

GetBucks Limited (Registration Number CO 2012/2454), trading as "GetBucks Botswana", and its subsidiaries
Unaudited Abridged Consolidated Financial Statements for the year ended 30 June 2017

Unaudited Abridged Consolidated Statement of Financial Position as at 30 June 2017

	30-Jun-17 BWP	30-Jun-16 BWP
	Unaudited	Unaudited
Assets		
Non-Current Assets		
Property, plant and equipment	8 947 292	9 635 162
Other intangible assets	-	720 350
Loans to related parties	51 150 685	-
Deferred tax	8 972 655	7 914 918
Loan book	52 413 973	52 077 972
Total Non-Current Assets	121 484 605	70 348 402
Current Assets		
Loans to related parties	2 925 643	11 802 131
Current tax receivable	1 250 351	584 049
Loan book	20 926 077	17 001 921
Other receivables	7 831 151	8 915 085
Cash and cash equivalents excluding bank overdrafts	12 375 863	6 704 479
Total Current Assets	45 309 085	45 007 665
Total Assets	166 793 690	115 356 067
Equity and Liabilities		
Equity		
Equity Attributable to Owners of the Parent		
Share capital	4 041 075	4 041 075
Reserves	185 597	35 797
Retained income	23 239 121	14 523 439
Total Equity Attributable to Owners of the Parent	27 465 793	18 600 311
Non-controlling interest	152 830	2 693 326
Total Equity	27 618 623	21 293 637
Liabilities		
Non-Current Liabilities		
Loans from shareholders	5 147 011	57 942 923
Other financial borrowings	97 657 688	7 611 471
Finance lease liabilities	356 066	493 880
Deferred tax	-	-
Total Non-Current Liabilities	103 160 765	66 048 274
Current Liabilities		
Loans from related parties	817 822	2 448 055
Other financial borrowings	8 160 508	3 041 111
Current tax payable	92 123	2 006 946
Finance lease liabilities	140 349	127 824
Trade and other payables	26 737 761	20 380 020
Bank overdraft	65 739	10 200
Total Current Liabilities	36 014 301	28 014 156
Total Liabilities	139 175 066	94 062 430
Total Equity and Liabilities	166 793 690	115 356 067

Unaudited Abridged Consolidated Statement of Comprehensive Income for the year ended 30 June 2017

	30-Jun-17 BWP	30-Jun-16 BWP
	Unaudited	Unaudited
Revenue	85 641 460	80 497 238
Loan impairments	(7 811 741)	(6 393 218)
Other income	1 017 992	1 998 263
Depreciation	(1,633,664)	(2,122,636)
Operating expenses	(53,886,122)	(51,362,267)
Operating profit/(loss)	23 327 924	22 617 380
Investment revenue	2 148 215	2 163 972
Finance costs	(12 418 369)	(20 477 172)
Profit/(loss) before taxation	13 057 771	4 304 180
Income tax expense	(3 182 584)	(3 899 257)
Profit/(loss) for the year	9 875 186	404 923
Other comprehensive income for the year net of taxation		
	-	-
Total comprehensive income/(loss) for the year	9 875 186	404 923
Profit/(loss) attributable to:		
Owners of the parent	8 715 682	231 997
Non-controlling interest	1 159 504	172 926
	9 875 186	404 923
Total comprehensive income/(loss) attributable to:		
Owners of the parent	8 715 682	231 997
Non-controlling interest	1 159 504	172 926
	9 875 186	404 923

Introduction

The Directors have the pleasure of presenting the Unaudited Abridged Financial Statements of GetBucks Limited, trading as "GetBucks Botswana", and its subsidiaries (the "Group" or "GetBucks") for the year ended 30 June 2017. The Group expects to release its full Audited Financial Statements by the end of January 2018. The Group regrets the delay in issuing its Audited Financial Statements, largely caused by the unexpected and untimely death of its Finance Director (FD), Mr. Clever Hamadi in July 2017.

GetBucks is an innovative and dynamic fintech company that embraces technology as a means to provide financial products and services to its customers. The Group's current primary activities are micro-lending and short-term insurance as a brokerage.

The abridged financial statements have been prepared on the historical cost basis, and have been extracted from the Group annual financial statements.

These abridged financial statements of the Group have been prepared in accordance with the measurement and recognition principles of the Listing Rules in Botswana, Botswana Companies Act and the International Financial Reporting Standards ("IFRS"). The accounting policies applied during the current year are consistent with those applied in the previous years. The directors are of the view that the financial statements fairly represent the current status of the Group.

Financial highlights

- Moderate increases in revenue and loan book by 6% to BWP85.6m and BWP73.3m, respectively.
- Slight increase in impairment-to-revenue ratio from 8% to 9%.
- Cost-to-revenue ratio remains relatively high at 65% on the back of once-off items, but leaves the Group well-positioned to increase operating leverage in the new financial year.
- Refinancing drives improved profitability, with a drop in finance costs by 39% on the back of the Group's bond programme launched in February 2017.
- Significant increase in return on equity from 2% for the year ending 30 June 2016 to 36% for the year ending 30 June 2017.

Bond programme

On 24 February 2017, GetBucks listed a bond programme on the Botswana Stock Exchange (BSE). Two tranches were issued under the bond programme in 2017. The first tranche of BWP50m at 18% interest per annum, payable in arrears, and the second tranche of BWP21.8m at 15% interest per annum, payable in arrears.

Any interested parties can contact Llewellyn Gerber at llewellyn@mybucks.com.

Subsequent Events

On 25 January 2017, GetBucks signed a Sale and Purchase Agreement to acquire fifty percent (50%) of the share capital in Sure Choice (Proprietary) Limited (Sure Choice), a micro finance business, for a total purchase consideration of BWP10,000,000 (ten million Pula). The acquisition is subject to all customary regulatory approvals, and GetBucks' regulatory approval requests have been filed with the Non-Bank Financial Institutions Regulatory Authority (NBFIIRA). GetBucks has taken over the loan owing to the Seller by Sure Choice, as part of the purchase agreement. The loan receivable is reflected under "loans to related parties". The loan bears interest at 28% and is repayable by 30 June 2020.

Board Appointments

The Board is pleased to announce the appointment of Mr. Marshal Chimedza to the position of Finance Director (FD) for the Group. Marshal is a Chartered Accountant with broad and diverse experience in financial services, retail, travel and tourism, real estate, transport and distribution. Marshal is a Zimbabwean national and was previously with, among others Ernst&Young, Brainworks Ltd and African Century Ltd. The Board welcomes Marshal as an Executive Director and extend their best wishes.

Dividends

No dividend was declared in respect of the year ended 30 June 2017.

A special dividend was declared to the minority shareholders in one of GetBucks' subsidiaries in the amount of BWP3.5m.

Outlook

The Group is expected to improve its profitability and grow its asset base while leveraging cutting edge technologies in delivering above average customer service and competitive pricing and products.

During the past financial year, the Group benefited from a significant improvement in financial leverage. Focus for the next financial year will be the improvement of its operating efficiency.

The Group expects to raise further funding for the business through the listing of additional tranches under the Programme Memorandum on the Botswana Stock Exchange by 31 January 2018. This will provide funding for the next growth phase of the business.

For and on behalf of the Board of Directors,

J. Sibisibi
Chairman

A.M. De Kock
Managing Director

Unaudited Abridged Consolidated Statement Cash Flows for the year ended 30 June 2017

	30-Jun-17 BWP	30-Jun-16 BWP
	Unaudited	Unaudited
Cash flows from operating activities		
Cash used in operations	31 016 529	17 754 019
Interest received	3 015	289
Interest paid	(11 626 600)	(691 791)
Tax paid	(6 913 567)	(6 205 329)
Net cash flows used in operating activities	12 479 377	10 857 188
Cash flows from investing activities		
Purchase of property, plant and equipment	(207 038)	(1 417 544)
Proceeds on sale of property, plant and equipment	29 517	186 074
Payments received from loans to related parties	500 000	-
Acquisition of subsidiary net of cash acquired	48 802	-
Net cash flows used in investing activities	371 282	(1 231 470)
Cash flows from financing activities		
Repayment of other financial borrowings	(3 029 095)	(3 911 919)
Proceeds from other financial borrowings	46 800 000	-
Advances from related parties	10 957 546	33 346 049
Repayments to related parties	(61 837 976)	(41 404 505)
Finance lease payments	(125 289)	(287 954)
Net cash flows from financing activities	(7 234 814)	(12 258 329)
Total cash movement for the year	5 615 845	(2 632 611)
Cash and cash equivalents at the beginning of the year	6 694 278	9 326 889
Total cash and cash equivalents at the year end	12 310 123	6 694 278

Corporate information

Country of incorporation and domicile	Nature of business and principal activities
Botswana	The Group manages short-term insurance as a brokerage and provides micro-financing.
Executive directors	
A. M. de Kock (Managing Director)	J. Sibisibi (Chairman)
Non-executive directors	
M.T. Chimedza (Finance Director)	T. Nuy
	R. M. Solomon
	Y. Patson
Registered office	
Plot 54358	MyBucks Building
1st Floor Acacia House	Plot 50362
Prime Plaza	Fairgrounds Office Park
Gaborone	Gaborone
Botswana	Botswana
Holding company	
GetBucks Limited	MyBucks S.A.
Incorporated in Mauritius	Incorporated in Luxembourg
Auditors	
PricewaterhouseCoopers	Rhoss (Proprietary) Limited
Plot 50371	Plot 54358, 1st Floor Acacia House
Fairgrounds Office Park	Prime Plaza
Gaborone	Gaborone
Botswana	Botswana
Bankers	
Bank Gaborone Limited	CO 2012/2454
First National Bank Botswana Limited	
Stanbic Bank Limited	
Transfer Secretary, Calculation Agent and Paying Agent	
Transaction Management Services (Proprietary) Limited	Robert Michael Northcote Vinen
t/a Corpserve Botswana	c/o Stevens, Fricker and Associates
Unit 206, Showgrounds Close	Deloitte House, Plot 64518
Plot 64516 Fairgrounds	Fairgrounds Office Park
Gaborone, Botswana	Gaborone, Botswana

Unaudited Abridged Consolidated Statement of Changes in Equity for the year ended 30 June 2017

	Stated capital	Share based payment reserve	Total reserves	Retained income	Total attributable to owners of the parent	Non-controlling interest	Total equity
	BWP	BWP	BWP	BWP	BWP	BWP	BWP
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Balance at 1 July 2015, as restated	4 041 075	-	-	14 291 442	18 332 517	2 520 400	20 852 917
Total comprehensive income for the year	-	-	-	231 997	231 997	172 926	404 923
Share based payment reserve	-	35 797	35 797	-	35 797	-	35 797
Balance at 1 July 2016	4 041 075	35 797	35 797	14 523 439	18 600 311	2 693 326	21 293 637
Profit for the year	-	-	-	8 715 682	8 715 682	1 159 504	9 875 186
Total comprehensive income for the year	-	-	-	8 715 682	8 715 682	1 159 504	9 875 186
Share based payment reserve	-	149 800	149 800	-	149 800	-	149 800
Dividends declared by subsidiary	-	-	-	-	-	(3 700 000)	(3 700 000)
Total contributions by and distributions to owners of company recognised directly in equity	-	149 800	149 800	-	149 800	(3 700 000)	(3 550 200)
Balance at 30 June 2017	4 041 075	185 597	185 597	23 239 121	27 465 793	152 830	27 618 623