



MyBucks S.A. / Key word(s): Annual Financial Statements

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### **MyBucks S.A. Releases Preliminary Unaudited Financial Information**

- Group completed turnaround year with a total comprehensive loss of c. EUR55m, predominantly driven by once-off items
- Various restructuring measures successfully implemented (change of management, cost-cutting, sale of non-core entities)
- Debt Recapitalisation will return the Group to positive equity by no later than 31 December 2019
- Further capitalisation measures under way, rights offer planned for 2020

**Luxembourg, November 14<sup>th</sup>, 2019** – Frankfurt-listed digital African banking group MyBucks S.A (“**MyBucks**” or the “**Group**”) today released preliminary unaudited financial information for the year ending 30 June 2019. Despite recording profitability in most of the banking subsidiaries (Malawi, Mozambique, Uganda, and Zimbabwe) of EUR8.5m, the Group recorded a significant after-tax loss of c. EUR37m on the back of restructuring one-offs of EUR16m, holding Group overhead and financing costs as well as losses in its lending operations (South Africa). The Group further suffered foreign exchange devaluations of c. EUR18m (predominantly from its operation in Zimbabwe), leading to a total comprehensive loss of c. EUR55m for the period ending 30 June 2019.

As a result, the Group’s equity attributable to parent position deteriorated from c. EUR7m as at 30 June 2018 to c. (EUR46m) as at 30 June 2019 (combined with minor capital measures). Through the successful [Debt Recapitalisation as announced on 26 March 2019](#), MyBucks will convert over EUR48m of claims into equity and acquire assets of c EUR5m with equity – which will see the Group return to positive equity post the financial year under review. As a result of the Debt Recapitalisation, the debt has reduced from c. EUR108m to c. EUR39m at holding company level (net of financial assets), the Group continues its effort to increase its equity and reduce this debt significantly through asset disposals and debt conversions.

Since the change in management in March 2019 the Group has significantly reduced group and holding company costs (reducing its staff base from over 100 to less than 10) and disposed of its loss-making lending segment (contributing in excess of EUR15m to the Group’s financial losses for the period ending 30 June 2019). In addition, 75% of the Group’s interest in the Australian operations, MyBucks Australia, has been sold to Skybound. The group is now 100% focused on its banking businesses in Africa (Malawi, Mozambique, Uganda, Zambia and Zimbabwe) that are expected to continue to be profitable for the financial periods ending 31 December 2019 and 31 December 2020.

In the financial year ending 30 June 2019, the Group’s key operating subsidiaries continued to grow significantly, even in a situation with very limited access to growth capital – offsetting most of the foreign currency revaluations and maintaining the Group’s net loan book in excess of EUR80m. Furthermore, the Group grew its total deposits from customers from c. EUR21m as of 30 June 2018 to c. EUR60m as of 30 June 2019. The Group expects to continue this trend and aims to shift more of its refinancing to customer deposits over time.

Resultant from the items noted above, the Group is on track to return to profitability. The Group however still expects to deliver a loss for the financial period ending 31 December 2019, as the Debt Recapitalisation only concluded close to this period end.

MyBucks CEO Timothy Nuy summarised: "MyBucks has closed a very difficult year, however, with this laid a strong foundation for the future. Through the restructuring measures implemented, the Group now is focused on our profitable banking business with the elimination of excessive head office costs and discontinued loss-making subsidiaries. Key focus area for the future will be the growth of these subsidiaries, whilst addressing the remaining holding company debt."

### **Debt Recapitalisation**

Ecsponent Limited has its shareholder meeting on the 20<sup>th</sup> of November 2019, for which irrevocable undertakings to approve the Debt Recapitalisation are in place. Following this meeting, the Group aims to complete the majority of the Debt Recapitalisation and release its Audited Financial Statements by 30 November 2019. MyBucks continues talks with other stakeholders to increase the volume of the Debt Recapitalisation and subsequent to the completion of the Debt Recapitalisation, MyBucks intends to engage on the proposed rights offer in 2020 at a ratio of at least 5 new shares per every 1 share currently owned to compensate shareholders for the dilutive effect of the Debt Recapitalisation.

## Key performance indicators (Unaudited)

Figures in €m	2019	2018
<b>Statement of Financial Position</b>		
Cash and balances with other financial institutions	13	13
Loans and advances to customers and other loans granted	88	99
Financial investments	59	15
Intangibles and goodwill	18	9
Other assets	25	39
<b>Total assets</b>	<b>203</b>	<b>176</b>
Customer deposits	60	21
Financial liabilities	157	120
Other liabilities	31	11
<b>Total liabilities</b>	<b>248</b>	<b>152</b>
Parent equity	(46)	7
Non-controlling interest	1	17
<b>Total Equity</b>	<b>(45)</b>	<b>24</b>
<b>Statement of Comprehensive Income</b>		
Interest income	45	42
Interest expense	(32)	(23)
<b>Net interest income</b>	<b>13</b>	<b>19</b>
Other income and sales expenses	15	12
Impairments of loan book and financial assets	(17)	(10)
<b>Net operating income</b>	<b>11</b>	<b>21</b>
Operating expenses	(34)	(23)
<b>Loss before tax</b>	<b>(23)</b>	<b>(2)</b>
Taxes	(4)	(2)
<b>Loss after tax from continuing operations</b>	<b>(27)</b>	<b>(4)</b>
Discontinued operations	(10)	(4)
<b>Loss for the year</b>	<b>(37)</b>	<b>(8)</b>
<b>Total comprehensive loss for the year</b>	<b>(55)</b>	<b>(10)</b>

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## **About MyBucks**

MyBucks S.A. is a digital African banking group domiciled in Luxembourg that delivers financial services through technology. MyBucks operates in six African countries through its brands GetBucks, GetSure, MBC, and Opportunity Bank. 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 <http://www.mybucks.com>

## **About Ecsponent Limited**

Ecsponent Limited is a South Africa-based financial services company. The Company invests in companies that offer a range of niche financial services in South Africa and Africa, offering investment services, credit solutions and enterprise development initiatives. The Company's operating segments include a Credit unit, Investment Services and Equity Holdings. Its Credit segment offers a range of credit solutions that provide the Group with continuous cash flow and liquidity. Its Investment Services segment includes capital raising from retail and institutional investors, as well as wealth and investment advisory services. Its Equity Holdings segment includes longer-term horizon, strategic investments. The Group operates in Botswana, Eswatini, Zambia, Zimbabwe and in five provinces in South Africa.

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