



## GROUP CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

FirstCred Limited formerly GetBucks Limited  
Incorporated in the Republic of Botswana in 2012  
Registration number: BW00000391902

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### CORPORATE INFORMATION

<b>Country of incorporation and domicile</b> Botswana	<b>Nature of business and principal activities</b> The Group provides micro-financing in the form of unsecured loans and sells short-term insurance as a brokerage.
<b>Executive directors</b> D.M Garekwe (Chief Executive Officer) M.T Chimedza (Resigned 23/07/2020)	<b>Non-executive directors</b> J. Sibisibi-Chairman (Resigned 28/02/2020) M. Marobela-Chairman (Appointed 25/06/2020) Y. Patson W.T. Kambwanji W. Kelobang D.P Van Der Merwe (Resigned 22/05/2020)
<b>Registered office</b> FirstCred Building Plot 50362, Fairgrounds Office Park Gaborone, Botswana	<b>Business address</b> FirstCred Building Plot 50362, Fairgrounds Office Park Gaborone, Botswana
<b>Holding company</b> Getbucks Limited Incorporated in Mauritius	<b>Ultimate holding company</b> MHMK Group Limited Incorporated in Mauritius
<b>Auditors</b> BDO BDO House-28 Kgale Mews, Gaborone International Finance Park Gaborone Botswana	<b>Legal Advisors</b> Collins Newman & Co Dinatla Court, Plot 4863 Gaborone, Botswana
<b>Bankers</b> Bank Gaborone Limited First National Bank Botswana Limited Stanbic Bank Limited	<b>Company Secretary</b> Andrew Motsage FirstCred Building Plot 50362, Fairgrounds Office Park Gaborone, Botswana
<b>Transfer secretary, calculation and paying agent</b> Transaction Management Services (Proprietary) Limited t/a Corpserve Botswana Plot 64516, Fairgrounds Office Park Unit 206, Showgrounds Close Gaborone, Botswana	<b>Trustee to the notes</b> Robert Michael Northcote Vinen c/o Stevens, Fricker and Associates Deloitte House, Plot 64518 Fairgrounds Office Park Gaborone, Botswana
<b>Company Registration Number</b> BW00000391902	<b>Financial Year</b> 1 January to 31 December 2020

### COMMENTARY

#### Introduction

The Directors have the pleasure of presenting the Group Condensed unaudited Financial Statements of FirstCred Limited (formerly Getbucks Limited), and its subsidiaries (the "Group" or "FirstCred") for the period ended 30 June 2020. Our customer centric approach underpins the group strategy through quick credit decisions and loan disbursements. The Group's current primary activities are micro-lending and management of short-term insurance as a brokerage. FirstCred is part of MHMK Group Limited following a buyout of MyBucks S.A ("MyBucks" or the "Company") a Frankfurt-listed fintech company on 04 June 2019.

#### FirstCred Rebranding

The group rebranded from GetBucks Limited to FirstCred Limited during the last quarter of 2020. This process was concluded following consultations with stakeholders where the group redefined its mission and values. Our mission is to bring positive change in people's lives through a customer centric approach founded on quick credit decisions and loan disbursements, professional and friendly staff that understand the individual needs of our clients, and ethical service delivery. This mission demonstrates our thrust to increase financial inclusion. Our mission will be achieved as we demonstrate our values of Professionalism, Integrity and Achievement. Our new brand in fresh and modern and we aim to translate those themes into how we serve our clients.

#### FirstCred Change in Year End

The Group following the approval of board of directors changed year end from June 30 to December 31 to align it to the reporting requirements of MHMK Group Limited. To ensure statutory compliance management applied to Companies and Intellectual Property Authority ("CIPA") and Non-Bank Financial Institutions Regulatory Authority ("NBIFIRA") for approval and the approvals were granted on 25 November 2019 and 09 June 2020, respectively. The reporting year-end of financial statements moved to December 31 and as a result the group will submit audited financial statements for 18 months being 6 months to 31 December 2019 and full year December 2020. The interim report is based on the 30 June 2020 unaudited results.

#### Basis of Preparation and Accounting Policies

The Group unaudited financial statements 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

The Group recognises this has been the most challenging period, Covid 19 pandemic had a negative impact and disruptions to the operations of the group. The government-imposed restrictions on the operations of the group impacted the ability of the group to disburse loans to its customers. The Group put measures in place to navigate through this challenging times and alternative means of assisting our customers were put in place.

The resilience of the group resulted in outstanding performance through optimisations of the resources at our disposal. The Group after tax profit for the period increased by 2513% from BWP 0.5M in June 2019 to BWP 13.6M. The increase in profitability was due to lower impairments on loans and impairments. Group revenue of BWP 92M in June 2020 remained relatively stable with a marginal growth of 0.2%. The group's loan collection rate remains high at an average first strike of 98%, this has enabled the Group to

achieve the impairment to loan book ratio of 10% in June 2020 a reduction of 1% from 11% in June 2019. Cost to income ratio of 58% is within Group expectation and leaves the Group well positioned to increase operating leverage in the future.

Total assets increased by 56% from BWP 240M in June 2019 to BWP 376M in June 2020 also strengthening the Group's ability to make more returns from the deployed assets. An increase of 29% in other financial borrowings is in line with the Group's aim to continually leverage from debt to fund growth of the loanbook.

#### Directorate

The Board would like to advise of the resignation of Mr. Jeffrey Sibisibi who was also the chairman of the board on 28 February 2020. Furthermore, Mr Dirk Petrus Van Der Merwe and Mr Marshal Chimedza resigned from the Group board on 22 May 2020 and 23 July 2020, respectively. The board would like to take this opportunity to extend gratitude their years of service to the group and wish them well in their future endeavours.

Mrs. Masego Marobela was duly appointed as the chairman of the re-constituted group board on 25 June 2020. The group looks forward to strong leadership underpinned by strong corporate governance from this board.

#### Outlook

The strategic objective of FirstCred is to retain and grow its market share throughout sub-Saharan Africa through a sustainable business model that offers competitive interest rates, an evolving and innovative product suite. The current economic environment which has been significantly affected by Covid 19 has also presented opportunities in transformation through technology, the group continues to exploit the available resources to deliver a customer centric and quick credit decisions and loan disbursements.

The Group has applied to the regulatory authorities, to expand lending to Small and Medium Enterprises ("SMEs") which will allow the Company to increase its offering and continue to drive financial inclusion for small business.

In view of our new strategic shift the group's operations will diversify into the region following the acquisition of 52% of Finclusion Group at the end of December 2020. With this acquisition, the Group now operates in Eswatini, Kenya and Namibia and South Africa. Prospects for the enlarged group are very bright.

#### For and on behalf of the Board of Directors

**M. Marobela**  
Chairman

**D.M Garekwe**  
Chief Executive Officer

### GROUP CONDENSED UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	Unaudited 30-June-20 BWP	Audited 30-June-19 BWP
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, plant, and equipment	9 834 625	8 492 010
Right of use asset	3 195 292	-
Deferred tax assets	6 609 858	4 790 047
<b>Total Non-Current Assets</b>	<b>19 639 775</b>	<b>13 282 057</b>
<b>Current Assets</b>		
Loans to related parties	142 080 195	90 460 508
Loans to shareholders	-	125 867
Current tax receivable	-	2 838 798
Loan book	143 635 341	112 385 521
Other receivables	46 664 634	17 439 450
Cash and cash equivalents	24 582 872	4 452 443
<b>Total Current Assets</b>	<b>356 963 042</b>	<b>227 702 587</b>
<b>Total Assets</b>	<b>376 602 817</b>	<b>240 984 644</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Stated capital	4 041 075	4 041 075
Reserves	32 804 261	351 178
Retained income	53 297 522	38 014 997
<b>Total Equity Attributable to Owners of the Parent</b>	<b>90 142 858</b>	<b>42 407 250</b>
Non-controlling interest	1 697 458	1 660 514
<b>Total Equity</b>	<b>91 840 315</b>	<b>44 067 764</b>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Finance lease liabilities	740 476	139 914
Lease liabilities	2 202 436	-
<b>Total Non-Current Liabilities</b>	<b>2 942 912</b>	<b>139 914</b>
<b>Current Liabilities</b>		
Bank overdraft	16 528	1 712 657
Other financial borrowings	213 310 558	165 219 259
Current tax payable	538 025	-
Finance lease liabilities	360 527	314 445
Lease Liabilities	1 241 535	-
Trade and other payables	66 352 416	29 530 605
<b>Total Current Liabilities</b>	<b>281 819 589</b>	<b>196 776 966</b>
<b>Total Liabilities</b>	<b>284 762 501</b>	<b>196 916 880</b>
<b>Total Equity and Liabilities</b>	<b>376 602 817</b>	<b>240 984 644</b>

### GROUP CONDENSED UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2020

### GROUP CONDENSED UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2020

	Stated capital BWP	Other reserves BWP	Share based payment reserve BWP	Retained income BWP	Total attributable to owners of the parent BWP	Non-controlling interest BWP	Total equity BWP
<b>Balance at 1 July 2018</b>	<b>4 041 075</b>	<b>-</b>	<b>323 046</b>	<b>37 633 015</b>	<b>41 997 136</b>	<b>1 519 258</b>	<b>43 516 394</b>
Profit for the period	-	-	-	381 982	381 982	141 256	523 238
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>381 982</b>	<b>381 982</b>	<b>141 256</b>	<b>523 238</b>
Change in control	-	-	-	-	-	-	-
Value of employee services	-	-	28 132	-	28 132	-	28 132
<b>Balance at 30 June 2019</b>	<b>4 041 075</b>	<b>-</b>	<b>351 178</b>	<b>38 014 997</b>	<b>42 407 250</b>	<b>1 660 514</b>	<b>44 067 764</b>
Profit for the year	-	-	-	13 634 324	13 634 324	36 943	13 671 267
Acquisition of subsidiary-Getsure Legal	-	-	-	1 648 201	1 648 201	-	1 648 201
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15 282 525</b>	<b>15 282 525</b>	<b>36 944</b>	<b>15 319 468</b>
Change in control	-	-	-	-	-	-	-
Value of shares to be issued	-	32 453 083	-	-	32 453 083	-	32 453 083
<b>Balance at 30 June 2020</b>	<b>4 041 075</b>	<b>32 453 083</b>	<b>351 178</b>	<b>53 297 522</b>	<b>90 142 858</b>	<b>1 697 458</b>	<b>91 840 315</b>

### GROUP CONDENSED UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2020

	Unaudited 30-June-20 BWP	Audited 30-June-19 BWP
Revenue	92 030 502	91 881 161
Loan impairments	853 551	(10 236 231)
Other income	9 757 687	8 925 479
Operating expenses	(71 640 219)	(74 046 790)
<b>Operating profit</b>	<b>31 001 521</b>	<b>16 523 619</b>
Investment revenue	21 216 296	14 820 587
Finance costs	(34 868 848)	(25 085 598)
<b>Profit before taxation</b>	<b>17 348 969</b>	<b>6 258 608</b>
Income tax expense	(3 677 702)	(5 735 370)
<b>Profit for the period/year</b>	<b>13 671 267</b>	<b>523 238</b>
<b>Other comprehensive income for the period/year net of taxation</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period/year</b>	<b>13 671 267</b>	<b>523 238</b>
Profit attributable to:		
Owners of the parent	13 634 324	381 982
Non-controlling interest	36 943	141 256
	<b>13 671 267</b>	<b>523 238</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the parent	13 634 324	381 982
Non-controlling interest	36 943	141 256
	<b>13 671 267</b>	<b>523 238</b>

### GROUP CONDENSED UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2020

	Unaudited 30-June-20 BWP	Audited 30-June-19 BWP
<b>Cash flows from operating activities</b>		
Cash (used) or generated in operations	18 793 319	(20 324 139)
Interest revenue received	32 900 441	31 090 241
Investment interest received	76 938	268 511
Interest paid	(20 018 493)	(21 237 905)
Tax paid	-	(2 157 045)
<b>Net cash flows from operating activities</b>	<b>31 752 205</b>	<b>(12 360 337)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant, and equipment	(1 495 068)	(648 108)
Proceeds on sale of property, plant, and equipment	265 000	3 449
Payments received from loans to related parties	1 915 911	42 045 985
Advances to related parties	(20 265 173)	(47 071 723)
<b>Net cash flows from investing activities</b>	<b>(19 579 330)</b>	<b>(5 670 397)</b>
<b>Cash flows from financing activities</b>		
Repayment of other financial borrowings	(48 097 737)	(6 734 126)
Proceeds from other financial borrowings	61 292 483	17 969 704
Repayment of lease liabilities	(2 993 639)	-
Finance lease payments	(530 896)	(288 922)
<b>Net cash flows from financing activities</b>	<b>9 670 211</b>	<b>10 946 656</b>
<b>Total cash movement for the year</b>	<b>21 843 086</b>	<b>(7 084 077)</b>
Cash and cash equivalents at the beginning of the year	2 739 786	9 823 863
<b>Total cash and cash equivalents at the end of the year</b>	<b>24 582 872</b>	<b>2 739 786</b>