review.

As noted, we have seen a continues improvement in the Group's residential rental offering, consisting of 147 units with occupancy growing by 14% since 30 June 2022. Management is confident that the property business will reach the 90% occupancy levels by quarter four of 2023. The retail centre remains fully occupied through long term leases in place with Pick n Pay, KFC and West Pack.

FINANCIAL REVIEW

In a period where we operated in a fairly stable socio-economic environment in both jurisdictions, we did however note an overall compression in the local Eswatini market.

With that said, the business still managed to deliver a credible result for the six-month period ended 30 June 2023, demonstrating SBC's resilience despite the challenges faced. During the period under review, management continued to focus on ensuring that the Group remained in a strong liquidity position to necessitate the growth in our loan book. The SBC Group's loan disbursements amounted to E244m (June 2022: E194m) for the period under review.

In Eswatini disbursements to loan book customers increased by 24% to E121m (June 2022: E97m), while in Lesotho disbursements increased by 28% to M123m (June 2022: M96m). Although the disbursements in Eswatini reflected a strong performance, despite the challenges faced, this was heavily aided by a cash back campaign which resulted in additional direct cost incurred and a lower book margin. This initiative was put in place to protect the loan book from higher-than-expected external settlements from our competitors.

The above, resulted in an approximate 17.1% growth in the SBC aggregated gross loan book compared to 30 June 2022 and 10.1% when compared to 31 December 2022.

The SBC Group's consumer lending revenue grew by 14.4% to E202.3m (June 2022: E176.7m). The increase is attributable to the loan book growth in both Eswatini and Lesotho while achieving a stable yield in both businesses, of 29.8% and 29.9% respectively.

The SBC Group's revenue increased by 13.9% to E209.8m (June 2022: E184.2m), also included revenue of E7.5m generated from the retail and residential rentals of our Malkerns Square property development.

The SBC Group's total operating expenses increased by 25.2% to E85.4m (June 2022: E68.2m) which was as necessity to support the future growth strategies of the Group as well as initiatives to protect our market share.

In both Eswatini and Lesotho the book profit margin was diluted when compared to the prior comparable period. This was mainly as a result of the higher cost of debt, including both interest and debt raising cost. As a result of higher than expected external settlements, management had to put in place certain measures to protect our loan book, which came at an additional cost of E3.8m. The pressure on our book margin was partially offset by lower provisioning for bad debts resulting from improved collections and arrear account management. A stable collection performance, particularly in managing the distressed loan portfolio, enabled the total SBC Group's impairment provision cost to end on 2.84% of the gross loan book (June 2022: 2.96%).

Due to the current high cost of debt interest cycle, finance costs of E130.9m (June 2022: E107.6m) increased by 21.7%, which was in excess of the loan book growth. Our debt is predominately funded through notes issued under the MTN programs and other promissory notes. E23.9m (June 2022: E21.3m) of the total interest expense is attributed to the funding cost of the Malkerns Square project. The balance of this increase is attributed to growth in the consumer lending business coupled with the cost of carrying excess funding. As a percentage of revenue, consumer lending net interest paid amounts to 30.4% (June 2022: 29.4%) voicing the high market interest rate cycle globally.

Although the profit after tax is indicative of a decline when compared to the prior comparable period at E17.0m (June 2022: E29.4m), this was due to the following four factors:

I. The prior year tax expense was unusually low, due to E6.8m of tax credits we received in our Lesana business on an overcharge on previous years' withholding taxes, hence the prior year not being comparable to the current period under review.
II. The high interest rate cycle resulting in higher interest cost, which is not a permanent occurrence and should start to move back to normalised rates in the next 12 months.
III. Additional E3.8m cost incurred to protect our loan book from external settlements by competitors.
IV. Additional investment in resources which increased operational cost, which were essential to drive the future growth and strategies of the Group.

Taking into account the challenges faced in the markets we operate in, management is pleased with a credible result for the period under review and is confident that the additional cost incurred were necessary measures to protect and support future loan book growth.

OUTLOOK

The long-term strategy of the Select Group and specifically in Eswatini is to diversify its loan-book by offering "mortgage-type" financing to potential customers currently not being serviced by the conventional banking sector. This will result in Select building a loan book underpinned by a physical asset in the form of property.

In the wider SBC Group, Pine Acres successfully developed "Malkerns" a residential property development.

The unique amenities and facilities offered by Malkerns is a material differentiator compared to other secure estates in Eswatini. This enhances the viability of potentially developing between 400 and 600 additional residential offerings on the Malkerns property in future.

The company is currently exploring the feasibility of offering a "Rent to Own" housing product, whereby the customer would enter a long-term rental contract for a housing unit with the ultimate ownership transferring over to the client at the date of the last rental instalment being paid. The lending risk inherent in this concept is materially different to that of our current loan book offerings, with a substantial advantage in this new loan offering being that each loan is secured by an asset in the form of a Pine Acres developed property.

As the current property development as well as future property developments will be completed under the Pine Acres stable, it is appropriate to consider the possibility of potentially restructuring the current Loan Book Company ("Select Ltd") and the Property Development Company ("Pine Acres") to ensure efficiencies and synergies are achieved in-line with the longer-term strategy.

Management is therefore currently embarking on a project to investigate the above possibility by considering all the benefits as well as possible impediments.

Management remains optimistic that the SBC Group, after the various investments made in the necessary human resources and other processes as well as the dedicated focus on liquidity management, that SBC is well positioned to navigate the ever-challenging environment and will continue to deliver favourable, above inflationary returns to its shareholders for the foreseeable future.

FINANCIAL STATEMENTS

The condensed interim financial statements for the period ended 30 June 2023 have not been audited as per prior comparable periods. A copy of the unaudited comprehensive financial statements is available for inspection at the Company's registered office.

CORPORATE GOVERNANCE

The directors and management of SBC Limited confirm their continued commitment to the principles of openness, integrity and accountability as advocated by sound principles of Corporate Governance contained in the King Reports.

By order of the Board

T Dladla, Chairperson

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P O Box 2687 Manzini Telephone: (+268) 2404-8394 Facsimile: (+268) 2404-8391
Directors: Hon. T Dladla (Chairperson), MM Dlamini, SM Ginindza, SK O'Sullivan*
(*South African)

8. SEGMENTAL ANALYSIS

Consumer lending segments by geographic region

Segmental reporting	Eswatini Consumer Lending 30 June 2023	Eswatini 31 Dec 2022*	Eswatini 30 June 2022**	Lesotho Consumer Lending 30 June 2023	Lesotho 31 Dec 2022*	Lesotho 30 June 2022**
Revenue	111 760 060	214 419 587	106 042 119	90 511 150	151 936 760	70 704 565
Profit before taxation	28 800 821	55 094 459	34 643 351	23 961 587	45 311 753	21 276 917
Taxation	(13 387 584)	(15 447 693)	(8 412 236)	(6 282 842)	(4 667 714)	(5 474 848)
Profit for the period	15 413 237	39 646 766	26 231 115	17 678 745	40 644 039	15 802 069
Gross advances to customers	774 982 180	729 046 200	738 409 273	646 219 360	563 944 028	476 440 178
Impairment provisions	(25 078 009)	(25 030 279)	(25 495 462)	(15 293 224)	(13 482 254)	(10 521 590)
Net advances	749 904 171	704 015 921	712 913 811	630 926 136	550 461 774	465 918 588
Borrowings	1 902 118 131	1 795 742 545	1 623 185 179	432 187 504	367 921 231	312 724 177
Total segment assets	2 252 078 547	2 163 365 927	1 966 014 260	650 870 207	567 169 109	486 765 850
Total segment liabilities	1 924 000 617	1 820 701 234	1 636 762 995	442 976 217	376 953 864	321 392 575
Equity	328 077 930	342 664 693	329 251 265	207 893 990	190 215 245	165 373 275

Segmental reporting by product group

Segmental reporting	Total Consumer Lending 30 June 2023	Total Consumer Lending 31 Dec 2022*	Total Consumer Lending 30 June 2022**	Eswatini Property 30 June 2023	Eswatini Property 31 Dec 2022*	Eswatini Property 30 June 2022**
Revenue	202 271 210	366 356 347	176 746 684	7 496 477	14 735 177	7 469 806
Profit before taxation	52 762 408	100 406 212	55 920 268	(21 607 125)	(42 754 644)	(16 923 989)
Taxation	(19 670 426)	(20 115 407)	(13 887 084)	5 496 201	13 069 521	4 299 985
Profit for the period	33 091 982	80 290 805	42 033 184	(16 110 924)	(29 685 123)	(12 624 004)
Gross advances to customers	1 421 201 540	1 292 990 228	1 214 840 449	-	-	-
Impairment provisions	(40 371 232)	(38 512 533)	(36 017 052)	-	-	-
Net advances	1 380 830 308	1 254 477 695	1 178 823 397	-	-	-
Borrowings	2 334 305 635	2 163 663 776	1 935 909 356	446 577 434	421 590 189	395 739 301
Total segment assets	2 902 948 754	2 730 535 036	2 452 780 110	391 027 115	382 372 355	373 787 440
Total segment liabilities	2 366 976 834	2 197 655 098	1 958 155 570	448 060 850	423 295 166	397 649 132
Equity	535 971 920	532 879 938	494 624 540	(57 033 735)	(40 922811)	(23 861 692)

Segmental reporting	Group 30 June 2023	Group 31 Dec 2022*	Group 30 June 2022**
Revenue	209 767 687	381 091 524	184 216 490
Profit before taxation	31 155 283	57 651 568	38 996 279
Taxation	(14 174 225)	(7 045 886)	(9 587 099)
Profit for the period	16 981 058	50 605 682	29 409 180
Gross advances to customers	1 421 201 540	1 292 990 228	1 214 840 451
Impairment provisions	(40 371 232)	(38 512 533)	(36 017 052)
Net advances	1 380 830 308	1 254 477 695	1 178 823 399
Borrowings	2 354 954 642	2 184 320 603	1 956 961 086
Total segment assets	2 868 047 442	2 711 974 029	2 451 879 979
Total segment liabilities	2 389 109 257	2 220 016 902	1 981 117 131
Equity	478 938 185	491 957 127	470 762 848

The segments are aligned with management's approach to business. As a result in the increased investment in property it is now appropriate to identify property as a distinct segment from the existing consumer lending business. Total segment assets, borrowings and Total segment liabilities are after the elimination of cross holdings between the segments.

For the six-month period under review, the comparable periods have been set out as follows:

* 12 months ended 31 Dec 2022
** 6 months ended 30 June 2022