



MyBucks S.A. / Key word(s): Disposal / Personnel

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### **MyBucks S.A. Completes Second Phase of Financial Restructuring**

- **External debt reduced by c. EUR26.5m through effective sale of operations in Botswana and disposal of equity stakes in Mozambique and Zambia**
- **Malawian balance sheet strengthened through introduction of a local partner with parallel c. EUR6m liquidity unlocked for further debt reduction**
- **Residual debt reduced to est. c. EUR25m from c. EUR108m as of 31 March 2019 at the start of the restructuring**
- **Proposed appointment of Patrick Matute as an Executive Board Member, appointment of Craig Lyons as Chairman of the Executive Committee with a phase-out of Timothy Nuy as CEO following the successful completion of the restructuring**

**Luxembourg, June 23<sup>rd</sup>, 2020** – Frankfurt-listed fintech and African banking group MyBucks S.A (“the Company”) today announced that it has successfully completed a second phase of the Financial Restructuring of the Company.

### **Portfolio optimization and debt reduction**

MyBucks has reduced its consolidated indebtedness by c. EUR26.5m through a disposal of its wholly-owned subsidiary GetBucks Limited, Mauritius (the holding company for its GetBucks Botswana operation) to MHMK Group Limited (“MHMK”), with a parallel sell-down of stakes in its operation in Mozambique and Zambia to Xtenda Financial Holdings Limited (“Xtenda”). MyBucks will retain a c. 25% stake in Mozambique.

MyBucks has further agreed with Mpatsa Holdings (“Mpatsa”), a local Malawian investment holding company, to take-up a 49% shareholding in its operation in Malawi. This transaction will significantly strengthen the capital position of MyBucks’ Malawian operation, and ensure the bank meets the local capital requirements by 31 December 2020. In parallel – further c. EUR6m of proceeds will be unlocked, that MyBucks will apply towards debt reduction.

These transactions remain subject to customary regulatory approvals, most importantly central bank approval in Malawi, Mozambique and Zambia. The Company expects to obtain these in the near-term future.

Completion of the above transactions will have a significant accretive effect on the equity position of the Company – and will reduce gross external debt further to c. EUR25m, against which the Company will still hold financial assets of c. EUR12m. Effective restructuring agreements are in place for c. EUR13m of this exposure, leaving only c. EUR12m of unresolved indebtedness out of an original EUR108m. MyBucks will continue to work hard with all its stakeholders, to address the residual indebtedness – and explore all options in this regard.

### **Focused portfolio**

Subsequent to completion of these Transactions, MyBucks will retain operations in Malawi (51% in a commercial bank with c. EUR90m of deposits), Mozambique (25% in a deposit-taking microfinance institution with c. EUR20m of deposits), Uganda (49% in a commercial bank with c. EUR24m of deposits) and Zimbabwe (52% in a deposit-taking microfinance institution bank with c. EUR1m of deposits). This leaves the Company with a clean platform, from where it can now focus on operational efficiency and growth.

### **Second Phase of Debt Restructuring Completed**

MyBucks embarked on a financial restructuring in March 2019 and has since successfully completed a Debt Recapitalization of c. EUR63.9m followed by a EUR32.5m Debt Restructuring in this second Phase, rightsized its business through curtailing of costs and retrenchment of over hundred staff and a strategic reassessment of its portfolio leading to a disposal of non-core assets and the establishment of a focused bank holding company in Africa to hold its banking operations. As a result of the restructuring, MyBucks has now implemented best-of-class governance structures and strong professional management teams in its four operating markets.

MyBucks CEO Timothy Nuy stated that this is a tremendous milestone for the Company “We are extremely proud, that despite suffering from the implications of Covid-19, we have over a fifteen month period successfully turned the corner reducing group indebtedness from c. EUR108m to c. EUR25m, whilst successfully correcting a negative equity position of over EUR40m. This now puts the Company at a footing to deliver consistent profitability to its shareholders”

### **Changes in Management Structure**

These Transactions successfully complete the second phase of the Debt Restructuring. To further align the cost structures of the Group to the need to focus on operational efficiency, the Group has decided to simplify its governance structures. Craig Lyons will take-over as an active Chairman of the Board of MyBucks S.A. from Dirk Harbecke. The executive team will be composed of Craig Lyons, Riaan Paul (Group Chief Financial Officer, based out of Luxembourg) and Patrick Matute (CEO of MyBucks’ wholly-owned bank holding company, based in Africa). This structure will allow the Group to reduce cost, and to continue to deliver world-class reporting out of Luxembourg whilst driving significant growth on-the-ground in the

African assets. Having successfully completed his restructuring mandate, Timothy Nuy will be stepping down as Chief Executive Officer and leaving the Board at the next Annual General Meeting.

Dirk Harbecke, outgoing Chairman of the Board, commented “We are happy to benefit from the continued commitment of our shareholders – and look forward to see MyBucks flourish going forward. We are extremely grateful for the commitment Timothy Nuy showed to MyBucks SA., agreeing to come back to guide the Company through its Financial Restructuring and inter alia handling a large debt conversion, non-core asset disposals as well as operational retrenchments and the correction of governance structures. Timothy will return his focus to his own business, the Finclusion Group. I am happy that we made so much progress in the past months, and that I could assist Timothy in the finalization of the restructuring exercise.”

MyBucks expects to publish its audited financial statements by End of July 2020 and will invite for a general meeting thereafter to approve these financial statements. MyBucks intends to propose further additions to its non-executive board members at the Annual General Meeting.

ENDS

### **About MyBucks**

MyBucks S.A. is a FinTech company domiciled in Luxembourg that delivers financial services through technology. MyBucks operates four Banks in Africa. The Group offers credit, banking solutions and insurance products to customers. The MyBucks product offering enables customers to manage their financial affairs easily and conveniently. Discover more at [www.mybucks.com](http://www.mybucks.com)

### **About Xtenda**

Xtenda Financial Holdings Limited is a Mauritius registered company which commenced business in late 2015 and has operating subsidiaries in Mozambique, Tanzania and Zambia. The Xtenda Group is a retail financial services business offering a range of financial products and services to the retail market, which is often overlooked by the formal banking sector. DBF Capital Partners Limited is the majority shareholder in Xtenda. DBF Capital Partners Limited is a Mauritius based investment holding company founded by experienced investment banking professionals with a wealth of experience in both regional and international markets. The founders and executive management team have over 80 years of combined relevant experience in financial markets. They have established a track record of driving organic growth and successfully integrating acquired businesses.

### **About Mpatsa**

Mpatsa Trust is a Malawian private Trust whose beneficiaries are members of the Koreia-Mpatsa family, charitable organisations and religious organisations. Through its investment arm, Mpatsa Holdings Limited, it has interests in several sectors of the Malawi economy namely Agriculture, Mining, Hospitality, Real Estate, Pharmaceuticals, Distribution and Marketing.

### **About MHMK**

Founded by George Manyere, MHMK Group Limited is an investment management firm that invests across diverse asset classes with a key focus on alternative investments. MHMK Group offers its “full service

investment banking” services and investments through various subsidiaries which are licensed regulatory authorities in Southern Africa, where applicable. MHMK Group “full service investment banking offering” comprise of financial advisory, investment advisory & placements, stockbroking, private equity, lending and asset management. MHMK Group vision is to be the investment firm of choice in its chosen markets in Southern Africa for entities seeking proactive, trusted and value-adding investors and advisers.

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