



SBC Limited and Subsidiaries Group

Reviewed Results for the six-month period ended 30 June 2024

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

HIGHLIGHTS

Gross loan book growth of **2.1%** ▲

Group revenue growth of **3.2%** ▲

Earnings per share decrease of **55.6%** ▼

Residential occupancy growth of **18.8%** ▲

Figures in Emalangeni

	6 months to 30 June 2024 Reviewed	12 months to 31 December 2023 Audited	6 months to 30 June 2023 Reviewed*
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME			
Revenue	216 351 808	433 954 911	209 789 801
Operating expenses	(93 163 446)	(197 645 342)	(85 419 116)
Impairment loss on loan and advances	(5 889 412)	(1 450 088)	(7 935 603)
OPERATING PROFIT	117 298 950	234 859 481	116 435 082
Other income	34 974 975	88 501 813	45 663 589
Finance costs	(146 304 521)	(273 339 037)	(130 943 388)
PROFIT BEFORE TAXATION	5 969 404	50 022 257	31 155 283
Taxation	1 960 727	(21 078 199)	(14 174 225)
PROFIT FOR THE PERIOD/YEAR	7 930 131	28 944 058	16 981 058
Other comprehensive income	-	-	-
TOTAL COMPREHENSIVE INCOME	7 930 131	28 944 058	16 981 058

TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:

Owners of the parent	7 930 131	28 944 058	16 982 685
Non-controlling interest	-	-	(1 627)
	7 930 131	28 944 058	16 981 058

Earnings per share (cents)

	8	30	18
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	6 months to 30 June 2024 Reviewed	12 months to 31 December 2023 Audited	6 months to 30 June 2023 Reviewed*
ASSETS			
NON-CURRENT ASSETS			
Investment property	347 109 771	347 085 871	345 302 763
Property, plant and equipment	4 628 819	3 971 469	4 257 307
Goodwill	209 448 253	209 448 253	209 448 253
Intangible assets	4 460 924	4 796 778	4 690 615
Amounts owing by related parties	64 240 196	63 000 000	105 016 376
Other financial assets	261 351 414	261 351 414	105 354 270
Deferred tax asset	45 022 082	40 596 748	35 309 108
Loans and advances	1 062 667 766	1 045 091 545	1 058 218 041
Right of use assets	3 806 708	3 757 455	4 697 901
	2 002 735 933	1 979 099 533	1 872 294 634
CURRENT ASSETS			
Amounts owing by related parties	519 286 514	473 986 227	512 947 226
Loan to contractor	11 877 368	11 430 648	10 111 854
Current tax receivable	11 180 687	6 182 708	1 589 601
Work in progress	2 355 110	1 952 388	766 076
Loans and advances	328 338 751	319 527 682	322 612 267
Trade and other receivables	32 953 012	60 265 254	53 077 747
Cash and cash equivalents	81 660 208	91 275 966	94 648 036
	987 651 650	964 620 873	995 752 807
TOTAL ASSETS	2 990 387 583	2 943 720 406	2 868 047 441
EQUITY AND LIABILITIES			
EQUITY			
Share capital	348 329 629	348 329 629	348 329 629
Retained earnings	107 239 440	122 531 071	130 569 698
	455 569 069	470 860 700	478 899 327
Non-controlling interest	-	-	38 858
	455 569 069	470 860 700	478 938 185
NON-CURRENT LIABILITIES			
Amount owing to related parties	335 650 941	288 296 093	246 772 301
Other financial liabilities	900 854 236	1 048 979 006	987 544 140
Trade and other payables	-	-	11 423 734
Deferred income	17 471 728	-	-
Lease liabilities	2 487 960	2 323 026	3 142 452
	1 256 464 865	1 339 598 125	1 248 882 627
CURRENT LIABILITIES			
Amounts owing to related parties	502 557 462	412 636 973	284 100 804
Other financial liabilities	760 970 672	690 716 716	836 537 396
Current tax payable	-	-	3 233 255
Trade and other payables	7 314 613	28 129 479	14 513 114
Deferred income	5 823 909	-	-
Lease liabilities	1 686 993	1 778 413	1 842 060
	1 278 353 649	1 133 261 581	1 140 226 629
TOTAL LIABILITIES	2 534 818 514	2 472 859 706	2 389 109 256
TOTAL EQUITY AND LIABILITIES	2 990 387 583	2 943 720 406	2 868 047 441

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	9 649	9 649	9 649
SHARE CAPITAL			
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	107 239 440	122 531 071	130 569 698
Balance at the beginning of the year	122 531 071	143 587 013	143 587 013
Dividends declared	-	(50 000 000)	(30 000 000)
Profit for the year	7 930 131	28 944 058	16 982 685
Prior year adjustment	(23 221 762)	-	-
NON-CONTROLLING INTEREST	-	-	38 858
Balance at the beginning of the year	-	40 485	40 485
Movement for the year	-	(40 485)	(1 627)
TOTAL EQUITY	455 569 069	470 860 700	478 938 185

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months to 30 June 2024 Reviewed	12 months to 31 December 2023 Audited	6 months to 30 June 2023 Reviewed*
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from/(used in) operations	131 177 529	45 062 067	(103 439 172)
Interest income	34 974 975	88 501 813	40 683 240
Interest paid	(101 707 347)	(180 436 655)	(82 034 744)
Tax paid	(7 462 586)	(37 337 098)	(11 820 342)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	56 982 571	(84 209 873)	(156 611 018)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(1 564 767)	(1 796 749)	(1 205 150)
Proceeds on sale of property, plant and equipment	20 000	68 983	21 461
Expenditure incurred on investment property	(426 622)	(2 124 010)	(340 902)
Purchase of other intangible assets	(969 520)	(2 876 191)	(1 417 068 000)
NET CASH USED IN INVESTING ACTIVITIES	(2 940 909)	(6 727 967)	(2 941 659)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of loans from Group and related party companies	(42 801 757)	(97 669 509)	-
Proceeds from loans from Group and related party companies	137 035 000	135 200 000	115 000 000
Repayment of other financial liabilities	(168 223 601)	(242 574 610)	(56 023 151)
Proceeds from other financial liabilities	11 444 450	280 103 109	66 458 197
Repayment of lease liabilities	(1 111 512)	(1 926 121)	(315 270)
Dividends paid	-	(50 000 000)	(30 000 000)
NET CASH (USED IN)/ GENERATED BY FINANCING ACTIVITIES	(63 657 420)	23 132 869	95 119 776

8. SEGMENTAL ANALYSIS

	Consumer lending segments by geographic region						Segmental reporting by product group								
	Eswatini Consumer Lending			Lesotho Consumer Lending			Total Consumer Lending			Eswatini Property			Group		
	30 Jun 2024	31 Dec 2023*	30 Jun 2023**	30 Jun 2024	31 Dec 2023*	30 Jun 2023**	30 Jun 2024	31 Dec 2023*	30 Jun 2023**	30 Jun 2024	31 Dec 2023*	30 Jun 2023**	30 Jun 2024	31 Dec 2023*	30 Jun 2023**
Segmental reporting revenue	114 510 649	229 103 270	111 760 060	92 605 150	188 632 820	90 511 150	207 115 799	417 736 090	202 271 210	9 236 009	16 218 821	7 496 744	216 351 808	433 954 911	209 789 801
Profit before taxation	2 327 566	37 324 572	28 800 821	26 745 328	58 091 016	23 961 587	29 072 894	95 415 588	52 762 408	(2 103 490)	(45 393 331)	(21 607 125)	5 969 404	50 022 257	31 155 283
Taxation	1 146 003	(17 594 444)	(13 387 584)	(1 025 448)	(15 509 688)	(6 282 842)	(6 282 842)	(13 104 132)	(19 670 426)	1 840 172	12 025 933	5 496 201	1 960 727	(21 078 199)	(14 174 225)
Profit for the period	3 473 569	19 730 128	15 413 237	25 719 880	42 581 328	17 678 745	29 193 449	62 311 456	33 091 982	(21 263 318)	(33 367 398)	(16 110 924)	7 930 131	28 944 058	16 981 058
Gross advances to customers	800 794 938	778 023 405	774 982 180	633 566 915	624 837 119	646 219 360	1 434 361 853	1 402 860 524	1 421 201 540	-	-	-	1 434 361 853	1 402 860 524	1 421 201 540
Impairment provisions	(29 203 122)	(24 857 371)	(25 078 009)	(14 152 214)	(13 383 926)	(15 293 224)	(43 355 336)	(38 241 297)	(40 371 232)	-	-	-	(43 355 336)	(38 241 297)	(40 371 232)
Net advances	771 591 816	753 166 034	749 904 171	619 414 701	611 453 193	631 926 136	1 391 006 517	1 364 619 227	1 380 830 307	-	-	-	1 391 006 517	1 364 619 227	1 380 830 307
Total segment assets	2 365 903 561	2 304 165 202	2 252 078 547	645 530 802	640 734 807	650 870 207	3 011 434 363	2 944 900 009	2 902 948 754	405 885 947	402 592 366	391 027 115	2 990 387 583	2 943 720 406	2 868 047 441
Borrowings	2 046 697 934	1 979 725 200	1 902 118 131	381 046 520	390 233 978	432 187 504	2 427 744 454	2 369 959 178	2 334 305 635	499 221 584	474 441 579	446 577 434	2 500 033 311	2 440 628 788	2 354 954 652
Total segment liabilities	2 052 143 279	1 970 656 727	1 924 000 617	408 168 488	429 972 373	442 976 217	2 460 311 767	2 399 749 100	2 366 976 834	501 439 474	476 882 575	448 060 850	2 534 818 514	2 472 859 696	2 389 109 256
Equity	313 760 282	333 508 475	328 077 930	237 362 314	211 642 434	207 893 990	551 122 596	545 150 909	535 971 920	(95 953 527)	(74 292 029)	(57 033 735)	455 569 069	470 860 700	478 938 185

Figures in Emalangeni

	6 months to 30 June 2024 Reviewed	12 months to 31 December 2023 Audited	6 months to 30 June 2023 Reviewed*
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT.)			
TOTAL CASH MOVEMENT FOR THE YEAR	(9 615 758)	(67 804 971)	(64 432 901)
Cash at the beginning of the period/year	91 275 966	159 080 937	159 080 937
TOTAL CASH AT END OF THE PERIOD/YEAR	81 660 208	91 275 966	94 648 036

*Prior period figures were restated between financing and operating activities to appropriately disclose the nature of the cash flows. Furthermore, cash flows presented as part of financing activities have been restated to be presented on a gross basis, showing gross cash receipts and gross cash payments in accordance with the requirements of IAS 7. The net effect on the cash flow statement equated to E nil.

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 prior year annual financial statements for the year ended 31 December 2023.

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

2. HEADLINE EARNINGS

2.1 EARNINGS PER SHARE (CENTS)

Earnings per share (cents)	8	30	18
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2.2. 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	1 434 361 853	1 402 860 524	1 421 201 540
Impairment for credit losses of loans and advances	(43 355 336)	(38 241 297)	(40 371 232)
	1 391 006 517	1 364 619 227	1 380 830 308

4. CASH AND CASH EQUIVALENTS

	81 660 208	91 275 966	94 648 036
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5. OTHER FINANCIAL LIABILITIES

5.1 HELD AT AMORTISED COST