

THIS ABRIDGED CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Abridged Circular should be read in conjunction with the full circular to the shareholders of GetBucks Microfinance Bank Limited ("GetBucks Zimbabwe" or the "Company") dated Thursday, 10 August 2023 and the definitions set out therein. This Abridged Circular is neither a prospectus nor an invitation to the public to subscribe for shares in GetBucks Zimbabwe.

ACTION REQUIRED

1. If you are in any doubt as to the action you should take in relation to this Circular please consult your stockbroker, banker, accountant, attorney or other professional advisor immediately.
2. If you have disposed of all your ordinary shares in GetBucks Zimbabwe, this Circular should be sent to the stockbroker, banker or agent through whom you have disposed of such shares, for onward delivery to the purchaser of your shares.
3. Resident and non-resident registered shareholders of GetBucks Zimbabwe are advised to consult their professional advisors with regard to the implications of the transaction proposed herein as to the effects, on such members, of the prevailing tax and exchange control regulations in Zimbabwe.



GetBucks Microfinance Bank Limited

("GetBucks Bank" or the "Company")

Incorporated in Zimbabwe on 17 January 2012 and converted to a public company limited by shares on 4 November 2015 (Registration number 322/2012)

Address: First Floor MIPF House, 5 Central Avenue, Harare, Zimbabwe



ABRIDGED CIRCULAR TO SHAREHOLDERS

Relating to and seeking approvals for:

The Termination of the Zimbabwe Stock Exchange Listing of GetBucks Microfinance Bank Limited

and incorporating

a Notice of an Annual General Meeting

Sponsoring Brokers



Transfer Secretary



Reporting Accountant and Auditor



Legal Advisors



The Directors, whose names are given are as shown below, collectively and individually accept full responsibility for the accuracy of the information given in this Circular and certify that to the best of their knowledge and belief there are no other facts, the omission of which would make any statement in this Circular false or misleading, that they have made all reasonable enquiries to ascertain such facts and that this Circular contains all such information required by law.

1. Introduction

The Board of Directors of GetBucks Bank convened a meeting on Friday 9 December 2022 where they considered the termination of GetBucks Bank's Zimbabwe Stock Exchange Listing. The Board are of the view that in the current environment in Zimbabwe, a listing on the Zimbabwe Stock Exchange is accruing little benefit to the Company while incurring considerable costs. Trading of the GetBucks Bank shares has not represented a realistic valuation: as at the Last Practicable Date the Company was trading at ZWL 38.50 (thirty-eight dollars and fifty cents in Zimbabwe dollars) per share which represents a market capitalisation of ZWL 44.8 billion or twenty-nine (29) times the value of shareholders equity in the business as at 31 December 2022, a valuation that makes equity capital raising initiatives difficult. The inability to raise capital from institutional investors means that the listing has limited value in terms of a mechanism to raise capital. In the face of a difficult trading environment, the Board has decided to propose to shareholders its delisting from the ZSE due to the rationale outlined below.

2. The Proposed Voluntary Termination of the Listing of GetBucks Bank from the Zimbabwe Stock Exchange

2.1 Rationale for the Termination of the Listing

2.1.1 Limited Liquidity

GetBucks Bank has a total of 1,163,118,377 issued shares, of which only 373,704 shares (approximately 0.03% of issued shares) are held by approximately 498 minority shareholders outside of the top 20 shareholders. Only three shareholders hold a stake of 5% or more. In the past six months total ZSE trading has been under 0.006%, on an annualised basis, of the total shares in issue.

2.1.2 Market Capitalisation

GetBucks Bank has previously sought to court strategic long term equity investment into the business; however, the valuation has proven unrealistic and an impediment. GetBucks has a market capitalisation of over ZWL 44.8 billion as at the Last Practicable Date, which is twenty-nine (29) times the value of shareholders equity in the business as at 31 December 2022. These higher market capitalisation results in increased levies paid to Zimbabwe Stock Exchange.

2.1.3 Onerous Reporting Structures

The ZSE has recently implemented new reporting regulations that have increased the issuance of shareholder reporting from semi-annual to quarterly.

The ZSE precludes the directors and employees from trading in the shares during a closed period. Given that quarterly reporting is now mandatory for ZSE listed companies the closed period is any time between the end of a financial quarter and the associated publication for shareholders. In effect this means that the Company is operating under closed period conditions for roughly half the year, which impacts its ability to buy back shares while listed.

2.1.4 Costs of Listing

Further to this, raising capital on the ZSE has become an expensive undertaking because of the need to produce circulars to shareholders to facilitate capital raising transactions. These circulars require input from professional advisors, the production of hyper-inflation and pro-forma accounts, and carry a production and distribution cost. The ZSE also levies charges for inspection of such circulars. While the need for best practice on the ZSE is understood, it is to the detriment of efficient capital raising for a small, illiquid company such as GetBucks Bank. Fees and Levies imposed by the Zimbabwe Stock Exchange that are based on the market capitalisation have also become onerous expenses for the company.

2.1.5 Conclusion

The Board of Directors of GetBucks Bank are of the view that in the current economic environment in Zimbabwe, a listing on the Zimbabwe Stock Exchange has very little benefit and considerable costs. GetBucks Bank is a very illiquid stock and trading often does not represent a realistic valuation. The lack of capital from institutional investors means that the listing has limited value in terms of a mechanism to raise capital and ongoing legal, compliance and audit costs are an impediment to shareholder returns. In the face of a difficult trading environment the additional costs of being listed, with no compensating benefits, can no longer be borne by the Company. Accordingly, GetBucks Bank has decided to propose to shareholders its delisting from the ZSE.

2.2 Over The Counter Trading of GetBucks Bank Shares

It is GetBucks Bank's intention to act as a floor buyer of shares from its shareholders post termination of the ZSE listing. The share repurchase will be done on a dynamic basis, with pricing communicated through the OTC broker and aligned to the real net asset base of the Company at the end of the previous month.

Resolution 8 in the notice of the AGM of shareholders, which forms part of this Circular, seeks shareholder approval for the repurchase of up to 9,856,785 of the Company's outstanding shareholding. It is the intention of the Directors of the Company to utilise this authority at a future date provided that the cash reserves of the Company are in excess of its requirements and the transactions are considered to be in the best interests of shareholders generally. In considering cash availability the Directors will take account of inter alia, the long-term cash needs of the Company, and will ensure that the Company will remain solvent after the re-purchase.

Ingenium Capital (Private) Limited has undertaken to provide an OTC trading platform to GetBucks Bank shareholders and the investing public following the termination of the listing on the ZSE. It is expected that other market participants may also establish OTC trading. It is GetBucks Bank's intention to maintain a share buyback programme, and to use the OTC market to purchase shares on an ongoing basis, subject to shareholder authorisation, liquidity considerations and general market conditions. In this regard, GetBucks Bank will commit to publishing, on a quarterly basis, a price at which it will purchase shares on the

OTC market. GetBucks Bank's arrangements with regard to participation in the OTC market do not prohibit market participants transacting on the OTC market outside of the terms and pricing of GetBucks Bank participation. Shareholders are advised to contact their brokers with regard OTC trading of stocks.

2.3 Instruction and Authorities

It is proposed that the Directors be entitled and be granted the authority to sign on behalf of GetBucks Bank, all documents required to carry out termination of the listing of GetBucks Bank on the ZSE.

2.4 General

The Directors may agree or consent before or at the Annual General Meeting, to any amendment, variation or modification of the resolutions to be decided. A certificate signed by any Director stating that all the conditions of the Annual General Meeting have been fulfilled and that the resolutions have been passed shall be binding on GetBucks Bank and its shareholders.

2.5 Opinions and Voting Recommendations of Directors

The Directors are conscious of their obligations, both in terms of the common law and the provisions of the Companies and Other Business Entities Act and the ZSE Listing Rules, at all times to –

- act fairly as between shareholders, or different classes of shareholders;
- to ensure that the affairs of the company are not conducted in a manner which is oppressive towards, or unfairly prejudicial to, any shareholders or category of shareholders; and
- generally, to act in the best interests of the Company.

The Directors consider the proposed termination of the listing of GetBucks Bank on the ZSE to be in the best interests of all GetBucks Bank shareholders and to be in the best interests of GetBucks Bank itself. The Directors recommend GetBucks Bank shareholders vote in favour of the AGM resolutions.

3. Regulatory Issues

3.1 Exchange Control Authority

Ownership and transfer of GetBucks Bank ordinary shares registered in the name of non-residents of Zimbabwe are subject to Exchange Control Regulations. As such, any payment of cash to all non-Zimbabwe resident GetBucks Bank shareholders will be made in terms of the regulations and/or rulings of the Reserve Bank of Zimbabwe, to the authorised dealers nominated by each such shareholder for that purpose.

It will be incumbent upon the GetBucks Bank shareholders concerned to instruct their nominated authorised dealer, or failing such nomination, GetBucks Bank, as to the disposal of the relevant proceeds if they choose.

3.2 Tax Considerations

The tax treatment of shareholders is dependent on their individual circumstances and on the tax jurisdiction applicable to such shareholders. Shareholders are advised to consult their professional advisor or banker regarding their individual tax position in relation to the proposed termination of the ZSE listing.

4. Future Prospects

The conclusion of this Transaction as well as subsequent capital raising exercises into the Company will allow management to focus on the key strategic pillars of the business.

5. Experts' Consent

Ingenium Capital (Private) Limited, Grant Thornton Chartered Accountants (Zimbabwe), Mafongoya & Matapura Law Practice, and First Transfer Secretaries (Private) Limited have given and not withdrawn their consent to the issue of this Circular with the inclusion of their names and reports in the form and context in which they appear.

6. Important Dates

Event	Date
Last Practicable Date	Friday, June 30, 2023
Notice Date for the AGM	Thursday, August 10, 2023
Last Date for lodging forms or Proxy relating to the AGM (by 1000hrs)	Monday, August 28, 2023
Record Date for purposes of being entitled to vote in the AGM	Monday, August 28, 2023
AGM of GetBucks Bank shareholders (at 1000hrs)	Thursday, August 31, 2023
Publication of the Results of the AGM	Monday, September 4, 2023
Expected date of de-listing of GetBucks Bank shares from the ZSE	Tuesday, September 5, 2023

7. Documents Available for Inspection

The following documents, or copies thereof, will be available for inspection at the registered Company's offices and at First Transfer Secretaries (Private) Limited, during normal business hours, on weekdays, until Thursday, 31 August 2023:

- the Circular to Shareholders;
- the Memorandum and Articles of Association of GetBucks Bank;
- the audited financial statements of GetBucks Bank for the three financial years ended 31 December 2022, 31 December 2021, and 31 December 2020;
- the written consents of the experts referred to in this Circular.

8. Queries

If you have any questions on any aspect of this Document, please contact your stockbroker, accountant, banker, lawyer or other professional advisor.

9. Notice of Extraordinary General Meeting

NOTICE IS HEREBY GIVEN that the 6th Annual General Meeting (AGM) of the Shareholders of GetBucks Microfinance Bank Limited is to be held virtually, on Thursday 31 August 2023, at 1000 hours, for the purpose of transacting the following business: -

TO CONSIDER and, if deemed fit, to pass, with or without modification, the following Resolutions:

ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements of the Company and the reports of the Directors and Auditors for the years ended 31 December 2021 and 31 December 2022.
2. **Election and Retirement of Directors**
 - i. To note that in terms of article 81 of the Articles of Association, Directors appointed since the last AGM shall retire from office at the end of this AGM and do not offer themselves for re-election. Having been appointed since the last AGM, Mrs. Thembelihle Munowenyu and Ms. Sibusiwe Chibaya retire and do not offer themselves for re-election.
 - ii. To note the resignation of Mr. George Nheweyembwa from his role as Managing Director effective 31 March 2022 and the appointment of Mr. Edwin Chavora as Managing Director with effect from 1 April 2022.
 - iii. To note the resignation of Ms. Ruvimbo Matsika as Non-Executive Directors effective 31 August 2021.
 - iv. To note the resignations of Messrs Patrick Matute, Paul Soko and Dr. Rungamo Mbire as Non-Executive Directors effective 9 August 2022, 3 April 2023 and 5 May 2023 respectively.
 - v. To note the resignation of Mr. Wimbayi Chigumbu from his role as the Chief Finance Officer effective from 30 April 2023.
3. **Amendment of Articles of Association**

To amend article 68.1 (Number of Directors) of the Articles of Association of the Company for alignment purposes with the Companies and Other Business Entities Act by increasing the minimum number of Directors from four (4) to seven (7) and increasing the maximum number of Directors from twelve (12) to fifteen (15).
4. **Directors' Fees**
 - i. To approve the fees paid to Directors of the Company in 2021 as appears on Page 76 of the 2021 Annual Report.
 - ii. To approve the fees paid to Directors of the Company in 2022 as appears on Page 15 and Note 28 of the Abridged Financial Statements for the year ended 31 December 2022.
5. **External Auditors**
 - i. To approve the remuneration of Auditors for the financial year ended 31 December 2021 as detailed on Page 70 of the 2021 Annual Report;
 - ii. To approve the remuneration of Auditors for the financial year ended 31 December 2022 as detailed on Page 14 and Note 22 of the Abridged Financial Statements for the year ended 31 December 2022;
6. **Dividend**

To note that no dividend was declared by the Directors in 2021 and 2022.

SPECIAL BUSINESS

7. **Voluntary Termination of the listing of the Company's shares on the ZSE**

To consider and, if deemed fit, approve that the Company's shares be removed from the Main Board of the Zimbabwe Stock Exchange through voluntary termination of the listing on the Zimbabwe Stock Exchange in terms of section 11 of the ZSE Listing Requirements.

Note that in terms of section 11 of the ZSE Listing Requirements to be effective, this Resolution 7 must be passed by not less than 75% of the votes of all shareholders present or represented by proxy at the AGM. The controlling shareholders, being GetBucks Limited and Afristat Investment Holdings Limited, will not be voting on the de-listing resolution.

8. Establishment of Over-The-Counter Facility to Purchase Company's Own Shares

THAT subject to Special Resolution 7 being carried by the requisite majority, the Company be authorised in advance, in terms of Section 128 of the Companies and Other Business Entities Act [Chapter 24:31] and Article 52 of the Company's Articles of Association, to purchase the Company's own ordinary shares which:

- i. In aggregate in any one financial year, shall not exceed 9,856,785 of the Company's issued ordinary share capital, for the Company cancelling them, subject to the availability of sufficient revenue reserves to undertake the transfer to a Capital Redemption Reserve Fund as required by the Companies and Other Business Entities Act [Chapter 24:31];
- ii. Value of such purchased ordinary shares shall not exceed the net asset value of the Company.

Note that in terms of the Companies and Other Business Entities Act, it is the intention of the Directors of the Company to utilise this authority at a future date provided that the cash reserves of the Company are in excess of its requirements and the transaction is considered to be in the best interests of shareholders generally. In considering cash availability the Directors will take account of inter alia, the long-term cash needs of the Company, and will ensure that the Company will remain solvent after the re-purchase.

9. Directors Authorised To Give Effect To Resolutions

"THAT the directors be and are hereby authorised to do any and all such things as may be necessary to give effect to the above resolutions."

BY ORDER OF THE BOARD

Muchineripi Chigwendere
Company Secretary
GetBucks Microfinance Bank Limited

Directors: R Mbire, E Chavora, W Chigumbu, M Madamombe, J Machiva, P Soko, T. Munowenyu, S. Chibaya