



MyBucks S.A. / Key word(s): Acquisition / Capital Increase

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### **MyBucks S.A. Announces Significant Progress In Debt Recapitalization**

- **Key regulatory approvals for Debt Recapitalization Obtained**
- **Expected completion of Debt Recapitalization by no later than 31 December 2019**
- **Agreed sale of Get Bucks South Africa, GetBucks Kenya, FairGo Australia and Getbucks Poland**
- **Fully focused Digital African Bank with operations in Botswana, Malawi, Mozambique, Uganda, Zambia And Zimbabwe ready to scale**

**Luxembourg, October 22<sup>nd</sup>, 2019** –Frankfurt-listed fintech and African banking group MyBucks S.A (the “**Company**”) today announced that key regulatory approvals for the debt recapitalization announced on 26 March 2019 were obtained as further described below (the “**Debt Recapitalization**”). MyBucks will now initiate the administrative share issuances process, which it will complete ahead of its 31 December 2019 financial year-end. As a result of the timing of the approvals, MyBucks expects to publish its Annual Financial Statements by 30 November 2019. MyBucks continues talks with other stakeholders to increase the volume of the Debt Recapitalization and subsequent to completing these administrative processes, MyBucks intends to engage on a rights offering in 2020 in which shareholders will be offered 5 new shares per every 1 share currently owned by each shareholder to compensate the shareholders for the dilutive effect of the recapitalization, subject to all regulatory and corporate approvals.

### **Debt Recapitalization**

MyBucks has ultimately agreed to convert claims of EUR 53,395,174 into equity, which will see Ecsponent Limited – a Johannesburg Stock Exchange listed financial services group – take a controlling stake following the financial restructuring. MyBucks has completed the issuance of 600,000 shares administratively so far – and expects to conclude the remaining share issuances by no later than 31 December 2019.

Following the share issuances, MyBucks has reduced its holding company debt (net of financial assets) significantly and will return to a pro-forma positive equity position. MyBucks has further made

significant progress with regards to streamlining the cost base of the business, particularly pertaining to operational overhead costs. MyBucks has reduced its staff base at the holding from over 100 to less than 10 staff and has entered into a transaction to sell an office complex newly built in Pretoria in 2017 at carrying value. As a result of these and other cash saving measures, the Group has reduced its annual cost run rate by approximately EUR5m per annum.

### **Portfolio optimization**

MyBucks has also fast-tracked its announced strategy of building a leading African digital banking group, by successfully selling its non-core operations in South Africa, Swaziland, Namibia, Kenya, Tanzania, Poland and Australia at considerations at or in excess of net carrying value – leaving the Group with six focused operations in Southern and Eastern Africa that are profitable and have the ability to scale up substantially in the future.

In obtaining the regulatory approvals, the South African Reserve Bank informed MyBucks and Ecsponent Limited that it will not approve a so-called loop structure. A loop structure is a structure in which a South African investor holds more than 40% in a foreign entity, that in turn has an investment in the South African Monetary Union. In response, MyBucks has sold its holdings in South Africa (holding Swaziland and Namibia) and Kenya (holding Tanzania) for an aggregate c. EUR9.8m to Finclusion Pte Ltd. MyBucks' operations in South Africa and Kenya were responsible for significant aggregate losses over the past few years.

MyBucks furthermore has sold 60.0% of its shares held in the Australian operation, MyBucks Australia (Pty) Limited (FGF), for AU\$8.1m (EUR5.0m). Proceeds were applied towards reducing group debt. MyBucks has granted an option to Skybound to acquire the balance of its stake (c. 24.5%) in MyBucks Australia for a consideration of AU\$3.5m (EUR2.1m) exercisable until 31 December 2019. MyBucks will continue to provide technology services to MyBucks Australia, particularly in terms of credit scoring.

MyBucks has further sold 100% of its shares in MyBucks Europe S.A., holding the entire shares capital of the Polish operations, GetBucks Poland Sp.z.o.o. to Omnio and entered into a technology services agreement with the enterprise to mutual benefit.

Following said transactions, MyBucks financial services key investments will all be in Sub-Saharan Africa – streamlining the Company's operations in line with its vision to serve as a leading African digital bank with operations in Botswana, Malawi, Mozambique, Uganda, Zambia and Zimbabwe ready to scale

MyBucks Chairman Markus Schachner stated these transactions are of strategic importance: “MyBucks has passed a very important milestone. After implementing tough restructuring measures, we now need to continue to strengthen our capital base and to focus on our core banking business in Africa. We want to redeploy our financial capital into viable African markets, whilst continuing to benefit from our developed technology.”

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### **About MyBucks**

MyBucks S.A. is a FinTech company 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 Company 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 Company operates in Botswana, Eswatini, Zambia, Zimbabwe and in five provinces in South Africa.

### **About Finclusion Pte Ltd**

Finclusion Pte Ltd is a Singapore registered fintech investment company founded by Timothy Nuy in July 2018, prior to Timothy Nuy assuming the role as Chief Executive Officer of MyBucks S.A. in March 2019 to guide the business through the recapitalisation process and thereafter. Finclusion is financially supported by international family offices. Finclusion has significant emerging markets experience and relies on its extensive credit network with hands-on managers to focus on turnaround investment cases.

### **About Omnio**

Omnio is a leading global fintech, formed in 2018 from the merger of Payment Cloud Technologies (PCT) and Tuxedo Money Solutions, in a deal worth €70 million. It is owned by AEDC Capital, a global private equity investor. Omnio powers valued brands to deliver superior digital financial services that meet the ever-changing needs of current and future customers. Headquartered in the City of London, Omnio has offices in Europe, South Africa and Australia supporting some of the world's leading brands in providing a range of flexible and reliable financial services including digital banking and payment solutions supported by their exceptional global managed services.

### **About Skybound**

Skybound Capital is a global wealth management business, providing a diverse and unique range of investment products for family offices, private clients, advisors and institutions. With over 30 years of combined successful industry experience, the Skybound team have developed an impressive network and comprehensive skill set enabling them to perform within variable market conditions. Discover more at [www.skyboundcapital.com](http://www.skyboundcapital.com)

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