



# EXPRESSCREDIT COUNTRY INFO & FORECASTS

# Group Executive Summary

- Established in 2016 with HQ and Shared Service Centre in Europe, ExpressCredit Group is a technology and data-driven, online and offline consumer lending company operating in Sub-Saharan Africa.
- Group has achieved EBITDA break-even by end of Q2 2019. The performance of EBITDA in 2019 increased over five fold against 2018 results and continued growing in 2020 and 2021 despite COVID-19.
- Diversified risk profile with presence in three countries: ExpressCredit operates in Namibia, Botswana, and Lesotho.
- A data-driven mind-set and the latest technologies have helped ExpressCredit to grow a controlled, well-performing net loan portfolio in excess of €23m.
- ExpressCredit is facilitating its growth by forming solid partnerships in all countries of operation. Various partners help to ensure diversification of its products, well managed credit risk, additional income lines, as well as mitigation of forex risk.

**16.7m**  
2021 JAN-NOV  
REVENUES

**€112m+**  
LOANS ISSUED SINCE  
INCEPTION

**€6.8m**  
2021 JAN-NOV  
EBITDA

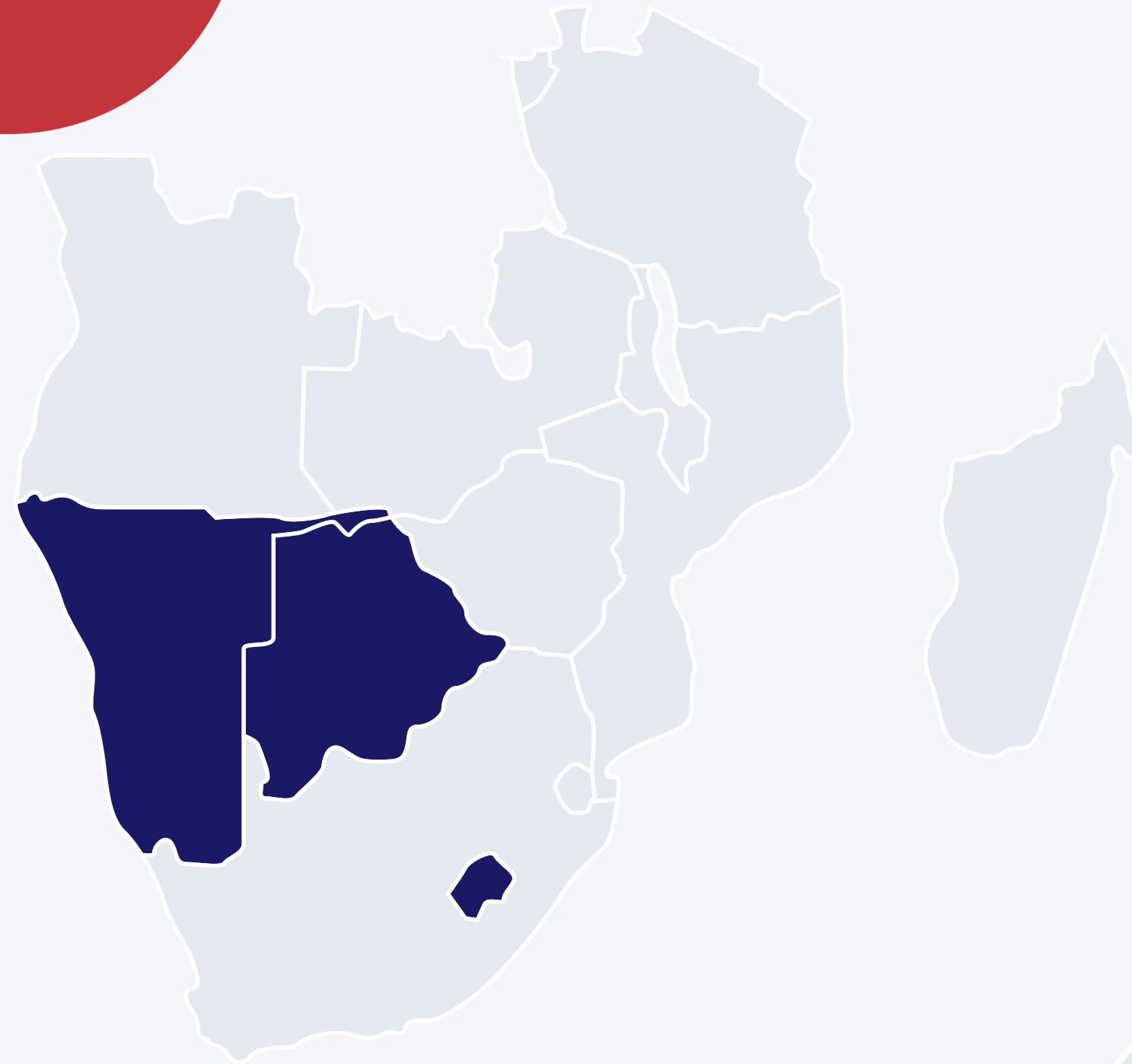
**26.9%**  
EQUITY/ASSETS  
RATION

**€23.4m**  
NET PORTFOLIO

**300+**  
EMPLOYEES



# EXPRESSCREDIT





# ExpressCredit Countries



## NAMIBIA

**Population:** 2.5m

**Currency:** Namibian dollar (NAD)

**Launched:** 2018

**Staff:** 83 employees

**Sales channels:** 21 branches, call centre, 60 direct sales agents

**Products:** Short-Term payday, instalment loan with tenure 2-5 months, Instalment loan with a maximum tenure of 3 years to government employees

**Disbursement:** bank account

**Regulator:** Namibia Financial Institutions Supervisory Authority (NAMFISA)

**Pricing regulation:** 1-5months capped at 30% over the loan term, 6 months plus is linked to the prime rate

**Board of Directors:** Yes



## BOTSWANA

**Population:** 2.3m

**Currency:** Botswana pula (BWP)

**Launched:** 2017

**Staff:** 63 employees

**Sales channels:** 10 branches, call centre, 400 direct sales agents

**Products:** Instalment loan with a maximum tenure of 10 years to government employees. Open Market Instalment loans, short term instalment loans

**Disbursement:** bank account

**Regulator:** Non-Bank Financial Institutions Regulatory Authority (NBFIRA)

**Pricing regulation:** No regulation on cost of credit

**Board of Directors:** Yes



## LESOTHO

**Population:** 2.1m

**Currency:** Lesotho loti (LSL)

**Launched:** 2020

**Staff:** 7 employees

**Sales channels:** 2 branches, 10 agents and 15 agents via partnership agreement

**Products:** Instalment loan with a maximum tenure of 3 years to government employees

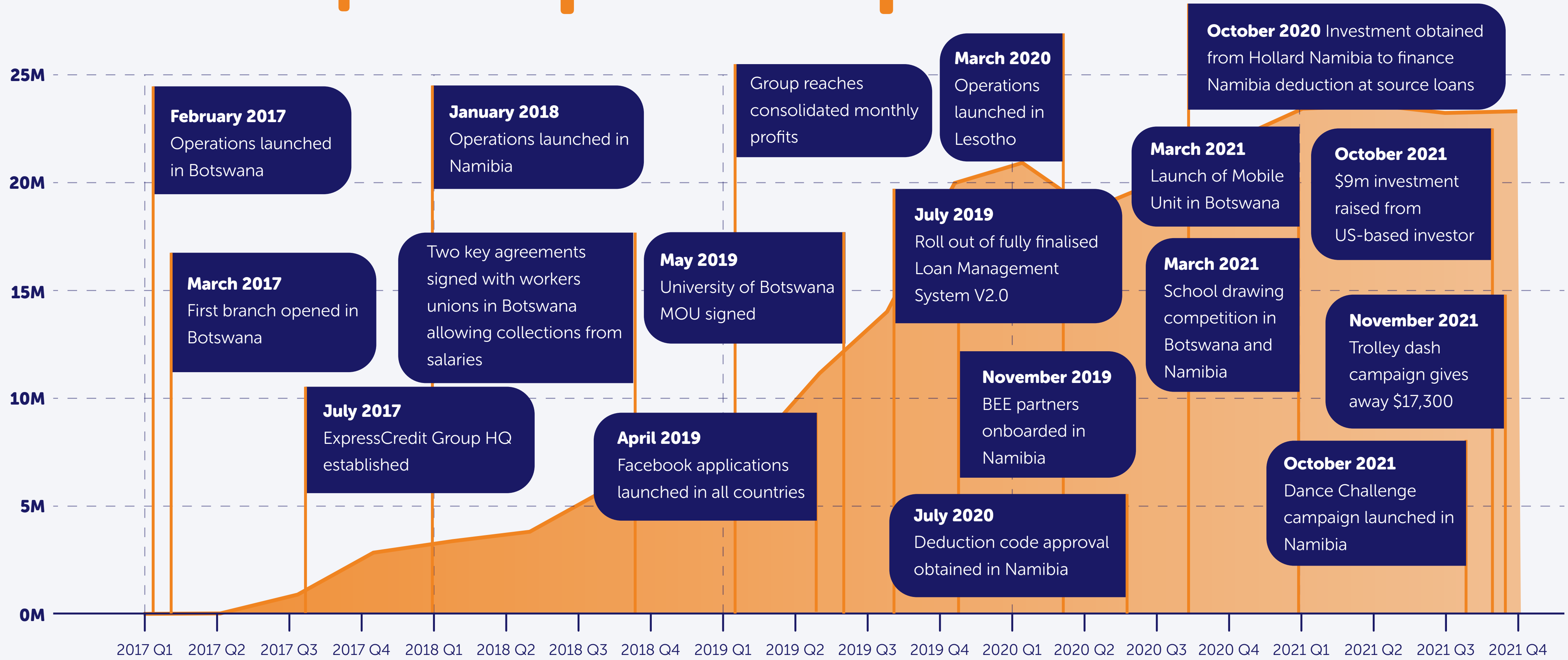
**Disbursement:** bank account

**Regulator:** Central Bank of Lesotho

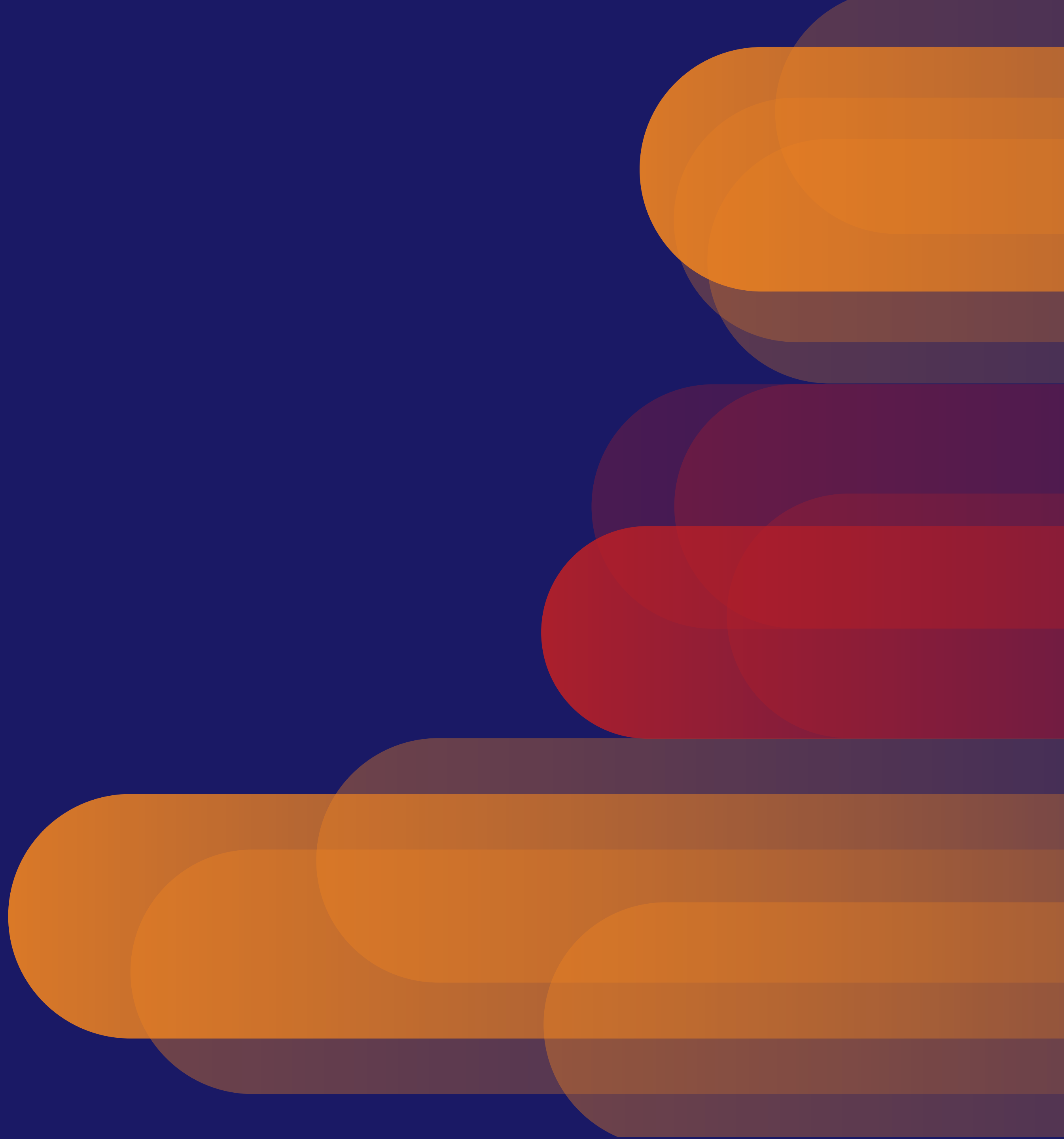
**Pricing regulation:** No

**Board of Directors:** Yes

# Timeline | Group Development



# **EXPRESSCREDIT NAMIBIA**



# ExpressCredit Namibia at a Glance

- After starting active operations in 2018, ExpressCredit Namibia has become one of the fastest-growing lending companies in the country, using technology and data-driven approach to offer its products both offline and online.
- **Diversified risk profile with various loan products and means of collection:**
  - Loan book represents three products: payday loans (maximum tenure of 1 month), instalment loans (maximum tenure of 5 months) and term lending with tenure from 6 months – 3 years.
- ExpressCredit Namibia has built a sizeable well-performing short-term product loan portfolio in gross amount of €6.0m. Returning customer rate at 84% keeps to maintain and grow the book despite relatively short tenure of core product.
- Strong unit economics for all products, fast growing sales network, experienced management team as well as continuous support from the parent entity has placed ExpressCredit amongst market leaders in Namibia.

**€6.4m**

2021 JAN-NOV  
REVENUES

**€58m+**

LOANS ISSUED SINCE  
INCEPTION

**€1.5m**

2021 JAN-NOV EBITDA  
(before FX)

**5.64%**

NPL /  
LOANS ISSUED

**€5.7m**

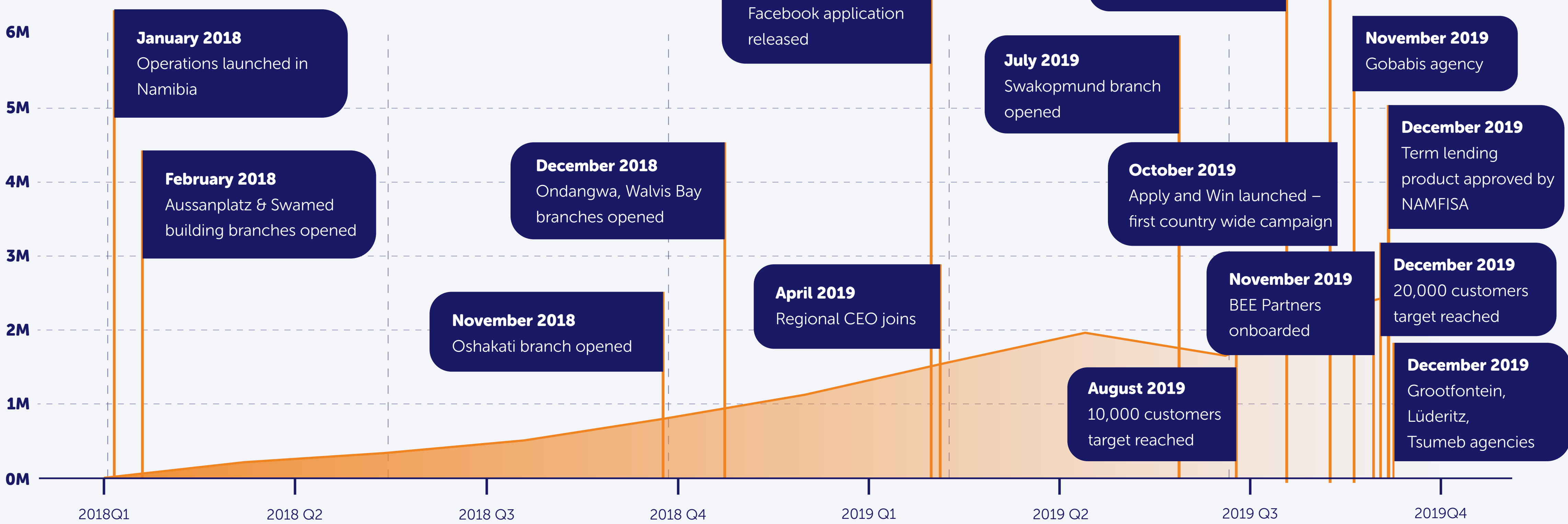
NET PORTFOLIO

**83**

EMPLOYEES

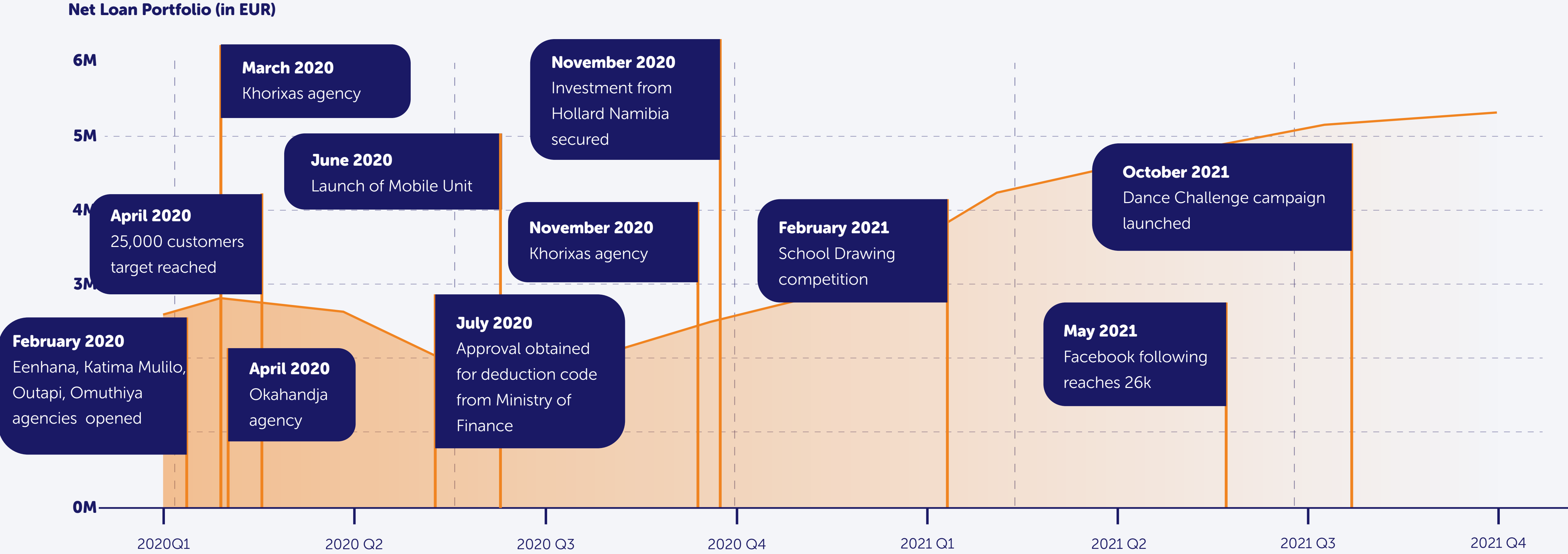
# Timeline | Namibia Development

Net Loan Portfolio (in EUR)





# Timeline | Namibia Development



# Timeline | Namibia Development

The end of 2019 marked a start of rapid expansion of both the branch network and onboarding of direct sales agents. ExpressCredit is now offering its products across 22 branches strategically placed to reach two thirds of the country demographics.



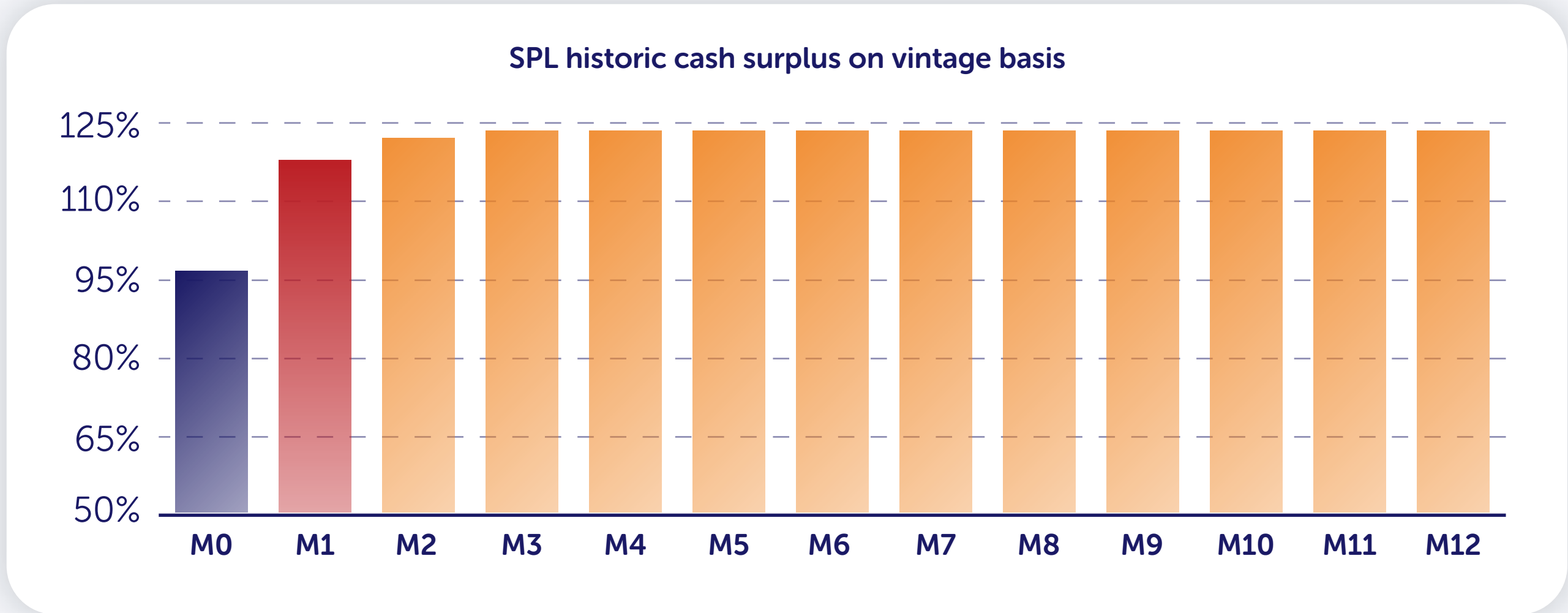


# Namibia Products

Loan type	Single Payment Loans	Instalment Loans Open Market
Loan amount	max N\$8,000	max N\$30,000
Tenture	30 days up to next salary	2-5 months
Interest per month	25%	6-15%
Methods of repayment	Direct debit (ENDO), if failed – card POS payments, cash payments in branches, repeat direct debit submissions	Direct debit (ENDO), if failed – card POS payments, cash payments in branches, repeat direct debit submissions
Average ticket	EUR 120	EUR 400
ID and AML checks	<ul style="list-style-type: none"> <li>National ID card or valid Passport</li> <li>3 months Bank statement</li> </ul>	<ul style="list-style-type: none"> <li>National ID card or valid Passport</li> <li>3 months Bank statement</li> </ul>
Affordability requirements	Debt burden ratio of maximum 45% of net monthly income	Debt burden ratio of maximum of 30% of net monthly income
Other checks	<ul style="list-style-type: none"> <li>Creditbureau checks</li> <li>Bank statements (income and expenditure checks)</li> <li>Latest payslip</li> </ul>	<ul style="list-style-type: none"> <li>Creditbureau checks</li> <li>Bank statements (income and expenditure checks)</li> <li>Latest payslip</li> </ul>
Target audience	<ul style="list-style-type: none"> <li>Government and private sector employees with permanent or temporary employment</li> <li>Citizens and Residents of Namibia, age 19-75 years</li> </ul>	<ul style="list-style-type: none"> <li>Government and private sector employees with permanent or temporary employment (contract must remain valid throughout the loan facility)</li> <li>Citizens and Residents of Namibia, age 19-75 years</li> </ul>
Distribution channels	Branches, Mobile Unit, DSAs, WEB, Facebook, Partnerships	Branches, Mobile Unit, DSAs, WEB, Facebook, Partnerships

# Namibia Single Payment Loan Cash Flow

- Surplus calculated as total collections from loan portfolio over lifetime divided by loan principal amount.
- FPD60d – the ratio of loans delaying their first payment within 60 days after loan origination.
- 30 days product up to €400  
25% monthly interest  
NAMFISA fees and levies capitalised.
- Deduction methods - direct debit ENDO.
- High velocity leads to very high annual IRR of 318%.



**318%**

Annual IRR

**1 month**

Full cash payback  
time

**123%**

Cash Surplus on  
vintage basis

**3.6%**

FPD60d

**€120**

Average ticket

**€16.6m**

Total volume issued

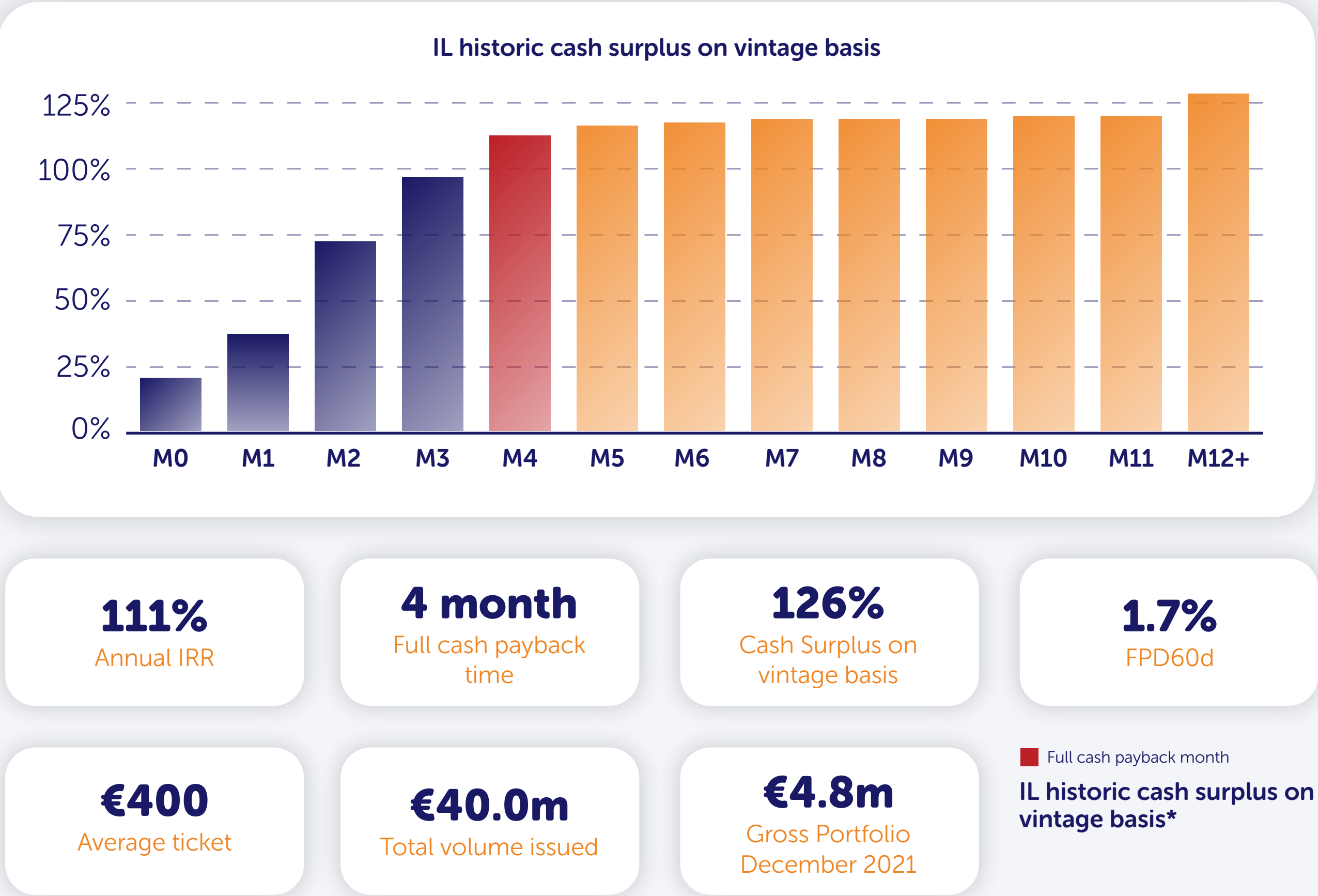
**€556k**

Gross Portfolio  
December 2021



# Namibia Instalment Loan Cash Flow

- Surplus calculated as total collections from loan portfolio over lifetime divided by loan principal amount.
- FPD60d – the ratio of loans delaying their first payment within 60 days after loan origination.
- 5 month product up to €1,500  
6%-15% monthly interest  
NAMFISA fees and levies capitalised.
- Deduction methods - direct debit ENDO.
- High velocity leads to high annual IRR of 111%.



# Namibia Statement of Profit and Loss

EUR'000	2018	2019	2020	2021
Income	455	2,418	3,958	6,321
Interest expenses	(42)	(266)	(587)	(674)
Change in provisions	(154)	(1,149)	(437)	(1,025)
<b>GROSS PROFIT / (LOSS)</b>	<b>259</b>	<b>1,003</b>	<b>2,934</b>	<b>4,622</b>
Salaries and related taxes	(214)	(439)	(876)	(892)
Direct operating expense	(146)	(455)	(535)	(694)
Indirect operating expense	(58)	(939)	(1,689)	(2,138)
of which Amortisation and depreciation	(11)	(28)	(185)	(218)
Marketing expense	(23)	(208)	(98)	(164)
<b>OPERATING PROFIT/(LOSS)</b>	<b>(194)</b>	<b>(1,066)</b>	<b>(449)</b>	<b>517</b>
Foreign exchange result	(114)	29	(379)	(58)
<b>NET PROFIT/(LOSS) BEFORE TAXES</b>	<b>(307)</b>	<b>(1,036)</b>	<b>(828)</b>	<b>459</b>
Profit tax	-	295	(84)	248
<b>NET PROFIT/(LOSS)</b>	<b>(307)</b>	<b>(742)</b>	<b>(912)</b>	<b>707</b>
EBITDA before FX	(140)	(772)	323	1,409
Loans issued	2,441	10,199	12,889	21,957
Employees	21	61	81	83
Branches	5	15	21	21



# Namibia Statement of Financial Position

EUR'000	2018	2019	2020	2021
PPE & IA	48	127	249	287
Gross portfolio	1,005	4,088	4,438	6,624
Expected credit losses	(144)	(1,205)	(780)	(1,153)
Net loan portfolio	861	2,883	3,658	5,471
Cash & Bank	156	630	860	678
Deferred tax asset	-	-	304	551
Other assets	14	375	974	1,612
<b>Total Assets</b>	<b>1,078</b>	<b>4,015</b>	<b>6,046</b>	<b>8,599</b>
Share capital	0	0	2,549	2,536
Retained earnings	(519)	(1,613)	(1,943)	(1,226)
Total equity	(519)	(1,613)	607	1,311
Mintos debt	-	1,751	1,674	2,032
Related party borrowings	1,555	3,056	1,334	1,561
Other borrowings	-	-	834	1,874
Other payables	42	821	1,597	1,822
Total liabilities	1,597	5,628	5,439	7,289
<b>Equity and Liabilities</b>	<b>1,078</b>	<b>4,015</b>	<b>6,046</b>	<b>8,599</b>

# **EXPRESSCREDIT BOTSWANA**





# ExpressCredit Botswana at a Glance

- Established in 2016 and launched operations in January 2017, ExpressCredit Botswana is the country's one of the fastest growing microlenders, currently amongst top 6 lenders (according to Non-Bank Financial Institutions Regulatory Authority (NBFIRA)).
- In 2021 the Company has generated EBITDA before FX in amount of EUR 4.9 million.
- **Diversified risk profile with various loan products and collection means**
  - Current core portfolios consist of government sector loans, loans to employees of corporate partners, loans to employed population with stable income.
  - The Company applies deduction at source, card and account deductions for efficient collection.
- Latest technologies, wide DSA network in the country and the expansion of the branch network has helped ExpressCredit Botswana to build a sizeable well-performing net loan portfolio in amount of €19.3m.
- Historic NPL to Loans issued ratio for the deduction at source product is 2.69% whilst strict underwriting rules and credit risk management results in low NPL to loans issued ratio of 1.27% for the loans issued since Jan 2020.

**€10m**

2021 JAN-DEC  
REVENUES

**€52m+**

LOANS ISSUED SINCE  
INCEPTION

**€4.9m**

2021 JAN-DEC EBITDA  
(before FX)

**2.69%**

NPL /  
LOANS ISSUED

**€19.3m**

NET PORTFOLIO

**63**

EMPLOYEES

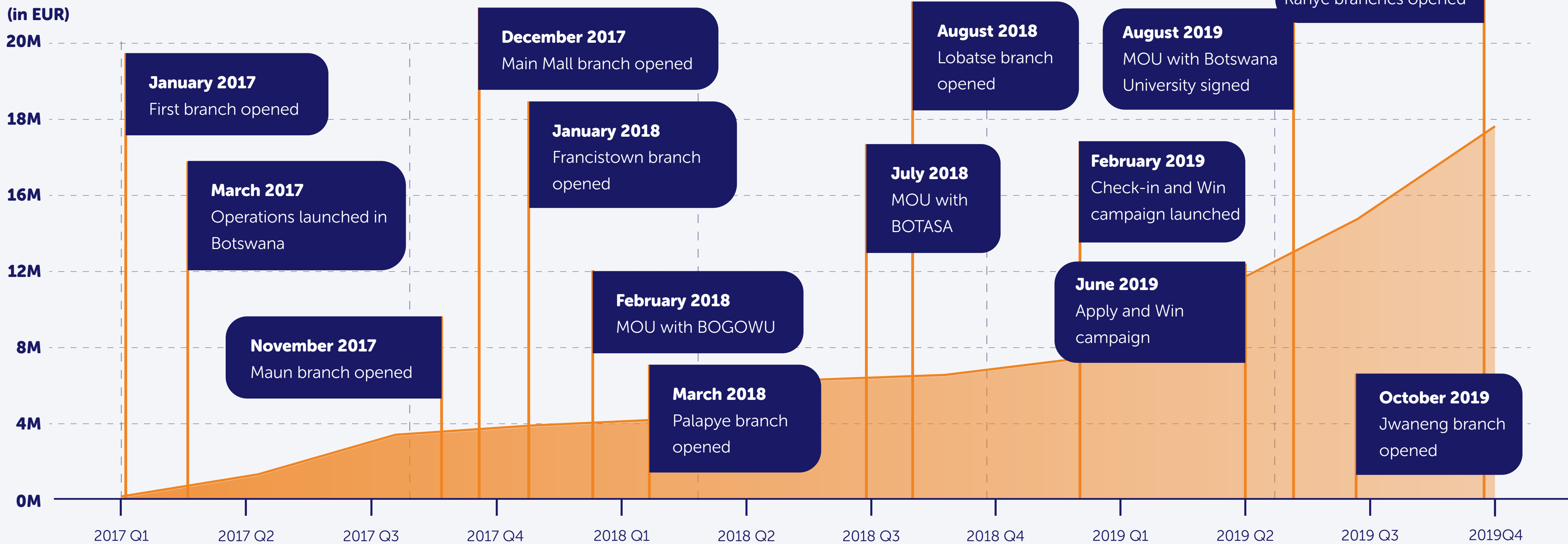
# ExpressCredit Botswana at a Glance

Operating across 11 branches and a Call centre in Gaborone. More than 400 direct sales agents use branches as their support points to service customers.

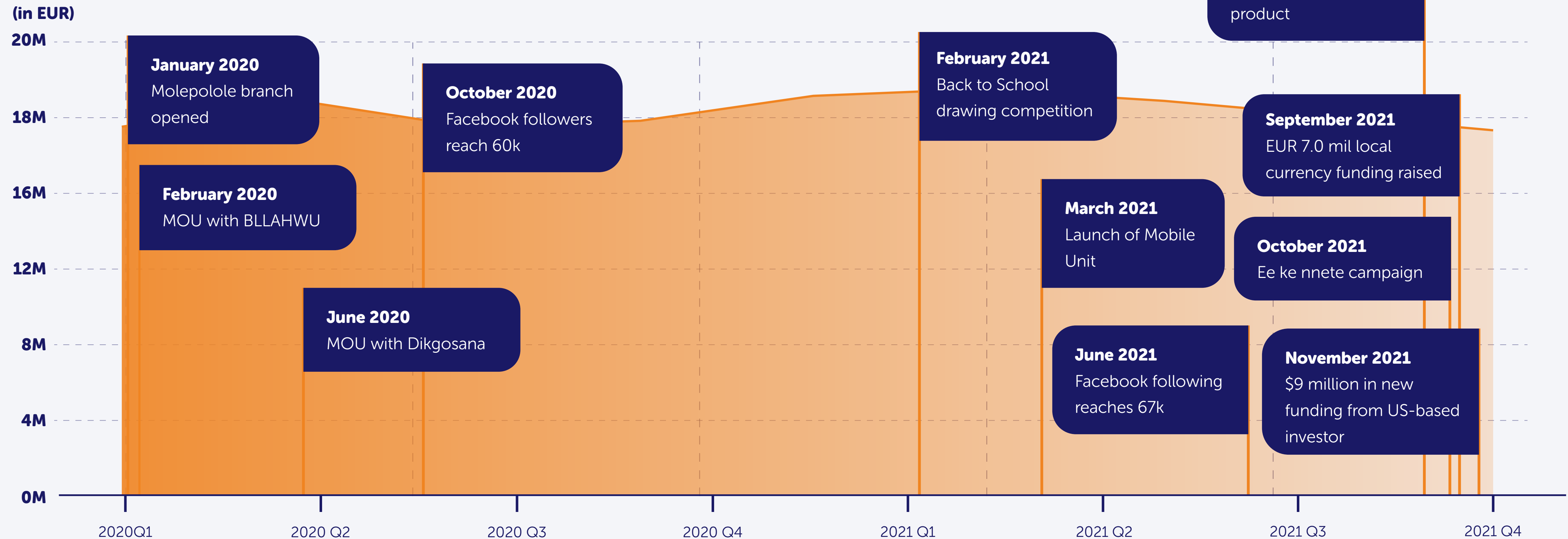




# Timeline of ExpressCredit Botswana Development



# Timeline of ExpressCredit Botswana Development





# Botswana Products

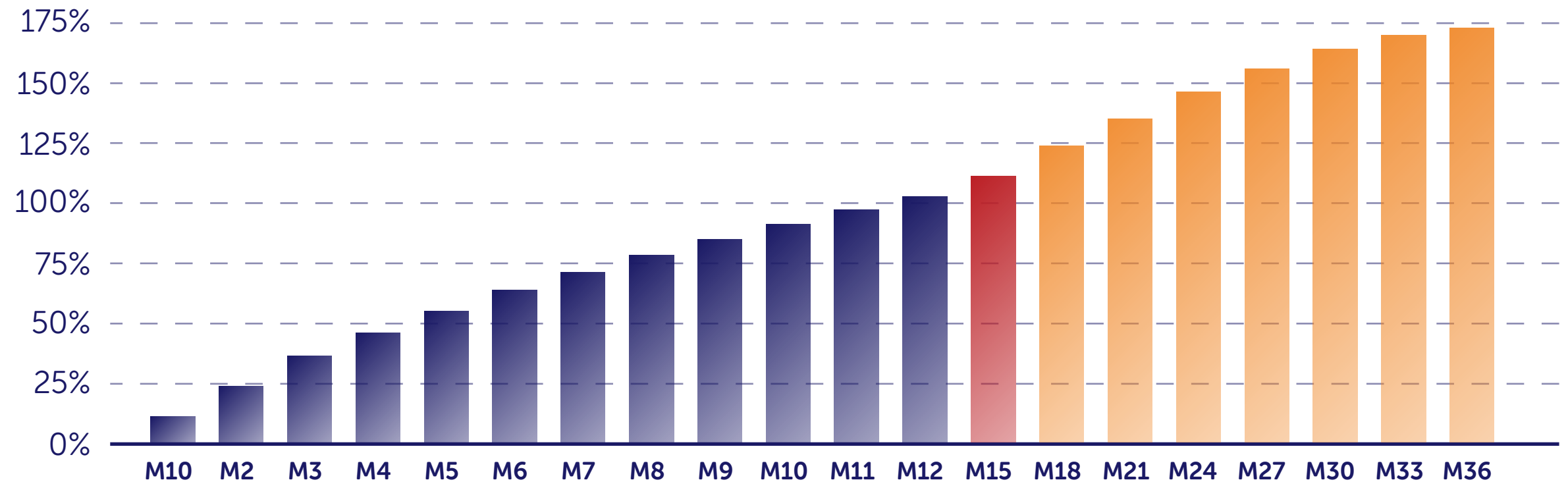
Loan type	Open market Instalment Loan	Instalment loan with Deduction at source
Loan amount	up to P25,000	up to P300,000
Tenture	up to 24 months	Up to 10 years
Interest per month	8-17%	4-10%
Methods of repayment	Direct debit, Card payments	Deduction at source from salaries before the payout
Average ticket	EUR 970	EUR 3,400
ID and AML checks	<ul style="list-style-type: none"> <li>• Omang [National Identity document] / Passport for non-citizen</li> <li>• Residential address shall be confirmed either in employment confirmation letter, latest utility bill or Affidavit</li> </ul>	<ul style="list-style-type: none"> <li>• Omang [National Identity document] / Passport for non-citizen</li> <li>• Residential address shall be confirmed either in employment confirmation</li> </ul>
Affordability requirements	30% Debt Service Ratio	P600 if basic salary < P3,000, P1,500 if basic salary > P3,000 and employee is married, P1,300 if basic salary > P3,000 and employee not married
Other checks	<ul style="list-style-type: none"> <li>• Original 2 months bank statement to verify and validate salary credits and other deductions</li> <li>• Copy of valid bank debit card</li> <li>• Original employment confirmation letter and residential address (can be confirmed either in employment letter or utility bill)</li> <li>• Original latest payslip</li> <li>• Credit history check</li> <li>• Politically Exposed Persons (PEPs) &amp; Prominent Influential Persons (PIPs) checks</li> </ul>	<ul style="list-style-type: none"> <li>• Original 1 month bank statement to verify and validate salary</li> <li>• Original employment confirmation letter and residential address (can be confirmed either in employment letter or utility bill)</li> <li>• Latest payslip</li> <li>• Politically Exposed Persons (PEPs) &amp; Prominent Influential Persons (PIPs) checks</li> </ul>
Target audience	Customers in permanent employment, receiving salary in their bank account	Government and parastatal employees, members and non-members of unions (the pricing differs)
Distribution channels	DSA's, Branches, Mobile Unit, Web, Facebook	DSA's, Branches, Mobile Unit, Web, Facebook

# Botswana Deduction at Source Loans

## Cash Flow

- Surplus calculated as total collections from loan portfolio over lifetime divided by loan principal amount.
- 4.0% average monthly effective interest income.
- Deduction at source from salaries before the payout (regulated by the government take home minimum limit)

Historic cash surplus on vintage basis



**63%**

Annual IRR

**15 month**

Full cash payback time

**160%**

3 Year Cash Surplus on vintage basis

**0.2%**

FPD30

**€3,400**

Average ticket

**€41.6m**

Total volume issued

**€13.4m**

Gross Portfolio December 2021

**69 months**

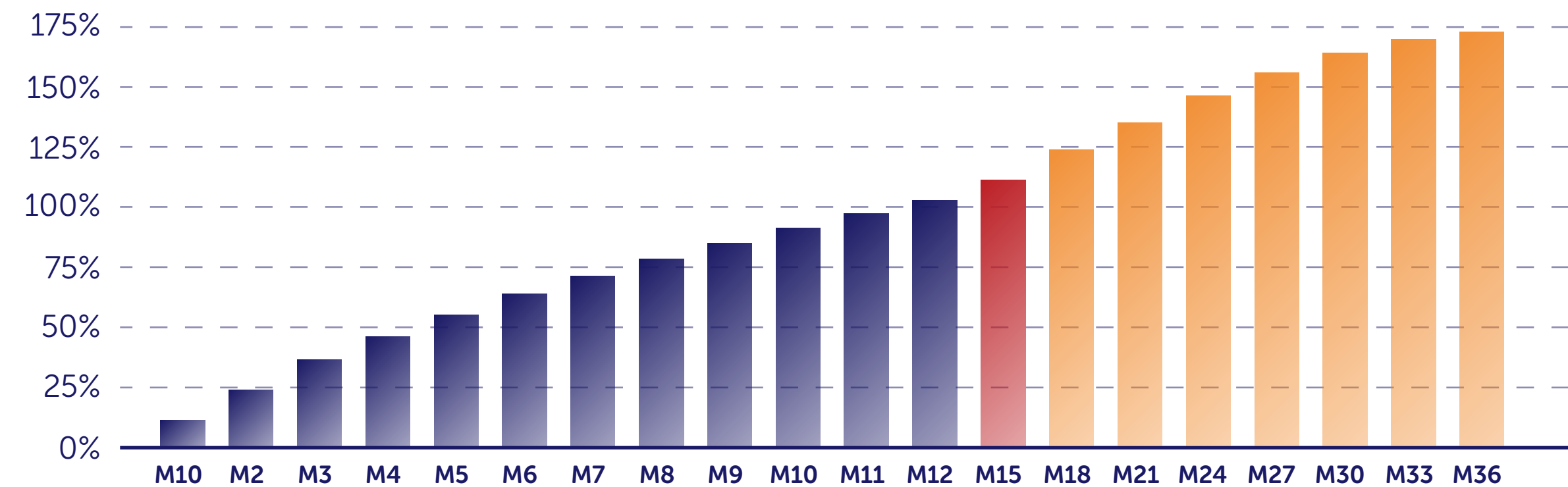
Average Tenure



# Botswana Open Market Loan Cash Flow

- Surplus calculated as total collections from loan portfolio over lifetime divided by loan principal amount.
- 24 month product up to €2,000.
- 10.8% monthly interest.
- Direct debit and card collection by submitting files to different banking platforms.
- More strict underwriting rules applied due to Covid 19 pandemic have allowed to keep the collections rates relatively intact.

Historic cash surplus on vintage basis



**162%**

Annual IRR

**12 month**

Full cash payback  
time

**165%**

3 Year Cash Surplus on  
vintage basis

**4.2%**

FPD30

**€800**

Average ticket

**€9.5m**

Total volume issued

**€3.1m**

Gross Portfolio  
December 2021

**17 months**

Average Tenure

# Botswana Statement of Profit and Loss

EUR'000	2018	2019	2020	2021
Income	3,000	6,720	10,048	9,902
Interest expenses	(1,041)	(1,523)	(2,691)	(2,962)
Change in provisions	(2,060)	(565)	(1,307)	(389)
<b>GROSS PROFIT / (LOSS)</b>	<b>(100)</b>	<b>4,632</b>	<b>6,050</b>	<b>6,552</b>
Salaries and related taxes	(746)	(759)	(552)	(700)
Direct operating expense	(534)	(666)	(1,101)	(1,026)
Indirect operating expense	(136)	(1,173)	(2,004)	(2,919)
of which Amortisation and depreciation	(110)	(111)	(254)	(197)
Marketing expense	(204)	(417)	(100)	(154)
<b>OPERATING PROFIT/(LOSS)</b>	<b>(1,831)</b>	<b>1,507</b>	<b>2,038</b>	<b>1,556</b>
Foreign exchange result	(262)	132	(1,674)	(176)
<b>NET PROFIT/(LOSS) BEFORE TAXES</b>	<b>(2,094)</b>	<b>1,639</b>	<b>364</b>	<b>1,380</b>
Profit tax	-	22	(287)	(168)
<b>NET PROFIT/(LOSS)</b>	<b>(2,094)</b>	<b>1,660</b>	<b>78</b>	<b>1,212</b>
EBITDA before FX	(680)	3,140	4,983	4,715
Loans issued	7,388	17,448	14,709	9,704
Employees	42	46	46	53
Branches	5	10	10	10



# Botswana Statement of Financial Position

EUR'000	2018	2019	2020	2021
PPE & IA	301	252	393	304
Gross portfolio	7,862	19,454	23,170	21,422
Expected credit losses	(2,255)	(2,378)	(2,623)	(2,298)
Net loan portfolio	5,607	17,076	20,547	19,124
Cash & Bank	562	511	645	3,057
Deferred tax asset	-	376	585	328
Other assets	160	1,253	2,413	4,665
<b>Total Assets</b>	<b>6,630</b>	<b>19,468</b>	<b>24,582</b>	<b>27,477</b>
Share capital	0	4,920	5,206	5,199
Retained earnings	(2,648)	(947)	(773)	440
Total equity	(2,648)	3,973	4,433	5,640
Mintos debt	3,718	13,220	15,038	2,918
Related party borrowings	5,039	(8)	-	-
Other borrowings	-	-	-	15,102
Other payables	521	2,283	5,111	3,818
Total liabilities	9,278	15,496	20,149	21,838
<b>Equity and Liabilities</b>	<b>6,630</b>	<b>19,468</b>	<b>24,582</b>	<b>27,477</b>



# APPENDIX



# Marketing Activities

 **ExpressCredit**.com.na

## STOP DREAMING START DOING

New skills, new degree or your dream holiday  
from as little as **N\$ 780 per month**

**Apply now and  
get money same day!**

- Any of our branches countrywide
- Online at [www.expresscredit.com.na](http://www.expresscredit.com.na)
- Call 061 227 117
- Meet one of our direct sales agents
- Spot our branded mobile unit in your area (follow us on Facebook @ExpressNam)



 **ExpressCredit**

## Yes, it's true!

# 0%

**On your  
first loan**

**For all new ExpressCredit clients**  
Your first loan interest free! Get up to  
N\$ 8000 and repay back in 30 days just  
what you borrow. No single cent extra,  
no hassle, no fuss!

**APPLY NOW**

**Call:** 081 9500 500  
**Dial:** \*142\*32274#  
**Send SMS:** ZERO to 32774  
**Email:** [applications@expresscredit.com.na](mailto:applications@expresscredit.com.na)  
**Visit:** [expresscredit.com.na](http://expresscredit.com.na)

Borrowing more than you can afford to repay can lead to severe financial difficulties! Amount: N\$ 500 - N\$ 8000. The content presented is for informative purposes only. T&Cs apply.



 **ExpressCredit**

## What do I need to apply?

- National ID card or passport
- Copy of the latest payslip
- One month bank statement stamped by the bank
- Employment reference letter

 **5250 0298**  
 **[expresscredit.co.ls](http://expresscredit.co.ls)**



 **ExpressCredit**

## Ntlatse loan

Maximum of **P5000**  
repayable over 3 months

-  **Apply online**  
[expresscredit.co.bw](http://expresscredit.co.bw)
-  **Visit a branch**
-  **316 5512**

Borrowing more than you can afford to repay can lead to severe financial difficulties! T&Cs apply.



 **ExpressCredit**

## Live a little

### Motheo loan

Up to P300,000  
repayable over  
10 years

Borrowing more than you can afford to repay can lead to severe financial difficulties! T&Cs apply.



 **ExpressCredit**.co.bw

## I made my dream come true

### What's stopping you?

Get up to P25,000  
repayable over 24 months

 **CALL: 316 5512**

Borrowing more than you can afford to repay can lead to severe financial difficulties! T&Cs apply.





# EE KE NNETE TROLLEY DASH CAMPAIGN





# EXPRESS YOURSELF DANCE CHALLENGE





# SCHOOL DRAWING COMPETITION

