Letshego

LETSHEGO AFRICA HOLDINGS LIMITED

FULL YEAR 2024

AUDITED FINANCIAL RESULTS

DECEMBER 2024

The Board of Directors of Letshego Africa Holdings Limited ("the Group"/"Letshego Africa") herewith presents an extract of the audited consolidated financial results for the year ended 31 December 2024.

FINANCIAL HIGHLIGHTS

Interest income
up 15%
yoy to P3.94 billion
(2023: P3.42 billion)

Non funded income
up 5%
yoy to P541 million
(2023: P514 million)

Operating income
up 26%
yoy to P2.88 billion
(2023: P2.28 billion)

Interest expense
down 4%
yoy to P1.60 billion
(2023: P1.66 billion)

Profit before tax
up 110%
yoy to P255 million
(2023: P121 million)

Net customer advances
up 1%
yoy to P13.57 billion
(2023: P13.49 billion)

FINANCIAL PERFORMANCE OVERVIEW

The Group's Profit before taxation improved by 110% year on year for the financial year ending 2024, to BWP255 million. While still in a loss after taxation position, the loss decreased from BWP149 million in 2023 to BWP93 million in 2024, reflecting the recovery path the business is on.

Operating income for the year increased 26% against the prior year on the back of strong top-line growth. Double digit Interest income growth of 15% was strongly driven by the Group's mainstay Deduction at Source ("DAS") and Short Term Loans. Strong performance from Botswana, Namibia and Mozambique supported DAS growth while Ghana continued to dominate the mobile lending space. Insurance arrangements in Mozambique and Namibia continued to be a significant contributor to our non-funded income, with fee and commission income driven by Ghana's Mobile Loan products. Interest expense was down 4% year on year as reference rates remained stable in most countries, while other economies saw rates reduced.

While net advances growth was muted at 1% against 6% year on year growth in the prior year, Mobile lending made up 6% of the Group's gross advances for the year ended 31 December 2024, against an 84% contribution of DAS. To mitigate ongoing credit risk, lending products the Group took a strategic decision to derisk vulnerable MSE portfolios in Tanzania and Kenya at the start of the year. Deposit growth was strong at 40% year on year, with borrowings increasing marginally by 1% year on year.

In the last financial year, the Group further adjusted its ECL methodology by incorporating assessment of Time in Default (TID) in the Loss Given Default (LGD) computation, and ceased discounting of Stage 3 ECL. The Group also tightened its provisioning and write-off policy in the year. The Group's net impairment increased by 71% in 2024 partly due to writing off qualifying non performing portfolios that were originated in 2022/23. Overall, Stage 3 coverage increased to 69% in 2024 from 58% the prior year. The outstanding test and learn balances had their Stage 3 coverage increase from 66% in the previous year to 77% in 2024 while Ghana instant loan coverage increased from 46% to 60% as a result of the implementation of TID in the year. Ghana remains a hyperinflationary economy for 2024 financial year reporting. However, with the stability in the Ghana Cedi and a positive outlook for the economy, we expect that Ghana should come out of hyperinflationary reporting in 2025. No inflation adjusted restatements were incorporated for Nigeria as international economic bodies and accounting firms continued to hold the view that the economy had not entered Hyperinflation as at December 2024.

Regional Performance

(Southern Africa/East and West Africa)

Southern Africa markets showed good performance in 2024, supported by strong top line performance and profitability in Namibia and Mozambique. Letshego Botswana saw a gradual recovery, following the losses experienced on the Non-DAS Individual Loans in 2023. Botswana wrote off a significant part of this portfolio in line with the Group's prudent approach on Expected Credit Losses and the strict application of the revised write-off policy in 2024.

Namibia, Mozambique and Botswana subsidiaries recorded an increase in profit after taxation of 32%, 15% and 123 % respectively. Southern African markets collectively saw a steady 4% net loan book growth year on year.

Some green shoots were experienced in East and West Africa during the year. Short Term Loans showed good performance in Ghana and Tanzania, with Ghana's disbursements growing threefold. Through Ghana's effective deposit mobilisation strategy, institutional deposit and retail deposits grew 17% and 25%, respectively. As reported in 2023, the Group reset its MSE product and maintained disbursement trends in countries which met minimum performance thresholds, including Rwanda, Uganda and Nigeria. We provide more detail on specific income statement components below.

Profit Performance

The Group's Profit before taxation improved by 110% year on year for the financial year ending 2024, to BWP255 milion. While still in a loss after taxation position, the loss reduced by 37% from BWP149 million in 2023 to BWP93 million in 2024.

Operating income

The Group's Operating income grew 26% year on year to BWP2.88 billion on the back of strong top-line growth. Interest income for the year of BWP3.9 billion reflected double-digit growth, with Interest from Advances to customers up 15 % year on year, driven mainly by DAS and Mobile lending. Interest on Deposits with banks increased 27% year on year. Interest expense of BWP1.59 billion reduced 4% year on year. Non-funded income increased 5% year on year, with strong performance on administrative fees increasing 243%, driven by the Ghana mobile lending book.

Total operating expenses

Total Operating expenses increased 8% year on year - these comprise employee costs which decreased 15% and other operating expenses which increased 21% year on year. Included in other operating costs were collection commission and direct costs which increased 62% and 217% respectively. Ghana made up a significant part of this increase with a year on year increase in government e-levies for mobile loan disbursements and collection commissions. Ghana also recorded a hyperinflationary net monetary loss of BWP87 million, down from BWP149 million in the previous year. Other cost increases included recharge costs of BWP50 million, BWP19 million provision was made for an ongoing regulatory review in Mozambique. Licence and Subscriptions increased by BWP36 million, primality for licensing of systems while professional fees increased by BWP15 million.

The Group is undergoing a rigorous cost rationalisation exercise aimed at right sizing the holding company, before reviewing the operating model across the Group. This will assess any areas of possible inefficiency between the Group and subsidiaries including an assessment of possible decentralisation of some services. The Group will also undertake a country review of local costs to create a sustainable cost base overall.

Effective Tax Rate ("ETR")

Although historically high for the Group, the ETR for 2023 and 2024 exceeded 100% due to the impact of ECLs and hyperinflationary accounting introduced in the last two years. ETR is driven by the tax charge and the profit before taxation of the business, and in 2024, reduced from 223% in 2023 to 137% in the current year. Although the Profit before taxation increased 110% year on year, the tax charge increased by 29% year on year due to the following reasons:

- Current Tax increased by 15% due to improved profitability from Mozambique, Namibia and Botswana,
- Withholding tax decreased by 37% due to a decrease in dividends, management fees and interest income received by Letshego Africa Holdings Ltd from the subsidiaries.
- Dividend extraction decreased by 44% due to muted performance in some subsidiaries.

In addition, the Group incurred prior year adjustments of BWP79million, the biggest contributors being extraordinary prior year tax matters in Kenya and Tanzania totalling BWP52 million. The Group is reviewing options around jurisdictions to optimise tax efficiency for our collective operations.

Non-Performing Loans (NPLs) and Credit Quality

As of December 2024, the Group's Non-Performing Loans (NPLs) ratio decreased to 8.4% of the gross loan book, compared to 9.6% for the previous period. Similarly, the Portfolio at Risk (PAR) over 30 days improved to 11.6%, down from 14.4% in FY 2023, marking a significant reduction in credit risk exposure.

A reduction in NPLs and PAR was partly driven by the strategic write-offs of underperforming loans that include Short Term Loans and Non-DAS Loans. There was a notable improvement in collections and recoveries, particularly from new bookings initiated in 2024.

Despite the positive trends, flows into NPLs increased in certain markets, notably Botswana, Kenya and Lesotho. Non-DAS Loans in both Botswana and Lesotho fell short of original credit performance forecasts, resulting in a higher than expected default rate. In Kenya, challenging macroeconomic conditions, including elevated environmental risks and increased collection challenges, particularly concerning Non-DAS Loans and legacy Micro and Small Enterprise (MSE) portfolios, have resulted in higher write-offs and a further deterioration in the risk profile for the portfolio as a whole.

Remediation efforts have seen gradual recovery for portfolios experiencing higher trends in default, including Non-DAS Loans and Short Term Loans in Kenya and Eswatini.

PROFIT AFTER TAXATION

EAST & WEST AFRICA MARKETS

TANZANIA*
>200%
2024 BWP43.4 million
(2023: BWP6.3 million)

* Tanzania (Letshego Faidika Bank)

RWANDA
>200%
2024 BWP7.9 million
(2023: BWP0.3 million)

UGANDA
>200%
2024 BWP25.2million
(2023: Loss BWP15.4 million)

SOUTHERN AFRICA MARKETS

BOTSWANA
123%
2024 BWP173.7 million
(2023: BWP77.8million)

NAMIBIA
32%
2024 BWP310.2 million
(2023: BWP234.9 million)

MOZAMBIQUE
15%
2024 BWP198.9 million
(2023: BWP173.5 million)

"Our purpose is consistent in improving lives by delivering simple and affordable solutions that achieve a tangible social impact. The Group's top line growth shows sound business resilience, while our governance structures provide a solid foundation for future sustainable returns. We are now refining our focus on enhancing execution and increasing efficiencies."

Group Chairman **PHILIP ODERA**

"Strong double digit growth in both PBT and operating income affirms that our business foundations remain sound. We are also encouraged by how well our short term loans have grown in Ghana and Tanzania. Our net loss position, although improved, shows we still have more work to do on balancing tax efficiencies."

Interim Group Chief Executive **BRIGHTON BANDA**

Portfolio Outlook

The Group's Credit Risk Management Framework continues to evolve and adapt to changing environments and business trends. The Group's focus on enhanced credit evaluation tools, along with increasing efficiencies in collections and recovery strategies is expected to yield continued improvements in the quality of credit origination going forward. The Group has intensified its Collections and Recoveries efforts and strategies to accelerate improvement in asset quality and optimize recoveries in 2025.

Macro Economic Outlook

As per the World Bank outlook, Sub Saharan Africa GDP growth is projected to accelerate to 4.1% in 2025 and 4.3% in 2026 on the back of declining inflation and easing monetary policy. South Africa and Nigeria's growth rate will be somewhat lower than the rest of the region. The Group considers potential downside pressure on economic recoveries from events such as US Sanctions, Anti-Immigration policies, Aid cuts, tariffs, attendant trade wars and lingering geopolitical tensions. Potential ripples from such global events could affect fiscal deficits, domestic currencies and debt positions across a number of Letshego subsidiaries in 2025 through to 2026. In line with Letshego's long standing experience gained from operating in emerging markets, the Group consistently stress tests its business strategy against current and emerging risks, proactively implementing mitigating actions where necessary.

Strategic Outlook

Our business fundamentals remain strong, reinforced by the sustained momentum observed in the latter half of the review year. In 2024, our operations continued to be affected by foreign exchange fluctuations, inflationary volatility, elevated direct costs and tax. We will continue to mitigate risks by enhancing collections and recoveries, accelerating portfolio remediation efforts, and enforcing stringent cost controls.

Our priority is executing our refreshed strategy, building on previous experience and lessons learnt to generate higher returns. The focus is to enhance our core Deduction at Source product, scale short-term credit solutions, and accelerate payment capabilities to drive deposit growth. This will be underpinned by disciplined risk and cost management.

We will review our market participation in East and West Africa, assessing opportunities that leverage our strength. We are committed to optimising internal processes and leveraging strategic partnerships to reduce costs and improve service efficiency.

Despite challenges in 2024, we are strategically positioned to restore long-term profitability. With a focused product strategy, disciplined risk management, and stringent cost management, we are taking steps to build resilient growth and creating lasting value for our stakeholders.

AUDITED FINANCIAL STATEMENTS

The financial statements from which the financial information is set out in this announcement have been audited by Ernst & Young, Letshego Group's external auditors. Their unmodified audit report is available for inspection at the Group's registered office and on the Group's website.

For and on behalf of the Board of Directors:

Philip Odera
Group Chairman
14 April 2025

Brighton Banda
Interim Group Chief Executive
14 April 2025

FINANCIAL METRICS

Net interest income
up
32%
to BWP2.34 billion
(FY 2023: BWP1.77 billion)

Loss after tax
of BWP93 million
down
37%
(FY 2023: BWP149 million)

Net advances
up
1%
to BWP13.6 billion
(FY 2023: BWP13.5 billion)

Customer deposits
up
40%
to BWP2.1 billion
(FY 2023: BWP1.5 billion)

Loan loss ratio
of
5.4%
(FY 2023: 3.3%)

Cost-to-income ratio
of
64%
(FY 2023: 74%)

Effective tax rate (ETR)
of
137%
(FY 2023: 223%)

Basic loss per share
(7.4) thebe
(FY 2023 (9.3) thebe)

Loss on Equity (ROE)
of
(2%)
(FY 2023: (3%)

Capitalisation ratio
24%
(FY 2023: 24%)

Debt-to-equity ratio
of
196%
(FY 2023: 183%)

STUDIO 5

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 Dec 2024 (Audited) BWP'000	31 Dec 2023 (Audited) BWP'000	Change %
ASSETS			
Cash and similar instruments	1 658 667	1 401 824	
Investment securities	654 830	866 718	
Financial assets at fair value through profit or loss	730 123	952 610	
Advances to customers	13 569 163	13 487 892	1
Insurance contract assets	122 980	105 549	
Other receivables	384 754	333 672	
Financial assets at fair value through other comprehensive income	11 038	11 038	
Income tax receivable	13 830	108 436	
Property and equipment	99 353	104 812	
Right-of-use assets	95 076	89 241	
Intangible assets	393 068	398 710	
Goodwill	30 097	30 591	
Deferred tax assets	201 298	219 000	
Total assets	**17 964 277**	**18 110 093**	**(1)**
LIABILITIES AND EQUITY			
Liabilities			
Financial liabilities at fair value through profit or loss	661 386	980 519	
Customer deposits	2 147 299	1 537 984	40
Cash collateral	17 038	15 853	
Income tax payable	70 088	116 133	
Trade and other payables	328 908	796 541	
Lease liabilities	98 289	97 972	
Borrowings	9 676 565	9 626 301	
Deferred tax liabilities	3 494	18 903	
Total liabilities	**13 003 067**	**13 190 206**	
Shareholders' equity			
Stated capital	897 909	917 909	
Hyperinflation translation adjustment	83 920	83 920	
Foreign currency translation reserve	(436 182)	(662 550)	
Legal reserve	417 373	377 121	
Fair value adjustment reserve	–	–	
Share based payment reserve	18 575	34 832	
Retained earnings	3 526 599	3 725 824	
Total equity attributable to equity holders of the parent company	**4 508 194**	**4 477 056**	
Non-controlling interests	453 016	442 831	
Total shareholders' equity	**4 961 210**	**4 919 887**	
Total liabilities and equity	**17 964 277**	**18 110 093**	**(1)**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	12 months ended 31 Dec 2024 (Audited) BWP'000	12 months ended 31 Dec 2023 (Audited) BWP'000	Change %
Interest income at effective interest rate	3 936 523	3 424 947	15
Interest expense at effective interest rate	(1 584 235)	(1 646 268)	4
Other interest expense	(12 540)	(12 244)	2
Net interest income	**2 339 748**	**1 766 435**	**32**
Fee and commission income	111 349	57 028	95
Other operating income	223 772	256 141	(13)
Insurance revenue	325 671	286 519	14
Insurance service expense	(119 782)	(85 316)	(40)
Insurance service result	**205 889**	**201 203**	**2**
Operating income	**2 880 758**	**2 280 807**	**26**
Expected credit losses	(782 770)	(456 591)	(71)
Net operating income	**2 097 988**	**1 824 216**	**15**
Employee costs	(518 403)	(611 604)	15
Other operating expenses	(1 325 001)	(1 091 151)	(21)
Profit before taxation	**254 584**	**121 461**	**110**
Taxation	(347 918)	(270 260)	(29)
Loss for the year	**(93 334)**	**(148 799)**	**37**
Attributable to:			
Equity holders of the parent company	(158 973)	(201 049)	
Non-controlling interests	65 639	52 250	
Loss for the year	**(93 334)**	**(148 799)**	**37**
Other comprehensive income, net of tax			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:			
Foreign currency translation differences arising from foreign operations, including the effect of hyperinflation	235 109	(180 058)	
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:			
Fair value loss on financial asset designated at fair value through other comprehensive income	–	(43 107)	
Total comprehensive income/(loss) for the year	**141 775**	**(371 964)**	
Attributable to:			
Equity holders of the parent company	67 395	(414 053)	
Non-controlling interests	74 380	42 089	
Total comprehensive income/(loss) for the year	**141 775**	**(371 964)**	
Weighted average number of shares in issue during the year (millions)	2 154	2 155	
Dilution effect – number of shares (millions)	64	114	
Number of shares in issue at the end of the year (millions)	2 175	2 175	
Basic loss per share (thebe)	(7.4)	(9,3)	21
Diluted loss per share (thebe)	(7.2)	(8,9)	19

Note: The diluted EPS has been calculated based on the total number of shares that may vest in terms of the Group's long term staff incentive scheme.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 Dec 2024 (Audited) BWP'000	Year ended 31 Dec 2023 (Audited) BWP'000
OPERATING ACTIVITIES		
Profit before taxation	254 584	121 461
Adjustments for:		
– Interest income at effective interest rate	(3 936 523)	(3 424 947)
– Interest expense	1 596 775	1 658 512
– Amortisation and depreciation	117 884	116 508
– Impairment and write off charge - advances	1 011 156	465 857
– Impairment and write off (reversal)/charge - investment securities	–	(9 266)
– Net monetary loss	87 270	149 905
– Scrapping of property & equipment and termination of right-of-use	1 159	–
– Working capital changes	(880 355)	(1 004 986)
– Movement in other non-cash items	28 744	(147 316)
Cash used in operations	(1 719 306)	(2 074 272)
Interest received	3 804 328	3 424 947
Interest paid	(1 550 329)	(1 646 268)
Income tax paid	(297 064)	(320 889)
Net cash flows generated from/(used in) operating activities	237 629	(616 482)
INVESTING ACTIVITIES		
Purchase of treasury bills and bonds	–	(165 351)
Proceeds from maturity of treasury bills and bonds	211 888	–
Purchase of equity securities in financial assets	–	(11 038)
Purchase of property and equipment	(46 432)	(26 052)
Purchase of intangible assets	(27 420)	(120 026)
Net cash flows generated from/(used in) investing activities	138 036	(322 467)
FINANCING ACTIVITIES		
Dividends paid to equity holders and subsidiary non-controlling interest	(64 195)	(388 317)
Share buyback	(20 000)	–
Repayment of principal portion of lease liabilities	(51 625)	(35 556)
Repayment of interest portion of lease liabilities	(12 540)	(12 244)
Proceeds from borrowings	2 985 133	3 449 546
Repayment of borrowings	(2 968 775)	(1 919 648)
Net cash flows (used in)/generated from financing activities	(132 002)	1 093 781
Net movement in cash and similar instruments	243 663	154 832
Cash and similar instruments at the beginning of the year	1 133 644	994 582
Effect of exchange rate changes on cash and similar instruments	18 704	(15 770)
Cash and similar instruments at the end of the year	**1 396 011**	**1 133 644**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Stated capital BWP'000	Hyperinflation translation adjustment BWP'000	Retained earnings BWP'000	Share based payment reserve BWP'000	Fair value reserve of financial assets at FVOCI BWP'000	Foreign currency translation reserve BWP'000	Legal reserve BWP'000	Non-controlling interest BWP'000	Total BWP'000
Balance as at 1 January 2023 (restated)	**899 571**	**–**	**4 366 646**	**42 474**	**(13 144)**	**(492 653)**	**313 780**	**468 877**	**5 585 551**
Total comprehensive income for the year									
Loss for the year	–	–	(201 049)	–	–	–	–	52 250	(148 799)
Other comprehensive income, net of income tax									
Fair value adjustment on financial asset	–	–	–	–	(43 107)	–	–	–	(43 107)
Foreign currency translation reserve	–	–	–	–	–	(169 897)	–	(10 161)	(180 058)
Hyperinflation adjustment	–	83 920	–	–	–	–	–	–	83 920
Transactions with owners, recorded directly in equity									
Allocation to legal reserve	–	–	(63 341)	–	–	–	63 341	–	–
Recognition of share based payment reserve movement	–	–	–	10 696	–	–	–	–	10 696
New shares issued from long term incentive scheme	18 338	–	–	(18 338)	–	–	–	–	–
Dividends paid by subsidiary to minority interests	–	–	–	–	–	–	–	(68 135)	(68 135)
Dividends paid to equity holders	–	–	(320 181)	–	–	–	–	–	(320 181)
Transfer to retained earnings	–	–	(56 251)	–	56 251	–	–	–	–
Balance as at 31 December 2023 – Audited	**917 909**	**83 920**	**3 725 824**	**34 832**	**–**	**(662 550)**	**377 121**	**442 831**	**4 919 887**
Total comprehensive income for the year									
Loss for the year	–	–	(158 973)	–	–	–	–	65 639	(93 334)
Other comprehensive income, net of income tax									
Foreign currency translation reserve	–	–	–	–	–	226 368	–	8 741	235 109
Transactions with owners, recorded directly in equity									
Recognition of share based payment reserve movement	–	–	–	(16 257)	–	–	–	–	(16 257)
Allocation from legal reserve	–	–	(40 252)	–	–	–	40 252	–	–
Share buy back – Treasury shares	(20 000)	–	–	–	–	–	–	–	(20 000)
Dividends paid by subsidiary to minority interests	–	–	–	–	–	–	–	(64 195)	(64 195)
Balance at 31 December 2024 – Audited	**897 909**	**83 920**	**3 526 599**	**18 575**	**–**	**(436 182)**	**417 373**	**453 016**	**4 961 210**

SEGMENTAL REPORTING

For the year ended 31 December 2024

Reportable segments

The Group's geographical operating segments are reported below:

Reportable segments 31 December 2024	Botswana BWP'000	Namibia BWP'000	Mozambique BWP'000	Lesotho BWP'000	Eswatini BWP'000	Kenya BWP'000	Rwanda BWP'000	Uganda BWP'000	Tanzania BWP'000	Nigeria BWP'000	Ghana BWP'000	Holding company or eliminations* BWP'000	Total BWP'000
Operating income	762 055	639 150	578 499	112 297	93 570	81 278	29 827	184 347	186 028	44 571	586 529	(417 393)	2 880 758
Profit/(loss) before taxation	257 326	376 432	349 703	3 906	(41 851)	(131 742)	7 989	48 226	17 101	3 492	(22 909)	(613 089)	254 584
Taxation – consolidated													(347 918)
Loss – consolidated													(93 334)
Gross advances to customers	3 385 442	4 007 610	2 910 922	611 120	602 906	543 368	181 811	592 463	520 584	121 505	1 070 529	–	14 548 260
Impairment provisions	(360 439)	(13 514)	(22 003)	(65 378)	(44 453)	(170 955)	(3 897)	(46 283)	(65 136)	(17 999)	(169 040)	–	(979 097)
Net advances	3 025 003	3 994 096	2 888 919	545 742	558 453	372 413	177 914	546 180	455 448	103 506	901 489	–	13 569 163
Total assets	3 372 775	5 361 562	3 542 978	584 702	621 958	482 094	203 376	626 301	608 679	119 889	1 461 857	970 834	17 964 277
Borrowings	1 746 523	2 150 342	802 622	185 514	257 361	363 743	10 127	374 911	–	24 058	580 765	3 180 599	9 676 565
Total liabilities	1 913 785	3 352 302	1 500 408	213 488	282 802	431 403	76 201	381 259	98 622	55 263	1 091 299	3 606 236	13 003 067

Reportable segments 31 December 2023	Botswana BWP'000	Namibia BWP'000	Mozambique BWP'000	Lesotho BWP'000	Eswatini BWP'000	Kenya BWP'000	Rwanda BWP'000	Uganda BWP'000	Tanzania BWP'000	Nigeria BWP'000	Ghana BWP'000	Holding company and eliminations* BWP'000	Total BWP'000
Operating income	696 771	543 276	475 566	91 178	112 438	132 200	22 472	176 403	145 918	67 734	217 819	(400 968)	2 280 807
Profit/(loss) before taxation	159 327	287 089	311 371	19 078	33 982	(37 489)	2 297	24 780	9 557	15 350	(62 880)	(641 001)	121 461
Taxation – consolidated													(270 260)
Loss – consolidated													(148 799)
Gross advances to customers	3 845 720	3 506 060	2 542 221	507 733	628 914	602 407	177 103	579 435	502 204	145 898	1 308 094	–	14 345 789
Impairment provisions	(356 218)	(31 424)	(14 353)	(26 730)	(53 088)	(125 003)	(2 135)	(52 350)	(75 496)	(19 685)	(101 415)	–	(857 897)
Net advances	3 489 502	3 474 636	2 527 868	481 003	575 826	477 404	174 968	527 085	426 708	126 213	1 206 679	–	13 487 892
Total assets	4 000 402	5 067 530	3 063 770	517 404	618 509	566 204	190 891	573 140	627 605	158 544	1 679 328	1 046 766	18 110 093
Borrowings	1 782 885	2 283 919	658 295	183 232	263 331	365 735	–	341 331	–	–	513 573	3 234 000	9 626 301
Total liabilities	2 278 883	3 093 005	1 299 354	205 392	300 161	424 637	68 394	357 894	67 480	46 189	1 323 866	3 724 951	13 190 206

* Included in Holding Company or eliminations are intragroup charges between the Holding Company and subsidiary entities.

Disaggregated revenue information

The Group's geographical operating segments are reported below:

Reportable segments 31 December 2024	Botswana BWP'000	Namibia BWP'000	Mozambique BWP'000	Lesotho BWP'000	Eswatini BWP'000	Kenya BWP'000	Rwanda BWP'000	Uganda BWP'000	Tanzania BWP'000	Nigeria BWP'000	Ghana BWP'000	Holding company or eliminations* BWP'000	Total BWP'000
Interest income at effective interest rate	844 431	692 371	827 303	138 055	144 953	133 225	41 168	240 172	181 531	50 431	804 151	(161 268)	3 936 523
Interest expense at effective interest rate	(174 806)	(298 989)	(282 648)	(29 839)	(51 598)	(60 618)	(12 242)	(59 222)	(1 677)	(7 019)	(308 018)	(297 559)	(1 584 235)
Other interest expense	(1 887)	(562)	(4 359)	(587)	(458)	(772)	(81)	(430)	(511)	–	(5)	(2 888)	(12 540)
Net interest income	667 738	392 820	540 296	107 629	92 897	71 835	28 845	180 520	179 343	43 412	496 128	(461 715)	2 339 748
Fee and commission income	–	27 540	13 069	–	–	2 656	420	–	(7 863)	408	75 119	–	111 349
Other operating income	94 317	12 901	25 134	4 668	673	6 787	562	3 827	14 548	751	15 282	44 322	223 772
Net insurance service result	–	205 889	–	–	–	–	–	–	–	–	–	–	205 889
Operating income	762 055	639 150	578 499	112 297	93 570	81 278	29 827	184 347	186 028	44 571	586 529	(417 393)	2 880 758
Reportable segments 31 December 2023													
Interest income at effective interest rate	787 803	564 652	659 293	104 995	147 262	166 525	39 085	226 715	139 032	69 448	658 497	(138 360)	3 424 947
Interest expense at effective interest rate	(183 945)	(252 178)	(238 189)	(14 765)	(35 765)	(58 097)	(17 488)	(52 109)	(1 450)	(3 719)	(500 766)	(287 797)	(1 646 268)
Other interest expense	(1 125)	(568)	(5 198)	(214)	(463)	(815)	(309)	(255)	(390)	–	(166)	(2 741)	(12 244)
Net interest income	602 733	311 906	415 906	90 016	111 034	107 613	21 288	174 351	137 192	65 729	157 565	(428 898)	1 766 435
Fee and commission income	1 081	24 476	10 860	370	–	12 804	821	–	2 611	613	3 392	–	57 028
Other operating income	92 957	5 691	48 800	792	1 404	11 783	363	2 052	6 115	1 392	56 862	27 930	256 141
Net insurance service result	–	201 203	–	–	–	–	–	–	–	–	–	–	201 203
Operating income	696 771	543 276	475 566	91 178	112 438	132 200	22 472	176 403	145 918	67 734	217 819	(400 968)	2 280 807

* Included in Holding Company or eliminations are intragroup charges between the Holding Company and subsidiary entities.

continued